The Johnson Administration, the Shah of Iran, and the Changing Pattern of U.S.-Iranian Relations, 1965–1967

“Tired of Being Treated like a Schoolboy”

✣ Andrew L. Johns

In August 1967 the shah of Iran, Mohammed Reza Pahlavi, met with President Lyndon Baines Johnson in Washington, DC, to discuss matters of mutual concern. High on the list of topics was the Johnson administration’s anxiety over the thawing of relations between Tehran and Moscow, symbolized by the shah’s recent purchase of arms from the Soviet Union. The U.S.-Iranian meetings, which both sides described as “eminently successful,” strengthened the alliance between the United States and Iran, marked the culmination of the patron-client relationship that dated back to 1953, and foreshadowed the evolution of a more balanced strategic partnership in the Middle East in the decade that followed. The positive outcome of the high-level talks eclipsed the intermittent tensions that had characterized U.S.-Iranian relations over the previous two years when the Johnson administration—which was preoccupied with more pressing concerns both at home and abroad, especially in Vietnam—tried to deal with the problems that resulted from the shah’s assertion of independence from the United States and his willingness to negotiate economic and military agreements with the Soviet Union.

The story of those two critical years in U.S.-Iranian relations has rarely gained much attention from scholars. The history of U.S. foreign policy during Lyndon Johnson’s presidency has largely been the history of the Vietnam War. Given the war’s immediate, long-term, and continuing effects on American politics, society, diplomacy, and military policy, the attention focused on the conflict is certainly understandable. But over the last decade, scholars have begun to explore in much greater detail the Johnson administration’s policies...
toward the rest of the world. Unfortunately, U.S.-Iranian relations have not yet been part of this trend, despite Iran's position as the linchpin in U.S. Cold War defense strategy in the Middle East. An overwhelming majority of the existing scholarship on U.S. relations with Iran focuses either on the Eisenhower administration's covert use of the U.S. Central Intelligence Agency (CIA) to help restore the shah to power in 1953 or on the 1979 fundamentalist revolution in Iran and the subsequent hostage crisis. Far less attention has been devoted to U.S. policy in Iran during the two decades after the 1953 coup.


This article explores a key period in the relationship between Washington and Tehran in the shadow of the Vietnam conflict and the overarching Cold War. The article focuses specifically on the maturation of U.S.-Iranian relations from early 1965, when the shah's efforts to assert Iranian independence from the United States increased markedly, to November 1967, when U.S. developmental assistance to Iran formally ended. This period is important for three main reasons. First, it demonstrates that the Johnson administration’s overwhelming preoccupation with the Vietnam conflict, which was being fought in part to maintain U.S. credibility with key allies around the world, led to the neglect of relations with many of those same allies, particularly with Iran. Second, it underscores the centrality of domestic political considerations in forming and understanding foreign policy, both in the United States and in other countries. Third, it suggests that key countries in the Third World understood the nature of the Cold War and used the superpower conflict to their advantage to a much greater degree than previously recognized.

**Johnson’s Inheritance**

Relations between the United States and Iran were generally cordial during Dwight Eisenhower’s presidency but reached a nadir during the John F. Kennedy administration. The United States under Kennedy pressed the Iranian monarch to implement political reforms and focus on modernization and economic development to protect the country against Communist subversion and prevent a recurrence of the events of 1952–1953. As U.S. dissatisfaction


with the slow pace of reform in Iran intensified, unsubstantiated reports (which nonetheless were believable at the time in the wake of recent CIA operations in Iran, Guatemala, and elsewhere) suggested that elements within the U.S. State Department had begun to consider possible alternatives to the shah’s regime if he continued to be intractable in implementing change. Although the shah responded incrementally to U.S. suggestions, he resented the pressure placed on him and suspected that the Kennedy administration might support efforts to remove him. The situation deteriorated to the point that in April 1962, when the shah was visiting Washington, he privately upbraided the president, asserting to Kennedy and Secretary of State Dean Rusk that “we are not your stooges.”

Not only was the shah irritated by U.S. demands for reform and fearful that the Kennedy administration would support a democratic alternative to his regime, but he was also troubled by what he perceived as American pandering to radical Arab nationalists at the expense of Iran’s strategic interests. As a result, he began to entertain thoughts of a more independent policy vis-à-vis the United States. Specifically, the shah started to explore the possibility of a rapprochement with the Soviet Union, having been encouraged by a change in Soviet rhetoric and irritated by U.S. criticism of Iran’s military spending. On 15 September 1962 the Iranian leader announced—much to

7. In a press release on 22 January 1960, the State Department “categorically denied” a report in The Christian Science Monitor the previous week alleging that the United States was “considering a change in policy toward Iran, which would supposedly entail encouraging opposition elements” because of growing U.S. concern about the shah’s regime. See U.S. Department of State, Press Release, 22 January 1960, in Yonah Alexander and Allan Nanes, eds., The United States and Iran: A Documentary History (Frederick, MD: University Publications of America, 1980), p. 315. Indeed, as Barry Rubin notes, regional stability precluded replacing the shah except in the most extreme circumstance. See Rubin, Paved with Good Intentions, p. 104. However, Kennedy noted in 1961, when discussing the Dominican Republic, that “there are three possibilities in descending order of preference: a decent democratic regime, a continuation of the Trujillo regime, or a Castro regime. We ought to aim at the first, but we really can’t renounce the second until we are sure that we can avoid the third.” The situation in Iran was analogous for the United States. If popular dissatisfaction with the shah’s rule threatened the regime and regional stability, the administration would have to consider alternatives—hence the emphasis on reform. Quoted in David F. Schmitz, Thank God They’re on Our Side: The United States & Right-Wing Dictatorships, 1921–1965 (Chapel Hill: University of North Carolina Press, 1999), p. 4.


9. Whereas the United States was preoccupied with the Soviet threat, the shah was more concerned about the threat posed by Iraqi and Egyptian ambitions in the region. In the Middle East, as Salim Yaqub points out, U.S. “preoccupation with the Cold War was pervasive, crowding out or co-opting most other concerns.” See Salim Yaqub, Containing Arab Nationalism: The Eisenhower Doctrine and the Middle East (Chapel Hill: University of North Carolina Press, 2004), p. 19. Given the shah’s difficult relations with the Arab world and with many Arab leaders—partly because of Iran’s diplomatic relationship with Israel—his concerns about U.S. actions vis-à-vis Arab nationalists (such as Kennedy’s decision to recognize the pro-Nasser government in North Yemen rather than the royalist opposition) are understandable. See Rubin, Paved with Good Intentions, pp. 116–117.

10. Interestingly, several administration officials, including Secretary of State Dean Rusk, opposed
the delight of Moscow—that he would not permit foreign (read American) missiles pointed at the Soviet Union to be based in Iran, the first such assurances the Soviet Union had ever received from an ally of the United States. Soviet leaders viewed the move toward reconciliation with Iran as a way of protecting the USSR's southern flank and driving a wedge between Washington and Tehran. From the shah’s perspective, the move toward warmer relations with Moscow was at least partially intended as a “not-so-subtle warning to the United States not to take him for granted or push him too far.” The shah’s action had the welcome side benefit of shielding him from domestic and regional criticism that he was a pawn of the United States. Contacts between Iran and the Soviet Union increased over the next several months. In November 1963 a high-ranking Soviet official, Leonid Brezhnev (who became the top leader in Moscow less than a year later), visited Tehran, and in June 1964 Iran signed a favorable trade agreement with the USSR.

Iran’s initial pursuit of a dialogue with the Soviet Union did not forestall an improvement of relations with the United States after the shah announced a series of political, economic, and social reforms and modernization efforts—the so-called White Revolution. President Kennedy wrote to congratulate the shah on the new program and affirmed the bonds of friendship between the two countries. The superficial success of the shah’s reform agenda—if one ignores the bloody riots that left over a thousand Iranians dead in June 1963—bolstered U.S. confidence about the durability of the shah’s regime, and the resulting strength of the Iranian economy allowed the United States intervention in Iran’s internal affairs fearing that it could cause instability and give an advantage or opportunity to the Soviet Union. See Goode, “Reforming Iran,” p. 16.

11. Cohen, “Lyndon Baines Johnson vs. Gamal Abdul Nasser,” p. 286. The timing of the shah’s pledge is intriguing insofar as the Cuban missile crisis erupted the following month. The United States at the time had no U.S. missiles in Iran and no plans to deploy any in Iran. The shah’s statement was purely symbolic, though still important.


13. Benson Lee Grayson, United States–Iranian Relations (Washington, DC: University Press of America, 1981), p. 140. Rather than allowing the impetus for change to originate from the grassroots and potentially threaten the stability (or continued existence) of his regime, the shah proposed a number of tightly controlled reforms aimed at modernizing Iranian society without reducing his own authority. All evidence suggests, however, that the continuing pressure from Washington, including threats that further “moral and material assistance” depended on embracing a “reformist agenda,” played an important role in the promulgation of the White Revolution. See Little, American Orientalism, pp. 219–220. The reform agenda was “approved” by millions of Iranian voters in January 1963, although the validity of those results is open to doubt. It is also interesting to note that the White Revolution reforms closely resembled recommendations made by the U.S. State Department. See Bill, The Eagle and the Lion, pp. 133–135, 149. Kennedy declared in his letter that this “demonstration of support should renew your confidence in the rightness of your course of action and strengthen your resolve to lead Iran to further achievements in the struggle to better the lot of your people.” Ramazani, Iran’s Foreign Policy, p. 361. The shah explained and defended the White Revolution in his memoirs. See Mohammad Reza Pahlavi, Answer to History (New York: Stein and Day, 1980), pp. 101–130, 193–194.
to reduce the amount of aid it provided to Iran. By the end of the Kennedy administration, U.S. officials had decided that Iran’s oil revenues permitted the shah to purchase at least some of Iran’s military equipment. Consequently, U.S. military assistance grants to Iran were gradually phased out in favor of credit sales. After lengthy negotiations, this arrangement was formalized in a Memorandum of Understanding (MOU) signed in Tehran on 4 July 1964 by representatives of both governments.

Kennedy’s assassination marked a watershed in U.S.-Iranian relations. Lyndon Johnson came to office possessing appreciably more experience with and knowledge of Iran than any of his predecessors had. As vice president, Johnson had met twice with the shah—once during a trip to Iran and again during the shah’s 1962 state visit to the United States—and this personal relationship helped to determine the Johnson administration’s approach to Iran. Upon returning from Iran, Johnson lobbied Kennedy on the shah’s behalf, arguing that “we must accept the Shah, with his shortcomings, as a valuable asset.” During Johnson’s presidency, relations between the two countries improved a good deal compared to the Kennedy years. The shah became an ally on which the United States could count for support in the Cold War generally and in the Vietnam conflict in particular. Johnson appointed the experienced diplomat W. Averell Harriman as an ambassador-at-large in February 1965, and over the next two years Harriman made four trips to Iran as part of the president’s effort to shore up relations with traditional American allies amid the growing international opposition to the conflict in Southeast Asia. More-

14. The CIA averred in April 1963 that although the shah remained “dependent on the continuing support of the armed forces and the security apparatus,” his chances of remaining in power were “relatively good.” National Security Council experts concurred, arguing that further pressure for political reform was unnecessary (although the NSC analysts did support the ongoing social and economic reforms). See Gasiorowski, U.S. Foreign Policy and the Shah, p. 99.


16. The personal relationship between the shah and the president reflected Johnson’s approach to other political figures both at home and abroad. During Johnson’s August 1962 visit to Iran, the shah treated the vice president “like Persian royalty,” which Johnson appreciated. As one observer noted, “Johnson basked in the spotlight of power and was always impressed by those who maintained power monopolies in their own lands. The more power, pomp, and circumstance, the more impressed Johnson was.” The shah, for his part, saw Johnson as a kindred—if somewhat unrefined—political spirit who could prove useful in furthering the shah’s vision for Iran. The Iranian leader was convinced that, in the end, Persian royalty could outmaneuver a Texas politician. See Douglas Little, “Nasser Delenda Est: Lyndon Johnson, the Arabs, and the 1967 Six-Day War,” in Brands, ed., The Foreign Policies of Lyndon Johnson, p. 149; and Bill, The Eagle and the Lion, p. 155.

17. Memorandum from Johnson to Kennedy, 10 September 1962, in Vice President’s Security File, Box 10, Lyndon Baines Johnson Library (LBJL).
over, several high-ranking officials in the administration, including National Security Adviser Walt Rostow, were strong backers of the Iranian monarch.\textsuperscript{18}

Even so, the U.S.-Iranian relationship continued to face challenges centered largely on U.S. concern about the shah’s spending habits. Johnson selected a Middle East expert, Armin H. Meyer, as U.S. ambassador to Iran on 18 March 1965 and met with Meyer the following month to give him “a clear sense of what we really want in Iran.” The president warned the new appointee that the shah was “tempted to spend far too much on fancy military hardware and not enough on meeting his own people’s rising expectations.”\textsuperscript{19}

The shah had a nearly insatiable appetite for advanced weapons, not only to consolidate Iran’s status as the dominant military force in the region, but also for their symbolic value. The administration worried about the domestic problems that might arise within Iran and the potentially negative ramifications those difficulties could create for U.S.-Iranian relations and U.S. strategic interests. Meyer’s assignment from the president was to try to persuade the shah to temper his demands and recognize the importance of moving ahead judiciously with his military buildup. Even for an experienced diplomat, this was a daunting task, one that placed Meyer in a nearly impossible situation over the next two years as the go-between for the shah and the administration.

The tensions in the U.S.-Iranian relationship were complicated by the domestic Iranian reaction to the new status-of-forces agreement (SOFA) signed in October 1964. The treaty, which granted extraterritorial privileges in Iran to U.S. military personnel in exchange for a privately financed military aid package of $200 million, was unprecedented and represented the most favorable SOFA between the United States and any of its allies. Most SOFA agreements negotiated by the State Department since the beginning of the Cold War stipulated concurrent jurisdiction over U.S. personnel in foreign countries—that is, American servicemen could be held accountable by the host countries for criminal actions. The new agreement between Washington and Tehran, however, effectively nullified Iranian legal control not only over


\textsuperscript{19} Meyer had previous been posted in Baghdad and Beirut and in the Near East bureau of the Department of State. No record of the discussion between Johnson and Meyer exists, but a briefing memorandum from Robert Komer of the National Security Council (NSC) staff to the president covers the talking points that Komer wanted Johnson to stress. See Memorandum from Komer to Johnson, 15 April 1965, in FRUS, 1964–1968, Vol. XXII, pp. 139–140.
the growing contingent of U.S. soldiers stationed in Iran but also over their dependents.

Extraterritoriality was a sensitive issue in Iran, which had only reestablished its sovereignty in 1928 after a century of “capitulations” to the British and Russians. Thus it is not surprising that the United States had to spend more than two years trying to convince the Iranian government to accept the concessions represented in the SOFA. The treaty sparked a wave of protest from across the political spectrum. Islamic fundamentalists led by Ayatollah Ruhollah Khomeini, a vocal critic of the monarch who was already under surveillance because of his anti-regime activities the previous year, reacted with outrage to the pact, calling it a “document of enslavement” that would destroy the dignity, integrity, and autonomy of Iran. The turmoil induced the shah—with Washington’s blessing—to use his secret security forces (SAVAK) to restore order, sending Khomeini into exile in Turkey.20 Even the normally docile Iranian parliament (the Majlis) voiced its displeasure by narrowly approving the agreement on a 70–62 vote. Many members of the Majlis remained intentionally absent from the vote. One deputy sarcastically suggested, with justification, that U.S. mechanics would now enjoy privileges identical to those of Iranian ambassadors.

From the outset, the shah and his advisers realized that the agreement would provoke a negative reaction, and they postponed its approval accordingly. But because of the intractable position of the U.S. Defense Department and U.S. congressional pressure on the issue, the shah soon understood that he would not be able to convince the United States to accept a compromise, even if a compromise would reduce domestic tensions in Iran. President Johnson may have been more sympathetic to the shah than his predecessor was, but domestic considerations in the United States trumped the concerns of the Iranian monarch. The SOFA imbroglio tarnished the American image in Iran, which had already been impaired by the shah’s attempts to impose Western values on a resistant Iranian society. One observer called the treaty a “catastrophic mistake for American interests in Iran.” The furor also spurred the shah to try to shore up his domestic support by placing some distance between himself and the United States.21


Another contributing factor in the shah’s decision to move away from his rigidly pro-Western posture was the Indo-Pakistan War over Kashmir in August–September 1965. During the conflict, the failure of the Johnson administration to support Pakistan—even as the shah lent Islamabad his unqualified backing—demonstrated that membership in the Central Treaty Organization (CENTO) was no guarantee of protection against aggression. Doubts about the reliability of CENTO (and of other U.S.-backed treaty organizations) arose among several U.S. allies. The shah was among those dismayed by the U.S. response to the conflict, stating “we see now what CENTO really is. It is a device to protect the West only.”

With his faith in the alliance shaken, the shah wanted greater diplomatic freedom and continued to pursue improved relations with Moscow as a defensive measure. The shah also expressed concern about U.S. complicity in the overthrow of Ngo Dinh Diem in South Vietnam in November 1963 and wondered what it might portend for his own political future should he fall out of favor with the U.S. government. Several intriguing similarities between the shah and Diem exist, as discussed below.

U.S. officials were not wholly ignorant of the burgeoning difficulties, but the conflict in Vietnam captured the lion’s share of attention at the highest levels of the administration. U.S.-Iranian relations were relegated to secondary (or even tertiary) importance until problems threatened to reach a crisis point. Nevertheless, because of Iran’s geostrategic significance and the consequent need to maintain amicable ties with the regime, policy toward Tehran did command attention and resources, if only to preserve the relationship.

the ensuing exile of Khomeini, contributed to the assassination of Iranian Prime Minister Hassan Ali Mansur in January 1965 by the pro-Khomeini Islamic terrorist group Fada‘yîn-e Islam.

22. Sepehr Zabih, “Change and Continuity in Iran’s Foreign Policy in Modern Times,” World Politics, Vol. 23, No. 3 (April 1971), p. 536. See also Ramazani, The United States and Iran, p. 41. In conversations with Armin Meyer, the shah referred to CENTO as “moribund” and “a masquerade.” See Meyer, Quiet Diplomacy, p. 139.

23. Mehrunnisa Ali, “Iran’s Relations with the US and USSR,” Pakistan Horizon, Vol. 26, No. 3 (1973), p. 51; and Miglietta, American Alliance Policy in the Middle East, p. 45. Pakistan was shocked by the Johnson administration’s refusal to come to its aid in the conflict under the terms of the CENTO pact. The United States declared its neutrality in the dispute and cut off military supplies to Ayub Khan’s government. The episode undermined the U.S.-Pakistani relationship and led to the withdrawal of the U.S. military assistance advisory group from Pakistan in 1967—an ironic result, given the Johnson administration’s obsessive concern with credibility, as typified in its commitment to South Vietnam. On this point, see Fredrik Logevall, Choosing War: The Lost Chance for Peace and the Escalation of War in Vietnam (Berkeley: University of California Press, 1999).

24. Telegram from Meyer to State Department, 28 November 1965, in National Security File (NSF)/Country File (CF)/Middle East (ME), Box 136, LBJL. The shah considered Vietnam “a prototype” and feared that U.S. decisions in Southeast Asia (and their possible repetition in Iran) meant that Iran needed to be “fully equipped to take care of itself in regional controversies.” See Meyer, Quiet Diplomacy, p. 140.

25. Of particular concern to U.S. officials were the U.S. listening posts in Iran, which provided crucial intelligence about both the Soviet Union and the Middle East.
Typical of the approach was a May 1965 memorandum from NSC staff member Robert Komer, who asserted that the United States had a “massage problem” with the shah. Komer pointed out that the Iranian leader had “been very good on Vietnam and the Dominican Republic, and we don’t want De Gaulle to talk him out of those positions.” Komer recommended that the president call the shah during the latter’s upcoming visit to New York so that he could reaffirm the U.S. government’s desire to maintain a close and cooperative relationship. Johnson did indeed call the shah the following day.

**The Shah’s Pursuit of a More Independent Course**

Despite the reassurances of American friendship and support, the Iranian monarch continued to seek a more independent diplomatic path, regardless of the risk to long-standing ties with Washington. The shah’s visit to Moscow in June 1965 and his cordial reception by Soviet leaders “crystallized the desire of the Iranian leadership to repair its relationship with its superpower neighbor.” During the visit, the shah told a high-ranking Soviet official, Anastas Mikoyan, that Iran would never permit itself to be used for aggression against the Soviet Union. From a domestic political standpoint, the visit was an astute move by the shah in helping him to neutralize leftist opposition groups. The trip also served as a symbolic assertion of independence from U.S. influence and made good practical sense in light of Iran’s long border with the Soviet Union. Perhaps most important of all, the visit gave the shah leverage vis-à-vis the Johnson administration and clearly signaled his displeasure with the shift in U.S.-Iranian relations brought about by the grant-to-credit MOU a year earlier.

26. Memorandum from Komer to Johnson, 17 May 1965, in White House Central File (WHCF)/Confidential, Box 9, LBJL. Because the shah had recently visited Brazil and Argentina, Komer also suggested that the president ask the Iranian leader about the reaction in those countries to U.S. actions in the Dominican Republic and Vietnam. In addition, Komer suggested that the shah could deflect anti-American sentiment at the upcoming Afro-Asian conference in Algiers in June 1965.


Even without these considerations, however, the rapprochement between Tehran and Moscow was a logical and perhaps inevitable development given the proximity of the two countries, Soviet interests in the region, and the shah’s domestic political concerns. Moreover, as Lord Palmerston famously observed, countries have interests, not friends. One of the problems inherent in the U.S.-Iranian relationship was the differing priorities of the two governments. The American focus on Soviet activities in Iran clashed with Iranian concerns about Iraqi and Egyptian ambitions in the Middle East. Similarly, the shah’s focus on a stronger military was at odds with U.S. preferences for a more gradual approach to military expansion combined with further social and economic reform. The shah was wont to play down the potential Soviet threat, whereas many U.S. officials and legislators expressed deep misgivings about the growing number of contacts between Iran and the Soviet Union.

With bilateral tensions on the rise, Ambassador Meyer met with the shah on 31 August to discuss the state of U.S.-Iranian relations. Specifically, he stressed the administration’s concern about the shah’s overtures to Moscow. Reporting back to the State Department, Meyer said that the shah was introspective during the talks but gave no ground on the question of ties with the Soviet Union. The shah’s central theme was that “Iran must stand on its own feet, militarily and economically,” and that he would use any means at his disposal to accomplish that goal. Describing the CENTO alliance as “moribund” and repeating his desire to provide security for his country, the shah “uncorked [a] whole set of personal grievances against [the] U.S.” Among his concerns was the delay in approving purchases of advanced military supplies from the United States, particularly air-defense equipment. Meyer tried to mollify the Iranian leader, assuring him of American support but warning that U.S. aid was not unlimited, especially in areas of the world that were stable. Meyer concluded the cable by stating: “Obviously [the] Shah had prepared himself to pave [the] way for [a] possible shift in his future policy. Also obviously his talks with Soviet leaders have made [a] marked impression. . . . [O]ur attention must be as cordial and cooperative as possible without being panicky.”

Meyer, through his proximity to the shah, understood the dilemma facing the Iranian monarch and certainly had more insight into the situation than officials in Washington did. In cables to Washington, Meyer consistently

30. Chubin and Zabih, The Foreign Relations of Iran, p. 115. James Bill argues that the events of the mid-1960s were a “crucial signpost” along the road to the Iranian revolution. See Bill, The Eagle and the Lion, p. 156.

urged the administration to bear in mind that the shah’s overtures to Moscow were designed mainly “to avoid [the] image of being ‘American stooges’” and that Iran “will continue to be with [the] U.S.” He added that it would be in the U.S. government’s own interest if the shah could improve his image at home and demonstrate greater independence for the benefit of the Arab world and the wider international community. On 10 September, Meyer warned that if the United States prevented the shah from achieving these aims, his regime could be in jeopardy: “Camel’s back is already heavy laden, from [the] standpoint of what is politically tolerable here.” The ambassador stressed that it would be foolish to risk a permanent rift or a change in the calculus of power in the Middle East for minimal gain.32 Meyer’s advice was supported by other members of the administration. In proposing language for a presidential letter to mark the twenty-fifth anniversary of the shah’s reign, Komer again noted the recent deterioration of U.S.-Iranian relations and suggested that the administration “ease up” on the shah.33

Over the next two months, the situation remained static. The administration continued to advise prudence to the shah even as he resolutely pushed his agenda. Meyer and the shah met again in late November 1965, and the ambassador reported that the shah felt an increasing “estrangement” between the United States and Iran. The Iranian leader reiterated his dismay at the U.S. government’s reluctance to provide more arms and its penchant for trying to “dictate in minutest detail” the defense requirements of Iran. The shah claimed that “less staunch” allies of the United States had received more equipment than Iran had. He insisted that Iran needed to improve its relations with the Soviet Union because the United States had recently made its own attempts to relax tensions with Moscow. He noted that a congressional delegation had visited Moscow in the wake of the signing of the 1963 Nuclear Test Ban Treaty. The shah told Meyer that Iran did not “want to be left out in [the] cold” and therefore had to embrace a policy of “neighborliness.” Meyer attempted to deflect this criticism by emphasizing the many problems facing the administration (expressly mentioning Vietnam) and the increasing disillusionment of the American people and Congress with a foreign aid program that had cost the taxpayers a total of $110 billion since 1945.34

33. Memorandum from Komer to Johnson, 28 September 1965, in NSF/Memos to the President, Box 5, LBJL.
34. Telegram, Meyer to Department of State, 25 November 1965, in NSF/CF/ME, Box 136, LBJL.
Three days later, Meyer sent a cable to Washington attempting to put the situation into context. He suggested that the current state of U.S.-Iranian relations was impossible to understand without taking account of the shah’s changing personality. He described the shah as a hard worker, limited in his pretensions (a dubious observation), independent-minded, and “even a little cocky because of recent successes.” Meyer did point to two “congenital weaknesses” in the shah’s character—his obsession with the military, and his strong aversion to any criticism. Meyer claimed that the Iranian leader believed that the United States did not recognize the challenges he faced. The Americans focused on issues of concern to the administration. As a result, the monarch felt underappreciated. Meyer warned that the shah was “deadly serious” about his desire to obtain additional arms and would take any steps necessary to achieve that goal. Meyer argued that the “most sensible course” would be for the administration to “be responsive to his basic security needs” in order to maintain influence with the shah on the “whole spectrum of our relations.” He acknowledged that the United States must not “cater to [the] Shah’s every whim,” but he urged the administration to safeguard U.S. interests in Iran and “insure that after take-off Iran will still remain [a] member of our flying club.”³⁵

Meyer’s proposals, logical as they may have been, were formulated from an American perspective. For domestic political reasons, the shah needed to place some distance—whether rhetorical or actual—between his regime and Washington. In an interview with The New York Times in December, the Iranian monarch rejected the idea that Iran was dependent on the United States and expressed his intention to pursue a policy of “friendly, if prudent” cooperation with the Soviet Union. “It is neither manly nor intelligent to depend entirely on others,” he told the paper. “Why depend on others for stability? Things have changed since the time of Stalin. The new idea is, if we live as neighbors, why not live in friendship instead of animosity?” The shah made clear that he was not seeking to weaken the alliance between Washington and Tehran or to shift Iranian foreign policy to a pro-Soviet or neutralist stance. Instead, he believed that improved relations with Moscow would make Iran “a better, more useful friend of the United States.”³⁶ But he refused to tone down his complaints about American unwillingness to provide additional military equipment. He insisted that the United States had “built two-thirds of [a] dam” with the Iranian military and that completion of it would benefit the whole Middle East.³⁷

³⁵. Telegram, Meyer to Department of State, 28 November 1965, in NSF/CF/ME, Box 136, LBJL.
³⁷. Telegram, Meyer to Department of State, 29 December 1965, in FRUS, 1964–1968, Vol. XXII,
After months of posturing and hinting at the possibility of a more independent foreign policy, the shah finally acted. On 13 January 1966 the Soviet Union agreed to build a steel mill, a gas pipeline, and a mechanical engineering plant in Iran, the “single most important agreement in the economic-technical field” in this period of improved relations between Moscow and Tehran. The deal marked the beginning of a “flurry of commercial activity” between Iran and Eastern Europe in 1966 that signaled the shah’s determination not to allow Iran to be taken for granted by the United States. The documentary record contains no reaction to this agreement from either Washington or the embassy in Tehran.

The shah’s efforts to distance himself rhetorically from Washington were particularly noticeable in domestic settings, where he hoped to avoid fanning anti-American and anti-Western sentiment. Meyer sent a telegram to the State Department on 2 March 1966 reporting on a speech the shah had given to the Iranian parliament. The Iranian leader had assured the Majlis that Iran took no orders from foreign powers, building on recent comments chastising his foreign and domestic critics. The shah also declared that “Iran cannot surrender its destiny to whims of foreigners even if they are very close friends. . . . We cannot subject our destiny entirely to decisions of others who can one day help us and another day not help us.” Meyer commented that although the speech contained nothing new, the shah’s tone was “getting shriller” and more self-satisfied and Iranian grievances were becoming “somewhat stronger.” Meyer opined that the shah was depicting U.S. opposition to Iran’s military requests as “an affront to national dignity.”

The changing dynamic of U.S.-Iranian relations was summarized in a National Intelligence Estimate (NIE) on 24 March. The NIE concluded that Iran was adopting a “more active and independent foreign policy as a result of the Shah’s increased confidence in Iran’s economic situation, his declining fear of the USSR, and his increasing anxiety about [Gamal Abdel] Nasser and other Arab nationalists.” But the report concluded that the shah would be “unlikely to move deliberately to alter the alliance or reduce US activities in Iran” and that “domestic considerations are unlikely to alter Iran’s foreign policy to any great extent over the next two to three years. The Shah will proba-

38. For the text of the agreement, see Dmytryshyn and Cox, eds., The Soviet Union and the Middle East, pp. 377–392.

39. Ramazani, Iran’s Foreign Policy, p. 334; and Bill, The Eagle and the Lion, p. 171. Under the agreement, the Soviet Union also gave Iran a low-interest loan and provided technical and industrial training in the USSR for Iranian citizens.

bly remain firmly in control." The assessment dovetailed with Meyer’s observations in downplaying the likelihood of a permanent breach in U.S.-Iranian relations. Nevertheless, administration officials continued to be skeptical about the shah’s priorities. In a meeting in Ankara in April 1966, the Iranian foreign minister told Secretary of State Rusk that Iran, despite remaining a staunch friend of the United States, would continue to pursue a more independent path in order to stabilize the region. Although Rusk expressed understanding of the shah’s perspective, he challenged the Iranian notion that the Soviet threat was less than that posed by Iraq and Egypt. This was one of numerous occasions when U.S. officials tried to convince the shah that the Soviet Union posed a far greater danger to Iran than did his Arab neighbors.

**The Johnson Administration’s Evolving Approach**

As the shah increasingly made clear his intention to “turn elsewhere” for arms if they were not provided by the United States, Iran became a heated point of contention within the administration. A CIA report on 6 May 1966 noted that the shah was “determined to make major military purchases in the near future” and that the Iranian parliament had approved expenditures up to $200 million—doubling the amount called for in the 1964 MOU. The report pointed out that the shah had “exhibited an increasingly independent spirit in the past year” and concluded that the prospect of a turn to the USSR was credible. Simultaneously, Meyer, who was back in Washington for consultations, contacted several of the president’s advisers to try to find a workable solution. In a memorandum to Secretary of Defense Robert McNamara, Meyer argued that “going forward with additional sales to Iran [would be] of considerable political value” inasmuch as the shah was “one of the best friends...
we have in the Afro-Asian milieu” and the administration needed to “reassure him that the United States continues to value his friendship.”

That same day, Walt Rostow briefed the president on the current state of U.S.-Iranian relations. Noting that the State Department believed the shah was determined to buy more arms, Rostow argued that “our best bet is to try to control his buying by selling ourselves,” rather than having the shah turn elsewhere. Rostow also suggested that Meyer let the shah know that the president had the “fullest respect for him as a leader” and “often want[s] to share your thoughts, as only friends can.” The administration, Rostow noted, had to reassure the shah that the United States was not trying to run Iran for him. Rostow recommended that they express appreciation to Iran for its medical assistance in Vietnam and try to assuage the shah’s “hurt” feelings:

[H]e is doing his part in Vietnam. He has helped with Israel. He has offered to take up the burden for the President in the Middle East. Despite all this, he feels the United States is going to turn him down. If we do, we must be prepared for the consequences.

Ending on a wry note, Rostow stressed the benefits of supplying weapons to the shah: “Since he is determined to buy arms somewhere, the best we can do is to lean on the brakes . . . if we cannot dissuade him, no point in losing a good sale.”

Back in Tehran later that month, Meyer worried about the tenor of U.S. policy. In his view, the administration had adopted a “papa knows best attitude” by repeatedly insisting that the shah scale back his arms requests. The ambassador feared that the administration was “about to alienate the Shah and his country” and that the American attitude had been and would increasingly be “responsible for anti-Americanism” in the region. Indeed, the shah was already angered by the repeated turndowns of his requests, and he was determined to receive an increased arms package that included F-4 Phantoms, one of the most advanced fighters in the U.S. arsenal that up to then had been sold only to Great Britain. Moreover, the Iranian leader hinted ominously (if repetitively) that if Washington did not meet his demands, he might be forced to turn to Moscow.

44. Meyer to McNamara, 12 May 1966, in NSF/CF/ME, Box 138, LBJL.
45. Memorandum from W. W. Rostow to Johnson, 12 May 1966, in NSF/CF/ME, Box 136, LBJL; Memorandum from W. W. Rostow to Humphrey, 14 May 1966, in NSF/Name, Box 4, LBJL; and Memorandum from W. W. Rostow to Johnson, 21 May 1966, in FRUS, 1964–1968, Vol. XXII, p. 251. Robert McNamara supported the economic argument for increased U.S. arms sales to Iran in February 1967: “Our sales have created about 1.4 million man-years of employment in the U.S. and over $1 billion in profits to American industry over the last five years.” Quoted in Bill, The Eagle and the Lion, pp. 172–173.
46. Telegram, Meyer to Johnson, 23 May 1966, in NSF/CF/ME, Box 136, LBJL.
The situation deteriorated as spring turned to summer. Meyer met with the shah at the end of June 1966 and afterward described the meeting as “rough”—a diplomatic euphemism for a disaster. The shah reiterated his desire for Iran to enjoy “liberty of action” and to be able to “stand on its own feet” economically, politically, and militarily. The Iranian leader argued that a more independent stance was the “best possible roadblock to Communist influence.” He chastised the United States for finding excuses to make deals with countries that “persistently side against US in world affairs” while “making life as difficult as possible” for staunch allies—a clear reference to Pakistan’s experience the year before. Meyer tried to remind the shah of the preferential treatment the United States had given to Iran over the years, but the shah was unstinting in his criticism.47

Meanwhile, The Washington Post published a series of articles by Alfred Friendly assessing the shah’s regime and its internal and external policies.48 Friendly contended that the shah was “now riding his own horse—and quite possibly in several directions at once”—in his conduct of foreign policy. The “machinations” of Nasser rather than the Soviet threat, Friendly argued, were the primary motivation for the shah’s actions. The shah’s overtures to the Soviet Union were driven by his inability “to buy American arms . . . on terms and conditions he believes Iran can afford.” According to Friendly, the shah had become frustrated that the Johnson administration did not appreciate Iran’s help: “Who defended your position in Vietnam to the Russians in Moscow itself?” The shah insisted that uncertainty about the U.S. position necessitated some leeway: “My motto is that we have got to have friends, but you cannot entirely depend on friends. You have to depend on yourself first.” Friendly concluded that the shah could “play a poker hand as cannily as the next man, and doubtless some of his rhetoric is for effect. But that the United States can continue, as it once did, to set the conditions for his military and foreign policy may no longer be a plausible notion.”49

47. Telegram, Meyer to Department of State, 29 June 1966, in FRUS, 1964–1968, Vol. XXII, pp. 262–265. Meyer told the Iranian foreign minister four days later that the United States would “be particularly hurt” if the Iranians turned to the USSR for weapons “because Americans have considered [the] Shah [a] tried and true ally and friend.” He also reported that the shah was “hell-bent” on purchasing something from Moscow for “political reasons”—largely to avoid being seen as an American “lackey.” Meyer warned that if the shah persisted, it might spark an adverse public or congressional reaction in the United States. Meyer warned, “Some people would inevitably feel he [is] now becoming another DeGaulle or even Nasser.” Senior State Department officials concurred with Meyer’s assessment, arguing that “the Shah has got himself committed publicly to an independent arms procurement policy. It will be impossible for him to retreat without some face-saving device.” See Telegram from Meyer to State Department, 3 July 1966; Memorandum from Alexis Johnson to Vance, 6 July 1966; and Telegram from Meyer to State Department, 7 July 1966, all in FRUS, 1964–1968, Vol. XXII, pp. 266–274.

48. The articles were published in July 1966 under the rubric “Progress for Persia.”

Friendly’s series of articles demonstrated that awareness of the strained relationship between Washington and Tehran had transcended diplomatic circles and entered the mainstream. Confronted by headlines about the shah’s overtures to Moscow, the Johnson administration was eager to reaffirm American support for Iran—not because of the prospect that the Iranians would join the Warsaw Pact, but because of the domestic backlash that might result in the United States, especially at a time when the whole foreign aid program was coming under greater public scrutiny. Members of Congress and political commentators might well view closer Soviet-Iranian relations as an affront in light of the voluminous amounts of aid Iran had received from the United States. Observers at the time speculated that if Congress reacted too harshly to the shah’s gambits, it could “push Iran further toward a neutralist position in a sort of diplomatic intensification that would serve Soviet ends.”

Such a move would further threaten Johnson’s domestic political standing in a midterm election year. Having already become bogged down with Vietnam, the president did not need further complications in the international arena.

The bilateral tension reached a peak in late July. The president sent a letter to the shah on 20 July reassuring him of American support but cautioning that “if Iran were to enter into an arms arrangement with the Soviet Union or with other Communist countries, this would confront us with serious problems.” Johnson stressed that both the American public and Congress would react unfavorably to any strengthening of ties between Tehran and Moscow, not least because of concern about exposing “sensitive” American military equipment to Soviet military technicians in the event of an arms deal. The president concluded with a thinly veiled threat, suggesting that if Iran turned to the Communist bloc for military equipment, the United States would “not be so shortsighted as to turn from our close relationship [with Iran]. But I do fear the impairment of our military assistance program.”

The shah reacted predictably when presented with the letter, asserting that the United States could not “reproach” him for what he did and rehearsing his now-familiar litany of grievances against the administration and repeating his demands for more arms.

Assessing the state of affairs, Meyer commented that unless the Soviet Union played its hand badly or the United States made a new, more favorable

Howard Wriggins noted that the shah seemed “petulantly bent on asserting his independence and has gotten himself further down the track with the Soviets—without consulting us—with any reason to expect.” See Memorandum by Wriggins to W. W. Rostow, 12 July 1966, NSF/CF/ME, Box 136, LBJL. Rostow believed that the shah’s approach to the Soviet Union could be viewed in the context of the Persian bargaining tradition. See Memorandum from W. W. Rostow to Johnson, 19 July 1966, in FRUS, 1964–1968, Vol. XXII, p. 285.

proposal, the shah would go ahead with his plans. Meyer noted that although the shah had assured him that Iran was under no obligation to purchase Soviet equipment and would not permit the Soviet Union to impose conditions on the arms deal (e.g., withdrawal from CENTO or stationing Soviet technicians in Iran), the Iranian leader was “psychologically” committed to this course of action. Meyer offered a counterproposal that slightly eased the American position. He assured the shah that if Iran procured weapons from non-Communist suppliers, the United States would not object and indeed would even welcome this “diversification” as a way of fostering a “more independent image” for the shah both at home and abroad. The monarch, however, remained stubbornly non-committal.52

The shah, far from seeking a compromise, continued to press his demands on the administration through both official and private channels. The Iranian ambassador to the United States, Khosro Khosrovani, met with Howard Wriggins of the NSC staff on 26 July 1966 to present Iran’s case. Wriggins later reported that Khosrovani had described Iran as “America’s closest friend in the Middle East; it is the only one which has stood with us on behalf of our policy in Vietnam.” According to Wriggins, the ambassador suggested that U.S. “foot-dragging” was “humiliating” and left the shah with “no alternative” but to approach the Soviet Union. Khosrovani also pointed out that the shah had “no desire to change in any way the essential relationship between our two countries.” Wriggins told the ambassador that the administration strongly supported Iran but was “puzzled” and “somewhat annoyed” by the shah’s stance. Wriggins warned Khosrovani that the shah’s actions were risking “serious consequences” and that closer ties between Iran and the Soviet Union might provoke a harsh congressional reaction, “particularly in an election year.”53

Privately, the shah relied on friends in the United States as a back-channel conduit to the administration. George Carroll, a former CIA agent who had participated in the 1953 covert operation against Mossadegh and in 1966 was working as an aide to Vice President Hubert Humphrey, sent a memorandum to Humphrey regarding a conversation Carroll had had with one of these contacts, Kermit Roosevelt, another veteran of the 1953 operation. Roosevelt,

52. Telegram from Meyer to State Department, 23 July 1966, in NSF/CF/ME, Box 136, LBJL. The shah attempted to justify his actions by telling Meyer that the Soviet arms agreement could “demonstrate to the people of Iran that Soviets are arms peddlers” (a criticism heretofore reserved only for Americans) and could help “break Soviet offensive in building up a bloc of so-called progressive states” in the Middle East. At one point, the shah told Meyer that he might have to divert some of his security officials from watching the Soviet Union so that they could begin monitoring U.S. actions in Iran. See Bill, The Eagle and the Lion, p. 172.

who had gone on to become vice president of Gulf Oil Company and president of the Middle East Institute, considered himself an expert on the shah and Iran. He contacted Carroll and relayed the details of a recent three-hour conversation with the shah. Roosevelt reported that the shah believed that Iran’s “special relationship with his closest friend” was coming to an end because of the “indifference” of the administration to Iran’s security requirements—a bluff in the best Iranian tradition to be sure. The Iranian leader was disappointed that the administration was not taking greater account of Iran’s contribution in South Vietnam, its support of Israel, and its loyalty to the United States. The shah, Roosevelt asserted, was “tired of being treated like a schoolboy” and was beginning to think that the United States did not really care about Iran. The shah specifically mentioned the “discriminatory” fees for military equipment and the limits imposed on their use, and he claimed that the administration treated its enemies better than its friends. In response, Humphrey—likely at Carroll’s urging—consistently lobbied Johnson on behalf of the shah during this period, much as Johnson had done with Kennedy. Nonetheless, Roosevelt’s report had little immediate influence on discussions between the two sides, and U.S. patience with the shah’s posturing was wearing thin. Yet one also gets the sense that administration officials were willing to compromise to a certain extent if it meant that the shah’s rhetoric would be muted and the vexing problem would finally be resolved. On 28 July, Meyer sent the president a memorandum calling Iran’s readiness to turn to the Soviet Union “exasperating.” But he noted that the shah was “publicly exposed on this issue” and would likely need to make at least a token purchase from the USSR. Meyer indicated that if the president were to offer a “matching carrot” to the strident tone of the 20 July letter, the administration would have “little to lose and much to gain by such [a] gesture.” Meyer also emphasized, “Knowing how heavily beset you and your colleagues are with the problem of Viet Nam, I regret having to bring this matter to your personal attention. However, there is so much at stake. . . . [D]uty compels this appeal.”

Two days later, Walt Rostow sent a cover note to the president along with reports from Meyer about the shah’s involvement with the Soviet Union. Rostow indicated that Secretary of Defense McNamara was willing to consider certain compromises with Tehran but did “not wish to give in to the shah’s

54. Memorandum from Carroll to Humphrey, 27 July 1966, in WHCF/FO, Box 42, LBJL. Roosevelt had already relayed this conversation to both Meyer and Rostow, who “did not seem convinced of the seriousness of the situation” in Roosevelt’s opinion. According to Carroll, Rostow said that “the acceptance by Iran of Soviet arms represented an inevitable step in the ‘normalization’ of U.S.-Iranian relations.”

55. Memorandum from Meyer to Johnson, 28 July 1966, in NSF/Files of W. W. Rostow, Box 1, LBJL.
‘blackmail.’” Rostow acknowledged that “it might be good for us to see some slight loosening in our ties to the Shah” and suggested that “whatever we do, the Shah is likely to buy some Soviet equipment because it would be good for him domestically, indicating that he is not wholly ‘subservient’ to the U.S.” Rostow did warn, however, of at least some risk that the Iranian leader would “behave irrationally” and “get in much deeper with the Soviets than we now calculate.” Rostow concluded by recommending that the administration stick by its position and not “go rushing in with an additional ‘carrot,’” as Meyer advocated. Rostow argued that this would be the best way to spur the Iranians to offer a new proposal that would be acceptable to both sides.56

To allay Meyer’s concern that the situation with Iran was getting lost in the background noise of Vietnam, Secretary of State Rusk sent a cable in early August informing the ambassador that the U.S.-Iranian relationship and the shah’s “flirtation” with Moscow had been the “subject of highest level USG discussions during the past several days.” Rusk indicated that the president would send Deputy Assistant Secretary of Defense Townsend Hoopes to Tehran to participate in discussions with Meyer and the shah, a move designed to underscore the American commitment to Iran. Hoopes was to inform the shah that the administration was eager to have Iran “look only to Free World sources of arms in meeting his security requirements.”57

The meeting, held a few days later, seemed to alleviate frictions between the United States and Iran for the time being. Rostow told the president that Meyer and Hoopes had a productive discussion with the shah that “may have gone a long way toward moderating his somewhat irrational feeling that we have been neglecting him.” Rostow acknowledged, however, that concerns about U.S.-Iranian relations in the near future remained. He said that although they should not be worried if the shah bought a few minor Soviet weapons, “every breach in the wall makes it more difficult for other leaders” to resist Soviet “blandishments”—a major concern at a time when the administration was already fearful of how the imbroglio in Vietnam was affecting allies’ perceptions of U.S. credibility. Rostow conceded that the administration would “undoubtedly have to adjust to [Iran’s] increasingly independent tendencies.”58 He then noted the shah’s recent assertion (in response to Johnson’s

56. Memorandum from W. W. Rostow to Lyndon Johnson, 29 July 1966, in NSF/Memos to the President, Box 9, LBJL.

57. Telegram, State to Meyer, 5 August 1966, in NSF/CF/ME, Box 136, LBJL. Johnson instructed Rostow to place the Iran situation on the agenda for that week’s Tuesday lunch on national security matters. See Johnson’s response on the bottom of Memorandum from Rostow to Johnson, 29 July 1966, in NSF/Files of W. W. Rostow, Box 1, LBJL; and Memorandum from Howard Wriggins to W. W. Rostow, 26 July 1966, in NSF/Files of W. W. Rostow, Box 1, LBJL, in which Wriggins argues that the Iran issue is “nearly ripe for Tuesday luncheon handling.”

58. Memorandum from W. W. Rostow to Johnson, 10 August 1966, in NSF/CF/ME, Box 136, LBJL.
20 July letter) that although Iranians understood the “strain” of America’s Vietnam commitment, this did not change the fact that the $200 million credit fell short of meeting Iran’s total requirements. Rostow claimed that although the shah would continue to seek greater independence from the United States, “we have managed to keep him from jumping too quickly this time. Some independence is to be expected and is healthy. We just want to be sure he doesn’t go too far too fast and get us all in hot water. For the moment, we’ve succeeded.”

Other U.S. officials also believed that American pressure on the shah had paid dividends. The embassy in Tehran reported that the shah had reaffirmed his pledge not to buy any sophisticated Soviet military equipment. The Iranian leader was aware that purchases of major Soviet weaponry would require an “undesirable” influx of Soviet advisers and would therefore be “incompatible” with the procurement of advanced American systems. U.S. officials had accepted the reality of the situation, but they wanted to ensure that Iran would not move closer to the Soviet Union and that other American allies would not emulate the shah. On both counts, the United States soon met with disappointment.

The New Tenor of the Relationship

In 1967, the Johnson administration was confronted by many serious problems both foreign and domestic. At home, racial tensions, the youth counterculture, and rapidly burgeoning discontent over the Vietnam War left American society fractured and lacking cohesion. Overseas the trends were equally inauspicious. Tensions in the Middle East erupted into open warfare in June; Soviet deployments of strategic nuclear missiles and strategic missile-defense systems gained momentum; and the conflict in Vietnam sunk ever more deeply into stalemate. The plethora of challenges elsewhere ensured that U.S. relations with Iran receded into the background during the first part of the year, apart from one major event. In late January, the shah concluded a military aid agreement with the Soviet Union worth nearly $100 million, the first time that a state formally allied with the United States had agreed to buy Soviet arms. Although the purchase consisted exclusively of low-level military technology and was in line with American expectations following the events

59. Memorandum from W. W. Rostow to Johnson, 31 August 1966, in NSF/Memos to the President, Box 10, LBJL. The text of the shah’s response is attached to the memorandum. Despite U.S. efforts, Iran and the Soviet Union announced an agreement on cultural and scientific cooperation on 22 August 1966. See Dmytryshyn and Cox, eds., The Soviet Union and the Middle East, pp. 393–397.
60. Telegram, Meyer to State, 13 December 1966, in NSF/CF/ME, Box 136, LBJL.
of late 1966, some U.S. officials saw the transaction as “part of the Soviet Union's patient but determined campaign to undermine the links to Western defense alliances of the countries along its southern border.” 61 After the deal was announced, Vice President Humphrey suggested to Rostow that “we have not paid quite enough attention to Iran,” and he expressed concern that Congress would be critical of the administration in the wake of this development. 62 But Humphrey’s advice went unheeded as the administration allowed relations with Iran to simmer while concentrating on more immediate crises.

The lack of high-level attention devoted to Iran was curious in light of the impending visit by the Iranian royal couple to Washington, DC, and the fragile state of the U.S.-Iranian alliance. In mid-May 1967 CIA Director Richard Helms told Secretary of Defense McNamara that the shah’s planned trip to the United States the following month “may well be a critical point in the history of our relations” with Iran. Noting that the shah had become “impatient” about the flow of American aid, Helms argued that the Iranian monarch, like other leaders in the Middle East, was worried that the United States was losing its “ability and will” to remain a great power and reliable ally against the backdrop of Vietnam. This concern, Helms alleged, helped to explain Iran’s recent diplomatic moves toward the Soviet Union. He also suggested that the shah’s reaction to the meetings in Washington would send a clear signal to other powers in the region and to leaders in Moscow as they reconsidered their policies and interests in the Middle East. 63 As it turned out, the start of the Six-Day Mideast War on 5 June compelled the shah to postpone his visit until August. With a major conflict under way so close to Iran’s borders, the Iranian leader felt it necessary to remain at home to be able to react quickly to any potential threat to Iranian interests.

In the two months prior to the rescheduled summit, a political backlash in the United States against the shah’s overtures to Moscow finally materialized. Iran’s improved relations with the USSR had not gone unnoticed in the U.S. Congress, particularly the Senate. In mid-1967 several prominent senators and other influential political figures condemned Iran’s new diplomatic initiatives. So strong were the comments by members of the Senate Foreign Relations Committee that Rusk instructed Meyer to reassure the shah that “the Senatorial views expressed do not represent views of executive branch” and that these “barbs” were mainly aimed at the administration, not at the

62. Memorandum from Humphrey to W. W. Rostow, 11 February 1967, in NSF/Name, Box 4, LBBL.
shah himself. Once again, the nexus of domestic politics and foreign policy reared its head, complicating matters for Johnson in dealing with Iran.64

The shah had a reasonably good grasp of American politics and took steps to reassure the administration, despite his ongoing efforts to demonstrate Iran’s independence. In particular, he tried to ingratiate himself with Johnson by reiterating his support of U.S. policy in Vietnam. Given the decline in support for the war within the United States and the dearth of international support for the American role in the conflict, this was a telling indication of his desire not to alienate himself from the United States. On the other hand, he did not intend to follow the American lead in Southeast Asia blindly. In August, just before leaving for Washington to meet with Johnson, the shah suggested forming a coalition of countries—to include Afghanistan, Pakistan, India, Japan, and Iran—that could work with the United States to achieve a peaceful resolution of the war in Vietnam. This group would work “discreetly and not make public proposals.” Rusk advised Johnson that this initiative would be “worthwhile” and that the administration should be “openhanded and frank in dealing with such a group.” Nevertheless, Rusk informed the shah that explicit U.S. support for such an effort would not be forthcoming because it would be “a kiss of death.”65 The shah’s action may have been motivated primarily by a desire to help the United States, but conceivably he also expected a quid pro quo related to military supplies if his mediation efforts proved successful.

The friction between the United States and Iran ebbed significantly in August 1967 when the shah made his postponed state visit to Washington. Although some U.S. officials had earlier feared that the trip would be marred by public disagreements between the president and the shah over Iran’s warming ties with the Soviet Union and the shah’s desire for increased U.S. military sales, events during the summer had altered the situation. Rostow, in a briefing memorandum for Johnson, noted that the shah had been having second thoughts about closer relations with Moscow in the wake of the Six-Day Mideast War. Rostow stressed that Johnson should “urge caution” on the Iranian leader, especially in light of the congressional backlash.66 Despite lingering concern within the administration that tension might come to the

65. Memorandum from Rusk to Johnson, 15 August 1967, in NSF/CF/ME, Box 137, LBJL.
66. Memorandum from W. W. Rostow to Johnson, 22 August 1967, in NSF/CF/ME, Box 137, LBJL.
surface during the visit, the summit proved to be an extraordinary success. Johnson and the shah had two long, amicable private discussions, and the Iranian leader also had fruitful meetings with Humphrey, Rusk, members of the Senate Foreign Relations Committee, and a number of U.S. business executives. The talks were described not as negotiations per se, but as a “thorough exchange of views on matters of common concern.” Formalities aside, the success of the meetings did result in additional American arms sales to Iran (including a new squadron of F-4 Phantoms) and helped to repair the damage that had occurred in the relationship since 1965.

The August summit marked a turning point in the U.S.-Iranian relationship. U.S. officials began to treat the shah less like a “schoolboy” (as Kermit Roosevelt had put it), and the alliance matured from a patron-client relationship to a true partnership. The new understanding between Washington and Teheran was summed up by Meyer in a memorandum he sent to Rostow in late October 1967. The ambassador assured Rostow that the shah’s recent visit had removed “any doubts he may have had re his remaining a valued friend of our country.” Moreover, despite several remaining challenges, Meyer and other embassy officials were “confident that we can build further on the healthy relationship revived during the shah’s Washington visit.”

The renewed confidence in Iran was reflected in a highly symbolic moment late in the year when the United States officially ended direct economic aid to Iran under the auspices of the Foreign Assistance Act on 30 November 1967. The administration terminated economic assistance based on a formal determination that Iran was no longer a less developed country. Johnson called the event a “milestone in Iran’s continuing progress and in our increasingly close relations” and highlighted the “similarity of needs and mutuality of purpose that Iran and the United States have long shared [and that] do not stop simply because Iran’s well-being enables it to shoulder greater bur-

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67. Telegram, Rusk to Meyer, 26 August 1967, in FRUS, 1964–1968, Vol. XXII, pp. 428–429. The shah privately told Humphrey on 24 August that he was “anxious that the United States understand his need to maintain his defensive position” against the threat posed by Nasser, a threat the shah did not believe the administration fully appreciated. He also defended his arms purchases from the Soviet Union, explaining that Iran was “getting much more from the USSR than it is giving.” Memorandum from Humphrey to Johnson, 30 August 1967, in NSF/Name, Box 4, LBJL.

68. Meyer to W. W. Rostow, 21 October 1967, in WHCF/Gen CO, Box 41, LBJL. Despite this sentiment, Meyer was worried that hostile congressional reaction to Iran’s arms purchases from Moscow “has dealt a crippling blow to our relations with Iran.” Telegram, Meyer to Department of State, 3 November 1967, in FRUS, 1964–1968, Vol. XXIII, p. 436.
dens." For the next eleven years, the United States had no closer ally than the shah. As U.S. policy shifted with the Nixon Doctrine—not to mention the enormous flow of American weapons into Iran during the Nixon administration—Iran became the anchor of U.S. strategy in the greater Middle East.

Conclusions

The period from 1965 to 1967 was an important one in the history of U.S.-Iranian relations. By the late 1960s, the relationship had been completely transformed from a strictly patron-client dynamic to an arrangement approaching equality. Two developments lay behind this change. First, Iran was increasingly able to purchase most of its arms from the United States, thanks to expanded oil revenues and progress in economic development. Second, U.S. officials sensed that, at a time when U.S. military forces were heavily committed elsewhere in the world, a strong, pro-Western Iran would be conducive to American interests in the Middle East. These two factors ushered in more than a decade of close cooperation between the two countries and cemented the shah's status as one of the staunchest U.S. allies. Ironically, as it turns out, the Iranian leader's determination to demonstrate his country's independence from the United States actually ended up forging a closer link between Washington and Tehran. Even though the trade and arms deals consummated in the mid-1960s between the Soviet Union and Iran caused consternation at the time, they were of little significance in the long run. The USSR sold approximately $344 million worth of arms to Iran from 1966 to 1970. These shipments represented only 12 percent of Iran's total military imports during that period, as compared to the 85 percent obtained from the United States. The shah's primary motivation in approaching the Soviet Union was to acquire enough weapons to ward off what he perceived as the threats posed by neighboring Arab states. A secondary motivation was to demonstrate Iran's independence from the United States, but the shah never

69. Statement, 29 November 1967, in NSF/CF/ME, Box 136, LBJL.

70. It is interesting to note that Richard Nixon visited Tehran in 1967. In light of the decisions Nixon subsequently made as president, he was converted to the shah's assessment of the pivotal role Iran could play in the Middle East. See Meyer, Quiet Diplomacy, p. 140.


72. Richard Herrmann, “The Role of Iran in Soviet Perceptions and Policy, 1946–1988,” in Nikki R. Keddie and Mark J. Gasiorowski, eds., Neither East Nor West: Iran, the Soviet Union, and the United States (New Haven: Yale University Press, 1990), p. 70. Furthermore, the equipment supplied by the USSR consisted primarily of trucks, antiaircraft guns, and other unsophisticated weaponry. See Ramazani, Iran’s Foreign Policy, p. 344.
had any real intention of vitiating or even seriously jeopardizing Iran’s alliance with Washington.73

From an analytical standpoint, the period from 1965 to 1967 was significant in three respects. First, it demonstrated that the Johnson administration’s overwhelming focus on the Vietnam conflict and other Cold War considerations resulted in a paradoxical relationship between the United States and Iran. The preoccupation with Southeast Asia meant that less attention and fewer resources could be devoted to other matters until a crisis loomed or the situation deteriorated enough to attract high-level attention. U.S. policy toward Iran was largely reactive throughout this period, even though the administration was aware of Iran’s importance to the United States as a key ally in the Middle East and one of the few supporters of the war in Southeast Asia. The relationship was shaped, and often roiled, by the overarching Cold War and the U.S. determination to prevent Communist gains in the Third World. In the postwar period, U.S. decision-making was often determined by the perceived need to counter Soviet policies, as George Kennan prescribed in his famous 1947 “X” article in *Foreign Affairs*. The U.S. obsession with Vietnam arose out of Cold War imperatives and was, as George Herring and others have pointed out, the logical extension of containment. Johnson’s efforts in Southeast Asia were rooted in that milieu. As a result, the Johnson administration tolerated the shah’s “undiplomatic observations and his preachiness” because the United States “had too much at stake to do otherwise,” especially in light of Iran’s support for the Vietnam War.74 The administration’s actions (or inaction) vis-à-vis the shah were predictable and explainable within the Cold War context.

The administration’s tendency to overlook Iran in favor of Vietnam raises the question of why Vietnam was so important to the shah. The Iranian leader used Vietnam to his advantage, constantly reminding Meyer, Averell Harriman, Rusk, and other U.S. officials of Iran’s unwavering support. Johnson was grateful for Iran’s backing, especially considering that the shah was one of the few Third World leaders who did openly support U.S. policy in Vietnam.75 The shah used the issue to gain traction in negotiations with Washington on questions of vital concern to him. But Vietnam was also an object lesson for the shah, who recognized the potential of being “Diem’ed”

73. Ramazani, *Iran’s Foreign Policy*, pp. 343–344. Ramazani cogently observes that if “the Soviet motive was to weaken the alliance by arms sales to Iran, it accomplished the opposite result; Iran succeeded at the time in getting the long-sought offer of modern weapons from the United States.”


75. The shah also cleverly reiterated his support for U.S. policies in the Middle East—notably Iran’s support for Israel and opposition to Nasser—and his backing of the U.S. intervention in the Dominican Republic in 1965. See Bill, *The Eagle and the Lion*, p. 177.
by the United States. Worries about meeting a similar fate contributed to his desire for a broader international base of support. He also recognized that the Johnson administration’s concerns about the credibility of U.S. commitments—a key rationale for the decision to escalate in Vietnam—did not necessarily extend to all U.S. allies, as the Indo-Pakistani war had demonstrated.76 Perhaps the entanglement in Vietnam prevented Johnson and his advisers from noticing the similarities between the shah and Diem; indeed, advisers like Walt Rostow tended to think of pro-Western authoritarian rulers more as a unit rather than as individuals. The U.S. government tried to convince both Diem and the shah to implement political reforms and focus on economic development, but neither leader eagerly complied. The abrupt ouster of Diem in early November 1963 undoubtedly was one of the factors that spurred the shah to rethink his exclusive relationship with the United States. The incident contributed to his fear of losing American support, a fear that would persist until (and be partly corroborated by) his abdication.77

The second theme of this period is the importance of domestic political considerations in forming and understanding foreign policy, both in the United States and in other countries. To be sure, observers of U.S. foreign relations and American politics dating back to Alexis de Tocqueville have been mindful of this nexus. Yet the influence of domestic calculations in U.S.-Iranian relations in the mid- to late 1960s is striking. As David Skidmore has written: “Policy makers do not have the luxury of ignoring domestic political imperatives, even when these imperatives work against otherwise sound policies.”78 Both Johnson and the shah had to take account of their domestic constituencies when handling the relationship between their two countries. The administration faced domestic opposition to its dealings with the shah throughout this period. Senator J. William Fulbright wrote to Johnson in 1967 that he was “disturbed” by the sale of the F-4s to Tehran, and Supreme

76. Rouhollah K. Ramazani has argued, “American preoccupation with the war in Vietnam continued to raise doubts about the wisdom of reliance upon the United States for security in regions of immediate concern to Iran.” See Ramazani, “Iran and the United States: An Experiment in Enduring Friendship,” Middle East Journal, Vol. 30, No. 3 (1976), p. 331. The shah probably did not fear being replaced by the United States as much during the 1965–1967 period as he had during the Kennedy administration, but the Diem coup certainly provided a sobering restraint on his actions.

77. Although the possible loss of U.S. support always concerned the shah, the likelihood of such a development during the Johnson administration was minimal. Johnson was more sympathetic to America’s authoritarian allies across the globe and was less likely than Kennedy to consider or authorize a step like the ouster of Ngo Dinh Diem in South Vietnam.

Court Justice William O. Douglas—an expert on Iran—noted his deep concern over the political situation in Iran and the effect the arms sales might have. When the president tried to persuade the shah to pull back from the Soviet Union, he did so not only because of concern that the USSR might gain a foothold in the Middle East but also because he worried about the impact of the shah’s actions on congressional support for Iran—and the foreign aid program—and on his own political fortunes as the 1968 presidential election drew near. The “who lost China” debate in the 1950s was never far from Johnson’s mind.

By the same token, the shah sought to undercut his domestic political opposition by bolstering his credentials as an Iranian patriot and underscoring that he was not an American puppet. This factor explains why even as the shah publicly supported U.S. policy in Southeast Asia and elsewhere, he permitted newspapers in Iran to publish sharp criticism of the United States. Although he firmly controlled the instruments of power in his country, the Iranian leader could not completely disregard the undercurrent of discontent with Western influence that existed in Iran and the broader Middle East. The shah’s domestic political imperatives influenced foreign policy not just in Iran but also the foreign policies of other countries. The decisions the shah made at home affected U.S. policy toward Iran, just as Johnson’s domestic political maneuvering helped to shape the direction of Iran’s increasingly autonomous foreign policy.

The third theme in this article is that Third World leaders understood the nature of the Cold War and used the superpower conflict to their advantage to a much greater degree than previously recognized. This was a classic case of the tail trying to wag the dog, as the shah sought to play both Washington and Moscow against one another. Shahram Chubin and Sepehr Zabih have pointed out that when scholars examine U.S.-Iranian relations, they must be mindful of the divergent perspectives of a superpower with global interests and commitments and a small state primarily concerned with external security and internal stability. The United States worried about Soviet activi-

79. Bill, *The Eagle and the Lion*, pp. 172–175. Fulbright’s reservations transcended the sale of military equipment to the shah. By the 1960s, he believed that the U.S. foreign aid program in general was “fatally flawed,” and he was “deeply repelled” by the repression and corruption in Iran. See Randall Bennett Woods, *Fulbright: A Biography* (New York: Cambridge University Press, 1995), p. 312.


81. Chubin and Zabih, *The Foreign Relations of Iran*, p. 86. This is especially true given the “breakdown of the rigid ideological and political polarization of international politics in the early and mid-sixties.” Zabih, “Change and Continuity,” p. 522.
ties in the Middle East and pressured Iran to be cognizant of the potential threat, whereas the shah was more concerned about Iraqi and Egyptian ambitions and the danger that they posed to his country. The Iranian leader believed that U.S. concerns about the Soviet threat in the Gulf region were overblown.82

This disjuncture bears out the analysis made by Tony Smith in an article he published in 2000 advocating the use of pericentrism as an interpretive framework for the Cold War. Smith's argument gives agency to junior actors in the superpower conflict, suggesting that they were motivated by fear or ambition and able to manipulate Moscow and Washington. Smith argues that “the superpowers were at least as much pulled as they themselves pushed into the globalization of their contest.”83 In the case of U.S.-Iranian relations, the shah's “policy of détente [sic] with Moscow brought about the desired results and Teheran succeeded in realizing its set policy objectives for the sixties” and helped to create “equilibrium in its relations” with the superpowers.84 Smith's analysis and the present case study also reveal further similarities between the shah and Diem: Both tried to distance themselves from the United States while simultaneously using the American preoccupation with the zero-sum game of the Cold War to leverage their ally into providing additional funds and military equipment while focusing on their own ambitions.

In retrospect, it is clear that no real danger of a permanent breach in U.S.-Iranian relations actually existed during this period. Nonetheless, because of the importance of perception and appearance on both sides, diplomatic activity did recast the bilateral relationship in accordance with current and evolving strategic concerns. The events of this period show that Iran had acquired greater leeway vis-à-vis the United States compared to the early 1960s. The shah's domestic position had stabilized and become more secure since the events of 1953; the Iranian economy had improved significantly (largely because of increased oil revenues); and relations with the Soviet Union had improved markedly, rendering the border less of a threat and allowing the shah to focus attention on threats elsewhere. Meanwhile, U.S. grant aid had been phased out as the Iranian economic situation had changed. The Johnson administration's focus on the conflict in Southeast Asia, combined with the growing realization in Washington of the limits on U.S.

power, reinforced this trend. When confronted on specific issues, the United States not only was often unsuccessful in its attempts to pressure the shah in the mid-1960s but was even susceptible to being pressured itself.85 The Iranian leader’s flirtation with Moscow was calculated to heighten U.S. anxiety and to induce the United States to sell more weaponry to Iran. Moreover, although the Johnson administration remained concerned about the negative effect of the shah’s military buildup on the Iranian economy and about the absence of meaningful political reform, the increasing U.S. strategic dependence on Iran in the region made it ever more difficult for Washington to exert influence on the shah in these matters.86 As a result, the “schoolboy” graduated to full partnership status.

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85. Chubin and Zabih, *The Foreign Relations of Iran*, p. 116. Assistant Secretary of Defense John McNaughton summed up the reality of the new U.S.-Iranian relationship when he told the Senate Foreign Relations Committee on 2 March 1967 that “there is obviously a limit to the influence we can bring to bear on them.”