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Resistance

Supp to

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U.S. Involvement

IRAN in IRAN 1900-1963

PART ONE

Imperialist Disguises and Liberal Illusions

1900-1963

U.S. Involvement in IRAN

PART ONE

Imperialist Disguises and Liberal Illusions

1900-1963

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As the developing revolutionary situation in Iran increasingly commands the attention of the international public opinion, a particular shortcoming — that has long endured — gains more significance. Historical analysis of the various questions regarding Iran, presented from a revolutionary perspective, is painfully scarce.

The present work, which we hope to follow with many more on this and other subjects, is a small step towards the elimination of this problem. In meeting this need, however, we were also hindered by financial difficulties which made us unable to publish this pamphlet despite the fact that it was completed last June.

We hope, through your help, to overcome these nagging problems in the near future. It is also our hope that you will take time to send us your comments, criticisms and suggestions to enable us to improve our work.

December 78

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Introduction

For nearly two years, the U.S. government has been conducting a massive propaganda campaign claiming that it is in the business of “defending human rights,” “strengthening freedom” and “spreading world peace,” etc. This is quite in contradiction to its proven nature—reactionary and aggressive. From its wars against Korea and Viet Nam, the name of the United States had become identified with mass murders and atrocities.

For millions worldwide, the United States is known to be in the business of imperialism; who then, is the U.S. really trying to fool with its shabby “human rights” trick?

After World War II, greatly enriched by the war, the U.S. emerged stronger than its war-torn rivals in Europe and Japan, and assumed leadership over them within the imperialist system. Using every possible method, from military force and espionage to propaganda, coup d’etats and other violent tactics, the U.S. maintained its leadership of the imperialist system through economic and political domination of other countries. Knowledge of the nature of U.S. imperialism developed rapidly among the peoples of those countries, and made their struggles against it even sharper and more determined.

The exposure to millions around the world of its predatory, criminal actions forced the U.S. to change its tactics, its propaganda and its covering rhetoric repeatedly as each one proved useless against massive resistance and revolutionary opposition from liberation movements, and peoples’ daily struggles. For those who know the savage nature of imperialism from experience, the current sham of “defending human

rights" is not going to work either.

Knowledge of imperialism brings with it the knowledge that real freedom and genuine rights for the people are fought for and paid for in bloody armed battles.

However, there have been and still are some forces who, for various reasons and from different viewpoints, take Carter's propaganda seriously and evaluate it as if it represents reality and benefits the people of the world and their struggle for freedom. To many, it may be obvious that "human rights" is a fraud, but history shows that similar covers in the past were not so well understood or combatted by revolutionaries and progressive forces as they should have been.

This is exactly the point where the danger for revolutionary movements lies. It is for this reason that a specific analysis of imperialism and its policies in any given period should be done in order to prevent illusions about its nature and the content of its policies; such illusions lead to deviations in the actual struggle.

We will illustrate briefly from the history of the peoples' struggles in Iran how these deviations have brought the total defeat of the revolutionary potential of the movement at the time and resulted in brutal massacres of thousands of people. Imperialist tactics and tricks must be *thoroughly* understood in order to be *thoroughly* fought against. Where they come from and who they are aimed at must be analyzed.

Today in Iran, the main forces threatening to deviate the movement are:

1. Factions of the ruling class in Iran and the U.S. which are in contradiction with the Shah's ruling clique for their own reactionary interests. With the upsurge of the mass revolutionary movement in the past year, the activities of this reactionary ruling clique have also especially increased, some of whom, actually are trying to attach themselves with the movement.
2. The traitors of the "Central Committee" of the Tudeh Party. This reactionary clique is on the payroll of the Soviet Union. They try to sow discord among the people as well as divert the correct path of our revolution for the benefit of their Kremlin bosses. These traitors who

are deliberately obscuring the nature of reactionary rule in countries under imperialist domination are serving the interests of another imperialist superpower—the Soviet Union.

3. The counter-revolutionary cliques belonging to the "Fourth International." They do nothing but strengthen the domination of imperialism in Iran as well as maintain the bloody and hated rule of the Pahlavi Regime. These reactionary forces who are advocating the "full development of capitalism" in Iran in the guise of strengthening revolutionary forces, are in fact favoring the further enslavement and destruction of Iran by imperialism.
4. The liberals—the traditional reformists. Though they are part of our general movement, they represent the right wing tendencies. The liberals have always fought for reforms within the framework of monarchy and constitutional rights. Today, as always, their aim is to confine our revolutionary movement to meager "reforms" and "criticisms."

At this time, the situation in Iran is riper than ever for the people to overthrow the regime, drive out all the imperialists, and establish their own democratic government. The victory of the revolution depends greatly on successfully exposing and defeating illusions, deviations and wrong analyses that lead away from the correct path that will realize the objectives of our democratic revolution.

There is obviously a difference between those who are proven agents of the regime or imperialism, or who have been exposed as consistent traitors to the people on the one hand, and those who because of their class base are unable to take a thoroughly revolutionary position against the reactionaries.

At the same time, however, despite the sincere good wishes of these latter forces, it is their deviations and mistakes and illusions that are harmful to the revolution no matter how sincere the individuals may be to the revolution itself.

Some Other Points

Here, we would like to discuss some important points about the subject of this pamphlet before going into the main subject itself:

1) Regarding U.S. policies internationally, the main focus here will be the periods when these policies are disguised and hidden behind covers of "Freedom," "Democracy," "Civilization," and "Progress." Each period will be analyzed in relation to the contradictions confronting imperialism in the world, and in relation to the particular issues and policies it employs toward dependent countries.

The "foreign policy" of imperialism should not be considered separate or distinct from imperialist policy in general, or unconnected with its domestic policy. The monopoly character of imperialist economy means everywhere a striving for domination and expansion and the corresponding political rule of reaction. We aim to reveal this inevitably reactionary political character of imperialism and, thus, its policies as they are manifested in dependent countries subjugated by imperialism.

With regard to Iran, U.S. policies aimed at gaining control over the country and the consolidation of this control will be discussed historically.

The policies to be discussed wore some of the heaviest disguises that imperialism could come up with. We hope to show that whatever contradiction arises between the despotism of the Shah's regime or that of Pinochet of Chile on the one hand, and Carter's professed policy of "human rights" on the other, we should not gain the impression that the nature of these fascist regimes differs in essence from the nature of U.S. imperialism itself. Or, in other words, that these regimes are "independently fascist" in some way and are thereby "preventing" the "human rights" policy from being applied.

2) Tactics used by imperialism change according to the contradictions and problems that confront it. The main prob-

lem threatening them is the rise of liberation movements within countries dominated by them. Imperialism may change its tactics to deal with this type of problem, but it should give us no illusions about a change in the nature of imperialism.

Different tactics are forced on imperialism by different local conditions, the characteristics of different countries and the changes in the international situation. But imperialism cannot change its nature because it is a specific period of history in the development of capitalism. Its reactionary nature stems from the reactionary character of capital itself during this later period. It is economic monopoly and finance capital, which tend rapidly and inevitably toward domination and reaction. Thus, it in no way has any progressive aspect.

Different tactics can also be applied to deal with the internal contradictions of imperialism, between rival imperialists, and also by different factions against their rivals in their own imperialist class.

3) Another factor that should be noticed is the position of one imperialist power in relation to the others in the world in any given period, and its relative strength within a country where several imperialists are competing. It is on the basis of this balance of forces in the world and within dependent countries that each imperialist develops plans for gaining the dominant position from competing rivals.

It will be seen that where its hegemony is secure and faces no serious rivals, an imperialist power can operate with full military force against the liberation and freedom movements in the country. Where one power faces the task of overtaking, ousting, replacing a rival imperialist for control of "its" dependent, different policies and tactics are required and used.

An example from the history of Iran will illustrate this.

On the eve of the 1906 Constitutional Revolution in Iran, British colonialism led the reactionary colonialist powers and dominated the imperialist system as a whole. At that time, Iran was ruled by a despotic regime (*Ghajar Dynasty*) supported mainly by Tsarist Russia. Britain swooped in, flying banners of "freedom" and "civilization" and so on, just as the revolution-

ary forces were building up to smash the *Ghajar* band and its Tsarist backers. Riding on anti-Tsarist hatred, the British promised to help the revolutionary forces overthrow the regime and establish a constitutional government and kick out Tsarist influence. (The whole scheme was meant to ensure British hegemony and resulted also in blunting the force of revolution with a constitution guaranteeing the monarchy in Iran.)

Meanwhile, against freedom fighters in its "own" colonies in India and Africa, Britain launched all out repression.

Britain's wearing a mask of "liberalism" in Iran, while it carried out undisguised terrorism in India and Africa should in no way confuse us into thinking Britain had "two natures" or "two different characters" or could "chose" to be a different system. On the contrary, like every imperialist power, Britain's purpose was to expand its sphere of influence and colonize every part of the world it could, by whatever methods needed. In general, the old colonialism was a policy of outright political annexation, carried out where a territory was not yet seized by any other power. Putting a mask of "civilization" over barbarism in no way altered the nature of British imperialism and its economic plundering as well as political domination.

This pamphlet analyzes U.S. policies and their implementation during periods when its rulers covered imperialism with masks of liberalism. In particular, it will analyze the policies of Wilson, Roosevelt and Kennedy when imperialism paraded with banners of "Democracy," "Civilization," "Freedom" and "Progress." Each period will be analyzed in the context of the world situation preceeding these administrations in order to show what conditions and contradictions confronted imperialism and forced the cover up with "liberal" masks. It will also be shown that the class outlook of reformism and liberalism led the national bourgeoisie into the trap repeatedly and meant devastating setbacks for the democratic revolution whenever it fell under their leadership and failed to analyze and expose this.

Wilson's Period: Annexation for Democracy

Around the turn of the twentieth century, the rapid expansion of U.S. capitalist monopolies and huge trusts launched the U.S. into aggressive competition for spheres of influence, markets and credits in the world. Coming into a world already divided among the European colonial powers, this U.S. expansionism was accompanied by a series of wars among the big capitalist countries as each sought to maintain or seize control of other countries and to establish a dominant position in different regions.

In striving towards these goals, the U.S. collided violently with one rival after another. For instance, in gaining control over the Samoa Islands in 1886, the U.S. clashed with Germany and Britain. It went to war against other countries, annexed Hawaii in 1898, and forced the annexation of Puerto Rico, Guam, and the Philippines from Spain to the U.S. later in the same year.

It established a "protectorate" over Cuba in 1901, encouraged "revolution" in Panama to weaken Spain's hold over Colombia and to seize control of an area for the future Panama Canal. Its annexation by "protectorate" also was carried out against Haiti, Nicaragua, Santo Domingo (1905), and other areas, following the general view of Theodore Roosevelt in 1903 to "talk softly and carry a big stick and you will go very far."

Claiming the "necessity of protecting U.S. borders" it used military force to subjugate the territories nearest to it as a base for future expansion and aggression.

This aggressive expansionism was called "*Dollar Diplomacy*" based in part on the reality of the huge monopolies and banking groups striving everywhere for financial and political monopoly and domination. U.S. national wealth vastly increased with the development of monopolies:

U.S. National Wealth

1850	\$7 billion
1900	\$88 billion
1912	\$1863 billion

In 1912, the national wealth of other countries were:

Germany:	\$77.8 billion
France:	\$57.1 billion
England:	\$79.3 billion

From this great bulk of wealth, the capital exports to foreign countries by the U.S. amounted to \$500 million in 1900 and leaped to 5 *times* that amount by 1913: \$2.5 billion. Half of this was invested in Latin America and one fourth of it in Canada.

A specific policy was needed for the protection of these vast capital investments. The enormous wealth accumulated and concentrated in the hands of giant monopolies, cartels and trusts created both the possibility and the necessity for great investments of capital in other countries. It required also the most extreme measures to protect those investments while the U.S. also expanded its sphere of influence for future investments.

"Dollar Diplomacy" was, in fact, every form of support to U.S. investors and investments abroad that could be implemented, whether by diplomatic pressure for special tax privileges, tax credits and laws of exemption favoring U.S. capital or through military threats and military force. The military invasion of Santo Domingo in 1905 for example, was for the protection of U.S. investments in that area. Violent military actions were carried out in Nicaragua and Haiti in 1912 for the protection of two U.S. banks, Brown Brothers & Co., and G. and W. Seligman & Co., both of them huge finance capital groups with enormous capital invested in those countries.

The model of Wilson's foreign policy was drawn, in fact,

from Monroe. Updated and formally outlined to meet the needs of a rising imperialist power, the Monroe Doctrine elaborated the main principles of U.S. competition with Europe:

1. The U.S. will not permit European intervention in the affairs of the American continents;
2. The U.S. will not permit European nations to add any new colonies to those they already hold in the Western hemisphere;
3. The US will not meddle in European affairs. (2)

These principles laid the basis for U.S. expansion at the beginning of the 20th Century. Having consolidated its control over Latin America, the U.S. was seeking new areas for expansion. U.S. interference in the affairs of Latin America was entirely justifiable within the limits of the Monroe Doctrine and it was simply declared to be a U.S. "right."

In the midst of sharp internal rivalries among imperialist powers aiming to carve up China and the Far East, the U.S. interfered in China in the name of "non-interference," acting as "intermediary" for its rivals; claiming "neutrality," it sunk its teeth into Asia under the guise of "industrial and financial development."

The U.S. stepped up its expansion during this period under the name of "protection of law and order" and sending out teams of advisors and investors called "civilizing missions."

The implementation of Wilson's policies (the superficial recasting of the Monroe Doctrine was sometimes referred to as "The New Foreign Policy") was especially favorable to the U.S. during this period because of the conditions and contradictions of World War I. It helped to transform the U.S. from a debtor to a creditor nation in relation to Europe and it emerged from the war a major economic power within imperialism.

At the same time, taking every advantage of inter-imperialist contradictions among its European rivals, the U.S. seized the role of "neutrality," and launched itself on the stage of world imperialism as the vanguard of "democracy and freedom." Loudly proclaiming "neutrality" on the eve of World War I, the U.S. moved swiftly into every sphere of competition and "mediated" the contradictions to its own benefit.

Altogether, the all out aggression of U.S. imperialism that

marched around the world propagating "Dollar Diplomacy," "The New Foreign Policy" and its own leadership among "equals" in the League of Nations vastly expanded the interference and direct intervention of the U.S. in every continent in the world.

Thus, Wilson proclaimed that the main concerns of U.S. foreign policy were "freedom" and "independence" and he justified the expansionism and aggressive militarism as if they aimed to establish democracy in the colonies under U.S. control. He justified the invasion of the Philippines as an attempt to "teach" the people "order and self government" even if it meant forcing it on them with troops. (3)

By stating that it was the duty of the American people to protect "justice" and "progress" all over the world, Wilson on the one hand was trying to buy support from the American people for the imperialist aggression of the U.S. abroad by advocating that even military force (especially in Latin America) was in the interests of local "progress" and "democracy."

In some cases, these maneuvers and the accompanying propaganda were effective. In particular, where the U.S. pretended "support" for progressive revolutionary forces, it briefly captured the progressive aspirations of the American people and blinded them to the opportunistic and reactionary content of U.S. policies. One clear example was U.S. "support" for the Chinese Constitutional Revolution in 1911, whereas its real purpose was to gain the upper hand over Japan in dominating the Pacific Ocean and the Far East.

In 1911, the revolutionary movement in China was led by Sun Yat sen. This revolution was aimed at eliminating the reactionary ruling class of China, whose material interest in maintaining feudalism was supported by the government of Japan. The struggle of the Chinese revolutionaries against these rulers was seized upon by U.S. imperialists in order to use the movement to weaken Japan's influence and prepare a base for the U.S.

In order to prepare the ground for intervention and in order to take advantage of the political contradictions, Wilson had to differentiate the U.S. and its "motives" from those of past

presidents. The reason was the demand for independence by the revolutionary movement in China and the fact that previous U.S. administrations had blatantly sought financial control of China's major railway project. The memories of this interference and the demand of the revolutionaries for genuine independence forced Wilson to shift tactics. Where the previous administrations had "offered" enormous credits and loans at high rates of interest for the construction of China's railroad, and had drawn up a contract under the control of a banking consortium headed by finance capitalists Harriman and Morgan, (4) Wilson announced that these contracts would threaten the independence of China—and promptly drew up a series of smaller, less alarming contracts that actually opened up China to direct penetration by U.S. capital in several areas at once.

This avoided the exposure of the real nature of U.S. imperialism to some portions of progressive forces in China and laid the basis for capital investments in China in the name of "independent economic development."

Another example of Wilson's deceit was the U.S. military invasion of Mexico in the name of "non-intervention" and "neutrality." There was a coup d'etat in Mexico in 1913. The U.S. Ambassador at the time cooperated overtly with the military forces behind it. Backing the coup but needing to appear "neutral," Wilson withdrew the U.S. Ambassador. Revolutionary and democratic forces built a strong opposition to the reactionaries who engineered the coup and the progressive forces were gaining strength against U.S. interests.

While Wilson proclaimed to Congress that there should be a U.S. policy of "wait and see," he requested the mobilization of 500,000 U.S. troops for direct invasion of Mexico. In the name of "protecting democracy" these forces invaded and attacked Mexico and tried to exterminate the revolutionary forces. The U.S. was defeated by the Mexican people and their victory exposed the U.S. "non-intervention" for what it was.

With U.S. involvement in the world war at this time, it had to fall back into negotiations with Mexico over the investments and other interests, but only briefly. Once again, in 1921, the U.S. intervened directly with military forces to "help" in crushing a huge peasant rebellion in Mexico. (5)

The First World War, when it broke out in 1914, had been under preparation for years by the capitalists and rulers of all countries. In one way or another, the seizing of colonies, the competition for markets, the subjugation and ruin of whole peoples and territories for the protection of financial investments, the buildup of aggression and expansion in economic and political spheres inevitably created conditions among the imperialists that could only be resolved by force. The essence of imperialist policy is revealed in its wars.

Here we are not concerned with what the U.S. did during the war in the name of "neutrality," but with its maneuvers within the new post-war imperialist relationships in striving for a dominant U.S. position in backward countries. The two major forces in the imperialist camp following the war were Britain and the U.S. With its great colonial empire, the British opposed U.S. maneuvers for "equality" among nations—a policy clearly favorable to the economically stronger U.S. The struggle between these two for control of Iran will be discussed later.

As a whole, the policies of the U.S. in this critical period during the first two decades of the century were to bolster and consolidate its expansionist aims. Its relative success in camouflaging imperialism with the veneer of "supporting democracy and independence" against the colonialism of its rivals was aided by the fact of its later arrival as an imperialist power. The policies of colonialism, the outright annexation, seizure of territory, violent subjugation of whole nations and countries carried out by European powers, gave some room for the U.S. to present itself as "impartial" and aiding "independence" etc. The very fact that European powers already possessed vast territories around the world also exposed them, while progressive forces were misled concerning the real nature of the U.S., even while it carried out the same subjugation, ruin, and plunder by different methods.

It was this misinterpretation of the U.S. and its real aims that prepared the favorable conditions for it to take advantage of peoples' just demands for freedom and independence while gaining control over their countries. Iran was no exception.

U.S. Claws Reach Iran

To illustrate the underlying essence of U.S. policies towards Iran during this period, its striving for domination in the name of "non-intervention," we will analyze U.S. actions concerning Iran's Constitutional Revolution, the American "mission" under Morgan Shuster, the Versailles Conference and the Iran-British contract of 1919.

At this time, the government of Iran was in the hands of British and Russian interests. Colonialism and Tsarism fought it out through their loyal factions in Iran's regime and ruling circles. This competition intensified with the growing strength of a popular democratic movement pushing against foreign domination towards achieving an independent and democratic Iran.

Through the 19th Century, the U.S. had been unable to gain more than trade contracts and various diplomatic agreements for the protection of Americans in Iran. The opposition from Russian Tsarism and the British to further U.S. penetration kept American influence at a low level. A contract of "friendship" had been signed in 1856 and was broadened to include certain trade agreements in 1882, but little beyond that had been achieved.

However, tremendous new forces were unleashed in Iran towards the end of the 19th Century as the tyrannical rule of despotic regimes and autocracy aroused Iranian people to revolutionary struggles aimed finally at exterminating the Tsarist backed regime of *Ghajar*. One of the leading forces in this Revolution was the Iranian national bourgeoisie whose goals of constitutional democracy and freedom seemed em-

bodied in the U.S. At the time, the national bourgeoisie represented a determined progressive force and the movement as a whole was a powerful revolutionary struggle that enjoyed mass support.

Both Britain and the U.S. calculated the advantages to be gained by supporting this struggle against Russia. At one point, some reformists even held a sit-in at the British Embassy to gain its support for the movement. But Britain's vulgar aims quickly became clear when it sat down to negotiate with Russia for the partition of Iran into two spheres of influence—one for each power! The movement condemned British colonialism and declared its hatred for both Britain and Russia.

The U.S. lost no time in seizing advantage of this development and began to use the revolutionary movement to pressure both Britain and Russia and gain credits and concessions from the Iranian regime. During this time, the revolutionary struggles against reactionary autocratic rule of the *Ghajars* and Tsarism deepened its fight also against colonial oppression from the British. Russia and Britain united against this powerful force and they also sought to prevent the U.S. from exploiting their weakened position.

The U.S. faced the same revolutionary forces among the Iranian people and also confronted a united opposition from within the imperialist camp. To maneuver in this set of contradictions required a two-sided policy: one aimed at diverting all opposition away from itself, the other aimed at carrying out very specific plans for the eventual financial control of Iran exclusively by the U.S. banking groups and the elimination of competition in Iran from all other powers.

Events proceeded in the U.S.'s favor. By 1911 when Tsarist Russia invaded Iran militarily to violently suppress the revolution, the aims and roles of Tsarist Russia and Britain had become crystal clear to the national bourgeoisie as well as other democratic forces. The Russian invasion invoked a storm of hatred and a new wave of rebellion to eliminate Tsarist and British influence in Iran. People had no illusions about the nature of these two oppressors. The national bourgeoisie, with all its inherent tendencies to liberalism, began to look all the more favorably towards the U.S.

Iran's financial situation was in ruins and desperately needed organizing. The U.S. stepped in with offers of "expert" assistance and financial "advisors." The Majlis (Iran's parliament) prepared a formal request for such financial "advisors" from the U.S. and the ground was prepared for the plunder of Iran and its gradual devouring in the claws of U.S. monopolies, trusts and banks.

The Shuster Mission

American Control of Iran

After some negotiations, a delegation of American advisors led by W. Morgan Shuster arrived in Iran on May 12, 1911 with the task of "organizing" its financial affairs. To avoid British and Russian objections, the U.S. claimed that the advisors did not serve the U.S. at all because they were "employed" by the government of Iran. It was shown to be quite the opposite since the delegation, having administered the finances, taxes, trade relations and customs of countries such as Cuba and the Philippines in the clear interest of protecting U.S. capital in those countries, proceeded to do exactly the same in Iran. (6)

But so misguided were the national bourgeois representatives in the Majlis that on June 13, 1911, they passed a bill delivering "full and complete powers in the handling of finances" to the Central Treasury which was then headed by Shuster.

Shuster's deadly little "mission" multiplied its activities in all directions, extending the tentacles of U.S. capital, U.S. monopolies, U.S. banking groups widely and deeply into the Iranian economy, and beyond that to its police forces. The inseparable links of political reaction and finance capital were quickly forged.

Shuster's vast domain included authority over all financial and tax affairs, the distribution of the government's income and determination of expenses. And he alone could change the tax laws. This meant that Shuster controlled the entire national budget, trade, commerce and investment. His decisions, not surprisingly, opened the gates for U.S. products, exempted them from customs, and directly assisted his former "boss," Standard Oil, in obtaining massive credits for oil extraction in Northern Iran.

Shuster organized a special police unit of 12,000 forces for the purpose of collecting taxes from the masses of poor people in order to finance his own bureaucracy and provide the police with special training in espionage and counter-insurgency. Still facing Russian and British opposition to some extent, Shuster offered patronage positions and payoffs to British advisors and suggested a British police officer to head the special secret police. Russia objected; a Swiss was chosen.

Russia continued to protest the speedy absorption of Iranian finances into the great belly of U.S. imperialism and on November 2, 1911, the Tsarist government issued an angry ultimatum demanding the immediate deportation of Shuster. Not only did the Majlis reject the ultimatum, it voted Shuster ten more U.S. advisors for his program! However, the second ultimatum, which was also rejected, brought the dissolution of the Majlis at the hands of the Ghajar-Tsarist forces and Shuster was forced to leave Iran.

All this pressure from Russia against Shuster strengthened even further the contrasting image of the "benevolent" American "help" being carried out by the U.S. advisors. Many Iranians still identified the character of the U.S. with an individual American named Howard C. Baskerville, who had devoted his life to the revolution in Iran. When Baskerville died during this period, the tendency to regard Americans with favor was strengthened and it has made Shuster initially all the more acceptable to the national bourgeoisie, and even among broad sections of the people.*

* Today, with the nature of U.S. imperialism being completely exposed, the Iranian people's movement knows well that a great difference exists between the American government and the American people. While the U.S. government is the dominant imperialist power in Iran and has been responsible for all the misery and hardship our people have gone through, as well as their massacres and plunder, our movement enjoys, and has enjoyed, the support of literally hundreds of thousands of conscious freedom loving American people. Throughout the years, they have supported our movement in or outside of Iran. And our movement does not hold the freedom loving American people responsible for any of the hundreds of crimes and atrocities the U.S. government has committed in Iran, or throughout the world, for that matter.

The tragedy was all the more severe given the key role that Shuster played at this time, in establishing a thousand threads, a thousand deadly traps, a thousand links in a backward economy that forged a mighty chain of dependence and total subjugation over the years. His sinister activities went on with the blessings of the unsuspecting and politically misguided anti-British and anti-Russian liberals in the national bourgeoisie.

Even after Shuster was kicked out, liberals still regarded his mission as having the purpose of helping Iran to improve its financial and economic situation. And the more it was opposed by Tsarism, the more it gained approval from the liberals. Shuster had succeeded in preparing the way for U.S. penetration and the economic annexation of Iran by U.S. imperialism. By 1918, thanks largely to Shuster, the U.S. State Department was able to comment on the *"peculiarly favorable position which the United States holds in Persia."* (7)

Meanwhile, during World War I, the U.S. had churned out volumes of propaganda about "democracy" and "equal rights" for all countries. On September 2, 1916, Wilson pompously declared:

"We have professed to believe, and we do believe, that the people of small and weak states have the right to be dealt with exactly as the people of big and powerful states would be." (8)

Iranians were in a storm of revolutionary struggle for their freedom and their independence, their right to self-determination and democracy. They had seen the bare teeth of Russian Tsarism and the cunning thievery of the British. Some (the liberals) thought the U.S. was different and intended genuinely to pay attention to the problems of countries like Iran. By the end of World War I, the liberals and nationalist parties in Iran wanted to lean on the U.S. in their struggle to be rid of the British. Russian Tsarism had been exterminated for good by the revolutionary force of the Russian masses in the Great October Revolution of 1917. Their victory had eliminated Tsarist reactionaries from Iran.

Britain was now the only major power dominating Iran, and the government of Moshirodoleh, under liberal and pro-U.S.

influence, turned to the U.S. for support in opposing the British.

At this time, the U.S. and Britain both were embroiled in formally consolidating the re-division of the world among imperialist powers, the negotiations of the Versailles Peace Conference. The U.S. proposed three times that the question of Iran be discussed, and three times Britain vetoed or postponed discussion.

The *New York Times* entered its commentary in the absence of official U.S. government statements. On March 8 and April 13, 1919, it recited the demands of Persia against the British and expressed mild noises of sympathy for the Persian cause. This was followed by a conclusion that Persia was not "ready" for "complete independence" and therefore the best "solution" would be to make Persia a British mandate. Not a word of objection from the U.S., whose "benevolent help" silently delivered Iran into the hands of the British.

Again, the significance of this should have revealed more of the reactionary character of the U.S. and its "help" to Iran, but when the U.S. made loud protests against the signing of the British-Iran trade contract and oil concession of 1919 (which was a total sellout of Iran to the British), the temporarily tarnished image of the U.S. was restored to its former gloss.

During the post-World War I period, and throughout the rule of the present Shah's father, Reza Shah (1921-1941), the U.S. role remained a secondary one in Iran. The dominance of Britain was further consolidated by the oil concession and it advanced its plunder of Iranian wealth and markets with savage methods and direct attacks on the workers and toilers generally. The hatred of British imperialism boiled especially deep in the oil regions which were totally controlled by the British and ruled with brute force.

Through this period, the U.S. moved like an animal stalking its prey as it steadily and carefully built up trade and economic relations with Iran and penetrated Persian culture with American "educators," "missions" and so on. It worked steadily to develop a strong network of financial and political links to the Iranian ruling class, in preparation for future penetration.

Roosevelt: New Deal for the “Have-Nots,” Benevolent Exploitation

During this period, the world situation was shaped by the conditions of severe crisis in the imperialist system. The Great Depression had shaken the system to its roots and required drastic changes in policy to resolve both internal problems and the intense contradictions of a complicated international situation.

The economic crisis within some countries, such as Japan and Germany, led them to seek the most rapid expansion into world markets and at the same time militarize their economies in order to back up such an overtly aggressive policy with force. The continuation of this policy through military aggression was the blood bath of World War II. At the same time, countries like France and Britain were weaker internally from numerous political and economic crises and were not able to operate as they had done previously around the world. They were unable to find a fast way out of crisis.

The U.S. offered to supply one of the most experienced and cunning representatives of imperialism—Franklin D. Roosevelt—as a “leader” of “the free world” ready to solve everyone’s problems with an enormous package of weapons called “The New Deal.” (The significance of The New Deal for U.S. domestic policies was enormous. This pamphlet, however, will focus analysis on the New Deal in relation to U.S. foreign policy.)

Roosevelt claimed his theoretical base from Wilson and proposed that Wilson’s policies be brought forward and adapted and updated to suit changed conditions around the world.

Wilson’s policies had developed out of the changing balance

of forces between the U.S. and Europe where the U.S. sought to protect “its” sphere of influence in Latin America from competition with Europe and provided some “legal” basis for expanding elsewhere in the world’s markets. You remember that Wilson proposed the “principles” for imperialism.

Between the two world wars, there was a need to redesign many policies and tactics to suit the tremendous changes in the world situation. The U.S. tried to formulate the “justification” for eventually replacing all of Europe as the dominant “colonialist” in all parts of the world: first, prohibit Europe from getting more colonies (Wilson) and move rapidly to build its own U.S. “sphere of influence.”

Imperialism was required to take into account the storms of liberation movements and democratic forces in the colonies while at the same time it was forced to put a heavy coat of paint on itself to try to cool off this burning opposition. Roosevelt clearly recognized that genuine independence in colonial and oppressed countries, would cut off more of its major markets, resources, and trade routes—not to mention its “possessions” where it counted on huge supplies of cheap labor to exploit at great profit.

Roosevelt’s solution was to formulate policies reflecting this reality and appearing to answer to its genuine demands; at the same time, he formulated an elaborate program and vocabulary intended to disguise the identical natures of different imperialist countries and, of course, portray the U.S. as totally unlike its competitors and rival colonialists. While other powers were arrogant colonialists and war profiteers, the U.S. would be “Civilized,” “Diplomatic” and “Reasonable” towards one and all, with “Responsibility” for the whole world.

According to the international policies of The New Deal:

1. Power politics was wicked and should be replaced by a democratically controlled diplomacy;
2. Armaments should be limited or abolished and their production placed under international controls;
3. Such waterways as the Panama, Suez and key Canals and straits like those of Gibraltar and the Dardanelles should be internationalized;

4. Self-determination for all dependent peoples provided it was "feasible";
5. An international organization would be established with economic and military force behind it. (9)

The crux of this policy is in the Fourth Principle which is aimed at the backward countries. On the surface and in a temporary and limited way, it served to pretend an identity between the policies of the U.S. and the aspirations of the peoples in dependent countries. This is a familiar tactic.

Roosevelt was a master at finding and formulating the peoples' needs and aspirations, manipulating their support and drawing reformists and liberals from their ranks into schemes of class collaboration.

The proclamation of "concern" for the deep aspirations of millions of people for freedom from the domination of colonial powers and for genuine independence caught many forces off guard.

This same proclamation was a cheap and clever tactic against the colonialists and imperialists that the U.S. sought to replace. It was intended to deal with the inter-imperialist rivalries of that period, in particular between the U.S. and Britain. Its application to Iran continued with enormous success through the 40's and worked its evil influence on the democratic and revolutionary forces of the Iranian people's movement, convincing liberal and reformist leaders that the U.S. was "not the same" and "not as bad" as Britain. Anti-British passions were whipped up with a storm, as the U.S. sought to blunt the development of anti-imperialist consciousness and divert the movement from attacking the U.S., while using it against Britain in preparing to take over. But the movement was able to overcome and defeat the propaganda among the masses, though not in the leading liberal forces. The U.S. finally resorted to violence: the August 19, 1953 coup d'etat.

Roosevelt cleverly used the full weight of mass media and public declarations and great shows of "diplomacy" in speaking to peoples' genuine aspirations around the world, stressing the burdens of those in dependent colonies.

It was a direct attack against U.S. rivals, aimed at pressuring them to "free" their colonies and open up the way for the U.S.

to replace them. Roosevelt paid great "attention" to the miseries of the African peoples who, of course, had been long subjugated by the British. The idea was that British colonialism had brought devastating misery and death, while the U.S. would bring "independence" and "prosperity."

Roosevelt knew better than his predecessors the need to speak to the aspirations of the American people as well. And their suffering under the weight of economic depression in the 30's aroused consciousness of the common aspirations they shared with oppressed peoples in all parts of the world. It was a potentially powerful force if left to grow and deepen under the peoples' own leaders. Such consciousness of common aspirations would lead to consciousness of common enemies as well.

A powerful revolutionary movement in the 30's had faced U.S. imperialism for the first time with the revolutionary potential of the American people. It had struck terror into the over-confident U.S. rulers who suddenly faced, in their own backyard, the very same threat to their existence that confronted them from "their" masses in other countries.

If the U.S. was going to compete worldwide and on an "equal basis" with other imperialists, then it had to find a way to convince the peoples of countries dependent on Britain, France, etc. that the U.S. was "different."

So there was a need for propaganda. But there was also a need for concrete changes in practice on the surface. Overt colonization of backward countries had been standard practice for a long time. Britain had been systematic, brutal and thorough in its colonial administration, and had secured the absolute hatred of colonized peoples. They had years, decades and centuries of experience under this form of rule. It would be risky to repeat the same thing again. People would not stand for it. And since imperialism is *incapable of not* expanding and competing and grabbing up, seizing everything it needs—neo-colonialism was born.

Roosevelt, the "liberal" New Dealer, became Roosevelt, the "humanitarian" Neo-Colonialist. After a visit to British Gambia, he said: "For every dollar that the British have put into Gambia, they have taken out ten. It is just plain exploitation of the people." (10)

But despite his "depression" concerning the exploitation of African peoples, he recommended that colonialists should adopt a "different" policy such as that which the U.S. carried out in the Philippines. Calling the Philippines a "protectorate" of the U.S. couldn't change the savagery of imperialism, but it was intended to present the U.S. as a great opponent of "colonialism"—other countries' colonialism, that is, when it was convenient and useful to advancing the U.S.

For example, trying to antagonize relations between France and Germany in order to prevent collaboration in the war, Roosevelt sent a letter to Marshal Petain stating that "one of his greatest wishes is to see France reconstituted in the post-war period" and that, in his mind, the word France means the "French Colonial Empire." (11)

Neo-colonialism aimed at changing the methods of colonialism from one of direct administration by the dominant power to political control through "agreements." It was a shabby change, but it meant there would be more hiding space for imperialism behind the local rulers in backward countries.

The idea was that not only could the domination of the country by imperialism be less obvious to the masses because it would be administered by a local government and army; but also, if push came to shove, the U.S. could always say it had been "requested and agreed to" by the local rulers.

Instead of direct, overtly administered colonies, backward countries would now be controlled "legally" and by international agreements. Neo-colonialism would be administered by covert operations—at all levels—while imperialism, on the surface, would loudly grant these countries their "political independence," their "liberation" from colonialism and their arrival into the world as "free and independent" nations.

The aspirations for genuine independence were a powerful force among the peoples suffering from colonial domination. Their movements proclaimed their determination to gain independence in a revolutionary way because it was only by the revolutionary struggles of the people themselves that they would be able to free themselves from economic domination as well as political annexation.

It has certainly been shown by many examples of history

that it is quite possible for imperialism to completely dominate another country economically without actually annexing it or openly administering its government. One or another imperialist power holds ultimate political control, and this does not alter the fact of economic dependence on imperialism as a whole. At the same time, the formal "independence" of a country, its existence as a state, has nothing whatever to do with real political independence and the freedom of its people as long as it remains tied by a billion threads to the imperialist economic system. Iran is an outstanding example.

The U.S. recognized in this period that the possibilities for direct and overt intervention in other countries might be severely limited and even impossible in some cases. The stronger the resistance to colonialism and domination of any kind among the people of a country, the more risky such actions became.

Roosevelt was skillful in finding at least a temporary solution to this problem in neo-colonialism. And because of the genuine cry for independence being raised in dependent countries, the tactic of granting formal "political independence" to "former colonies" was extremely clever.

The idea of granting such "independence" only to countries whose people "could handle it" assured imperialism of prolonging the enslavement of millions of people by simply claiming that they were "not yet ready" to run their own society. It also afforded unlimited possibilities for sending whole armies of "advisors," agents, and so on to "help" the people become "ready."

Some objections were raised at first by some American strategists, since there were concerns about even suggesting "independence"; this would, it was argued, hurt the interests of the U.S.

Roosevelt had an answer for this as well. He divided the countries of the world into the "Have" countries and the "Have-Not" countries. It was obvious that this division was meant to obscure the relationship between imperialism and all the dependent and backward countries that it held in its claws and maintained in virtual slavery. It implied that the source of "not-having" was something completely unrelated to the "Have"

countries, something that the "Have" countries could, in fact, change. It tried to claim that imperialism could provide "prosperity" for impoverished peoples, by "sharing" its wealth among them.

In other words, imperialism would give "aid" to alleviate the misery and destruction it had produced and make everyone believe it was the greatest philanthropist and benefactor in the world. Meanwhile, the plunder and robbery would have to continue, of course: where else would the "Have" countries get what they have, if not from the "Have-Nots"?

Again, this was temporarily useful propaganda and was cleverly used by Roosevelt. At the same time, it had its impact in the real world as the question of "aid" opened the flood gates for U.S. penetration into every continent of the globe.

Since this "aid" was linked with the other principles of "no independence until ready" and also "exploitation and oppression by agreement" it put the final touches on the new "image" of U.S. imperialism: "Humanitarian," "Democratic," and "Legal."

The question of "aid" had crucial significance for the recovery of imperialism from its grave economic crisis and its attempt to prevent such a crisis in the future. The "Have" countries were buying permanent, "legal" access to the vast markets of the world, urgently needed outlets for their capital and products. Particularly with the productive capacity of their economies running at full speed during the war, there was the danger of recession as soon as the war ended. "Dumping" any surplus production into the "Have-Not" countries would take the pressure off the capitalist economies. Since the U.S. emerged with its productive machinery untouched by war, and its European rivals in ruins, it is obvious which one of them reaped the benefits.

It is clear from history that there was no fundamental improvement whatsoever in the conditions of the masses. The whole program had been sold to any "doubting" imperialists on the basis of the theory that if such improvements were made, then it would further increase and expand these countries as surplus markets. This was the opening of greatly expanded capital exports to backward countries under the

gigantic flag of "development." "Dumping" commodities was a more unpredictable and shorter-term practice and tended to follow the jolts and chaos of the "home" markets. On the other hand, the necessity to expand production would always confront them. Some commodity markets might dry up, but the imperialists counted on an unlimited possibility for making profits from capital investments in the "developing" economies of backward countries—provided the imperialists did the "developing."

The urgent need to shore up, strengthen and fortify the entire imperialist economy grew out of the recognition that liberation movements in the colonial countries could not be easily defeated and were seriously weakening the imperialist countries and the imperialist system overall. The idea of the "Have" countries "helping the 'Have-Not' countries with their progress and development" became attached to the name of Roosevelt while he used the very real dangers facing imperialism within the colonial and backward countries to alarm rival imperialists and enlist their support for such policies. As he said on returning from the Yalta Conference and his visit to the Middle East,

"A country that isn't moving forward with Civilization, is always more of a potential war danger than a country that is making progress."

In other words, a country whose basic economic and political system is not firmly linked with imperialism might go in its own truly independent direction, by waging people's war against imperialism and for self-determination.

Changing the old policies of colonialism were aimed at checking the real independence of the underdeveloped countries by bringing them more firmly and completely into the world imperialist system, tying the imperialists with a million strings and real connections under the guise of "development aid" and bringing "progress," "civilization," etc. to supposedly "politically independent" former colonies.

The implementation of this policy would have taken considerably longer had it not been for World War II which carried out militarily what these policies reflected in inter-imperialist rela-

tions. U.S. imperialism was pushing everywhere for leadership of the system and for dominance over the European powers. Its efforts to seek a greater share of influence and markets in the areas previously dominated by European colonialism, especially Britain, were reflected in the policies of Wilson and Roosevelt and were facilitated by changes in the balance of forces after WWII.

Unlike war-torn Europe, the U.S. economy was strengthened enormously from the War and its political and military position in the world made it the most powerful.

Moving rapidly into the spheres that had been dominated by rival colonialist powers, the U.S. quickly became the pillar of neo-colonialism and leader of the most reactionary forces in the world. The major weapon in this rapid domination was Roosevelt's policy which had laid the basis for deceiving the genuine aspirations of peoples struggling for real independence and complete freedom.

The U.S. quickly took advantage of these burning aspirations and promised peoples in the colonial and backward countries that it would help them realize their independence. At the same time, the cover was effective in pressuring the European powers to pull back from their strongholds and allow the U.S. to gain the upper hand. French and British imperialists were facing the direct attacks from liberation movements in the countries dominated by them; at the same time, they were in a far weaker position from the war in relation to the U.S. and were forced to retreat.

Only where these policies were clearly seen through and the struggles of the peoples pushed ahead with greater determination against all imperialists and their policies did the genuine liberation of the peoples result. For example, in Albania, China, Viet Nam, and Korea, the revolutionary forces were successful in carrying out revolutions that led to the elimination of imperialism, including the U.S., in their countries.

By correctly analyzing the situation of world imperialism on the one hand, and using all popular forces in building the revolutionary struggle, freedom and independence were attained in such colonies as North Viet Nam and in semi-colonies like China. But this was not the case in all countries.

Where liberal forces had a great influence in the movements and reformism was strong, and where the revolutionary movements did not have a strong organization with a revolutionary platform to lead the movement, the true nature of U.S. imperialism was not exposed to the people and U.S. propaganda was effective in deceiving some sections of the movement. This strengthened the leadership of liberals and collaborators who misled the movement, effectively stripped it of its revolutionary content and deprived it of a revolutionary leadership.

A clear example of this development occurred in Iran during 1941-53 when the Roosevelt policy and its tactics were implemented against the Iranian people's movement and succeeded in smashing the revolutionary forces while the U.S. succeeded in replacing British colonialism as the dominant power in Iran.

U.S. Policies in Iran

1941-53

Groundwork for the replacement of British colonialism with U.S. imperialism in Iran had been laid with the removal of Reza Shah in 1941. The relationship between the U.S. and Iran, and its real content of master and servant, as well as the dominant influence of the U.S. in Iran were basically established from the time when Reza Shah was driven out of Iran (August 24, 1941). Reza Shah, who had been brought into power by British colonialism and always relied on British support, had taken the British side in its competition with the U.S. over Iran. This was the case even during the last years of Reza Shah when his strong leaning towards Germany enhanced the relationship of Iran and Germany in terms of trade especially.

Trade relations between Iran and the different imperialist countries during this period are a good indication of the changing power relationships that were developing. Taking the trade relations between Iran, on the one hand, and Russia, Britain, Germany and the U.S. on the other, the ten years between 1930 and 1940 indicate the relative position of each power in Iran:

1930-31	1940
Russia 37%	Russia 0.5%
Britain 12%	Britain 8.5%
Germany 6%	Germany 39%
U.S. 9%	U.S. 9.5%

Clearly, in this ten-year period, Germany received a far greater share in trade with Iran than did the U.S. But Germany's gain was of greatest threat to Britain at that time, rather than to the U.S., for Britain was in direct competition with Germany in Iran. This is the major factor underlying Britain's dismissal of increasingly pro-German, pro-Hitler Reza Shah, in an effort to cut short the growing competition from Germany.

Reza Shah's dismissal and deportation pleased the U.S. as well, for it removed a major obstacle for U.S. penetration against the British. The son of Reza Shah, Mohammad Reza, would be less under British control than his father and had already received training and influence from the U.S. The choice was clear. Mohammad Reza Shah came to power.

The invasion of Iran by Allied forces gave ample cover for stepped up activities on the part of the U.S. while fighting off the Germans. In a very short period of time, the U.S. launched its own invasion of Iran in the form of "advisors" and "technical missions" and a variety of U.S. agents whose positions and responsibilities established them in virtual control of the affairs of government, military, economic and state power in Iran. The concentration of "advisors" in finance, trade, commerce and oil affairs indicates the critical importance given to these areas as the keys to control.

Millspaugh Mission

U.S. "Advisors" Run Iran

In 1942, the economic advisors headed by Dr. Millspaugh arrived in Iran. It was Millspaugh's second term as chief financial advisor to the Iranian government, having been cut short in his efforts during the period of Reza Shah by opposition from the British. However, at that time, he had experienced himself in the ways of Iran's financial and economic system and was ready in 1942 to take charge.

The Majlis cooperated with the passage of a bill giving Millspaugh the authority to employ Americans for all positions he had proposed, 35 in total. They were the equivalent of ministerial positions and the 35 Americans who were brought in, as "advisors," were thus put in charge of the government of Iran; its administration and day-to-day decisions and policies regarding trade, commerce, and the entire financial and economic system, were in the hands of Americans. Americans were in charge of the Offices of Customs, Treasury, Internal Revenue, Price Stabilization, Supply and Supervision, Distribution, Industry, Road Transports and Transport Priorities. The Americans were in charge of the food production and distribution, which later was incorporated within the overall General Economic Administration under Millspaugh himself. Americans were also in charge of the financial administration of all provinces.

All of this was carried out by U.S. "advisors" allegedly employed by the Iranian government. As Millspaugh later admitted, he and all the "advisors" in this period were directly responsible to the U.S. State Department for implementing U.S.

policies in Iran. They were well-trained "experts," "specialists" who were fluent in the language and knowledgeable about customs and could easily carry out espionage.

The bill granting Millspaugh full authority to call in more "advisors" and place them in the positions that he wanted led his program to have a major role in sharpening the crisis of that period. Since the policies were to serve the U.S. and not Iran, it is no surprise that the laws enacted at Millspaugh's "recommendation" favored the U.S. at Iran's expense.

For example, in the regulation of commerce, distribution of goods, customs, taxation and money exchange, the laws were to the benefit of U.S. goods, U.S. currency, and the steady buildup of U.S. investments in Iran. These laws were directly harmful to the local capitalists, the national bourgeoisie of Iran. Millspaugh's programs also attracted to it a whole class of stooges and paid lackeys and servants who were filling their pockets.

The resulting bankruptcy of Iranian-owned factories and destruction of local industries meant that there was an increasing need for the importation of goods from the U.S. Meanwhile, Millspaugh continued implementing policies destructive to local production, while pushing through other laws openly granting favors to the "advisors": exemption from import taxes, customs duties and even individual income tax exemption.

Millspaugh even controlled the distribution of newsprint for the newspapers in Iran and therefore controlled their circulation, and, in effect, operated as the Chief Censor. He enabled the reactionary newspapers to flourish freely at this time—which they did—and at the same time effectively strangled the publications of the democratic and progressive forces, which quickly were destroyed under Millspaugh.

The opposition was smoldering under this stifling suppression and quickly spread into a huge movement against the activities of these U.S. "advisors" and against the whole Millspaugh operation. However, there was some confusion about the nature of U.S. control and while opposition to Millspaugh and the "advisors" was raging, there were some who began to see that their economic interests were already linked with the

continuation of his "mission" and they began to maneuver and protect their "opportunities." Collaborationists emerged in Millspaugh's defense.

For example, when the broad opposition to Millspaugh and his identification with the entire U.S. program in Iran became so great that his removal was necessary, there was a flurry of support for him from these collaborators as he departed. The newspaper, *Ra'd-i-Emruz*, published by a reactionary named Sai'id Zia ed-Din, ran an editorial on December 12, 1944, stating:

"If Dr. Millspaugh leaves us, his departure will be followed by immediate collapse of our economy. . . . Millspaugh's enemies demand his departure from Iran, but nobody has any idea what to do next. No one can give a guarantee that after his departure the economic situation of Iran will not be worse. Those who attack Dr. Millspaugh either play with the whole problems, or are completely ignorant, or else have instructions from foreign sources purposely to cause disorder." (14)

This open support for Millspaugh's mission by such a known reactionary as Sai'id Zia aroused even wider opposition to the continuation of the mission and it made Millspaugh's departure absolutely necessary. By December he was gone from Iran, but those who had worked with him and had been put into positions of authority and responsibility by him remained. The "advisors" were still in their posts and only made some superficial changes in their procedures and systems. In general, the U.S. devised methods of work that were based on the experiences of the angry opposition to Millspaugh's blatant practices. Millspaugh had operated too much like the British colonialists. The U.S. learned its lessons.

Meanwhile, the struggle against Millspaugh, because it had been limited to his individual position, his identification with a particular mission and therefore within the narrow outlook of reformism, the movement did not develop beyond this into a movement against U.S. imperialism as a whole or see this mission as part of imperialism's vicious policies in bringing Iran firmly under U.S. control. Since much of the struggle had aimed at Millspaugh individually, it lost its purpose after his

departure. And it taught U.S. policy makers a lesson for their future missions and future advisors—how to make them more "attractive" and more "acceptable" to the masses and how to disguise the real centers of power and the real purposes of the U.S.; also how to hide the whole thing behind an Iranian cover.

Another U.S. program at this time was one of far reaching importance for the eventual domination of Iran by American financial groups, while operating behind the great cover of "development" and "progress" and "economic independence." This was the establishment of the Plan Organization which, according to U.S. Ambassador George Allen at the time, was supposed to symbolize Iran's efforts to attain "independence" and "democracy" in the face of its neighbor, the Soviet Union.

The Plan Organization was actually designed by U.S. corporations such as Morrison Knudsen and financial "advisors" from major oil monopolies and U.S. banks. It was headed by Abdol-Reza Pahlavi, the present Shah's brother. Delegations of American "advisors" streamed into Iran week after week to help organize and implement this program, loudly insisting that the Organization was entirely an Iranian creation. It was, in fact, a combined Board of Trustees for major U.S. corporations and banks and an administrative body functioning to carry out the investment plans and political activities of the U.S. in Iran.

Its cover as an Iranian Organization, headed by an Iranian, temporarily satisfied the aspirations of the Iranian bourgeoisie for "national independence" and even attracted their support.

The Plan Organization was the major center for implementing Truman's *Point Four* program which, in essence, continued Roosevelt's policies of "helping the underdeveloped countries." The American "advisors" shipped in under this Point Four scheme amounted to a U.S. invasion. Along with massive credits came a flood of U.S. agents and spies called "specialists" in this or that field.

The flood of loans, credits and massive capital investments into Iran during this period further entangled the Iranian economy with that of international finance capital, but in particular with the largest banking monopolies of the U.S. While the heavy government loans were pumped into unproductive

fields like military construction and military supplies as a whole, private banking groups lined up in the U.S. dominated Import Export Bank and the International Bank for Reconstruction and Development.

The Plan Organization's contract with Morrison Knudsen invited the giant U.S. construction company to carry out an extensive survey and study of Iran's natural resources. The Plan Organization's leading body included the Iranian ruling class contacts that had developed during the period of Reza Shah with careful "cultivation" by American advisors in Iran after World War I. Thoroughly collaborating with the U.S. financial "experts" they were now ready to serve up Iran on a platter to the banks and "developers," the biggest exploiters of U.S. imperialism.

For different reasons and from a different perspective, the national bourgeoisie failed again to oppose this plunder and devastation being carried out in Iran by the U.S. Their limitless optimism concerning the U.S. claims of bringing "democracy" to Iran and their class opposition to Communism, brought the national bourgeoisie once again into an imperialist trap.

the Liberals

and

Inter-Imperialist Competition for Oil

In postwar years, the U.S. and Britain gained complete control of Iran's foreign trade. For instance, in 1949, each had a share of 35% of Iran's foreign trade. At the same time the trade with the then revolutionary Soviet Union, which provided Iran with productive equipment in exchange for raw materials, on an equal exchange basis, constituted only 2% of her foreign trade.

Under this destructive trade policy, Iran's cash reserves steadily diminished, and the economy increasingly depended on imperialist loans. The resulting weakness of Iran's economy created the basis for the stepping up of the plunder of Iran's oil, its major export commodity, at the hands of U.S. and British monopolies. During this period, the U.S. sought more actively to take advantage of overall weakness in Iran's economy in its deliberate attempts to gain dominance of the oil industry.

The enormous value of Iran's oil resources, as well as the fact that Iran's main export was oil, explains its leading role in the economy. Therefore, the political as well as economic events in this period were inseparably linked with developments in the oil industry. On one side, the people of Iran were clear that the oil, this natural wealth of Iran, should be in the control of Iran and her people. Years of militant struggles were aimed against this outright control and theft of Iran's oil by the British and the U.S. The British and U.S., on their side, were manoeuvring to strengthen their position in Iran through complete control of the oil industry from drilling to refining and distribution.

The third key force in this critical period was the Iranian national bourgeoisie. Their liberal character, which guided

their actions as a class, objectively resolved the intense contradiction of the Iranian people versus the U.S. and Britain in favor of the imperialists. The struggle among these forces was a lengthy and bitter fight that had enormous significance for the future of the Iranian people's movement. A thorough analysis of this period is beyond the scope of this pamphlet; we will cover only the major aspects here.

Prior to World War II, Britain controlled the major portion of oil production in the Middle East, Indonesia (80%) and Latin America (50%). The U.S. share was much smaller: 13% in the Middle East, 50% in Latin America and far less in other areas. During the war, U.S. companies launched aggressive competition against the British for dominant control, forcing the British to the conference table in Washington in 1943. This conference of the competing oil companies drew up a contract reflecting the growing strength of the U.S. companies and the decline of the British. The agreement redivided the major oil resources of the world in the interests of the U.S.: by 1945, Latin American oil was 72.3% U.S. controlled, 25.3% British.

Fresh from this victory over its main rival at that time, U.S. imperialism immediately moved to gain the upper hand in Middle East oil, signing independent contracts and credit agreements with the governments of those countries as well as contracts with British corporations for an equal share of British profits.

By 1951, U.S. corporations controlled over 55% of the world's oil production outside the U.S., whereas Britain's share had fallen to 30%.

This redivision of control over the world's major industrial resource between the two main imperialist rivals of that period was played out in Iran as well, as Britain began to sign over shares of its oil profits to U.S. corporations.

In Iran, the question was not just a matter of transferring oil shares from British hands into U.S. hands. An entirely new situation existed for the imperialists because of the nature of the people's movement in Iran.

At this time, the vast majority of Iranians were opposed to all the Western corporations. The revolutionary potential of a conscious, organized, anti-imperialist movement in Iran would threaten the interests of the entire international oil cartel. However, if this ripening movement could be diverted and

limited to an attack against the British companies only, it would actually assist the U.S. in their push to seize control from the British.

The anti-imperialist sentiments of the people were spreading and the struggle gained strength in this period. It was aimed primarily against the Anglo-Iranian oil company in southern Iran which produced revenues for Britain and nothing for Iran.

Meanwhile, U.S. policy concentrated heavily on public propaganda stressing its support for the principle of "equal share-equal interest" in its oil deals with Latin American countries. It was, in essence, a temporary and superficial political concession to create more favorable conditions for deepening U.S. economic penetration and dominance.

The propaganda was carried into the Anglo-Iranian dispute where it was aimed at weakening Britain's hand by artificially fueling the nationalist sentiments of the movement and thus appearing to "support" the people's struggle against Britain.

The national bourgeoisie of Iran was a fertile territory for such a scheme and quickly fell victim to it. Liberals even rose in defense of U.S. policies!

But in this period, the mass movement had developed rapidly and sharpened the antagonism with Britain, forcing the liberal national bourgeoisie to draft its program of nationalization.

The nationalization proposal marked a shift in the struggle; genuine nationalization could not be supported by the U.S. because it would undermine their own, as well as British, profits. Thereafter, U.S. tactics aimed at convincing Dr. Mossadegh * to accept British terms.

On the one hand, the increasingly militant and powerful mass movement prevented Dr. Mossadegh from signing the British proposals, even with the U.S. threats, boycotts, and blockades applied against Iran to strangle the economy unless Mossadegh gave in.

* See Appendix A

But at the same time, the liberal outlook of the national bourgeoisie was blind to the real intentions of the U.S. Despite near destruction of the economy at the hands of the U.S., the liberals actually believed that the U.S. was a "neutral" and "democratic" force in this whole dispute and was simply a "disinterested mediator." The national bourgeoisie therefore had its eyes glued to the U.S. and desperately sought "salvation" by delivering its problems into the hands of the U.S. for a "solution." Liberals who did not have a clear understanding and analysis of imperialism could not see the predatory monster beneath the heavy cover of "democracy," even in the face of daily evidence to the contrary.

What happened was precisely what the U.S. wanted: Iran's oil production came to a screeching halt and the entire economy neared collapse. Economic blackmail had succeeded and the national bourgeoisie was caught in the trap. The "solution" was now indeed out of Mossadegh's hands, and in the hands of the U.S. Mossadegh proved incapable of ridding himself of liberal illusions concerning U.S. "democracy" and "neutrality"; nor was he any longer able to follow a correct policy or program on oil.

The weakness of Mossadegh towards imperialism and thus his inability to carry through a complete struggle against it was not just his alone, or his individually. Liberalism towards imperialism on the oil question was consistent with the reformism of the national bourgeoisie as a whole. Satisfaction with temporary and superficial reforms placed it in isolation from revolutionary or radical ideas and prevented accurate analysis of the real cause of Iran's problems and therefore prevented organizing a revolutionary struggle that would solve them in the interests of the people.

In all fields, this futile faith in the U.S., this trust in U.S. imperialism on the part of the national bourgeoisie blunted the people's understanding of their real enemy. It prevented the masses from recognizing the fundamental aim of the U.S. — to secure complete economic and political control of Iran, which could only come about through complete destruction of the movement itself.

Militarily, the U.S. began open intervention in September 1941 through direct transfer of 30,000 U.S. troops to Iran. In the name of "technical and engineering aid" to Iran, the troops were slipped in under cover of wartime supplies being transported through Iran to the Soviet Union.

One landing dock built at Khoramshar and a few minor construction projects carried out by the U.S. Army corps of engineers convinced the national bourgeoisie that U.S. "help" was genuine, and, in any case, just a part of wartime "aid."

The first team of U.S. advisors were specialists from the U.S. police, headed by Brigadier General Norman Schwartzkopf, formerly head of the New Jersey State Police. The group took complete charge of Iran's police force. Its assignment was to develop a highly trained internal armed police unit to operate as a military unit backing up U.S. interests within Iran.

This was followed by a flood of similar contracts between the U.S. and Iran, **requiring** the purchase of U.S. military equipment and hiring advisors. It was a move to gain monopoly on political and military control by decree.

Iran's liberal bourgeoisie, again, endorsed these police and military advisors in the narrow belief that they were assisting the struggle against International Communism (which they were), and therefore securing Iran's "independence" and "democracy" (which they were not).

Whether they actively welcomed the contracts or bowed to pressures from the U.S., the following contracts were signed:

1. **February-March 1942 — The Army Bill, passed by Majlis, provided for supplies and facilities from the U.S. for the Iranian Gendarmerie and Military.**
2. **October 22, 1943 — Said-Dreyfus military contract, the first of this kind, for extensive military services and supplies from the U.S.**
3. **October 2, 1947 — Djam-Allen Military Contract gave exclusive command control over the Iranian military to U.S. military officers called "advisor"; it also prohibited Iranian military contracts with or advice from any other country without U.S. permission.**

4. February 1947 — \$10 million worth of arms purchases from the U.S.

5. 1952 — Comprehensive military agreement on U.S. military aid to Iran and expansion of U.S. advisor program.

The implementation of these contracts, the application of so-called "aid" from the U.S. could be seen in 1946: the massacre of over 50,000 people in Kurdistan and Azarbaijan movements at the hands of an Iranian army under supervision of U.S. officers and advisors. During the years of tremendous mass movement and continuous struggles from 1941 through 1953, untold thousands lost their lives to the U.S.-trained, supervised, and directed forces. Finally, the bloodbath of August 19th, 1953 at the hands of CIA and U.S.-equipped troops who poured bullets on thousands of demonstrators while the U.S. overthrew Mossadegh and happily restored their Shah to a thoroughly U.S. throne.

"Reformism"

Imperialism's Best Friend

Such were the results of these deadly contracts and so-called "aid" from the U.S. during the 12 years leading up to the CIA coup in 1953. They were but the beginning of uninterrupted and intensifying political repression and economic plunder ever since.

The role of the national bourgeoisie of Iran who kept silent in the face of all these crimes is detailed here. There are numerous documents from the political representatives of these liberals proving their silence in the face of these crimes by the U.S. In some instances, proving even their justification under the guise of necessary strengthening of the "national defense."

The weakness of the liberals in the face of cleverly disguised and orchestrated moves by the U.S. helped to create favorable conditions to ensure an imperialist victory. In particular, it provided the U.S. with a favorable situation within the Iranian military and therefore, assisted the success of the coup d'etat. Helping to strengthen the U.S. penetration into the military and control over police and military training and equipment, the liberals helped to create the possibility for the U.S. reliance on the most reactionary and corrupt elements in the military for support to the CIA during the coup. By the time of the coup, these elements in the Iranian Army were fully under U.S. control.

To expose the thoroughness of U.S. plans for complete takeover of Iran, we will describe its activities in other areas. For example, Mrs. Nilla Cram Cook was hired by the "Office of War Information" as the permanent representative of the U.S. government in "cultural" affairs. As a top agent of the U.S. government, she was assigned to develop a full-scale propaganda campaign promoting American culture against

Persian culture, conducted like a military campaign through the Ministry of War and backed up by the American Embassy in Tehran.

The activities carried out under countless programs like these built an ever expanding corps of U.S. agents in Iran, an increasingly powerful and influential clique actively furthering U.S. political influence and at the same time concentrating on military and police operations aimed at crushing the movement.

Liberals' inability to analyze imperialism as the deadly neo-colonial system led to the failure of the national bourgeoisie to take a firm stand against it, allowing these gangsters a free hand to continue their crimes and schemes for control of Iran.

The incorrect approach of the Iranian people's movement to the U.S. prevented it from being able to draft the program necessary for struggle against it. At the onset of this whole period, the Tudeh Party* had an incorrect understanding of the international front against fascism and this prevented an absolutely thoroughgoing struggle against U.S. imperialism. A great portion of the movement was diverted and misled into reformist and superficial programs of the national bourgeoisie calling for only the mildest opposition to U.S. military advisors and troops in Iran.

After World War II, the U.S. systematically waged its cold war against the Soviet Union. At that time, there did not exist a strong revolutionary force within the Iranian movement that would have been able to weld the overall anti-British movement to the revolutionary democratic movement of working people.

Major errors and conciliatory line of the Tudeh Party leadership, aided by liberalism and reformists who were dazzled by the economic power and "democratic" rhetoric of the U.S. were the two strongest forces diverting the movement and blunting its potential for winning complete independence and democracy for Iran.

The CIA coup of 1953 was the deadly result.

On August 19th, 1953, Iranian people were attacked by an enemy whose nature was not fully exposed to them.

* See Appendix B

Meanwhile, the arch traitor Mohammad Reza Shah had been helping to strengthen and centralize the political and economic power of the U.S. within his Pahlavi Court, organizing the Imperial Court to obey the imperialist system, selling himself to the U.S., selling out Iran and the people in exchange for his crown. The exchange was completed on August 19th, 1953.

The Kennedy Period

The 1960's once again brought cries for "reforms" and attempts for the "improvement" of the conditions in countries dependent on the U.S. The U.S., with the election of Kennedy, led the campaign and furnished the propaganda, reviving the same slogans that were paraded through during Roosevelt's era. "Reform" became the policy of the U.S. towards its semi-colonies. It grew out of urgent crisis facing the imperialist system worldwide, and confronting the U.S. with challenges to its domination and plunder. The main factors requiring this shift in tactics were:

1. After World War II, the existence of many socialist countries that had achieved freedom and independence during or after the war faced imperialism with a direct challenge, weakening it both economically and politically, shifting the balance of forces in the world to the disadvantage of imperialism and limiting their freedom to roam and plunder at will.

Obviously, this weakening could not change the aggressive, predatory nature of imperialism; on the contrary, it responded with greater aggression masked with greater cunning and deceit than ever before. The "cold war," for example, was a gigantic struggle for political and economic domination of the world carried out in the name of "defending freedom." History has shown clearly that the "cold war" policy relied on and was aimed at shoring up the most reactionary groups and forces in the world to serve under the U.S. flag.

Its effects, however, were to rapidly sharpen up the contradiction within the imperialist camp, weakening it further, but also unleashing unbearable repression and worsening conditions for the millions of people under its yoke around the world.

Inevitably, too, it unleashed a tidal wave of resistance from all democratic and revolutionary forces who rose up against imperialism. Massive attacks were leveled against the people and massive rebellions broke loose against the reactionary servants of imperialism in these countries. This weakened imperialism even further and pushed it into more difficult and more unfavorable positions all over the world.

Despite many setbacks to socialism during this period, the camp existed as the most fundamental threat to imperialism.

2. After World War II, the U.S. occupied a superior position in the imperialist system, which enabled it to expand its influence and dominance throughout the world. This turned the U.S. into the main helmsman of imperialism as a whole, and transferred from Britain and Germany to the U.S. the responsibility of defending and protecting the interests of world reaction.

From this period on, the U.S. was one of the main enemies of, and danger to all revolutionary struggles and revealed its true nature as the sworn enemy of all the democratic, freedom-loving and revolutionary forces. The dominance of the U.S. among reactionary forces was exposed to the world's people more and more every day. Eventually, even when the U.S. was not directly involved in crushing the people's movement in a specific country, it was inevitably the main backer of such actions by its weaker allies. For this reason, to the peoples of the world who were rising up fighting for independence and democracy, U.S. imperialism represented the bastion of counter-revolution, exploitation and oppression.

3. The practical experiences of different victorious revolutions led the people of the world to see that true improvements and fundamental changes could only be achieved through revolution. Even in those countries that had attained "political independence" but were still economically dependent on imperialists, the people lived in poverty and destitution, while countries that had completely broken the chains of imperialism were rapidly advancing

in all fields, building self-sufficient economies and political democracy.

Such practical results exposed the hypocrisy behind the anti-communist propaganda of imperialists who were looting the world's peoples under the rhetoric of "foreign aid" or "development assistance." Revolutionary struggles against imperialism by peoples all over the world gained new momentum from these examples of real democracy and independence.

4. The central task of the peoples struggle in underdeveloped countries was the destruction of outmoded and backward systems and relations in their villages and rural areas. These relations had enslaved the poverty-stricken peasants for centuries.

Revolutionary forces, through leading the peasants and directing their struggle, helped in destroying the reactionary social system in these countries, thus creating the basis for the development and advancement of the societies as a whole.

Suddenly the peasant question, that had been completely ignored by the imperialists, became the principal question and forced the enemy into finding a way to defuse the peasant movements that were erupting with increasing strength in many countries. As the key factor in the development of national liberation movements, the peasant question became the core of imperialists' propaganda and rhetoric. The United States led the way in suddenly championing so-called "agrarian reforms" and even "agrarian revolutions." Their policies in this period were aimed at capturing these peasant movements to serve their own ends and prevent the development of thorough revolutionary movements.

In addition to the points mentioned above, the theories of peaceful coexistence, peaceful transition to socialism and peaceful competition, etc., advocated by Khrushchev in the Soviet Union generally assisted in creating conditions favorable for the U.S. to manoeuvre and gave additional coverage to reformist sloganeering by the U.S.

The treachery of the Khrushchev clique dealt heavy blows to the struggle of the working class and oppressed peoples all over the world and it was not long before the new Tsars, hand in hand with the U.S., began suppressing the national liberation struggles. The weakening and splitting of the socialist countries was the greatest service that these traitors and renegades rendered to the imperialists, for they bought time for the imperialists to continue their plunder and exploitation of the world's peoples and to strengthen their wretched rule over underdeveloped countries.

From the mid-1950's on, certain representatives and speakers for U.S. imperialism began talking about the need for certain "changes." This was, of course, accompanied by a strong wave of propaganda and flag waving about "freedom," "democracy" and "peace"! They conducted research on the question of underdeveloped countries and their relation to imperialism and they came up with the following doctrine to deal with it—called "The Tasks Before Us: Basic Aims and Policies" (U.S. Senate, November 1959):

Serious barriers still stand in the way of cooperation with the West, some of them the result of policies in areas such as the Middle East and South Asia which Western nations

considered necessary for security but which unfortunately injected them into local political conflicts and alienated those who sought a neutral position in relation to the Cold War . . . The less developed and the advanced countries need each other. There is a sound basis of partnership . . . The goal should be to offer a partnership which appeals to those peoples and to their leadership as a positive and preferable alternative to 'partnership' with the Communist bloc. (15)

The conclusion drawn from their "research" into the situation confronting them worldwide emerged as the "Kennedy Doctrine." Its implementation consisted of giving "aid" to underdeveloped countries in order to prevent the spread and strengthening of democratic and progressive ideas among the peoples of these countries. But it required a cover, a disguise that would be subtle enough to convince liberals and complex enough to take account of changes in the world since Roosevelt.

In order to maintain its political power and economic dominance in these countries, the U.S. required a base of support among the poverty-stricken peasants who were fighting to change their deplorable living conditions.

Thus, one of the major programs that was pushed into these conditions, comprising the bulk of U.S. economic and financial "aid" programs was "Land Reform." Kennedy announced that the U.S. was "willing to help those countries who are ready to help themselves."

"Land Reform" was implemented in different countries under different names. In Iran it was called "White Revolution." In Latin America, it was the "Alliance for Progress" and in India, it was the "Green Revolution."

The purpose of "Land Reform" was the stabilization of U.S. political and economic power in each country through the spreading of its influence and ideology to the most remote villages of underdeveloped countries. Secondly, it aimed at disarming the revolutionary aspirations of the peasant masses and silencing their cries for independence and genuine freedom. "Land Reform" in other words was one more chain of even more intense colonization and oppression, extending U.S. exploitation into social and cultural fields as well as economic

and political ones.

It is of great importance to analyze the issues related to "foreign aid" and its relationship to Kennedy's doctrine as the core of imperialist policy at that time. In an article entitled: "Objectives and Criteria for Foreign Assistance" by Hollis B. Chenery, an assistant administrator for program at AID (Agency for International Development), the aims of U.S. "foreign aid" were threefold:

In the most general sense, the main objective of foreign assistance, as of many other tools of foreign policy, is to produce a political and economic environment in which the United States can best pursue its own social goals . . . The second objective, which concerns the immediate future is internal stability, which is sought by giving financial support in times of economic crisis, by preventing internal disorders, and by other measures that help existing governments to stay in power The third major objective of foreign assistance is security of the United States and its allies from external aggression. (16)

Here it becomes clear that all these policies and programs were intended to prolong the life of imperialism by sustaining U.S. power in these countries through reactionary and puppet regimes entirely subservient to U.S. needs and demands.

The goals of U.S. "aid" in these countries were to be carried out in three spheres, closely interrelated: military, economic, and political. Military "aid" clearly occupied first place after World War II. The Kennedy Doctrine intended no decrease in military "aid"; on the contrary, the aim was to create a powerful infrastructure for the military program through "economic expansion" programs.

On February 19, 1959, Kennedy delivered a very interesting speech before the U.S. Senate in which he described the economic differences between countries:

The United States of America, the richest nation on earth, has not given the poorer nations new hope. But it is an unfortunate fact that the Soviet Union and particularly China have attracted the attention of the underdeveloped world to another and seemingly quicker route to closing the gap.

. . . China and India are roughly comparable in terms of their historic stages of economic growth and in resources; but China's rate of economic growth in 1958 was at least three times as high as India's. (17)

With such an analysis it is no surprise that Kennedy seized on a "reform" program to counter the overwhelming effects of revolution in China which had successfully freed 750,000,000 people from the yoke of imperialism. The Kennedy Doctrine was a desperate gamble of imperialism in response to revolution and the sharpening contradictions; and it marks a retreat by imperialism in the face of growing national liberation movements.

While retreating, however, the U.S. tried its best to turn the situation to its own advantage. The relationship of economic aid and politics, according to John Nuveen, banker and head of **Friends of the Middle East Society**, was to be used as follows:

Perhaps the most important development, however, is that President Kennedy, in announcing the Alliance for Progress, has, for the first time, given official recognition to the fact that a successful program for development in South America must be an alliance or partnership in which our contribution is economic and theirs is social and political. (18)

On this basis, U.S. "financial aid" was applied to restructure political and social conditions; "land reform" — the peasant question — was its core. By establishing such conditions for giving financial aid to other countries, the U.S. declared that it would not support or prop up those governments that refused to take major steps towards the "development" of their countries and the "social advancement" of its people. Since "development" meant military infrastructure for the U.S. and "social advancement" meant the political indoctrination of peasants with imperialist propaganda, the true character of this "aid" becomes clear. It is obvious that Kennedy's public statements were aimed at "persuading" all U.S. puppets and lackeys to carry out some of

the proposed "reforms" so that they would be certain to follow the "correct" path, averting revolution against imperialism and the downfall of the puppet himself.

This public display of "reformist" rhetoric caused a brief flurry of resentment from some reactionary rulers in these countries, of which Iran was clearly one outstanding example. At the same time, however, the U.S. was clear about the nature of these governments and expected some temporary or superficial obstructions. But it was clear that despite any initial opposition from these rulers, they would soon realize the true nature of this program and would eagerly become the vanguards of a movement to "save" them all from revolution, and keep their countries "safe" for the U.S.

After a hasty and superficial criticism of U.S. foreign policy and its negative effects on the world, Kennedy's program promised a so-called "new commitment to progress," another mask for aggression and robbery. Its main purpose in Iran, in contrast to the competitive struggle against its British rival which was hammered out at the conference table and consolidated with a coup d'etat, was directed against the development of a new revolutionary movement among the Iranian people. Around the world, it faced little competition from either Europe or Japan; Kennedy directed the policies towards the long-term goal of permanently preventing or curtailing national liberation movements and "democratic revolutionary movements in underdeveloped countries. The relative "boom" of the post-war U.S. economy required ever-expanding markets as well as sources of raw materials and the underdeveloped and semi-colonial countries were prime areas for continued access to these riches. Provided, of course, that the devastating conditions created by imperialism itself might be somehow patched up enough by a "White Revolution" here and a "Green Revolution" there to prevent any people's revolution or liberation movement from kicking imperialism out altogether.

U.S. policy therefore was aimed at preventing the sharpening of social contradictions and at presenting the peoples of the world with a so-called "alternative" to divert them from rebellion against the reactionary systems that ruled them.

The entire program was, of course, supplemented with

military expansion. It took the form of developing the internal security forces of these countries in order to shore up the entire imperialist system by force — called “stability.”

Preserving the imperialist system/has always required military as well as economic “aid.” During the Kennedy years, the practice of adapting policy to suit the differing conditions in different countries meant that military security programs were the primary content of “aid” only in some countries, while they were secondary in others. It depended on the nature or internal contradictions, as analyzed by U.S. policy makers. In Iran, for example, the suppression of peasant uprisings called for the political and economic weapon of “land reform.” However, in virtually every country then under U.S. control, both the economic and the military aspects of Kennedy’s Doctrine were implemented and in all cases it was carried out in the name of “democracy,” “progress” and “development.”

The U.S., in the early 1960’s, was trying to check the growing crisis within the imperialist system itself. To buy itself time, neutralize its critics and confuse the masses, it covered aggression and reaction with the rhetoric of “democracy” and developed a new vocabulary for exploitation. Packaging its programs for counter-revolution in gift boxes marked “aid,” the U.S. sharpened its blade against the national liberation movements. Confident of success and “stability,” huge new investments began to pour into these countries, but with careful attention to blunt the simmering “anti-American nationalist feelings” among the people by calling it “joint partnership” and making the deals through local brokers.

Aimed at bolstering the U.S. position and expanding its power, these policies inevitably meant greater misery and harsher political repression for the people in countries under its domination.

To illustrate the consistency of imperialism in its effects, despite the changing tactics, policies and methods it adopts, it is useful to review the political-economic policies of the “Nixon Doctrine.” Cruder and more openly aggressive in its operations, the Nixon Doctrine exposed more of its true content. But a closer look shows that 10 years earlier, the same policy, under a much thicker cover was being implemented on an even broader scale, as the “Kennedy Doctrine.” Whether openly declaring its intention to “prevent revolution” or

claiming to “raise the standard of living of the people,” the content and the effects are the same. During the 1960’s there was a tremendous press campaign to convince the public that imperialism could be made to “work better” and that somehow it could be restrained to “manage” its plunder and robbery without devastating chaos and destruction to the economies of other countries and the daily lives of their people. Whether publicly stated or not, the scrambling and experimenting to find new and more sophisticated methods during this period, reveals the desperation of a dying beast, trying to buy itself time and prolong its own existence by any means whatever, even artificial ones.

Parallel to militarization and heavy investments of capital, the U.S. required changes in the social relations and cultures of these countries while, at the same time, the impact of its dominating political influence facilitated certain changes in its favor.

The “Peace Corps,” for example, and similar agencies were assigned responsibilities for accumulating information and carrying out espionage activities from urban to remote rural areas. At the same time, they fostered the habits and ways of thinking, cultural and social relations that made it easier for imperialism to penetrate and expand its influence.

These institutions were most useful in countries that had just gained their political “independence.” Here the “neutral” image of the U.S. was most effective because it did not appear to carry the heavy national identity and cultural features of many European colonialist powers that were formerly dominating these same countries.

Finally, one of the most important features of Kennedy’s thesis was its focus on creating the most favorable political climate possible for further involvement and political control.

An article called “A Preface to the Political Theory of Foreign Aid” by Hans J. Morgenthau, one of the advocates of this thesis, states it clearly:

The U.S. faces a number of formidable handicaps in the performance of the task of controlling social and political change in the underdeveloped nations either as a prerequisite for, or a result of, foreign aid for economic development. First of all, the United States is a western

capitalistic nation. It is a conservative power both domestically and internationally, and must so appear particularly to the underdeveloped nations. Both in its civilization and social and economic structure, it belongs to that complex of nations which until recently were able to hold Africa, Latin America, and the outlying areas of Asia in a condition of Colonial or semi-colonial dependency. It has outright colonial policies, it has actively and successfully participated in the semi-colonial exploitation of backward nations. Thus, the resentment against the former colonial powers attaches also to it, and its policies of foreign aid are frequently suspected as serving in disguise the traditional ends of colonialism.

The analysis shows clearly what faced the U.S. during the period, both the contradictions and the obstacles blocking its way and building up pressure within the system itself. And it indicates the political aims of the programs adopted to deal with this situation. The U.S. confronted its most serious challenge in the furious hatred of the millions of people so long subjected to its savage appetites. For this reason, public speeches and propaganda were elaborately decorated in efforts to build a "new face" for the hideous, bloodstained beast. The "New Frontier" and the "civilized culture" image of Kennedy were proclaimed with trumpets.

Despite massive efforts, the only changes they could come up with were superficial cosmetic "reforms" in some countries by tinkering around with the government structure; while in other countries replacing the more exposed fascists with fascists who covered their fangs with a smile. In addition, they began more deliberately using the contradictions and weaknesses that existed within liberation movements and tried turning them to advantage for the U.S.

Despite all efforts or analyses or more sophisticated methods, however, none of these could produce long term solutions or totally eliminate the barriers blocking the U.S. In the short run, some of them proved useful in buying time for imperialism where people failed to see through them or misunderstood their real nature and purpose.

The contradictions within dependent countries are caused by internal class contradictions and the influence of imperial-

ism. They are not determined by individuals or personalities. Imperialism may or may not "intend" what actually results from the policies that it implements. The individual analysts and policy makers and speech writers can say whatever they want; the system grinds on and no matter what deviations temporarily weaken liberation movements, they stand face to face against it and aim at its total destruction along with all its agents, analysts, "advisors" and local reactionaries. This is one of the laws of history that has been proven many times.

The example of Iran during these years provides a concentrated illustration of imperialist maneuvers at work, and of the political response by the forces leading our movement at that time. Iran is one case among many, but some particular features of its situation shed an even sharper light on what has been analyzed above.

U.S. Picks the Fruits of the Coup

From the violent overthrow of Mossadegh by CIA coup in 1953 to the formal establishment of SAVAK in 1956, imperialism attacked the Iranian movement with brute force. Groundwork for both the coup and the institutionalization of police terror had been laid long before. The machinery for organized violence was already in place and in U.S. hands when they made their choice and backed the Imperial Court. Many leaders of the movement backed Mossadegh and the National Front's representatives in the Parliament. The people would have backed revolution. Against both the existing government and the revolutionaries, the U.S. used the full weight of military and police repression in a three year bloodbath and reign of terror, using the Shah as its willing instrument. Thousands were slain in the streets, hundreds brutally tortured, hundreds were hanged or executed. There are some from that period who are still in prison today.

The direct military suppression of the movement immediately after the '53 coup established the U.S. as the dominant power in Iran. With the Imperial Court proven in its willingness to rule with fascist terror when needed, U.S. investors lined up like vultures. One after another, the ties between the regime and the U.S. were cemented: oil consortium agreement, Baghdad pact, Cento Treaty, and countless others were signed. The Shah proved his willingness to serve the interests and needs of imperialism internationally, and was provided with the highly trained services of the CIA to ensure SAVAK's ability to maintain his power internally. From 1956 on, there was therefore an organized, "legal" counter-insurgency force at war against the movement.

The most militant forces and progressive organizations of the people's movement were completely destroyed, the Tudeh Party and the National Front were shattered. Scattered fragments remained in the universities and continued to struggle, but the movement as a whole was without the force and revolutionary strength of its former years.

With its claws in the oil industry and its eyes on Iran's wealth of other natural resources, the Wall Street bankers and largest financial groupings plunged into Iran. And the New York Times of the day proclaimed the Shah "his country's smartest politician and its complete master!" (2/22/59).

The Shah formally agreed to the "open door" practice on imports from the U.S. and Europe, and Iran was flooded with millions of surplus commodities from the imperialist post-war boom. Land speculation and land values soared as greedy investors flocked to Iran for fast profits. The small businesses and national industries of Iran went bankrupt, nearly destroying the national bourgeoisie. Millions of dollars in loans, credits and deficit financing on unproductive construction for a vast military infrastructure created financial chaos and brought the entire economy to the brink of disaster while "investors made profits of 2,000 to 3,000%" (12/4/61 NYT). Speculation, graft and corruption devoured millions in oil revenues, while U.S. construction firms and banks signed contracts that fattened the profits going back into U.S. hands.

Inflation was astronomical. As small factories were shut down by competing U.S. and European corporations, thousands of workers were thrown into the streets unemployed. Thousands more were uprooted from their villages to make way for the U.S. Army Corps of Engineers and its military bases under construction. In every city, there were outbreaks of cholera and epidemics, and mass starvation. Conditions for the masses were unbearable and they began to rebel.

From 1958 and through the following year, signs of massive discontent and smoldering anger were everywhere. Pressures on people were enormous and peasants were suffering especially hard under impossible conditions. The burdens on the backs of 80% of Iran's population created a massive revolutionary potential from the peasantry.

Serious peasant revolts were spreading and workers strikes added to the growing resistance. The massive invasion

of U.S. and European capital did nothing for the poverty of Iranian people; it went into speculative non-productive financial deals; mountains of imports (“\$40,000,000 worth a month”—8/15/60 NYT) attacked and nearly destroyed the merchants in the bazaar and drove many to bankruptcy; the regime squandered literally millions in gambling, speculation, corruption and the general bribery that flowed from the Imperial Court to its paid lackeys. The rivalries of the different international banking groups, which were in the process of completely reorganizing the world’s banking system to serve finance capitalists, played themselves out within the Iranian ruling circles. The crisis of the imperialist system was reflected in the even sharper and more exaggerated crisis in Iran.

Politically, these contradictions took shape in the different classes and forces that began, once again, to fight their rulers.

If there had existed a strong revolutionary organization in Iran at that time, it would have been able to utilize the effects of these contradictions and general crisis as it weakened both the Iranian ruling class and the hold of the U.S. which was not yet fully consolidated politically in Iran. A revolutionary organization at that time could have directed the numerous, spontaneous and scattered struggles of different classes and strata against both internal and external rulers, and led the movement to revolutionary victory.

But, as we will show, the absence of a revolutionary leadership left these forces unarmed and unclear and vulnerable to the regime’s attacks as well as the misleadership of reformists. The direction of people’s struggles therefore stopped far short of their potential and instead, became bogged down in the illusions of reformism and trapped in fighting against limited and secondary issues such as elections, taxes, and so on.

We will show also that, as the Kennedy strategists came to power in the U.S., their analysis of the crisis facing them in Iran was considered of such overwhelming importance that it was given nearly daily coverage in the U.S. press, and assigned to the top level “experts” of policy and planning for immediate, emergency solution. The importance given to solving the crisis in Iran reveals the significance of Iran to the imperialist system as a whole. It brought out deep conflicts among U.S. factions; we will show how this was reflected

within rival factions of Iran’s ruling class.

Iran is in a state of discontent that is dangerous to her internal security and to the stability of the Middle East. There are no indications of a sudden uprising. But there is evident and growing criticism of the regime The call for more (U.S.) funds is not based on the Government’s poverty There has been an impressive increase in criticism of the Shah and his Government in the last year Even without a revolution, bitter opposition such as now exists can continue to put a drag on development (19)

In 1960, the Shah staged elections to the Majlis (Parliament) which he rigged, as expected, in order to put more of his own paid cronies, and more control by the Imperial Court, into the Parliament. Parliament, as described during the Mossadegh period, had always been the center of struggles between the National Front forces representing the national bourgeoisie, and the various factions among compradors representing imperialist powers and interests in Iran.

Meanwhile, the Kennedy administration was working overtime to prepare the way for its various programs of “reform” around the world and was certainly helped by the barrage of press stories detailing the crisis in Iran. The press assisted in creating opinion among the American people that perhaps the disaster in Iran would be “cured” by more “aid” from the U.S. The Champion of “Reform,” no less than the current Champion of “Human Rights,” could not hope to conceal the full truth of the conditions facing the masses of people in countries under their domination; they both allowed the problems to be described in a show of “freedom of press” while never allowing the blame to fall at their bloodsoaked feet, and always consciously preparing for the loud declaration of a campaign that is going to “change” it all.

In this way, the events within Iran were given coverage in the U.S. press equalled previously only during the crisis leading to the 1953 coup.

Rigged elections in Iran gave a bad image to the whole thing. But the reason the Shah was forced to dissolve the results and call another election was that the movement was building up again. As mentioned before, without revolutionary

leadership it was pulled into the elections issue largely by the dominance of National Front forces at that time. The demand for free elections and a share in the political life of the country were entirely consistent with the class interests of the national bourgeoisie, but fell far short of the needs of the masses. The policy line of the Kennedy forces were fueling support for this limited platform by pumping heavy "New Frontier" rhetoric into Iran, as elsewhere. The Kennedy Image was to put the new face on imperialism around the world, and there was concern among the Kennedy strategists and analysts that the Shah of Iran might be unsafe to rely on as the leadership of their "reform" program. The reason was the obvious fact of mass hatred for him building up again, despite the U.S. efforts to silence all opposition with SAVAK (the notorious secret police of Iran).

A new wave of protest is now surging toward a climax, fed by sharp economic distress . . . there is building up in Iran an explosive mixture of forces, more and more urgently demanding far-reaching social change. (20)

"Forces" demanding "social change" could, they reasoned, be sold a package of "reforms," but would they buy it if it came from the Shah? How would the millions of Iranians who had witnessed nothing but massacres and crimes from the U.S.-chosen ruler believe that he could suddenly become a reforming "democrat?" And how would it look for the new face of imperialism if they maintained such a fascist in power, especially in the face of massive hatred and rising struggles among the people?

Amini: U.S. Man Walks In

It was this dilemma that the Kennedy Doctrine was prepared to try to solve. They had prepared an "alternative" ruler: Dr. Ali Amini. Having assisted the U.S. in gaining the major share of Iran's oil in the consortium of 1954, Amini was already a well paid and thoroughly trusted servant of imperialism and he was "Kennedy's man." Having publicly made mild "criticism" of the Shah for rigging the elections he was bathed with praises by the U.S. as a "true democrat" and the "reformer" and "progressive" individual that they needed to bring all political forces into line.

Amini became Prime Minister. As a member of one of the wealthiest landowning families of Iran, Amini's political base was not from within the Imperial Court, but from another section of the ruling class. There were initial flurries of reports that the Shah was balking and Kennedy invited them both to Washington where he ordered the Shah to get in line behind this scheme or risk losing his bloody crown! The point was, Shah was still the chosen ruler, but Amini had a real function to perform and was essential to the political tactics that were needed.

The astounding platform of this Amini line was:

1. **The government is "responsible" while the Shah is "irresponsible."**
2. **Abolish censorship and "return" freedom to Iran.**
3. **Fight against corruption.**
4. **Iran needs "changes."**

The first thing Amini did was dissolve the Parliament. People rioted. Students and teachers demonstrated by the thousands in Tehran from May 2 to May 5; for four solid days they filled the streets and rallied in front of the Majlis demanding "free elections." Meanwhile, 20,000 textile workers went on strike in Isfahan. The reformism of the leadership of the movement is clear; the dominance of the National Front is also obvious during this period.

Even the New York Times reported, in all seriousness that:

In the Amini economy drive aimed at conserving Iran's foreign exchange, the Government ordered that official and diplomatic entertainment here and abroad henceforth be non-alcoholic. It also decreed that official and diplomatic dinners would be limited to one principal dish . . . estimated that this would save Iran \$1,000,000 a year. (21)

Nonetheless, the liberals were once again rallying to the call for "fights against corruption." The reins of repression were loosened somewhat as far as the National Front was concerned and they immediately called a huge rally of 100,000 to demand "immediate elections" in "opposition" to Amini's preference for a 6-month wait.

Amini was ruling by decree. The National Front's brief "freedom" was ended as Amini issued orders forbidding demonstrations altogether. Still, the reformist liberals were blinded from comprehending what Amini represented. The imperialists were whipping up massive propaganda in the press:

Amini's task was to lift Iran out of a morass of financial and moral bankruptcy. (22)

If he can just carry this through, he will succeed in saving Iran from Red Revolution. (23)

Dr. Amini faces the task . . . of engineering a social and economic revolution by peaceful means The alternative to success could well mean revolution. (24)

Counting on the continuing power of cold war hysteria to lull the American people into support for such atrocities as were being prepared in Iran, the imperialist press raved on and on:

The U.S. must make much more forceful and if necessary arbitrary use of American money and power to influence or force some of the basic reforms without which the present governmental structure (of Iran) probably cannot endure. (25)

When Amini was put into position by Kennedy, he declared that "five years without free elections are needed to avoid risking the ouster of the present Government at the polls." This is called "revolution from the top" or "imposed democracy."

Discipline democracy is the philosophical basis of his Government today. (26)

Politically, Amini's job was to "force through extensive reform" in order to make Iran "internally strong enough to avert any menace of subversion by eliminating causes for mass discontent." (27)

That was enough. The liberals bought it. As the U.S. once again had "maneuvered the right people into the right places at the right time," liberalism raised its head and the National Front granted amnesty to imperialism: "Reforms yes, dictatorship no!" they chanted, "Reforms must not cover up Shah's dictatorship!" The stage was set.

“White Revolution”— Counter Revolution

Amini was no longer needed. Amini went out, and another Prime Minister was in. Alam, from within the Court clique. The Shah remained firmly in place. Kennedy reassured him that rescue was on its way. The full onslaught of the Kennedy Doctrine was yet to come.

The movement as a whole was in turmoil. Confusion and disorganization left even the most advanced elements unable to grasp the significance of what was happening. Meanwhile, far from the scene of these rapidly shifting tactics, tricks and maneuvers of imperialism being played out in the cities, something of fundamental significance was taking place, almost unnoticed: peasants were in revolt. While the din of demagoguery filled the cities, and the most advanced elements in the movement struggled on from the universities, the peasantry was stirring up its own flames in scattered, angry rebellions. These two separate currents were tragically disconnected, each one storming with revolutionary potential and unable to realize it. The tragedy of this period played itself out as thousands and thousands of furious students and teachers in the universities struggled with revolutionary passion against the enemy—and were drowned in a tidal wave of reformism. The few scattered revolutionaries fought on, but their influence was incomplete and never had leadership of the movement as a whole. The leadership fell to the National Front. Revolutionary forces fell behind them and never raised the revolutionary slogans or developed a revolutionary direction that would have changed the course of the struggle, away from parliament and towards fighting the enemy. The peasantry was utterly stranded.

Reactionaries were weakened by the movement as well as by their own internal contradiction and crisis and their resulting internal fights. But the weaknesses in the movement gave the regime time to consolidate and organize for their mass offensive—The “White Revolution.”

Unable to see through the policies of imperialism into the murderous system itself, the movement could not grasp the political forces operating internally or externally. While the blades of imperialism were sharpening the heaviest weapons in their arsenal, the movement was disarmed and its understanding so blunted that it could not see the Amini period for what it was: a tactical maneuver by the Kennedy Administration to pave the way for their political and economic control of Iran, create conditions of total dependency of Iran on the U.S., and attempt to destroy forever any material base for the full development of revolutionary potential among the peasantry. Unable to analyze the nature of imperialism fully, they were unable to analyze their own forces as well. The character of the national bourgeoisie was true to its class and its platform thoroughly consistent from that perspective.

The analysis of the imperialists themselves was ahead of the movement. For they had concentrated their attention on the obstacles in their path and realized fully the revolutionary potential of the Iranian masses.

When the Shah declared his “revolutionary” program during the winter of 1962, the majority of opposition forces were completely unprepared for what was to come, and fell victim to the most vicious assault on the entire fabric of Iranian society and on the lives of its people, which continues today.

The announcement of “revolution from the top” came on February 27, 1963, in the wake of a bloody attack against university students and teachers in the previous year when scores of people were slaughtered. One witness, the Chancellor of the Tehran University, later described it:

“Many of the students have been beaten to the point of death. I have never seen or heard of so much cruelty, sadism, atrocity, and vandalism on the part of Government forces. Some of the girls of the University were criminally attacked in the classrooms by the soldiers. Many of the nurses and patients were either beaten or wounded.”

The **real** content of the Kennedy Doctrine, the “White Revolution,” had not even begun. Its purpose was complex, but it was not just words on paper. Twelve Harvard economists had been assigned the task of studying and analyzing the political and economic conditions and forces in Iran in order to recast the entire structure to absorb capital, create the most favorable conditions for profitable exploitation, and guarantee the permanent “stability” of Iran—the permanent prevention of revolution.

As already analyzed in this pamphlet, Iran had reached in 1961 its most severe economic crisis since the British and U.S. had tried to strangle it directly through oil boycott against Mossadegh’s government.

By the end of the 50’s, capital investment in Iran had reached its limit within the existing economic system. Why? Because Iran was a backward, agricultural, semi-feudal country of 20 million people—of whom 80% were peasants. The basis for feudalism was precisely this predominance of agriculture and small scale production, natural economy, in which peasants worked the land of huge estates owned by the feudal landlords. The source of the exploitation of the Iranian peasant was his attachment to the land and the political force of their oppression came from the feudal landowners individually and as a class, with the Shah and his family dominant over all as the largest feudals, the largest landowners in the country. The resistance of the peasants to these conditions was a serious threat to the power of the regime.

The nature of Iran’s national wealth was the key problem for the capital investors seeking returns from their business in Iran. Neither the “balance” of industry and agriculture, nor the profitable exploitation of the people could proceed farther unless industrial capital, trade, and the production system could be suited to the needs of capital coming into Iran—in particular, finance capital.

Reorganization of the banking system worldwide during the 50’s by the biggest banking groups of the U.S. and Europe was reflected in the reorganization of the banking system in Iran. The creation of a national bank, the Central Bank of Iran (Bank Markazi) was part of the program of the U.S. financial group who put together the Industrial Development Bank with

U.S. and European capital. It needed Iranian capital to expand further by the 1960’s.

The Industrial Development Bank was organized during 1957 by representatives of two huge financial groups in the U.S.: Lazard Freres & Co., an investment banking firm, and Chase International Corporation, subsidiary of Chase Manhattan. It was “the first development bank in an underdeveloped country entirely organized by private interests.” (28)

As the bankers explained:

“The idea of development banks is to provide a source of capital for local private industries and to act as an investment underwriter. In most under-developed countries there is neither an organized capital market nor a source of medium and long-term funds for loan capital. This is true of Iran.” (29)

And, of course, “development banks also aim to make profits.” (30)

The “White Revolution” is always considered in terms of its much publicized “land reform.” What did “land reform” have to do with the banks? What did the banks have to do with the peasants? And how much of this was sloganeering? How much was real? What were the imperialists, the finance capitalists, trying to do? And why?

The imperialists, as you remember, were busy analyzing conditions in Iran. From their point of view, Iran was a potential pot of gold at the end of the capitalists’ rainbow.

The economic program of the “White Revolution,” in fact, **did** intend an agrarian “Revolution from the Top.” The propaganda which hailed the entire program as “land reform” and called for “transfer of land to the peasants” and “confiscation of privates estates” and a whole truckload of “radical changes,” was a success.

The propaganda surrounding the “White Revolution” was, from the very beginning, a critical aspect of its political success in confusing liberals, dazzling the reformists, and puzzling large sections of the revolutionary movement for years to come.

Internationally, the Shah was pictured handing out deeds

to the peasants and the enormous myth of the "progressive monarch" swept the world.

The reason both the myth and the slogan of "land reform" remained so powerful for so long was a political one, not an economic one. Peasants were 80% of the people in Iran and suffered horribly under the feudal system and its extremely backward conditions. Their revolutionary potential had been seen before, in enormous uprisings of the past, and their participation in any democratic revolution was essential. The Kennedy Doctrine showed the recognition by the imperialists that a peasant movement, whose struggles were organized under genuine revolutionary leadership, would be a determining factor in the success of democratic revolution in Iran against imperialism.

It was on this basis that they correctly analyzed the political power of the slogan calling for "land reform." Since feudalism is a backward system, the abolition of feudalism is a progressive act when it is carried out by progressive and revolutionary forces to extend genuine ownership and democratic control to the people who work on the land. But the Shah's "land reform" was led by the bankers who intended the transformation of feudal relations to the extent needed for their maximum profit and the transformation of the wealth of some of the big landlords into "investment capital."

When the imperialists and reactionaries put forward the slogans of the movement, confusion was enormous.

First, the much-publicized "transfer of the Crown Lands" or "estates" to the "poor peasants." The sale of land involves the transformation of rent into capital. The value of land is capitalized rent. Nationalization of land amounts to simply the transfer of rent to the state. And since the value of the Shah's land was transferred to the State Bank (which he controlled) or to the Pahlavi Foundation (which he also controlled), it meant the transfer of capital from the Shah to himself—hardly a revolution.

"Giving away" land was another widely publicized event. There is obviously a tremendous difference between the value of land in some remote desert area and the land in Tehran or near the Caspian Sea. Even the "give-away" program meant transferring the rent, the landownership, to the State. In fact, to the Central Bank of Iran, entirely in the hands of the Pahlavi

family and U.S. financial groups.

Banks in Iran, by 1960-61 were entirely in the hands of U.S. and European finance capital, the big monopoly bankers. What was needed, from their point of view, was additional (Iranian) capital. And this additional capital, for investment in foreign owned corporations, had to come from the sale of land or through various mortgages to the banks themselves.

So much for the "development of agriculture."

The whole thing was presented as if this land were going **from** the landlords **to** the peasants.

The main point is that this transfer of capital did not and could not abolish either the private ownership of land by the feudals, or the landlords as a class, or feudalism in Iran.

Moreover, where some land **was** given away, it was such poor land that literally nothing could be grown on it. It became clear that where "giving away" of such land was concerned, the proposal to the peasant was to "pay in cash." Clearly, for the vast majority of peasants to come up with cash for land was impossible. Those who wanted land were required to borrow money—and from where? From the Central Bank, of course. Thus, the peasants who did rent or buy land were completely mortgaged to finance capital. This accomplished the tying of the feudal system directly to imperialism and instead of the "development of agriculture," its complete destruction and Iran's dependence on imported food. Despite the backward production that existed before this onslaught, the Iranian peasantry managed to produce enough food not only for the entire population of Iran, but a surplus for export as well. (In 1977, the Iranian private sector admitted that if the imports of food to Iran were suddenly cut off, local agriculture could produce only enough for 32 days.)

Finally, "confiscation of all private lands" means the confiscation of hundreds of millions in capital belonging to the big feudals and transferring it to the banks. Given the relationship already discussed between the banks and the state, the transfers that took place further consolidated the wealth and political power of the Shah's family and the dominance of foreign finance capital over Iran.

Many of the former feudals, meanwhile, made their own deals with imperialism and became compradors, directly linked to and dependent on the fortunes of foreign capital.

Furthermore, much of this process had ALREADY taken place by 1961, during Amini's time, and **before** the announcement of the "White Revolution" and its "Land Reform." Its attack on the biggest feudals won support from the national bourgeoisie as part of the loud campaign "against corruption."

Therefore, "confiscation" of land after that period would have been unthinkable. (Only a radical change in the form of the state itself, at the hands of the people could accomplish such a task requiring the rupture of the entire existing system of financial and capital relations.)

Why? Because by that time, confiscation of all private land would have meant the confiscation of hundreds of millions in capital **belonging** to the banks, even if the greater portion was in the form of mortgages. It would have been a question of directly breaking into the most highly centralized capital of all—bank capital—which was already connected through billions of threads with all the nerve centers of the imperialist economy worldwide.

Its potentially disastrous effects can be seen from the fact that when the initial few large land transfers were forced on the biggest feudals (between 1958 and 1961), it set loose within Iran a fierce power struggle among the various groups of Iranian industrialists and capitalists tied to different sections and groups of the imperialist system as a whole. The struggles over Majlis elections, the desperate struggle of the national bourgeoisie under attack, and the intense conflicts between the Imperial court and rival factions, including Amini, over which one would be, in fact, the instrument of U.S. imperialism by leading and implementing the "White Revolution," led to the **further** consolidation of imperialism, finance capital, in Iran and U.S. control over the entire country.

In the process of all this noise and publicity over "land reform," the U.S. was frantically trying to divert the movement from a revolutionary course, through a sophisticated, comprehensive plan aimed at permanent suppression and prevention of revolutionary forces in Iran. A small strata of "rich" peasants, the few who were able to get loans for land, were the target of a direct attempt to buy support for the Shah. The "progressive" cover shoved on the face of the Shah was aimed at the most radical elements in the cities, the students and

intellectuals. Entire separate programs, even more phony than "land reform" were applied to the workers.

The Carter administration is in the process of admitting that the "White Revolution" failed to accomplish what imperialism intended. We are not surprised. The devastation and unbearable misery that resulted from the "White Revolution" contained the seeds of an even more powerful and explosive rage than ever before.

The imperialists are now offering the "White Revolution" as an example of "(1) the use of economic tools for political ends; and (2) the use of economic mechanisms to pre-empt the types of problems that have characterized other developing countries." The report continues:

"The political intent of land reform is clear; the program was to break the political power base of the large land-owning families, the tribes and the leaders of the Islamic clergy and it was successful in this regard. The more difficult task was to substitute the government as a focus of support and loyalty.[!] This involved providing services previously supplied by the landlord, which continues to prove difficult [!] given the wide geographic dispersion of the villages. In addition, land reform created a landless rural proletariat of over 2 million people."

The "White Revolution," they admit, was intended to prevent "the potential radicalization of the migrants" and to "prevent the radicalization of labor," "to keep the military content, occupied and incapable of political action against the regime," and "the greatest efforts have been made to win the educated, urban upper and middle classes and the professionals" in recent years. They even manage to comment that "it may be increasingly difficult to simply dissolve the Majlis as the Shah did in the 1960's."!

A more arrogant and open-faced counter-revolutionary plot is difficult to imagine. And all this was done in the name of "reform" and "democracy"!

The blows that thundered down on the heads of the Iranian people during this period were a series of monstrous attacks from which it has taken 15 years to begin to recover.

During 1963, the tremendous unrest that had not been resolved in the midst of all the flurry about reforms kept the

movement alive and growing, but at the same time there existed a mood of anticipation and expectation as people waited for an analysis of the regime's program. For all the reasons mentioned earlier, no such analysis was produced and the only path followed by the movement was one that swallowed the bait and was leading the masses into the killer's jaws. This lack of consciousness was seized by the regime as the time to launch its attack on the demonstrations that still continued—and claim that it was done to eliminate the few people opposed to his "progress" and "reforms." (Isn't this familiar?)

Brutality reached a new dimension on June 5th, 1963, when the tensions and contradictions of this period reached their peak and people exploded into the streets by the thousands and stormed against the Government. Gunfire ripped into unarmed and totally unprepared crowds, slaughtering 15,000 in Tehran alone on one day. Demonstrations in other cities were fired on in cold blood. The movement was stunned. For years, the lessons of that day were probed and analyzed.

On the bloody heels of this massacre, the Shah organized his offensive in the "White Revolution." Some leaders of the National Front, still concerned with achieving free elections (!) remained blind to the dangers of reformist illusions and liberal politics—even after the Shah arrested them, packed them off to prison and charged them with stirring up opposition to his "progress." A 15-year exile in 1964 was the punishment for Ayatollah Khomeini whose arrest on June 4th, 1963 had unleashed a tremendous wave of anger and protest.

And both liberalism and reformism produced their share of collaborators for the regime, as imperialism had known it would.

Learning the Lessons of 1960-63

A new revolutionary movement was born from the harsh lessons of those years. Analyzing the events in Iran during that short period clearly reveals the tactics and maneuvers of imperialism during critical periods. It should teach us the importance of using the sensitive and critical conditions that occur during such crisis in order to ensure the victory of revolution. It teaches us that the failure of the conscious and revolutionary forces to analyze situations in this way will provide the enemy with enough time to strengthen its ranks and crush the movement.

The total bankruptcy of liberal and collaborationist lines was established during this period, and the dangers of reformism were proved. Liberal and collaborationist lines had the leadership of our peoples' movement for over two decades and were responsible for its defeat at two of the most critical periods of our history.

The policies of U.S. imperialism and its devastating effects in Iran proved once again that the victory in the struggle for democracy and national independence can only be accomplished through reliance on the impoverished and fighting masses and those forces who are capable of resolutely and consistently following the path of revolution through to the end.

The bitter defeat of 1963 taught our people that the path of Iran's revolution **must** cross the ruins of the Shah's regime in order finally to crush it and to ensure the complete expulsion of all imperialists from Iran. There never has been nor will there ever be any other way to victory.

Today, once again, U.S. imperialism has entered the arena with deafening cries of "human rights," "freedom" and

“democracy.” During the past 15 years the nature of U.S. imperialism, its crimes, and its crushing of the most basic rights of peoples has been exposed more clearly than ever.

It has especially been exposed since its defeat in Indochina and the tremendous blows dealt to it by the vigilant and heroic struggles of peoples all over the world. Today, U.S. imperialism is sinking deeper and deeper into a quagmire of destruction.

Such conspiracies and plans and plots are not new and unknown phenomena, nor do they represent any change in the nature of imperialism. To the contrary, they are all integral parts of a desperate attempt to crush revolutionary struggles against this system, and thus preserve and prolong its rule. The depth and nature of these counter-revolutionary programs must be understood, and today more than ever. Propaganda and lies, the rhetoric and disguises are used by imperialism against its own rivals as well as against the peoples' movements. All aim to blunt our understanding of the nature of their system and to make us unable to grasp what forces are at work and in whose interest. The Carter tactic of using “human rights” in a multitude of masks, applying it as a weapon against even other imperialists and especially its main competitor the Soviet Union, is a clear example of this.

The maneuvers of both superpowers are aimed at trapping people into illusions and diverting them from consistently seeing the nature of imperialism and from clarifying the direction and program of struggle against it. The real purpose of imperialist policies must be learned and well understood by analyzing and summing up their history and impact. If there are forces unaware of the maneuvers of imperialism, they must be warned and made conscious.

Today, the Shah is trying to hide the fascism of his regime with a handful of maneuvers once again, to give his deadly rule another “new” image. Faced with the necessity of retreating here and there from the blows thundering down on him from the people today, he tried to take credit for what the people are forcing him to do. He pretends to be allowing “freedom” and “liberalization” in Iran. At the same time, the imperialist propaganda is trying two covers at once: on the one hand trying to present the Shah as “independent” and in no way acting as the direct instrument of their rule in Iran; on the other hand,

and at the same time, they are claiming that “liberalization” — a lie to begin with — is the result of “human rights” policies in Iran! Their crisis in Iran today is even more serious than the one in 1963.

At this time, one of the major responsibilities of Iranian revolutionaries is to sharpen and deepen the attacks against the regime and the U.S. while exposing all aspects of these maneuvers. The mood of rebellion in Iran today is a force that has drawn ten million people into active struggles that are wholeheartedly after fundamental change. This leaves the revolutionaries with the vital responsibility of bringing this movement to complete victory.

Without such revolutionary leadership, the liberal and reformist forces who have once again entered the political arena may again succeed in taking over the leadership of the masses. The same liberal and collaborationist forces who by nature cannot go beyond the slogans of political freedom and a few reformist demands are active today. This lesson was paid for twice in massacres. August 19, 1953 and June 5, 1963 will be repeated again if the leadership of this mass movement falls to reformist and liberal hands.

All illusions that limit the revolutionary potential of the people and their struggle must be cast aside. The unbreakable unity between imperialist plunder, the dictatorship of the Shah and these counter-revolutionary programs **must** be realized and exposed to the people.

Carter's “human rights” is nothing but a mirage, camouflaged to fool our people and anyone who confuses this with reality must take the responsibility for the defeat of our revolution.

Today, revolutionaries in Iran must advance towards overthrowing the Shah's regime and kicking out all imperialists from Iran, cutting off the hands and claws of these gangsters and driving them from our country once and for all!

APPENDIX A

Dr. Mohammad Mossadegh was prime minister of the government that was toppled by the infamous 1953 CIA coup following which the present Shah was restored to his absolute rule by the U.S. Politically Dr. Mossadegh represented the right-wing merchant and usurer capitalists who, from time to time, lodged half-hearted protests from a narrow nationalist perspective over the "excesses" of foreign commercial activity in Iran. Centered around the Bazaar (traditional center of commercial activities in Iranian cities) these capitalists were constant victims of cheap and badly produced imperialist commodities that flooded Iranian markets. Unable to compete the merchants were often driven to bankruptcy.

Though under such economic threats, these forces never carried forward their opposition to the Shah "too far", always remaining in the narrow limits of reformism. Mossadegh's government, for instance, prided itself in its program which was committed to only two points: Nationalization of the oil industry and reforming the election laws. Though positive in itself, this program glossed over the major cause of Iran's ills, i.e., the existence of a backward social system as a whole, and the reign of the reactionary regime of the Shah that upheld and preserved this backwardness.

Dr. Mossadegh was the leading member of the National Front which was a loose coalition of moderate and right-wing political parties and individuals reflecting the interests of the Bazaar.

The National Front, including Mossadegh, had two chief characteristics aside from its reformist and narrow nationalist tendencies: it always upheld the reactionary institution of monarchy, and it constantly tried to hold back the people's revolutionary aspirations.

Following the coup the National Front was disbanded, only to be revived again under the name of the "Second National Front" in the 1959-63 period when the regime allowed the organization to function legally.

What the Western press calls the moderate opposition leaders in Iran today is a more recent version of the same Second National Front. Dr. Sanjabi now heads this organization which still persists in the backward traditions of the old reformist National Front of Dr. Mossadegh.

APPENDIX B

The year 1941 marked a new stage in the national democratic movement of Iranian people. The occupation of Iran and ouster of Reza Shah Pahlavi from the throne by the Allies weakened the authority of the Central Government; and with it put an end to the 20 years of unbridled despotism of the British stooge: Reza Shah Pahlavi. The people were quick in taking advantage of newly acquired rights of freedom of speech and assembly. Over 100 newspapers and journals began to appear and dozens of political organizations were formed — all in a very short span of time. Nonetheless, the same political atmosphere did not exist throughout Iran.

In Northern Iran, with the presence of the Red Army, democracy flourished due to the Soviet policy of non-interference in internal affairs of Iranian people and government. Furthermore, local mass movements obviously enjoyed the moral support and encouragement of Red Army personnel.

In Southern Iran, however, where British and U.S. troops were stationed, the situation was just the opposite. The imperialists manipulated and interfered in local affairs, directly or indirectly through their pawns in the Central Government. This way they were able to continue the Reza Shah's repressive policies against the people and turn Southern Iran, especially oil rich Khuzestan into their virtual colony.

Tudeh (Mass) party came into existence under such circumstances. The nucleus of the party consisted of a group of intellectuals. They had formed a circle around the great revolutionary Taghi Arani in early 30's. Reza Shah's police discovered the circle, arrested and jailed its members including Arani. Arani died in Reza Shah's dungeon. Others who were freed along with other political prisoners, founded the Tudeh party in 1941.

Tudeh party had the most progressive political platform among the political organizations of the time and capitalized on the immense popularity of Arani. This enabled the party to rally around it thousands of people from all strata in a very short period of time.

Toiling masses headed by the young working class, taking advantage of the relative democracy of 1941, entered the political arena of Iran. This not only stirred other classes to action, it endowed the movement with a strong radicalism as well. Class interests of the working class and other toilers obviously called for a revolution. Indeed the weakness of internal reaction plus the favorable international and national situation placed the preparation for revolution on the

immediate agenda. Given a revolutionary leadership which could channel and organize the revolutionary potential of the masses, Iran could liberate itself from the yoke of imperialism just like China, Korea, etc. Alas, such a leadership was not forthcoming in Iran.

In the absence of a revolutionary leadership, Iranian workers and the bulk of democratic forces were organized in Tudeh party. Tudeh party was a reformist one. That is, it maintained that independence and democracy can be obtained within the framework of the existing system. Its justification was that somehow after the defeat of Germany and the end of the war, tyranny and fascism would disappear from the face of the Earth. It advocated and practiced parliamentarism. The party leadership's response to violent and savage attacks of reaction on the masses was to hold peaceful demonstrations and protests.

It did not always succeed though to keep the revolutionary masses under its leadership within the narrow bounds of reformism. Frequently the masses took the initiative, challenged the leadership and staged militant struggles. For example, in 1947, while the leadership sought compromises and made deals with the Central Government in Tehran, oilworkers of Abadan went on strike demanding the ouster of the British from Iran.

Tudeh party recognized the danger of U.S. imperialism and warned the people of its intentions. It is for this reason that in this pamphlet, which concentrates on the illusions and mistaken ideas towards U.S. imperialism in our movement, we have discussed the liberal bourgeoisie and National Front, rather than Tudeh party, even though Tudeh party was the single major democratic organization throughout the years 1941-53.

Tudeh party recognized the danger of U.S. imperialism and warned the people of its intentions. This explains why in contrast to National Front, Tudeh party's activities are seldom mentioned in the text despite the fact that it was the single major democratic organization throughout the years 1941-1953.

CIA coup came down when National Front and Tudeh party were leading the Iranian people's democratic movement. It was not surprising then that the movement suffered a severe defeat. Tudeh leadership fled the country and formed the "Central Committee of Tudeh Party" abroad. After Soviet Union degenerated from a revolutionary country into a superpower the "Central Committee" became the agent and fifth column for the Soviet Union in the Iranian movement.

1941-1953 constitutes some of the richest and most complex periods in the history of the Iranian people's struggles. So complex is this period that so far literally hundreds of books and pamphlets have

been written about it and none has been able to cover this period thoroughly. The central issue is the Tudeh party. As a party it never conciliated with the regime, though various deals were made between some elements of the leadership and the representatives of the government. As a party, it did not call for a complete overthrow of the regime and ouster of all imperialist powers, though it always fought against them and various factions within it put forward a truly revolutionary line. It was not a revolutionary party or the party of the working class, though various genuinely revolutionary factions were active in it and did not accept the party's reformist line. The party also included in it literally the entire working class of Iran.

The analysis of the activities of the Tudeh party and 1941 to 1953 period and the profound effect it has had on our movement even up to this point is far beyond the scope of this pamphlet.

NOTES

1. *From Wilson to Roosevelt*; Jean-Baptiste Duroselle, 1963, p. 12.
2. *Ibid*, p. 22.
3. *Ibid*, p. 34.
4. *Ibid*, pp. 14 and 37.
5. *Ibid*, pp. 59-64.
6. *U.S. Persian Diplomatic Relations*; Abraham Yeselsin, 1956, pp. 113-114.
7. *Ibid*, p. 144.
8. *Ibid*, p. 145.
9. *Roosevelt's World Order*; Willard Range, 1959, pp. 27-28.
10. *Ibid*, p. 105.
11. *Ibid*, p. 105.
12. *Ibid*, p. 143.
13. *Russia and the West In Iran*; George Lenczowski, 1949, p. 328.
14. *Ibid*, p. 269.
15. *An American Foreign Policy Reader*; H.H. Ranson, 1965, p. 58.
16. *Why Foreign Aid?*; R.A. Goldwin, 1962, p. 33.
17. *The Strategy of Peace*; edited by Allen Nevins, Senator John F. Kennedy, pp. 47-48.
18. *Why Foreign Aid*; *op. cit.*, p. 62.
19. *New York Times*, 1/2/58.
20. *New York Times*, 12/14/61.
21. *New York Times*, 5/15/61.
22. *New York Times*, 5/30/61.
23. *Ibid*.
24. *New York Times*, 6/2/61.
25. *New York Times*, 7/23/61.
26. *New York Times*, 7/21/61.
27. *Ibid*.
28. *New York Times*, 1/23/58.
29. *Ibid*.
30. *Ibid*.

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