

## Part II: Mossadegh to Khomeini

At the end of the Second World War, Iran stood at a crossroads. Britain, the Soviet Union, and the United States had agreed to withdraw their occupation forces six months after the end of the war. Each would have to reassess its own position and role in Iran.

The question of how Iranians would govern their country assumed new importance. The constitution of 1906 remained in place, and with the departure of the dictatorial Reza Shah, the Majlis and prime minister assumed increasingly important roles in Iranian politics.

### ***Why did Iran become more open politically during the occupation?***

During the occupation of Iran throughout the Second World War, the young and inexperienced Mohammad Reza Shah was unable to exercise the political power that his father had. This meant that those whose political ideas had been suppressed during his father's reign found themselves able to participate in politics. A free press flourished. With elections for the Majlis every two years, and the introduction of new political ideas, Iran began to develop a more democratic political process.

At the same time, struggles for power among the branches of government led to frequent change. For example, between 1941 and 1951, the prime minister and the cabinet changed, on average, every eight months.

### ***How did the shah attempt to strengthen his power?***

Following an assassination attempt in 1949, Mohammad Reza Shah drew on public sympathy to back his efforts to increase his power. He put pressure on the Majlis to accept a new law that would allow him to dissolve the Majlis and then call for new elections. He also demanded and received the right to appoint the prime minister, previously the prerogative of the Majlis.

Many voices and interest groups in Iranian

politics had developed by this time. For the lower classes, basic economic issues were a concern. Unemployment was high and approximately 60 percent of Iranians who lived in towns and cities lived in slums. Those in the upper classes wished for a government that would be more efficient, free from foreign control, and that would promote economic growth and stability. University graduates, frustrated by their lack of opportunities for employment that utilized their education, joined and led social protest movements. The ulama, whose influence had been suppressed during Reza Shah's reign, pushed for a reassertion of Islamic law. Many women returned to wearing *chadors*, a traditional Persian Islamic dress. Increased political freedom and widespread economic hardship led to social unrest and calls for change and reform.

### ***Why did resentment of foreign powers unite Iranians?***

While Iranians had differing views of politics, most were united by the desire to see the end of foreign involvement in Iran. Iranians had a long list of grievances. High on the list were the concessions to foreigners. The list also included the repeated British and Russian incursions into Iranian lands since the nineteenth century. Finally, the British-owned Anglo-Iranian Oil Company (AIOC) became a focus of resentment and represented to Iranians the exploitation and weakness of Iran.

***“All of Iran’s misery, wretchedness, lawlessness, and corruption during the last fifty years has been caused by oil and the extortions of the oil company.”***

—Radio Tehran, June 1, 1951

## **Mohammad Mossadegh and Oil Nationalization**

Britain's role in Iran's oil industry had its origins in 1901, when Mozaffar al-Din Shah granted William D'Arcy a concession for oil

in southern Iran. With the discovery of oil, the British government stepped in and became the majority shareholder of the company. The terms of the arrangements with Iran were extremely favorable for the British. Even though Iran negotiated the terms again in 1933, the British had secured rights to oil through 1993 and at a fixed rate of royalty payments to Iran. Increasing profits and rising prices brought more and more profit to the AIOC, but no more to the Iranian government. In addition, the royalties were paid only on the unrefined crude oil. Iranians received nothing for AIOC's profitable refining and distribution operations.

By the late 1940s, Iran had become the world's fourth largest oil exporter, and produced 90 percent of Europe's oil. The AIOC excluded Iranians from skilled jobs and gave Iran no say in the running of the company. Iranians were not permitted to examine the company's financial records to ensure they were being treated fairly.

Other factors contributed to Iranian resentment of the AIOC. Working conditions at the refinery in the city of Abadan were atrocious. Iranian workers lived in rat-infested slums without running water or electricity. These workers made about fifty cents a day and were not entitled to vacations or sick days. British managers ran the company and lived in the British section of Abadan with swimming pools, clubs, and tennis courts. When riots broke out in Abadan in 1946, the Iranian public demanded that their government renegotiate the terms of the arrangement with the AIOC.

### ***What were the results of negotiations between the AIOC and the Iranian government?***

When the Iranians demanded a renegotiation of the oil agreement, Britain was not anxious to accommodate Iranian demands. For more than two centuries, Britain had built its empire by extracting resources from its colonies and protectorates on terms greatly advantageous to Britain. Accommodation of local interests had never been a priority. Disagreements were settled through the threat or use



The AIOC oil refinery at Abadan in 1951.

of force. Britain manipulated local politicians behind the scenes with bribes or coercion if necessary to ensure policies favorable to the British Empire. In Iran, British officials had the ear of the shah.

In addition, Britain was in the midst of post-war financial hardship and relied on Iranian oil to fuel its economy. Nevertheless, Iranian threats to revoke the concession altogether and continuing violence at Abadan forced the British to the negotiation table. They offered to train more Iranians for high-level positions and promised that royalty payments would not drop below £4 million pounds per year (about \$134 million in today's dollars). They did not offer Iran any say in the running of the AIOC or the right to examine the financial records to ensure Iran received its fair share of royalties.

### ***Why did the shah want to support the Supplemental Agreement with Britain?***

In Iran, British officials had advised and groomed Mohammad Reza Shah to serve their interests. Indeed, it had been British officials who had allowed Mohammad Reza to succeed his father in 1941. He knew he owed his position to the British and calculated that he could strengthen his power by supporting them in their quest for a modified agreement,

even though it was a deal tilted in favor of the British. Mohammad Reza Shah was anxious that these new terms, known as the Supplemental Agreement, be accepted. In July 1949, the shah ordered cabinet members to accept them, which they did. Much to the shah's frustration the Majlis refused to support the Supplemental Agreement.

***Why did the Majlis refuse to support the Supplemental Agreement with Britain?***

The constitution required the Majlis to ratify the agreement for it to become law. Members of the Majlis were aware that public opinion was strongly against accepting the terms dictated by the British, yet they were also afraid to anger the shah. Debate began, but was interrupted by elections for the next session of the Majlis. Anxious to pass the supplemental agreement, the shah resorted to bribes and electoral fraud to place his supporters in the Majlis. Outraged by the shah's attempts to hijack the vote, a prominent politician named Mohammad Mossadegh led protests in Tehran in October 1949 for new and fair elections for the Majlis. There were protests in other cities as well. Ultimately, the shah gave in.

Mossadegh formed a coalition of political parties into the "National Front," which wanted to free Iran from foreign influence. The National Front included secular groups, who were opposed to foreign influence and hoped to build an Iranian democracy, and members of the ulama, led by the Ayatollah Kashani. The pro-Soviet Tudeh party also supported the goals of the National Front. Though these groups held dramatically different political viewpoints, they were unified by the desire to nationalize Iran's oil resources, which meant returning control of these resources to Iran.



Members of the Tudeh Party demonstrating for nationalization of the AIOC.

Photo by Dmitri Kessel. ©Time Life Pictures/Getty Images. Used with permission.

***“Islamic doctrines apply to social life, patriotism, administration of justice and opposition to tyranny and despotism. Islam warns its adherents not to submit to a foreign yoke.”***

—Ayatollah Kashani, 1951

***How did the shah respond to the demands of the National Front?***

Mossadegh and the National Front called for the end of the oil concession to the British. In February 1951, Mossadegh proposed full nationalization of the AIOC. This had widespread appeal throughout Iran.

The prime minister, newly appointed by the Shah, rejected the proposal. On March 7, a member of the Fedaian-e Islam, a group that had links to Ayatollah Kashani, assassinated the prime minister. Iranians demonstrated in support of nationalization of the oil industry throughout the country. On March 15, the Majlis passed a bill nationalizing the AIOC. The Majlis requested that the shah appoint Mossadegh as the new prime minister. Under intense domestic political pressure, the shah appointed Mossadegh as prime minister and signed the nationalization bill.

***How did Britain respond to the nationalization?***

Britain's response was rapid. Britain depended on the revenues from the AIOC as well as the oil itself. Britain increased its military forces in the region, filed a complaint with the International Court of Justice, and asked the United Nations (UN) Security Council to intervene. Mossadegh went to the UN in New York to argue Iran's case.

***“My countrymen lack the bare necessities of existence. Their standard of living is probably one of the lowest in the world. Our greatest national asset is oil. This should be the source of work and food for the population of Iran. Its exploitation should properly be our national industry, and the revenue from it should go to improve our conditions of life. As now organized, however, the petroleum industry has contributed practically nothing to the well being of the people or to the technical progress or industrial development of my country.”***

—Mohammad Mossadegh, speech to the UN, October 15, 1951

Britain refused to accept the nationalization of the AIOC and even considered invading Iran, a possibility that alarmed U.S. officials. U.S. President Truman (1945-1953) urged both sides to reach a compromise. The United States, now deep in the Cold War, worried that a continuing crisis in Iran could lead to increased Soviet influence or even control of Iran. Britain led an international boycott of Iranian oil. Oil revenues that were needed to fuel the Iranian economy dried up. Iran and the Mossadegh-led government faced a severe financial crisis.

***“Persian oil is of vital importance to our economy, and we regard it as essential to do everything possible to prevent the Persians from getting away with a breach of their contractual obligations.”***

—British Prime Minister  
Clement Atlee, 1951

British intelligence officials in Iran began working behind the scenes to engineer a coup against Mossadegh. This confirmed for Mossadegh that the British were untrustworthy negotiating partners. In October 1952, Mossadegh broke diplomatic relations with Britain and expelled all British officials from Iran.

## International Events and Iran

Events beyond Iran's borders had a profound impact on events in Iran. Almost immediately after World War II ended, tensions increased between the former wartime allies, the Soviet Union and the United States. The confrontation, known as the Cold War, would shape the relations of the United States and Iran for the next thirty-five years. One of the earliest confrontations of the Cold War was the presence of the Soviet military in northern Iran, which the United States and Britain demanded be withdrawn.

Another development was the decline of the British Empire. World War II had nearly bankrupted Britain, and Britain's postwar leaders saw their enormous empire as a financial burden because of the costs of defending against growing local resistance. Britain, which had been the leading imperial power in the Middle East since the 1840s, told American officials in 1947 that Britain could no longer maintain its presence in the Middle East. Britain urged the administration of President Harry Truman to fill the vacuum in the Middle East ahead of the Soviets. Britain's declining power and U.S. fear of Soviet expansion would have profound effects on Iran. These effects would include the U.S. sponsorship of Mossadegh's overthrow and the nearly unqualified support of the shah for the next twenty-five years.

Plotting for the coup came to a halt for the time being.

***What other reforms did Mossadegh attempt to enact in Iran?***

Mohammad Mossadegh was a strong nationalist who hoped to rid Iran of what he saw as crippling and parasitic foreign influences. He was a strong advocate of the rule of law and for the constitution. He also worked to reduce the power of the shah and the size of the army. In 1952, he convinced the Majlis to take control of the army out of the hands of the shah and place it under the control of the Majlis and prime minister. Finally, he hoped to enact land reforms, which would reduce the power of wealthy landowners and allow peasants to own their own land. These proposed land reforms alienated the powerful landowners who dominated the Majlis.

By 1953, economic hardships due to high prices led to public dissatisfaction with the Mossadegh-led government. The Tudeh party led demonstrations in cities. In addition, some of the ulama saw Mossadegh’s programs and ideas as too secular.

***What role did the United States play in Iran?***

Initially, the United States hoped that Great Britain and AIOC would come to some sort of compromise with Mossadegh. The Truman administration worried that Britain’s failure to compromise, and any efforts to get rid of Mossadegh might result in Iran turning to the Soviets.

***“...the British are so obstructive and determined on a rule-or-ruin policy in Iran that we must strike out on an independent policy or run the risk of having Iran disappear behind the Iron Curtain.”***

—Dean Acheson, secretary of state for President Harry S. Truman, 1951

***How did the British and the Americans overthrow Mossadegh?***

The U.S. emphasis on compromise

changed with the election of President Dwight D. Eisenhower (1953-1961). New U.S. officials also worried about Iran falling into the Soviet orbit, but they were willing to take steps that the Truman administration had not taken.

American and British officials saw the shah as key to their goals in Iran. Both countries wanted an oil-producing Iran firmly aligned against the Soviet Union. They aimed to rid Iran of the Mossadegh government, and increase the power of the shah, whom they were convinced would do their bidding. The shah, who was also anxious to increase his power, approved of the coup in advance.

The United States Central Intelligence Agency (CIA) and the British Secret Intelligence Service (SIS) came up with a plan to overthrow Mossadegh. Although British diplomats and spies were no longer in Iran, they had a well-established network of Iranians



Photo by James Whitmore. ©Time Life Pictures/Getty Images. Used with permission.

The CIA paid thugs to roam the streets and intimidate those opposed to the shah during the 1953 coup. Here a famous wrestler known as Shaban “the Brainless” Jafari attacks two anti-shah demonstrators.

who worked for them. This included members of the clergy and the military, many of whom saw Mossadegh's reforms as a threat to their ideas and their power.

The plan was to convince the Iranian people that Mossadegh was corrupt, an enemy of Islam, and pro-communist. CIA agents bribed newspapers and religious leaders to spread these ideas. The CIA also paid for physical attacks on religious leaders and made it appear as if the attacks had been organized by Mossadegh supporters. The CIA bribed members of the military so that they would help carry out the coup and paid protesters to demonstrate against the government. U.S. involvement turned Iran into a hotbed of instability, rioting, and chaos.

Although the shah fled to Rome when it appeared that the coup might fail, the CIA convinced its Iranian allies to press on. On August 19, 1953, they captured Mohammad Mossadegh. Members of the Majlis, who had been bribed by the CIA or who were weary of Mossadegh's land-reform project, voted to dismiss Mossadegh as prime minister. General Fazlollah Zahedi announced that the shah had appointed him as prime minister. The shah, believing incorrectly that he was returning to widespread adoration and support, boarded a plane and flew back to Tehran.

***“I knew it! I knew it! They love me!”***

—Shah Mohammad Reza Pahlavi,  
August 19, 1953

## Royal Dictatorship

Anxious to avoid a repeat of the threats to his power and throne, the shah took steps to ensure that these events would not occur again. More experienced than he was when he took the throne in 1941, the shah was also anxious to modernize Iran and make it a more powerful country. He had the support of the United States and Britain, who wanted a stable, oil-producing Iran as an ally against the Soviet Union.

### ***What steps did the shah take to consolidate his power?***

To secure the support of Britain and the United States to which he owed his position, the shah moved quickly to settle the oil dispute that had sparked Mossadegh's rise to power. Terms were renegotiated so that Iran would receive 50 percent of oil revenues, an arrangement similar to other deals that the United States had in the region. The shah disbanded the National Front and tried and imprisoned its leaders, including Mohammad Mossadegh.

***“My only crime is that I nationalized the Iranian oil industry and removed from this land the network of colonialism and the political and economic influence of the greatest empire on earth.”***

—Mohammad Mossadegh, at his 1953 trial

The shah also banned the pro-Soviet Tudeh party. With the help of the United States and Israel he formed SAVAK (in Persian, SAVAK stood for Intelligence and Security Organization of the Country), a secret police organization, which he used to hunt down Tudeh members and other opponents. SAVAK became known for its mistreatment, torture, and execution of the shah's opponents. The shah's actions severely limited the public expression of political ideas and effective public opposition.

During the 1950s, the United States provided more than \$500 million in military aid to the shah. The shah, in turn, followed a strongly pro-American foreign policy that many Iranians didn't support. Memories of the U.S. role in the coup of 1953 persisted.

With an increasingly powerful military and SAVAK at his disposal, the shah had more power in his hands. While elections to the Majlis continued, the shah allowed only two political parties to exist. Iranians jokingly called them the “Yes” and “Yes, sir” parties.

## The White Revolution: “Plagued by the West”

In the early 1960s, an economic downturn in Iran coincided with U.S. pressure on the shah to ease restrictions on political expression as a condition for ongoing financial and military aid. When the shah allowed the National Front to reconstitute, it criticized his policies. As political repression eased, unrest and discontent simmered again in Iranian cities.

In 1963, a cleric named Ayatollah Ruhollah Khomeini began to criticize the regime in his sermons and articles. Khomeini opposed the shah’s close relations with the United States, Iran’s sale of oil to Israel, the corruption of the regime, and Iran’s failure to help its masses of poor people. Other Iranians bemoaned Iran’s dependence on the West in general and on the United States in particular.

***“Today we stand under that [Western] banner, a people alienated from ourselves; in our clothing, shelter, food, literature, and press. And more dangerous than all, in our culture. We educate pseudo-Westerners and we try to find solutions to every problem like pseudo-Westerners.”***

—Jalal-al-e Ahmad,  
“Plagued by the West,” 1962

### **What was the “White Revolution”?**

The White Revolution was not a revolution at all. Rather, it was the name given to reforms the shah adopted to reduce growing unrest and dissatisfaction. The most important reforms included redistributing land to peasant farmers and sharecroppers, giving women the right to vote, and creating the Literacy Corps.

The Literacy Corps was part of the shah’s drive to modernize Iran by increasing education. Elementary school enrollment increased from 1.6 million in 1963 to more than 4 million in 1977.

Land reform had profound consequences. Designed to give Iran’s two million peasants ownership of the land that they farmed,



Photo by Ralph Crane. ©Time Life Pictures/Getty Images. Used with permission.

Village farmers clutching certificates to newly-acquired land formerly owned by absentee landlords.

the reforms took away land from wealthy landowners as well as the ulama who used the land to support religious schools and mosques. Still, 75 percent of the peasants did not receive enough land to even reach a level of subsistence. Dissatisfied, frustrated, and still impoverished, many migrated to Iran’s growing cities.

Other changes contributed to the growth of Iran’s cities as well. Improvement in access to health care lowered infant mortality rates and contributed to a rapid population growth. In 1966, the population was twenty-six million; ten years later it was approaching thirty-four million.

### **How did the shah change the status of women?**

The shah, in an effort to make Iran more like the powerful Western countries that he admired, somewhat reluctantly gave women the right to vote and increased educational and employment opportunities for them. He also introduced laws that gave women more rights in marriage. Polygamy was still permitted, but

now the husband had to obtain the permission of his current wife before taking another. These reforms were a source of resentment among some of the ulama because they challenged their interpretations of Islamic law and replaced them with what religious leaders saw as Western values and norms.

Although some supported the shah's efforts to modernize, he angered many segments of society for other reasons. His family took millions of dollars of Iranian government revenues for its own use. Corruption was common and benefited those with close connections to the shah.

### ***Why were relations with the United States a sore point for many Iranians?***

The close relationship of the shah with the United States was also a sore point for Iranians. The shah spent hundreds of millions of dollars on U.S. weapons, at first with money loaned from the United States. The United States was happy to supply most of its advanced weapons to an ally in the U.S. struggle against the Soviet Union. With the weapons came American advisors, trainers, and businessmen. When the Majlis approved a law that made all Americans residing in Iran exempt from Iranian laws and taxation, the Ayatollah Khomeini spoke out, risking the wrath of the shah. Khomeini urged all Iranians to protest these laws, also called "capitulations," because he argued it would "...turn Iran into an American colony."

***“They have reduced the Iranian people to a level lower than that of an American dog. Even if the shah himself were to run over a dog belonging to an American, he would be prosecuted. But if an American cook runs over the shah, the head of state, no one will have the right to interfere with him.”***

—Ayatollah Khomeini, October 27, 1964

Khomeini believed the shah and his reforms were an assault on Islam and the role

of the clergy in Iranian society. He demanded that Article 2 of the Constitution of 1906, which gave the ulama final say over the laws of the Majlis, be enforced. He proposed canceling all laws that he considered un-Islamic, including the one giving women the right to vote, banning "corrupt content" from television and radio programs, and prohibiting alcohol. Khomeini considered the shah to be an enemy of Islam and a ruler who was unconcerned about the welfare of the Iranian people.

### ***Why did Khomeini's message appeal to so many Iranians?***

Khomeini's ideas struck a chord with Iranians of many classes and ideologies. Some Iranians began to protest and demonstrate. When the shah's soldiers killed protesting theology students, Khomeini compared the shah to the man who had ordered the killing of Iman Hussein, a central figure in Shi'i Islam, some hundreds of years before. The students were seen as Shi'i martyrs. Although not all Iranians agreed with Khomeini's religious ideology or his interpretation of Islam, they were pleased to have someone speak out against the shah.

***“We have not been allowed to form political parties. We have no newspapers of our own. But the religious leaders have a built-in communications system. They easily reach the masses through their weekly sermons in the mosques and their network of mullahs throughout the nation. That is why so many non-religious elements cloak their opposition in the mantle of religion.”***

—Anonymous Iranian lawyer, 1963

### ***What important idea did Khomeini develop in exile?***

The shah ordered Khomeini arrested and exiled. Demonstrations broke out; government forces killed hundreds. Khomeini was exiled to the city of Najaf in Iraq. Najaf was a Shi'i shrine visited frequently by Iranian pilgrims. After Khomeini was exiled, these pilgrims



would smuggle pamphlets and cassette recordings made by Khomeini back into Iran.

While he was in exile, Khomeini developed a religious and political framework for Iran's future. The framework was called *Velayat-e Faqih*, which translates as the Guardianship of the Jurist. In it, Khomeini attributed injustice in Iran to the cultural and political influences of Western countries. Khomeini introduced the concept that clergy should be the ultimate conscience of the state. Khomeini argued that an Islamic government needed to replace the corrupt influence of kings, which he believed were illegitimate rulers.

### ***How did the shah respond to Khomeini?***

In response to Khomeini's call for change in Iran, the shah used SAVAK to suppress and weaken the religious leadership in Iran. SAVAK tortured and killed religious leaders, and the shah prevented large religious gatherings from taking place.

The shah hoped to reduce the influence of Islam by replacing it with Iranian nationalism and by emphasizing monarchy as the lynchpin of the Iranian nation. The shah saw himself as a successor to the ancient Persian kings and cited the greatness of Darius and Cyrus the Great. In 1971, he ordered a celebration of 2,500 years of the Iranian monarchy. The shah, whose opinion of himself was quite high, called himself the king of kings and the bringer of light to the Aryans (Aryan is an ethnic designation for the race of the group of tribes who inhabited ancient Iran.)

In 1971, more than 100 million dollars (almost 500 million in today's dollars) was spent for a celebration at Persepolis, the seat of the ancient Achaemenian Empire. The Shah ordered luxurious accommodations built, and drew up a guest list of mostly foreign dignitaries. Only a few wealthy or powerful Iranians were invited. Ironically, in a celebration of Iranian culture, more than a hundred French chefs flew in from Paris to prepare French food. Guests drank more than five thousand bottles of French champagne. The Shah held

an elaborate ceremony in Persepolis that celebrated the glory of Iran and Mohammad Reza Shah's connection to the tradition of the pre-Islamic Iranian kings.

Iranian leftists and intellectuals found this comparison absurd, as the Achaemenian and Sassanian dynasties had lasted for centuries while the Pahlavis had been in power for only fifty years. For many, one hundred million dollars spent on a banquet while Iranians remained mired in poverty illustrated the shah's lack of compassion and judgement.

### ***How did opposition begin to grow?***

From exile in Iraq, Ayatollah Khomeini preached that the Shah's celebration was against Islam and the Iranian people. Inside Iran, the ulama quietly spread the word that the shah's celebration of the Persian kings showed his disrespect for Islam.

***“The title king of kings...is the most hated of all titles in the sight of God. Islam is fundamentally opposed to the whole notion of monarchy.”***

—Ayatollah Khomeini

Anger against the shah grew. The shah repressed political dissent, but small groups met in secret. These groups did not all share Khomeini's vision for an Islamic state. Many, including members of the illegal Tudeh party, hoped for a reorganization of society along socialist lines. Others, who could be considered the political descendants of Mohammad Mossadegh's National Front, wished for an Iran with an effective parliamentary system of government, ruled with checks and balances.

Political dissatisfaction with the shah continued to grow throughout the 1970s. SAVAK fiercely repressed dissent through arrests, torture, and executions. In 1975, as part of his efforts to tighten control the shah decreed that Iran would have a single political party. He labelled all who refused to join as traitors and communists.

**“Those who do not wish to enter into this political organization have two alternatives: they either belong to an illegal political party, like the Tudeh, in which case they should be jailed. Or with gratitude and without asking them to pay for a foreign exit visa, they may have their passport and go anywhere they would like.”**

—Mohammad Reza Shah, 1975

Although Iranian dissatisfaction with the shah was widespread during the 1970s, he was able to remain in power for three reasons: the brutal suppression of his opponents and political dissent, nearly unconditional support from the United States and Britain, and the vast amounts of money brought into Iran through oil revenues.

#### **How did the rising price of oil affect Iran?**

Events in the early 1970s led to a dramatic increase in Iranian oil revenue. The 1973 Arab-Israeli War led Arab nations to impose an oil boycott on nations that supported Israel. Oil prices doubled worldwide, and the shah pushed the Organization of Petroleum Exporting Countries (OPEC) to double the prices again. Huge sums of money from the sale of oil flowed into the Iranian economy.

The shah, who believed that Iran was about to become one of the five great powers of the world, devoted new oil revenue to large-scale industry and agriculture. He also spent billions of dollars on the most advanced American and British armaments. The United States continued to see Iran as an ally against the Soviet Union and was willing to overlook the abuses of the shah to preserve that alliance.

The huge amounts of money that flowed into the Iranian economy were not all beneficial. The new large-scale agricultural businesses failed to produce more food. Shortages led to price increases that outpaced growth in wages. Thousands streamed into the cities to find work. The cities were plagued by inadequate housing, slums, unemployment, and hardship.

#### **How did international criticism of Iran’s human rights record affect Iran?**

Iran began to receive international criticism for its poor human rights record. An organization called Amnesty International had drawn attention to Iran in 1975 for its terrible record on human rights. The shah, anxious to restore his international image as well as preserve the support of the United States, loosened press censorship and promised to allow more political participation. International attention to human rights in Iran curtailed the shah’s ability to use brutality and force against those who dared to oppose him publicly. The political opposition saw an opportunity to push for change.

**“Today in Iran, a break is in sight: take advantage of this opportunity.... Today, the writers of political parties criticize; they voice their opposition; and they write letters. You, too, should write.... Write about the difficulties and declare to the world the crimes of the shah.”**

—Letter to the ulama from the exiled Ayatollah Khomeini, September, 1977

In this climate, the Tudeh party dared to voice its opposition to the shah. Other parties also began to organize. In 1977, the National Front sent a public letter to the shah criticizing his economic policies. The letter also pointed out the human rights abuses of the shah’s government, and called for the 1906 Constitution to be followed. They also demanded freedom of the press and fair elections. The universities became centers of discontent and the sites of protests by students. Workers’ protests also became more common in Iran’s crowded cities.

When Jimmy Carter (1977-1981) became president of the United States, he wanted to elevate the importance of human rights in American foreign policy. Nevertheless, he continued the U.S. government’s nearly unqualified support for the shah.

Hulton Archive. Getty Images. Used with permission.



Shah Reza, President Jimmy Carter, Empress Farah, and First Lady Rosalyn Carter at the White House in 1977.

***“Iran, under the great leadership of the shah, is an island of stability in one of the more troubled regions of the world.”***

—President Jimmy Carter, 1977

***How did the shah’s efforts to discredit Khomeini backfire?***

In January 1978, a government newspaper published an article attacking the Ayatollah Khomeini in an effort to discredit him. Theology students protested in the city of Qom and were brutally put down by the army. Several students were killed.

Leading members of the clergy who opposed the shah called for Iranians to protest and then to attend their mosques forty days after the deaths of the students. This was in accordance with the Islamic tradition of mourning for forty days and then gathering to remember the dead. Protests were peaceful, except in the city of Tabriz where the

government sent in tanks to control the demonstrations, and killed more than one hundred protestors. After the period of mourning, protests were held again forty days later. The crowds attacked buildings that they considered symbols of the West, like banks, liquor stores, and movie theaters. The government realized that if it tried to outlaw the traditional mourning rituals, it risked losing all control that it held.

Iran was teetering on the verge of revolution. The shah, whose health was failing in a battle with cancer, was losing his iron grip on Iran. He was also losing his grip on reality. His aides told him, and he believed them, that the demonstrators represented a small minority who had been misled by a group of activists. The shah clung to the idea that he could regain his popularity and continue as a great modernizer of Iran.

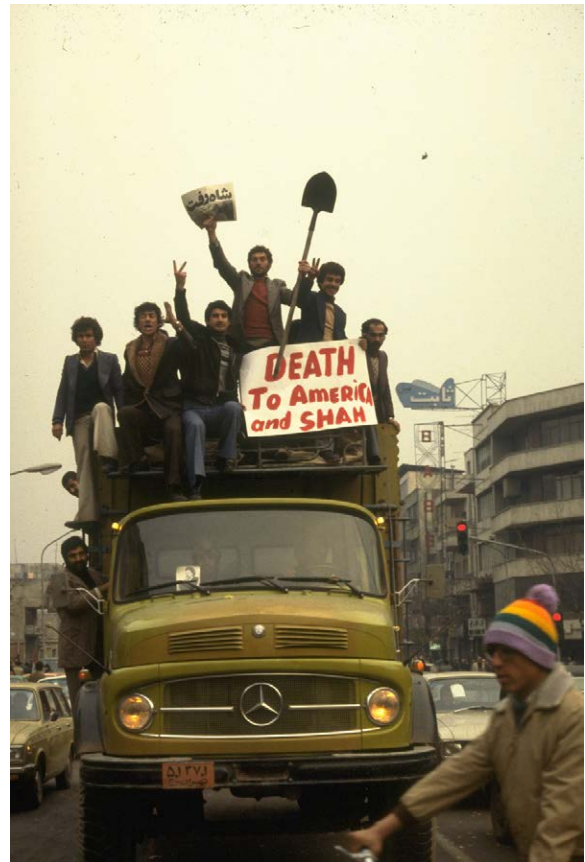


Image by Patrick Chauvel. ©Sigma/Corbis. Used with permission.

Protestors call for death to America and the shah in January, 1979.