

Daw: As I recall, it could have been. I don't recall the details of it, but I think it was simply that normal periodic Time-Life travel-- could have been an investors' group. There was an investors' group that came.

Q: That Rockefeller organized.

Daw: The particular day that I remember, I don't remember what the group was. I thought it was just simply that Time-Life executive group. It could have been the investors' group. Did you read Sigmund's book on the origin of the prominent families in Iran? He describes the four hundred families with great power and historical--

Q: It was a book by who?

Daw: Sigmund, I think. Isn't it? Up in Chicago?

Q: Oh, Zonis? Marvin Zonis?

Daw: Marvin Zonis. Sorry, not Sigmund. Sigmund wrote on India. Yes, Marvin Zonis. That's an excellent book. And I suspect, like the post-cultural revolution in China, the time will come when the persistence of culture and the persistence of family names and the persistence of Persian culture will put

most, if not all, of those families back where they were. We have a very short perspective, the Americans.

Q: Now when you gathered information on the opposition and prepared reports, did any of this go to Meyer or to the embassy as such?

Daw: Oh, I'm sure everything that we wrote did. Well, not everything, but almost everything. Everything that was not-- certainly all the reports go to everyone in the embassy who has access to them and to various places in Washington. Sure.

Q: And some were routed to the State Department as well?

Daw: Of course. Of course. Standard. Why else? I mean, intelligence goes to people who need it and God knows State is the major consumer.

Q: How did Ambassador Meyer read these reports? How did he respond to them? Since you seem to have a strong view of the role of the opposition, did he appreciate hearing this news?

Daw: I don't really know what Armin Meyer's reaction was. I know Douglas MacArthur, Jr.-- or II, I guess it was-- didn't want any part of them and was quite unhappy that they were constantly cluttering up the mail.

Q: When I interviewed Richard Arndt a while ago, he mentioned an incident involving an Agency officer, in which this officer prepared a report based on contacts with various Iranian nationals. Apparently the nationals gave him information that suggested the breadth and extent, the breadth and depth of the opposition to the Shah, and from what Arndt told me, this report alarmed Ambassador Meyer to a great extent. In fact, Arndt had to go in and vouch for the report's accuracy. Do you recall any - I'm not sure if it was you who wrote the report or somebody else. But do you recall any report in particular that would have raised that kind of reaction by Ambassador Meyer?

Daw: I know of several reports that produced that kind of reaction with different ambassadors during my time there. Again we go back to the business of the anthropologist having written his life work, only to find it was untrue, because of information that came up later.

The report on the extent, breadth, depth, intensity, volume, et cetera, of opposition, if it adds up to a problem-- quote, problem, unquote-- falls in a political context for the ambassador, who has been assuring Washington, if it's mentioned at all, that there is no significant opposition. Or again, back to this question, if the report is so persuasive and so detailed and so concrete, i.e., credible, then the next problem is, now what do we do? If I accept this report as genuine and credible

and real, if this describes reality, we have to do something. All right, that's a hell of a burden.

So you have two problems. One, an Ambassador who has been saying that things were fine, and two, if things aren't fine, what do we do about it? And so you have two problems and that happened repeatedly, in terms of descriptions of the nature and depth of the political opposition.

I think we were weak in terms of relationships and understanding of the opposition. I don't think, at least in my time, we did a good job of providing credible information on the depth, breadth and extent of the opposition. But on the other hand, there were very few resources devoted to that, and, of course, some limitations on what individuals were going to be targeted. Again, it's a congenital problem. Iran is one of many countries where I'm sure that's the case.

In the time that-- just an analogy. In the early sixties, when I was in Kabul, the Agency was crying Wolf! Wolf! about the number of Afghan young men who were being sent to the Soviet Union for military training, about the extent of Soviet influence through their various military and commercial economic projects, about the presence of KGB there and what they were doing, and the GRU. That meant you had to do something about it, so to speak, if you accepted that thesis. There wasn't a whole lot we could do. And after Henry Byroade had left Kabul, there weren't many people who were interested in being told that; that

the implications of present trends in Afghanistan are devastating for us. And, of course, they were.

Q: Back to the question of religious opposition. I've read in James Bill's new book that at one time or the other one of the Agency's contacts, Iranian contacts, provided considerable information on the Shia religious establishment. Was this information being accumulated when you were in Tehran?

Daw: Some of it.

Q: And Bill also says that there was a file of accumulated reports on the establishment, that this file had not been forwarded to Langley at all. It was not until later on that some analyst at Langley found the file and brought it back with him. Does this ring a bell?

Daw: No, that doesn't ring a bell. Of course the U. S. government had files on the Shia clergy. It had files on Arabistan. It had files on the Khorasan. It had files on workers. They had files on demographics, files on all the ways you slice a country. Now whether or not this was a file other than a catch-all for notes or fragments of conversations or excerpts from contact reports or otherwise, I don't recall. Of course we had a file on the Shia clergy. This was the major opposition.

Remember that in Iran or almost-- and I'm sure you can take this template and change the names and lay it on any country-- what organizations, what institutions have nationwide scope in terms of a support structure, apparatus for a political opposition? Well, the government does. If nothing else, tax collectors, gendarmerie, military. Okay? SAVAK did, as a separate kind of entity, a political intelligence entity. The mullahs did in every village, okay? And the bazaari, the merchants, did in every town. So those were in-place national structures, institutions, who had legitimate reasons for being in touch, constantly, day to day. Mullahs to mullahs, merchants to merchants, SAVAK to SAVAK, army to army, tax collectors to tax collectors. Here are spiderwebs that cover a whole country and where the people within them have reasonable and legitimate access to every other member of their group. I don't mean that they're restricted to contacts within their group, but those groups had grounds for constant communications, travel, exchange of money, exchange of idea, and anything else they wished to exchange. Dope peddlers had the same kind of rap line, so to speak.

But in Iran the mullahs had a terribly well organized structure and were avowed critics of the government. The bazaari, the merchants, had a complete nationwide institution, which permitted all kinds of interchange of ideas and information and attitudes. Both of those were opposed to the government, the bazaari for different reasons. And, yes, Khomeini should be

worried about the bazaari, because his government has basically taken from the bazaari what they have always wanted and that is wealth. But at that time the bazaari were very much in support of the dissident Shia clergy. Right?

So of course you keep files on groups like that.

Q: Did you get to know any of the clergy yourself personally?

Daw: Yes, I knew some.

Q: What kind of ideas and attitudes did they have? Were they some of the opposition people or were they more neutral?

Daw: They were opposed to the government and they opposed it on theological grounds. If you recall the Mantle of the Prophet, these people, however scruffy they tend to appear in pictures in The New York Times or addressing crowds, are very intelligent--well, not all of them are very intelligent. The leadership of the Shia clergy tend to be extraordinary people. They're courageous people. They have the courage of their convictions, both intellectual and the religious. They have relatively excellent educations. They have an intense interest in their religion and its success, on both theological and day-to-day levels. They are a formidable group. And God help us for calling them dumb mullahs, as we often tend to call people we don't like. Too bad, because they are a very, very interesting

group of people. In my view measurably more interesting than the coterie around the Shah.

Q: Can you give me some of the names of the contacts among the clergy that you developed when you were in Iran?

Daw: No, I think that would be a grave error. I certainly wouldn't want to do that.

Q: Okay. Now, in general, how much interest did Langley have in gaining this kind of information on the opposition? On the clergy, the bazaari and elsewhere?

Daw: Well, less so than our geopolitical concerns about things like the Soviets. Basically we saw the Iranian structure as dependable and stable, within limits, and U. S. policy-- the Agency is not this rogue elephant people-- well, I don't know about Casey's Agency, I left in the middle of his tenure, but the Agency provides intelligence in response to the request given us by other elements of the government. And the other elements of the government were not really very interested in the opposition, for a lot of the reasons we've talked about and also because the opposition was not imminently on the verge of overthrowing the Shah's government. It wasn't until eight years after I left that they did so. And one must remember that U. S. intelligence resources, that is the number of people devoted to the



collection of intelligence on any subject, is quite limited in any country.

So this turns out to produce a situation where intelligence on the opposition in Iran was, as we said earlier, of distinctly secondary importance. It is the responsibility of CIA, wherever it may be, to be in touch with the subject of opposition to any government: opposition to the Soviet government, opposition to the government of Mexico, opposition to Mulroney's government in Canada. I don't know what we do in Canada. Maybe we don't have any. But anyway, the point is, if they don't do it, who is. So, yes, we have a brief to cover the opposition, quote, unquote opposition. Whatever it is and wherever it is. Even if the report says there isn't any.

Q: Did you get requests from time to time for information along that line or was this provided on your own accord?

Daw: Primarily from the analysis side of the Agency. There were two or three people who had been following Iran from those halcyon days of the fifties all the way through and who were very knowledgeable, much more knowledgeable in depth than I was, who could rattle off genealogies and relationships, who, for example, were intimately acquainted with the structure of the Mussadiq government and who was who and who was related to whom and so forth. And they followed it out of both professional

responsibility and personal interest. I think that's a fair way to characterize it. The CIA has a professional responsibility to maintain touch with the subject, what is the opposition? What does it amount to and what are the implications of it?

Q: James Bill in his new book mentions the names. Ernest Oney and Charles Rudolph, I think?

Daw: I don't know Charles Rudolph.

Q: He mentions Charles Rudolph as another Iran specialist at the Agency. Did these people come to visit the station from time to time?

Daw: Yes, CIA analysts do come abroad periodically. The difference between two-dimensional paper and the smell of the bazaar is quite important. The feel of a country is different in writing than it is in fact, obviously.

Q: Now you mentioned that you passed on your reports pretty routinely to the embassy.

Daw: Well, pretty routinely, that's what we do. We collect them and we write them and we disseminate them.

Q: In general, how much cooperation was there between the political officers in the embassy and the CIA officers?

Daw: That often turned out to be a matter of personal predilection. Some of my very dearest friends, people for whom I have tremendous respect, were embassy officers as such, and while their brief may or may not include opposition, it's everybody's brief. It's everybody's brief to cover the issues of importance in the country. And certainly State had its own responsibilities in that respect, and many of the political officers were close personal friends. Some were not. Some thought the Agency really ought to be consigned to, I don't know, one of Dante's lower regions. But that's another problem. I certainly understood why they felt that way. On the other hand, it's too bad.

Q: Now to what extent did the political situation in Iran change while you were there in the late sixties into the early seventies?

Daw: Well, this was the eve of the assassination of Americans. This was the threshold of organized, substantive violence. SAVAK was out in gun battles on the streets, with people who had taken up arms. It was a sad time in a way, because the Shah-- again, context. There were probably as many-- I don't know whether this is accurate, but my impression is there were

probably as many universities and as many university students in Iran, let alone abroad, as there were in most of the rest of the Middle East put together. The Health Corps, the Education Corps, the building of roads and dams and infrastructure, many of the things that the Shah sought to bring about cannot be viewed in any other terms but laudable goals for the people who needed a lot of help. I think the Shah did many magnificent things in Iran. Would that his peers in other countries had nearly as much.

But the problem remained that on both religious and economic grounds there were some very significant problems developing. And the mullahs-- and the Marxist mullahs-- you know, they called themselves by terms the Martyrs, the Left Wing Martyrs, the Mujahidin-i-khalq-- became quite violent. They organized assassinations. They organized dissemination of propaganda. They took Khomeini's tapes and distributed them. They obviously were meeting consistently and regularly in a clandestine fashion and developing the infrastructure that led ultimately to the overthrow of the Shah. They tried to work the military, with some success in all the branches of service. They certainly were working universities, although they tend to look down their nose at the intellectuals, the national frontiers, because they were committed to many of the nice things in their lives that they had-- jobs, money, cars, Savile Row suits, et cetera.

Though if you remember the first government that came in after the Shah left, it was composed significantly of national

fronters. Okay? It didn't last long, but those were the names and the people to whom the mullahs turned, initially anyway. And in their arrogance or egoism or lack of touch with the vital thrust of the mullahs' rebellion, they were really out of it and didn't last very long. They did not have the intensity. Nor did they have the goals. The national front was basically a secularly oriented group. The Mussadiq view of the country was a view which was basically secular. And that wasn't all that different from the Shah's view. It was a squabble over what kind of representation you'd have, what role Parliament would play, who'd have power or no power, who would make the laws, and who would share the power, the spoils of political power.

So they didn't last very long. But they too existed, talked, attempted to organize, whether or not SAVAK knew, quote unquote, their every move-- you know, that's not feasible, not likely. But certainly SAVAK was aware that national fronters met and kept a wary eye on them. And then again, the national front was playing politics in a western sense, in a secular sense. The mullahs were much more serious about their views. The level of intensity, their willingness to commit themselves body and soul-- and I mean that, body and soul-- was so much greater than that of the national front.

Q: Some historians have suggested that around this time, around 1970 or so, that the degree of internal repression increased. I

guess this more or less parallels what you're saying about the rise of the guerrilla opposition during this period.

Daw: Well, certainly SAVAK-- when you engage in running gun battles on the streets, okay, then SAVAK gets pretty concerned, because you can't tell the Shah that we had a running gun battle with three people we believed to be Mujahidin, one of whom took a poison pill and killed himself after he was shot. You can't tell him that and at the same time tell him that it's okay. We're not going to change our M.O., we're not going to take any more precautions. Indeed, they got very serious about the problem. They had to. They were losing generals and police chiefs and government representatives and some foreigners. So yes, they stepped up their activities, indeed they did.

Q: Changing the subject, how much traveling around the country did you do when you were in Tehran?

Daw: Not nearly as much as I wanted to. I would like to have done a great deal more than I did. I would guess once a month I was out somewhere, whether it was nearby or far by. I didn't travel the country the way I had in other countries for a variety of reasons. I had some responsibilities that kept me there and just didn't get out nearly as much as I would have liked to. But I'd say once a month I was off somewhere.

Q: When did you leave Tehran?

Daw: Oh, perhaps May of '71, June of '71.

Q: Around the time you left, what was your impression of-- you discussed it in some ways before, but what was your impression of the political-- or your reading of the political stability of the Shah's-- or the stability of the Shah's position?

Daw: The Shah, by the verdict of history, was in charge of the country. It was slipping out from under his structure. The efforts that were devoted to the celebration of the founding of the Persian Empire had sarcastic critics, who said, you know, we need this for schools and roads and dams and not for this ego display. On the other hand, the same people would say, well, we do have a great cultural history and it isn't a bad thing to call that to the attention of the world. But they criticized it on the grounds that this was an ego trip by the Shah.

That really is too bad, because I think Iranian culture deserves all the attention it can get. Probably the finest poetic tradition in the history of mankind, as far as I'm concerned. Certainly a history of accomplishment in government, if you're talking about Cyrus and all. Herodotus has a marvelous passage where Cyrus is talking with Croesus, whose country he's just overcome. It's a marvelous passage, but it does reflect an essentially benign and quite generous perspective on what

conquest means, what the implications are for government. But, yes, the Shah was in charge of the government. One wonders if he knew what was happening around him or whether he chose to ignore it. It is not unimportant that when push came to shove, he left rather than turn the army loose on his population. Whatever else one might say of him, that is a fact that one should at least seek in understanding what did that mean by way of his attitude toward Iran. I think he was so tied up and intensely focused on the economic development of Iran, his vision of Iran's place in the world-- which is a mix of culture and history and poetry and predilection and appetite and all kinds of other things-- that he may very well have downplayed, or maybe just basically not understood why anyone would oppose what he is trying to accomplish.

I think it's very difficult to fault him in terms of his vision of the country and what he was seeking to do to bring that about. I think you certainly can fault him on misreading the intensity and the depth of opposition and the reasons for it, the vulnerabilities of his government, including corruption, including the bowling alley and all that went with the idle rich and the jet set.

Q: Bowling alley?

Daw: There was a bowling alley on one of the major streets in Iran, and the hangers-on-- I mean, again if you read The Mantle



of the Prophet, if you see the-- feel the religious bitterness at a bowling alley, with girls in lipstick and drinking alcohol and dancing and loud music. There was a club called La Boheme, a nightclub, where they had probably the biggest speakers outside of a baseball park, where they used to play rock, or loud music anyway. And the jet set went there. There were some filthy rich Iranians. And they were a pretty disreputable group. And I don't think he understood the level of antipathy that that generated in poor people that surrounded the club, that worked at the club. And when you add to that a religious dimension, you have the ingredients for a religious revival and an overthrow. It's just such a vulnerable target. This made his government so vulnerable to criticism, and engendered such intensity in opposition.

Q: This brings up another question. You discussed this to some extent earlier, but did the Agency collect information on the Shah and his family and the coterie around him? Was that information accumulated, passed on?

Daw: Incidentally. Incidentally, yes. Certainly in terms of power. Certainly in terms of who struck John (?), to a certain extent the issue of corruption. But again, there were not a great many resources devoted to that. It's almost like-- again, analogies are weak, but that marvelous phrase, everybody knows. Everybody knows that there has been significant

corruption in the letting of U. S. government military contracts since Eisenhower. That doesn't mean it didn't go on before that, but he certainly felt concerned about it from a somewhat different perspective.

But everybody in Washington knows this, every newspaper correspondent, every Congressman, every staff aide knows that-- again, quote unquote everybody knows-- there is corruption in the letting of contracts. Now we have it on the front page and something is being legally done about it.

Everybody knew there was corruption in Iran. Everybody in the U.S. mission who ever was there for more than five minutes, and anybody who paid any attention to Iran at all, knew that there was corruption in the government of Iran, knew how you got a contract, knew who you had to bribe to see the minister, how much, what percentage of the contract. All the European competitors for the U.S., in terms of arms supply and infrastructure and so on, factored that into their bids. I talked to a number of foreign businessmen who were there. Oh yes, this is the per cent you have to pay on this kind of a contract, this is who you have to pay, and so forth and so on. So everybody knew that.

Yes, the embassy wrote two messages-- that I recall, there may be others-- which quite carefully delineated that, excellent reports. But so what? The Persian Empire has been doing that since before Cyrus. And so have the Syrians and the Egyptians and the Jordanians and everybody else. To say that it's a way of

life and a way of doing business and thereby tacitly accepting it is not at the same time to say it's a good thing or good for the country, or morally acceptable, or ethically delightful. But it certainly was a fact and it was a fact that everybody knew, most particularly those who were dealing with the Iranian government on contracts, U.S. and foreign, and Iranian.

I'll tell you a story. One of my religious friends, who had wrapped his deep bitterness with the government and the lack of power which the religious structure had, lack of influence, power-- power really, not influence-- said, "Well, look, Price, at least in this government, if you need a driver's license or a business license or a piece of equipment imported, you know who to go to and you know how much to pay and you know how long it will take." He said, "That is an improvement over what it used to be, because you didn't know who to go to and you never got your part. Now you can go to someone, pay him his accustomed bribe and get what you need." And he said that with great bitterness, but he said it very sincerely. This is how the government works.

But this is how the government always worked. Maybe this is how the Pentagon works, and I don't mean as broadly and congenitally as in Iran. But I lived some seventeen, eighteen years in the Middle East. I don't know a government ministry in any of the countries I've served in that was not up to its ears in-- whether you call it bakhshesh or whatever you call it, this is the way the system works. And the reason for that is that a

civil servant gets nothing by way of salary and it is therefore an accepted custom within those cultures that his salary is to be increased by whatever he can get by way of bribes. Therefore the government payroll is considerably lower than it otherwise would be.

Q: So you did studies on this question of economic corruption?

Daw: No, I didn't. What I'm saying is it's one of these everybody knows things. Okay? It wasn't news. Any more than it's news, except to the naive, that there are bribes in the letting of Pentagon military contracts. Not all contracts, but many. Okay?

Q: Did you do much work on economic conditions?

Daw: I didn't do much work on that. I was a political officer there. But I was very, very seriously interested in the economic structure of the country. It was similar to-- although the oil revenues were extraordinarily high and although the Shah's expenditures on arms and modern military equipment were extraordinarily high, the fact remains there's a lot of other money sloshing around in that economy. And there were all kinds of demographic and political implications to the economic developments that were taking place. This great copper lode that lies in east central Iran, if that had ever gotten off the

ground-- in fact, I've lost track of that. That could have been a source of considerable balance to the fluctuating oil prices, which were going up at the time I left, but which inevitably were going to go into an up and down business. The implications of the reforestation effort, which was begun by the Shah, were interesting. It never was carried out. It may never be carried out. But there was a time when things were quite a bit different, in terms of forestation and all. There were a lot of very interesting economic implications. Perhaps the most immediate and gravest problem was this migration from the countryside to Tehran. No one can cope with that. We can't even cope with it here. Look at Los Angeles. You know, the Crips and the Bloods and all are in part a reflection of tremendous population movement. Tremendous-- you know, we're not talking about the Middle Ages, but if we lived in a period of disequilibria, economic disequilibria which seems always to exist, we would have mass movements of people. And California perhaps, not to be too parochial, is a perfect example of that. If there were no border and if there were no INS, how many Mexicans would presently live in California. Cinco de Mayo is a major holiday here and will be increasingly so. We can drive five minutes from here, over to the Mission district, where now at least half, if not more than half of the signs, are in Spanish.

So anyway, it's this kind of extra government migration that constituted a major problem, first economic and second

political.

Q: Did the station have an economics officer who worked on economic changes?

Daw: Not as such.

Q: How about the oil question, petroleum developments?

Daw: Well, petroleum developments were handled by a petroleum officer in the embassy, who was a very knowledgeable person and very thoughtful. He did an excellent job of covering the whole picture.

Q: Oh, John Washburn, I think.

Daw: Yes. And a very graceful, very gregarious, easy but very sharp officer. I thought he-- probably the quality of petroleum reporting out of the embassy was the best thing, in my view. I thought it was excellent. And it was because of John. Absolute high marks for the work he did. In my view.

Q: Now back to the political reporting. Among the captured documents there was a long report that was done in the late seventies on the power structure of Iran. It's like a hundred

page report. A two hundred page report, I think, on the Iranian power structure. The various influentials in the Shah's government and so forth, the royal family, the military people. Were there similar studies done during your period? Of a power structure, how it worked?

Daw: Certainly we reported on shifts in the power structure and their implications, to the best of our understanding. But nothing like two hundred pages.

I mean, of course the Shah's policies, views, intentions are perhaps best-- or any government are best-- well, one key way to interpret is the assignment of persons to key positions. So that if you put Jeanne Kirkpatrick as Secretary of State or Senator Garn in as head of the NSC or something, this has meaning. This has implications. So, yes, we followed that quite closely and attempted to interpret that.

Q: Now when you left Iran in '71, did you do more work on Iran?

Daw: Yes.

Q: Back at Langley?

Daw: Yes.

Q: So you worked in the analyst division?

Daw: No.

Q: Okay. So this was the operations directorate, I guess?

Daw: Yes.

Q: I'm not sure what the exact terminology is. But I guess you worked fairly closely with Oney and the people in the analyst section?

Daw: Absolutely. Some of them I'd known for many years.

Q: And how long did you work on Iran?

Daw: For several years.

Q: Two or three more years?

Daw: Yes.

Q: Okay. We were talking a minute ago about Ernie Oney, who was one of the main Iran people on the intelligence side of CIA. Can you talk about him a bit?

Daw: Ernie was probably the most knowledgeable person in the U.S. government on Iran. He followed it for many, many years.



He was a very positive, optimistic, interested person. He had a very keen mind. You commented that some had viewed him as focused down on the noise, too much involved in the detail and less in the overall, over-arching policy of things. But you do have to remember that the Agency's role is not a policy role and that the Agency's responsibility was to provide data, intelligence, out of which policymakers at, for example, IN&S at the ambassadorial level, at the NSC level, would then-- this was grist for their analytic mill. Yes, the case could be made that CIA should do implications, and in their national intelligence estimates indeed they do just that.

END OF SIDE TWO, TAPE ONE; BEGINNING OF SIDE ONE, TAPE TWO:

Daw: But the basic responsibility of Ernie Oney was to know Iran, where it came from, where it was, and by implication where it was doing.

The CIA was not often asked to produce policy papers. Okay? Yes, we did the special national intelligence estimates when there was a problem of some kind, and national intelligence estimates on a periodic basis on major issues or countries or areas or global problems. But it was the responsibility of the Department of State and the National Security Council-- to an extent the Agency also contributing-- to provide predictions of things.

The basic problem, I think, is again the bearer of bad news. What do you do with information that suggests you have a real problem? What kind of policy impact does it have? Who has the guts to change the policy? That's a little unfair. There are a lot of things going. It's like a wife who can't cook. She may be beautiful and charming and loving and a good mother, but her spaghetti tastes like hell. Well, that's okay. So much for that. Or there may be a different constellation of attributes and characteristics that you accept. And U. S. policy toward any country is wrapped up in all those things. So somebody can come along, as many did-- and I think Jim Bill was one-- who was sharply critical of a given facet of American policy, in this case toward Iran. But Bill didn't have to balance the other things that were involved. All he had to do was know what was going on to the best of his ability, and, yes, point the finger at this and that.

But there were many benefits that came from the Iranian-American relationship, which one might evaluate this way or that way, but which were real and led to the specific policy. The old German said, for every effect there's a good and sufficient cause, and to see American government officials as charlatans, mountebanks and superficial jerks is just kind of missing the point.

Anyway, in the case of Ernie Oney, Ernie I thought was a great interlocutor. He and I had many long discussions of what it all meant and who was on first and what the changes were and

why, and I found him a very knowledgeable and sympathetic person, sympathetic in the context of our discussion today. He did understand the opposition, to the degree that you can understand anything strictly from reading papers, that it's a long way from again the smell of the bazaar or the ground truth to an office in Washington. I mean, as an historian, you understand that. If you could have had lunch with Louis the XIV, you'd know a lot more about his life than you ever will know any other way. Making love is different from reading about making love.

Q: Now when Oney worked on these NIE reports, intelligence estimates on Iran, did you collaborate with him on these reports?

Daw: Not as such.

Q: You provided--?

Daw: We had long talks. He had all the reports that had been written. Not during my time, but the period that they were available. So only in that indirect sense, collaboration.

Q: So you provided information that he could use?

Daw: I'll give you an example of the kind of thing I've been trying to describe. There was a paper being written, a

government-wide NIE and there was some on Iran and military assistance to Iran, the implications of it, and there were a whole lot of implications, not just military and not just financial, but political and all kinds of other things. And there was a room full of maybe sixty people. The issue of our providing technicians to support the F-4s came up and someone in the room said, " You know there have been a couple of artillery exchanges on the Iraqi border." Of course there always are, the Shatt-al-arab and so forth. And the question was raised, should Iran and Iraq go to war and we have American technicians servicing the F-4s, which surely the Shah would use, I assume, does that make us a co-belligerent? If that should arise or war did break out, what would we do? Would we leave them there and possibly be described in international law as co-belligerents, or would we pull them out, much to the Shah's chagrin, or would we come up with another solution?" The issue was tabled, because no one had an answer to that. Okay?

What do you do in the face of that? Now that you're here and you've got your hand around the tar baby's throat, how are you going to get rid of it? How do you solve that kind of implication to a policy? Very complex.

Now Jim Bill doesn't have to deal with things like that, but certainly he could point out the implications that here is a problem. Okay? So it's a very large tapestry you're dealing with. You cut one thread and you've got a problem. And in pursuit of policy toward any country, there's an awful lot of

things going on. An awful lot of pluses and an awful lot of minuses.

The issue I think you're driving at though is what can we do about political opposition. The instability that produced the revolution in '79-- and, of course, that's another sixteen days discussion. A lot or a little.

Q: Now you mentioned earlier-- you were talking about these reports, the NIEs among other things, that there was a tendency to write to the needs of the policy makers, who supported the Shah and wanted a strong relationship with the Shah--

Daw: Well, not necessarily. My views of the Agency's analytic efforts were that you had a professional paper produced. The people in the analytic side of the Agency, in my view, were true professionals. They were, within the limits of their knowledge, in accepting human predilection always, you know, values like democracy, values like political representation and so on, they were truly professional and objective pieces of work. You did have problems when you had multi-agency contributions, because the Pentagon might view a country as an indispensable military asset, bases or something. The State Department might view it as a great liability because of other aspects. The Agency might have separate parochial interests. So when you tried to marry these at a top level, yes, you had problems. And it really came down finally to the question of dissents, appendices, I don't

agree with the position on page 44 for the following reason, or during a meeting So-and-So threw up and became very angry and stormed and cursed and said this is insane. Dissenting views. Dissenting positions. And there was scope for them. That is, programatic scheduled scope for that.

The effort to ameliorate that, to blend all these into a single paper took a lot of dancing. It's like a bill that Congress passes. There are an awful lot of interests that take it away from some ideal solution. The art of the possible, although that is not really relevant to this, the preparation of NIEs. But every year the paper the Pentagon and the intelligence community does on Soviet force structure, imagine the compromises that go into that. And people with dearly held, specific and justifiable, defensible positions may have their views either watered down or even eliminated. And maybe that's right and maybe that's wrong. You know that only in retrospect.

But it's tough to produce an NIE on a controversial subject and get it right, because of conflicting interests. The Agency at one point of course was chartered to produce them without input from others, but now the military has an intelligence structure larger than the Agency, and so there's problems with trying to get it right. Quote unquote right.

You know, I used to argue like hell with people in the station on particular points of view that I held vis-a-vis Iran. I'm not God and who knows whether I was right. I certainly believed them and they certainly believed contrarily.

Q: Now one point that James Bill makes in his book is that the division of the Agency between the analytical wing and the operational wing caused problems for the Iran branch, for Oney's branch, and that the analysts felt that the operatives were withholding information or vice versa. Was this a problem that you ever encountered during your years?

Daw: Well, I guess in passing I would note that I presumed Jim is reflecting comments made by people in the analytic side, because he, I'm sure, didn't know a great deal about the relationship.

Q: That's right, I'm sure.

Daw: It is to note that there is certainly a distinctive benefit in having the two branches separate. That is the analysts writing their own pieces and not being second-guessed or vetoed or whatever by people on the operational side, or vice versa. It does, at least in theory, contribute to a more objective piece of paper. You get pretty passionately involved in the country you devote a substantial part of your life to substantial meaning three, four, five years. And, yes, people do get personally involved. Why not? I mean, how else could you sustain a level of interest necessary to do what's supposed to be done?

The other side of that is, yes, you were trying to get an objective analysis produced.

Anyway, the division between the two was formal in the sense that the analysts wrote the paper, but often an analyst would say, listen, I want to have lunch with you tomorrow, I've got a passage in a paper I'm producing, I'm really not terribly sure about it, I'd like to go over it with you. Or you'd sit down in an office and talk for four or five hours. What is it really like? What is this guy's personality really when you get down to it? Where is he coming from? What does he really want? How corrupt is he? How much power does he have? And there were very lengthy detailed discussions that took place between the directorate of operations personnel and the directorate of intelligence personnel.

But again that was often a function of friendships or personal relationships, personality. A lot of people in the directorate of operations were extremely aggressive and opinionated. That doesn't make for a terribly fertile dialogue, and an analyst who runs into a situation like this isn't going to spend a lot of time with a person like that, because really what you're trying to do is find out what reality is, not what your opinion of reality is.

But hours and hours and hours of dialogue and conversations over dinner, over beers, over lunch, feet up, chewing on things. What do you think this means? What are the implications of this? But again, not formalized. Yes, you debrief people who came back from overseas. There'd be a formal debriefing. But I'm talking about discussions in much greater depth than that.



Jim, I'm sure-- and others-- have commented on the problem that exists. As far as withholding is concerned, yes, that's another issue. If you're writing a paper and here are three reports on the Mujahidin-i-khalq and their activities in Meshed, or Meshed is a religious center of mujahidin activities, and the analyst says to you, "How reliable is this source? You know, this is pretty hot stuff if it's true. Who is the guy?" "Well, I'm not going to tell you who the guy is." "How can I gauge the credibility?" "Well, I'll tell you how to gauge the credibility." Indirect as opposed to direct sources. Okay. So if you want to know what I had for breakfast, you can ask my wife or you can ask me. If you ask me, within limits I may or may not tell you the truth, but probably will. Why not? And this is one of the problems the analysts had, but there are awfully good reasons for that.

Q: This was quite true throughout the Agency, not just Iran, but any country?

Daw: Oh, sure. Sure. The directorate of operations is enjoined by Congress in the establishment of the Agency for protecting sources and methods. You ask will I name the mullahs I know. Hell, no. I mean, I wouldn't dare do that. I wouldn't dream of doing that. And in the same sense there was a conflict between the analysts, who wanted to know the last bit of information they