

us which they considered higher priority and then we would do the other ones at lower priority.

And one of the things that we discussed when he came out was--and he phrased the question one day when we were just sitting around--after a long day of traveling, we were just sitting around discussing things, and he asked about this. How are decisions made? Does the Shah really decide everything? You know, how much does he listen to the people in the ministries and in his government? And then he said, you know, that would be a good subject for a report. So we more or less discussed it that way and I put that on our list as a priority report that we should do.

Now it took a lot of research to do it, so it dragged on a bit before I finally got it out. But I think it was a contribution at the time, because the Shah was, of course, as a focal point for the government always given credit for whatever happened, and then if things went wrong, he never took the blame, because the blame was then assigned to somebody in the government. I mean, that was the way he ran things. You know, he took credit for everything that worked right and anything that went wrong was the fault of some minister or under-minister or whatever.

But because the country became so active on the international scene and so much was made of its development goals and all the great plans the Shah had, which he kept talking about, that were going to put him and his country at the level of France and Great

Britain and so on. And he talked about the great civilization, in which his country was going to be the equal of these world powers like France and England. There were just never-ending projects. I mean, there was going to be a subway project, there was going to be the great new square of the Shah and the people and it would be the biggest square in the entire world, bigger than Red Square and bigger than anything anywhere.[laughs] And they were going to relocate the entire diplomatic establishment up there in this Abbasabad area, which was pretty much empty. They were just going to create a tremendous new facility there. They were just doing everything. A new airport, new roads everywhere. Just never-ending projects.

And so people began to say, well, you know, how can they do all this? Who's calling all the shots? How can they? And yet the Shah is running the country. How can he possibly run all these little development plans and how can he be consulted on everything about a subway and an airport and on and on. So that was another one of the reasons for the report, was to analyze how the Shah could sit on top of this tremendously active government and still be consulted on everything.

Q: How did you do the research for this kind of report? Was it interviews or printed sources or-- ?

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Bolster: Well, I used basically everything I had. That is, I did have sources, such as some of the work that Marvin Zonis had

done on the political elites in Iran, questionnaires with people. And I talked to a lot of Iranians. I did my own sort of version of what Zonis did, but without having it on paper. I just asked people, who do you think are the most important people in the government and why are they so important? And then I would just compare those lists, to see if I was including all the people that all of my contacts mentioned.

There was, of course, very little on the Iranian scene in the way of that kind of analysis. I mean, if they did that sort of analysis, it was always done orally with each other. They would never be so bold as to put it down on paper. So in that sense there wasn't anything to go on, but through a lot of interviews I got a lot of ideas from people as to who they thought were the main movers and shakers of the government. And then I followed a lot of particular cases, you know. How decisions were made on particular projects. I talked with Mr. Macy, who had headed the Civil Service Commission and was over there working for the Shah in establishing various personnel rules for the government and so on. I got some ideas from him, because he'd dealt with a lot of these top officials. Both Americans and Iranians and some foreign observers of the scene as well. I just compared notes with all them and put together the findings.

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Q: Who were some of your main Iranian contacts? I guess in terms of doing this kind of a project. Or I guess more in general, the main people you were dealing with.

Bolster: Well, they're conveniently listed in my contact report from 1976, which I did before I left and which unfortunately stayed in the files three years after I left and was seized as part of the documents, which the Iranians have now published. So my contact list, with all of my frank comments about who I talked to and how to get in touch with them and where their strong points and weak points analytically were, and what kind of information they could provide-- all that's down in my contact list. So it's pretty much there to read.

But I would single out two people. One is Rahmatollah Moqaddam-Maraghei, who was a long-time National Fronter and--I've mentioned his name before, I think, in previous discussions. Former National Fronter and eventually even formed his own political party during a brief time when the Shah let various people come forth with their political ideas. He headed something called the Radical Party. And then after the revolution he was made Governor-General of Azerbaijan by Khomeini, but then he later had a falling out with Khomeini over separation of church and state, which he thought was the appropriate way to go, and Khomeini obviously didn't. And so then he was eventually on a list for interrogation and eventually escaped from the country and lives now in California. But he was a consistently good source, because he was quite a student of Iranian history and a thoughtful person, who would give you ideas about whatever subject you needed to discuss. He had so

many contacts and such experience that he was very useful as a contact.

I also found Hedayatollah Matin-Daftari a very good source. Again he's one of the people mentioned in Jim Bill's book. Again a National Front person. A grandson of Mossadegh and so on. So you had to allow for his views, but he was a well educated guy, a sharp lawyer, occasionally imprisoned by the government. But whenever you could get in touch with him and get to see him, he was invariably a good source of information of what was going on and various views.

So those were two. But I had lots of different sources. I do feel that I tried to break out of the mold of the standard contacts that people had, because I'd developed some of my own contacts previously, and when I came back I reestablished contact with them. And through them I tried to meet other people and, you know, broaden the range of contacts.

So even in the clerical side--I mentioned before one of the clerics that I was dealing with.

Q: Oh, Ayatollah Qotsi?

Bolster: Yes. But, you know, these were just attempts to keep well informed in a very busy time, when there were so many demands on our time in terms of the required reports and the social activities that were scheduled. And the need to get out on some field trips and see the countryside, which I always

found very rewarding, but hard to schedule, because there was always something that needed to be done in Tehran that would keep you away from these trips. I did take trips still, when I was assigned to Tehran later, and always found them very helpful. But because of the declining number of political officers and the expanding field of activity that we were supposed to keep up with, it was really a very busy time.

Q: One of the classified documents released by State was a report by the country desk officers around '74-'75, in which, I guess, Naas--you know, Naas's signature is on the report--and it said that the people at the country desk wanted an analysis of the forces that would influence a post-Shah situation, looking towards the future, when the Shah dies or is assassinated or whatever, what will happen in the wake of that event. Were reports on that issue prepared?

Bolster: Oh, yes. Yes, sure. Because that was often a discussion topic. The Shah was so active and traveled so much that it wouldn't be hard to imagine his plane going down in a storm and then suddenly who runs the country when he's gone? So there was a lot of attention to that. We had not only periodic discussions of it, but we had required reports that would be redone every so often, as to what we thought would happen if the Shah passed from the scene.

And obviously a lot of it depended on who his closest

advisers were. When he married a third time to Farah Diba, he eventually set a Regency Council with her to head it. That was the first time, I think, that he sort of formalized the arrangements that would, he hoped, be in place after he left the scene.

I think one could say, looking back on it, that this was probably proof that he knew he was beginning to have physical problems which might remove him from the scene, the fact that he gave so much attention to this. At the time he justified it just by saying that he felt it was necessary to insure that continued pursual of the White Revolution's goals and that he was concerned about his son, the Crown Prince, who was by then a teenager, and he felt that he had to give this poor fellow a chance to do an adequate job. I mean, the Shah always had in mind how it was for him. You know, when his father suddenly left the scene in 1940 at the hands of the British, the Shah became the King and he really had no experience. I mean, he really had-- he'd been given academic training and he'd been to the military academy, but really, in terms of practical experience, he had none, because his father was such a powerful figure that he did everything and the young Shah just watched and learned from that.

So the Shah, I think, felt in turn that he wanted to prepare a better transition for his son. So he groomed the boy extensively, with foreign travel and different languages. The poor fellow grew up learning about three languages. And, in

fact, there were rumors when he was born that he might be retarded or something, because he didn't speak for a long time. And as I understand the story, it turns out that he didn't speak because he had his father speaking Persian to him, his mother speaking French, and someone else speaking English. And so he-- you know, he was just totally confused by these three languages that were always going around him, so he just didn't speak for a long time.

But, you know, he did grow up to be a very sophisticated young man, and I think the Shah had this in mind constantly, that he wanted to prepare the boy for taking over. He didn't, I think, ever think of Farah as running the country for very long.

She was the chairman of this Regency Council and she was supposed to run things, but definitely running them for the young Shah, until he could be old enough to take over on his own.

Q: That's interesting. Now this is going to be a general question, but when you were stationed in Iran in the mid-seventies, what was your over-all appraisal of the political situation? And I guess the economic situation as well. In Iran?

Bolster: Well, that's a tall order, but basically what I always said in my oral briefings of correspondents and visitors and various people was that the country was not nearly as stable as it appeared on the surface, because it was a developing country



and it had all the problems of any developing country. But it was a rich developing country, which didn't make it any easier to develop. I mean, people thought, for example, that a country that's rich should be able to develop easily, because they can buy whatever they need, they can buy either the physical resources or they can buy the advice and training that they need.

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

Bolster: So if you take a rich developing country, the theory went, then they should be able to buy the resources they need, the physical resources, and also buy the technicians and the people to help train their own people. You know, it just should be a matter of time before this country should prosper. Well, the way it worked out in Iran was that, I think, the wealth that they had really caused more problems than it solved, because the Shah kept thinking, first, I have all the money to do everything--you know, money's no object, we can do anything we want, let's just get on with all these projects. So they just threw money at everything. You know, every ministry wanted a computer and every ministry wanted technical advisers from the West, and every ministry wanted a whole list of projects, and everybody tried to do everything at once. There was really no one setting priorities. I mean, they did the census by computers

in 19-- I forget now which census. It wouldn't have been on the same schedule as ours, but as I recall, there was a census done while I was there that second time. And they processed all the data on IBM computers and so on. Iran Air just burgeoned as a great international carrier. You know, buying 747s and 707s all over the place. I mean, there was no area that there wasn't some bold new program under way. And so the number of people who could really manage things effectively was stretched very thin. And because the Shah had never allowed anybody to have any independence and never allowed any institutions to build up any kind of real core of trained people, where they could really run things, the expertise was very shallow in every ministry, in every activity that was going on doing things.

Even with the money that they had from oil, they were having trouble meeting all their bills, and there were always American companies coming around the Embassy, saying, "Please help us get paid, because we've done thus and so on a contract--" and they'd show us all the contracts-- "But we're still not being paid." And then we'd go to the appropriate ministry, and they'd say, "Well, we certainly intend to pay that bill, we know the work's been done, but we have to send the papers through to the Ministry of Finance." There were constantly people coming in and complaining that they couldn't get paid. So some firms finally began to only do things subject to advance payment. They would say, "Now under this contract we'll do thus and so and advance payment required is this amount, and if we get that, then we'll

do that work. If not, we can't."

So I would say that was the main thing I imparted to visitors who came and wanted to know what was going on in the country, that economically it was pursuing too many goals all at once. Politically it was stable in the sense that the Shah had been in power for all these years and was surely paramount in authority in the country, but his ability to run the entire country was affected by the quality of the people he had working for him, and he couldn't have the handful of very good people that he had running everything, so he had to depend on people way out at the lower levels getting things done, and they just didn't do it. In fact, the fact that they had all kinds of money meant oftentimes that the Iranians themselves became sort of lazy and felt that they should bring in foreigners. And so they brought in Koreans to drive trucks and they brought in Japanese to build refineries and they brought in Turks and they brought in Pakistanis, they brought in Indians.

We could see this-- you know, even our everyday life, we could see that there were so many foreigners coming into the country to do all kinds of jobs, which the Iranians began to consider sort of menial jobs, you know, and they were going to-- and the Shah's publicity and propaganda sort of fed them on this, that we have all this money and we're going to be the equal of France or England, and so we can now propose and dispose. We don't need to really work all that hard, because we've got all this money, this oil money, flowing in and we'll be able to buy

all the services we need. It was a Klondike mentality. And prices were shooting up and everybody was buying cars and trying to have the latest hi-fi. It was, you know, just a-- at least in Tehran there was this total devotion to consumerism and material wealth.

And a lot of Iranians complained about this constantly. They bemoaned the passing of the good old days, when people had time to talk and visit and so on. Everybody's now making money, everybody's rushing around, the traffic is horrible. The quality of life in Tehran had deteriorated markedly from earlier years when I was there. The smog was terrible. Just a whole pallor of the city. You couldn't even see the Elbure Mountains any more. I mean, that's how bad the pollution was. When I was there earlier, and even as a boy, the mountains were so dramatic with the snow on them most of the year, and they were just constantly there in the north. You just glanced up and here were these beautiful mountains. Well, by mid-seventies you couldn't see the mountains, because-- maybe just a vague outline through the haze.

And people-- you know, they all began to, I think, in their own minds question the value of what was going on. Running faster and faster. Pollution and traffic and just the general quality of life going down. They liked Western ways. They wore college T-shirts. You saw Harvard, Princeton, Yale, whatever T-shirts all over the place. They loved American music, and so on and so on. But a lot of older people began to question. And

some of the young began to question too. What are we going to become? And the Shah talked about the great civilization as if it was taking the best from the West and leaving behind what we don't want and creating our own synthesis of the best of our own Iranian background and the West.

But that was just hyperbole, because as the everyday Iranian saw it, there were Americans, Germans, Dutch, French--everybody running around doing everything under contract to the government, making lots of money, and the Iranians felt that they were losing their soul at the time when they were gaining more prosperity. And even the prosperity was concentrated in the hands of those who were benefiting from this tremendous rush of development, and the poor people were not sharing in it. Particularly in the cities. There was trickle-down effect in the rural areas, but then as the Shah began to put more and more money into buying food for consumption-- he bought wheat, rice, frozen lamb, eggs. While I was there in the seventies, there was even a full 707 planeload of eggs from Romania. One whole plane full of eggs that arrived. [Laughs] And thousands of tons of lamb were being brought in from New Zealand and Australia. In one year they purchased over a billion dollars of food from the U.S. alone. Rice, wheat, soy beans. I mean-- you know, it was a bonanza of money that was available, so one of the ideas was to bring in these items and keep the prices low, so that the population would be able to buy food cheaply.

Well, that was fine, but the people who produced rice up in

the Caspian Seacoast, they couldn't bring the rice to Tehran to compete with the price that the Shah was bringing rice in from the United States, and making it available through government supported stores at a low price. So that the poor farmers couldn't even sell their crops at a profit. So then they were just giving up and migrating to Tehran. There were hundreds of thousands of people who moved from the provinces into Tehran during this period.

Q: Now you mentioned a few minutes ago that you said that despite the growing prosperity, you told people, I guess, in your briefings that the situation wasn't really that stable in some respects. How much concern was there at the Embassy about elements of instability and their global implications? Or was it assumed that the situation was basically stable?

Bolster: Well, I think a lot of people realized that there was this lack of institutions that I mentioned, that so much depended on the Shah and his close advisers for final decisions that the situation in political dynamics terms was unstable. But the rejoinder to that was always, well, sure, but what's new, you know. In that sense, in a very political science sense, the country had been unstable for a long time because of this way of governing, but why worry about it, because how-- can you predict when it's going to fall apart? Are there signs that the Shah is losing his grip? Are there signs that the country's falling

apart? No. Because-- I mean, there was still this frenzy of development going on. And at that time, as late as '76, the only signs of real danger, I would say, were the assassinations that the mujahidin and the other group, the mujahidin-i-khalq-- you know, there were the two groups and they really went after some of the Shah's officials, assassinating some in broad daylight, and they killed a couple of American colonels while I was there. There were these activities that clearly showed a lot of organized activity under the scenes, where people were unhappy enough to take matters in their own hands.

There were other signs. There were signs of increasing concern on college campuses with religion. Despite all the effort made to convince women that they had equal rights with men, you began to see more chadors being worn. You know, the tent-like covering. Students. You know, young girls voluntarily wearing chadors on the campus, where you'd think that would be the prime area for people to not go in for these signs of the past. But there was this sort of feeling that Sodom and Gomorrah is here and we've got to return to religion. So there was a sort of a conservative development taking place. And we were aware of that. We saw some of these signs.

But when I left in '76 there were still just these vague rumblings of discontent and there were these specific staccato activities of assassination and so on. But nothing really destabilizing in the over-all picture.

So, yes, it was unstable, but it wasn't clearly unstable in

ways you could put your finger on, or say, well, you know, because of this the Shah's not going to be around in three years or whatever. It wasn't that clear a call to make.

And what I kept saying was that we must not put the Shah on a pedestal. We must report things as they are and we must not say too many things that just gild the lily. You know, to talk about the White Revolution as if it were accomplished, and, you know, that this great leader the Shah has accomplished the White Revolution is not correct. That's why in that report I just mentioned that-- I put down in the summary and at the end that this is unfinished business. You know, it's something in process.

I particularly focused on the development of the Rastakhiz Party. When the Shah proclaimed the Rastakhiz Party, I wrote a very critical analysis in a telegram and got it cleared through, perhaps in part because Jack Miklos was on leave. [Laughs] Anyway, I got this cleared and got it out. The Ambassador signed off on it.

And it basically said, the Shah is really mismanaging this whole activity. He had in the past created, as you know, various political parties. At one time there was the Melliyun and the Mardom, which were sort of tame, but opposition parties, to give people a choice. Then later there was the Iran Novin party, which was a sort of a modernizing force for those who wanted to get into the power game. You know, you had a choice there. But suddenly the Rastakhiz Party came along, the



Resurgence Party, and everybody had to join. And if you didn't join it, you just had no future in the country. You might as well leave, because you just had to become a member.

And I made the point that if something is so all-inclusive everybody has to be a member, then it has no value, because with that large a membership, it's got to be run by a smaller group. And the whole idea of the party as sort of a rubber stamp for what the Shah wants to do for the country was, I think, a very basic misreading of his own country, and I think his misguided efforts showed he had this megalomaniac complex that was beginning to assert itself. He took the Rastakhiz Party seriously, along with his declarations about this great society or this great civilization that he was heading and that the country was going to be the equivalent of France and England in a few more years, plus all the things they were going to do that would put them on a footing with every advanced country, all these developments that I mentioned-- I mean, it was just too much. He tried to do more things than his country or he were able to accomplish.

Q: Now last time you mentioned that Ambassador Helms did not take up your proposal to develop contacts with some of the oppositional clergy, clerics. How much work did the Embassy political officers do in observing or analyzing the opposition to the Shah during this period? Or for that matter keeping contacts with any opposition figures? Was there any effort made in that

direction?

Bolster: Oh, definitely, yes. We maintained our contacts with the opposition. We tried to find out just what their ideas were and how far they felt they could go in organizing, which was basically that everyone could talk and have contacts with other people, but as long as you didn't do anything to actually implement any of your plans. I mean, you know, the people talk about Iran as a police state. I never bought that as a concept. I told people it was a police state, but an inefficient one, that SAVAK could never keep track of all the people's views, as Iranians would tell you then. They would say, we can't talk about this, because SAVAK may be listening.

But in fact, the average Iranian was very free to talk about his ideas and they did that constantly. Hours every day they spent talking with each other about their thoughts and who was doing what and the latest developments and what they signified. The dohreh system was an institutionalized way of finding out what was going on through having contacts with people who would tell you, but who could not write anything down or could not do anything in sort of an organizational sense.

So there was a great deal of discussion of political events all the time and people quite free to express their opinions, as long as it was in a small group where they knew people. So in that sense people were quite free to talk, but they weren't free to do anything. They weren't free to take any actions. They

weren't free to go out and demonstrate. That was the sort of dividing line. And when they did demonstrate, they knew that they were likely to be put in jail or whatever.

Q: My impression is that there was some very deep-seated opposition to the Shah existing in the bazaar of Tehran and elsewhere, the old middle classes, which was closely like to the clerical establishment. How much effort was taken to understand those social forces or political forces, the people of the bazaar? To keep contacts with those social groupings?

Bolster: I would say we tried to keep contact with them. We knew some bazaar merchants. I lived across the street from a family who had several stores in the bazaar, and I visited their shop in the bazaar. Other Americans spent time in the bazaar, not just for their own purposes, but to more or less learn about how things went there.

But the link between the clergy and the merchants was very difficult to fathom. You knew it was there, but for an outsider, a Westerner, to try and find out how it worked was very difficult. Matin-Daftari was one who knew that milieu. He was a lawyer, but he also had enough contacts to know how that link was established. So we tried to keep up with some of these kinds of people as to what was happening.

We knew that the Shah's campaign against price gouging was having a bad effect on the bazaar, because he thought of this as

a very popular campaign, you know, that would brand a few merchants as profiteers. And he had these price investigation squads, who could price certain things and then really pillory a particular merchant for having sold some items at a higher cost.

But it was a sort of hit or miss kind of thing, which was very inefficiently done and unfairly done.

The bazaar resented it deeply, because they felt the Shah was ruining the economy of the country by all this purchase from outside the country, in order to maintain low prices for food and other things, and that the legitimate merchants were being squeezed out, because the government was competing with them in one way by bringing in all these things at low prices and distributing them through government stores to keep people happy. And yet the bazaar merchants were hurt, because if you bought a BMW, of course you bought it from a big dealer uptown. And, you know, a lot of the prestige purchasing and purchasing of luxury items was all in northern Tehran, and people in the bazaar, who sold just everyday items for the people, they began to suffer, because there was this pulling away. The rich group was buying more and more luxury items and the poor people were without enough funds to pay even for some of the necessities that they needed. So the bazaar merchants were caught in the middle.

The trade was moving north for the rich and deteriorating for the poor, particularly because, as I mentioned, a lot of these landless people who'd left their farms, came into the city and they couldn't find work and they just roamed around and it