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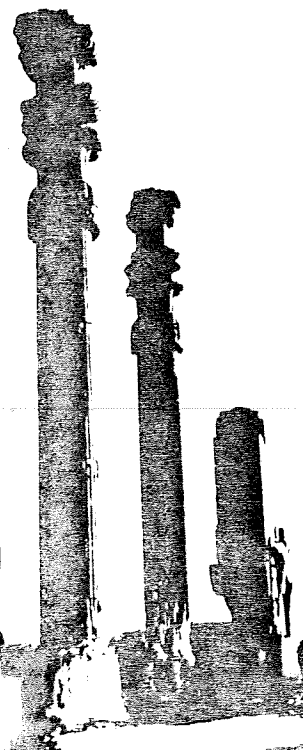
Program of Oral History

DEAN RUSK

INTERVIEWEE: DEAN RUSK

INTERVIEWER: WILLIAM BURR

ATHENS, GEORGIA: MAY 23, 1986



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IRANIAN - AMERICAN RELATIONS ORAL HISTORY PROJECT

The Reminiscences of

Dean Rusk

Oral History Research Office

Columbia University

1987

Form H

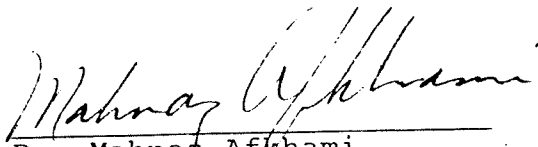
Dear Dr. Grele:

This letter will confirm my understanding and agreement with the Foundation for Iranian Studies Oral History of Iran Archives and Columbia University with respect to my participation in a series of interviews conducted by the Columbia University Oral History Research Office.


1. The interviews will be taped and a transcript made of the tapes. The transcribed interviews will be maintained by the Oral History of Iran Archives and the Columbia Oral History Research Office.

2. I hereby grant, assign and transfer to the Oral History of Iran Archives all right, title and interest in the interviews, including the literary rights and the copyright, except that I shall retain the right to copy, use and publish the Work in part or in full until the earlier of my death or _____ 19__ .

3. The interviews will be made available for use by researchers at both institutions in accordance with Foundation and University rules and general policies for research and other scholarly purposes with (no) (the following) restrictions.


Dr. Mahnaz Afkhami
Foundation for Iranian Studies

Very truly yours,


Ronald Grele,
Oral History Research Office



Date August 26, 1981

PREFACE

This manuscript is the product of a series of tape-recorded interviews conducted for the Oral History of Iran Program of Foundation for Iranian Studies by William Burr with Dean Rusk in Athens, Ga. in May 23, 1986.

Readers of this Oral History memoir should bear in mind that it is a transcript of the spoken word, and that the interviewer, narrator and editor sought to preserve the informal, conversational style that is inherent in such historical sources. Foundation for Iranian Studies is not responsible for the factual accuracy of the memoir, nor for the views expressed therein.

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Preface

The following oral history memoir is the result of one tape-recorded interview session with Dean Rusk on May 23, 1986. The interview took place in Athens, Georgia and was conducted by William Burr.

This interview is one of a series on Iranian-American Foreign Policy in the post World War II era which were conducted as part of a joint project between the Oral History of Iran Archives of the Foundation for Iranian Studies and the Columbia University Oral History Research Office. Similar projects have been undertaken in England and France.

Mr. Rusk has reviewed the transcript and made minor corrections. The reader should bear in mind that he or she is reading a verbatim transcript of spoken, rather than written prose.

BIOGRAPHICAL NOTE

Dean Rusk joined the State Department after World War II. After serving in a number positions at the Department, he was appointed Secretary of State during the Kennedy Presidency. His experiences with Iran pertain to that critical era in Irano-American relations, when U.S. policy encouraged reform in Iran, and when Iran first sought to utilize America's assistance in building up its armed forces in a substantial manner. Mr. Rusk's renditions shed light on much of the dynamics of the relations between the two countries in that critical era.

CORRECTION LIST

Pages 2-4	Azerbaijan	should be	Azarbayjan
Pages 3-4	Ambassador Ali	should be	Ambassador 'Ala'
Page 19	Tha	should be	The
Page 25	Thngs	should be	Things

SFR

Interviewee: Dean Rusk

Date: May 23, 1986

Interviewer: William Burr

Place: Athens, Georgia

Q: The following interview with former Secretary of State Dean Rusk by William Burr took place in Athens, Georgia on May 23, 1986. The interview is a joint project by the Columbia University Oral History Research Office of Columbia University and the Foundation for Iranian Studies.

Dr. Rusk, I'd like to begin with the years of the Truman Administration. When you were with the State Department, after the war did you have any involvement with U.S.-Iran relations?

Rusk: Yes, indeed, I had been a colonel of infantry during World War II and in the early summer of 1945 I was transferred back from the China-Burma-India theater to the Operations Division of the War Department staff. Then in January of 1946 I was demobilized from the Army and went over to the State Department to become Assistant Chief of a Division of International Security Affairs. The head of that division was an old friend named Joseph Johnson who later became President of the Carnegie Endowment for International Peace. And that division, by the way, reported to the Office of Special Political Affairs, an office that had been set up during the war to do the planing for a post-war international organization which came to be the United Nations. The director of that office was Alger Hiss. One of my first assignments when going over to State

Department was Iran. During World War II, United States and Soviet forces established quite an important line of communication through Iran to facilitate the delivery of war supplies and other equipment to the Soviet Union, and at the end of the war it was assumed that U.S. and Soviet forces would withdraw. Well, we had no problem about it as far as withdrawing American forces were concerned, but Joseph Stalin apparently wanted very much to keep Soviet forces in Azerbaijan the northwest province of Iran. Well, when we looked at that, we thought that was a bad idea. We were aware of the historical push of Russia to a warm water port, and if that were done through Iran that would be a real threat to the Persian Gulf and to the general Middle East position. But there was no consideration whatever given to any kind of military action in regard to these troops in Azerbaijan. We were in the midst of an overnight and overwhelming demobilization in this country. By the summer of 1946, we did not have a single division in our army nor a single group in our air force that could be considered ready for combat. The ships of our navy were being put into mothballs as fast as we could find berths for them, and those that remained afloat were being manned by skeleton crews. Our defense budget for three fiscal years there, 1947, 1948, 1949 came down to just a little over eleven billion dollars groping for a target of ten billion. So any kind of military action was completely out of the question. But we decided that this was an issue which should be put to the United Nations Security Council, which under the charter had primary responsibility for problems threatening international peace. And this was the first case to be taken up by the U.N. Security Council. And so I was very

much involved with the preparation of that case at least at the staff level in the State Department and indeed, when Secretary of State James Byrnes himself went to the U.N. Security Council to handle our case there for a brief period, I was sitting right behind him as a staff officer to try to help him in what ever he needed for that purpose. The Iranian representative at that time in New York was Ambassador Ali and he was closely and well advised by Mr. John Leyland, who was a member of the Washington law firm of Covington & Burling, and the two of them did a brilliant job in handling the Iranian side of that controversy in the Security Council. There were times when the situation back in Tehran was very confused and there could have been real doubt about who in Tehran was speaking for the Iranian Government. But we succeeded in getting Ambassador Ali recognized in New York as the spokesman for Iran. Now that was an instance where without any military backup, our effort was to criticize, cajole, scold the Soviet Union about these troops in Azerbaijan. And after a considerable period of time in which we mobilized world public opinion on this subject fairly successfully, Joseph Stalin finally agreed to take his troops out of Azerbaijan. That was, as I say, the first case before the U.N. Security Council and, from our point of view, it had a very successful conclusion.

Q: Were you involved in negotiations with Soviet officials over this case?

Rusk: Well, I was a junior staff officer, so that I didn't spend a great deal of time, personally, in negotiating with the Soviets. But

actually, in that particular case, so much of the so-called negotiation was conducted at the Security Council table.

Q; It was public?

Rusk: Yes, it was a public debate. Of course, in those days, we had overwhelming support among the fifty-one members of the United Nations. So the weight of public opinion, I have no doubt, helped a bit with Mister Stalin because the Soviets are rather sensitive to propaganda values. They rely on them pretty heavily and he could see that the propaganda aspect of what he was doing in Azerbaijan was becoming very negative for him.

Q: I read that, at the same time, the Soviets were trying to get oil concessions in Iran. Were you involved in that issue at all? Did that come to your attention?

Rusk: I was aware of that and also aware that the Iranians were very fearful of any kind of Soviet presence in Iran that could be converted by the Soviets into an effort to make Iran just another satellite of the Soviet Union, such as was happening in Eastern Europe at that time. So they were wary of oil concessions of a sort that would give the Soviets, themselves, a physical presence in Iran.

Q: But beyond Soviet presence in Azerbaijan was there any, at this time, was there any concern among U.S. officials that Soviets might go further? Or was it just assumed--

Rusk: Well, there was a Communist Party in Iran and as you can imagine we took a rather dim view of that and we hoped that Iran would not turn out to be a Communist controlled country. And because it occupied a rather strategic position there in the entire Middle Eastern area, and of course it abutted on the Persian Gulf, the consequences of Moscow domination of Iran could be very far reaching.

Q: When officials considered Iran in the late forties, when they considered American interests there, how large a role did the petroleum issues play in their consideration of the U.S. interests?

Rusk: It played a significant role, but this was somewhat before the dominant position of the Persian Gulf in oil had become clearly understood. But there were also geopolitical elements involved. Just studying the map, one could see that at least we would not think it to be in our interest for the Soviet Union to be dominant in Iran.

Q: Okay. Maybe we should move onto the 1960s, unless you have any further--

Rusk

Q: Unless you have any further involvement, your involvement in U.S./Iran relations in later years in the 1940s.

Rusk: No, not then. Not during the 1950s and 1940s, no.

Q: Just that one, that one case.

Rusk: Yes.

Q: Okay. Now, I understand that during the transition from the Eisenhower Administration to the Kennedy Administration, late 1960, early 1961, that Eisenhower Administration officials expressed concern about the political and social stability of Iran. Do you recall of the subject of Iran came up in those discussions?

Rusk: Well, as soon as President Kennedy announced that he was asking me to serve as Secretary of State, then Secretary of State Herter gave me an office and a small staff in the State Department and I was immediately cut in on the flow of cables and intelligence reports. And I talked personally with people from the different geographic bureaus about the situation of problems in their part of the world. So I was aware about some of these concerns regarding Iran. Of course, one is always worried about the economic and political situation of Iran, as is the case with, say, Brazil. But bear in mind that during the Eisenhower period, the Baghdad Pact, CENTO had come into existence. The United States was not a signatory to that treaty and did not ratify it, but during the 1950s, the United States become an observer before the CENTO meetings. So by the time I became Secretary of State, it had become the practice for the American Secretary of State to go to the meetings of the foreign ministers of the members of CENTO. It stopped being called the

Baghdad Pact because Iraq very soon withdrew from the pact, and indeed the revolutionary government in Iraq seized the CENTO headquarters and picked a lot of documents and things of that sort that had been accumulated there. But, as an observer, we were not quite, but almost, a member of the CENTO Treaty. That group was composed of England, Iran, Pakistan, Turkey and originally Iraq until Iraq withdrew. So my interest in, and presence at the meetings of foreign ministers of CENTO took me a time or two to Tehran. I visited Tehran three or four times during my tenure as Secretary, and, of course, on each occasion I had a long talk with the Shah. And then the Shah visited Washington several times during the 1960s to talk with President Kennedy and President Johnson. So I came to know him rather well. But--although, were not members of the CENTO treaty, I had a very close association with all the activities going on there.

Q: Now, apparently early in the administration, early in the Kennedy Administration, President Kennedy and that National Security Council authorized the creation of a special task force on Iran. I think it was like in April or May of 1961. Do you recall what was the impetus for this task force? I think it was headed by Phillips Talbot if I'm not mistaken.

Rusk: I'm not sure what prompted that group to be called together. Phillips Talbot was a very able colleague, very sensible and well balanced in his views and judgments. But, you see, we had some--although we were rather close to the Shah, we had some problems

with him throughout the 1960s. To begin with, he was a very intelligent and hard working man. He really did keep himself very well informed about what was going on in the world and he could talk about happenings in the world with full knowledge and with considerable insight. But then he had an exaggerated view of the role of the royal house in Iran. He somehow thought, perhaps, his royal house had roots twenty-five hundred years old even though it was his grandfather who seized power by a coup d'etat.

Q: Or his father.

Rusk: Was it his father?

Q: Yes.

Rusk: But he also had an exaggerated view of what his needs were from the point of view of military forces. Whatever Iran did, it could not put together military forces that could confront the Soviet Union in any serious way, if the Soviets made any decision really to invade Iran. And the forces that the Shah wanted seemed to us to be far beyond any reasonable need of the country as a whole. We from time to time urged him to put less of his resources into his military and more of them into economic-social development of the country.

Q: How did he respond to that kind of approach from the U.S.?

Rusk: Well, he would think about it, but he didn't always, of

course, take our guidance or our lead on it. He had his own views. He did, however, develop a real interest in the development of his own country and his own people. And he lead what sometimes was called a "White Revolution," that is, a revolution from the top, in terms of improvements in the educational system, improvements in the status of women, economic and social development in the villages. He launched, for example, a land grant college kind of university as a new university there to get away from just the old classical attitude toward higher education. He deliberately copied that after the United States because in the day of Abraham Lincoln we invented the land college idea in this country which brought together brain power, and teaching, and research, and extension in those fields that are critically important for development: agriculture, engineering and things of that sort. And the Shah thought that he need a first class land grant university of that type and he set to work to bring one about in, where was it? Shiraz, or something?

Q: I'm not sure.

Rusk: Yes, well. Now he had, we also had some frictions with him, because we had a considerable number of Iranian students here in this country. And when the Shah would visit Washington, we'd get many of these dissident Iranian students who would turn out to demonstrate. Well, it took the Shah a very long time to understand that we just couldn't round up these students and send them all back to him in Iran, where he could take care of them. We pointed out to him that our constitution and our courts simply would not let us arrest these

students and turn them over to him. But he was quite upset about people who would dare turn out to picket him, the Shah of Iran, on his visits to the United States. But, nevertheless, he eventually came to accept that and that we were not going to do anything about it.

I was impressed with his queen. She was an able woman, attractive woman. I think she did a good deal to help improve the status of woman in Iran.

Incidentally some of the elements of this white revolution lead by the Shah were among the very elements that made the mullahs mad, and perhaps helped to prepare the way for the Shah's eventual overthrow. We applauded him in these changes and reforms that he was bringing about in his own country.

Q: How did President Kennedy view the Shah and his system? Did you discuss this kind of thing with him from time to time?

Rusk: Well, there weren't major crises involving Iran during that period. Remember that President Kennedy's thousand days were days of high crisis. There had been the Berlin Crisis of 1961, 1962, and the Cuban Missile Crisis and the basic decisions on Vietnam, so that Iran did not play a major role because it wasn't in that kind of a critical situation. So I don't know; although President Kennedy had an insatiable appetite for information and took a great interest in what was going on, he did not become greatly concerned about what was happening in Iran.

Q: I have read that after the Vienna summit, June 1961, he and Khrushchev discussed the situation in Iran. And apparently, from what I've read, he came back from the summit with some concern about the situation there.

Rusk: I was present for those conversations in Vienna. And I was concerned with the brutal way in which Khrushchev threw an ultimatum at President Kennedy on Berlin and seemed to think that he could somehow intimidate this new, young President of the United States. But, quite frankly, I don't recall that Iran played all that much of a role in those discussions.

Q: From what I've read, this is according to Walt Rostow, someone quoted him as saying that during the conversations Khrushchev mentioned that Iran was a likely source of revolution in the coming period. Apparently that lead to some amount of concern on Kennedy's part. Not as much concern as the Berlin case, but some concern.

Rusk: Well, there might been some talk of that. But it didn't make a deep impression on me anyhow.

Q: Apparently, also in early 1961 the Shah appointed a liberal, Ali Amini, as prime minister. Do you recall if there was any kind of a U.S. role in encouraging the Shah to make that kind of decision.

Rusk: I don't think so. I'd be surprised to learn that we had tried to advise or to push the Shah to name one man rather than another as

prime minister. As a matter of fact, I did not get to know the prime ministers and foreign ministers of Iran during the 1960s very well because on foreign policy matters the Shah was the fellow. And he handled the foreign policy of Iran himself and his prime minister and foreign minister played very much of a secondary role in such matters. So we really conducted our business with the Shah.

Q: The reason I asked that questions is apparently in the late 1960s the Shah gave an interview with U.S. News where he suggested that in fact he felt he'd been pressed to some extent by the Kennedy Administration to make that appointment.

Rusk: Well, we were pressing for economic and social reforms and we were encouraging him in that white revolution I mentioned. But I think there was a limit beyond which our advice could not go. And such things as the actual choice of a prime minister would be simply beyond our reach.

Q: Okay. Now, as you might recall, some members of the Senate such as J. William Fulbright and Hubert Humphrey were rather critical of the Shah. This was in the very early 1960s. And they were rather critical of U.S. military aid programs to countries like Iran. How did the State Department, or how did you respond to such criticism?

Rusk: It's easy to be critical of a country like Iran where human rights were not very far reaching, where the Shah was for all practical purposes a kind of dictator, where more of their resources

were going into their military than we thought was reasonable or necessary. But you see that kind of criticism is endemic. There are only about thirty constitutional democracies in the world, the other hundred and thirty nations out there have varying degrees of dictatorship. Today there are some fifty military dictatorships in the Third World alone. So that I've always been a little reluctant to tie the rest of the world's business to these human rights issues because if we do that that would be a self selected path to isolation. We would gradually draw ourselves into a world of thirty constitutional democracies, and those other hundred and thirty nations out there are still a part of the world in which we must live. And so I had my own misgivings about the human rights situation in Iran during the 1960s but I felt that there were other matters too that we ought to try to get on with, and that if that entire region could be stabilized through associations under the CENTO treaty, Turkey, Iran, Pakistan, that then human rights would have a better chance than if the whole area were in chaos and turmoil, and certainly than would be the case if they were under Soviet influence.

Q: Now in April 1962, the Shah made a visit to Washington where he discussed economic and military aid issues. Do you recall, apparently Kennedy made an invitation for the Shah to come here, do you recall what purposes President Kennedy had in mind by inviting the Shah to come to Washington?

Rusk: At the beginning of each year, a president normally, with

advice from the Secretary of State and others, looks over the world scene and decides which foreign leaders to invite to Washington during that year. And what you try to do is to get geographical balance. You usually have a Latin American, and someone from Asia, someone from Europe, Africa. It seemed useful at the time to include the Shah of Iran in one of these year's programs of official visits. I think the Shah liked to come to Washington despite those students who were picketing him. And, quite frankly I enjoyed those visits. He was an able man. He was intelligent, well informed, hard working, and I found my talks with him worthwhile, either in Washington or in that fabulous hall of mirrors in his palace in Tehran.

Q: Now, apparently, what went on in these early visits that you might have had in Iran or the Shah might have had in Washington, did you discuss, did he try to get any kind of guarantees for Iran's territorial or military or political security? There were already some treaties in effect but did he try to make, push for further guarantees to his security?

Rusk: We did not have a formal alliance with Iran. The closest we came was that of our observer status in CENTO. During the Truman administration, we had been quite limited in our security treaties. There was NATO in Europe and then we stayed off shore in the Pacific, Japan, the Philippines, Australia and New Zealand. But during the Eisenhower years, they had developed what some people called "pactitis," and they went ahead with a security treaty with South

Korea, Taiwan, with Southeast Asia and with the Baghdad Pact. But in the Kennedy years, we felt we had enough of these alliances, that we didn't need any more. And we would have very reluctant to undertake a security treaty with the Shah. I think he might have welcomed one partly because I suspect he thought that if there were a formal security treaty this would open the way for even more military and economic assistance. But we always had an annual debate with him about the scale of any assistance we gave to Iran. He had a very special way of putting his budget together. He would decide how much he needed, wanted, and then he would in effect turn to the oil companies and say this is what you've got to provide me. And then if there was a short fall there he would turn to us and hope to get most of that shortfall with economic or technical, or, military assistance. Well, we thought he was already putting more into his military than he needed so we were quite reserved about the kind of unlimited military assistance that he would want from us. So there was always an edge of unhappiness on his part that we weren't doing more to help him build up this glorified position based upon major armed forces there in his own country.

Q: Yes, apparently during those, the first visit, April 1962, before that visit the National Security Council had agreed upon a plan that tied U.S. military aid to the scaling down of Iran's military budget. They tried to find ways to reduce the size of Iranian army from 200,000 to--

Rusk: And we did the same thing in Latin America during that period.

We gave some limited amounts of military aid in Latin America on the basis that they would reduce their military budgets. And we tried that same technique in Iran, but it was somewhat rougher going with the Shah than it had been in Latin America, because--see, he was influenced by the dreams of the Persian Empire. He had a very lofty view of what Persia had been and perhaps could be again someday. The sense of glory in the Shah was at least equal to that of President De Gaulle's views about the glory of France. So that this led to a failure of the meeting of the minds in a great many matters of detail in trying to work things out with the Shah.

Q: Was this plan more or less successfully implemented in that term?
There were--

Rusk: I don't think we were able to bring about any real reductions in the Iranian armed forces. I think we might have had a little influence in preventing them from expanding far beyond what they were because the Shah apparently was ready to almost to turn Iran into a military camp.

Q: In General, what was the importance of military aid in Kennedy and Johnson administration policy towards Iran. Do you think there was way to increase U.S. influence or to bolster the Shah's position?

Rusk: Well, to begin with, there was the notion that Iran, at least, ought to be strong enough not to be a tempting target for the Soviet Union. That the Soviet Union would realize that if they went into

Iran it would cost them a great deal, that it would be a tough nut to crack. Now we knew that Iran could never, from a purely military point of view, defend itself against the Soviet Union if the Soviets made a major effort to seize Iran. But we thought it was important to make it clear that the price for that would be very high, from the point of view of the Soviet Union itself. Then the location of Iran, there at the head of the Persian Gulf, with neighbors like Turkey, Pakistan, Iraq, so forth, made it a very political country from a geopolitical point of view. That whole Middle Eastern area could have collapsed like a stack of cards if Iran fell under hostile domination of another country, from the point of view of the United States. So we were not interested in a weak Iran, but we did not think that he should have such bloated military forces as to undermine the economic and social fabric of the country and weaken him so from within that he would not be able to run a successful government.

Q: Was there much concern during the early 1960s in neutralism in Iran? That Iran might opt for neutralism? Or a neutral government might come to power?

Rusk: Not really. On this there was a significant change of views when the Kennedy Administration came in. During the 1950s, Mr. John Foster Dulles rather left the impression that we thought that neutralism and nonalignment were simply immoral. Well, when the Kennedy Administration came, we decided to try to improve our relations with the so-called nonaligned countries because we felt

that wherever there was a country that was secure and independent, concerned about the needs of its own people and prepared to act in reasonable cooperation with rest of the world, that there was a situation that was in the interest of the United States. And so we tried to reduce the gap between allies and the nonaligned, and we made a major effort with people like Tito of Yugoslavia, with Nasser in Egypt, Ben Bellah in Algeria, Nkrumah of Ghana, Sukarno of Indonesia, some of those leaders. We didn't always succeed in improving those relations because some of those fellows just turned out to be rascals. But the effort was made. We would not have been particularly concerned if Iran had, in effect, associated itself closely with the nonaligned leaders of the world like Tito, and Nehru in India, and people like that. That was not a major concern of ours.

Q: You mentioned earlier the question about human rights, when you met with the Shah from time to time, did those issues ever come up in the discussions? The question of maybe greater liberalization of the Iran system, Iranian political system? Because I understand that some officials in the State Department were trying to find ways to use American influence to push the Shah to the more constitutional type monarchy. Was that something that you thought about?

Rusk: Well, we did. We worked at it largely through what seemed to be the obvious need for economic and social reform, education and things of that sort. But I was a little reluctant to preach at the Shah about human rights. Because after all, when President Kennedy

took office a black ambassador coming to Washington to represent his country found it very difficult to find office space and residential quarters for himself and his staff. He did not know where he could have lunch or dinner in the city of Washington except at another embassy. He would drive his family down to a Maryland beach on a Saturday afternoon and be turned away. His wife would often ask a State Department wife to go to the supermarket with her because she was afraid of incidents. We had not earned the right to preach at people on these subjects. So I was a little reticent about assuming that role because we had not paid our own dues. Now those human rights problems in our country would change dramatically beginning the mid 1960s, but I've known ambassadors who have served in Washington who went home to take important positions in their own governments who were quite hostile to the United States because of the personal affronts which they had received in Washington and the United Nations in New York. We had to organize a committee in New York City to help delegations to the United Nations find office space and living quarters and things of that sort because it was tough. So I personally was a little reluctant to become a crusader about other people's human rights problems. I remember the old circuit preacher down here in Georgia who remarked that you must remember that when you point your finger at somebody else, you have three fingers pointed at yourself. I felt that very keenly.

Q: That's very interesting. The ambassadors to Tehran in this period were Thomas Wailes and Julius Holmes, and Armin Meyer later in the 1960s. How much weight did they carry in--

Rusk: Well, the ambassador to a place like Iran is always an important figure because both President Kennedy and President Johnson always wanted to know what our ambassador thought about a particular problem. My two presidents did not like to make judgments back in Washington without having a pretty full exposition of the views of our ambassador. After all, the American ambassador is the alter ego of the President in that foreign country. And incidentally when an American ambassador is at his post he's senior to the American Secretary of State. Now only one ambassador during my eight years pulled that rank on me, but it's correct, because they're the alter ego of the President. Now I happen to know Armin Meyer much better than I did the others you mentioned. Julius Holmes had been a long time government servant and he was an able man, but I had not known him personally in the way that I knew Armin Meyer. But, on the whole, we've been pretty well served by our ambassadors in Iran.

Q: In early 1963, the Shah announced his white revolution program, which you mentioned earlier, of social reform. Was there any reaction--what kind of a reaction was there in the State Department or elsewhere in the government?

Rusk: We were very much in favor of it because it was needed. The gap between the rich and the poor in Iran was striking. And Iran had the resources to do a much better job for their own people than they were doing. So we applauded that launching of the white revolution. Indeed, I suspect that our influence had a good deal to do with his

starting it in the first place.

Q: How would you define that influence? In what forms would it take place or occur?

Rusk: Largely in personal talks with the Shah on the part of our President or myself, or I suspect, more particularly, by the week by week talks that Shah had with the American ambassador. I think it was not a case of banging on the table and demanding A, B, and C. It was friendly advice constantly repeated which I think gradually had some influence.

Q: Was foreign aid ever used as a way to induce action like social reform in countries like Iran? Did that add influence to the--

Rusk: Well, we would often tie foreign aid to particular programs rather than just a lump sum that he could do with what he wanted including sending off to Swiss bank accounts. The foreign aid was usually tied to some purpose. I think we supported that new university he began to organize in the southern part of the country. So I think foreign aid did have some influence. As I say, Iran was, among aid recipients, relatively wealthy among the countries receiving aid. Now, I should add here that we had some, what was to us, some very sensitive and important information gathering installations in Iran. When you have something like that you expect to pay for them, and there was always some bit of haggling over how much you paid for it and how you shared the output of these

information gathering stations, telemetry--

Q: Soviet missile tests and so forth?

Rusk: Yes, things like that. But the Shah was quite cooperative on things like that. I think he looked upon those installations as perhaps a substitute for a treaty of alliance. But also we gave him most of the information that came out of those stations.

Q: I think you mentioned a minute ago something about money going to Swiss bank accounts. Was there concern about misappropriations, or misallocations of funds, or misuse in Iran?

Rusk: Well, I would have to--I just don't have the exact memory on things like that. There was an inspector general for foreign aid who reported directly to me. And each year, he and a little group of seven or eight staff would find ways to save anywhere from thirty to fifty million dollars a year on our foreign aid expenditures. I don't recall that my inspector general ever targeted Iran for significant or major misdemeanors of any sort.

Q: Now, I guess in April 1963, during the tour of Asian capitals you stopped in Tehran for a few days. Was that your first visit to Iran do you recall?

Rusk: I'd have to check on whether there had been a CENTO foreign ministers meeting in Iran before that.

Q: There might have been.

Rusk: But I was in Tehran as Secretary of State, I think, three or four times. I have my appointment books out there and if you wanted to take the time you could thumb through those. But I think I was there three or four times and the Shah was in Washington at least three times during my tour as Secretary of State.

Q: Wasn't that like in the wake of his announcement of the white revolution, I'd think that he might have discussed it with you at length at that visit. Or do you recall any discussions about his reform programs?

Rusk: In our talks, the Shah tended to concentrate upon the world situation and high strategy and things of that sort, rather than details of his economic and social programs. He was very much interested in what was happening in NATO and he was interested in, well, he had a pretty--

Q: What did he talk about? What were his strategy views? From what you can recall.

Rusk: I think there was, of course, very much on his mind the problem of deterring the Soviet Union from the kinds of adventures that would threaten Iran. And, of course, there were times when he tended to, perhaps, exaggerate that threat in order to induce more

American military aid. But, on the other hand, he worked out before the 1960s were over, he worked out a few working relationships with the Russians on various projects and we didn't object to that because he had to hedge his bets a bit and establish reasonable relations with Moscow as one way to avoid a more serious confrontation with them.

Q: Now our officials at this time thought about the role of the Soviet Union and the Near East, were they really concerned about military actions against countries like Iran? Was there more concern about political pressure?

Rusk: I think in the first instance we were concerned about infiltration, subversion, boring from within. But at least during that period, that kind of effort did not pay off for the Soviets in Turkey, Iran, Pakistan. But we knew that the Soviets were constantly working at it. They had their own radio broadcasts aimed at these peoples in their own languages. They supported Communist parties in such countries.

Q: Lets turn the tape over, one moment.

Rusk: Yes.

[end of side one of tape; beginning of side two]

Q: --wait until the tape comes around, okay? Did you want to continue your train of thought or should I continue--

Rusk: No, you go right ahead.

Q: Okay. One thing about the White Revolution. Apparently in the early 1960s--early 1963?--some officials of the Budget Bureau and the National Security Council, people like Robert Komer--

Rusk: Yes.

Q: --wanted the U. S. government to play a fairly strong role in pressing the Shah to follow up on programs like land reform. Apparently they felt that the State Department was not willing to be interventionist enough in pushing the Shah and the Iranians to keep up on social reforms. Did these things come to you attention?

Rusk: Sometimes. But I was developing a resistance to these eager beavers who wanted to tell everybody else how to run their own business [unclear]. I take a somewhat more modest view of the role of the United States in the world. Nobody had elected us to be the den mother of the universe. We weren't the world's policeman. We weren't--in a lot of things in which we ourselves [unclear]. For example, I was very skeptical about offering technical assistance to them in public administration when I don't think we ran our own business very well. I doubt that we have too much to teach other countries in that regard. Well, I mean there are some things in which we have a genuine contribution to make. I mention the land grant universities. That's

a unique American invention and is a great contribution to Third World countries. But I was rather resistant to those people who thought that it was our job to go off somewhere around the world and change somebody by hammering on the table and demanding that they do A, B, and C. Because it wasn't our responsibility, and very often we didn't know enough to know whether or not we were right. And so I was rather resistant to those who wanted us to put on that kind of pressure. Encouragement, sure. Applause, where deserved, sure. Hints, suggestions, questions raised, sure. But there were a number of situations during my period as Secretary of State when certain colleagues in Washington were disappointed that I didn't take a more demanding role in connection with changing other peoples' systems.

Q: You mentioned earlier the Shah's attitude towards demonstrations, picketing, and so forth. One former official told me that, towards the end of the Kennedy administration, Robert Kennedy met with a group of Iranian students, and this caused a small flap in U.S.-Iranian relations. Do you recall?

Rusk: No, quite frankly I don't at all remember that.

Q: Okay. Now when Lyndon Johnson became president, was there any shift in the direction of U.S. policy towards Iran?

Rusk: I don't think so. There was one amusing little incident. Lyndon Johnson spent more time with the Congress than any other president in our history and he was an expert on the Congress. Well,

the Shah was in Washington for a visit, and we were in the oval office there, and the Shah was in the middle of a thirty-minute or so talk that he had rehearsed in his own mind before he came to Washington. And right in the middle of this talk, Lyndon Johnson got up out of his rocking chair and went over to his own desk there, and picked up the phone to talk to Senator Richard Russell about some pending legislation, leaving me to pick up the pieces with the Shah. Well, that was the way that Lyndon Johnson sometimes dealt with situations. There was an important vote coming up, and he wanted to do something about it, and he just interrupted the Shah's talk and went over and took care of it.

But I think the Shah felt, during the 1960s anyhow, that he was welcome in Washington, that we respected his abilities, we were interested in what happened to Iran. Our differences were more in questions of details of the magnitude of aid programs and things of that sort. We always had a debate with receiving countries about how much we were able to provide, or not able to provide, because nothing is ever enough in this foreign aid business.

Q: You suggested a few minutes ago that there was some slight, mild pressure for reform under Kennedy. Did this same kind of interest continue under Johnson, or was there a relaxation of it?

Rusk: No. I am not sure really that pressure is the right word. Something less than pressure. Advice, consultation, encouragement--that kind of thing. One thing, by the way, that interested me about the Shah's white revolution was his attempt to

improve the status of women. Because in terms of economic and social development, women can play a critical role. And if the women folk can be mobilized or stimulated to become interested in an economic and social role, then things begin to move. But without the women folk, things don't move nearly so well. So I think that these two things put together--

Q: Another thing during that time was the attempt to try to develop modern middle classes, modern middle classes in Third World countries. Did that have any special role in policy in Iran?

Rusk: No. There was coming into being a fairly significant middle class, but, as a middle class, they didn't own any major political influence on the Shah or his government. It was beginning to grow, as business began to pick up, and the Shah was prepared to let a good many things be handled in a private sector-type of economy. But I wouldn't say that Iran ever had a strong middle class with strong political influence.

Q: One issue that came up--the Shah came to Washington in 1964 and visited with President Johnson. During this period, the U.S. had [unclear] not granted to Iran [unclear] development of a policy of getting military [unclear]. Apparently shortly thereafter a large package of like two hundred million dollars of credit for military sales was approved. I read somewhere that President Johnson did not want to approve this fairly large grant at that point, but the Shah convinced him to go along with it

without the reforms. Do you recall those discussions of that issue ?

Rusk: I don't remember the details, no. No. You see, there was beginning to be in the Johnson years, a balance of payments problem. We considered restrictions on tourism, for example, and tying our economic aid to purchases in the United States, and things of that sort. Military sales was one way we could contribute to our balance of payments situation, whether on credit, or for cash. But in terms of economic aid, we were weening certain countries away from economic aid--South Korea, Taiwan, Iran, and other places--because they had, in fact, grown up and didn't need any longer to rely on American economic aid. Now, they were rather reluctant to be cut off, but we developed a number of alumni of our aid programs, where possible.

Q: The general consensus was that military sales could help in meeting the balance of payments. Was that the general--

Rusk: It was a part of it. Well, there is a balance of payments element in moving arms abroad, no question about it. Well, for example, we tried very hard to sell arms in Europe as an offset to the balance of payments problem we had from the costs of maintaining American forces in NATO. So there were times when we were quite energetic about trying to sell arms.

Q: Through the last few years of the Johnson Administration, there was a growing effort on the Shah's part to buy from the U.S.

advanced, fairly sensitive weapons systems, like squadrons of phantom jets and so forth. I guess there would probably be some interest in selling those for balance of payments reasons like you suggested. Were these purchases of sensitive military equipment involved in high level policy decisions and discussions, or were they more matter of course?

Rusk: Sometimes, because the Shah was very well informed, and he must have read trade magazines on military equipment very carefully. He wanted the latest and most sophisticated equipment that we had. I remember calling on him once, accompanied by an American general--an Air Force general. In that conversation, the Shah raised a question about getting some American planes of a particular type, and this general said, "Oh, but, Your Majesty, we have not made those planes available to any other country." And the Shah said, "Of course, you have." Then he counted off on his fingers the countries to which we had moved such aircraft. I later gave that general hell for being wrong on a point like that, because the Shah nailed him right to the door. But the Shah did want the most modern, most impressive looking, the most dramatic kinds of military equipment, particularly in aircraft.

Q: Did these desires create much controversy in the Cabinet? I mean, were there cases where people would be opposed to selling a certain system? Would there be pro/con debate before--

Rusk: Well, this involved primarily Bob MacNamara and myself, and we