Foundation for Iranian Studies

Program of Oral History

MacArthur, Douglas II

بنیاد مطالعات ایران
Foundation for Iranian Studies

INTERVIEWEE: DOUGLAS MACARTHUR II

INTERVIEWER: WILLIAM BURR

WASHINGTON, D.C. MAY 29, 1985

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Iranian-American Foreign Policy Oral History Project

The Reminiscences of

Douglas MacArthur II

Oral History Research Office

Columbia University

1985

Form A--Revised

Dr. Ronald J. Grele, Director
Columbia University Oral History Research Office

Dear Dr. Grele:

This letter will confirm my understanding and agreement with Columbia University with respect to my participation in a series of interviews conducted by the University's Oral History Research Office.

1. The interviews will be taped and a transcript made of the tapes. The tapes and the transcript (collectively called the "Work") will be maintained by the University; only the transcript as corrected by Douglas MacArthur II will be made available by the University in accordance with University rules and general policies for research and other scholarly purposes.

2. I hereby grant, assign and transfer to the University all right, title and interest in the Work, 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 my death.

3. This letter contains our entire and complete understanding.

Very truly yours,

Douglas MacArthur II

Date August 10, 1987

ACCEPTED AND AGREED:
THE TRUSTEES OF COLUMBIA UNIVERSITY
IN THE CITY OF NEW YORK

By Linda Shelton

revised-AS-6/87

Form H -- Revised

Dr. Ronald Grele
Director, Oral History Research Office

Dear Dr. Grele:

This letter will confirm my understanding and agreement with the Foundation for Iranian Studies 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 tapes and the transcripts (the work) will be maintained by the Oral History of Iran Archives and the Columbia Oral History Research Office and be made available according to Archives and University policy. Only the transcript as corrected by Douglas MacArthur II will be made available by the Oral History of Iran Archives, the Oral History Research Office, or any other selected depository for research and other scholarly purposes.

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 or 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, and other selected institutions, in accordance with Foundation and University rules and general policies for research and other scholarly purposes with (no) (the following) restrictions

Mahnaz Afkhami
Dr. Mahnaz Afkhami
Foundation for Iranian Stuies

Ronald J. Grele
Ronald J. Grele
Oral History Research Office

Very Truly Yours,

Douglas MacArthur II

July 31, 1987
(date)
Douglas MacArthur II

Preface

The following oral history memoir is the result of one tape recorded interview with Douglas MacArthur II conducted by William Burr on May 29, 1985 in Washington D.C. This interview is one of a series on Iranian-American Foreign Policy in the post World War II era conducted as part of a joint project between the Oral History of Iran Archives of the Foundation of Iranian Studies and the Columbia University Oral History Research Office. Similar projects have been undertaken in England and France.

Mr. MacArthur has reviewed the transcript of the interview and made corrections and emendations. The reader should bear in mind therefore that what he or she is reading is essentially a verbatim transcript of spoken, rather than written, prose.

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 Douglas MacArthur II in Washington, D.C. in May 29, 1985.

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.

BIOGRAPHICAL NOTE

Douglas MacArthur II joined the State Department during the Roosevelt Presidency. After a distinguished career in the diplomatic corps in France during WWII, Mr. MacArthur was appointed as the U.S. Ambassador to Japan. Subsequently, he became the U.S. Ambassador to Belgium during the Congo Crisis, and the Undersecretary for Congressional Affairs. In 1968-69, President Nixon appointed Mr. MacArthur as the U.S. Ambassador to Iran, a position which he held until 1973.

Mr. MacArthur's term of office in Iran coincided with a period of rapid change within Iran due to the rise in the price of oil, changes in Iran's international position as a consequence of arms procurements from the U.S. and greater assertiveness in the Persian Gulf, and the emergence of political dissent within Iran. Mr. MacArthur's memoirs render great insights into the dynamics of each of these developments. In addition, Mr. MacArthur's views are highly instructive with regards to foreign policy making in both Tehran and Washington, and its implications for the events which occured in Iran in the late 1970s.

CORRECTION LIST

P.7	Mossadegh	should be	Mossadeq
P.8	Mossadegh	should be	Mossadeq
P.8	Azerbaijan	should be	Azarbayjan
P.9	Azerbaijan	should be	Azarbayjan
P.9	Mossadegh	should be	Mossadeq
P.10	Mossadegh	should be	Mossadeq
P.11	Mossadegh	should be	Mossadeq
P.27	Azerbaijan	should be	Azarbayjan
P.28	Azerbaijan	should be	Azarbayjan
P.29	Mossadegh	should be	Mossadeq
P.31	Asadallah Alam	should be	Asadollah Alam
P.33	Savak	should be	SAVAK
P.40	Feda'iyan-e [Khalq]	should be	Fada'iyan-e Khalq
P.45	missle	should be	missile
P.51	Faisal	should be	Faysal
P.59	Khaddafi	should be	Qazzafi
P.63	Azerbaijan	should be	Azarbayjan
P.64	Abor Reza	should be	Abdol-Reza

Interviewee: Douglas MacArthur II Date: May 29, 1985

Interviewer: William Burr Place: Washington D.C.

Q: The following interview with Douglas MacArthur II, took place on May 29, 1985.

Where were you born and raised?

MacArthur: I'm what's called a Navy junior. My father was in the Navy, and both my grandparents were in the military, one was a general and the other an admiral. So I was brought up in a military family. In the Navy, in those days, we traveled all over. So although Washington was our home, it was East Coast, West Coast, depending on where our father was stationed and where the ship was. He died when I was only fourteen years old. We had a home in Washington, and this became my home until I came into the Foreign Service.

Q: What is your general educational background?

MacArthur: I went to public schools until I was fourteen. Then I went to, I think, one of the great schools of the world, which did a great deal for me, Milton Academy, a private school outside of Boston. From there, I went on to Yale, where I majored in history and economics, because my goal was to get into the Foreign Service. I graduated with a Bachelor of Art degree.

Q: So how'd you come to join the Foreign Service?

MacArthur: In 1921, the Japanese Minister of the Navy invited the American Secretary of the Navy to come to Japan as a guest of the Imperial Japanese Navy, and to bring with him (that is, the U.S. Secretary of the Navy) all surviving members of the Annapolis class of 1881, and their wives, who wished to come. To a modern American, somebody of the present generation having in mind the bitter war we fought and the role the Japanese Navy played in Pearl Harbor, this seems rather strange. But the reason for this invitation was that old Admiral Baron [Sotkichi] Uriu, the Japanese Minister of the Navy in 1921, had graduated from Annapolis in the class of 1881. He had been one of Admiral Togo's ship commanders in the war against Russia. On the fortieth anniversary of his graduation, he thought it was fitting to invite the American Secretary of the Navy and his classmates to celebrate the occasion in Tokyo.

On that visit--the Secretary of the Navy had a boy of about my age and, like all good politicians, he didn't want to be accused of taking his boy along when others were left out. So he said to my father, "Why don't you bring your two boys along, and I'll bring mine along. Then nobody can criticize anybody." We were left, when many of the ceremonial formalities took place in Japan--we also went to China and the Philippines, but in Japan we were left in the hands of the American vice consuls usually, in Yokohama, in Tokyo, in Nagasaki, where we stopped.

As a young, impressionable boy of about thirteen, I was much impressed by the way these young men handled themselves in a totally strange and foreign environment, speaking the language and

knowledgeable about everything. So I decided then that this might be a very interesting career.

Q: When did you join the Foreign Service?

MacArthur: I graduated from Yale in 1932, and passed my examinations that autumn for the Foreign Service. But we were in midst of a deep economic depression at that time, and Congress had served notice on the State Department that it wouldn't appropriate money for any new members of the Foreign Service for at least two years. So we were told to shift for ourselves for at least two to two and a half years. Then, hopefully, there would be money appropriated so that we could be taken aboard.

I shipped first as an ordinary seaman on the old Isthmian line, eighteen dollars a month, three months around the world, or out to the Indian Ocean and back. I had graduated from Yale with an R.O.T.C. commission as a 2nd Lieutenant in the Army Reserves. I was brought up in the tradition that the first duty of citizenship is that every American should be prepared to defend his country in the event of necessity. In June 1933 I was called to active duty with the Sixth Field Artillery at Fort Hoyle where I served for a few weeks. Then the Civilian Conservation Corps (the C.C.C.) was established with the Army having responsibility for its administration. I was assigned to the C.C.C. and went as number two in a camp of "bonus" marching veterans to the wilderness of Virginia. The camp was as far away as possible in the "wilderness" of Virginia so that they wouldn't create any problems in Washington. Then I worked in a

boys' C.C.C. camp later.

After about two and a half years, I got the word that the budget had the money to take the new State Department people aboard. I joined the Foreign Service as a probationary vice consul assigned to Vancouver, British Columbia.

Q: What were some of your assignments during the late 1930's and 1940s?

MacArthur: In 1935, when I joined the Foreign Service, I went to Canada. I came back to the Foreign Service School in Washington at the end of 1936 to take a coure which you had to pass to continue on in your career. Then in May 1937 I was assigned to Naples until 1938 when I was transferred to the embassy in Paris after two consular assignments. I was in Paris at an intensely interesting time, when war was obviously coming. It was visible. I served in Paris in 1938-1939. The war broke out. Then in 1940, when France was falling, the ambassador elected to remain in Paris when the Germans came. I was one of three Foreign Service officers assigned to go with the French Government, which was retreating before the Germans. We went to Tours and Bordeaux, and we expected to go on to North Africa, but in Bordeaux the French-German armistice was signed and the Petain-Laval government was established in Vichy. I served at our Embassy in Vichy from July 1940 until November 1942.

During that period, I carried out two secret missions for President Roosevelt and Mr. Churchill: one to General Maxime Weygand, whom we had hoped we could persuade to assume comand of the French

forces in North Africa and be the French authority there if and when the Allies landed there. He would not play. The other was to former Prime Minister Edouard Herriott, whom the British wished to come to London to strengthen the civilian character of the Free French movement there. We also worked with the French resistance. Indeed, to my astonishment, upon the liberation of Paris later, five members of the C.N.R.--the Conseil Nationale de la Resistance, the supreme resistance organization--were people with whom we'd worked in that period. Two of them later became Prime Ministers of France. They kept us alerted to the movement of German troop and air force dispositions in France, the naval movements of German submarines and surface raiders and ships in the French ports. They hid downed Allied aviators and smuggled them across France to safety in Spain.

I remained in France until the Allied landings in North Africa in November 1942. Then the Germans seized us as hostages. I was locked up in Germany from 1942 until March 1944. Then I was exchanged in a diplomatic exchange. We had grabbed some Germans in North Africa, including [Joachim von] Ribbentrop's nephew and niece and some other people. Our embassy people who had been seized as hostages were exchanged against them.

Then early that summer I was assigned to General Eisenhower's headquarters. I served with him in London and Normandy, and then went on to the liberation of Paris, and the liberation of Brussels. I was then reassigned from his headquarters to the embassy in Paris as head of the political section. I was there from 1944 to 1948. Then I was assigned briefly to Brussels, Belgium, until 1949. I was charge d'affaires there part of that time.

I returned to the United States in 1949 to become chief of the Western European division of the State Department, and then deputy director of the Office of European Regional Affairs, which was the backstopper for NATO and European unification. Then General Eisenhower, when he was chosen by NATO as Supreme Allied Commander in December 1951, asked me to go with him to his headquarters at SHAPE to be his advisor on international affairs--"polad", political advisor, they called it. So I went with him, and helped set up the SHAPE headquarters outside of Paris.

As General Eisenhower was leaving SHAPE to run for the Presidency, President Truman designated me to be ambassador to Vietnam. But General Eisenhower felt that General Ridgway, who succeeded him, had little experience in Europe, and that I should stay there for three months after he left to run for the Presidency. I stayed there and then returned to the United States. While I was on the high seas en route to Washington and then Vietnam, the elections took place. General Eisenhower became President-elect. When I got to New York, I got word he'd like to see me at his Commodore Hotel headquarters. He asked me if I would remain on in Washington in the State Department because he didn't know too many people intimately in the Department, and I was like an old shoe. I'd briefed him for almost two years, alone, every morning on what was happening in the world, from eight-fifteen until nine o'clock, five days a week. So I stayed on and was named State Department Counselor, and remained in that job from 1953--his inauguration--until early 1957 when he appointed me ambassador to Japan.

Q: I have some questions about that period too, the late 1940s through 1956 or so. During the early 1950s, when Mossadegh nationalized the Anglo-Iranian Oil Company, was this a question you discussed with Eisenhower, or other officials in the State Department in your role as counselor?

MacArthur: I was counselor of the department. I was coordinator of plans and policies for all our negotiations, virtually, with the Russians in that period of time, our meetings with our NATO allies and others. I was, obviously, aware of the information that we had about Mr. Mossadegh and his Tudeh Party, and the direct influence that Moscow exercised in controlling that party. It was an arm of the Soviet Union's foreign policy, as conventional communist parties are in other parts of the world. But I was not deeply involved in Iran at that time, primarily because we had as deputy under secretary Loy Henderson, who had been ambassador to Iran. He was extremely knowledgeable about it. I played no particular role with respect to Iran.

I did go with Mr. Dulles on his trips to the Middle East and South Asia. The first trip was to the Middle East was in April-May 1953. It was the second trip that President Eisenhower instructed Secretary of State Dulles to take after Eisenhower became President, the first was to the NATO countries. After that, I went with Mr. Dulles on all trips to that part of the world--India, Pakistan, Burma, and Southeast Asia. The April-May 1953 trip, however, was at the height of Mossadegh's power so we gave Iran the skip. We did the Arab countries, and Pakistan and India, but not Iran. It was too

ticklish and too delicate a time have the Secretary visit there.

Q: Do you recall any discussions of policy towards Mossadegh and Iran, and the Shah?

MacArthur: We knew that Mossadegh was being manipulated by the Soviet Union. Obviously that was not exactly--it was in the height of the so-called Cold War--in our interest. We knew that one of the principal points that the Soviets had made in their negotiations with Hitler Germany in the summer of 1939 was to try to get the Nazis to accept a clause in the agreement which said the two governments (that is, Nazi Germany and Soviet Union) were in agreement that, "the region to the south of the Soviet Union in the direction of the Persian Gulf is the center of the aspirations of the Soviet Union." Obviously we were quite aware of the Soviet Union's objectives in Iran because in 1943 at the Tehran Conference, where Churchill, Stalin and Roosevelt met, the three countries agreed that at the conclusion of the hostilities in Europe the forces of the three powers (all three powers had occupying forces in Iran at that time) would be withdrawn, and Iran would be treated not as an enemy country but as an occupied country. When the war came to an end in May 1945, we and the British withdrew within six months as that agreement required. The Soviet Union not only did not withdraw their forces, they set up a puppet People's Republic in Azerbaijan, and tried to tear off the whole northwest corner of Iran, thus cutting through the principal barrier for the Soviets to the Persian Gulf, which was the Turkish-Iranian frontier which runs across the southern boundary of

the Soviet Union.

So we had no illusions at that time. In our discussions, President Eisenhower was fully aware of what had happened in 1946 in Azerbaijan. Mr. Dulles, of course, was also. So there was nothing mystifying about the fact that the Soviet Union was trying to move in and tear off first a piece of Iran, with the idea of eventually controlling it, and then controlling the Persian Gulf, and the resources that that vitally important region contained.

Q: How much of a role, do you recall, did the oil issue play in discussions on Mossadegh and Iran at this time--early 1953 or so? Do you recall?

MacArthur: Obviously, it was a very, very important issue, particularly to our NATO allies in Europe, because it was a very, very important source of energy at that time. It was before, really, anything much had been developed in Libya and the like. Oil was obviously an objective the Soviet Union had very much in mind. So it did play an important role in the need to prevent Iran from falling victim to Soviet aggression, direct or indirect. But I just don't recall any specific meetings with any specific things that were said, although that was obviously part of the broad discussions that evolved around the whole problem of the future of Iran.

Q: At that time, how much did you know about the SIS/CIA role in assisting General Zahedi's return to power, and the Shah's return to power in August 1953, and the downfall of Mossadegh? Did you know

anything about that at the time?

MacArthur: I was familiar with the fact that the Shah's return had been assisted by the CIA, but I was not involved in the direct business with Kim Roosevelt or others.

Q: Or discussions or whatever?

MacArthur: No.

Q: Okay. Did you agree with what you knew? Did you agree with the policy or decision?

MacArthur: Yes, I agreed with that. I can recall nobody who disagreed with the decision at that time, because the alternative was to turn Iran over to Moscow. Mossadegh was really an ambitious man in his own right, but he was, in a sense, a Soviet surrogate.

Q: Did you take part in any of the discussions in 1953 and 1954 that led to the organization of the consortium?

MacArthur: No. Herbert Hoover [Jr.] handled most of those. I was familiar with them of course, as counselor, and kept thoroughly abreast of all the developments. But they were handled largely by Herbert Hoover, Jr., who was the number two man in the department. He was under secretary at that time.

Q: How would you characterize Dulles' and Eisenhower's general approach to Iran and the Shah, say after 1953 during the mid 1950s, from what you might recall?

MacArthur: I don't recall any particular elements in the mid 1950s. Obviously, the United States Government--the secretary and the President--were pleased to have the Shah back in there and not Mossadegh. But it would be misleading if I tried to reconstruct things that I just don't remember details of.

Q: Okay. No problem. After you were counselor, you went to Japan as ambassador.

MacArthur: Right.

Q: And you were ambassador to other countries--

MacArthur: Yes. I was designated Ambassador to Japan in December of 1956 and went in early 1957. One of the principal things that I did was to negotiate the U.S.-Japan Treaty of Mutual Cooperation and Security, which joins our two to countries together, which was signed in the White House in 1960.

You must remember that when I went to Japan, Japan had just emerged from occupation five or six short years before. During the occupation, Japan signed a treaty with the United States which, in effect, was the condition upon which its sovereignty was restored. That treaty gave us extraordinary rights in Japan that we had in no

other country, military rights. In effect, we could commit Japan to war virtually without even consulting them. There was a very good reason for that. The Japanese asked us to undertake the very heavy burden of assuring Japan's security. There wasn't a single Japanese man under arms in the period that that treaty was negotiated by Secretary Dulles under the Truman regime. If we were going to undertake to defend Japan against any aggression, then we had, obviously, to have rights to be able to move our troops around and do things that were necessary to that defense. So the obligation was a heavy obligation in terms of a political commitment.

But by 1957, when I got there the situation had changed radically. Japan had self-defense forces at that time, almost 180,000. They had army, navy, and air force, Self Defense forces. Japan had emerged from the destruction and devastation of defeat into a country which obviously was going to resume an important place in the world, particularly in the economic and industrial sphere, because its economic base had been re-established. I had been there rather a short time when I was approached by Prime Minister [Nobusuki] Kishi, the prime minister at that time. He felt that the continuation of the umbrella of American military and political power was essential to a re-emerging Japan, a democratic Japan, but he also felt that in the face of a treaty that was very, very much one-sided in the U.S. favor (whereas we had treaties based on equality with Japan's neighbors such as South Korea, the Philippines, Southeast Asia--the SEATO treaty--and the like), that it was a just a question of time when people who wanted Japan to be neutral, which would subject Japan to extreme pressures from its two great neighbors,

Communist China and the Communist Soviet Union, would take advantage of this one-sidedness, and the fact that we treated Japan as an inferior whereas we treated others on the basis of equality. So he in, effect, requested that the treaty be re-negotiated.

There were quite a few misgivings on the part of our military, which were understandable. The military, when they have certain rights to be able to do this, that and the other thing, don't like to surrender those rights. But the President, who had led a great alliance in both war and in peace, understood the need for a durable treaty based on the perception of equality. President Eisenhower knew a great deal about alliances in war and peace. In fact, in war, he served under perhaps the three most difficult taskmasters an individual could serve under. I refer to Franklin Roosevelt, Winston Churchill and Charles De Gaulle. I can't think of three more difficult people to serve under. Then later, when NATO was set up and in the years he was Supreme Allied Commander, 1951 and 1952, he had handled that alliance and relationship with great skill. He said to me once, "Doug, I don't care how solemn the occasion of a treaty signing is, or how important the people who sign the treaty are. Once a country feels that its national interest is being rendered a great disservice by a treaty, the treaty is no longer meaningful or enforceable, unless you're willing to land the Marines to try to enforce it, which is impossible." So the President understood the need for a revision. At the same time, he also made quite clear that it had to respect Article 9, the no war article of Japan's constitution. While fully respecting Article 9, it had also to be fully consistent with our other treaty engagements in Asia, Southeast Asia,

and other parts of the world, which indeed the treaty was. That's probably the reason it's lasted as long as it has.

Q: From Japan, you went to?

MacArthur: From Japan I went to Belgium. President Kennedy asked me to go there. There were problems in our relationships with Belgium centering to a considerable degree on what was happening in Zaire, the former Belgian Congo, where an insurrection was going on, where United Nations troops had entered. There was a great deal of misunderstanding in this country about the role of Belgium. Our relations were not in the best of shape.

I was fortunate in my four years there. I worked with one of the truly great, great Western leaders of the whole post-war period, Paul-Henri Spaak, Belgium's great foreign minister. He was the father, really, of the Treaty of Rome that set up the EEC.

With respect to the insurrection in Zaire, finally the time came when the rebels in the Congo had seized some two thousand foreign hostages. About seventeen hundred of them were Belgians, and the rest were a mixed bag of Americans and others. We and the Belgians mounted a joint military rescue operation code named "Dragon Rouge"--Red Dragon--American airplanes carried a battalion of Belgian paratroopers. They dropped at Stanleyville and later at Paulis just as the Congolese rebels were getting ready to execute the hostages. They saved two thousand hostages and, at the same time, broke the back of that insurrectionary movement. It was being supported, at the time, both by Moscow and Beijing. I was the U.S. coordinator for

the military operation of Dragon Rouge. In fact, the war room in Belgium was the upstairs sitting room in the embassy residence, which was only a block from the defense ministry's office and a block from the prime minister's residence. Mr. Spaak used to come down and park a block away, and we used to meet there (the Belgian Prime Minister, Defense Minister, Foreign Minister and myself) because the operation was conducted in secrecy to gain the element of surprise. We feared that if it were known the two thousand hostages would be executed before we could do anything.

Then President Johnson in 1965--the end of 1964--asked me to come back to Washington to serve as assistant secretary for congressional relations, and work with the White House and of course the Secretary of State and State Department on relationships with the Congress on matters of international action and concern to the United States. I said to the President when he asked me to take that job that I really was not too enthusiastic about it, because my whole professional life had been in the formulation and conduct of foreign affairs. In effect, I was a professional, and foreign affairs was my profession. He was asking me to do something that was the equivalent of perhaps asking one of our leading surgeons who practiced medicine to abandon the practice of medicine and become a lobbyist for the A.M.A. I said that I'd take it on, but only for a limited period. So we agreed on two years. Actually, it stretched to a little over three before I escaped.

From there, I went to Austria which was, after dealing with the Congress, sort of like going on a vacation. We had no major problems with the Austrians. But it was intensely interesting from quite a

different point of view. [It was] probably, at that time, the best window into Eastern Europe--Soviet-controlled Europe--that existed. Because there's scarcely an Austrian that doesn't have relatives in the neighboring communist-occupied countries. As the center of the of Holy Roman Empire, all the great families and their retainers came to Vienna and settled there, from Poland, Hungary, Rumania, Yugoslavia--which is in a different category of course--Czechoslovakia and the like. I was there during the "Dubcek spring" and the subsequent Soviet occupation and termination of that effort on the part of Mr. Dubcek of Czechoslovakia to try to have what he called "socialism with a human face."

Then I was sitting in my office one day when the telephone rang and I got word that the President wanted me to go to Iran as ambassador. That was in 1969.

Q: This was President Nixon?

MacArthur: President Nixon. Bill Rogers, Secretary [William] Rogers called me. He was Secretary of State at that time. So my romance, if you can call it that, my affair with Iran started in the very late summer of 1969.

Q: The same month that you became ambassador, the Shah visited Washington. This was October of 1969.

MacArthur: Yes. I went over first to Iran to present my letters, and I had a very interesting experience. I went in and presented my

letters in September. Then I was to fly back and be here when he made his state visit in October. I went in and, after presenting the letters, he drew me into a little study, which was the practice, and we started talking. I had had a meeting with him in Japan. He was quite interested in my views about how Japan was making such tremendous progress. We started talking. I was supposed to have twenty minutes with him but it lasted almost an hour. Then he said, "I want to talk to you more about Japan, because just as Japan emerged from feudalism to modern statehood in a very short time," (less than forty years, from 1867 when the Emperor Meiji overthrew the Shogunate and started modernizing Japan, to 1905 when they defeated a great power; coming from a country whose armed forces in 1867 were armed with bows and arrows and spears to a modern navy that destroyed the Russian fleet) "I want Iran to modernize. My whole effort is to modernize Iran as Japan was modernized, in a very brief period of time." He asked me to come back the next day to talk more about matters. I went back the next day and spent two hours with him.

So I started off with a relationship with him that was one of a degree of intimacy which surprised me, because I had heard that he was rather aloof and distant.

Q: Did the visit of October 1969 have any special political significance--the visit to Washington?

MacArthur: It was, from the Shah's viewpoint and I think from the administration's viewpoint, considered to be a great success. The

Shah got along well with the President, and with everybody, in fact. I attended the talks between the foreign minister, Mr. Zahedi, who had been ambassador the United States and the Secretary of State. But there were a couple of meetings where the Shah met alone with the President, with nobody present. Twenty or twenty-five minutes, something like that. In these meetings, the Shah told me, he had raised the problem of strengthening and equipping Iran's armed forces. That had been one of his principal preoccupations. He was under the impression that there were no problems of any kind, and that he could obtain virtually anything that he wanted in the way of military equipment. But I did not have that impression from what I knew of the talks, so I said to him, "If you have that impression, there's no point in going back to Tehran and having any misunderstandings. I think you ought to clarify with the President, since you got that impression from your private talk with the President." So he saw the President again, and then he went on home after his final little visit with the President. When I got back to Tehran, I asked him if he had clarified it. He said no, he hadn't wanted to bring it up; the atmosphere had been so good; everything was going so well that he hadn't wanted to get back, at his last little meeting alone with the President just before he was leaving to return to Tehran, he hadn't wanted to get down into details and so forth.

Q: I had the impression that at those meetings the Shah brought up the idea of bartering oil for weapons. Is that the case?

MacArthur: He certainly brought up that idea. It was at those

meetings, or he had served us notice before. I just don't remember the details of the discussion on that. Certainly the business of barter had been brought up by the Iranians, and we were quite aware that this was one of the things that he had in mind.

Q: What was the initial U.S. response, that you recall?

MacArthur: I don't remember what the response was about the barter business. I do remember--it's a long time ago, but I do remember that we were careful to point out that the question of barter is difficult. It involved problems of disposal and our government, if we tried to barter oil, would be getting involved in the private sector, and in the oil business and so forth and so on. This raised complications; there probably were better ways to go after the weapons and pay for them.

Q: When you went to Tehran as ambassador did you receive any special instructions or were you given pretty much of a free hand in terms of what your objectives were?

MacArthur: I was thoroughly briefed before I went there on our basic objectives and purposes. Our objective and purpose was really to see that an independent Iran continued to exist and that it did not fall prey to Moscow's ambitions in that area. I might add, parenthetically, in speaking about the Shah's military requirements, that he told me on more than one occasion that the reason he was trying to amass such a large quantity of weaponry and train military forces was

that he had to face the prospect of a war on two fronts--one, a war with Iraq, which at that time was very much a Soviet client state. There were Russian advisors there. The Russians were supplying military equipment to Iraq. There had been, and was, sporadic border incidents between Iran and Iraq. The Soviet Union was supporting Iraq in its propaganda broadcasts and so forth. But the Shah said the basic objective of the Soviet Union is the Persian Gulf. He said, "There are two things they are trying to do. One is to position themselves to move into Afghanistan. While it's all sweetness and light now, and they've dug the tunnel for the Afghans to improve road communications with the USSR, this is the first step in a phased movement to expand southward into Afghanistan, and then we will be directly threatened from that source.

The second aspect of the second front in addition to Iraq is the fact that Soviet agents and people that are trained from the great tribal group (Baluchis) that runs from Afghanistan down along the Pakistan and Iran border to the Indian ocean--that great tribal group is being penetrated. They have always been difficult; they have resisted central authority from Tehran. They are being promised by Soviet agents and by young people that have been taken and trained and educated in Moscow that there can be an independent state."

Q: This is Baluchistan?

MacArthur: What?

Q: Baluchistan?