

British Dilemmas: Arms Sales and Human Rights in Anglo-Iranian Relations (1968-1979)

Thesis submitted for the degree of
Doctor of Philosophy
At the University of Leicester

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December 2019

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Abstract

This thesis examines the impact of the arms trade and human rights on British perceptions of and foreign policy towards Iran (1968-1979). This thesis aims to further understanding of Britain's commercial interests in Iran and how this affected the UK's response to developments leading to the fall of Shah Mohammed Reza Pahlavi in 1979. By critically analysing archival documents, the thesis explains how inter-departmental perceptions of Iran varied. After presenting the historical background and methodological considerations in the Introduction, Chapter One discusses the UK's dilemma with regard to promoting British defence sales and contributing to Iran's foreign indebtedness by analysing the views of both the Foreign and Commonwealth Office (FCO) and the Ministry of Defence (MoD). The chapter also highlights British views on the Shah's personality and the lack of planning in Iranian arms procurement. Chapter Two explores Britain's efforts to keep its share in the Iranian arms market. It also discusses the UK's dilemma in terms of balancing arms sales with public criticism of Iran's poor human rights record. Chapter Three looks at Iranian discontent with the Shah's regime. The chapter shows how Iran's response to demands for political freedom caused a dilemma for the FCO authorities. Chapter Four, which examines the dilemmas described in Chapter Three, highlights the fundamental difference between the FCO and the Home Office (HO) in the case of the student occupation in 1975. It also discusses Foreign Secretary David Owen's exchanges with the Iranians on the issue of human rights in 1977. The primary finding of this thesis is that the UK's emphasis on its commercial interests in Iran blinded it to the rise in discontent with the Shah's rule and the possible consequences of this. Secondly, it argues that the FCO adopted a norm of promoting British arms sales to Iran and avoiding criticism of the human rights record of the Iranian regime.

Acknowledgements

This research is the outcome of a long journey during which I immensely enjoyed discussing opinions and exchanging views. Without having the necessary funds, however, I could barely dare to consider pursuing a PhD degree in the United Kingdom. I am indebted to Turkish taxpayers and the Ministry of Education for providing generous funds for the first two years of my research project and the University of Leicester for waiving tuition fees for the third year.

My sincerest thanks go to my supervisor Prof. Mark Phythian for his endless support during every stage of my research. His guidance has immensely contributed to my academic skills and the completion of this thesis. I thank Dr Robert Dover for his comments which clarified the contribution of this research project. Gratitude goes to my lecturers from my both undergraduate and master's degree who both inspired and supported me to pursue a PhD degree. I am also thankful to the staff at the University of Leicester, whose help was most valuable in overcoming challenges. My special thanks go to the staff at both David Wilson Library and Kimberlin Library for maintaining a lovely place to study.

Most importantly, I thank my extended family for being by my side during my studies. My deepest gratitude goes to my beloved wife Fatoş and our precious daughter Defne Büşra for their patience and love, which made completion of this research possible.

List of Abbreviations

AI: Amnesty International
AIOC: Anglo-Iranian Oil Company
APOC: Anglo-Persian Oil Company
BAC: British Aircraft Corporation
BBC: British Broadcasting Corporation
BP: British Petroleum
CENTO: Central Treaty Organisation
DA: Defence Attaché
FCO: Foreign and Commonwealth Office
FO: Foreign Office
HDS: Head of Defence Sales at the Ministry of Defence
HIM: His/Her Imperial Majesty
HMG: His/Her Majesty's Government
HO: Home Office
IIAF: Imperial Iranian Air Force
IIGF: Imperial Iranian Ground Forces
IIN: Imperial Iranian Navy
MED: Middle East Department at the Foreign and Commonwealth Office
MinTech: Ministry of Technology
MoD: Ministry of Defence
MP: Member of the Parliament
NA: Naval Attaché
NATO: North Atlantic Treaty Organisation
PM: Prime Minister
RAF: Royal Air Force
RN: Royal Navy
UK: United Kingdom
UN: United Nations

US: United States

USSR: United States of Soviet Russia

SAVAK: *Sazeman-i Ettela'at va Amniyat-i Keshvar* (in Persian: National Organization for Security and Intelligence)

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INTRODUCTION

In twentieth-century British foreign policy, Iran has at times played a crucial role, whether as an arena in which to exert influence, a site of oil reserves to be exploited or as a transit route to support Allied powers in the pre-1945 world order.¹ After the Second World War, however, the United Kingdom's decreasing economic power meant it had a diminishing global role and gradually retreated from overseas commitments. The decline in Iran was evident in developments in the early 1950s, when the nationalist Mosaddegh government nationalised the Anglo-Iranian Oil Company to increase Iran's control over, and revenues from, its oil resources. The move, however, led to international pressure being applied to Iran, economic decline and an Anglo-American supported military coup against the elected government.² In the post-coup era, the United States (US) played a much more significant role in Iran than the British had. From the late 1960s, Anglo-Iranian relations entered a new phase as a result of the United Kingdom's (UK) changing global position and decision to withdraw militarily from East of Suez in 1968.³ This thesis explores Anglo-Iranian relations in the period from 1968 to the end of the Shah's rule in 1979, with a particular focus on how arms sales and human rights played a role in defining British perceptions of Iran.

Britain's efforts to generate revenue from defence sales to Iran, and its reactions to protests for political freedom and human rights in Iran and the West constitute the main units of analysis in this thesis. With that in mind, changes in the approach of British

¹ See, for example, Greaves, R., 1991. Iranian Relations with Great Britain and British India, 1798-1921. In: A. Peter, G. Hambly & C. Melville, eds. *The Cambridge History of Iran*. Cambridge: Cambridge University Press, pp. 374-425; Saikal, A., 1991. Iranian Foreign Policy, 1921-1979. In: P. Avery, G. Hambly & C. Melville, eds. *The Cambridge History of Iran*. Cambridge: Cambridge University Press, pp. 426-456; Kuniholm, B. R., 1994. *The Origins of the Cold War in the Near East: Great Power Conflict and Diplomacy in Iran, Turkey, and Greece*. Princeton: Princeton University Press.

² Gasiorowski, M. J., 1987. The 1953 Coup D'Etat in Iran. *International Journal of Middle East Studies*, 19(3), pp. 261-286.

³ Louis, R., 2003. The British Withdrawal from the Gulf, 1967-71. *The Journal of Imperial and Commonwealth History*, 31(1), pp. 83-108.

authorities to UK prospects and changes in Iran's goals and international reputation are analysed. In this vein, this thesis argues that the way in which the UK responded to these issues blinded it to the rise in discontent with the Shah's rule and the possible consequences that this brought.⁴

The shifts and changes in British understandings and perceptions of Iran and the Iranian regime are clearly demonstrated in correspondence among the FCO, British overseas posts and other government departments. The key themes of the thesis include: the British emphasis on stability and security in the Persian Gulf; the alliance between the UK and Iran; social and economic development in Iran; the moral and legal responsibilities of the UK Government; and the evolution of British perceptions vis-à-vis local and international developments, which is discussed in Chapters One to Four.

The rest of this introductory chapter will set out the research topic and objectives of the thesis. The next section provides background on British foreign policy after the Second World War, followed by a section describing the major historical developments in late nineteenth and twentieth-century Iran. After this comes an outline of the scope of the thesis, wherein the research questions and their contribution to the literature are discussed. The methodological approach of the thesis is explored next, followed by a literature review. Finally, the structure of the thesis will be outlined.

1. Research Context and Objectives

In the prelude to and immediate aftermath of the Second World War, the Middle East played a crucial role in British foreign policy and strategic planning. The British were keen to preserve their interests in the Middle East and desirous to limit Soviet penetration in the region, and, as a result, signed several treaties with the region's powers.⁵ However,

⁴ The term "British authorities" refers to the UK Government, Prime Minister's Office, Foreign and Commonwealth Office (FCO), Ministry of Defence (MoD), Home Office (HO) and British overseas diplomatic posts. The texts used are derived from the National Archives in Kew, London. The primary documents studied in this thesis are declassified FCO folders in acknowledgement of the FCO's central role in coordinating British foreign policy.

⁵ Rabi, U., 2006. Britain's 'Special Position' in the Gulf: Its Origins, Dynamics and Legacy. *Middle Eastern Studies*, 42(3), pp. 351-364; Howard, M., 1995. 1945-1995: Reflections on Half a Century of British Security Policy. *International Affairs*, 71(4), pp. 705-715.

the post-war era was marked by rising nationalist sentiment in the developing world, which saw the British authorities periodically encounter anti-Western (or anti-imperialist) sentiments in the Middle East, even in the relatively peaceful environments of the Gulf sheikdoms.⁶ In this context, maintaining cordial relations with Middle Eastern nationalist governments was a complicated task for the UK.

For political reasons, the US occasionally also became involved, urging Britain to favour broader Western interests in the region over its own.⁷ US leaders were motivated by the fact that, if war should arise with the Soviet Union, the Middle East would be vital for ensuring its war machine worked effectively.⁸ Due to its geography, allies in the region would be essential to facilitate the placement of Western military bases from which it was possible attack the Soviet Union from the South. The US also wanted to prevent the Soviet Union from gaining supporters among Arab leaders, who were increasingly critical of Western policies.⁹

After the Suez debacle of 1956, it became clear that Dean Acheson, US Secretary of State, was correct in stating that “Great Britain has lost an empire and has not yet found a role”.¹⁰ The majority of the literature describes the Suez Crisis of 1956 as a turning point that prompted a change in UK policies.¹¹ However, the crisis did not cause a rapid withdrawal of the British from the Middle East, where the UK had an important political role into the 1960s. The UK’s military support of the Jordanian government in 1958 and Kuwait in 1961 are evidence of this.¹²

Once the Government acknowledged the UK’s decline in world politics, expressions such as “delusions of grandeur” and “end of empire” became commonplace

⁶ Davidson, C. M., 2007. Arab Nationalism and British Opposition in Dubai, 1920–66. *Middle Eastern Studies*, 43(6), pp. 879-892.

⁷ Calabrese, J., 2001. The United States, Great Britain, and the Middle East: How Special the Relationship?. *Mediterranean Quarterly*, 12(3), pp. 57-84 .

⁸ Crockatt, R., 1995. *The Fifty Years War: The United States and the Soviet Union in World Politics, 1941-1991*. London: Routledge.

⁹ Cohen, M. J., 2007. From 'Cold' to 'Hot' War: Allied Strategic and Military Interests in the Middle East after the Second World War. *Middle Eastern Studies*, 43(5), pp. 725-748.

¹⁰ Cited in Brinkley, D., 1990. Dean Acheson and the 'Special Relationship': The West Point Speech of December 1962. *The Historical Journal*, 33(3), pp. 599-608 (p.599).

¹¹ See, for example, Peden, G. C., 2012. Suez and Britain's Decline as World Power. *The Historical journal*, 55(4), pp. 1073 – 1096; Kyle, K., 2003. *Suez: Britain's end of empire in the Middle East*. London: I.B. Tauris; Self, R., 2010. *British Foreign and Defence Policy Since 1945: Challenges and Dilemmas in a Changing World*. New York: Palgrave Macmillan.

¹² Ashton, N. J., 1997. A Microcosm of Decline: British Loss of Nerve and Military Intervention in Jordan and Kuwait, 1958 and 1961. *The Historical Journal*, 40(4), pp. 1069-1083.

descriptions of post-Second World War Britain.¹³ The deterioration of the British economy in the 1960s forced its leaders to reduce government spending to ease the budget deficit. The heavy cost of maintaining a global military presence outweighed its benefits. It was clear that there was no wish at that time to continue to carry the fiscal burden of overseas military activities. Limiting military commitments to the defence of mainland Britain was considered a reasonable option by British decision-makers.¹⁴ Thus, Britain's Labour government (1964-1970) chose to reduce the nation's overseas military presence and end its commitments in the region East of Suez.

Arguably, military withdrawal from the world stage was a reasonable decision for Britain, its decision to engage more with European powers by becoming a member of the European Economic Community (EEC). This policy of national defence continued throughout the 1970s after the Labour Party was replaced by the Conservative Party following the 1970 general election. Britain chose to seek out a new role in European affairs, in line with the arguments of commentators in the late 1960s, who argued that the future of Britain lay in forging ties with other European powers.¹⁵

The decision regarding East of Suez can be characterised as either a “planned withdrawal” or a “forced retreat”¹⁶; but, in either case, the decision left Britain with a much more limited role abroad. This thesis aims to analyse the aftermath of the British withdrawal decision by focusing on key issues in Britain's relations with Iran, the perceptions that governed these and the possible consequences of those perceptions. Since the regional classification *Middle East* has different means depending on period of time or perspective.¹⁷ This thesis limits its focus to Anglo-Iranian relations only. This focus was motivated by the limited attention given to post-withdrawal Anglo-Iranian relations in the literature. The dilemmas caused by the rise of Iran as a military power in the Persian Gulf, using advanced weapon systems and arms bought from the UK and the US, and the growing attention in Iran and internationally on human rights issues merit

¹³ Balfour-Paul, G., 1991. *The end of empire in the Middle East*. Cambridge: Cambridge University Press; Baylis, J., 1989. *British Defence Policy: Striking the Right Balance*. Basingstoke: Macmillan.

¹⁴ Sato, S., 2009. Britain's Decision to Withdraw from the Persian Gulf, 1964–68: A Pattern and a Puzzle. *The Journal of Imperial and Commonwealth History*, 37(1), pp. 99-117.

¹⁵ Woodward, E. L., 1968. British foreign policy in retrospect. *International journal*, 23(4), pp. 507 - 519.

¹⁶ Marshall, P. J., 1979. The Decline of British Colonial Power. *India International Centre Quarterly*, 6(1), pp. 28-38.

¹⁷ Davison, R. H., 1960. Where Is the Middle East?. *Foreign Affairs*, 38(4), pp. 665-675; Salamé, G., 2010. Middle Easts, old and new. *Contemporary Arab Affairs*, 3(1), pp. 1-6.

attention. Britain's relationship with Iran was one of both confrontation and cooperation after 1968. First there were the Iranian claims on three small Persian Gulf islands¹⁸ and Bahrain. That confrontation was, almost simultaneously, accompanied by the increase UK arms sales to Iran and growing concerns about political oppression there. This latter issue raised questions about the extent of Anglo-Iranian cooperation.

The period covered by the thesis is from 1968 to 1979. Both the end and beginning of this period mark turning points in Gulf politics. The British authorities announced their withdrawal plans in 1968, opening a new phase in contemporary British history. In 1979, Iran witnessed significant changes affecting relations between Iran and the West: a revolution overthrew the Shah of Iran, Mohammad Reza Pahlavi, leaving the country in turmoil. After this revolution, relations between the West and Iran deteriorated and in 1980 the Iran-Iraq war erupted causing instability in the Gulf with wide-ranging consequences. Previous studies have examined the British decision to withdraw from the perspective of the British governments¹⁹ and, although some of these works analysed archival materials²⁰, they overlooked the role of British perceptions in Anglo-Iranian relations in their research objectives.

In the following section, I will discuss the historical background of Anglo-Iranian relations to clearly analyse the period after British military withdrawal from Iran.

2. Historical Background

A series of military defeats in the nineteenth-century left the Iranian Qajar Dynasty with foreign debts and increasing foreign interference in its domestic politics. The country of Iran, known as Persia until 1935, had rapidly become a focal point for the rivalry between Russia and Britain following the former's consecutive victories in the North of Iran. The rivalry led to more concessions to those powers and ultimately to the 1907 Anglo-Russian Convention, which gave the rival states exclusive spheres of influence in Iran. At this

¹⁸ Abu Musa, the Lesser and Greater Tunbs.

¹⁹ See, for example, Young, J. W., 2003. *The Labour governments 1964-1970. Vol. 2, International policy*. Manchester: Manchester University Press. Sanders, D., 1990. *Losing an Empire, Finding a Role*. Hampshire: Macmillan Education Ltd.

²⁰ See, for example, Dockrill, S., 2002. *Britain's retreat from east of Suez : the choice between Europe and the world?*. Basingstoke: Palgrave Macmillan.

point the country was divided between Russia and Britain, the former in the North, and the latter the South of Iran.²¹

The growing British and Russian *influence* in Iran, however, had received increasing criticism from the Iranian population and led to unrest in the country near the end of the nineteenth-century. For instance, the Reuter concession granted in 1872 by Nasir al-Din Shah to British entrepreneur Paul Julius Reuter had to be cancelled due to the widespread outrage it caused. Similarly, a nationwide concession on tobacco products in 1890 to British Major G. F. Talbot triggered a widespread protest which eventually led to the cancellation of the concession.²² This event had wide-ranging implications. Firstly, it showed that the Iranian local business class was emerging as a source of power in prompting popular movements. Secondly, it revealed that intense demonstrations could restrict the Shah's power. Lastly, it indicated that various classes of the Iranian population, including Shia clergy and bazaar merchants, could cooperate to achieve a common goal.²³ The Russian Revolution of 1905 generated a new wave of demands for change in Iran, first among the intelligentsia and later more broadly. Following a series of demonstrations, strikes and clashes, the Iranian public forced the Shah to grant a constitution in 1906, which led to the opening of the Iranian Majlis (parliament). The Iranian constitution had a secular outlook with an emphasis on a free judiciary and press.²⁴ The Majlis, however, was short-lived and entered a recurring pattern of suspension and re-opening.

The main concession impacting on Anglo-Iranian relations in the twentieth-century was the D'Arcy Concession, signed in 1901 between William Knox D'Arcy and the Shah, Mozzafar al-Din. This concession gave the UK oil exploration and usage rights in Iran, excluding northern parts of the country, which were later under Russian control. Subsequently, in 1908, a large quantity of oil of high commercial value was discovered, leading to the foundation of the Anglo-Persian Oil Company²⁵ in 1909. The British

²¹ Behraves, M., 2012. The Formative Years of Anglo-Iranian Relations (1907–1953): Colonial Scramble for Iran and Its Political Legacy. *Digest of Middle East Studies*, 21(2), pp. 386-400.

²² Paine, C. & Schoenberger, E., 1975. Iranian Nationalism and the Great Powers: 1872-1954. *MERIP Reports*, Issue 37, pp. 3-28.

²³ Keddie, N. R., 1966. *Religion and Rebellion in Iran: The Tobacco Protest of 1891-1892*. New York: Frank Cass & Co Ltd.

²⁴ Bayat, M., 1991. *Iran's First Revolution: Shi'ism and the Constitutional Revolution of 1905-1909*. Oxford: Oxford University Press.

²⁵ Renamed the Anglo-Iranian Oil Company in 1935.

Government purchased majority shares in the company in 1914, by which point the oil had become both commercially and strategically vital for maintaining a strong British Navy.²⁶ The company's operations were uninterrupted until the early 1930s, at which point a decline in revenues following the Great Depression in 1929 coincided with the Iranians objecting to the unfavourable terms of the 1901 concession. Subsequent negotiations ended in deadlock, resulting in the unilateral cancellation of the D'Arcy Concession in 1932 and the finalisation of a new agreement in 1933.

While it provided greater revenue to Iran, the new agreement still fell short of financing the country's development projects. This led to heated debates in the Iranian Majlis in the post-war period, and the nationalisation of the Anglo-Iranian Oil Company (AIOC) in 1951.²⁷ The dispute over nationalisation lasted two years, provoking increased tension between the UK and Iranian governments. The British boycotted Iranian oil, causing an economic downturn in Iran, while the alleged communist influence on Iranian Prime Minister Mohammad Mossadeg resulted in an Anglo-American supported military coup in 1953, restoring the power of the Shah, Mohammad Reza Pahlavi, at the expense of the Majlis.²⁸ In the course of these two years, however, the UK's influence in Iran and its politics had declined.²⁹ The British oil interest in Iran was restored subsequent to nationalisation, but at a reduced rate³⁰. The AIOC was renamed as British Petroleum (BP) and it then invested in oil reserves in countries other than Iran. BP formed an oil consortium with other international companies to produce oil in Iran, where BP would hold a 40% share.³¹ Oil production and revenues remained a hot topic of discussion in

²⁶ Jones, G. G., 1977. The British Government and the Oil Companies 1912–1924: the Search for an Oil Policy. *The Historical Journal*, 20(3), pp. 647-672.

²⁷ Elm, M., 1992. *Oil, Power, and Principle: Iran's Oil Nationalization and Its Aftermath*. Syracuse: Syracuse University Press.

²⁸ Pearson, I. L. G., 2010. *In the Name of Oil: Anglo-American Relations in the Middle East, 1950–1958*. Beighton: Sussex Academic Press.

²⁹ Ruehsen, M. d. M., 1993. Operation 'Ajax' revisited: Iran, 1953. *Middle Eastern Studies*, 29(3), pp. 467-486.

³⁰ Before the nationalisation of AIOC in 1951 the British had rights to explore, extract, refine and export Iranian oil. The nationalisation made the Iranian government had gained responsibility for these activities. Following the coup of 1952, however, the British Petroleum, alongside with Royal Dutch-Shell, Standard Oil, Socony, Socal, Texas, Gulf, and Compagnie Française des Pétroles, had gained access to operate in Iran. See Heiss, M. A., 1994. The United States, Great Britain, and the Creation of the Iranian Oil Consortium, 1953–1954. *The International History Review*, 16(3), pp. 511-535.

³¹ Bamberg, J. H., 1994. *The History of the British Petroleum Company*. Cambridge: Cambridge University Press.

Iran, and the Shah demanded higher oil revenues to fund his modernisation projects after the 1963 White Revolution.

Anglo-Iranian relations were not limited to issues related to oil. Iran had strategic significance during the Second World War. Iran under Reza Shah declared neutrality in 1939, but during the 1930s Iran had had a close commercial and strategic partnership with Nazi Germany. Following the start of the German offensive against the Soviet Union in 1941, the Allied powers demanded Iranian cooperation in opening a supply corridor to the Soviets over Iran, which received little enthusiasm in the Iranian court. This reluctance ultimately ended with the coordinated occupation of Iran by British and Soviet forces, instituting an enduring foreign military presence in Iran until the end of the war, with Soviet occupation continuing until the summer of 1946.³²

In the post-war era, at a time when the UK economy was in ruins after the devastation of the Second World War, there were growing demands for independence from various colonial territories. Notable parts of the British Empire, including India and Pakistan, were granted independence. This also marked the end of Britain's role as a global power, which was decisively demonstrated in the 1956 Suez Crisis, when the UK, France and Israel unsuccessfully attempted to overturn Egypt's nationalisation of the Suez Canal. Following this failed campaign, the UK gradually reduced its international commitments, culminating in the complete withdrawal from East of Suez in 1968.³³ In addition to facing domestic and overseas challenges, the UK economy had recovered at a slower pace compared to other major European powers in the 1960s and 1970s.

In 1963, in order to consolidate his power, the Shah declared wide-ranging social and economic reforms.³⁴ The reform programme was not without controversy. Some did not welcome the reforms, especially those among the clergy whose power was lessened and landowners whose lands were bought by the state to be redistributed among the rural population in Iran. One of the most prominent critics of the reforms was Ruhollah Khomeini, whose criticism of the revolution and the Shah resulted in Khomeini's arrest

³² Majd, M. G., 2012. *August 1941: The Anglo-Russian Occupation of Iran and Change of Shahs*. Lanham: University Press of America; Kuniholm, *The Origins of the Cold War*.

³³ Pickering, J., 1998. *Britain's Withdrawal From East of Suez*. New York: Palgrave; Dockrill, *Britain's retreat from east of Suez*.

³⁴ These reforms were known as the 'Shah and People Revolution' or the 'White Revolution' to emphasise their bloodless nature. The reforms included land reform, education provision and health services to a greater population, and election rights for women. Hooglund, E. J., 1992. *Land and Revolution in Iran, 1960–1980*. Austin: University of Texas Press.

and exile from Iran in 1963 and 1964 respectively.³⁵ The Shah's regime showed its determination to protect the White Revolution from any opposition. The British withdrawal decision created both opportunities and threats for Iran. On the one hand, the withdrawal of a European power from the Gulf offered a significant opportunity to the Iranian Government to increase its influence and pursue previously unsuccessful campaigns, such as its claim on the Gulf islands.³⁶ On the other hand, the power vacuum created by the British withdrawal could make the region vulnerable to communist interference, which was long feared by Tehran. Losing European military presence in the area would require Iran to increase its defence spending to reach a level of military independence.³⁷ The Iranian regime responded to both factors by seizing three disputed islands and purchasing sophisticated military equipment from Western countries. The UK played a key role in Iran's negotiations with the Arab sheikhdoms over the disputed islands and in the country's arms procurement programme.³⁸

Another noteworthy development in the 1970s was the Shah's demands for increased oil production from the Oil Consortium to fund higher Iranian spending on armaments and development. Iran's oil production capabilities steadily increased in this period, furnishing higher revenues for the regime. In 1973, following the Arab-Israeli war and subsequent oil embargo by the Arab members of the Organization of the Petroleum Exporting Countries (OPEC), the commercial prospects of oil revenues increased dramatically after a price hike.³⁹ The dramatic increase in revenues triggered high inflation rates. In 1975 the Shah dissolved the two-party political system to introduce a single-party Majlis. The new party was called the Rastakhiz Party (Resurgence Party), which declared a campaign of anti-profiteering, which antagonised the bazaar merchants.⁴⁰ The removal of political freedom in Iran was followed by the rise of violent revolutionary movements such as *Mojahedin-e Khalq* and *Fadaiyan-e-Khalq*.⁴¹

³⁵ Kurzman, C., 2004. *The Unthinkable Revolution in Iran*. Cambridge, Massachusetts: Harvard University Press. Parsa, M., 1989. *Social Origins of the Iranian Revolution*. New Brunswick: Rutgers University Press.

³⁶ Zabih, S., 1976. Iran's Policy toward the Persian Gulf. *International Journal of Middle East Studies*, 7(3), pp. 345-358.

³⁷ McGlinchey, S., 2014. *US Arms Policies Towards the Shah's Iran*. London: Routledge.

³⁸ On islands dispute see Ahmadi, K., 2008. *Islands and International Politics in the Persian Gulf: Abu Musa and the Tunbs in Strategic Perspective*. London: Routledge. Britain's role in Iran's arms procurement will be discussed in Chapter 1 and 2 of this thesis.

³⁹ Garavini, G., 2011. Completing Decolonization: The 1973 'Oil Shock' and the Struggle for Economic Rights. *The International History Review*, 33(3), pp. 473-487.

⁴⁰ Amini, P. M., 2002. A Single Party State in Iran, 1975-78: The Rastakhiz Party - the Final Attempt by the Shah to Consolidate his Political Base. *Middle Eastern Studies*, 38(1), pp. 131-168.

⁴¹ Parsa, *Social Origins of the Iranian Revolution*.

Following a period of liberalisation in 1977, opposition forces united in the fight against the Shah's regime. Mass demonstrations in 1978 that the Iranian authorities were unable to quell ended with the Shah leaving the country in January 1979. Following this brief historical background, the next section will describe the scope of the thesis and undertake a detailed discussion of historical period between 1968 and 1979.

3. Scope of the Thesis

This thesis analyses the perceptions of the British authorities' regarding Iran in the period between the UK's military withdrawal from the Persian Gulf in 1968 to the Iranian revolution of 1979, specifically by examining the arms trade and human rights aspects of Anglo-Iranian relations. This section contains a detailed historical discussion of the period that straddles these critical events. Following the White Revolution (1963), Iran witnessed the Shah's increasing power and authority in decision-making processes to the extent that he became the sole authority above all political mechanisms in Iran, including the Majlis.⁴² The economic and social development programmes had helped the Shah create an image of Iran as powerful, prosperous, industrialised and modern at the expense of growing US involvement in Iranian politics.⁴³ In 1968, when the Shah Mohammad Reza Pahlavi was at the height of his powers, the British announced the end of its military commitments in the Gulf states and the retreat of its forces from the area by the end of 1971. As noted above, the decision presented Iran with both opportunities and threats. There were prospects, such as exerting influence on newly-independent sheikhdoms and increasing trade and cooperation among the Gulf nations⁴⁴; and there were perils, such as attracting Soviet interest to the region in the absence of a Western great power, and the challenge of maintaining stability in the area.⁴⁵

One of the opportunities the Iranian regime saw was to seize three disputed islands in the Persian Gulf before the UK's formal departure from the area. The Iranians had claimed ownership of four islands: Bahrain, Abu Musa, Greater Tunb and Lesser Tunb

⁴² Ansari, A. M., 2007. *Modern Iran: The Pahlavis and After*. Second ed. Essex: Pearson Education Limited.

⁴³ Daneshvar, P., 1996. *Revolution in Iran*. London: Macmillan Press Ltd.

⁴⁴ Ahmadi, K., 2008. *Islands and International Politics in the Persian Gulf: Abu Musa and the Tunbs in Strategic Perspective*. London: Routledge.

⁴⁵ Alvandi, R., 2012. Nixon, Kissinger, and the Shah: The Origins of Iranian Primacy in the Persian Gulf. *Diplomatic History*, 36(2), pp. 337-372.

(the last two, collectively known as the Tunbs). The Iranians later agreed to drop their demands on Bahrain, where a vote would decide the outcome. With the others, however, the Iranian authorities insisted in their calls for Iranian sovereignty to be recognised by all parties, whereas the Arab sheikdoms had been insistent in demanding their dominion over the islands⁴⁶. After lengthy negotiations, the Iranians established control over the three islands. On Abu Musa, this followed a power-sharing agreement with the ruler of Sharjah. On the Tunbs the Iranians used force to remove Ras al Khaimah's forces from the island.⁴⁷

On the side of threat, the Iranian regime faced a situation which made it necessary for Iran to revise its role in the Gulf region. The British withdrawal could trigger a power vacuum which could increase *hostile* activities in the region. The Iranians had deep-rooted concerns about Russian aggression, or at least influence, in the Gulf area. The Soviets already had a presence in Iraq and could extend it in Oman or the Trucial sheikdoms, which could jeopardise the *stability* and *security* of the Gulf zone.⁴⁸ Part of the solution was increased Iranian defence spending, both to strengthen the Iranian Army and increase the Iranian sphere of influence. That decision would, however, mean engaging in an intense build-up of arms and the devotion of scarce resources to military development. That change in policy would also require the cooperation of arms manufacturing nations in order to supply new and sophisticated equipment to Iran. Once a reality, this policy could make Iran, as the most populous and developed nation in the area, a regional power in the Persian Gulf and, to some extent, the Indian Ocean.⁴⁹ The Nixon Doctrine of 1969, which reduced the level of direct US military protection of allies and encouraged those countries to undertake their own defence (albeit under the ultimate guarantee provided by the American *nuclear umbrella*), reinforced this logic. The Nixon Doctrine made advanced US military equipment to Iran readily available to a higher

⁴⁶ The Arab sheikdoms' claims were as follows:

The ruler of Sharjah was claiming ownership on Abu Musa;

The ruler of Ras al Khaimah was claiming ownership for the Tunbs.

⁴⁷ See Ahmadi, *Islands and International Politics*; Al-Alkim, H. H., 2002. The Islands Question. In: L. G. Potter & G. G. Sick, eds. *Security in the Persian Gulf*. New York: Palgrave Macmillan, pp. 155-170; Mobley, R. A., 2003. Deterring Iran, 1968-71: The Royal Navy, Iran, and the Disputed Persian Gulf Islands. *Naval War College Review*, 56(4), pp. 107-119.

⁴⁸ Fain, W. T., 2008. *American Ascendance and British Retreat in the Persian Gulf Region*. New York: Palgrave Macmillan

⁴⁹ Pryor, L. M., 1978. Arms and the Shah. *Foreign Policy*, 31(Summer, 1978), pp. 56-71.

degree than ever before.⁵⁰ The Iranians, stimulated by both the British withdrawal and the logic of the Nixon Doctrine, revised their budget to allow greater spending on military procurement. While the US had a dominant share of the Iranian arms market, the Shah wanted to diversify Iran's defence suppliers. The Iranian regime showed interest in the equipment of Britain and other major arms manufacturing nations.⁵¹ Subsequently, Britain successfully finalised several major arms contracts with Iran by 1975. These arms sales remain under-researched; therefore, this thesis, in line with its objectives, will use the issue of arms sales as a focal point for exploring British perceptions of Iran.

The Shah had emphasised Iran's past to fortify the monarchy's legitimacy and project himself as the successor to the great Persian kings. A line was drawn all the way from Cyrus the Great⁵² by celebrating the 2,500th anniversary of the Iranian monarchy in 1971.⁵³ Even before 1971, the Iranian regime had argued that the Cyrus Cylinder, a written declaration in the name of Cyrus the Great, was the first document in history to grant human rights. Tehran was also the host of the first UN Conference on Human Rights.⁵⁴ When it came to having greater political freedom in Iran, however, the Shah chose to promote socioeconomic development over civil or political rights. The Iranian Majlis had two rival parties, famously coined as "yes" and "yes, sir" parties by Abrahamian⁵⁵. The role of the Iranian prime minister was, by now, mostly symbolic as the ultimate decision-maker was the Shah himself. The Iranian secret police, SAVAK, was active in monitoring and suppressing opposition movements, including on university campuses where youth opposition to the regime was a growing trend in the 1970s.⁵⁶ The student movements in Iran and abroad became an increasing focus of the international community. In particular, Iranian students abroad were active in demonstrating against

⁵⁰ Alvandi, R., 2014. *Nixon, Kissinger, and the Shah: The United States and Iran in the Cold War*. Oxford: Oxford University Press.

⁵¹ Schulz, A. T., 2018 [1989]. *Buying Security: Iran Under The Monarchy*. New York: Routledge.

⁵² Cyrus was the founder of the Achaemenid Empire.

⁵³ Abrahamian, E., 2008. *A History of Modern Iran*. Cambridge: Cambridge University Press.

⁵⁴ Robertson, A. H. & Merrills, J. G., 1996. *Human Rights in the World: An Introduction to the Study of the International Protection of Human Rights*. Fourth ed. Manchester : Manchester University Press, p.7.

⁵⁵ Abrahamian, E., 1982. *Iran Between Two Revolutions*. Princeton: Princeton University Press, p. 420. The two-party parliament gained ground in the 1950s, and fully established itself after 1963. The Iranian Majlis was dominated by the *New Iran Party*, and the second party was the *People's Party*. Later in 1975 both parties were merged by the Shah to create the *Resurgence Party* in the "single-party" Majlis. See chapter nine in Abrahamian, *Iran Between Two Revolutions* for more details.

⁵⁶ Kurzman, *The Unthinkable Revolution in Iran*.

the Iranian regime and making their voices heard in Western capitals.⁵⁷ Some student groups even occupied Iranian embassies abroad. The subject of Iranian student protests abroad is covered in this thesis, but the aim is to use these episodes to examine British perceptions of Iran during this critical period in the latter's history.

4. Research Questions

Although the Persian Gulf region “naturally occupies a distinctly prominent role in British foreign affairs”⁵⁸, in the 1970s the UK had only two primary responsibilities: NATO and maintaining peace in Ireland.⁵⁹ The current literature suggests that British commitments in Middle Eastern regional politics became progressively less engaged following the Second World War.⁶⁰

The United Kingdom was and still is a primary supplier of arms to the Gulf region. Although the volume of arms purchases by Arab states increased after the Iranian revolution of 1979, several Gulf states concluded arms deals with the UK in the preceding decade. For example, despite its revisionist policies, Iraq was one of the clients for British arms during the 1970s. The most prominent buyer of British defence equipment was still Iran, however, which purchased hundreds of Chieftain tanks and spent hundreds of millions of pounds on armaments. In this regard, the thesis analyses to what extent the arms sales relationship with Iran influenced the British authorities' discourses.

In the 1970s, Western countries came to emphasise human rights on a global scale while targeting violations of human rights in Eastern bloc countries. The focus was

⁵⁷ Matin-Asgari, A., 2006. Twentieth century Iran's political prisoners. *Middle Eastern Studies*, 42(5), pp. 689-707.

⁵⁸ Roberts, D. B., 2014. British national interest in the Gulf: rediscovering a role?. *International Affairs*, 90(3), pp. 663-677 (p.663).

⁵⁹ Howard, M., 1995. 1945-1995: Reflections on Half a Century of British Security Policy. *International Affairs*, 71(4), pp. 705-715 (p.711).

⁶⁰ See Darwin, J., 2009. *The Empire Project: The Rise and Fall of the British World-System, 1830–1970*. Cambridge: Cambridge University Press; Owen, R., 2004. *State, Power and Politics in the Making of the Modern Middle East*. 3rd ed. London: Routledge.

mainly on communist countries, while poor human rights records in *friendly* countries were often ignored or downplayed.⁶¹ For instance, despite Iran's oppression of demonstrators, the UK continued to support the regime by supplying it military equipment. The thesis explores how Iran's image in terms of human rights affected British perceptions. The main research question of the thesis is:

How did the arms sales relationship and the question of human rights play a role in shaping the British authorities' perceptions of Iran in the period from the decision to end UK military presence in the Persian Gulf in 1968 to the fall of the Shah in 1979?

In order to explore this question, the thesis explores different aspects of regional politics and considers the following sub-questions (SQ):

SQ 1: How did the UK's commercial (i.e., arms sales) concerns affect its perceptions?

SQ 2: Did the British decision to boost arms sales in the 1960s have any effect on the country's perceptions of Iran?

SQ 3: Did competition in the Iranian arms market play a role in shaping British perceptions?

SQ 4: How did the UK Government respond to the dilemma that arose from criticism of its relations with Iran, in terms of arms supplies, and human rights concerns?

SQ 5: How did the UK's normative (i.e., human rights) concerns affect its perceptions?

SQ 6: How did the British authorities react to the Iranian students' protests in Western countries?

SQ 7: Did domestic crises and issues related to human rights change British perceptions towards Iran?

⁶¹ Snyder, S. B., 2011. *Human Rights Activism and the End of the Cold War: A Transnational History of the Helsinki Network*. Cambridge: Cambridge University Press (p.92).

SQ 8: Did the increasing emphasis on human rights internationally and in the US exacerbate the dilemma or cause any change to British discourse during the 1970s?

SQ 9: To what extent did key UK Government departments share a common perception of Iran?

Following the research questions, the next section will discuss the methodology of the study.

5. Methodology

By framing the scope of the thesis with these research questions, the distinct contribution of this research to the field of diplomatic history is highlighted. The thesis examines mainly foreign policy, concentrating on diplomatic history; however, the focus is on British perceptions of Iran in the given period. In order to do this, the thesis extensively examines British archival materials.⁶² In this respect, the thesis is based on qualitative data employing discourse analysis.

The archival documents examined in this thesis support a Constructivist theoretical approach. Constructivist International Relations (IR) scholars argue that world politics is a result of *social construction*; that is a process in which each member of the community participates. The main contribution of this approach is in providing the ability to explain previously poorly understood changes in the international arena. One of the best-known constructivist arguments is that mainstream IR theories failed not only to predict the end of the Cold War, but also to explain the reasons for it. Another contribution is the acknowledgment of the importance of non-material factors (i.e., sociality) such as language, rules and norms in a social construct. For instance, constructivists emphasise Soviet leader Mikhail Gorbachev's *new thinking* sentiment and its impact on the end of the Cold War. The third contribution of Constructivism is to highlight that the process of interaction among the members of a structure "make the

⁶² Main documents analysed in this thesis are from FCO due to this departments prominent role in conducting British foreign policy. To identify and select the relevant folders, I used National Archives website to browse and categorise them. I examined folders specifically addressing arms sales to Iran, student movements and terrorism in Iran in line with the research context and objectives of this thesis.

world”.⁶³ All the points discussed above originate from a single argument: nothing is pre-given, everything is constructed and even the “anarchical structure” of world politics is a result of its mutual construction by nations.⁶⁴

As discussed by Finnemore and Sikkink, a “life cycle” of norms exists, whereby norms change and new ones are established. The life cycle consists of three stages. In the first stage (“norm emergence”), some “entrepreneurs” publicly discuss possible revisions to current norms. If these entrepreneurs are successful enough to win broad support for their cause, the second stage commences. In the next stage (“norm cascade”), other members of the community feel the need to adopt the new norms as a response to international pressure. In the third stage (“norm internalisation”), the norm becomes a natural part of the system, such that even members of the community do not recognise its existence. Finnemore and Sikkink’s arguments make greater sense if we do not limit the norm life cycle to international relations. We cannot define a norm as *bad* since each norm has promoters, and it is always possible for a norm to be accepted as *appropriate* by others. For instance, before its abolition, slavery was a norm acknowledged by slaveholders and non-slaveholders alike.⁶⁵ The impact of these arguments on the thesis is that this *cycle* might be utilised to understand the changes in British perceptions of Iran.

This thesis argues that British perceptions might have a constructive impact on the relationship between Iran and the UK. As argued by constructivists, international relations are a mutual process of construction in which states are primary actors. Discourse analysts emphasise that “identity is not a pre-given 'substance' but [is] always constituted relationally, through demarcation from what it is not”.⁶⁶

It is essential to clarify the importance of discourses when studying international relations in particular and social sciences in general. Discourses are not merely a way of describing objects or expressing views. Instead, they produce meanings that shape our

⁶³ Fierke, K. M., 2010. Constructivism. In: T. Dunne, M. Kurki & S. Smith, eds. *International Relations Theories*. Second ed. Oxford: Oxford University Press, pp. 177-194.

⁶⁴ Wendt, A., 1992. Anarchy is what states make of it: the social construction of power politics. *International Organization*, 46(2), pp. 391-425; Wendt, A., 1999. *Social Theory of International Relations*. Cambridge: Cambridge University Press.

⁶⁵ Finnemore, M. & Sikkink, K., 1998. International norm dynamics and political change. *International Organization*, 52(4), pp. 887-917.

⁶⁶ Mottier, V., 2002. Discourse analysis and politics of identity/ difference. *European Political Science*, 2(1), pp. 57-60 (p.59).

understanding of the world.⁶⁷ Discourse analysis uses the word *representation* to emphasise the influence of discourses on social construction. Here representations refer not to the *truth* and *knowledge* of something, but to how *truth* and *knowledge* is *produced*.⁶⁸ In other words, each expression has a constituent meaning, which frames the borders of knowledge. Extensively influenced by the works of Michel Foucault, discourse analysts tend to consider every act a natural part of a discourse, arguing “power is everywhere”.⁶⁹

6. Literature Review

This section will discuss the existing literature under three subheadings: i) Anglo-Iranian relations: withdrawal and its aftermath; ii) arms trade; and iii) human rights.

6.1. Anglo-Iranian Relations: Withdrawal and its Aftermath

The British intention to withdraw from East of the Suez was announced in January 1968, even though just previously, in 1967, the British authorities had assured the Gulf sheikdoms that their military commitments were still valid and that they would remain in the area. However, when the British retreated from Aden and sterling was devalued in 1967, the Labour government decided to cut defence spending further to ease pressures on the budget.

There is a wealth of literature discussing the withdrawal decision. From the moment the British government announced its plan to leave, Gulf region academics started to share their thoughts on the decision. In an early study, Hurewitz argued that the British presence was a stabilising force in the region, and this was important as the Western powers had an interest in the continued flow of oil. The Western powers, especially the US, feared that the withdrawal could cause a power vacuum in the Gulf,

⁶⁷ Ahall, L. & Borg, S., 2013. Predication, presupposition and subject-positioning. In: L. Shepherd, ed. *Critical Approaches to Security*. Abingdon: Routledge, pp. 196-207.

⁶⁸ Doty, R. L., 1996. *Imperial Encounters*. Minneapolis: The University of Minnesota Press, p.2.

⁶⁹ Purvis, T. & Hunt, A., 1993. Ideology, Discourse, Ideology, Discourse, Ideology.... *The British Journal of Sociology*, 44(3), pp. 473-499 (pp.486-7).

which would give the Soviets an opportunity to increase their influence in the oil-rich region.⁷⁰

From this perspective, the role of the US as a leading country in the Western world was a topic deemed worthy of academic research. Simon Smith argues that despite the general view that the British authorities transferred power to the Americans, the UK continued to preserve its traditional role, remaining an important player in the region.⁷¹ Accordingly, the US government also wanted Britain to maintain its presence and defend common Western interests, which mainly related to the importance of oil to the Western economies. As the war continued in Vietnam, the Americans strongly supported the UK to safeguard stability in the Persian Gulf in which the British had a good record during earlier decades. Once the British authorities finally decided to limit their overseas military commitments in the late 1960s, the US administration reacted negatively but had no option but to accept the decision, indicating the limited influence the US had over the UK.

The withdrawal decision has been a well-evaluated area of British Gulf policy. Saki Dockrill's study is an example of the literature in this area.⁷² The main aim of the study was not to analyse the reasons behind the decision or discuss its consequences in the Gulf, but to comprehend and explain the decision-making process. Dockrill started her analysis with the events following the end of the Second World War, discussing the efforts taken to re-define the role of Britain in the world. The period from 1945 to Labour's election victory in 1964 witnessed a growing dilemma in the UK over its position in world affairs. In the early 1960s, Britain had three main global roles: i) establishing nuclear deterrent capabilities; ii) defending Western Europe and deciding on the future of British Army on the Rhine; and iii) the British presence East of Suez. The third role increased in significance when US troops were deployed there for the first time in 1965.

Dockrill's study contradicts the majority of previous studies, which have claimed that the economy played a much more significant role in the withdrawal decision than

⁷⁰ Hurewitz, J. C., 1972. The Persian Gulf: British withdrawal and western security. *The Annals of the American Academy of Political and Social Science*, 401(1), pp. 106-115.

⁷¹ Smith, S. C., 2007. Power Transferred? Britain, the United States, and the Gulf, 1956–71. *Contemporary British History*, 21(1), pp. 1-23.

⁷² Dockrill, *Britain's retreat from east of Suez*.

politics. According to her analysis, the Wilson government believed that the UK's role in the world beyond Europe "was now only [of] a temporary nature".⁷³ She argued that, while economic necessities were of course important in Britain's decision, they only resulted in a faster retreat from the region than initially planned. Dockrill also highlights that, despite arguments about the scarcity of resources for military spending, social expenditure rose dramatically during the Wilson government. The study argues that the withdrawal decision was a political one, upon which the devaluation of sterling had only a minor effect. Dockrill's study also discusses Britain's relations with the other side of the Atlantic. The decision to boost Britain's role in Europe, and cut its ties overseas beyond Suez, were taken at the cost of damage to Anglo-American relations. Dockrill argues that the Wilson government sought a future for Britain by strengthening ties with the European 'Common Market'. The study explores the decision-making process in Wilson's government, and also sheds light on how the British government perceived its regional power East of Suez in general, and east of the Gulf in particular.

The majority of the works examining the withdrawal decision, unfortunately, focus principally on the Gulf sheikdoms. A relatively recent study by Helene von Bismarck took a similar approach.⁷⁴ Her study is particularly notable because of her findings about the nature of the relationship between the UK and the sheikdoms. For instance, in the early 1960s the British government increased its military spending, thereby strengthening its position to counter any threats to its interest. The UK's military deployment in Kuwait in 1961 was a clear sign of this commitment. The most important British interest was the exploitation of oil. Von Bismarck's study supports the argument that the British authorities were ready to defend Britain's interests in the region; yet a question remains: from whom did Britain have to defend its interests? Von Bismarck agrees with above discussed works in suggesting that the primary source of threat was from nationalism, placing superpower rivalry in the background. In general, von Bismarck's main focus was on how and what the British did to protect their position in the Gulf. The study provides a detailed account of British diplomacy in the Gulf, filling a gap in existing knowledge. Von Bismarck, however, does not reveal much about the major players of the Gulf: Iran and Iraq. On Iran, the study repeats the argument that the

⁷³ Ibid p.213.

⁷⁴ Bismarck, H. v., 2013. *British policy in the Persian Gulf, 1961-1968 : conceptions of informal empire*. Houndmills: Palgrave Macmillan.

country had ambitions to dominate the Gulf despite its role in Arab nationalist movements. On Iraq, von Bismarck's only references came in passing out of discussion of Kuwaiti politics.

Tore Petersen positions US policies at the centre of the analysis while discussing relevant British policies in the region.⁷⁵ In his analysis, Petersen examines Anglo-American relations in the Gulf during the presidency of Richard Nixon. The book argues that the US administration developed a new framework to protect American interests in the region. Via the Nixon Doctrine, argues Petersen, the US administration tried to strengthen its allies by allowing and encouraging oil-producing allies to increase oil prices. In return for the increase in prices, these allies would be more able to absorb new arms from the US and the UK. Accordingly, the US authorities were less concerned about the Arab oil embargo of 1973, since the administration anticipated that, over the long term, bilateral relations would improve with friendly countries. The Nixon Doctrine, however, fell short of its aims, failing to reduce the burden on the Americans. Instead, the US provided advisors and technicians to support its *twin pillars* in the Gulf (i.e., Iran and Saudi Arabia).

Petersen's study also covers Anglo-American relations, arguing that the British wanted to decrease their commitments by pleading weakness, as exemplified by the Suez humiliation. Appearing to be weak, according to Petersen, was a political decision that made withdrawal tenable. In the long run British influence decreased, but not immediately following the withdrawal. The British involvement in deposing the Omani Sultan and replacing him with his son was based on "old-fashioned imperialism".⁷⁶ Throughout the study, Petersen argues that British and American policies in the Gulf region ran parallel but did not overlap. The British were more focused on the lower Gulf and former protected states, while the Americans aimed to make Iran and Saudi Arabia its allies, rather than clients. Petersen argues that, despite the British withdrawal in 1971, the Anglo-American presence was far from over. On the contrary, US involvement in Gulf politics was steadily increasing.

The economic aspect of the Anglo-Iranian relations during the 1970s is one of the vital issues in exploring the nature of the relationship. In a recent study Richard Smith

⁷⁵ Petersen, T. T., 2006. *The decline of the Anglo-American Middle East 1961-1969: a willing retreat*. Brighton : Sussex Academic Press.

⁷⁶ Ibid p.117.

explores the UK's export promotion efforts and their effect on the conduct of British foreign policy.⁷⁷ The study deliberately leaves British defence sales to Iran out of its scope and focuses only on consumer/civil trade relations. Smith argues that the oil price rise in 1973 had a devastating impact on Western economies and Britain in particular. In the UK a growing budget deficit caused recession, energy crises and uncertainty over the British economy. The authorities then considered promoting British exports to oil producing countries as way of solving balance of payments issues and reviving the economy. The Iranian economy, however, was witnessing rapid increases in revenue and attracting the interest of various developed nations. From the early 1970s there was a growing emphasis on strengthening trade relations between the UK and Iran; but, those efforts gained momentum only in 1974 due to both a change in attitude in the British Embassy in Tehran, and Iran's growing purchasing power. Consequently, the UK diplomatic posts in Iran focused more on commerce than political reporting.⁷⁸ Yet the boom was having side-effects on the Iranian economy by 1976, which eventually led to a revision of development plans. The UK's visible exports had increased from £66.3 million in 1970 to £650 million in 1976.⁷⁹

In 1978, domestic unrest and riots forced the Shah out of power. The Shah's downfall also led the FCO to consider whether they could have served British interests better by not neglecting political reporting. The FCO contended that the UK authorities unnecessarily accommodated the Shah's concerns and avoided contact with opposition groups, including members of the clergy and the bazaar. The British Embassy in Tehran's emphasis on promoting British goods was in line with the UK's wider export promotion policy, and it felt that any alarm about the stability of the Iranian regime could discourage British businesses from trading in Iran.⁸⁰ Smith concludes that other than neglecting political analysis, the export promotion efforts benefited the UK economy.

Sir Anthony Parsons' memoirs recall the time he served as British ambassador to Iran between 1974 and 1979.⁸¹ Parsons' book is more a personal account than an academic analysis of events leading to the fall of the Shah. From the first page of the

⁷⁷ Smith, R., 2016. 'Paying Our Way in the World': The FCO, Export Promotion and Iran in the 1970s. In: J. Fisher, E. Pedaliu & R. Smith, eds. *The Foreign Office, Commerce and British Foreign Policy in the Twentieth Century*. London: Palgrave Macmillan, pp. 487-505.

⁷⁸ Ibid p.493.

⁷⁹ Ibid p.496.

⁸⁰ Ibid pp.500-501.

⁸¹ Parsons, A., 1984. *The Pride and the Fall: Iran 1974-1979*. London: Jonathan Cape.

work, Parsons questions whether it would have been possible to somehow predict the revolution or take measures to prevent the overthrow of the Shah. While seeking answers, Parsons denies the allegations that the West played a role in the revolution.

Parsons' book provides valuable information concerning his role as British Ambassador to Tehran, detailing what he saw of the situation in Iran. Parsons' work offers a *post-mortem* examination of the revolution and the fall of the Shah. In explaining why the Shah fell, Parsons cites his policy of modernisation: "the Shah fell between two stools. Even at the height of his authority he was not ruthless enough to destroy the clergy; nor could he transform Iranian society quickly enough to neutralise them. He engaged in a relentless race and he calculated after 1973 that he had the means to outstrip the forces of Iranian reaction. But he failed".⁸² Parsons questions whether the Shah was seeking to liberalise Iranian politics as a response to pressure from the Carter administration in the United States. He argues that the Shah did not choose the right time to liberalise Iranian society. The political, economic and social atmosphere in Iran was dangerous, as people were demonstrating to display their discontent about the regime. Parsons concludes that a "less propitious time for loosening of political control could scarcely be imagined".⁸³ Under Parsons' control, the British embassy in Tehran became a commercial hub for the sale of British products. After 1975, the embassy's dual priorities were promoting British exports and "keeping a close eye on Iranian oil and natural gas policy".⁸⁴ To fulfil these tasks, the embassy employed a sizeable commercial section. Even the military attaché's primary mission was not information gathering but promoting British military equipment in the highly profitable Iranian market. This approach to diplomacy led to an underestimation of the effects of social movements in Iran. The UK had interests in the continuance of a friendly regime in Iran, and, most certainly, Britain did not want to endanger its relations with this key ally. Throughout the book, however, Parsons neglects to mention the role external powers played in Iranian politics. The Anglo-American coup of 1953 had a long-lasting impact on Iranian society, whether people could discuss it under the Shah's rule or not. Therefore, understanding the causes of the revolution is much more difficult when not assessing external factors.

⁸² Ibid p.156.

⁸³ Ibid p.48.

⁸⁴ Ibid p.37.

In addition to Parson's memoirs, there are two other memoirs in which Britain's response to the events leading to the Iranian revolution are considered. One is the memoir of Ivor Lucas who was the head of the Middle East Department at the FCO between 1975 and 1979.⁸⁵ Lucas' book, as expressed by him, is an attempt to "draw some personal conclusions".⁸⁶ He argues that several factors contributed to the downfall of the Shah. The first of them was the Iranian regime's inability to respond to demands for greater democracy and respect for human rights made by the Iranian *intellectual left* alongside Iran's *modernisation* programme.⁸⁷ Secondly, Lucas argues that due to Iran's importance as a source of oil and market for UK goods, the British authorities were *perhaps over-apprehensive* not to damage their position there.⁸⁸ The FCO had formed the view that the Shah's rule was the best available option to maintain the stability of the region and preserve British interests in Iran.⁸⁹ Another factor was the *Islamic Revival*, which was fed by opposition to the West's economic and political power in the region. After discussing and relating the *revival* with Arab countries of the Gulf, Lucas argues that it played a crucial role in Iran. For the opposition forces, religion had become a way of expressing their discontent. In the late 1970s, Ruhollah Khomeini successfully utilised that opposition to lead the movement against the Shah.⁹⁰ The UK's emphasis on boosting commerce at the expense of political analysis is the last point discussed by Lucas. He argues that *winning contracts or recycling petrodollars* had a transformative impact on the way the British diplomatic posts operated. That policy, however, increasingly left Britain *dependent* on orders from the Shah to keep the production lines open. Additionally, the Iranians had been purchasing sophisticated equipment beyond their needs, which could have economic and political consequences.⁹¹

The third memoir is that of David Owen, who was the British Foreign Secretary between 1977 and 1979.⁹² Parallel to the other two memoirs, Owen's account of developments in Iran is an attempt to explore whether the revolution could have

⁸⁵ Lucas, I., 1997. *A Road to Damascus: Mainly diplomatic memoirs from the Middle East*. London: The Radcliffe Press.

⁸⁶ *Ibid* p.163.

⁸⁷ *Ibid* p.164.

⁸⁸ *Ibid* p.170.

⁸⁹ *Ibid* pp.172-3.

⁹⁰ *Ibid* pp.180-1.

⁹¹ *Ibid* pp.182-3.

⁹² Owen, D., 1992. *Time to Declare*. London: Penguin Books.

been *averted*.⁹³ The bulk of the emphasis, however, is on the Shah's personality and his inability to control events. For instance, Owen regrets that he did not ask for a detailed study of what happened in 1953 when public unrest forced the Shah to out of Iran. He argues that at that time, like in 1978, the Shah had acted indecisively.⁹⁴ Another *minor mistake* was employing Persian-speaking British in boosting commercial relations with Iran, while neglecting political analysis for *over a decade*.⁹⁵ Owen also argues that the Shah *exasperated* British politicians, including himself, by the way he criticised UK politics. While *rural* Iran was still a *Third World* country, he argues, the Iranian Embassy in London had *lavish* celebrations demonstrating their wealth and power.⁹⁶ The oil price rise and subsequent *frenetic activity* had initially led to economic turmoil in Iran, which also fuelled public unrest. Owen argues that the Shah made the mistake of ignoring underlying economic difficulties and focusing instead on anti-profiteering measures. Those actions caused further alienation of merchants from the regime and paved the way for their cooperation with the mullahs.⁹⁷ Another *critical mistake* made by the Shah was sacking his prime minister, Amir Abbas Hoveyda, to alleviate opposition in the summer of 1977. However, circumstances worsened after the publication of a newspaper article *lambasting* Khomeini, again on the Shah's authority.⁹⁸ Owen spares a short paragraph for his decision to approve the sale of CS gas, a riot control equipment, to Iran: "if we [had] refused the request we would [have] be[en] side[-]lining ourselves. Our influence would [have] cease[d]. It seemed to me impossible to justify protesting about the use of tanks to control rioters and then fail to provide the Shah with the means for a more acceptable form of crowd control".⁹⁹

Nevertheless, *above all*, Owen expresses his dissatisfaction on not knowing of the Shah's incurable medical condition. He argues that if the Shah's illness had been known to him, he would have been able to keenly *push* his *belief* that the Shah should leave Tehran and a regent be appointed so as not to *risk a repeat of 1953*.¹⁰⁰ On human rights, Owen makes two comments, and both are related to president Carter's policies. In his

⁹³ Ibid p.386.

⁹⁴ Ibid pp.387-9.

⁹⁵ Ibid p.391).

⁹⁶ Ibid p.392.

⁹⁷ Ibid p.392.

⁹⁸ Ibid p.394.

⁹⁹ Ibid p.395.

¹⁰⁰ Ibid p.396.

first comment, Owen downplays the argument that Carter was responsible for the Shah's fall. Instead, he argues, both Carter's stress on human rights and the Shah's liberalisation were reactions to international developments and the growing power of organisations such as the International Red Cross.¹⁰¹ In his second reference to human rights, Owen argues that, at the time that the Americans campaigned for greater political freedom and human rights, the Shah *was already an empty vessel* and had limited policy options other than liberalisation.¹⁰²

The British authorities were not alone in falling short in recognising the vulnerability of the Shah of Iran to the revolutionary masses during the late 1970s. The Americans also failed to understand what was occurring in Iran. Robert Jervis' study examines two notable intelligence failures at the fore of contemporary American foreign policy.¹⁰³ The first was the overthrow of Shah of Iran in 1979, and the other Saddam Hussein's growing ambitions to pursue active programs for WMD (weapons of mass destruction). The case study on Iran was prepared by Jervis as a post-mortem analysis for the CIA (Central Intelligence Agency) in 1979, shortly after the fall of the regime in Iran. According to Jervis, the CIA had devoted too few resources to its information gathering efforts in Iran and, when producing reports on the US ally, CIA officers paid little attention to the domestic environment in Iran. Even in a report prepared in August 1978, Iran was still not characterised as being "even in a 'pre-revolutionary' situation".¹⁰⁴

In seeking to understand the failure to appreciate the context in late 1970s Iran, Jervis contends that CIA analysts were unable to understand the massive impact of religion and nationalism was having in driving the population toward revolution. The expectation shared by analysts was that if the situation in Iran threatened the authority of the Shah, then the Iranian leadership would opt to use force to crack down on demonstrators. The Shah's passivity before the demonstrators led analysts to conclude that he was still in control. In their misjudgement of the situation in Iran, analysts also ignored another important point: the Carter administration's advice to the Shah on continuing democratisation and further reform. Jervis argues that lack of support from Iranian security services was not the reason for the American failure. Instead, the

¹⁰¹ Ibid p.393.

¹⁰² Ibid p.397.

¹⁰³ Jervis, R., 2010. *Why Intelligence Fails: Lessons from the Iranian Revolution and the Iraq War*. Ithaca: Cornell University Press.

¹⁰⁴ Ibid p.45.

Americans failed to predict the revolution because SAVAK [the Shah's domestic security service] fed "misleading information than that we know very little".¹⁰⁵

In a recent study Luman Ali gave similar arguments about the UK's approach to developments in Iran during the 1970s.¹⁰⁶ He argues that the British Embassy in Tehran failed to predict the Iranian Revolution because, during the 1970s, the excessive attention given to commerce led to the undervaluation of the importance of political reporting. Despite that *failure*, Ali argues, both the FCO's *post-mortem* assessment and actors like Parsons and Owen's accounts highlight that the Shah was the best bet to preserve British interests in Iran.¹⁰⁷

Gregory Gause studies the international politics of the Gulf region.¹⁰⁸ His work explains the dynamics of regional disputes in regional security systems through issues associated with the global security system. Although other scholars tend to consider border disputes and oil revenues as the leading causes of conflict in the Gulf region, Gause offers alternative approaches to interpreting conflict. As Gause puts it, "regional states acted more against perceived threats to their own domestic stability emanating from abroad than to counter unfavourable changes in the distribution of power or to take advantage of favourable power imbalances".¹⁰⁹ In other words, regional politics cannot be understood by examining the balance of power between rivals. According to Gause's analysis, rival identities and ideologies play a crucial role in explaining the causes of regional conflict. Pan-Arabism and pan-Islamism, Sunnism and Shi'ism were competing in the region. In discussing this, Gause attributes the causes of the Iran-Iraq war more to Iraqi internal security threats felt by Saddam Hussein than to mere territorial disputes between Iran and Iraq. Gause argues that the 1970s were the most stable decade in terms of the contemporary history of the region following the British withdrawal in 1971. However, following the Iranian revolution, stability in the region was weakened. The revolution mobilised Shi'a populations around the Gulf, fuelled by suspicion about the true intentions of the administration in Tehran. This mood was behind the Iraqi decision to invade Iran in 1980.

¹⁰⁵ Ibid p.17.

¹⁰⁶ Ali, L., 2018. *British Diplomacy and the Iranian Revolution, 1978-1981*. Cham: Palgrave Macmillan.

¹⁰⁷ Ibid pp.123-4.

¹⁰⁸ Gause, F. G., 2010. *The International Relations of the Persian Gulf*. Cambridge: Cambridge University Press.

¹⁰⁹ Ibid p.9.

In a recent study, Darius Wainwright studies Anglo-Iranian cooperation in counter-communism propaganda in the 1950s and the 1960s.¹¹⁰ Wainwright argues that despite establishing close links between the FCO's Information Research Department and SAVAK, the cooperation between the UK and Iran gradually diminished in the late 1960s. During the first years of the Anglo-Iranian intelligence collaboration, however, the parties had initiatives to promote the Shah's regime and denounce the Soviet Union. The study argues that the British authorities had underlined the importance of Iran in the Cold War and as a source of oil supply. The propaganda materials produced in this period, however, were deemed ineffective in attracting the Iranian public attention. The Anglo-Iranian cooperation had been heavily dependent on the ties established between individual officials, a practice which contributed to a diminishing dialogue between the UK and Iran following the replacement of those officials. The US discouragement of Iranian collaboration with Britain was another factor behind this short-lived cooperation. Wainwright argues that *competitive collaboration* between the UK and the US led them to pursue a policy of cooperating against the Soviets but seeking influence in other regions.¹¹¹

6.2. Arms Trade

There is only a limited literature on the western arms trade with Iran prior to 1979. Mark Phythian's work explores British arms export policy since 1964.¹¹² The study covers more than three decades and is supported by case studies from different regions. His study shows that the Defence Sales Organisation responsible for promoting British arms sales was modelled on the US approach. According to Phythian's analysis, the British arms sales policy struggled to find a balance between two opposite approaches: either the authorities could prioritise *idealist* values, or they could pursue *realpolitik* and try to maximise overseas sales. Arms sales in the post-war world were seen, to varying degrees, as a mean to ease balance of payment pressures and establish cordial relations

¹¹⁰ Wainwright, D., 2019. Equal partners? The Information Research Department, SAVAK and the dissemination of anti-communist propaganda in Iran, 1956–68. *British Journal of Middle Eastern Studies*, 46(3), pp. 404-424.

¹¹¹ Ibid p.424.

¹¹² Phythian, M., 2000. *The Politics of British Arms Sales Since 1964*. Manchester: Manchester University Press.

with recipient countries. Another argument in favour of realpolitik was that if the UK refused to sell arms for idealistic reasons, then clients would always find similar products elsewhere. Although the British authorities adopted both approaches on a case by case basis, it is reasonable to argue that realpolitik prevailed on many occasions. Another point the study revealed is the complex relationship between the US and the UK in the area of arms sales. Britain benefited from cases in which the US was reluctant to sell arms, or when the US Congress chose not to approve sales to certain countries. In some cases, the UK replaced the US as arms supplier in the Middle East when the US refused to sell weapons for fear that they could be used against Israel. In other cases, however, the US was the dominant arms supplier in countries where the British could not compete. Chapters One and Two will discuss how UK's arms sales efforts led the British authorities to face a dilemma between promoting sales to earn hard currency and restricting sales not to increase Iranian indebtedness.

Alexander Bennet analyses how the Soviet Union employed arms transfers as an instrument to increase their influence in the Middle East.¹¹³ Bennet argues that for two interrelated reasons, the Middle East region became the hub of arms supplies in the Third World. The first is the impact of conflicts on the countries' tendency to buy more military equipment to strengthen their war capabilities; the second is related to oil revenues. The oil-producing Middle Eastern countries had massive oil revenues as a result of both increased production and the oil price increase of 1973. According to Bennet's analysis, the client states' anti-Western rhetoric contributed to their turning to the Soviets as their arms supplier. Although early Soviet arms deals were more a kind of *aid* than sale, later deals made profits while simultaneously establishing partnerships between the Soviet Union and the recipient countries. The study highlights that by the mid-1970s Iraq became primarily depended on Soviet arms: almost 70 percent of Iraqi arms purchases were from the Soviets. The Soviet arms trade with Iraq started shortly after the 1958 revolution. Their relations reached a peak when the two signed a treaty of friendship and cooperation in 1972; but in the following years the relationship declined. Under Mohammad Reza Shah's rule, Iran was an ally of the West and, more closely, the US. Despite this attachment, Iran twice approached the Soviet Union to get arms, once in 1967 and again in 1976; the second deal was much larger in quantity. Although it did not

¹¹³ Bennet, A. J., 1985. Arms Transfer as an Instrument of Soviet Policy in the Middle East. *Middle East Journal*, 39(4), pp. 745-774.

include the most sophisticated arms, Iran was the first member of a Western alliance (i.e., CENTO) to conclude an arms agreement with the Soviets in 1967.

The literature primarily concentrates on US defence sales to Iran. For instance, the study by Stephen McGlinchey focuses on US arms sales to Iran from the early 1950s to the end of the Shah's regime in 1979.¹¹⁴ His study argues that US arms sales evolved in four phases over the decades. In the first phase, the US was providing military aid until the Johnson presidency. In the second there was a change in direction towards selling arms on credit during the Johnson Administration. This policy remained in effect until 1972 when the Nixon Administration implemented a de facto *blank cheque* policy on US arms sales to Iran. That period, however, ended with the election of Jimmy Carter as president in 1976. The Shah's rule neither endured long enough to adapt to restrictions implemented by the Carter administration, nor pushed the Americans to reconsider their policy. McGlinchey argues that the policy change in Johnson's presidency was due to conflict and instability in the Middle East (e.g., the Arab-Israel conflict, India-Pakistan war, British withdrawal), reconsiderations on direct US involvement in conflicts (as happened in Vietnam) and the Shah's *brinkmanship* in using the Soviet Union as an alternative source of military equipment. The policy change in 1972, in effect, made Iran a regional policeman in the Gulf region following the UK's military withdrawal. By the time Carter took office in 1977, the Shah had the freedom to purchase any military equipment from the US. The situation was altered under the new US president's term to an *accommodating position* to restrict sales, but still to keep the Shah satisfied. A willingness to sell AWACS airborne radar planes was one expression of this new policy.

Nicholas Gilby studies the controversial matter of using bribes in securing British defence sales abroad.¹¹⁵ His study traces British arms sales to mainly Middle Eastern countries from the mid-1960s onwards. It focuses on how the private companies utilised bribery in securing some deals and how the public bodies remained silent. The research concentrates on the UK's primary customers, Saudi Arabia and Iran. Iranian arms sales enjoyed only a brief period of triumph during the Shah's rule in the 1970s. The study covers wide-ranging contracts and negotiations, and how the bribery mechanism worked in Iran. The analysis uncovers the payments made to Mr Shapoor Reporter, who acted as

¹¹⁴ McGlinchey, S., 2014. *US Arms Policies Towards the Shah's Iran*. London: Routledge.

¹¹⁵ Gilby, N., 2014. *Deception in High Places: A History of Bribery in Britain's Arms Trade*. London: Pluto Press.

a middleman in British arms sales to Iran and had the Shah's confidence, which neared £7 million in the 1970s.¹¹⁶ The end of UK's *special relationship*, as described by Gilby, however, was not due to revelations of bribery scandals in the late 1970s, but rather the public unrest in Iran and subsequent fall of the Shah, the possibility of which may have been invisible to British authorities narrowly focused on arms sales. This question of British perceptions is considered in Chapter One.

Leslie Pryor's article provides an overview of US arms sales to Iran and its impact on the regional balance of power in the Persian Gulf.¹¹⁷ Pryor argues that the threat the Shah had perceived from the Soviets had a role in his desire to build-up arms in the post-war era. After the British withdrawal, however, the Iranians acted as regional *policemen* and oil price boom helped the Shah to increase his military spending. The level of Iran's arms procurements, Pryor argues, became a *threat* to the security of the region. As an early assessment of President Carter's emphasis on human rights and restricting US arms sales, the article argues that the US administration failed to keep its election declarations. Chapter Two will discuss how US administration's policy change affected British defence equipment sales to Iran.

The question of whether arms supplies caused instability in the *Third World* was the subject of other studies. For instance, Gregory Sanjian's study focused on the impact of US and Soviet arms sales on armed conflicts.¹¹⁸ The study analyses the data of SIPRI¹¹⁹ and conflicts between India and Pakistan, Iran and Iraq, and Ethiopia and Somalia. In the case of the Iran-Iraq war, the findings suggest that following the Shah's downfall in 1979, the US arms supplies to Iran had ended, which created a military imbalance triggering the Iran-Iraq war in 1980. Another study on arms sales and Third World rivalry was conducted by David Kinsella.¹²⁰ Based on SIPRI data, the study explores the effect of superpower arms supplies on Arab-Israeli and Iran-Iraqi rivalries. On Iran, Kinsella argues that the Shah's increased military spending was a reaction to the Soviet-Iraqi friendship treaty of 1972.¹²¹ That was followed by Iran's intensive armament

¹¹⁶ Ibid p.65.

¹¹⁷ Pryor, Arms and the Shah.

¹¹⁸ Sanjian, G. S., 1999. Promoting Stability or Instability? Arms Transfers and Regional Rivalries, 1950-1991. *International Studies Quarterly*, 43(4), pp. 641-670.

¹¹⁹ SIPRI is the abbreviation for the *Stockholm International Peace Research Institute*.

¹²⁰ Kinsella, D., 1994. Conflict in Context: Arms Transfers and Third World Rivalries during the Cold War. *American Journal of Political Science*, 38(3), pp. 557-581.

¹²¹ Ibid p.575.

programme, which triggered Iraq's response to acquire more arms from the Soviets after 1975.¹²² On the origins of the Iran-Iraq war, Kinsella makes a similar argument to Sanjian on the impact of the disruption of US arms supplies to Iran in 1979.

On British defence sales, Lawrence Freedman studies how UK arms exports would evolve in the 1980s.¹²³ His assessments are based on the arguments that a) *commercial pragmatism* is a driving factor behind the arms sales and b) the recipient countries' *genuine* demands make defence sales possible. Freedman argues that there is little to gain from agreeing to sell arms to a country, as that is considered a commercial matter, but refusing to sell a significant political act.¹²⁴ The study also points out the difficulties about restricting arms sales as expressed by the Carter administration due to both the desire of *suppliers* to sell military equipment and demands of *recipients* for arms. The only difficulty the UK could face was illustrated in a situation where the US authorities denied selling arms as a *policy* rather than a *natural decline*, and asked other suppliers not to fill the vacuum.

Trevor Taylor highlights the impact of the British defence industry on the economy.¹²⁵ By analysing the *Defence White Paper* of 1980, he argues that due to high research and development investments involved in developing arms, the UK needs to export military equipment to maintain its armament industry. The comparison between different branches of armaments, however, reveals that despite investing vast sums of funds into aircraft and guided missile development, those weapons generated fewer revenues to the UK economy in the period between 1975 and 1979. Ground equipment was the most *profitable* industry. The arguments in the study highlight that the only option to have a *relatively autonomous* defence industry in the UK would require promoting British equipment abroad.

The increasing intensity of arms procurement in the Middle East region was associated with oil revenues. For instance, Morteza Gharehbaghian's study focuses on that subject.¹²⁶ Based on data derived from SIPRI, Gharehbaghian argues that Iran had

¹²² Ibid p.576.

¹²³ Freedman, L., 1978. British Foreign Policy to 1985. IV: Britain and the Arms Trade. *International Affairs*, 54(3 (July 1978)), pp. 377-392.

¹²⁴ Ibid p.390.

¹²⁵ Trevor, T., 1980. Research note: British arms exports and R&D costs. *Survival: Global Politics and Strategy*, 22(6), pp. 259-262.

¹²⁶ Gharehbaghian, M., 1987. Oil Revenue and the Militarisation of Iran: 1960-1978. *Social Scientist*, 15(4/5), pp. 87-100.

steadily increased its military spending since the mid-1950s. The trend gained pace in the 1970s, especially after the oil price rise in 1973. The study confirms the US as the primary beneficiary of Iran's armament policy. It is also argued that the militarisation of the Iranian regime did not end its dependency on foreign powers, but, ironically, increased it through the need for *advisors* to train Iranian staff and repeat orders for spares and ammunition. In a relatively recent study, Anoushiravan Ehteshami studied oil and arms procurement in the Persian Gulf region.¹²⁷ Through studying three decades, Ehteshami argues that in the 1970s, due to increased oil revenues, the Gulf countries including Iran had spent millions of *petrodollars* on arms procurement. In this process, the area transpired to be a *lucrative market* for arms manufacturers.

6.3. Human Rights

Especially in the late 1970s, there was a growing emphasis on human rights issues in international politics. The Carter administration in the US was dedicated to transforming US foreign policy and making it more morally acceptable. This change in the American attitude spread to some degree to other western countries. In the UK, Foreign Secretary David Owen published a book entitled *Human Rights* in 1978.¹²⁸ Although the book primarily addressed human rights issues in the Soviet bloc countries, it could be considered a sign of Britain's parallel agenda with the US. Owen, however, did not cover Iran in his analysis, despite growing criticism of the Iranian regime's violations of human rights in the late 1970s. This could be taken as evidence of the impact of the Anglo-Iranian relationship on perceptions of human rights issues in Iran, or of the impact of this relationship on an unwillingness to name and shame the Shah publicly.

Richard Cottam analyses human rights in Iran under Mohammed Reza Shah.¹²⁹ He starts his analysis by arguing that during the Shah's reign the Iranian authorities claimed that Iran had no tradition of freedom. That was why the Iranian government had a mission to provide basic human needs (not rights) and educate people to sustain development for freer conditions. This view, argues Cottam, was shared by the West;

¹²⁷ Ehteshami, A., 2003. Oil, arms procurement and security in the Persian gulf. *Asian Affairs*, 34(3), pp. 260-270.

¹²⁸ Owen, D., 1978. *Human Rights*. London: Cape.

¹²⁹ Cottam, R. W., 1980. Human Rights in Iran Under the Shah. *Case W. Res. J. Int'l L.*, 12(1), pp. 121-136.

Cottam, on the contrary, argues there was no need to educate people in Iran before granting them human rights. The study states that after the Iranian revolution, the Western media depicted the revolution as an anti-modern movement. The Shah, according to the Western media, “had erred mainly in underestimating the time required to tutor his ‘child-like’ people into an appreciation of modern values”.¹³⁰ Cottam argues that the people behind the revolution were the same type of people who were behind the Constitutional Revolution of 1906 and supported the Mossadegh government. Although the number of people supporting reforms grew over time, there was relatively less support for the Constitution, and Iranian people were well aware of the political situation in their country.

The developments in the aftermath of the coup of 1953 are also covered in Cottam’s analysis. After 1953, the Shah secured his position and concentrated on his White Revolution to modernise Iran. The modernisation went hand in hand with repression; the SAVAK was proven to be effective by arresting thousands of political prisoners. High rates of inflation affected the Iranian economy in the mid-1970s, causing unrest among the population. To deflate the power of the opposition to his rule, the Shah started *liberalisation* in 1976 by reducing police control of his subjects. However, this move caused a vicious circle where reduced oppression generated more opposition to the Shah’s rule. To suppress this opposition, the Shah sometimes used more force. In September 1978, the Iranian army opened fire on unarmed demonstrators and killed *thousands* of them. After the incident, President Carter called Tehran to “assure the Shah of continuing American support”.¹³¹ Cottam’s analysis shows the force behind the revolution, but some of his arguments, like the one cited here, require additional evidence which, of course, was not available then.

Afshin Matin-Asgari focuses on political prisoners in Iran in the twentieth-century.¹³² Matin-Asgari has two main arguments: i) during the era of the Shah and the Islamic Republic, prisons were used to "isolate, contain and destroy, or politically remake, citizens" challenging the state’s legitimacy to rule; and ii) the main target of both regimes was leftist groups whose members were young, educated and middle-class

¹³⁰ Ibid p.122.

¹³¹ Ibid p.131.

¹³² Matin-Asgari, Twentieth century Iran's political prisoners.

individuals who were "inspired by Marxist ideology, including its Islamic variants".¹³³ In analysing the issue, Matin-Asgari provides statistics from the early years of Mohammed Reza Shah's rule and argues that, during those years, the number of people in prisons was considerable but increased dramatically later. In 1931, the Iranian state made memberships in organisations having a *collectivist ideology* illegal. In practice, the state accused political activists with *treason* rather than collectivism.

Under Mohammed Reza Shah, Iran finally ended the political activities of the Tudeh Party after a failed attempt on the Shah's life in 1949. The crackdown on the left, according to Matin-Asgari, intensified after 1953 when the Shah gained full authority. Here, the study argues that state pressure increased because the "behind-the-scenes sponsors of the 1953 coup, the American and British governments, encouraged the Shah to deal severely with the opposition, especially the communists".¹³⁴ This argument, together with Cottam's arguments on Carter's reply to demonstrations in Iran, points to the role external powers played in Iranian domestic politics. These arguments, unfortunately, require more evidence. In the 1970s, opposition to the Shah increased along with the number of political prisoners in Iran.

In a recent study, Vittorio Felci explores anti-Shah activism in Britain between 1974 and 1976.¹³⁵ The study discusses three factors affecting the increase in criticism against the Iranian regime in the UK and the West. First, the Iranian students abroad were disillusioned with the achievements of the White Revolution and so expressed their discontent in Western countries. The second factor was the surge of *the radical left* in British politics who criticised the UK's support for the Shah. The last element was the emphasis of US president-hopeful Jimmy Carter and non-governmental organisations on human rights violations. Felci's study examines the events involving the arrest of an Iranian PhD student at Bradford University in 1974 on his return to Tehran for a summer holiday that year. Through analysing the archival documents, the study concludes that the British Embassy and FCO had opted for keeping the Shah *happy*, indicating an underestimation of the Iranian peoples' growing discontent with the Shah's authority.

¹³³ Ibid p.690.

¹³⁴ Ibid p.697.

¹³⁵ Felci, V., 2019. "A Latter-Day Hitler": Anti-Shah Activism and British Policy towards Iran, 1974-1976. *Diplomacy & Statecraft*, 30(3), pp. 515-535.

Golnar Nikpour's study focuses on the role played by political prisoners in bringing to light Iran's human rights violations.¹³⁶ It covers, during the period between 1963 and 1979, the early protests of Iranian students abroad; the 1968 UN Human Rights Conference in Tehran; the reactions of British intellectuals and MPs in the 1960s; American activists and non-governmental organisations in the early 1970s; and includes a section devoted to literature-focused PEN's contribution to the internationalising cases of Iranian political prisoners. Although by linking those individual cases, the study highlights that approaches and discourses differed from party to party, it loosely connects each actor criticising the Iranian regime. The study concludes that by shifting the international focus to Iran's human rights violations and treatment of political prisoners, the human rights notion was an effective instrument for the dissident groups. Nikpour argues that the human rights campaign abroad successfully diverted the Shah's regime to liberalise its policies.

Edward Posnett studies British policy towards Iran during the Shah's last years as ruler.¹³⁷ Posnett argues that the UK had sound reasons to support the Shah and avoid offending him. Iran was acting as a *guarantor* of Western interests, a *counterbalance* against the Soviets, a source of British and Western oil imports and, most importantly, a market for British goods.¹³⁸ The study examines the impact of arms sales, human rights, opposition groups and the BBC Persian Service on Anglo-Iranian relations. The main arguments, however, are based on the findings on British defence sales. On other subjects, the study provides little evidence on how the British side treated the Shah's *warts* as defined by British diplomatic staff. Posnett concludes that in the 1970s, Britain had become economically dependent on Iran¹³⁹, as demonstrated in its *hard-sell* approach to British equipment and its wish to keep the Shah *sweet*.

As was the case with arms sales to Iran, the majority of academic studies focus on the US administrations' human rights policies in the late 1970s. For instance, Javier Gil Guerrero studies how US officials at the Bureau of Human Rights of the State

¹³⁶ Nikpour, G., 2018. Claiming Human Rights: Iranian Political Prisoners and the Making of a Transnational Movement, 1963–1979. *Humanity*, 9(3), pp. 363-388.

¹³⁷ Posnett, E., 2012. Treating His Imperial Majesty's Warts: British Policy towards Iran 1977–79. *Iranian Studies*, 45(1), pp. 119-137.

¹³⁸ *Ibid* p.120.

¹³⁹ *Ibid* p.136.

Department *muddied* the water between America and Iran.¹⁴⁰ One focus of the study is that the Bureau had a critical role in refusing supply of riot control equipment to Iran (so generating the dilemma faced by David Owen, discussed above). In another study, Chad Nelson focuses on the US administration's approach to growing unrest in Iran during the late 1970s.¹⁴¹ He argues that, despite the arguments that Carter's human rights rhetoric helped the Shah's opponents to raise their antagonism to the Iranian regime, his administration advised the Shah to *restore order*. Nelson discusses that the American authorities consistently signalled to the Iranian regime that they could crack down on the opposition by force, which would remain a decision for the Shah to take. Luca Trenta focuses on the way the Carter Administration handled the developments in Iran during the late 1970s.¹⁴² He argues that, despite their pledge to prioritise human rights in foreign policy, the Americans ignored it in their relations with the Iranian opposition groups. He concludes that attitude strengthened the view that the Shah was America's *puppet*.

7. Contribution to the Literature

It is acknowledged that the UK had, and has, an interest in the Middle East inherited from its imperial past. However, due to the relative decline of British power, both economic and militarily, together with growing anti-British sentiment abroad, the British authorities became less willing to maintain their role in the Middle East and Asia. There are a variety of studies examining different aspects of the British retreat from the Middle East.¹⁴³ There are also works specifically exploring the British withdrawal from the Gulf region.¹⁴⁴ These previous studies, however, have generally neglected Britain's relations with Iran in terms of the withdrawal decision.

¹⁴⁰ Guerrero, J. G., 2016. Human Rights and Tear Gas: The Question of Carter Administration Officials Opposed to the Shah. *British Journal of Middle Eastern Studies*, 43(3), pp. 285-301.

¹⁴¹ Nelson, C. E., 2017. The evolution of norms: American policy toward revolution in Iran and Egypt. *Journal of Human Rights*, 16(4), pp. 494-515.

¹⁴² Trenta, L., 2013. The Champion of Human Rights Meets the King of Kings: Jimmy Carter, the Shah, and Iranian Illusions and Rage. *Diplomacy & Statecraft*, 24(3), pp. 476-498.

¹⁴³ See, for example, Louis, The British Withdrawal; White, N., 2014. *Decolonisation: The British Experience since 1945*. Second ed. New York: Routledge; Balfour-Paul, G., 1991. *The end of empire in the Middle East*. Cambridge: Cambridge University Press.

¹⁴⁴ See, for example, Fain, W. T., 2008. *American Ascendance and British Retreat in the Persian Gulf Region*. New York: Palgrave Macmillan; Petersen, *The decline of the Anglo-American Middle East*; Sato, Britain's Decision to Withdraw.

The major contribution of this thesis is derived from its approach to archival materials. The thesis examines how the British authorities perceived Iran in the period of study (1968-1979). Additionally, by exploring different layers of Anglo-Iranian relations, the thesis analyses whether British perceptions of Iran were influenced by them. The thesis aims to reveal how Iran was represented by British authorities. As the research objectives and questions also demonstrate, this thesis is more about seeking answers to *how* questions than *why* questions. In analysing *how* Iran and the Iranians were *represented* in British authorities' discourses the thesis will shed light on how Britain's commercial interests in Iran blinded the British authorities to political developments in the country.

For the purposes outlined above, the thesis focuses on British *dilemmas* as they appeared during discussions among the British authorities. For instance, on the arms trade issue, exchanges between the FCO and the MoD provide rich material on to what extent both departments agreed or disagreed with British defence sales to Iran. There were conflicting views on *realpolitik* and idealism. As will be discussed in Chapter One and Two, those interchanges also demonstrate how the FCO adapted its policy to accommodate British export policies and lifted prior objections to Iran's massive armaments programme. On human rights, the core of the discussion is derived from exchanges between the FCO and the HO. The principal dilemma here arose because the British authorities had to decide between promoting commercial arms sales as a foreign policy goal and facing UK public criticism over the government's support for authoritarian regimes, including Iran. The eventual British decision, however, neither caused widespread public criticism nor supported human rights initiatives.

8. Organisation of Chapters

The organisation of the thesis from this point is as follows. Chapters One and Two take British defence sales to Iran as the focus of analysis. In Chapter One, the UK's efforts to gain a firm hold on the Iranian arms market between 1968 and 1975 are covered. It traces events from the point where the UK foresaw limited prospects due to American dominance in the Iranian arms market, to the point where the British authorities considered they could sell almost any weapon to Iran. The chapter also highlights early

differences on the defence sales issue between the Foreign and Commonwealth Office (FCO) and the Ministry of Defence (MoD). In the late 1960s, the FCO had a cautious approach to arms sales to Iran to balance UK's position in the Middle East, while the MoD rushed to finalise contracts.

Chapter Two focuses on the UK's efforts to maintain its share in the Iranian arms market and confront growing criticism on its cooperation with Iran between 1976 and 1979. Following the successful finalisation of big orders from Iran, the FCO retreated from its earlier position and championed British military equipment sales, even if that required accepting previously undesirable credit terms. In the late 1970s, however, following growing and widespread unrest in Iran, the UK Government faced increased scrutiny over its arms sales policy. The British authorities defended their policy as part of alliance responsibility, although that argument was barely discussed among British diplomats during negotiations.

Chapters Three and Four focus on issues relating to concerns about human rights in Iran. Chapter Three discusses the foundations of growing popular discontent with the Iranian regime between 1968 and 1975. It traces changes in British attitudes towards protest movements in Iran and elsewhere, and the Iranian authorities' reactions to them. During the early 1970s, the issue of human rights was not in the spotlight in British foreign policy; however, from the mid-1970s onwards it gained importance at public and governmental levels. At the governmental level, the primary targets of human rights campaigns were the Eastern bloc countries. Non-governmental organisations such as Amnesty International, however, had a broader approach to the issue and targeted human rights violations in countries which were considered friendly to the West. The chapter highlights that development by examining British authorities' responses to Iranian protests movements.

Chapter Four analyses the UK's confrontation with Iranian criticism about its handling of an Iranian student protests in London, and international concerns on the human rights situation in Iran between 1975 and 1978. It traces the discussions between the FCO and the Home Office (HO) concerning the Iranian student occupation of the Iranian Embassy in London in 1975. It illustrates that the FCO was concerned about the possible Iranian reaction and requested HO cooperation to maintain British commercial and economic interests in Iran. The HO, however, did not share the FCO's view. In

addition to the UK's legal restrictions, the HO emphasised tight police surveillance and lack of political freedom in Iran as reasons not to respond positively to Iranian demands. The international criticism and the US president-elect Carter's known human rights objectives led the Iranian authorities to soften their approach to dissidents in the late 1970s. The FCO response to this liberalisation movement was supportive, but the emphasis was on process and historical context rather than achievements.

The concluding chapter brings all four pieces together to discuss the impact of arms sales and human rights on the evolution of British perceptions of Anglo-Iranian relations between 1968 and 1979. Through exploring the impact of British perceptions in shaping and determining UK foreign policy towards Iran, the chapter discusses the research questions of the thesis. It also highlights the common patterns and differences between British authorities' response to arms sales and human rights subjects.

CHAPTER ONE

Getting a Share in the Iranian Arms Market

Introduction

This chapter focuses on how the issue of British defence sales to Iran was approached by the UK government in London in both the Foreign and Commonwealth Office (FCO) and the Ministry of Defence (MoD), and by the British Embassy in Tehran and how this impacted British perceptions of Iran and the Shah. It analyses how these views were shaped by understandings of British interests and priorities in forming a new relationship in the post-withdrawal era. In doing this, it highlights differences between the MoD and FCO on the issue of Britain's arms trade with the Middle East and how, and to what extent, British perceptions evolved during the first half of the 1970s, a period during which Iran emerged as the single biggest buyer of British military equipment. Iran's close alignment with the West reached its peak in the 1970s, but that process had effectively started to transform Iran's policies in the 1950s.¹⁴⁵ Especially after the 1953 coup, the Shah received privileged treatment from the US in terms of the supply of arms to Iran, only to then face limitations under the Carter Administration from 1977. Reflecting the centrality of the US-Iran arms trade relationship (see Table 1.1, below), this has been the focus of most scholarly research on Iran's defence procurement.¹⁴⁶ That tendency has left

¹⁴⁵ Offiler, B., 2015. *US Foreign Policy and the Modernization of Iran: Kennedy, Johnson, Nixon and the Shah*. Houndsmill: Palgrave Macmillan.

¹⁴⁶ See, for instance, Miglietta, J. P., 2002. *American Alliance Policy in the Middle East, 1945-1992: Iran, Israel, and Saudi Arabia*. Lanham, Maryland: Lexington Books; Klare, M. T., 1984. *American Arms Supermarket*. Austin: University of Texas Press; McGlinchey, S., 2013. *Richard Nixon's Road to Tehran: The Making of the U.S.-Iran Arms Agreement of May 1972*. *Diplomatic History*, 37(4), p. 841-860; McGlinchey, S., 2014. *US Arms Policies Towards the Shah's Iran*. London: Routledge; Alvandi, R., 2014. *Nixon, Kissinger, and the Shah: The United States and Iran in the Cold War*. Oxford: Oxford University Press; Cooper, A. S., 2011. *The Oil Kings: How the U.S., Iran, and Saudi Arabia Changed the Balance of*

British arms sales to Iran less studied.¹⁴⁷ This chapter addresses this relative neglect and illustrates how, while having a cautious approach to defence sales to Iran in the late 1960s, the FCO became a keen advocate of marketing British military equipment by 1975. This chapter seeks answers to three sub-questions set in the Introduction chapter (i.e. sub-questions 1-3): i) how UK's commercial interests affected its perceptions of Iran, ii) whether UK's decision to boost arms sales had any impact on its perceptions towards Iran, and iii) whether competition to get a share in Iranian market altered UK's perceptions.

1. First object: Breaking the American Domination

In the late 1960s, the Iranian arms market was dominated by US-made equipment.¹⁴⁸ The American influence in the navy, however, was more limited and the UK had a significant share of the market. For instance, in May 1971, the British Head of Defence Sales (HDS) at the MoD argued that even in March 1970 “the US monopoly seemed almost impossible to break”, but things were changing gradually for other countries, including Britain and even the Soviets.¹⁴⁹ Despite this encouraging development, the HDS had doubts as to whether the Iranians would have the financial resources to buy costly defence equipment. Despite being reassured by the Iranian Minister of

Power in the Middle East. New York: Simon and Schuster; Chubin, S., 1978. Iran's Security in the 1980s. *International Security*, 2(3), pp. 51-80; Kinsella, D., 1994. Conflict in Context: Arms Transfers and Third World Rivalries during the Cold War. *American Journal of Political Science*, 38(3), pp. 557-581; Moran, T. H., 1978. Iranian Defense Expenditures and the Social Crisis. *International Security*, 3(3), pp. 178-192; Moens, A., 1991. President Carter's Advisers and the Fall of the Shah. *Political Science Quarterly*, 106(2), pp. 211-237; McNaugher, T. L., 1985. *Arms and Oil: U.S. Military Strategy and the Persian Gulf*. Washington, DC: The Brookings Institution; Kennedy, E. M., 1975. The Persian Gulf: Arms Race or Arms Control?. *Foreign Affairs*, 54(1), pp. 14-35; Pierre, A. J., 1982. *The Global Politics of Arms Sales*. Princeton: Princeton University Press; Ricks, T. M., 1979. U.S. Military Missions to Iran, 1943-1978: The Political Economy of Military Assistance. *Iranian Studies*, 12(3/4), pp. 163-193; Gharehbaghian, M., 1987. Oil Revenue and the Militarisation of Iran: 1960-1978. *Social Scientist*, 15(4/5), pp. 87-100; Kearns, G., 1980. *Arms for the poor : President Carter's policies on arms transfers to the Third World*. Canberra: Australian National University Press; Freedman, L., 1979. The Arms Trade: A Review. *International Affairs*, 55(3), pp. 432-437; Pryor, L. M., 1978. Arms and the Shah. *Foreign Policy*, 31(Summer, 1978), pp. 56-71.

¹⁴⁷ See Gilby, N., 2014. *Deception in High Places: A History of Bribery in Britain's Arms Trade*. London: Pluto Press; Phythian, M., 2000. *The Politics of British Arms Sales Since 1964*. Manchester: Manchester University Press; Freedman, L., 1978. British Foreign Policy to 1985. IV: Britain and the Arms Trade. *International Affairs*, 54(3 (July 1978)), pp. 377-392.

¹⁴⁸ Klare, *American Arms Supermarket*, p.104.

¹⁴⁹ National Archives, FCO 17/386, D. SALES/l/6, [n.d.]

Court, Assadollah Alam, the British thought that in Iran “every available cash ... [were] committed to economic development” rather than armaments.¹⁵⁰

Table 1.1: Iran’s Arms Imports (1968-1975) – Top Five Exporters

	1968	1969	1970	1971	1972	1973	1974	1975	Total ¹⁵¹
US	775	1146	1078	1182	646	1359	2189	4067	12442
UK		49	55	297	718	656	492	691	2957
Italy		36	36	40	41	2	82	173	412
France	5	5	10	153	2	2	2	2	181
USSR	114		13	13					140

Source: Stockholm International Peace Research Institute - Arms Transfers Database

Table 1.2: The UK’s Arms Exports (1968-1975) – Top Five Importers

	1968	1969	1970	1971	1972	1973	1974	1975	Total
Iran		49	55	297	718	656	492	691	2957
US				405	654	644	575	333	2612
India	425	234	276	363	306	267	365	199	2433
Australia	117	411	8	9	7	17	62	50	682
Germany	129	68	66	65	105	90	60	10	592

Source: Stockholm International Peace Research Institute - Arms Transfers Database

Table 1.3: The US’ Arms Exports (1968-1975) – Top Five Importers

	1968	1969	1970	1971	1972	1973	1974	1975	Total
Iran	775	1146	1078	1182	646	1359	2189	4067	12442
Germany	818	1039	1357	2181	523	1240	1600	1502	10260
Israel	600	1221	775	1292	854	1906	1069	1392	9108
Japan	531	498	637	774	665	633	982	1653	6373
Italy	181	481	555	726	1347	763	786	735	5573

Source: Stockholm International Peace Research Institute - Arms Transfers Database

Table-1.1 indicates that the US was the primary supplier for Iran’s defence purchases, a domination that was even evident before the advent of the Nixon Doctrine¹⁵² in 1969. That table also shows that

¹⁵⁰ Ibid.

¹⁵¹ Total is based on the trend-indicator value (TIV) as measured by Stockholm International Peace Research Institute. The TIV is measures are related to *actual* deliveries and not contract values of major conventional weapons. The TIV is based on the *known unit production cost* of the equipment delivered to a buyer (e.g. Iran), but not on *financial value* of the order. By this method, the TIV also demonstrates the sophistication of the equipment supplied to the receiving country. Thus, the values here do not represent volume of sales in monetary terms. More information can be found online at:

<http://www.sipri.org/databases/armstransfers/sources-and-methods/>

Please also see the Appendix for a list of equipment delivered by Britain to Iran (1968-1979)

¹⁵² The essence of the doctrine was that the US would no longer support its allies by supplying American forces at their territory, but through economic and military aid. See Litwak, R. S., 1984. *Détente and the*

the UK was emerging as an alternative supplier for Iran's defence needs. Table-1.2 and Table-1.3 show the primary buyers of British and American equipment, respectively. Iran was the leading market for both the UK and the US during this period.

The British authorities thought that US domination in the Iranian arms market was the main challenge to achieving success in Iran.¹⁵³ In addition to the US, West Germany and France were strong competitors who wanted to export their equipment. The Germans were trying hard to sell their Leopard tanks to the Iranians.¹⁵⁴ The Iranians' interest in British Rapier air defence system and Chieftain main battle tanks could give the British "an excellent chance of breaking into the market" if the British act quickly.¹⁵⁵ Before proceeding on these specific sales, I want to discuss the general trend in British arms sales policy to Iran (1968-1975). The next section will highlight the British concerns and perceptions during the negotiations.

2. British Dilemmas During Major Arms Sales Negotiations

The prospects of selling British defence equipment to Iran started to rise in 1967. The British Embassy in Tehran realised that the Iranians were aiming to buy a huge quantity of military hardware and were sending enquiries to countries other than the US.¹⁵⁶ In 1967, while complaining about the US attitude of intensive marketing, the British Military Attaché reported that they were telling the Iranians to "buy British whenever practicable". He was hoping that the Iranians would also turn to the UK for their army needs.¹⁵⁷ This suggests that starting from the late 1960s a campaign to promote British equipment in Iran had set off.

In November 1968, as an indication of Iran's intention to build up its military might, the Iranian Majlis was asked to authorise additional budget of 200 million dollars for defence

Nixon Doctrine: American Foreign Policy and the Pursuit of Stability, 1969-1976. Cambridge: Cambridge University Press; Kimball, J., 2006. The Nixon Doctrine: A Saga of Misunderstanding. *Presidential Studies Quarterly*, 36(1), pp. 59-74.

¹⁵³ National Archives, FCO 17/394, Telno. 1356, (11 September 1967)

¹⁵⁴ National Archives, FCO 17/394, Telegram No. 231000Z, [n.d.]

¹⁵⁵ National Archives, FCO 17/395, TELNO 1823, (2 December 1967). The first major orders were Rapier missiles for the Iranian Air Force and Chieftain main battle tanks for the Iranian Army. I will discuss both orders in detail below.

¹⁵⁶ National Archives, FCO 17/394, Hewertson to Hawkins, (8 March 1967)

¹⁵⁷ National Archives, FCO 17/394, Telegram Number 423, (5 April 1967)

equipment. Her Majesty's Embassy in Tehran informed London that the Shah had instructed officials to study what Iran needed and where it could get these arms. Another encouraging development for prospects of export emerged after the devaluation of sterling. The British Ambassador in Tehran, Denis Wright, argued that the Shah considered that the devaluation of sterling would make British equipment cheaper. Together, the request for additional budget and the devaluation of sterling could create major sales opportunities for British equipment.¹⁵⁸ The British Embassy's arguments revealed two points regarding British perceptions about Iran's defence procurement policy. One concerns its economic value for Britain, the other its possible impact on British arms manufacturers. The British authorities anticipated further major sales opportunities in Iran. This suggests that as early as 1968, the British diplomats acknowledged the potential for breaking the American dominance in Iranian arms market. While discussing that point, however, the excerpt also criticised the main Iranian negotiator, General Toufanian, for having a *habitual scatter gun approach*. The Embassy argued that Toufanian's approach could lead to competition among British companies and self-defeating consequences. The choice of words in that sentence needs further attention. The British authorities indicated that the *approach* originated from Toufanian's character rather than a policy. To this view the Iranian representative did not have a deliberate policy to lead British companies into competition with each other, but that tactic was just his *habitual approach*. The British chose to analyse the Iranian Government's policy in terms of personal characteristics of officials. They also argued that the Iranian enquiries could lead to confusion and self-defeating competition. The rest of the argument indicates that the British wanted to prevent that competition in favour of British manufacturers. Despite having those argument, the British authorities did not take the Iranian enquiry of buying over a thousand tanks seriously in 1967. Instead, they judged that the quotation would be for 100 tanks or at most 250.¹⁵⁹ The reasons for that British perception will be discussed in detail below.

While Iranian enquiries were coming for British equipment, the MoD complained that FCO was *anxious* that Iranian arms expenditure had gone too far financially.¹⁶⁰ In October 1970 a similar approach came from the Treasury which criticised other departments over their attitude to promoting arms sales. They argued that in some cases the British posts were failing to make credit

¹⁵⁸ National Archives, FCO 17/395, Telegram Number 1790, (27 November 1967)

¹⁵⁹ National Archives, FCO 17/395, Telegram Number 1788, (27 November 1967)

¹⁶⁰ National Archives, FCO 17/394, Telegram No. 181515Z, [n.d.]

terms clear to the buyer country which would result in “a choice between political embarrassment and embarrassingly unjustifiable credit terms”.¹⁶¹ The Treasury had more points to highlight:

it may take some time for the Iranians to realise that the offer is final and that we are not prepared to horse-trade. I told you that if the total value of the business had not been so large, I would have stuck on 3 or 4 years credit to the first offer to leave room for negotiation.¹⁶²

The excerpt stresses the points objected by the Treasury and reveals some of their perceptions of Iran. The Treasury stressed the difficulty in offering a longer line of credit to the Iranians to purchase British military equipment. The Treasury also stated that it could “take some time for the Iranians to realise that the offer is final” and that they were not prepared to horse-trade.¹⁶³ The structure of this sentence put the emphasis on the Iranian side’s *ability*, or lack of it, to *realise* the British position on credit terms. This indicates that the Iranians had lack of understanding about the British credit policy and could fail to realise it once the British authorities raised the case. The word *horse-trade* requires extra attention. This word is usually associated with political bargaining and had probably gained a more neutral meaning over years. In this sentence, however, it indicates disapproval of the practice by underlining the UK’s objection. Entering in a horse-trade could require long negotiations and lead to extending credit terms for the Iranians. The Treasury also expressed that they would not even offer 5-year credit at the current stage of the negotiations if the total value of the deal had not been *so large*. The excerpt indirectly criticised the overall attitude of the British Embassy. The Treasury argued each Government department should familiarise itself with the policies of the Treasury to avoid deciding between political embarrassment and embarrassingly unjustifiable credit terms. In either case the UK Government, as indicated in the excerpt, would be affected.

In January 1971 the FCO was becoming more involved in arms trade. One official argued that they should revert to their “time-honoured stand on the export of arms to the Middle East” and not grant approval to any contract before reaching the point of sale.¹⁶⁴ At that time, however, the British started to consider the Iranians as *customers* which the British felt the obligation to keep the Iranian *satisfaction*.¹⁶⁵ In October 1971 the British Aircraft Corporation (BAC) was trying to promote its Swingfire anti-tank missile in Iran. MoD officials argued that, due to the competition,

¹⁶¹ National Archives, FCO 17/1230, 2-F. 376 /88/01, (26 October 1970)

¹⁶² *Ibid.*

¹⁶³ *Ibid.*

¹⁶⁴ National Archives, FCO 17/1519, Makinson to Egerton, (12 January 1971).

¹⁶⁵ National Archives, FCO 17/1522, Smith to Arbutnott, (21 July 1971).

their chances of success were minimal if they could not offer *extremely favourable* credit terms. If the order could be realised, then this could be “the first significant export of Swingfire and of sufficient size to be of great importance to BAC and their sub-contractors”.¹⁶⁶ The deal could help the firm in keeping production costs down and by providing cash much required by the BAC. This suggests that the economic and industrial importance of defence sales started to get more attention of the Whitehall. At these negotiations between the Iranians and the British, the FCO was still far from having a robust policy on how to approach the question of promoting British equipment abroad. Hence the confusion expressed here about the hard-sell tactic adopted by the MoD.

In June 1972 the Shah made a visit to the UK¹⁶⁷, and the MoD authorities demonstrated a range of the latest UK weapons to him. In July 1972 MoD officials informed the Prime Minister’s (PM) office that the Shah had expressed his intention to buy more British equipment and after his return to Tehran action followed in this direction. Also, in July 1972 Lester Suffield, HDS, had visited Iran to study potential sales.¹⁶⁸ The PM expressed his *delight* with the news that the UK would sell equipment worth some £100 million to Iran. The PM also stated that he hoped that Britain “will be able to continue the good work, by ensuring that the process of manufacture and delivery advances as quickly as possible”.¹⁶⁹

While it is widely accepted that the UK and US had a *special relationship*, this classification does not indicate agreement on everything or coordination on every policy.¹⁷⁰ The British authorities discussed many issues with their counterparts in Washington, but they were unwilling to do so when it came to matters about actual or potential arms sales to Iran. Because the Iranian arms market was previously dominated by the Americans the British did not want to reveal much about their sales to this country. In January 1973 the rationale for this policy was defined as trying to protect the “commercial interests of private British firms”.¹⁷¹ In some cases, Britain benefitted from Iranian requests not to reveal details about their interests in British equipment to

¹⁶⁶ National Archives, FCO 17/1522, Frith to Gill, (6 October 1971).

¹⁶⁷ The reason for the Shah’s visit, as later stated by Peter Ramsbotham, then the UK’s Ambassador to Iran (1971-1974), was related to Iran’s seizure of three disputed Persian Gulf islands in 1971. The Shah had accused the British of making Iran vulnerable against growing Arab criticism. To help repair relations, the British authorities proposed the Shah’s visit to the UK, see Ramsbotham, P. E., 2001. *Sir Peter Ramsbotham* [Interviewed by Malcolm McBain] (01 September 2001), available at <https://www.chu.cam.ac.uk/archives/collections/bdohp/>, last accessed on 3 June 2019. Despite the underlying reasons for the Shah’s visit, the British authorities were quick to use this event to promote the latest military equipment.

¹⁶⁸ National Archives, PREM 15/990, Toufanian to Suffield, (21 July 1972).

¹⁶⁹ National Archives, PREM 15/990, Bridges to Andrew, (24 July 1972).

¹⁷⁰ McKercher, B. J. C., 2017. *Britain, America, and the Special Relationship since 1941*. London: Routledge.

¹⁷¹ National Archives, FCO 8/2063, Moberley to Wright, (11 January 1973).

other allies, including the US. The MoD had formed the view that they “must clearly respect their wishes”.¹⁷² This suggests that the British had taken the competition in the Iranians arms market seriously and did not feel obligated to inform the Americans.

In February 1973 one FCO official argued that Iran had become “now our single largest overseas customer for defence equipment”. The official argued that HMG should offer more attractive terms if the UK wanted to get *large and useful* contracts from Iran. While commenting on credit terms for Iranian enquiries, he argued that “even on purely commercial grounds it seems rather silly to throw away the credit sprat for Rapier and thus risk losing the defence equipment mackerel”.¹⁷³ This indicates that the FCO had argued in favour of having extra flexibility in credit terms offered to the Iranians, should the only obstacle to a contract would be related to financial issues. The Treasury, however, did not share this view as one official argued that there was “no reason at all why the Iranians should now be permitted to escape from this requirement at the British taxpayers’ expense”. The Iranians, the official added, had to respect the agreements they have signed. The Treasury would not “allow such credit unnecessarily”.¹⁷⁴ The issues surrounding credit conditions repeatedly caused heated exchanges among the departments.

Despite having done business in huge volumes with the UK, in April 1973 the Iranians questioned the reliability of prices for British equipment. The Iranians argued that British equipment was expensive. In its evaluation of the complaints, the British Embassy in Tehran argued that a visit by HDS and an audience with the Shah could prevent such criticism of British weapons. The Ambassador, Peter Ramsbotham, thought that this complaint illustrated an “apparent Iranian tendency to backslide”.¹⁷⁵ On this issue, the MoD argued that the Iranians were *always* complaining about prices. The same source stated that such criticisms were often *exaggerated* and repetitions of previous complaints, but the MoD would “continue to devote much effort to seeing that the Iranians are satisfied customers”.¹⁷⁶ This implies that the British authorities considered the Iranians’ enquiries about the price an “apparent Iranian tendency to backslide”, an argument which had indications about the Iranians having sinister motives. The British Embassy in Tehran argued that the Iranians were aiming to increase their pressure on the UK to get more favourable deal at annual oil negotiations.¹⁷⁷

¹⁷² National Archives, FCO 8/2063, Wright to Billingworth, (24 January 1973).

¹⁷³ National Archives, FCO 8/2063, Smith to Cullen, (15 January 1973).

¹⁷⁴ National Archives, FCO 8/2063, Rich to Henderson, (2 March 1973).

¹⁷⁵ National Archives, FCO 8/2063, TELNO 312, (9 April 1973).

¹⁷⁶ *Ibid.*

¹⁷⁷ National Archives, FCO 8/2063, TELNO 311, (9 April 1973).

Following the 1973 Arab-Israel war, Britain imposed an embargo on arms sales to belligerent powers¹⁷⁸ which at the same time made it necessary to reassure other regional customers about the UK's arms export policy. In a guidance note the FCO argued that it was the policy of HMG to promote arms sales to *friendly countries*. There were politic, economic and strategic reasons to adopt this policy. Imposing an embargo was not the *automatic* response, but *all* arms exporting countries would refrain from supplying arms under special circumstances. However, *none* of these countries would do so if it could have "grave consequences for a friendly customer". The history clearly shows that, the guidance argued, that Britain is not a *fair weather friend*. For instance, the guidance concludes, during the then recent Indo-Pakistan war of 1971 the UK did not impose an embargo.¹⁷⁹ As a defence equipment supplier, the UK felt a need to maintain confidence in Britain. There was also a demand for reassurance from Iran, albeit not from officials, but from the middleman in arms trade, Shapoor Reporter.

Parallel to the FCO's message, in November 1973, Reporter requested formal reassurance from the MoD that they would remain a reliable source for Iran.¹⁸⁰ The British Foreign Secretary, Alec Douglas-Home, argued that Britain was expecting a *very large* order from Iran. Thus they "should give him [the Shah] such an assurance". He argued that he could not "see any country with which Iran might be at war when we would want to embargo supplies".¹⁸¹ This indicates that the British authorities considered Iran's armaments policy to be mainly defensive and did not expect a war involving Iran where Britain would have a need to halt arm supplies. In November 1973 the FCO drafted a letter to assure the Shah as requested by Reporter:

The circumstances in other regions are likely to be entirely different and there is no reason to assume – the Arab/Israel conflict is very much in a class of its own – that HMG would have to consider an embargo in different circumstances ie. in the kind of circumstances which could conceivably involve Iran.

I hope that this will be a sufficient assurance to Your Imperial Majesty to counter criticisms that may be made that the United Kingdom would be an unreliable source of supply for defence equipment.¹⁸²

The excerpt shows that the FCO aimed to portray the Arab-Israeli conflict as a unique case and highlight the exceptional nature of the British arms embargo. Since the Iranian regime would probably not be involved in such a conflict, there would be no reason to fear an arms embargo. The

¹⁷⁸ Israel, Egypt and Syria were subject to British arms embargo.

¹⁷⁹ National Archives, FCO 8/2063, TELNO GUIDANCE 171, (1 November 1973)

¹⁸⁰ National Archives, FCO 8/2063, D/HDS/1/23, (8 November 1973).

¹⁸¹ National Archives, FCO 8/2063, Acland to Wright, (8 November 1973).

¹⁸² National Archives, FCO 8/2063, Acland to Mumford, (12 November 1973).

draft letter ends with the hope that the assurance given in this letter would counter criticism against buying British military equipment. The letter indicates the importance the British gave to keeping the Shah satisfied and not endangering prospects of arms sales to Iran. In November 1973, the MoD argued that it would be more appropriate if the UK could deliver an oral message instead of a written assurance.¹⁸³ The FCO shared this view and emphasised once more the importance of reassuring the Shah that Britain was a reliable arms supplier. The FCO stated that:

There is clearly a risk in giving so categorical an assurance to the Shah. But I see no middle course. If we refuse to give an assurance we could lose a great deal, not just in terms of contracts. Our whole relationship could be damaged. If we tried to draft a careful formulation which would give us a let-out, the Shah would see through this in a flash. The net result would probably be worse than not giving an assurance at all. I believe therefore that we must be prepared to take the risk in the light of the importance to us of Iran.¹⁸⁴

The excerpt is significant in two ways in understanding British perceptions of Iran. First, concerning the material value of the deal. It demonstrates that the British authorities put much emphasis on securing arms contracts in Iran. The Iranian regime became an important customer to British arms industry. Second, related to its possible impacts on bilateral relations. The British indicated that any mismanagement during the negotiations could lead to severe damage to Anglo-Iranian relations; that failing to give an unconditional assurance could impact on the *whole* relationship between the UK and Iran. This indicates that the British associated the Iranian regime with overreacting in its dealing in international relations. Consequently, rather than giving a written assurance, the British authorities considered having an oral conversation with the Shah. The British embargo of arm supplies following the 1973 Arab-Israeli war happened at a time when Iran became more interested in buying British equipment. That may explain the British emphasis on countering any criticism or implication that Britain was an unreliable source for arms. The excerpt classified the suspected doubts as *misunderstandings* in the opening section.¹⁸⁵ The following paragraph underlined the *uniqueness* of the Arab-Israel conflict without giving detail about in what ways that crisis made an embargo necessary:

Ministers have asked me to explain to Your Majesty that there were special reasons why an embargo was imposed during the recent conflict; the considerations which led to that decision were in many ways unique. I have been instructed to assure Your Majesty that Ministers can conceive of no

¹⁸³ National Archives, FCO 8/2063, Mumford to Acland, (12 November 1973).

¹⁸⁴ National Archives, FCO 8/2063, Wright to Parsons, (13 November 1973).

¹⁸⁵ National Archives, FCO 8/2063, Acland to Mumford, (13 November 1973).

circumstances in which they would feel it necessary to embargo the supply of British arms or military equipment to Iran. Indeed, the nature of the relations between our two Governments, based as they are on ties of friendship and mutual alliance, make it unthinkable in the opinion of my Ministers that such a situation could ever arise.¹⁸⁶

The text made it clear that Ambassador Ramsbotham would transmit the message of the FCO rather than expressing his personal views as happened in some cases. The part *being instructed to assure* in that paragraph adds that meaning. The proposed message was clearly designed to convince the Shah that British officials could conceive of *no* circumstances in which they would apply an embargo on arms supplies to Iran. On the contrary, *the nature of relations* between the UK and Iran made it *unthinkable* there could be any confrontation between Britain and Iran about an arms embargo. The ties of *friendship* and mutual *alliance* were cited in the text as the basis of the Anglo-Iranian relationship. The FCO arguable drafted a message to be delivered to the Iranian Government which raised some questions at the British Embassy in Tehran.

The British Embassy in Tehran raised two issues about the proposed message. First, the Ambassador had doubts whether Reporter had the Shah's authority to request a formal reassurance from Britain; there was no evidence of concern among Iranian officials about UK's reliability. Second, if such a message was required it was "going too far to say that we can conceive of no circumstances in which it might be necessary to embargo the supply of British arms or military equipment to Iran". Despite being *remote* possibilities, there could be a circumstance where the UK would seriously consider imposing an arms embargo on Iran.¹⁸⁷ Foreign Secretary Douglas-Home re-evaluated Ambassador Ramsbotham's concerns but stated that even *a careful formulation* would be noticed by the Shah and "the net result would probably be worse than no assurance at all". Consequently, the UK "must be prepared to take the risk in the light of the importance to us of our relations with Iran".¹⁸⁸ In November 1973, the Embassy found out that Reporter did not have the Shah's authority while speaking in London. In turn, the FCO instructed the Ambassador not to seek an audience with the Shah.¹⁸⁹ During the Ambassador's farewell audience with the Shah, in December 1973, there wasn't any discussion about the need for assurance from the UK, increasing the Ambassador's suspicion that the entire notion originated with Reporter.¹⁹⁰ The whole episode

¹⁸⁶ *Ibid.*

¹⁸⁷ National Archives, FCO 8/2063, TELNO 846, (15 November 1973).

¹⁸⁸ National Archives, FCO 8/2063, TELNO 565, (15 November 1973).

¹⁸⁹ National Archives, FCO 8/2063, TELNO 855, (20 November 1973).

¹⁹⁰ National Archives, FCO 8/2063, MO 25/2/28/1 (December [1973]).

indicates the FCO's emphasis on protecting the UK's recently established position in the Iranian arms market.

Except for the period immediately following the nationalisation of the Anglo-Iranian Oil Company in the early 1950s, Iran's production of and revenues from oil steadily increased. That was followed by the growing authority of oil-producing countries over oil production and setting prices by the 1970s and a reduction in oil companies' negotiation power. In such circumstances, the Arab-Israeli war in October 1973 triggered an oil embargo and quadrupling of oil prices. By taking part in the embargo, Iran benefited from increasing its production and revenues.¹⁹¹ In the short term, that rapid increase in petrodollars made Iran, along with other major oil-producing nations, a more profitable market for industrialised nations due to the growing purchase power in that country.

In March 1974 the new British Ambassador to Iran, Anthony Parsons, presented his credentials to the Shah. They had a *long and friendly* discussion. During the audience, the Shah expressed his concerns about Iran's Northern neighbour, the Soviet Union. He warned the Ambassador not to relax due to détente with the Soviets in Europe. The Ambassador replied that HMG "were not under no illusions about this danger".¹⁹² The British Ambassador, on this occasion, chose to share the Shah's concerns about the Soviet Union's motivation and involvement in Gulf politics. This indicates a departure from the argument that the UK did not share the Shah's fears about the Soviets a year ago. While it might be difficult to connect this response to the arms trade, the Ambassador probably aimed to declare some support to the Iranian regime's reservations on Soviet policies at his first meeting with the Shah. During the meeting the Shah justified Iran's arms procurement programme in terms of the expansion of Soviet influence in the Indian Ocean and its arms sales to Iraq, following the recent 1972 Treaty of Friendship between the two countries. While referring to the Shah's remarks on *Soviet imperialism*, Ambassador Parsons put the word *imperialistic* in quotation marks to reduce the force of the Shah's argument and indicate a sort of disapproval of the usage of that term. Then the subject turned to Iranian enquiries about British naval arms. The Shah discussed his interest in Through Deck Cruiser¹⁹³ in connection to these threats and that deal would also involve major training for Iranian cadets. The Shah, however, warned the Ambassador that he could turn to another supplier, the US, if the British would not proceed with the cruiser for the Royal Navy. The rest of the discussion between the Shah and the British Ambassador could be read as an initial stage of haggling over military equipment. In

¹⁹¹ Cooper, *The Oil Kings*, pp.150-1.

¹⁹² National Archives, FCO 8/2073, TELNO 150, (20 March 1974).

¹⁹³ A type of light aircraft carrier.

response to the Shah's remarks, the British Ambassador emphasised that British equipment was *the best* available. He also indicated that training Iranian cadets would not be an insuperable hurdle for the British. The Ambassador informed the London that an early favourable decision would lead the Shah to place a firm order.¹⁹⁴

In parallel with Iran's increasing interest in buying British military equipment, the MoD raised the question of restraining Iran's arms procurement programme, again, in February 1974. The MoD view was that to advise a reduction in military spending would lead the Shah to react strongly. Additionally, if *some* restraint was necessary, then the US or the French had to take the lead not the British. Britain did not have the *luxury* to be *fall Guys* in such an exchange.¹⁹⁵ On this issue, the FCO shared the MoD's view and stated that trying to restrain the Shah's arms purchases would not be a *realistic* decision. Imposing unilateral limits would be even less easy to *contemplate*.¹⁹⁶ By considering the competition to get contracts and possible Iranian reaction, there was no need to discuss the issue with the Iranians. Similarly, when the FCO wanted the British Ambassador's opinion about the necessity for a sales representative in Tehran, the Ambassador commented that there was *no place* for a defence sales representative in the Embassy. He argued that attachés were doing their jobs and they had the right contacts in the Iranian army. There was also Reporter acting as middleman in finalising contracts. The presence of an extra person dedicated to arms sales could indicate "an excessively 'hard-selling' approach".¹⁹⁷ That position gradually changed once it appeared that an official coordinator/representative should be appointed to offer better after-sales support in Iran.

As an indication of the change in British perceptions, in a briefing produced prior to the former Leader of the House of Lords', Lord Jellicoe, visit to Iran in May 1974, the MoD explained that Iran become "our most important customer for defence equipment". They had got *many* contracts and many more were in prospect. The MoD argued that Anglo-Iranian relations were *extremely good*. The Iranian arms market was an important one not only in terms of the economic benefits but also the military business was *undoubtedly* contributing to sound relations between the UK and Iran.¹⁹⁸ Parallel to these developments, British authorities produced a report on naval sales

¹⁹⁴ National Archives, FCO 8/2073, TELNO 150, (20 March 1974).

¹⁹⁵ National Archives, FCO 8/2073, Anderson to Weir, (6 February 1974).

¹⁹⁶ National Archives, FCO 8/2073, Weir to Anderson, (18 February 1974).

¹⁹⁷ National Archives, FCO 8/2073, TELNO DTG 081122Z, (April [1974]).

¹⁹⁸ National Archives, FCO 8/2074, PUS/74/692, (21 May 1974).

prospects to for 1974 which Ambassador Parsons praised for its accuracy in summarising the competitive nature of the Iranian market. He also argued that:

Looked at objectively, it could perhaps be argued that the logical recommendation which the paper should have arrived at, in the best interest of Iran, was to work for a general agreement with the Americans in particular, but also with the French and others, not to promote any further increase in the IIN [Imperial Iranian Navy] until they can effectively absorb what they have already committed themselves to. I believe that Captain Lane [the NA] was right to dismiss this line of argument both because of the value of the potential orders involved, and because there could be absolutely no guarantee that our rivals would in fact play straight with us; and even less that the Shah would agree to reduce the pace of his expansion programme.¹⁹⁹

The Ambassador urged the FCO to closely and carefully watch developments in Iran to maintain the momentum of arms sales. The paragraph above suggests that the Ambassador agreed with the general conclusion of the paper except the recommendation section of it. The Ambassador discussed a kind of dilemma the UK was facing in Iran; a dilemma between promoting British equipment, seeking opportunities to develop Britain's share in the Iranian market and encouraging the Iranians to postpone some of their arms procurement programme. The Ambassador argued that the Iranian Navy had already purchased much new equipment which they still needed to effectively absorb before ordering more. That said, the Iranian regime's desire to expand its armed forces and other supplier nations willingness to promote their equipment would make any unilateral move by the British futile at best. Unless Britain's competitors took a similar approach to arms sales to Iran, any policy of not marketing British arms could only result in the loss of contracts to the UK's competitors. The dilemmas expressed here were a repetition of earlier concerns voiced by various government departments in the early 1970s (discussed below).

The above discussed report reveals more detail about the British understandings of Iran in the mid-1970s. The Attaché argued that Iran would expand its navy at a rate faster than previously anticipated by the British. If the extent of the Shah's development plan reached into the Indian Ocean, that would require purchase of naval equipment with the capacity to operate beyond the Persian Gulf region. The British thought that the Iranian regime would probably divide the *naval cake* between the US and UK where both countries could secure big orders. These points were describing the foundations of the Shah's determination and the role the British could play.²⁰⁰ The

¹⁹⁹ National Archives, FCO 8/2074, Parsons to Wright, (15 August 1974).

²⁰⁰ National Archives, FCO 8/2074, British Naval Sales Prospects in Iran, [n.d.].

report has, however, criticism of the decision-making process in Iran and questions the merits of the planned naval expansion.

The Shah was described as being *a man in a hurry* which *must* be remembered in evaluating his policies. The text also argued that the Shah *dreams up his plans* which indicated his plans were based on imagination rather than careful long-term planning. The rest of the ‘dreams up’ sentence supports that argument by claiming that the high-ranking Iranian military personnel are having *too little* role in injecting professional advice to the Shah. The very next sentence questioned the ability of the Naval Commander-in-Chief who was described as lacking the required experience. The text argued that the “decisions on purchases tend to be arbitrary, with scant regard for manpower or logistics considerations, let alone anything called a Naval Staff Requirement”.²⁰¹ This indicates that the Iranian regime’s arms procurement programme did not receive the expected response from the British despite making references to Soviet threat or aims to guard areas beyond the Persian Gulf. The Iranians’ policy was regarded as *arbitrary*, lacking thorough planning and *with scant regard* for the Iranian military’s needs. There were further points to consider in evaluating Iran’s policy regarding arms purchases. The British Naval Attaché discussed challenges in doing business in Iran. For instance, he argued that the previous British recommendations to invest in maintenance facilities did not materialised as proposed. He associated that Iranian decision with the *Persian obsession with window-dressing*, which criticised the Iranians over a lack of planning and knowledge about maintaining the Navy. Iranian ignorance was argued to last some time before *belatedly* adopting the recommendations. The Naval Attaché stated that Iranian *negligence* would not prevent them from blaming the shipbuilders for problems arising from poor maintenance or lack of spares. The Naval Attaché not only accused the Iranians of being negligent but also of having an *obsession* for window dressing. That criticism could lead to having a cautious approach to promoting British equipment in Iran. Instead, the report concluded that:

It would be a foolish British Attache who believed that his host country was the only pebble on the beach with a higher call for prompt service from the MOD than even the RN itself. However, Iran could be a very good potential customer if we do not dissipate our opportunities. [...]

The Shah is in a hurry and is impatient of results: if we appear slow, then the Americans and the French are ready and willing to step in. Whilst one cannot argue that HMG should not carry out a comprehensive Defence Review to take full account Britain’s economic situation and outlook, there is a danger that Iranian “instant Government”, egged in by foreign competitors, could make a

²⁰¹ Ibid.

very potent difference to our balance-of-payments problems. [...] the Government might look forward to a return of between £500m-700m.²⁰²

The report's objective was assessing British naval sales prospects in Iran. The main conclusion of the report was to suggest that Iran was *a very good potential customer* as long as the British did not *dissipate* opportunities and understood the customer's requirements. The report also underlined that Britain should not consider Iran as an easy target for British equipment. Britain's competitors, here cited as the Americans and the French, could easily notice any slowness on the British side and push even harder in promoting their own equipment. Strengthening the UK's share in Iran's arms market could make a *very potent* difference to balance-of-payments problems and generate hundreds of millions of pounds in revenue.

In November 1974 the MoD expressed their view about selling the BL 755 cluster bomb to Iran. They argued that if the Iranians demand to purchase this weapon the UK could not sell it as it would be inconsistent with British arms sales policy to the Middle East. The FCO, on the other hand, stated that the policy limited sale to any *Arab* country. The rationale was that the UK should not supply this weapon to any country participating in the Arab-Israeli conflict. The Iran was not part of the Arab-Israel conflict. Additionally, as "a CENTO ally, a principal financial and trading partner, and our most important customer for defence equipment, we have had virtually no inhibitions (short of nuclear weapons) about arms sales to Iran, a point which we confirmed to the Americans during the Washington discussions on the Gulf in May (and which accords closely with their position)". Thus, the UK could approve the sale of cluster bombs to Iran if the latter wanted to purchase them.²⁰³ By September 1974 the arms trade reached such a level of importance that this time the FCO was criticising the MoD for neglecting small orders from Iran²⁰⁴.

The exchanges here are important not only to show the FCO's readiness to supply Iran with almost any military equipment but also to highlight the MoD's confusion in managing arms sales. On the first point, the FCO stated that their policy towards Iran was clear and in accord with the US policy of supplying up-to-date defence equipment to the Iranian regime. The second point needs a bit of clarification. Due to the Arab-Israeli conflict, since the 1960s, British arms sales to Middle Eastern countries had become subject to some restrictions²⁰⁵. Despite finalising major

²⁰² Ibid.

²⁰³ National Archives, FCO 8/2074, Wright to Weir, (25 November 1974).

²⁰⁴ For instance, the MoD had sent quotes for explosive detectors instead of metal detectors (see National Archives, FCO 8/2074, TELNO EBR 1093 170810z, (September [1974])).

²⁰⁵ An example of that restriction will be discussed in the section titled 2.2 *Chieftain Main Battle Tank*.

contracts, the MoD still had doubts about which equipment could be supplied to Iran. This suggests that the Ministry of Defence undervalued Iran's role as an ally in addition to a customer.

2.1. Rapier Air Defence System

The first major British arms export to Iran in this period was the Rapier low attitude ground to air defence system. Although the negotiations took months to finalise, the Iranians wanted to have the system in time for the British withdrawal from the Gulf, set for January 1972.²⁰⁶ The Shah indicated that he could purchase from another supplier if the UK could not provide the system.²⁰⁷ Despite favouring Rapier against other options, the Shah became frustrated as the negotiations were not reaching any conclusion. The British Embassy in Tehran warned that the Shah could act *impetuously* and make a snap decision for the French equivalent of Rapier. This situation risked a major export opportunity, and the British Ambassador, Denis Wright, asked for help to solve ongoing problems as soon as possible.²⁰⁸ This indicates that from the late 1960s the British authorities in Tehran were taking the arms export competition quite seriously.

One of the biggest problems, apart from financial issues, was regarding the security assessment of Iran. The Ministry of Technology²⁰⁹ (MinTech) argued that due to the low-security assessment of Iran the British could not supply Rapier to Iran before mid-1973. In that scenario, however, the Iranians would not be interested in Rapier²¹⁰ which they wanted to have before 1972. Despite this argument, the British Embassy in Tehran argued that if there could be *any chance* of later security relaxation then the authorities should not reveal this *no delivery* before mid-1973 condition to the Iranians.²¹¹ The FCO was openly critical of this policy. It argued that negotiations were already taking place between Iran and the manufacturer, BAC. The Shah, on various occasions, repeated that he wanted to have Rapiers by 1972. FCO claimed that it would be “clearly undesirable that countries should be induced to buy weapons only to be told that they cannot have them for some years because we do not trust them sufficiently”.²¹² Thus, there was reason to find

²⁰⁶ National Archives, FCO 17/860, Vernal to Abbotts, (22 January 1969).

²⁰⁷ National Archives, FCO 17/860, Thompson to Murray, (29 January 1969).

²⁰⁸ National Archives, FCO 17/861, Gammon to Dickinson, (5 December 1969).

²⁰⁹ The Ministry of Technology (1964-1970) was created during Harold Wilson Premiership to supervise technological development in the UK which also included aviation sector.

²¹⁰ National Archives, FCO 17/860, Rands to Porter, (10 January 1969).

²¹¹ National Archives, FCO 17/860, Telegram Number STOW 5, (9 January 1969).

²¹² National Archives, FCO 17/860, Murray to Beamish, (6 January 1969).

an alternative solution. In January 1969 the British held a meeting to discuss possible options. The main difficulty was about delivery dates which had to satisfy the Shah and keep the equipment protected from any foreign intelligence. The meeting report reveals both the FCO position on selling such advanced equipment to Iran and their views on the Iranians. According to the FCO staff attending the meeting, “the discussion was protracted and rambling”. During the meeting, it was argued that Iran was a member of CENTO to which Iran had *heavy commitments*. Iran could have a claim to have Rapiers due to its dedications to CENTO. This view indicates that the MoD considered Iranian and UK involvement in the security alliance would make it conceivable to supply Rapiers to the Iranian Army. Iran, however, had a low-security rating making the protection of the equipment questionable. All the Whitehall departments were accepting Iran’s low-security rating. That issue could be solved by taking other measurements such as revealing confidential information gradually and arranging periodic British supervision. The UK had another concern about the level of Iranian technicians’ knowledge.²¹³ The minute also argued that:

B.A.C. will be able, during the period in which Iranian personnel are being instructed in the weapon system, to disclose information only at an acceptable security level, i.e. Confidential. Their pamphlets and manuals will be amended both in nature and content because the Iranian technicians are at a very basic stage of training in which they are capable of understanding simple procedures but not the technical reasoning behind them.²¹⁴

The excerpt stresses that “pamphlets and manuals will be amended both in nature and content because the Iranian technicians are at a very basic stage of training in which they are capable of understanding simple procedures but not the technical reasoning behind them”.²¹⁵ The quotation clearly snubbed the Iranian technicians’ level of training even in a sense to question to practicality of having such advanced weaponry in Iranian hands. The views expressed above showed the complexity of the situation. The FCO and MoD had declared their readiness to supply the Rapier missile system to Iran. Arguments about Iran’s heavy commitment to CENTO were voiced to overturn concerns the MinTech had. However, Iran’s low-security level was not the only concern. The Iranian technicians did not have the necessary training to operate and comprehend the sophistication of the equipment. Which, in effect, could mean the UK was contributing to oversupplying Iran with defence equipment.

²¹³ National Archives, FCO 17/860, Murray to Croswaith, (27 January 1969).

²¹⁴ Ibid.

²¹⁵ Ibid.

Since the British had complained about Iranian technicians' limited understanding, a discussion about the state of education in Iran will be helpful. From the early twentieth century, the Iranian Government's budget for education increased steadily, but in that process main achievements took place in urban areas, making little progress in defeating illiteracy in the rural settlements.²¹⁶ The founder of the Pahlavi dynasty, Reza Khan, was a self-educated man.²¹⁷ A first higher education institution, Tehran University, was established in 1934. But the main beneficiary of increased funding was the Iranian Army. Defence spending and size of the Iranian Army quadrupled between 1926 and 1941.²¹⁸ The major initiatives to improve the level of education, however, started in the early 1960s with the White Revolution during which Literacy Corps were set up to overwhelm illiteracy in Iran by the mid-1970s.²¹⁹ The Iranian authorities could not achieve their education reform by the late 1970s as almost half of the population was still illiterate.²²⁰ As one study puts it, despite Iran's growing regional power and control of oil prices, Iran was considered a mainly "feudal aristocratic country".²²¹

Despite these concerns, the MoD argued that there were political and commercial pressures to finalise the Rapier deal. The Iranians were, of course, the UK's ally in CENTO and two countries had 'generally good relations', but the British authorities must acknowledge the security situation in the region. Iran was sharing a border with the Soviets making them vulnerable to Soviet intelligence activities. The MoD had doubts if the Iranians could 'achieve a consistently high level of security'. The possible solution would be arranging security inspection in Iran. It would also be in the Iranians' interest to protect Rapier.²²² At that time the FCO view was that the deal would be a major export order, but the proposal needed careful consideration as it required tight security arrangements in Iran. The officials argued that it might be possible to convince the Shah to accept security checks. They could say that they were "entrusting to him the secrets of our latest and best weapon" and invite him "as our ally to collaborate in" Rapiers' protection.²²³ These arguments indicate that the British authorities thought that an emphasis on *alliance* between the UK and Iran could both secure the sale of Rapiers to Iran and arrange periodic inspection by British personnel to

²¹⁶ Messkoub, M., 2006. Social policy in Iran in the twentieth century. *Iranian Studies*, 39(2), pp. 227-252 (p.234).

²¹⁷ Pahlavi, M. R., 1980. *Answer to History*. New York: Stein and Day, p.54.

²¹⁸ Messkoub, Social policy, p.238.

²¹⁹ Sabahi, F., 2001. The literacy corps in Pahlavi Iran (1963-1979): political, social and literary implications. *CEMOTI, Cahiers d'Études sur la Méditerranée Orientale et le monde Turco-Iranien*, Issue 31, pp. 191-220.

²²⁰ Messkoub, Social policy, p.252.

²²¹ Watson, K., 1976. The Shah's White Revolution—Education and Reform in Iran. *Comparative Education*, 12(1), pp. 23-36.

²²² National Archives, FCO 17/860, D/DS 8/19/81, (3 January 1969 [probably wrong date]).

²²³ National Archives, FCO 17/860, Telegram Number 74, (31 January 1969).

ensure protection of the equipment. The British Embassy in Tehran, however, had doubts about Iran's acceptance of security inspections.²²⁴

What could be the benefits for the British if they had doubts about the protection of their *latest and best* equipment? The documents indicate that besides earning foreign exchange, the UK could benefit politically:

You should therefore say that the Shah is understandably concerned about the strategic position in the Gulf after we leave in 1971, that he is in a mood to resent anything which he might suspect to be patronising (i.e. that it was for us to decide whether he should have advanced weapons), and that there is a limit to the degree of elaboration and the extent of security measures H.M.G. might wish to impose.²²⁵

In February 1969, the rationale was that the Shah had associated the sale of Rapiers with strengthening political ties with the UK. That would happen at a time when the British military presence was withdrawing from the Gulf area where Iran's relative power was increasing. The FCO recommended having a cautious approach of accepting political benefits while not minimising security risks. There was also the incentive of earning much needed foreign exchange for the UK economy. It was, at the same time, equally important not to give the impression that the UK was telling the Shah which weapons he could have in a 'patronising manner'. This indicates that the British authorities paid extra attention not to offend the Iranians by seeming to limit their options at their bilateral meetings at least. That approach should have contributed to Britain becoming more focused on selling *almost any* equipment to the Iranian regime.

The Ambassador, Denis Wright, warned the FCO not to minimise the political and economic importance of the deal due to security concerns. This thinking was a departure from the previous argument of not to prioritise sales over protection of the equipment. Otherwise, it would be a *pity* to lose such a deal. The Ambassador also argued that even if there wasn't any security question there was no guarantee that the Iranians would buy British equipment. The UK had to avoid giving the impression that British authorities wanted to prevent Iran's access to the latest technology.²²⁶ The FCO replied that they were aware of the British Embassy's concerns about the importance of the deal. London argued that in any intra-governmental meeting "Those who press

²²⁴ National Archives, FCO 17/860, TELNO 91, (4 February 1969).

²²⁵ National Archives, FCO 17/860, Makinson to Collett, (6 February 1969).

²²⁶ National Archives, FCO 17/860, Wright to Arthur, (29 January 1969).

the security aspect will probably find themselves in a minority” and the sale would be approved.²²⁷ At that point, the aim of supplying Iran with Rapiers prevailed, at least, in the FCO.

As things were developing to finalise the negotiations, the FCO prepared a memorandum of understanding (MoU)²²⁸. When its opinion was asked about the draft MoU, BAC argued that the tone of the text was *dictatorial*. Some clauses were *nonsense* and not serving the purpose. The basic fact was that the Iranians were already familiar with such arrangements due to their purchases from the US. They argued that If the UK presents a *patronising* document, then the consequences could be devastating for the deal.²²⁹ Nevertheless, in May 1969 the Shah gave the Iranian authorities his approval to go ahead with the Rapier negotiations.²³⁰ It was the first firm expression of Iran’s intention to buy sophisticated British military equipment. The following developments have shown, however, the Iranian interest in Rapier could not be considered in the bag. Some Iranian army members or the Iranian Central Bank were not supporting the project. The Shah was the most dedicated advocate of Rapier, but he was losing interest due to protracted negotiations. One vivid indicator of this unwillingness was his complaints about expenses to develop and arm the country at the same time. The British Embassy in Tehran argued that such expression could be caught by Britain’s competitors.²³¹ The British Embassy suggested that the UK should do everything it could to secure the agreement. The FCO, however, did not agree with this suggestion. They argued that Rapier deal was a *commercial matter* rather than a diplomatic one. Such a *business oriented* subject was not the one HMG should get involved in.²³² BAC had to negotiate the details and only after reaching the final steps, could the FCO comment on the sale of Rapiers.

In November 1969, however, the Shah started to sound his worries about the slow pace of negotiations. The Shah even warned the UK that unless they could not conclude the negotiations quickly, he would turn to another supplier.²³³ That was a renewed threat. The Shah was clearly using the competitive nature of the Iranian arms market to speed things up. The Iranians also asked whether the Rapier could operate in cloudy or bad weather. At that time, the Rapier system could only work in fair weather conditions, but the UK was developing an all-weather attachment. The Shah wanted to know whether Iran would have that attachment whenever it is ready. While transmitting these enquiries, Ambassador Wright argued that these were clear indications that “the

²²⁷ National Archives, FCO 17/860, Arthur to Wright, (11 February 1969).

²²⁸ The MoU is not available in the folders examined for this research.

²²⁹ National Archives, FCO 17/861, Pope to Vernall, (8 April 1969).

²³⁰ National Archives, FCO 17/861, Telegram Number STOW 52, (21 May 1969).

²³¹ National Archives, FCO 17/861, Murray to Tripp, (9 October 1969).

²³² National Archives, FCO 17/861, Makinson to Acland, (15 October 1969).

²³³ National Archives, FCO 17/861, TELNO 944, (11 November 1969).

Shah has been having second thoughts". The danger was that unless the UK could reassure the Shah that he would be able to buy the attachment, BAC would lose the deal and the Shah's goodwill as well.²³⁴ MinTech gave the assurance but in a limited sense. They argued that the British Embassy in Tehran should give assurances in general terms without a firm commitment. MinTech stated that the attachment would be available to Iran after being in British army service for no less than 18 months.²³⁵ This policy was the usual practice for sophisticated equipment, and such an approach clearly did not differentiate Iran from other overseas customers. It is important to note that these exchanges were the very first negotiations between the Iranians and the British on major arms purchases during this period. Gradually, the UK's reluctance and caution in question of arms sales to Iran was replaced by a salesperson attitude to promoting more equipment and securing military contracts.

Another obstacle emerged during the Shah's return from Washington via Paris in November 1969. The French offered to send a team to demonstrate the Crotale, the French equivalent of the Rapier. The Iranians now realised they had started Rapier negotiations without seeing a single live presentation of it. Recognising the urgency of the situation the British Ambassador warned London to arrange a demonstration for the Iranians as soon as possible.²³⁶ The earliest planned firing tests, however, would not take place before mid-1970. The UK could not arrange a special demonstration for the Iranians. MinTech argued that demonstrations at this stage could only produce an opposite effect to that intended as the Rapier was still under development.²³⁷ London instructed the British Embassy in Tehran to inform the Iranians that the Rapier system was well ahead of its French competitor. The UK was not offering a demonstration to impress potential customers like the French.²³⁸ At that time the FCO viewed the sale as a way to maintain the Shah's *goodwill* towards to the UK.²³⁹ Although having an argument in favour of arranging a demonstration, the British Embassy had been instructed to discuss why there should not be such a live presentation.

In December 1969, the Iranians informed the British Embassy in Tehran that they had *no money* to buy Rapiers. The British Ambassador replied that this was a saddening message and a *pity* not to reveal this at an earlier stage of the negotiations.²⁴⁰ The Embassy argued that the reason

²³⁴ National Archives, FCO 17/861, TELNO 950, (12 November 1969).

²³⁵ National Archives, FCO 17/861, TELNO STOW 97, (13 November [1969]).

²³⁶ National Archives, FCO 17/861, Telegram Number 955, (14 November 1969).

²³⁷ National Archives, FCO 17/861, TELNO STOW U/N, (18 November [1969]).

²³⁸ National Archives, FCO 17/861, TELNO STOW 103, (25 November [1969]).

²³⁹ National Archives, FCO 17/861, Note of a meeting held in Mr Lucas' room on 26 November, [n.d.].

²⁴⁰ National Archives, FCO 17/861, TELNO 1085, (24 December 1969).

for this late update was oil negotiations. When the Shah insisted on paying by overlift oil²⁴¹ for Rapiers, the Foreign Secretary, Michael Stewart, commented that the Shah was “adept at brinkmanship”.²⁴² The FCO officials even stated that this move was designed to increase Iran’s oil revenues while linking the sale to it:

it became evident that the Shah was trying to link the sale with an increase in oil revenues. [...] It is not in our interests to give the impression to the Iranians that we are open to blackmail, since to do so could open the door to a linking of other issues (e.g. Bahrain/Iran or the islands).²⁴³

Considered as an example of where business and politics merge, the sale of Rapiers to Iran demonstrates an excellent example of a conflict of interests. The issue had different layers of concerns for each party. BAC was interested in promoting a new weapon to international markets. The British authorities had an interest in establishing new ties with Iran in preparation for the post-withdrawal era, and in getting some foreign exchange. The Iranians were focused on increasing the country’s military might alongside furthering economic development. The main subject of clash was probably related to post-withdrawal settings where the Iranian demands were not always in line with Britain’s priorities. That discord might have contributed to classifying the Shah as being *adept at brinkmanship* and the UK not being *open to blackmail*. The FCO clearly opposed being drawn into a negotiation linking oil and defence sales to Iran.

The challenges were not limited to finance. During negotiations, the Iranians complained about the poor performance of British Tigercat missiles and expressed doubts about Rapier. At that moment, the British Embassy in Tehran feared that such displeasure could endanger further British arms sales to Iran, including Chieftain main battle tanks. Before too long Shorts senior management, the firm producing Tigercat, had to make a visit to Tehran to convince the Iranian Air Force that Tigercat was an effective system. Otherwise, these exchanges could lead to the failure of the Rapier negotiations. The Iranians were still *suspicious* of not being invited to any live firing demonstration.²⁴⁴

²⁴¹ *Overlifting* oil is a practice of producing more oil by a company it was entitled in that financial year. That would indirectly mean increasing Iran’s production capacity for that year. For more detail about overlifting oil, please refer to petroleum glossary prepared by Society of Petroleum Engineers which is available online at <https://www.spe.org/en/industry/terms-used-petroleum-reserves-resource-definitions/>

²⁴² National Archives, FCO 17/1227, Telegram Number 1, (1 January 1970).

²⁴³ National Archives, FCO 17/1227, Tripp to Hayman, (8 January 1970).

²⁴⁴ National Archives, FCO 17/1227, Tel. No. PYQ 534, (27 April 1970).

Despite ongoing negotiations for Rapiers, in May 1970, the British Embassy in Tehran raised, again, its concerns about Iran's financial situation. It argued that *mounting arms expenditure* was to blame for Iran's difficult financial position. HMG, according to the Ambassador, "should not appear to be contributing to these difficulties by pushing sales which Iran can ill afford".²⁴⁵ After making some comments strongly associating oil negotiations between the Iranians and the Oil Consortium²⁴⁶ and arms sales to that country, the FCO weighed these concerns. This assessment was *probably true* that Iran could not afford all these arms purchases, but there were other factors which Britain had to consider like oil negotiations and Britain's competitors. That eventually led the British to soft pedal the Rapier negotiations to allow room for finalisation of oil negotiations²⁴⁷. On the question of Iran being able to afford to pay for its massive arms procurement plan, however, the British did not consider slowing down negotiation in the face of intense competition. Other countries, 'especially the French', were cited as not being as thoughtful as the British about financial issues. Iranians would be *likely to be sensitive* if the British were implying that the Iranians were "not the best judges of their own interest". The Iranians would *resent* such *paternalism*.²⁴⁸ These points were made in parallel to the previously discussed cautious approach designed not to offend the Iranians while discussing their armament needs. Another document introduced a further point on this subject:

We recognise the risks involved in appearing to contribute, even at second hand, to Iran's financial difficulties. But to advance this argument in a context where we would have to defend it in Whitehall, [...] seems from here to risk appearing to tell the Iranians, unasked, what is good for them.²⁴⁹

Despite recognising the risks involved in contributing to Iran's financial difficulties, the FCO did not limit promoting efforts in Iran. Such a move could be interpreted as telling the Iranians, unasked, *what is good for them*. The FCO feared that it could even be considered as an obstacle to Iran getting sophisticated equipment and preventing a British manufacturer, BAC, from selling arms abroad despite getting clearance for the sale. The British had to face a dilemma. Pushing arms sales could mean contributing to financial difficulties in Iran. Nevertheless, indicating any unwillingness to

²⁴⁵ National Archives, FCO 17/1227, Telegram No. 321, (5 May 1970).

²⁴⁶ Formed in 1954, after the Shah's return to power, the Consortium was responsible for extracting and marketing Iranian oil abroad. It was composed of British Petroleum (40 per cent), Royal Dutch-Shell (14 per cent); Standard Oil, Socony, Socal, Texas and Gulf (8 per cent each); and 6 per cent for Compagnie Française des Pétroles.

²⁴⁷ The Iranian authorities and the consortium had annual negotiations on oil production.

²⁴⁸ National Archives, FCO 17/1227, Tripp to Hayman, (11 May 1970).

²⁴⁹ National Archives, FCO 17/1227, Telegram Number 251, (13 May 1970).

supply arms could result in losing contracts to the UK's competitors, in addition to facing a political backlash from the Iranian regime.

Contrary to the Shah's insistence on getting the Rapier system by the time of the British withdrawal, the British Embassy in Tehran argued that the Iranians were in *no real hurry* as the negotiations seemed protracted, once again.²⁵⁰ The British Embassy stated that to obtain this valuable order momentum had to be restored.²⁵¹ The main stumbling block, however, was financial issues. Whitehall departments had different interests in the deal. One FCO official argued that "We [FCO] have an overall sales interest and a strong desire to meet reasonable Iranian requests".²⁵² The main difficulty, however, was putting all these interests in harmony and finalising the sale of Rapiers.

The FCO, in June 1970, instructed the British Embassy in Tehran how to approach the Iranian request for a Rapier demonstration. The Embassy could tell the Iranians that the British Army would purchase the same equipment. Thus, Britain had an *identical interest* with Iran in the operational performance of the Rapier. The Iranians would get *identical* equipment that would be delivered to the UK, so the Iranians "should share our confidence in the system".²⁵³ MinTech, however, once more indicated that they could not "offer a fancy demonstration of several Rapiers being shot against targets".²⁵⁴ Although the Iranians finalised negotiations for Rapiers in 1970 without seeing a live presentation, the British arguments reveal their views. As a customer, the Iranians had a right to demand a demonstration of highly sophisticated and expensive equipment which was still under development. The Iranians' requests were rejected despite the British Embassy's insistence and the Iranians having an alternative, the French Crotale. The FCO simply argued that getting identical equipment to the British Army had to be assuring to the Iranians and no demonstration should be necessary. Additionally, since the Iranians were purchasing a high-tech British missile, they *should* share the UK's confidence rather than request a *fancy demonstration*, as MinTech put it.

In July 1973, the Iranians started new negotiations for the all-weather attachment for the Rapiers. During the negotiations, the British authorities suspected that BAC could be misinforming the Iranians about delivery dates for the Rapier Blindfire attachment. The British Embassy in

²⁵⁰ National Archives, FCO 17/1228, Telegram Number EXCED 106, (18 May 1970).

²⁵¹ National Archives, FCO 17/1228, Tel. No. 392, (23 May 1970).

²⁵² National Archives, FCO 17/1228, Telegram Number 285, (26 May 1970).

²⁵³ National Archives, FCO 17/1228, Telegram Number 313, (5 June 1970).

²⁵⁴ National Archives, FCO 17/1228, Telegram Number STOW 49, (26 August 1970).

Tehran argued that if such a thing happened then this could “adversely influence our other sales promotions with this important customer”.²⁵⁵ This suggests that by 1973, following finalising high-volume defence contracts, the UK started to stress the importance of Iran as a customer. That aspect of the relation had wide ranging impacts on Anglo-Iranians relations as was demonstrated during Iran-Iraq border clashes.

The origins of the border conflict could be dated back to 1969 when Iran abrogated the 1937 treaty ending the dispute over the *Shatt al-Arab* region between the Iran and Iraq border. Following Iran’s rescindment, the area witnessed low-level clashes leading to a gradual escalation of conflict through both parties’ support for separatist elements.²⁵⁶ The peak in conflict happened in 1974 when Iran’s military superiority became evident, and its support for Iraqi Kurds escalated the Kurdish insurgency inside Iraq.²⁵⁷ During the Iran-Iraq border clashes of 1974, the Iranians wanted to redeploy their Rapier missile units near to the Iran-Iraq border. The equipment would be utilised to deter Iraqi fighter jets from entering Iranian territories. The BAC representative in Iran wanted to get guidance from the British Embassy while suggesting that they could proceed with the request if the units remained in Iran. The Embassy shared this view and added that “this is the kind of risk which we have to accept when we get in the arms sales and support business”. Any negative response, on the other hand, would be *ill received* in Iran.²⁵⁸ The arms sales business would involve such risks in face of an armed conflict. The British precondition that the Rapiers should be stationed in Iranian territory for BAC support would face Iranian challenge as the conflict on the border escalated.

The Iranians, for strategic reasons, wanted to deploy the missiles on the other side of the border. They withdrew from this strategy as they would need BAC assistance to use the Rapiers efficiently. This limitation, however, led the Iranians to demand an intensive course to train their own personnel. Because the Iranians were considered less able to operate Rapiers, BAC authorities, although eager to give such a course, feared that the entire practice would harm their prospects for future sales. The Embassy commented that such a fear was unnecessary as the Iranians would neither tell the Shah that “equipment of this sophistication is too much for them” nor turn to another supplier.²⁵⁹ On another occasion, the Iranians complained about the complexity of the Rapier and

²⁵⁵ National Archives, FCO 8/2063, Macpherson to Cormack, (4 July 1973).

²⁵⁶ Schofield, J., 2007. *Militarization and War*. New York: Palgrave Macmillan, pp.120-1; Donovan, J. D., Tople, C., Naidoo, V. & Milner, T., 2015. Strategic Interaction and the Iran–Iraq War: Lessons to Learn for Future Engagement?. *DOMES (Digest of Middle East Studies)*, 24(2), pp. 327-346.

²⁵⁷ Abdulghani, J. M., 2011 [1984]. *Iraq and Iran: The Years of Crisis*. New York: Routledge, pp.125-6.

²⁵⁸ National Archives, FCO 8/2074, TELNO 561, (23 October 1974).

²⁵⁹ National Archives, FCO 8/2074, TELNO 637, (25 November 1974).

raised threatening criticism to BAC about it being useless and the possibility of dropping it altogether. The Embassy again commented that there was no need to worry about these complaints:

They then made threatening noises to BAC about the system being useless to them as it was technically too complicated and they might drop it altogether. This sort of talk went on right up to the level of General Khatemi (the Air Force Commander). However we thought it rather unlikely that the Commander would put this line to the Shah in view of all the other more complicated equipment they are buying (the F14 for instance!).²⁶⁰

The Iranians, following difficulties in operating the Rapiers without BAC support, expressed dissatisfaction with the equipment even at commander levels. While this could be considered worrying news for British defence sales prospects in Iran, the British Embassy's comment suggested otherwise. Although the Iranian officials were not satisfied with the Rapier system, they were not in a position to complain and tell the Shah the project should be shelved due to lack of technical capability of their personnel. A similar argument was made during early stages of Rapier negotiations when the British authorities questioned the technical level of the Iranians.

2.2. Chieftain Main Battle Tank

In 1967 the Iranians made initial enquiries about the possibility of purchasing the Chieftain main battle tank. Before granting political clearance for Vickers, the manufacturer of the Chieftain, to negotiate over Iran's tank requirements, the FCO argued that the UK had *close and friendly* relations with Iran. Iran was "of course also allied to us in CENTO" and to deny this clearance at this stage would inevitably result in Vickers' competitors signing the contract.²⁶¹ The sale of tanks to Iran would have a positive impact on employment in the UK. The Secretary of State for economic affairs, Peter Shore, argued that the sale was also important to keep the Chieftain production line open and so to wider British defence interests.²⁶²

After showing his initial interest in buying British tanks, the Shah repeatedly renewed his intention and urged the British to give a quote as soon as possible. The Shah even argued that depending on the price they could start negotiations without delay.²⁶³ The initial British position

²⁶⁰ National Archives, FCO 8/2074, Primavesi to Cox, (11 December 1974).

²⁶¹ National Archives, FCO 17/394, Manufacture of Tanks in Iran/Pakistan, (25 September 1967).

²⁶² National Archives, FCO 17/394, Burgh to Forster, (29 September 1967).

²⁶³ National Archives, FCO 17/395, Telegram Number 1817, (1 December 1967).

vis-à-vis increasing Iranian enquiries was portrayed in the documents. The FCO argued that they might have some reservations about the Shah's arms procurement policy, especially its wider financial impact on Iran. They were, however, not in a position to tell him "about the need to cut his coat according to his cloth".²⁶⁴ The Shah, argued the FCO, would engage in more *brinkmanship* to get what he wanted. Considering both arguments together, the excerpt reveals two points. The first about the judgement the UK had formed about the Shah. The second about the limits to Britain's influence on Iranian politics. The first point suggests that the FCO had a well-defined preconception about the Shah resorting to brinkmanship to get what he wants. The brinkmanship could show up during any aspect of Anglo-Iranian relations, including oil or arms negotiations. The FCO also argued that the brinkmanship could even alert the West by indicating an Iranian readiness to buy Russian arms. The second point, the UK's limitations, has more to reveal about British perceptions of Iran. The length of the sentence itself tells the complexity of the situation for the British: "Despite the reservations which we are bound to have about the possibility that the Shah intends to spend even more money on arms, it would be unwise and counter protective at this stage to attempt to embark on any exercise to preach to the Shah about the need to cut his coat according to his cloth".²⁶⁵ As discussed above, the British had concerns about the financial impact of Iran's arms procurement programme that was defined as something the UK was 'bound to have'. This suggests two aspects of the situation: One, that the British authorities were sure that the Shah would pursue the policy of arms procurement to an increasing degree. Second, that the British considered they should avoid telling the Shah that he should reconsider his plans for expansion of the Iranian army. Any decision to approach the Shah on that subject would be *unwise and counter productive* for the UK. This supports the point that the British authorities had a high degree of certainty regarding Iran's determination to purchase major equipment. The verb *preach* needs more attention. Choosing a word which also contained a *disapproving* meaning reinforces the view that the Shah would react badly to British suggestions or indications that he should spend less on armaments. The word *preach* also indicates the one-way nature of the relationship, where the UK was able to guide or give advice to the Iranians.

The FCO views above indicate that, as was the case for Rapier negotiations, the British had a genuine concern not to contribute to Iran's growing military expenditure. However, whenever faced with this dilemma, the British authorities reached the same conclusion. The UK's interest could be best served by supplying military equipment to Iran. During Chieftain negotiations, the

²⁶⁴ National Archives, FCO 17/395, Possible Additional Iranian Arms Purchases, (1 December 1967).

²⁶⁵ *Ibid.*

FCO officials and the British Embassy in Tehran become more critical about the seriousness of the Iranians' enquiries. Despite the Shah's insistence on starting negotiations as soon as possible, the FCO had doubts about how serious the enquiry was to purchase a thousand tanks. The FCO had mixed thoughts about giving the go-ahead to this proposal:

On the one hand a prospect of new export orders is always gratifying and there would be no political or strategic embarrassment in supplying to a friendly, allied and stable power like Iran. On the other hand, the real military desirability of a further purchasing programme on the scale suggested by the Shah's request for Majlis authority for a further dollars 260 million is not clear, particularly in relation to the Shah's ambitious development programme over the next few years. As you know there has been some anxiety both here and in Iran that the Shah may be taking on too much financially. [...]

While therefore, we must clearly respond to the enquiries, and avoid giving any appearance of unhelpfulness [sic] to the Iranians, we must also be careful to avoid any commitments at this stage about credit.²⁶⁶

The excerpt above depicted the ambivalence felt by the British about Iran's arms procurement programme. The British authorities had faced a situation where *gratifying* arms export prospects competed with *real* military desirability of the Shah's plans and their impact on other aspects of development in Iran. The arms export option would be desirable and preferable for the British. That could also mean the Iranians asking for better credit terms for their orders and further pressure on the oil consortium. The excerpt indicates some British doubts about the armaments programme. On that issue the FCO stated that "the real military desirability of a further purchasing programme on the scale suggested by the Shah's request for ... a further dollars 260 million is not clear, particularly in relations to the Shah's ambitious development programme over the next few years".²⁶⁷ The sentence made a comparison between the *ambitious* development programme and the armaments programme about which the FCO expressed questions as to its real military desirability. This indicates that the FCO considered both programmes would compete for budget at the expense of economic development goals. The arms procurement programme was accused of being underpinned by little thorough analysis. In this condition, the British *must* not discourage the Iranians from putting enquiries about UK-made equipment, but at the same time *carefully* avoid signalling that the Iranians can get favourable credit terms. The FCO also highlighted the nature of the relationship between the UK and Iran. The excerpt clearly defined Iran as a *friendly, allied and stable power* to which they could supply sophisticated equipment without creating any *political or*

²⁶⁶ National Archives, FCO 17/395, TELNO. 2472 , (1 December 1967).

²⁶⁷ Ibid.

*strategic embarrassment*²⁶⁸. In another document the British Embassy argued that even the Iranians did not know what they wanted to purchase.²⁶⁹

The UK had a policy of promoting its military equipment abroad. Iran appeared to be an ideal candidate to focus on, given the Shah's arms build-up policy and intention to diversify Iran's arms suppliers. These points, however, did not prevent the authorities from expressing doubts about the Shah's expansion strategy for the Iranian Army. The scale of the arms procurement plans could cause financial burdens on the Iranian economy. These concerns, as happened on previous occasions, did not cause a policy change in Whitehall. The FCO argued in favour of responding to the Iranians' enquiries without sounding any hesitation on credit terms.

As expected, to indicate their dedication to modernising their tank fleet, the Iranians considered buying Russian tanks and carefully made the British aware of this intention.²⁷⁰ The Iranians made a visit to Moscow where the Russians demonstrated their tank²⁷¹. On their return to Tehran, the Iranians told the British Defence Attaché (DA) that the Soviet tank was good, but the Iranians would not buy it according to their principles. The DA remained *suspicious* that the Iranians would have negotiated at least less sophisticated items with the Soviets.²⁷² Since the 1960s the Iranians were rarely turning to the Russians for some of their less sophisticated defence requirements.

Despite the declared shortage of funds for the Rapier, the Iranians sent renewed enquiries about buying Chieftain tanks in February 1970. This interest was an encouraging development for the British. The MoD argued that "for some years now and particularly in recent months Iran has been a major target for our sales effort" and requested formal clearance for negotiations to go ahead.²⁷³ The FCO replied that they could not decide until having the firm order placed or just before reaching the point of decision. Instead, the FCO chose to emphasise the Iran's importance. The FCO stressed that Iran was the "most stable country in the Middle East" and UK's "ally in CENTO". The UK had *substantial* interests in Iran. When it came to the arms business, the UK "would agree to the sale of almost any weapon to Iran". The sale of Rapiers to Iran was an indicator of this policy. That said, the FCO should still evaluate any sale of Chieftains to Iran only when the

²⁶⁸ These three points defining Iran (i.e. *friendly, allied and stable power*) would be used to defend British arms sales to Iran under growing public pressure in the late 1970s, as discussed in the next chapter.

²⁶⁹ National Archives, FCO 17/395, Hewertson to Hawkins, [n.d.].

²⁷⁰ National Archives, FCO 17/395, Telegram No. 1847, (6 December [1967]).

²⁷¹ While the documents do not disclose which Russian tank was demonstrated, it could be Russian T-64 main battle tank.

²⁷² National Archives, FCO 17/395, Telno. 1937, (21 December 1967).

²⁷³ National Archives, FCO 17/1229, Tallboys to Stephenson, (9 February 1970).

point of sale was reached. This indicates that, notwithstanding the UK's intention to sell almost any weapon to Iran, the regional dynamics would have a role in the ultimate decision. Under these terms the word Chieftain could become an *evocative word*.²⁷⁴ That implication could be associated with the UK's arms negotiations in the late 1960s. During that period the British negotiated the sale of Chieftains to both Israel and Libya, but later refused to sell to the former, and the Libyan coup d'état (1969) resulted in a change in course in the latter. There were debates in the UK Parliament about the merits of supplying arms to Libya.²⁷⁵

In another document, in March 1970, Ambassador Wright stated that he had *strong doubts* about Iranian enquiries. The Iranian interest in Chieftain could be a manoeuvre to use pressure on the British during oil negotiations. Thus, the enquiry had to be approached with caution.²⁷⁶ Notwithstanding the British Ambassador's request for caution, the negotiations started soon, but proceeded slowly. DA Tehran criticised the *overcentralised* system in Iran for slowing down the whole negotiation process. He also stated that British defence firms should not push things as their understanding of *maintaining the momentum* could mean *rushing* for the Iranians.²⁷⁷

In March 1970 the Iranians raised the issue of buying Russian tanks once again, but the British Embassy, this time, questioned this intention. The argument was that if Iran perceived a threat from Russian supported Iraq then how could it defend itself while being dependent on Russian arms supplies? At the end of the day, this would be an *odd* decision.²⁷⁸ The Iranians, however, as a negotiating point, continued to raise the Russian tank option if they were not able to buy Chieftains from the UK.²⁷⁹ After these exchanges, the British accepted Iran's determination to purchase tanks. A briefing note to the Foreign Secretary, Michael Stewart, argued that:

The Iranians are determined to buy tanks, either from Britain or from elsewhere, and are apparently prepared to increase their foreign indebtedness to do so. Any attempt on our part to preach restraint will do no good and will be resented.²⁸⁰

The excerpt shows that the FCO accepted the Iranians' determination to buy tanks, even if that could increase their foreign indebtedness. The renewed emphasis on the financial impact of the scale of intended arms procurement indicates that the FCO still had concerns about the Shah's plans.

²⁷⁴ National Archives, FCO 17/1229, Tripp to Arthur (17 February 1970).

²⁷⁵ Jones, S., 2009. *British Policy in the Middle East 1966-74*. lulu.com, pp.51-3.

²⁷⁶ National Archives, FCO 17/1229, Telegram Number 189, (14 March 1970).

²⁷⁷ National Archives, FCO 17/1229, Telegram Number STOW 58, (3 June 1970).

²⁷⁸ National Archives, FCO 17/1229, TELNO PYQ 392, (March 1970).

²⁷⁹ National Archives, FCO 17/1230, Telegram Number 618, (17 September 1970).

²⁸⁰ National Archives, FCO 17/1230, Brief No. 38B, [n.d.].

The FCO, for the second time, used the verb *preach* in discussing their position, which also indicates that the first usage was a deliberate choice. I will compare both sentences below:

Excerpt One: “Despite the reservations which we are bound to have about the possibility that the Shah intends to spend even more money on arms, it would be unwise and counter productive at this stage to attempt to embark on any exercise to preach to the Shah about need to cut his coat according to his cloth”.²⁸¹

Excerpt Two: “The Iranians are determined to buy tanks, either from Britain or from elsewhere, and are apparently prepared to increase their foreign indebtedness to do so. Any attempt on our part to preach restraint will do no good and will be resented”.²⁸²

First, the similarity in the sentences. In both excerpts the FCO emphasised that the Britain should avoid *preaching* to the Iranians that they should not spend excessive amounts of money on armaments. In both excerpts, the British authorities considered preaching as a negative practice. Second the differences. In the first excerpt the FCO highlighted their reservations about Iran’s arms policy and the approach the UK should avoid in the same sentence, adding an extra link between the two issues. In the second excerpt, however, there was no attempt to underline Britain’s reservations on the financial impact of the Iranian determination to buy tanks. This indicates that the force of financial concerns had begun to cede its place to commercial gains. The possible consequence of the UK’s preaching also changed in both excerpts. In the first one, the FCO argued that it would be unwise and counter-productive for Britain. This suggests that the British authorities focused on the rationale of the attempt and argued against questioning the armaments policy of the Shah. In the second excerpt, however, the focus was on the Iranian reaction. The British expected that the Iranians would resent the British effort to tell them what was good for them. The addressee in each excerpt also changed. In the first excerpt, it was *preach to the Shah*, who they considered the mastermind of the expansion of the Iranian Army. In the second excerpt, on the other hand, the FCO did not address any counterpart in Iran. Instead, they discussed how an attempt to *preach restraint* would be received by the Iranians.

Both excerpts are significant in revealing the UK's views. In the early 1970s, the British authorities showed signs of reluctance to do anything angering the Iranians and the Shah. The UK’s past interventions and withdrawal decision might have played a role in this awareness, in addition to the Shah’s increasing suspicion about the West and sensitivity to criticism despite his policy of

²⁸¹ National Archives, FCO 17/395, Possible Additional Iranian Arms Purchases, (1 December 1967).

²⁸² National Archives, FCO 17/1230, Brief No. 38B, [n.d.].

close alignment with the West. In these excerpts it is important to note that, even before Iran became the most important customer for British military equipment, the FCO had formed a policy designed to avoid confronting Iranian resentment. This suggests that the UK's reluctance in criticising the Iranian regime in the late 1970s for its poor record of human rights did not originate only from Britain's trade interests in Iran, a point argued by Posnett.²⁸³

In August 1970 the FCO argued that a Chieftain deal concluded in 1972 would be more presentable to other nations. The FCO views also highlighted differences between the FCO and MoD in terms of their approach to negotiations with the Iranians. While the former expected *long and arduous* negotiations, the latter foresaw rapid developments towards finalising the Chieftain deal. The difference could be explained by the MoD's primary focus being on selling equipment while the FCO had to take regional balances into account. An earlier signature (i.e. in 1971) could refer to British withdrawal.²⁸⁴ Such a deal could also suggest arming Iran against other regional powers. Iraq was already airing similar arguments. The FCO argued that the British authorities should not press vigorously to reach a deal on the sale of Chieftains to Iran. The MoD had to be aware of such concerns. For instance, the Arabian Department of the FCO evaluated the possible reaction to news of the sale of Chieftains to Iran. The view was based on the argument that Iran already had the capability to *deal with* smaller states of the region and could well challenge the bigger states as well. Thus, the purchase of Chieftains would not contribute significantly to its military power. Chieftains would not help Iran to seize disputed islands either.²⁸⁵ They made arguments which could be associated with earlier FCO questions about the *real military desirability* of the Shah's armaments programme. That said, the FCO expectation was that the Arabs would react *illogically and emotionally* if the Chieftain deal were publicised. The Arabs could accuse Britain of designating Iran as a successor.²⁸⁶ While the argument did not accept that claim, it neither challenged nor accepted the view that Iran being the strongest *successor* power after British withdrawal.

In September 1970 the British Ambassador, Denis Wright, informed London that reaching an agreement on the terms of a Chieftain deal could be close. One official argued that the FCO should not get into a *muddle* while handling any request from the MoD to approve negotiations.²⁸⁷ Others raised similar concerns and stated that the usual FCO practice should be adopted. The MoD

²⁸³ see Posnett, *Treating His Imperial Majesty's Warts*.

²⁸⁴ National Archives, FCO 17/1230, Tripp to Hayman, (13 August 1970).

²⁸⁵ National Archives, FCO 17/1230, Acland to Tesh, (19 August 1970).

²⁸⁶ *Ibid.*

²⁸⁷ National Archives, FCO 17/1230, Tesh to Tripp, (7 September 1970).

had to know that the FCO could not give approval to any sale before getting firm orders.²⁸⁸ Despite the willingness to promote British equipment, the FCO argued that they should not commit to the sale of Chieftains to Iran. One official stated that *even privately* they could not give assurances to sell Chieftains in all circumstances.²⁸⁹ At that time, it was widely accepted that the Shah was determined to get tanks from *somewhere* although the question of how he could afford them was unclear. Paying with barter oil could be an option.²⁹⁰ In November 1970, the Shah renewed his determination to buy tanks and requested that Britain make it easier for him to buy Chieftains by accepting payment via overlift oil. If this request was not accepted, then Iran had to buy tanks from the Soviets. The British, however, considered this argument “a tactic in the oil game” rather than an intention to buy from Russia. Harold Hubert of the Defence Sales Organisation at MoD thought that such a threat could be materialised to ease Britain’s credit terms for the deal.²⁹¹ The British authorities acknowledged the Shah’s determination to buy tanks, but would have associated his references to Russian tanks and paying in overlift oil as brinkmanship.

During the negotiations, the Iranians raised complaints about the price and credit terms for Chieftain. The British authorities did not hesitate to take a confident stance. The Iranians could buy the ‘second best’, German Leopard, if they could not afford ‘the best’, British Chieftain.²⁹² Although the British wanted to secure the deal, they did not show any sign of retreat from established credit terms. The Shah *appeared to acknowledge* the case. The British Ambassador *firmly* told the Shah that this was the established policy of the HMG, even if it might mean the collapse of the deal.²⁹³

As the negotiations were still far from being finalised the Shah became suspicious of his own officials negotiating the Chieftain deal. Consequently, he sent his personal envoy, Shapoor Reporter, to the UK to negotiate a deal.²⁹⁴ Before Reporter’s departure for London the British Ambassador informed the FCO that he had known Reporter for 17 years and that London could trust him. The only thing London had to remember was Reporter’s *pecuniary* interest in negotiations. The Ambassador also argued that this mission was a clear indication of the Shah’s enthusiasm to buy tanks from Britain. Reporter’s visit could be a great opportunity to finalise negotiations. The Iranians indicated that they would order 500 more tanks if the negotiations could

²⁸⁸ National Archives, FCO 17/1230, Makinson to Tesh, (9 September 1970).

²⁸⁹ National Archives, FCO 17/1230, Egerton to Makinson, (19 September 1970).

²⁹⁰ National Archives, FCO 17/1230, Brief No. 38B, [n.d.].

²⁹¹ National Archives, FCO 17/1231, Cartledge to Dawson, (7 November 1970).

²⁹² National Archives, FCO 17/1231, TELNO OYQ 192, (18 November).

²⁹³ National Archives, FCO 17/1231, Makinson to Facer, (23 November 1970).

²⁹⁴ National Archives, FCO 17/1231, TELNO 230700Z, (November 1970).

be successfully concluded soon.²⁹⁵ The FCO, in December 1970, commented that such a deal would be *big business* for the UK with 500 more orders to follow.²⁹⁶ In addition to this big business, the Shah told the British Ambassador that he was considering not only repeat orders for the Chieftain but ordering light tanks from Britain as well.²⁹⁷ As was the case during the Rapier negotiations, the British wanted to market their tank to the Iranians whenever possible. After negotiations with Reporter in London, the MoD assured the Shah that Iran would get Chieftains to “exactly the same rigorous standards” as the British Army.²⁹⁸ The prospects for sale of Chieftains to Iran were strong.

The FCO informed the British Embassy in Tehran about developments, explaining that they were expecting *comment and criticism* from Middle Eastern countries, but there would be points to respond. One *obvious point* was that Iran was *an ally*. Britain was “under more of an obligation to help supply her needs for military equipment than the needs of any country which is not in this category”. If such an argument would not satisfy the Iraqis, then the British Ambassador in Baghdad could consider telling the Iraqis that the border between Iran and Iraq was “not one across which Chieftains could conveniently be used”.²⁹⁹ Defending the sale of military equipment to Iran as an act of strengthening the capabilities of an ally has a clear logic. Making a supplementary comment, in case the first argument does not satisfy the Iraqis, however, poses some difficulties for the British as the whole sale turns out to be a profit-making business. This point could be associated with the FCO’s earlier remarks on the *military desirability* of Iran’s arms procurement programme. Chieftain tanks were not *conveniently* suitable to be used against Iraq, from where the Shah had perceived a great threat to Iran’s security.

Contrary to the previous FCO argument not to conclude the Chieftain deal in 1971, the MoD agreed to deliver some 45 tanks to Iran which would otherwise have been delivered to the British Army in 1971.³⁰⁰ In January 1971, the Iranians agreed not to sell-on any Chieftains to another country without prior agreement with Britain.³⁰¹ This assurance removed all the obstacles to concluding the deal. The FCO Disarmament Department, despite concerns about the sale's

²⁹⁵ National Archives, FCO 17/1231, TELNO 250900Z, (November 1970).

²⁹⁶ National Archives, FCO 17/1231, Tesh to Pooley, (27 November 1970).

²⁹⁷ National Archives, FCO 17/1231, TELNO 774, (3 December 1970).

²⁹⁸ National Archives, FCO 17/1231, Harvey to Reporter, (4 December 1970).

²⁹⁹ National Archives, FCO 17/1231, Evans to Balfour Paul, (17 December 1970).

³⁰⁰ National Archives, FCO 17/1231, D/HDS/1/23/Army, [n.d.].

³⁰¹ National Archives, FCO 17/1519, TELNO 6, (4 January 1971).

anticipated impact on the *arms race* and *military balance* in the region, accepted the recommendation to sell Chieftain tanks to Iran.³⁰²

The prospects for the British became even better following these developments. The Iranians indicated that they could buy more tanks from Britain if the latter could shorten the delivery times for the first 330 Chieftains. The MoD urgently started studying this proposal. The FCO, however, had reservations about the urgency of the situation. One official warned that Britain had to finalise contracts for the first deal and not to rush which would be “hopeless in dealing with the Iranians”.³⁰³ Parallel to these thoughts, however, officials in the MoD were considering whether publicity of arms sales to Iran, especially the Chieftain sale, could be a good idea. Lord Balniel, minister of state, preferred *maximum publicity* for arms sales, while HDS was thinking of a *useful publicity* around the Chieftain deal.³⁰⁴ The FCO, on the other hand, preferred the present policy of “eschewing publicity about sales of military equipment to Middle Eastern countries”. The FCO argument was that “Deliberate publicity for arms sales in the Middle East has a different, largely political connotation and normally will do us more harm than good; the harm it does can be financial and commercial, as well as political”.³⁰⁵ Consequently, the offer to make the Chieftain deal public was dropped by the MoD. That would revive in the second half of the 1970s³⁰⁶, this time, without prior negotiation among British Government departments.

The level of competition was so high that the West Germans, despite rumours of the Chieftain agreement, wanted to make another offer for their Leopard tanks.³⁰⁷ Immediately after signing contracts for the first batch of Chieftains in January 1971, British authorities started negotiations for the second batch of 470 tanks.³⁰⁸ Before taking further steps, the MoD argued they knew that things could change rapidly in overseas affairs, particularly in the Middle East. It asked to be informed if the FCO predicted any difficulty with the Iranians. Having acknowledged that, the MoD argued that there would not be a need for the Iranians to renew their assurance about resale of Chieftains. The MoD official was *seriously concerned* that the FCO would seek another assurance from the Shah which could “run the risk of seriously upsetting the Shah”.³⁰⁹ The FCO did not share these views. They repeated their basic position of the need to reach the point of sale

³⁰² National Archives, FCO 17/1519, Summerhayes to Evans, (4 January 1971).

³⁰³ National Archives, FCO 17/1519, Egerton to Adams, (8 January 1970 [probably wrong year]).

³⁰⁴ National Archives, FCO 17/1519, Tesh to Egerton, (5 January 1971).

³⁰⁵ National Archives, FCO 17/1519, Tesh to England, (11 January 1971).

³⁰⁶ Will be discussed in the next chapter.

³⁰⁷ National Archives, FCO 17/1520, Murray to Egerton, (17 February 1971).

³⁰⁸ National Archives, FCO 17/1519, Tel. No. 73, (28 January [1971]).

³⁰⁹ National Archives, FCO 17/1520, Pooley to Facer, (2 March 1971).

before approving any arms sales. The FCO ministers' approval to kick start negotiations was a *reasonable indication* of they did not foresee any difficulty on the sale. On the need for another assurance, the FCO shared the MoD's view but argued that an oral confirmation from the Iranians would still be necessary.³¹⁰ The MoD replied that during the previous negotiations the FCO had to reach their ministers just before HDS' departure from the UK. Failing to provide approval on time could lead to the cancellation of his visit to Iran or, worse, political annoyance during HDS' audience with the Shah. The MoD urged the FCO to avoid 'this sort of situation'. Having agreed to start negotiations would indicate a commitment *in principle* to the sale of Chieftains to Iran. Such a commitment could not then be withheld unless a significant change occurred.³¹¹ The sparks of disagreement between the MoD and FCO were visible in the exchanges above. That difference, however, would gradually leave its place to harmony once both departments perceived Iran as the most important customer for British defence equipment following the successful finalisation of Rapier and Chieftain contracts.

Despite Reza Shah's intention to free Iran from foreign advisors and develop the country with its own natural and human resources³¹², during the reign of his son, Mohammed Reza Shah, Iran experienced a growing presence of foreign advisors. Even during the Second World War, US advisors had started to take places in Iranian institutions, including the finance, interior and war ministries of the Iranian Government.³¹³ It is important to note that even the *short term* American advisory teams were staying for extended periods in Iran, a process which was eventually beneficial to both Iran and US interests: for know-how transfer and providing security for the former and preserving US power in Iran for the latter.³¹⁴ By 1978, there were thousands of US military advisory personnel working in Iran.³¹⁵ In other words, the presence of foreign advisors had wide-ranging impacts on both host and home countries.

In May 1971, it appeared that the price for Chieftains in the second batch could be higher than in the first contract. A rise in price could result in an adverse Iranian reaction. The FCO argued that the MoD were worried about the price of the previous contract as it could be too low and result

³¹⁰ Ibid.

³¹¹ National Archives, FCO 17/1520, Harvey to Tesh, (17 March 1971).

³¹² Wilber, D. N., 1981. *Iran, Past and Present: From Monarchy to Islamic Republic*. Nineth ed. Princeton, New Jersey: Princeton University Press, pp.126-7.

³¹³ Ladjevardi, H., 1983. The Origins Of U.S. Support For An Autocratic Iran. *International Journal of Middle East Studies*, 15(2), pp. 225-239 (p.228).

³¹⁴ Ricks, T. M., 1979. U.S. Military Missions to Iran, 1943-1978: The Political Economy of Military Assistance. *Iranian Studies*, 12(3/4), pp. 163-193 (pp.185-7).

³¹⁵ Klare, *American Arms Supermarket*, p.109.

in a big loss despite having an escalation clause.³¹⁶ Consequently, in May 1971, the British still had not provided a price for the tanks, which disappointed the Shah. The Shah complained about the situation. He did not want to turn to another supplier, but he did not want to wait too long either. While reporting the Shah's reaction, the British Embassy in Tehran argued that "[w]e have only just got the Shah back into a reasonable frame of mind, and any further delay will put a great deal at risk". The British Embassy requested a prompt quotation for the tanks.³¹⁷ The urgency for giving a quote was associated with the Shah being back in a 'reasonable frame of mind', though the purpose and emphasis of that note was unclear.

There were other worrying signs. It was revealed that the Iranian budget "appeared to be even more out of control than it had been". This development could impact Chieftain negotiations, and the British had to expect more "tough haggling over the financial terms".³¹⁸ Despite the concerns about the previous quotation the British authorities again quoted the same price for the second batch of Chieftains. London informed the British Embassy in Tehran that the deliveries could be completed in 1976 as requested by the Shah.³¹⁹ In May 1971 the point of sale was reached after discussions with Reporter in London.³²⁰ After receiving the request for political clearance from the MoD, one FCO official argued that "the business is very big and I do not think there should be any question of our holding things up".³²¹ Another FCO official claimed that the Iranians had become "very tiresome recently" in the Gulf due to their claim to the Gulf Islands. That said, denying political clearance at this time could "only make relations much worse" and "in terms of exports and employment, the deal would be a very useful one indeed".³²² The concerns about Iranian financial difficulties were apparently shelved.

The Islands dispute remained a hot issue throughout the years from 1968 to 1971. The British, for their part, tried not to put weight during the early stages of the dispute. However, Britain could not pursue this policy in later phases.³²³ The main reason was that both Iranians and the Rulers were unwilling to give concessions from their declared position. Gradually the British became an intermediary between the two sides. Until mid-1971, the British proposed that the best policy was

³¹⁶ National Archives, FCO 17/1520, Smith to Egerton, (11 May 1971).

³¹⁷ National Archives, FCO 17/1520, TELNO 346, (18 May [1971]).

³¹⁸ National Archives, FCO 17/1521, Cloake to Evans, (13 May 1971).

³¹⁹ National Archives, FCO 17/1521, TELNO 248, (19 May [1971]).

³²⁰ National Archives, FCO 17/1521, Facer to Tesh, (18 May 1971).

³²¹ National Archives, FCO 17/1521, Tesh to Egerton, (18 May 1971).

³²² National Archives, FCO 17/1521, Laver to Parsons, (19 May 1971).

³²³ Mobley, R. A., 2003. Deterring Iran, 1968-71: The Royal Navy, Iran, and the Disputed Persian Gulf Islands. *Naval War College Review*, 56(4), pp. 107-119; Mobley, R. A., 2003. The Tunbs and Abu Musa Islands: Britain's Perspective. *Middle East Journal*, 57(4), pp. 627-645

to seek a compromise solution.³²⁴ Only such a settlement could be lasting and acceptable to other countries of the Gulf. However, once it became clear that the Ruler of Ras al Khaimah would not accept Iran's final proposals, Britain ended its efforts to persuade him. This would mean forceful occupation of the Tunbs by Iran.³²⁵ The British argued that the occupation could be presented as reasonable in the general framework of Gulf problems.

After the first Chieftain contract had been concluded, the British informed Paris, Tel Aviv and Bonn alongside Washington. Before signing the second contract, however, the British Embassy in Tehran asked whether Britain should inform its allies in the West about the deal. This time, the Embassy argued that Britain should not inform them, except the Americans "for obvious reasons".³²⁶ The FCO shared this view and stated that the posts should not *volunteer* to inform other countries about the deal. Additionally, asking for permission from the Shah to inform others could risk his *displeasure* at this stage.³²⁷ The British authorities were rapidly adapting to the competitive nature of the Iranian arms market. Whitehall informed British diplomatic posts about the new tank deal. The guidance quoted some £95 million for the deal including spares and ammunition. This agreement required shortening the delivery date for the first batch of tanks, making it autumn 1973. Other governments could still question this deal as UK-Iranian relations were souring in the Gulf due to the islands question. If questioned, the FCO argued, the post could "say (unattributably to the press) that the Iranians are our allies, and that we are confident that any temporary difficulties (eg over the Gulf) can be resolved, given patience and flexibility on both sides".³²⁸ The guidance defended the UK's military sales to Iran despite the controversy over the three Gulf islands to which Iran had claimed ownership and threatened with seizure on British withdrawal.

After ordering 800 tanks in total, the Iranians did not negotiate another tank order with the British for nearly three years. In July 1974 Reporter informed the British Embassy that "the Shah was already looking ahead to the next generation of larger, stronger tanks" which the UK could supply if they were willing to engage in discussions.³²⁹ During HDS' visit to Iran, the Shah revealed his intention to buy 1500 tanks from Britain in addition to the current order of 800 Chieftains. The British authorities concluded that they needed to recognise this *enormous opportunity*.³³⁰ The audience also revealed that the Shah was in discussions with the Germans to produce an Iranian

³²⁴ National Archives, FCO 8/1607, TELNO 1174, (3 November [1971]).

³²⁵ National Archives, FCO 8/1608, TELNO 1296, (24 November [1971]).

³²⁶ National Archives, FCO 17/1521, TELNO 370, (28 May [1971]).

³²⁷ National Archives, FCO 17/1521, Smith to Pike, (2 June [1971]).

³²⁸ National Archives, FCO 17/1521, TELNO GUIDANCE 147, (1 July [1971]).

³²⁹ National Archives, FCO 17/1521, Facer to Tesh, (18 May 1971).

³³⁰ National Archives, FCO 8/2074, TELNO RTT 927 110515Z, (August [1974]).

version of the Leopard tank. The problem with the Leopard was that the Germans offered to manufacture the tanks in Iran which would postpone the delivery dates further, pushing them back to the late 1970s. The Shah, on the other hand, wanted the tanks quickly. That was the one reason why he wanted to buy British tanks. He could even place additional Chieftain orders to keep the Chieftain production line open.³³¹ While evaluating this development, Ambassador Parsons argued that it was *extremely encouraging* and such an order would have *enormous* commercial implications. The decision, according to the Ambassador, seemed to be a personal decision taken by the Shah “partly out of his faith in Chieftain and partly because of our high political standing in his eyes”. This suggest that, as expected, the sale of military equipment to Iran served as an intermediary to improve bilateral relations. What the Shah was demanding was an improved Chieftain. The UK had to be able to reply to his demand as soon as possible if they were to get the deal. It was important to *encourage* the Shah on the Ambassador’s next audience.³³² The FCO instructed the British Embassy in Tehran that they could inform the Iranians that “an urgent and intensive examination has begun” to analyse the Shah’s demands.³³³ On his next audience, the Ambassador discussed London’s reply with the Shah which had “visibly gratified” him.³³⁴

The MoD informed the PM that Iranian interest in ordering the next generation of tanks would be “of first-class importance both for employment and our balance of payments”.³³⁵ In November 1974, the Defence Secretary, Roy Mason, informed the Prime Minister, Harold Wilson, that the Shah had firmly expressed his intention to buy 1500 improved Chieftains which could be worth “some £600M including about £23M for research and development”. The total value of the deal could reach up to £1000M after adding spares, ammunition, training aids, etc. He also argued that this deal would be “a new departure in the sense that it is the first time that a major piece of defence equipment will have been developed and produced in government establishments and factories specifically to meet the requirement of a foreign customer”. The deals would “obviously be of major importance to our balance of payments and to employment”.³³⁶ The PM was *satisfied* to hear this development.³³⁷ The Treasury, however, was still *concerned* due to the financial risks

³³¹ Ibid.

³³² National Archives, FCO 8/2074, TELNO 425, (12 August [1974]).

³³³ National Archives, FCO 8/2074, TELNO 338, (16 August 1974).

³³⁴ National Archives, FCO 8/2074, TELNO 444, (18 August 1974).

³³⁵ National Archives, FCO 8/2074, Rodgers to Prime Minister [Harold Wilson], (20 September 1974).

³³⁶ National Archives, FCO 8/2074, MO 26/9/15, (6 November 1974).

³³⁷ National Archives, FCO 8/2074, Bridges to Mumford, (13 November 1974).

involved.³³⁸ In December 1974 Iran signed the contract to buy 1500 tanks from the UK.³³⁹ The Shah demanded that the new tank should be called “The Lion of Iran”.^{340 341}

Summary

This chapter has discussed Anglo-Iranian relations between 1968 and 1975 from the perspective of the arms trade. In the late 1960s, the Iranian arms market was still dominated by the Americans. MoD officials, despite wanting to boost sales to foreign *customers*, did not expect to be able to do *big business* in Iran for some time. However, partly due to the devaluation of sterling, and partly to the Shah’s decision to diversify suppliers, British equipment broke into the Iranian market. The sale of Rapiers was immediately followed by orders for Chieftains in 1971, even before Britain’s military withdrawal from the Persian Gulf.

The FCO argued that arms negotiations were often *long and arduous*. In addition to financial or technical difficulties, complexities caused by the British withdrawal from the Persian Gulf region were contributing factors to extended negotiations. The Iranians were sometimes blamed for the protracted discussions. The Shah was accused of *brinkmanship* by the FCO. His attempts to associate Iran’s annual negotiations with the Oil Consortium and arms procurement were held to be proof of the Shah’s *adept brinkmanship*, as were his references to turning to the Soviets to meet Iran’s tank needs.

The UK was benefiting financially from the arms trade, but at the expense of rising Iranian indebtedness. This dilemma was highlighted during the early phases of the Rapier and Chieftain negotiations. The British authorities knew that Iran’s arms procurement policy was exceeding its capabilities. Nevertheless, they feared that a unilateral decision to limit arms sales to Iran would first be resented by the Iranians, and, second, Britain’s competitors would be quick to grasp the sales opportunities. The repeated expressions of concern about Iran’s over-spending on armaments indicates the dilemma faced by the British. The objective of generating foreign exchange was regularly disrupted by unease about the Iranian economy.

³³⁸ National Archives, FCO 8/2074, 74179, (13 November 1974).

³³⁹ National Archives, FCO 8/2074, Suffield to Secretary of State [Roy Mason], (10 December 1974).

³⁴⁰ *Shir Iran* in Persian. The tank deal also known as Project 40-30 by MoD and FCO officials.

³⁴¹ National Archives, FCO 8/2074, Clark to Weir, (12 December 1974).

In addition to financial concerns, the British authorities expressed dissatisfaction about Iran's shortage of qualified personnel and lack of planning for arms build-up. The FCO indicated that the limited technical knowledge of Iranian technicians could be an obstacle during training. The British authorities argued that Iranian commanders had little or no authority over arms procurement. For the British, the Shah was the mastermind behind the expansion of the Iranian Army.

British views of Iran also changed over time. In the late 1960s, the FCO still preferred a cautious approach, while the MoD favoured promoting sales. In time, the FCO adopted the notion of *customer* for the Iranians and emphasised the importance of keeping the Iranians *satisfied*. Around 1975, the FCO became even more concerned about protecting the UK's share in the Iranian arms market. Iran was now *the most important* customer for British equipment in the Middle East. The UK was able to sell *almost any* weapon to Iran.

Throughout the analysis, the British authorities, once questioned, defended UK defence supplies to Iran and associated them with their support to their *friend and ally* Iran. At other times, the British were critical of Iran's military procurement both in terms of its financial impact on the Iranian economy and the technical capabilities of the Iranian workforce. The first concern, for the impact on the economy, was dropped by 1975 only to re-emerge in 1978 following months of unrest in Iran, which is discussed in the next chapter.

CHAPTER TWO

Dilemmas in Re-Defining the UK's Arms Sales Policy Towards Iran

Introduction

The previous chapter discussed the foundations of the UK's arms sales policy towards Iran; how it emerged and took off by 1975. The chapter demonstrated that in 1968 the prospects for finalising significant orders were thought to be low due to US dominance of the Iranian arms market. At times, Iranian enquiries into the possible of supply of British equipment were met with some doubt, while Iran's low security-level appeared to be an obstacle. The former gave way to greater British eagerness to sell equipment to Iran. The British authorities overcame the latter by slowly releasing sensitive information to the Iranians who were accused of lacking technical skills to understand the reasoning in those documents. Britain's decision to withdraw militarily from East of Suez was another factor affecting Anglo-Iranian relations. The Iranian claims on Bahrain and three small islands in the Persian Gulf had an impact on Anglo-Iranian negotiations over arms sales and oil production. The British authorities considered the Shah *adept at brinkmanship* whenever the Iranians voiced options such as buying Russian tanks or requesting more oil-lifting. Those references about the Shah being *adept at brinkmanship* were dropped following the securing of arms orders. Although Iran had become the most important customer for the British armaments industry by 1975³⁴², the British had faced growing competition during the rest of the decade. The prospects were bright, but to keep production lines open, the British tank industry became dependent on Iranian orders. Nevertheless, at times, the British still questioned the *military desirability* of Iran's armaments programme. This chapter will discuss how the British authorities tried to maintain arms sales prospects in Iran, where the oil price boom had started to overturn by

³⁴² As it is seen in Table 1.2: The UK's Arms Exports (1968-1975) – Top Five Importers in Chapter One.

1976. Facing economic difficulties, the Iranians decided to introduce budgetary restrictions on government spending, which also included defence spending. There were concerns about Iran cancelling previously signed contracts or significantly reducing orders. By 1978, however, growing public unrest in Iran generated an acute dilemma over how to respond to the Iranians' request for riot control equipment. Although this chapter seeks answers to all four sub-questions on British arms sales to Iran (i.e. sub-questions 1-4), it specifically focusses on how concerns about human rights situation in Iran had an impact on UK's dilemmas.

1. Developments in the UK-Iran Arms Sales Relationship, 1976-1977

Chapter One had demonstrated that by 1975 Iran had become the number one market for British military equipment, not only in the Middle East but globally. This position contributed to the constant evaluation of the prospects for the sale of new military equipment to Iran. The British authorities emphasised maintaining their position vis-à-vis other military equipment manufacturing nations. The Germans and Americans were the main competitors since, as acknowledged by FCO officials, the backbone of British arms sales to Iran was Chieftain the tank. At the same time, the UK armaments industry had to face the challenges posed by the Iranians' financial re-examination of their armaments policy from 1976 and the public unrest in 1978. The tables below set out the UK's position in the Iranian arms market.

Table 2.1: Iran's Arms Imports (1976-1979) – Top Five Exporters

	1976	1977	1978	1979	Total³⁴³
US	3999	4452	2101	214	10765
USSR		740	740		1480
Italy	156	120	271	163	710
UK	49	79	250	152	529
France		95	334		429

Source: Stockholm International Peace Research Institute – Arms Transfers Database

Table 2.2: The UK's Arms Exports (1976-1979) – Top Five Importers

	1976	1977	1978	1979	Total
Brazil	278	450	619	279	1625
India	305	284	177	270	1036
US	443	200	200	100	943
Iran	49	79	250	152	529
Oman	150	250	78	25	503

Source: Stockholm International Peace Research Institute – Arms Transfers Database

Table 2.3: The US' Arms Exports (1976-1979) – Top Five Importers

	1976	1977	1978	1979	Total
Iran	3999	4452	2101	214	10765
Israel	1919	1088	1314	639	4960
Japan	1632	909	1020	944	4504
South Korea	549	1176	364	1339	3429
Germany	1301	969	622	28	2919

Source: Stockholm International Peace Research Institute - Arms Transfers Database

Table 2.1 indicates that the US remained the primary supplier for Iran's defence purchases, the domination that continued throughout the 1970s. It also shows that competition made it difficult for the UK to keep its place as the second-best supplier for Iran's defence needs. Table 2.2 shows that the UK had diversified its overseas customer-base to include Brazil and Oman in the top five

³⁴³ Total is based on the trend-indicator value (TIV) as measured by Stockholm International Peace Research Institute. The TIV is measures are related to *actual* deliveries and not contract values of major conventional weapons. The TIV is based on the *known unit production cost* of the equipment delivered to a buyer (e.g. Iran), but not on *financial value* of the order. By this method, the TIV also demonstrates the sophistication of the equipment supplied to the receiving country. Thus, the values here do not represent volume of sales in monetary terms. More information can be found online at:

<http://www.sipri.org/databases/armstransfers/sources-and-methods/>

Please also see the Appendix for a list of equipment delivered by Britain to Iran (1968-1979)

destinations for British equipment. Table 2.3 shows the primary buyers of British and American equipment. Iran remained the leading market for the US during this period.

Some background information on major developments in Iran will help in understanding changes in the UK's attitude to it as a leading market for its arms exports. In March 1975, in a surprise decision, the Shah announced the abolition of the multi-party system and the establishment of a single-party state. The new party was called *Rastakhiz*, meaning *resurgence* in Persian. The party was to be a base for local politics, a uniting organisation to achieve the objectives of the White Revolution. The Shah had clear-cut criteria for membership of the new party. Those who expressed criticism of it were either traitors or communists, commonly known as agents of *red* (communist) or *black* (religious).³⁴⁴ In a short time, rather than encouraging participation in local politics, the Rastakhiz party turned out to be a mechanism for combating shortfalls in the Iranian economy. Following the 1973 oil price rise, the economy entered financial difficulties high inflation and shortage of goods were contributing factors to public dissatisfaction. Implementation of budgetary constraints in 1976 was followed by the Shah's *liberalisation* movements alongside greater anti-profiteering and anti-corruption measures in 1977.³⁴⁵ Those developments contributed to the alienation of the bazaar merchants (*bazaaris*), who, by cooperating with the *mullahs*, became a critical force against the Shah during the public disturbances of 1978.³⁴⁶

The early signs of financial difficulties were visible by February 1976 when General Hassan Toufanian, Vice Minister of War responsible for armaments, visited the MoD in London. MoD officials expected that "General Toufanian would thump the table and threaten that many of the arms deals in being or in prospect between the United Kingdom and Iran would be cancelled or substantially modified downwards".³⁴⁷ The expected did not happen in the meeting. The Iranians were asking the Oil Consortium for lifting more oil to fund their economic and military development plans. Although General Toufanian had raised financial challenges associated with the Consortium's oil-producing commitments, "he did not go on to threaten the cancellation of contracts or the non-fulfilment of decisions made by the Shah in the defence equipment field".³⁴⁸ In the background, however, the Iranians were already exploring possibilities other than paying in

³⁴⁴ Bill, J. A., 1988. *The Eagle and the Lion: The Tragedy of American-Iranian Relations*. New Haven: Yale University Press, p.225

³⁴⁵ Amuzegar, J., 1991. *Dynamics of the Iranian Revolution: The Pahlavis' Triumph and Tragedy*. Albany: State University of New York Press, pp.243-6.

³⁴⁶ Keddie, N. R., 2006. *Modern Iran: Roots and Results of Revolution*. Updated ed. New Haven: Yale University Press, p.228.

³⁴⁷ National Archives, FCO 8/2741, Anderson to Weir, (3 February 1976).

³⁴⁸ *Ibid*.

cash for British equipment. One of the options suggested by the Iranians was that British oil companies could commit to lifting more oil, enabling the Iranians to earn extra funds for arms purchases. Otherwise, Iran would have to reconsider purchasing new equipment, including repeat orders for Rapiers which were previously thought to be cancelled.³⁴⁹ The Iranians made it clear to the British representatives in Tehran that current signed contracts would *go on*. However, they were “no longer able to contemplate new defence projects and would not be prepared to see representatives of companies” promoting new equipment.³⁵⁰ These remarks could have resulted in more of a *soft-peddalling* approach in British arms sales efforts. However, MoD officials still projected *bright* prospects in Iran. In a document prepared by the MoD prior to Foreign Secretary James Callaghan’s visit to Iran in March 1976, it was argued that the Iranians would “continue to look to the UK for a very significant proportion of their future defence requirements”.³⁵¹ The same document also explained Iran’s intention to limit its armaments programme to essential equipment. The new Iranian approach was described as a *general reluctance* to finalise on-going negotiations and to sign contracts.³⁵² The archival documents indicated that the British authorities acknowledged that there would *undoubtedly* be pressure on the Iranian budget but were still relieved by the Shah’s statement that *clearly defined requirements* of the Iranian Army would be met.

The MoD were hopeful that the introduction of constraints would not affect major British arms sales prospects in Iran. The brief indicated some surprise on the part of the MoD over the Iranian decision to implement tighter financial control over government spending. The decision initially led to some delays in payments and finalising key contracts. The *indications*, however, were that the Iranians would keep their interest in previously finalised contracts, but there would be some postponements. As there was no immediate question of accepting the *oil for arms* formula proposed by the Iranians, the MoD also expressed some relief. The excerpt also shows that the MoD was continuing to project the Iranian objectives as *threats*. *That was evident* in the case of the oil-arms connection.³⁵³ By 1978 that view would be reversed to save British commercial interests, which are discussed in more detail in the next section.

³⁴⁹ National Archives, FCO 8/2741, TELNO EDQ 279, (March [1976]).

³⁵⁰ *Ibid.*

³⁵¹ National Archives, FCO 8/2741, UK Defence Sales to Iran Brief by Ministry of Defence, [n.d.].

³⁵² As discussed in the previous chapter, during negotiations in the early 1970s, the British authorities expressed concern about Iran’s over-spending on arms procurement. By 1976, however, MoD officials voiced upset about the Iranians’ concerns about the balance sheet.

³⁵³ National Archives, FCO 8/2741, UK Defence Sales to Iran Brief by Ministry of Defence, [n.d.].

It was becoming apparent that British sales prospects to Iran were in decline. In such circumstances, in June 1976, with ten days' notice, the MoD informed the FCO that they were planning to hold a press conference to disclose the invention of a new tank armour (called Chobham Armour) and the UK's latest tank deal with Iran³⁵⁴. The MoD stated that the Iranians were informed about the press release and gave their consent to the MoD announcing the tank deal. According to the notice letter, the British Ambassador in Tehran was, *of course*, aware of the situation.³⁵⁵ In a separate letter sent to the British Embassy in Washington, the MoD argued for holding such a conference. The UK would be "able to exploit the new invention to our benefit by signing a new contract with Iran for a supply of improved Chieftains worth over £500m including spares and logistic support. Over 1200 of these tanks will be fitted with the new armour".³⁵⁶ The speaking notes prepared for Defence Secretary Roy Mason discussed the issue in the following terms:

Nevertheless we have been able to exploit the new invention to the benefit of the UK's economy and balance of payments. You probably know that Iran already has over 600 CHIEFTAIN tanks of the current model. The Shah has agreed that I may tell you that eighteen months ago we signed a new contract with Iran for a supply of improved CHIEFTAIN tanks. This order will be worth over £500m including spares and logistic support and over 1200 of the tanks will be fitted with the new armour. [...] I am very glad to be able to announce today that our friends and allies in Iran will also have the benefit of our discovery and that the Imperial Iranian Forces will be the first in the world to have the new British armour on operational tanks.³⁵⁷

This excerpt emphasised the contribution of the sale to the UK's economy and balance of payments, which shifts the focus of the sale to financial concerns in the first place. To support that point, the Defence Secretary, Roy Mason, was recommended to highlight the volume of the deal, which would worth over £500 million in 1976 prices. The excerpt also advised disclosing that the Iranians would get 1200 tanks with this new armour and that Iran would be the first nation to have operational tanks fitted with Chobham armour. The excerpt refers to Iranians as *our friends and allies in Iran*, which is the only reference made about the customer. This reference adds a new dimension to understanding the

³⁵⁴ The tank deal referred here is the 4030/Shir Iran tank deal signed in 1974 (please see section 2.2 in Chapter One for more detail).

³⁵⁵ National Archives, FCO 8/2741, Street to Weir, (7 June 1976).

³⁵⁶ National Archives, FCO 8/2741, Cragg to Wright, (15 June 1976).

³⁵⁷ National Archives, FCO 8/2741, Press Conference by S of S and CS(A) on the British Achievement in the Sphere of Tank Desig, [n.d].

British views of that time if considered together with the question and answer session of the press conference. There, the Defence Secretary was questioned about the sale by a journalist:

Q[uestion]: Have you any reservations about giving the most modern tank to a non-direct ally?

S[ecretary] of S[tate]: Our problem is: it is developed; it is there, to be sold, to be used. We have had to take a decision on two fronts. First, to release it to our allies to make sure they will get the full benefit. Secondly, in the negotiations for the Chieftain for the Iranians, here was an opportunity to develop to the new armour and contribute considerably to the short-term balance of payments problem in the UK. It will be like a lot of exports that we sell to many countries in the world – like Spey engines to the Chinese. Here we have an outlet through which we will get a great deal of experience on production techniques, and can refine that development for when the future Main Battle Tank comes through.

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The question openly challenged the previous text's argument that the UK's friends and allies in Iran would benefit from the invention of the Chobham armour. The journalist described Iran as *a non-direct ally* despite the UK having a formal alliance with Iran in CENTO and questioned whether Mason had any reservations. The Defence Secretary's answer skipped the central challenge of the question. Rather than responding in a way to declare Iran's alignment to the UK and the West, the answer focused on the practicality of selling the new armour to customers. The invention was available to be *sold* and to be *used*. By selling the improved Chieftains to the Iranians, the UK would contribute considerably to the *short-term* balance of payments problem. Selling the tank with new armour was not much different from selling engines to China. That point, however, made the situation more complicated. Iran was earlier declared as an ally, and hence the British were supplying them tanks with the newest armour. Anglo-Chinese relations, however, did not proceed on the same basis. Defence Secretary Mason also argued that the UK would gain expertise in production techniques until the day came for Britain to introduce a new main battle tank to its inventory. The answer did not make a single reference to how the Iranians, as allies, would benefit from the sale.

The Iranians had given their consent to revealing details about the new tank deal at the press conference. Having such an event, however, disappointed the Americans for

³⁵⁸ National Archives, FCO 8/2741, Press Conference on Chobham Armour, [n.d].

two reasons. First, as reported by the British Embassy in Washington, the Americans expected to be consulted before revealing information about the invention of the armour. Second, the US officials argued that they did not know that the tank deal with Iran would include Chobham armour. They had planned to introduce it to their new main battle tanks, XM1, at around the same time as the delivery of Shir Iran tanks to Iran (i.e. in the early 1980s).³⁵⁹ In response to the Americans' criticism, the FCO argued that US officials had already been told about the UK's intention to sell tanks with Chobham armour in 1975. Additionally, the armour was "a wholly British invention" on which UK scientists and the UK Government had invested considerable time and money. The FCO letter stated that the Defence Secretary, Roy Mason, "felt that it was important to demonstrate that Britain is still in the forefront of tank design and to claim credit for the big sale to Iran in a highly competitive situation, particularly in view of the necessary delay in getting the British invention into service with the British Army". There was "no need to be apologetic to the US Army".³⁶⁰ In that letter, again, the British authorities underlined the importance of not only demonstrating the UK's tank design capabilities but also claiming credit for getting a *big sale* in a highly competitive environment.

These exchanges also revealed differences in approach across the relevant UK Government departments. In the letter informing the FCO, the MoD had stated that the British Ambassador was, *of course*, aware of the Shah's consent to making public Iran's purchase of tanks fitted with Chobham armour.³⁶¹ However, intra-FCO discussions and inquiry sent to the British Embassy in Tehran show that the Ambassador was neither consulted nor contacted about the MoD's intentions. The event was found to be an example of *personal diplomacy* conducted solely by MoD officials.³⁶² In a minute, the FCO criticised their approach. Engaging in direct personal diplomacy with the Shah's Minister of Court, without *prior* consultation, was "both unnecessary and risky". The events could turn into a "hitch" which would place the Embassy in "an embarrassing position, knowing nothing of the background".³⁶³ While criticising the MoD for bypassing the diplomatic staff to contact the Iranians, the British Embassy in Tehran took every opportunity to promote British military equipment. Efforts were made to market

³⁵⁹ National Archives, FCO 8/2741, TELNO 2086, (15 June [1976]).

³⁶⁰ National Archives, FCO 8/2741, Telegram No 1328, (18 June 1976).

³⁶¹ National Archives, FCO 8/2741, Street to Weir, (7 June 1976).

³⁶² National Archives, FCO 8/2741, Lucas to Chalmers, (18 June 1976), National Archives, FCO 8/2741, Chalmers to Lucas, (23 June 1976).

³⁶³ National Archives, FCO 8/2741, Lucas to Weir, (5 July 1976).

Hawk aircraft, which were met some interest from the Iranians. The Embassy argued that if realised, the sale of the Hawk could be *a major breakthrough* into the Iranian military aircraft market. At the same time, however, the Ambassador suggested that they should carefully “mount a sales campaign for Hawk without unduly upsetting the Americans across the board of our defence sales effort”.³⁶⁴ The Embassy’s concern was that any adverse reaction from the Americans could lead to US efforts against British sales efforts in Iran.

At this stage, the British authorities became more concerned about securing contracts related to the tank deal, which turned out to be the backbone of the UK arms sales effort in Iran. The Ambassador raised his concern about the possibility of the Germans or Americans getting the contract for the base workshop where the Chieftain tanks would be maintained. Ambassador Parsons urged the authorities in London to do everything *humanly possible* to avoid a *ridiculous* situation in which the British tanks would be serviced by the Germans or Americans. He also stressed the ongoing German and American criticism about the Shir Iran tank deal³⁶⁵, which was also fed by the Iranians’ complaints about the performance of Chieftain tank engines. Besides these concerns, there was also a lucrative incentive to work harder to get the contract. Once the base workshop became fully operational, the British companies would benefit from the long term supply of machine tools to Iran.³⁶⁶ Although the Shah praised the Shir Iran tank as being “our common tank” which “we [the UK and Iran] have developed together”³⁶⁷, the British authorities feared that some contracts related to the tank deal could go to Britain’s competitors. The situation was blamed on the Iranians’ attitude towards the project. The main difficulty was the Iranians’ lack of technical expertise to define their requirements for the base workshop coherently. The British authorities were again emphasizing insufficient technical know-how by the Iranians in defining their needs³⁶⁸. Consequently, they were asking for a turn-key contract for the base workshop. The Ambassador considered that attitude as *normal* Iranian practice in an extra attempt to blame the delay in finalising the deal on the

³⁶⁴ National Archives, FCO 8/2742, TELNO 511, (4 August [1976]).

³⁶⁵ 4030/Shir Iran tank deal was at the centre of British defence sales to Iran. The Iranians had signed a contract to purchase 1500 tanks from Britain in 1974 (please see section 2.2 in Chapter One for details).

³⁶⁶ National Archives, FCO 8/2742, TELNO 600, (19 September [1976]).

³⁶⁷ National Archives, FCO 8/2742, TELNO 617, (27 September [1976]).

³⁶⁸ In Chapter One, we saw how the British authorities criticised both the lack of Iranian planning around arms procurement and the level of knowledge the Iranian technicians had to understand working principles of the equipment acquired by Iran.

Iranians.³⁶⁹ The following excerpt on Iran's share of British arms sales illustrates why the British authorities put extra stress in maintaining their market prospects in Iran:

Percentage of total sales by value purchased by Iran in 1974 was approx [sic] 70 per cent. this was mainly due to 4030, Blindfire Rapier for IIAF and the fleet of replenishment ship. In 1975 there was a further order for Rapier this time for IIGF and a large ammo order: the figure dropped slightly to 42 per cent. To date in 1976 the figure stands at 32 per cent.³⁷⁰

The excerpt shows that in October 1976, military equipment sales to Iran accounted for 32 per cent of the total British arms sales abroad. At first sight, the trend could be considered to be moving downwards, but the size of the deals signed in 1974 were much more significant than in any other year. The task of maintaining the momentum of sales in Iran should have put extra pressure on the British Embassy in Tehran. The frequent references to competition and emphasis on paying attention to the complaints of the Iranians support that argument. Just after Ronald Ellis, the new HDS, made his first visit to Tehran in December 1976, the British Ambassador, Anthony Parsons, speculated about the UK's competitors' activities to derail the 4030 contract and offered his thoughts about British arms sales to Iran:

I have recently become a bit worried about the future of our defence sales to Iran. [...] I am sure that the Germans are still maligning the CV 12 engine in the hope of collaring the market for the Leopard engine. I am equally sure that the question of the German and American tank guns has come up etc. Furthermore, I would take a bet that Krupps have suggested to Toufanian that they could make a decent job of MIC Isfahan³⁷¹ in contrast to the British, and we know that the Germans and Americans have been in touch on base workshops. [...]

I still believe that we are by no means home and dry on 40-30 and all that, and that we shall have to put our own house in order and really deliver the goods across the board if we are to insure ourselves against the machinations of our competitors. With Ron Ellis at the wheel, I am far more confident that we shall succeed.³⁷²

Project 4030 had a central place in British military equipment sales to Iran. If the Iranians decided to cancel the contract, all the associated contracts (e.g. base workshop, ammunition, spares and training) would be in jeopardy. The HDS's visit, which responded to the Iranians' main criticism about the performance of the Chieftain engine, also eased the Ambassador's worries about the UK's

³⁶⁹ National Archives, FCO 8/2742, TELNO 620, (27 September [1976]).

³⁷⁰ National Archives, FCO 8/2742, TELNO P 141230Z, (October [1976]).

³⁷¹ Planned Military Industrial Complex in Isfahan was a major project which the British hoped for getting.

³⁷² National Archives, FCO 8/2742, Parsons to Weir, (22 December 1976).

future defence sales prospects. Although reassured by Ellis' knowledge and professionalism, the Ambassador still warned the FCO about competition in the Iranian arms market and how other countries could challenge the UK's position. Even the project 4030 contract still could be in danger. Rather than describing the situation under the competitive nature of the Iranian market where arms manufacturing nations try to get contracts, the Ambassador accused others of planning *machinations* against UK interests. Similar rhetoric was used again when the HDS gave a presentation on Jaguar aircraft, and the Embassy started campaigning to sell Hawk aircraft to the Iranians. In March 1977 Ambassador Parsons warned the FCO on the following lines:

Our policy over the years [...] has been to leave the IIAF alone as an American preserve. The motive behind this forbearance has not been an exaggerated regard for Anglo/American relations. We have hitherto believed that the Americans are extremely jealous of their exclusive position in the IIAF and that they would be seriously put out if they thought that we were trying to horn in. We have gone on to argue that, in such circumstances, the Americans could be tempted to damage our sales prospects to the Ground Forces and the Navy – their overall position in the defence field here is strong enough to enable them to do so or at least to have a good shot at it.³⁷³

The Ambassador considered that the Americans could react to the UK promoting its aircraft and finalising a breakthrough deal with the Iranian Air Force. He referred to an earlier policy of leaving the Iranian Air Force as an *American preserve* where the US had been the leading supplier for decades. The danger was that the *extreme jealousy* of the Americans could tempt them to damage the UK's sales prospects in other fields. The Ambassador assessed that the US had enough influence in Iran to harm British interests. The Ambassador's letter caused a series of intra-FCO discussions on the subject of how to balance promoting British aircraft in Iran with maintaining good relations with the US.

The Ambassador's concerns were related to the new administration in Washington. During the 1976 US presidential election campaign, the candidate of the Democrat Party, Jimmy Carter, had pledged to make human rights one of his priorities in foreign policy.³⁷⁴ Accordingly, after taking office, Carter's administration had restricted or cut back arms sales to several countries with poor human rights records. Latin American dictators were hit most by the new policy³⁷⁵, but there

³⁷³ National Archives, FCO 8/2991, Parsons to Weir, (6 March 1977).

³⁷⁴ Schmitz, D. F. & Walker, V., 2004. Jimmy Carter and the Foreign Policy of Human Rights: The Development of a Post-Cold War Foreign Policy. *Diplomatic History*, 28(1), p. 113–143.

³⁷⁵ Schoultz, L., 1981. *Human Rights and United States Policy Toward Latin America*. Princeton, New Jersey: Princeton University Press, pp.329-30.

were expectations that the Iranian regime would also receive cold treatment from Washington.^{376 377}

One FCO official found the Ambassador's comments *exaggerated* and questioned the US position in relation to the IIAF. The minute stated that "whether Iran is or was a US preserve or not, we are living in a highly competitive commercial world, and the American industrialists at least must surely understand our aircraft manufacturers' desire to penetrate the lucrative Iranian market".³⁷⁸ This suggests that there were two points, one about the nature of the arms export business and one related to prospects in Iran. First, the official stressed that in a highly competitive commercial world different manufacturers could be expected to compete for the same deal. Secondly, American industrialists *must surely understand* that UK companies had a desire to *penetrate the lucrative Iranian market* and get a share of it. On the subject, the Defence Department of the FCO argued that there was a *possibility* of an American reaction. The UK promoting its aircraft would not cause a reaction, but "their concern for human rights" could harm Anglo-American relations. Additionally, the UK could also be accused of *bad faith* by trying to replace the Americans if they rejected selling arms to Iran because of concerns related to the human rights situation there.³⁷⁹ The Middle East Department were also in favour of keeping the Americans informed but had reservations about the possible US reaction. They argued in favour of a balanced approach, highlighting that the Americans would "hardly dispute the legitimacy" of British manufacturers' wish to take a share in the lucrative Iranian market. Difficulties stemmed from human rights concerns in the US.³⁸⁰ After these exchanges, the FCO argued that the Shah did not consider the IIAF to be an American preserve, which would encourage the British to promote their equipment. There was no reason to argue otherwise. The FCO stated that:

In any case on general grounds I do not see how the Americans could reasonably dispute the legitimacy of our aircraft manufacturers' desire to penetrate the lucrative Iranian market. It is not a closed shop, our Defence Sales drive is of many years standing now, and the Hawk and Jaguar initiatives are surely no more than a logical extension of it. You may recall that in Kuwait the Americans had no compunction about carving out for themselves a major role in the air

³⁷⁶ Those concerns did not materialise in the short term, though the US Administration did not approve the sale of F18 Aircraft to Iran and was indecisive on how to approach the Iranian request for crowd control equipment in 1978 at the height of domestic unrest. Both events will be discussed below.

³⁷⁷ Ansari, A. M., 2007. *Modern Iran: The Pahlavis and After*. Second ed. Essex: Pearson Education Limited, p.250.

³⁷⁸ National Archives, FCO 8/2991, Major to Darling, (21 March 1977).

³⁷⁹ National Archives, FCO 8/2991, Yarnold to Major, (22 March 1977).

³⁸⁰ National Archives, FCO 8/2991, Lucas to Weir, (21 March 1977).

force there which had hitherto been our exclusive preserve; I do not think we ever had official forewarning.³⁸¹

The excerpt reveals three aspects of British perceptions of the arms market in the Middle East. Firstly, the FCO considered the US a competitor with whom they could discuss arms sales matters on reasonable and legitimate terms. The letter argued that the Americans could not reasonably dispute the legitimacy of UK aircraft industries' desire to penetrate the lucrative Iranian market. Overall, the FCO argument was based on the point that British manufacturers had a legitimate desire and right to attempt to penetrate the lucrative Iranian market. The argument, however, at no stage discussed the Iranians own wish to purchase British equipment, which arguably reduced Iran to the subject of arms sales rather than the decision-maker.

Similarly, it argued that Iran was not a *closed shop* which refused Iran's role as a customer. Secondly, the British aircraft sales efforts were linked with other promotion work. The excerpt shows that the UK considered its actions to promoting British arms in Iran rational and realistic. Thirdly, the excerpt made an analogy with American defence sales to Kuwait, which the FCO considered the UK's *exclusive preserve*. This implies that even if the Americans considered the IIAF as their preserve, the UK should have an additional reason to believe that they could freely market their equipment in Iran. In other words, the British argued that the competition would legitimise British sales efforts abroad. Lastly, the FCO had already pushed defence sales efforts in Saudi Arabia, where the Americans were the leading arms supplier. In his response, the Ambassador did not comment on or challenge the excerpt above. Instead, he stated that he "would be delighted if we could make a major penetration into the IIAF" and the Embassy was working on this subject for two years. On the possibility of US unwillingness to "discharge vast quantities of sophisticated hardware into Iran", the Ambassador argued that that could give the UK a "chance" to succeed.³⁸²

There was some confusion about how to balance the desire to penetrate the lucrative Iranian market with the Carter Administration's emphasis on reducing the global arms trade and linking arms sales to a recipient's respect for human rights. The FCO informed the British Embassy in Tehran that it would probably be some months before there could be a change of direction in British defence sales policy. The FCO also instructed the Ambassador and the Defence Attaché to continue on the basis of *business as usual*.³⁸³ In Tehran, the new American Ambassador, William Sullivan,

³⁸¹ National Archives, FCO 8/2991, Weir to Parsons, (7 April 1977).

³⁸² National Archives, FCO 8/2991, Parsons to Weir, (14 April 1977).

³⁸³ National Archives, FCO 8/2992, Weir to Parsons, (17 June 1977).

had his first call on the British Ambassador in June 1977.³⁸⁴ During the meeting, the sale of military aircraft to Iran came up and the US diplomat revealed that “President Carter would undoubtedly tell the Shah to go ahead and buy MRCA if he wished to and he would mean it”.³⁸⁵ The main difficulty the FCO expected to arise was that the MRCA/Tornado was a *borderline case* due to its a *highly sophisticated technology* which could put the UK in an odd situation vis-à-vis the American restraint policy. The new US Ambassador’s remarks, however, encouraged the FCO to “continue to respond to Iranian interest”.³⁸⁶

The initial hesitation at the FCO, however, revealed different policy priorities between the FCO and MoD when they exchanged views on the subject. The FCO feared that the finalising an aircraft deal, especially after the US Administration had rejected the sale of F18s to Iran in 1977, could cause a diplomatic problem between the UK and the US. During the Four Power Talks (i.e. the US, UK, Germany and France), in June 1977, the Americans had outlined their intention to restrain conventional arms sales. They also asked allies not to promote their equipment when the Americans showed reluctance. The first presentation on MRCA to the Iranians was made in 1975. That being the case, the British feared that they could still be seen to, “in effect be filling the vacuum left by the American refusal”.³⁸⁷ The FCO highlighted that point in a letter to the MoD in which they both expressed the hope that the UK would not face *serious objections* or a possible *obligation to consult or at least inform* the Americans about their sales efforts.³⁸⁸ While not commenting on the first point, the MoD expressed strong disagreement about the need to inform the Americans about their defence sales activities in Iran. The MoD letter stated that:

we could assume that the Americans are doing one thing only to find that they are doing another. [...] If we soft pedal on our sales effort, we could find that the Americans are over the hill and far away.

I would not therefore see any reason for telling the Americans that we are supplying an information package on Tornado, nor am I at all sure that we should tell them if and when a presentation is made. It has been suggested that the Shah is only seeking information on Tornado as a manoeuvre to secure American agreement to supply: if this is the case, they are going to make sure

³⁸⁴ Both Parsons’ and Sullivan’s memoirs do not discuss such specific discussions on arms sales to Iran. See Sullivan, W. H., 1981. *Mission to Iran*. New York: W W Norton & Company.

³⁸⁵ National Archives, FCO 8/2992, Teleletter 177, (13 June 1977).

³⁸⁶ National Archives, FCO 8/2992, Teleletter, (22 July 1977).

³⁸⁷ National Archives, FCO 8/2992, Yarnold to Moberly, (30 June 1977).

³⁸⁸ National Archives, FCO 8/2992, Yarnold to Hill, (4 July 1977).

one way or another that the Americans know about the contacts on the MRCA³⁸⁹!³⁹⁰

The excerpt shows that the MoD did not consider the US attitude towards arms sales to Iran to constitute a defined policy and argued that they could still maintain their established strategy of supporting Iran's arms procurement, albeit with some restrictions. Thus, any *soft pedalling* on the British side could well result in loss of contracts to the UK's competitors. There was no necessity to tell the Americans that the UK was supplying technical documents or making a presentation on the MRCA. The Iranians would, after all, tell the US Embassy what was going on if they wanted them to reconsider their decision on F18s. In its response, the FCO acknowledged that the Americans could remain a competitor and that they should not provide too much insight into the UK's defence sales efforts. The reason for informing the Americans, even informally by the Embassy in Tehran, was to secure the UK from possible American accusations of *bad faith*.³⁹¹ In a separate document, the FCO assessed the prospects of future defence sales to Iran. The document listed the projects under consideration. Most of the projects could not be considered to be *in the forefront* of technological development, except the MRCA. While having some concerns about how the Americans would handle their defence sales to Iran, the document argued that the UK should keep the Americans *generally informed* about developments on promoting Tornado aircraft.³⁹² The Ambassador, Anthony Parsons, argued that some high-ranking Iranian generals had doubts about spending money on aircraft. Parsons also added that the final decision on whether to go ahead with MRCA or another European aircraft would be one for the Shah, no matter what his generals' opinions were.³⁹³

2. British Dilemmas in Defending Arms Sales Policy

In many respects, the year 1978 witnessed changes in British perceptions and policies towards arms sales to Iran. From 1977 onwards the Iranian authorities loosened tight state control on political freedoms, but in 1978 the country fell into the chaos following a press article accusing Ayatollah Ruhollah Khomeini of being an agent of foreign powers. The newspaper article is widely cited as

³⁸⁹ MRCA is acronym for Multi Role Combat Aircraft.

³⁹⁰ National Archives, FCO 8/2992, Hill to Yarnold, (5 July 1977).

³⁹¹ National Archives, FCO 8/2992, Yarnold to Hill, (18 July 1977).

³⁹² National Archives, FCO 8/2992, Moberly to Weir, (18 July 1977).

³⁹³ National Archives, FCO 8/2992, Teleletter 191, (26 July 1977).

the source of the outcry.³⁹⁴ The article triggered the long-repressed opposition to the Shah's regime. Parallel to these developments, the UK sought to maintain its arms contracts with Iran even if that meant accepting oil barter agreements. In the autumn of 1978, however, contingency planning questioned the future of the regime and British interests in Iran.

When the unrest first started in January 1978, the Embassy did not consider it to have any impact on British defence sales to Iran. On the contrary, the most difficult challenge was defined as providing excellent after-sale service and solving known shortcomings without delay. The Embassy argued that getting a contract for tank transporters would help the UK's "increased penetration into the civilian heavy vehicle industry". There was no need to "emphasise the size of the stakes".³⁹⁵ Since 1977, the HDS had been making frequent visits to Iran to discuss the Iranians' requirements and present new British equipment. The MoD also had a resident *minister for defence supplies* at the Tehran Embassy from 1977 onwards whose primary task was establishing coordination among British companies and providing a local contact for the Iranians³⁹⁶.

Following the first public demonstration against the Shah's regime in January 1978, Iran entered a state of protests organised in a pattern of following the 40-day gap between protest marches. The first protest took place in Qom, a holy city for Shia Muslims in central Iran, and the protest movement spread to other cities. The rapidly changing atmosphere in Iran contributed to increased questioning of the Iranian regime's legitimacy and criticism of its handling of demonstrations. In both Houses of Parliament, peers raised concerns about the British Government's response to the situation in Iran. For instance, on 25 April 1978, there were both for and against opinions about supplying defence equipment to Iran. During the session, the Defence Secretary, Fred Mulley, was asked whether there was a provision in arms supply agreements preventing the use of British equipment against demonstrators in Iran. The Defence Secretary responded by defending the UK's position, stating that: "We sell arms to Iran, which is a respected ally in CENTO. I feel that there is no reason why we should reconsider that decision".³⁹⁷ Another peer, Patrick Wall, spoke in favour of the military build-up of "our allies in CENTO" to protect "our common interest" in the region. That comment received following reply from the Defence Secretary: "The leadership that Iran has established in that part of the world and the real international

³⁹⁴ Kurzman, C., 2004. *The Unthinkable Revolution in Iran*. Cambridge, Massachusetts: Harvard University Press; Daneshvar, P., 1996. *Revolution in Iran*. London: Macmillan Press Ltd.

³⁹⁵ National Archives, FCO 8/3124, TELNO DIG, (10 January 1978).

³⁹⁶ As discussed in Chapter One, in April 1974 Ambassador Parsons had argued against having a permanent post primarily responsible for issues related to arms sales and supplies.

³⁹⁷ Hansard, 25 April 1978, column number 1167.

status that the Shah has achieved by his long experience are assets for stability in that difficult part of the world”.³⁹⁸ Fred Mulley associated the UK’s military equipment sales to Iran with Britain’s commitment to CENTO in which Iran was a *respected ally*. That relationship was considered enough to counter the criticism of Iran’s treatment of demonstrators often by using military force. The second response underlined Iran’s role in *stabilising* the Gulf region. The emphasis on *stability* was to be repeated throughout the year, albeit with some changes towards the end of the year.

As discussed in the previous section, the British media had expressed doubts about Iran being an ally of the UK. Referencing Iran’s contribution to the CENTO alliance to legitimise British arms sales to that country could be a weak but defensible argument. CENTO, however, was mainly an organisation on paper considering its failure in preventing the Soviet Union from increasing its power in the Middle East and South Asia. Although the member countries did not witness a Soviet-inspired revolution or widespread unrest, the Russians could manage to reach out to countries in the Middle East and established a presence in countries like Egypt, Syria, Iraq, and Libya. The Iranians had concerns about the usefulness of the organisation, which they had wanted to utilise during the Pakistan-India wars (i.e. in 1965 and 1971) but had not succeeded.³⁹⁹ Despite those developments, the organisation remained active until the Iranian Revolution, which also indicates that Iran was the main element keeping the organisation intact.

In May 1978, the Prime Minister James Callaghan was asked to limit arms sales to the Gulf region to avoid an arms race in the area. While the peer, Thomas Litterick, had cited Iran and Saudi Arabia as primary actors causing a proto-arms race, in his response the Prime Minister, James Callaghan, only discussed Iran. After making a point about high arms spending being a global issue, Callaghan stated that: “Iran has on her northern border a most powerful and heavily armed neighbour and there has been a recent uprising in her Eastern neighbour. She is, therefore, properly concerned with her own security”.⁴⁰⁰ There were also complaints that the arms were being used in “suppressing the attempts of the people of Iran to obtain similar rights to those which we demand for ourselves in this country”.⁴⁰¹ Despite the Iranian Army’s involvement in controlling protests, PM James Callaghan argued that the arms supplied by Britain were “certainly not intended to work for internal suppression” and that Iranians were aware of concerns about human rights in the UK

³⁹⁸ Ibid.

³⁹⁹ Dimitrakis, P., 2012. *Failed Alliances of the Cold War: Britain's Strategy and Ambitions in Asia and the Middle East*. London: I. B. Tauris & Co Ltd, pp.151,159.

⁴⁰⁰ Hansard, 16 May 1978, column number 236.

⁴⁰¹ Hansard, 16 May 1978, column number 237.

and the West. Nevertheless, it was “a difficult process” for the Shah to “release his power to liberalise” and “maintain a degree of order” at the same time.⁴⁰² As it was the main argument of the Defence Secretary, Prime Minister James Callaghan emphasised that Iran had rational reasons for acquiring armaments and the equipment supplied by Britain would suit Iran’s requirements. This suggests that the UK Government found the Iranian regime’s moves to grant greater political freedom encouraging, but still considered maintaining *stability* in the region a priority. On defence supplies, either tanks or air defence missiles are not the most-effective equipment for crowd control, but as the tension on Iranian streets increased, more tanks rolled out of barracks into town centres.⁴⁰³ The vehicles rolling on Iranian streets were British made Chieftain tanks and Scorpion armoured vehicles.

When foreign policy issues were debated in the House of Commons in June 1978, the subject of arms sales was part of the discussion. On stopping British arms sales to countries where violations of human rights took place, the Parliamentary Under-Secretary for the FCO, Evan Luard, argued that the Government should not *immediately* cut off arms supplies because there were *some reports* on human rights violations.⁴⁰⁴ This suggests that as late as June 1978, in the Parliament the British Government neither expressed criticism nor support to the Iranian regime which was struggling with growing tension. After seven months since the first protest took place in Qom, the Iranian authorities could not settle the unrest. Questions tabled in the House of Commons asked whether the UK Government would *put an end* to its military sales to Iran in the face increasing outcry on the streets and the Iranian Army’s response to control them. The British Defence Secretary’s response was two words only: “No, Sir”.⁴⁰⁵ Instead, the Fred Mulley highlighted the PM’s remarks on the difficulty the Shah faced in liberalising and maintaining order at the same time. There was also the question of how the British arms industry would be affected by cutting off arms sales to Iran. The Royal Ordnance Factory in Leeds could face closure should the UK decide to end its arms sales to Iran.⁴⁰⁶ Under such an atmosphere, the UK agreed to supply crowd control equipment to Iran. By that time, however, the British authorities had begun to question how developments in Iran could evolve and their implications on the UK’s arms sales.

⁴⁰² Ibid.

⁴⁰³ Salehi, M. M., 1996. Radical Islamic Insurgency in the Iranian Revolution of 1978-1979. In: C. Smith, ed. *Disruptive Religion: The Force of Faith in Social Movement Activism*. New York: Routledge, pp. 47-63.

⁴⁰⁴ Hansard, 8 June 1978, column number 406.

⁴⁰⁵ Hansard, 25 July 1978, column number 1356.

⁴⁰⁶ Hansard, 25 July 1978, column numbers 1356-7.

Gary Sick, who served in the National Security Council under President Carter, notes that Patricia Derian, then Assistant Secretary of State for Human Rights and Humanitarian Affairs, had caused some delay in the supply of tear gas to Iran in March 1978, but the deliveries were made as scheduled.⁴⁰⁷ What Sick does not discuss is that the US authorities' hesitation resulted in the Iranians turning to Britain for their internal security equipment needs. The Americans had objections to the supply of equipment to Iran on human rights grounds.⁴⁰⁸ The next section will focus on the process by which the UK decided to supply CS gas to Iran in the summer of 1978.

2.1. Dilemma in Supplying Internal Security Equipment

Although in 1978 Iran turned to Britain for its internal security equipment following months of unrest, the first approach was made by the MoD to promote UK manufactured goods in January 1978. The visit was initially planned for December 1977 but had to be postponed by a month. The MoD representative argued that the visit "should produce potential in areas hitherto not encroached upon with any great fervour".⁴⁰⁹ The areas mentioned included internal security equipment, uniforms, clothing and food. During exchanges with the Iranian authorities, the MoD representatives even stated that the UK could organise a small presentation or exhibition of internal security equipment if the Iranians were interested in them.⁴¹⁰ The FCO uncovered details about the MoD visit to Iran in February which resulted in some frustration and opposition to the MoD's exhibition plans. The FCO had not even been consulted before the initial presentation about the internal security equipment. The MoD's exchanges with the Iranians could create political problems "if they were to be seen to be providing agencies such as SAVAK with the means to spy on and suppress political 'liberals' in Iran".⁴¹¹ For instance, supplying CS gas and related equipment could be considered inappropriate. An FCO official also criticised the MoD for taking the lead in promoting internal security equipment in Iran before *speaking to* the FCO.⁴¹² The MoD had formed the view that the equipment in question was already cleared for information release.

⁴⁰⁷ Sick, G., 1985. *All Fall Down: America's Fateful Encounter with Iran*. London: I. B. Tauris & Co. Ltd., pp.35-6.

⁴⁰⁸ Ganji, B., 2006. *Politics of Confrontation: The Foreign Policy of the USA and Revolutionary Iran*. London: I B Tauris & Co Ltd., p.59.

⁴⁰⁹ National Archives, FCO 8/3131, D/Sales/112/2/15, (7 February 1978).

⁴¹⁰ National Archives, FCO 8/3131, Meeting at Ministry of War on Tuesday 31 January 1978, [n.d.].

⁴¹¹ National Archives, FCO 8/3131, Major to Tatham, (20 February 1978).

⁴¹² *Ibid.*

However, the FCO stressed the difference between releasing information to the Iranians and holding an exhibition in Iran.⁴¹³

Upon receiving details about the exchanges between the Iranians and the MoD official, Terry Glazier, the British Ambassador to Iran, Anthony Parsons, expressed his support for supplying internal security equipment to Iran. He acknowledged the *political sensitivity* of the issue. Notwithstanding this, he argued that the Shah “would think us quite illogical to be ready to sell him tanks but not more simple riot control equipment” and accuse Britain of being “unwilling to match our friendly private words with public support”.⁴¹⁴ In March 1978, the MoD rejected the FCO’s objections on similar lines to those of Parsons. The UK manufacturers had *the inevitable desire* to export to overseas markets where the customers would, *clearly*, be governments. Due to having *a plethora of small companies* involved in the production of this equipment, the MoD had thought holding a private exhibition would be the best choice to respond to those companies’ requests. The MoD had already eliminated some equipment from their list which they thought would fit for terrorists’ use and which the FCO could deem appropriate for export clearance. Before the visit, Glazier argued, clearance was obtained by phone. Although he acknowledged that he *unduly* discussed the possibility of holding an exhibition in Tehran, the Iranians were now making *real* enquiries about getting a definitive proposal for the exhibition.⁴¹⁵ Glazier argued that:

It is not for me to justify what we are proposing from a political point of view, but perhaps I am allowed some comment. Recent reports indicate that the Shah exercises internal security by the use of the gun and live ammunition alone, and naturally the anti-Shah lobby is quick to point this out. [...] The equipment we are proposing to show is designed primarily to prevent by surveillance and other methods rather than to cure by offensive means. Where a cure is necessary we can presumably justify the means by comparison with our own activities in Northern Ireland, which again, presumably, are not held up as a prime example of inhumanity. My own belief is that any objection to what we are proposing could be defeated by demonstrating that the outcome would be a saving of lives rather than a taking of them.⁴¹⁶

The excerpt shows that the MoD argued in favour of holding an exhibition in Tehran to demonstrate internal security equipment. It also indicates that the MoD expected to receive orders once the exhibition was held. The references to the scale of disturbance and loss of life in Iran and how internal security equipment could *justify the means* strengthens that expectation. The note about

⁴¹³ National Archives, FCO 8/3131, Major to Lucas, (24 February 1978).

⁴¹⁴ National Archives, FCO 8/3131, TELNO 200, (8 March 1978).

⁴¹⁵ National Archives, FCO 8/3131, Glazier to Major, (8 March 1978).

⁴¹⁶ *Ibid.*

Northern Ireland stands out from the rest of the paragraph in which *presumably* humane treatment of protests was singled out as an excellent example of internal security equipment use. During the following months, the FCO officials exchanged views about how the UK should approach the issue. In a submission in March 1978, one submission argued in favour of holding an exhibition and subsequent sale of equipment to Iran if the Iranians wanted to purchase. The document argued that the UK “should also recognise that the survival of the Shah’s regime is in our interest, and it is better from every point of view that he should counter internal disturbances using minimum force and appropriate equipment”.⁴¹⁷ In other words, FCO officials in London had modified their stand to a more accommodating one which would allow the Iranians to purchase *sensitive* equipment. However, the Minister of State at the FCO, Frank Judd, was not impressed by the arguments presented by FCO officials. He argued against the proposed MoD plans and accused them of *trying to bounce* the FCO on some occasions. Judd stressed that the UK should *handle* defence sales “on a pragmatic and careful basis”.⁴¹⁸ The Foreign Secretary, David Owen, raised similar criticism in which he stated that the MoD should have been out of “this side of the business”. He also stated that “external defence is very different than internal defence”.⁴¹⁹ This indicates that the Foreign Secretary’s opposition was related to Iran’s record of human rights and growing internal unrest.

The FCO informed the MoD about the Foreign Secretary’s position. It argued that the decision was “essentially a political one” and this “potentially embarrassing situation” could have been avoided if the MoD had contacted them in advance.⁴²⁰ On 30th March, despite Owen’s obvious objection, Ambassador Anthony Parsons renewed his earlier remarks about the necessity to have a favourable decision to supply internal security equipment to Iran. First of all, it would not be *logical* to supply tanks but refuse the supply of *less drastic* equipment. That could lead to the UK’s embarrassment if the Iranians had to use British Chieftain tanks for riot control. A guideline differentiating equipment according to their use (e.g. surveillance or riot control) and restricting the sale of sensitive items to Iran could be helpful. However, that would carry danger if the Iranians found out that those restricted items were being sold to other overseas governments. The Shah could argue that he was being treated as “a second class ally”.⁴²¹ The Ambassador’s comments about having guidelines for exports to Iran caused some discussion within the FCO. One official, DE Tatham, argued that such a policy would result in Iran getting “more restrictive treatment than those

⁴¹⁷ National Archives, FCO 8/3131, Tatham to Murray, (15 March 1978).

⁴¹⁸ National Archives, FCO 8/3131, Sale of Internal Security Equipment to Iran, (16 March 1978).

⁴¹⁹ National Archives, FCO 8/3131, Prendergast to Tatham, (17 March 1978).

⁴²⁰ National Archives, FCO 8/3131, Lucas to Vernal, (22 March 1978).

⁴²¹ National Archives, FCO 8/3131, Teleletter 284, (30 March 1978).

of our allies whose democratic credentials are better”.⁴²² The emphasis was put on Iran’s *democratic credentials* which were challenged by another official, BA Major, in the following terms:

I suspect that acceptability of a country to receive internal security equipment is not so much likely to depend on its position in the Democratic Progress league as on its reading on the public opinion tacograph. [...] we have had little hesitation to supplying items such as hand guns, rifles, and surveillance equipment to internal security forces of Bahrain, Qatar, Kuwait, UAE, Oman, and even Iraq or Saudi Arabia, where, with the temporary exception of the latter, there has been little public feeling in this country about oppressive policies, human rights, or Democratic Progress. And in all cases their democratic “ratings” could be said to be as bad, if not worse, than Iran’s.⁴²³

The excerpt was also a challenge to the Foreign Secretary’s objections to the supply of *internal defence* equipment to Iran. Neither *democratic progress* nor *public opinion* should hamper British defence sales to Iran. After all, the UK had already supplied similar equipment to other countries with poor *democratic ratings*. Approving the sale of internal security equipment to Iran could both *impinge* Britain’s *broad human rights stance* and raise criticisms of *inconsistency* in foreign policy, as similar equipment was not sold to Chile and Brazil. Despite those points, the head of the Middle East Department, Ivor Lucas, weighted in favour of the Ambassador’s views.⁴²⁴ Against this background in May 1978, the Iranians had informed the Minister (Defence Supplies), General Lecky, that they wish to order CS grenades and cartridges from Britain. The request for supply was so urgent that the Iranians even stated that they could send an aeroplane to London the next day to pick up the equipment. The MoD argued in favour of giving clearance to supply of CS gas, which was considered controversial by FCO officials. However, the MoD highlighted that refusing to sell to Iran, while it was sold to Pakistan in 1977, could be “potentially disastrous to our future business”.⁴²⁵ This indicates that the MoD had fears about an Iranian backlash if the UK did not supply the requested equipment. As discussed by Davina Miller, the UK armaments industry had become more dependent on overseas orders than purchasers being dependent on British supplies.⁴²⁶

The FCO formed similar arguments about why the UK should supply CS gas to Iran. Without having less-lethal riot control equipment, the Iranians could use British Chieftain tanks to maintain *law and order* in Iran. Nevertheless, the main difficulty was Prime Minister James

⁴²² National Archives, FCO 8/3131, Tatham to Gorham, (7 April 1978).

⁴²³ National Archives, FCO 8/3131, Major to Tatham, (10 April 1978).

⁴²⁴ National Archives, FCO 8/3131, Lucas to Weir, (26 April 1978).

⁴²⁵ National Archives, FCO 8/3131, Glazier to Lucas, (16 May 1978).

⁴²⁶ Miller, D., 1997. *Export of Die: Britain's Defence Trade with Iran and Iraq*. London: Cassell, pp.4-6.

Callaghan's recent statement at the House of Commons in May 1978. In his speech, Callaghan had said that the equipment supplied by Britain was *certainly* not designed to *suppress* internal opposition. The Iranians' latest enquiries were for the supply of riot control equipment. By agreeing to the sale of CS gas, the UK Government could be "accused of aiding a repressive regime". Despite those concerns, however, the FCO argued in favour of the sale. The UK could not "afford the risk of shaking the confidence of any friendly state, let alone an ally as important as Iran".⁴²⁷ Judd was, again, not *convinced* with the arguments for supplying the equipment to Iran. What he requested from the FCO was a response to the Iranians' enquiry which would "decline [the sale] without damaging our interest". The FCO officials, Judd stated, could deploy their "skills and experience" in seeking a way out.⁴²⁸ In May 1978, upon discussing the issue with Parsons, who was in London on home leave, the MED reviewed its position. The outcome was, again, in favour of agreeing to the sale of CS to Iran. The *regrettable conclusion*, as described by the MED, was that it was not possible to explain why the Iranians should not get that equipment without "risking serious damage to our interests". Any refusal would also prevent Britain from having "frank discussions with him [the Shah] about his internal policies".⁴²⁹ The UK could lose both economically and politically by not responding to the Iranians' urgent order for riot control equipment. Those arguments failed to *convince* Judd, who also criticised the MED for *concentrating its energy* on why the order should be fulfilled.⁴³⁰ In responding to those criticisms, the MED argued that the FCO was faced with "a choice between domestic political considerations and politico/commercial British interests in Iran".⁴³¹ They also argued that:

It is a difficult dilemma, and I can well understand the Minister of State's coming down in favour of the former. But there can be no doubt that this involves accepting a risk of serious damage to our relations with Iran, so that squaring the circle cannot, I submit, be more than an exercise in limiting the damage rather than eliminating it altogether.⁴³²

The excerpt highlights the dilemma faced by the FCO. Nevertheless, in parallel to previous arguments, the MED continued to back its position. The best course of action would be supplying the equipment without further delay. That said, if the Minister of State still preferred, the FCO could deny the request. The FCO could tell the Iranians that there was an insufficient quantity of goods to

⁴²⁷ National Archives, FCO 8/3131, Lucas to Weir, (19 May 1978).

⁴²⁸ National Archives, FCO 8/3131, White to Weir, (24 May 1978).

⁴²⁹ National Archives, FCO 8/3131, Weir to Judd, (31 May 1978).

⁴³⁰ National Archives, FCO 8/3131, White to Weir, (2 June 1978).

⁴³¹ National Archives, FCO 8/3131, Weir to Judd, (6 June 1978).

⁴³² *Ibid.*

supply or that considering the Prime Minister's remarks, supplying that equipment would be indefensible in Parliament. In both situations, however, the damage would be inevitable. The Iranians could resent the UK's refusal. The Shah's confidence could be lost.⁴³³ Not convinced with those arguments, in his minute to the Foreign Secretary, Frank Judd argued that "on political grounds we should not supply the equipment to Iran".⁴³⁴ On 13th June 1978, David Owen reviewed the issue to conclude in favour of the sale. He argued that there was no option to avoid resentment from the Iranians.⁴³⁵ He also stressed the Government's dilemma:

We run the risk of grave offence or risk of a political row here. I prefer not to start from here and believe we should review our whole policy on CS. But given that we are here the national interest is in my view clear. We should go ahead, and take sensible steps to try to keep the sale quiet, though I doubt whether we will be able to do so for long.⁴³⁶

The excerpt shows that the Foreign Secretary, David Owen, thought that the UK's policy on supplying CS gas had to be revised so as not to face a similar situation in the future. However, at the same time, he acknowledged that the UK's *national interest* could be best served by agreeing to sell the equipment to Iran. After months of discussion involving various departments, the FCO finally decided to *go ahead* with the order. Uninformed about the intensity and complexity of discussions taking place at the FCO, the British Defence Secretary, Fred Mulley, wrote a letter to David Owen requesting immediate and favourable action to be taken on Iran's recent order. Mulley stated that there were *strong arguments* in favour of the UK supplying the requested equipment. Refusing the sale would damage Anglo-Iranian relations. In addition to Iran's *general importance*, Britain had actual and potential defence contracts worth four billion pounds. Mulley had *no doubts* that the Shah would react *strongly* given the fact that similar equipment was supplied to Pakistan in 1977. On this last point, Mulley felt the need to make clarifications. He argued that "there was less justification for supporting the regime then in power in Pakistan than there is for supporting the Shah, and there is no doubt that our financial and political interest in doing so was much less". Maintaining *stability of the area* was another concern for which, Mulley argued, it was in "our interest to ensure that the Shah's regime should prosper". Lastly, it was "better the Iranian authorities should use non-lethal British equipment to quell public disorder than that they should use Chieftain tanks or Scorpion armoured vehicles".⁴³⁷ Mulley's arguments were in line with those

⁴³³ Ibid.

⁴³⁴ National Archives, FCO 8/3131, Coates to Temple, (20 December 1976)

⁴³⁵ National Archives, FCO 8/3131, Prendergast to Judd, (13 June 1978).

⁴³⁶ Ibid.

⁴³⁷ National Archives, FCO 8/3131, Mulley to Owen, (15 June 1978).

previously expressed by FCO officials and Ambassador Parsons. The only additional point made here was Mulley's emphasis that it was in the UK's interest to *ensure* the Iranian regime *should prosper* and not simply survive.

On 19th June, the Iranians contacted the Minister (Defence Supplies) at the British Embassy in Tehran to enquire about why it was taking so long to supply the CS equipment; Whitehall had been notified about the order in May. The Iranians were again emphasising the urgency of having the equipment and questioning whether the *friends of Iran* would help them.⁴³⁸ To stress the urgency of the issue, Parsons sent a parallel telegram to the FCO. He argued that the Iranians had *discovered* that the delay was due to political reasons and the Shah was aware of the request and delay in supply of goods. That was an alarming sign. Parsons stated that:

I regret that the very situation that was previously foreseen has now come to pass: The Shah is coming to suspect, if not to realise, that we have political hesitations about backing the determination to maintain stability. This comes at the very time when he has publicly reiterated his determination to continue introducing a greater degree of liberalisation, and when we are ready to sell him much more "sensitive" equipment eg tanks, so he will not understand it if we refuse to supply CS smoke for his police at this juncture. Toufanian, fresh from seeing the Shah, said to Lecky: "If our friends will not help us, where can we turn?"⁴³⁹

The Ambassador openly *regretted* that his previous warnings were not taken fully into consideration. The UK Government's *political hesitation* could cause more suspicion about Britain's position. To show that the UK was in favour of *maintaining stability*, Britain should supply the CS equipment immediately. Additionally, refusing the sale at this stage could jeopardise negotiations over the naval hospital and local aero-engine industry. Both contracts, if secured, "would be major break-throughs in areas where as yet we have virtually no success either on the civil or military sides". Ambassador Parsons recommended urgent and favourable action.⁴⁴⁰

Defence Secretary Mulley sent a copy of his above-quoted letter to Prime Minister, James Callaghan. That had made it necessary for Foreign Secretary Owen to also send a letter to Callaghan on the same issue. Owen started his letter by making a short statement that he had concluded that the UK should agree to sell CS gas to Iran before he had seen Mulley's letter. Owen also informed PM James Callaghan that he had requested a revision of the UK's policy on the export of CS gas.

⁴³⁸ National Archives, FCO 8/3131, TELNO Z8F, (June [1978]).

⁴³⁹ National Archives, FCO 8/3131, TELNO 418, (19 June 1978).

⁴⁴⁰ *Ibid.*

Nevertheless, the Foreign Secretary had thought that it “would be far preferable to not have to make the choice between offending the Shah and supplying”. Given the UK had supplied this equipment to Pakistan in 1977, the UK could not tell the Iranians that it was not available to overseas governments.⁴⁴¹ After stressing the dilemma faced by the FCO, Owen criticised the Shah:

The Shah’s faults are well known but we have some influence with him both in his internal and external policies. It is in our interests to support him, not blindly but constructively and in doing so we have therefore to take account of his sensitivities. I have no doubt that he would react very adversely to any decision not to supply, and I am certain that, considering the background and how far this deal has already gone, he would hear of any refusal. The distinction between the arms for external and internal use is one which makes sense to us. But it would not to him. We already run the risk of British made tanks and other equipment being used during internal disturbances.⁴⁴²

The excerpt shows that the Foreign Secretary indicated that the Shah was to blame for the troubles in Iran. It was still in the UK’s interest to support the Iranian regime but it should not do so *blindly*. However, refusing the sale of CS gas could damage Anglo-Iranian relations no matter that the British drew a distinction between arms for *external* use and *internal* use. The Shah would simply not recognise the distinction made by the British. Owen, seemingly unwillingly, concludes that the Iranians could still use the British made equipment (e.g. tanks and armoured vehicles) to quell protestors. After receiving letters from both the Defence Secretary and Foreign Secretary recommending the same action, Callaghan decided that the sale *should go ahead* in June 1978. However, a row could be expected if the sale became public.⁴⁴³

A telegram informed the British Embassy in Tehran about the Government’s approval of the sale. The FCO also sent a letter to the Embassy. The letter contained details of the lengthy discussions within the Foreign Office. The FCO chose to describe the negotiations as the *CS Saga* referring to a series of exchanges between officials and Ministers at FCO. Seemingly, the recommendations and pressure from FCO and MoD officials in favour of the sale had contributed to a change in the views of Ministers at the FCO.⁴⁴⁴ In its response, the British Embassy focused on the commercial aspect of the deal only:

⁴⁴¹ National Archives, FCO 8/3131, Owen to Prime Minister [James Callaghan], (19 June 1978).

⁴⁴² *Ibid.*

⁴⁴³ National Archives, FCO 8/3131, Anti-Riot Equipment for Iran, (20 June 1978).

⁴⁴⁴ National Archives, FCO 8/3131, Lucas to Chalmers, (26 June 1978).

We had suspected that some such story was in the offing. We are most grateful for your herculean efforts. Let us hope that the Iranians now order enough of the commodity to make all the work that has been done worthwhile.⁴⁴⁵

The excerpt shows that the British Embassy had some suspicions about political concerns slowing the clearance required for the sale of CS gas to Iran. Once the equipment was released, however, they expressed the *hope* of getting commercially meaningful orders to make the efforts *worthwhile*. There was no reference to how the equipment could be utilised to quell protestors or how that would help the Iranians restore law and order. In August the Iranians placed repeat orders for riot control equipment.⁴⁴⁶ This time the Iranians were also interested in ordering other equipment like helmets and shields.⁴⁴⁷ The FCO had formed the view that agreeing to the sale of that equipment would be *defensible* as the recent disturbances had been organised by *reactionary rather than progressive elements*.⁴⁴⁸ On 12th September, nearly a month later, the Iranians had placed a new order for CS gas and other internal security equipment. The order aroused David Owen's criticism. The Foreign Secretary argued that: "Since we agreed to start supplying equipment, I cannot see how we can now stop".⁴⁴⁹ This clearly indicates the dilemma faced by the British authorities. In the next section, the growing public unrest in Iran during 1978 and its implications for British public criticism of Iran will be explored.

2.2. How to Handle Growing British Public Scrutiny and the Shah's Fall

The situation in Iran deteriorated markedly after August 1978 during when a cinema in Abadan was deliberately set on fire, causing the deaths of hundreds of civilians.⁴⁵⁰ In September, following the announcement of martial law in Iran, the *Black Friday* protest took place during which dozens of protestors lost their lives. In October the Iraqi Government deported Khomeini, who had been in exile there since 1963, to France resulting in greater international media coverage for the Khomeini-backing opposition forces. The FCO at this point assessed the prospects for the UK in Iran in terms of supplying military equipment. The main element of British arms sales to Iran related to improved Chieftain tanks⁴⁵¹. The British authorities in Tehran were "reasonably confident that if the regime

⁴⁴⁵ National Archives, FCO 8/3131, Chalmers to Lucas, (6 July 1978).

⁴⁴⁶ National Archives, FCO 8/3131, Sanderson to Lucas, (8 August 1978).

⁴⁴⁷ National Archives, FCO 8/3132, Glazier to Major, (21 August 1978).

⁴⁴⁸ National Archives, FCO 8/3132, Lucas to Weir, (23 August 1978).

⁴⁴⁹ National Archives, FCO 8/3132, Prendergast to Lucas, (12 September 1978).

⁴⁵⁰ Branigan, W., 1978. Terrorists Kill 377 by Burning Theater in Iran. *The Washington Post*, 21 August.

⁴⁵¹ Also known as Shir Iran or Project 4030.

survived so would the tank contract, although we now had to look at oil counter purchase as an alternative means of payment”.⁴⁵² Other projects like Cha Bahar harbour or Naval Academy⁴⁵³ could be entirely cancelled until funds became available again. This suggests that the British authorities were now even considering the oil barter option for the sake of salvaging military contracts. That being the case, the British Embassy in Tehran continued its policy of “watching the situation viz a viz our competitors carefully”.⁴⁵⁴

By October 1978, it appeared clear that the Iranians would cut their defence spending to fund civil projects which would affect the UK’s prospects dramatically. The British arms industry could lose most of the projects in the pipeline including tank transporters, air to air missiles, trainer aircraft and military construction ventures. The FCO assessed that the UK’s options were quite limited:

We appear to have little choice but to salvage what we can by oil counter purchase. This would also enable the Iranians to divert scarce cash resources to new civilian projects without too drastic reductions in defence expenditure. But this is an uncomfortable posture for us, and the Shah might yet find it politically prudent or economically necessary (if, for example, the current troubles in the oilfields led to a permanent loss of production) to make massive cuts in his defence spending. In these circumstances we might wish to make a virtue of necessity by suggesting to the Shah a joint agreement to prune defence contracts drastically. If this were [sic] done in consultation with other major Western suppliers (at the very least the US), the likelihood of unseemly competition between suppliers to save contracts would be reduced and the chances of benefitting the Iranian Government’s efforts to bolster internal economic development marginally increased. But we should encounter strong opposition from the MOD unless there were literally no choice: and the prospect of our getting compensatory orders and jobs on anything like the same scale would be remote.⁴⁵⁵

The FCO assessed that the Iranians would need to fund civilian projects which could mean cutting off military projects. In that situation, the UK could “salvage what we can” through oil counter purchase agreements. The UK could also *make a virtue of necessity* and suggest the Shah *prune* defence contracts. This indicates that the British authorities were ready to cut off defence contracts voluntarily and negotiate alternative payment options other than cash. However,

⁴⁵² National Archives, FCO 8/3124, Major to Lucas, (13 October 1978).

⁴⁵³ As part of the Shah’s military build-up strategy, the Iranians had planned to expand their Naval Academy and construct a new port at Cha Bahar (South-East of Iran) region.

⁴⁵⁴ National Archives, FCO 8/3124, TELNO 311045Z, [n.d.].

⁴⁵⁵ National Archives, FCO 8/3124, Tanks for Iran, [n.d.].

the FCO argued that a similar approach from the other arms suppliers would be necessary to avoid *unseemly competition*. Even if all these steps were taken, the impact on the Iranian economy was expected to be *marginal*. There was also the possibility of MoD opposition to FCO recommendations “unless there were literally no choice”.⁴⁵⁶ This suggests that the FCO had reservations about the MOD’s approach to arms sales. However, in those circumstances, there was also growing concern about the stability of Iran.

Gradually, the movement against the Shah was transformed into a more destructive one determined to force the Shah out of office. Following Black Friday, the protest movement gained another dimension when both public and private employees organised strikes. The Iranian economy was hit enormously by an oilfield workers’ strike which started in September 1978. Oil had been the primary source of income for Iran since the 1920s, which may explain the Ambassador’s emphasis on the significance of the developments. In October, the strikes became more organised and effective, which led some of the Iranian authorities to consider using their power to put employees back at work.⁴⁵⁷ The Shah, instead, chose to promise wage increases and the continuation of political reform. At that stage, however, the opposition forces were not keen to negotiate with the Shah.

In such a state on 5 November 1978, the British chancery building in Iran was set on fire along with dozens of shops and vehicles in Tehran.⁴⁵⁸ No one was hurt, and contact with the Embassy was set up again quickly. The very next day the Shah announced the installation of a military government, which was described as temporary until the formation of a national unity government. On the attack on the British Chancery building, Foreign Secretary Owen made a statement to the House of Commons. Asked if the Government was intending to continue supplying arms to Iran during the transitional period considering that British arms were used against the Iranian people, the Foreign Secretary acknowledged that the “whole question of arms sales” was an exceedingly difficult one and that the Government was keeping its policy under constant review. He stated that “at the moment we think it right to continue our support for the Shah and for the CENTO alliance”.⁴⁵⁹ A similar debate directly addressing *arms sales* issue to Iran would be held in the House of Lords on 14 November. The FCO had prepared separate background notes about the current situation in Iran, general British arms sales to Iran, and the supply of anti-riot equipment.

⁴⁵⁶ *Ibid.*

⁴⁵⁷ Parsa, M., 1989. *Social Origins of the Iranian Revolution*. New Brunswick: Rutgers University Press, p.158.

⁴⁵⁸ Allaway, T., 1978. British Embassy invaded and set on fire. *The Times*, 06 November, p. 1.

⁴⁵⁹ Hansard, 6 November 1978, column number 506.

The FCO considered the military government the only option available to the Shah other than his abdication from the throne. That being the case, it *seemed unlikely* that the Shah would be able to form a kind of national government as the opposition forces “must feel that, having brought about the present crisis so effectively and so rapidly, only one more heave is required to push the dynasty out once and for all”.⁴⁶⁰ On arms sales to Iran, the FCO defined its policy under the following terms:

The UK Government has consistently supported the present regime in Iran in its policy to develop strong armed forces as a bulwark against the Soviet threat; as a force for stability in the strategically and economically vital Persian Gulf; and as support for our ally in CENTO. Iran is our largest single customer for defence equipment. Contracts signed or about to be signed total £2,500 million, with much more still under consideration by the Iranians.⁴⁶¹

The excerpt stated three main arguments in favour of supporting the *present* Iranian regime’s policy to develop strong armed forces. Firstly, considering Iran’s shared border with the Soviet Union and Soviet-supported countries, the Iranian Army could act as a *bulwark against the Soviet threat*. The second, a powerful Iran would be *a force for stability* in the Gulf region, which had strategic and economic importance. Both were probably related to Iran’s natural resources. Lastly, British defence supplies to Iran would contribute to the CENTO alliance. In terms of volume, the FCO acknowledged that Iran was the *largest single customer* for UK-manufactured military equipment, with further potential for growth. While the bulk of British military sales were related to the Shir Iran tank, the UK had other contracts including for armoured vehicles, naval support ships, local assembly and military construction projects. On the question of supplying crowd control equipment to Iran, the FCO argued that the decision was taken “after long and careful consideration” and “only after Ministers had been assured that their concern about the shooting of demonstrators had been conveyed to the Shah”.⁴⁶² During the House of Lords session, however, the criticism was about supplying British arms to “be directed against the demonstrators for democracy”. The Deputy Leader of the House of Lords responded to these criticisms by highlighting the *destructive* nature of recent demonstrations in Iran.⁴⁶³ More importantly, concerning the focus of this analysis, on British supplies, the following remarks were made:

As to the supply of defence material to friendly countries—and Iran has been friendly for very many years to this country and of immense importance to the life and livelihood of our people in this country and to the West generally—we

⁴⁶⁰ National Archives, FCO 8/3124, Background Note I Iran, [n.d].

⁴⁶¹ National Archives, FCO 8/3124, Background Note II Arms Sales to Iran, [n.d].

⁴⁶² National Archives, FCO 8/3124, Background Note III Anti-Riot Equipment, [n.d].

⁴⁶³ Hansard, 14 November 1978, column numbers 652-3.

scrutinise these requests for arms very carefully indeed. We are by no means the major suppliers of arms in this world, although in the debate the other night I was almost under the impression that some Members thought we were. [...] We supply a little under 5 percent. and that under very rigid scrutiny indeed, as I know is the case, equally in regard to Iran as in regard to any other country. Nobody can say what turn events in Iran may take in the next few weeks or months.⁴⁶⁴

The excerpt positioned the UK's arms sales in comparison to sales by the United States and the Soviet Union. Under-five per cent of defence sales were linked to Britain. What the excerpt did not discuss was the fact that Iran was the *single biggest buyer* of British military equipment in the world. In terms of sales of equipment to Iran, however, the FCO in November 1974 had argued in favour of selling almost any weapon to Iran. The FCO had argued that "as a CENTO ally, a principal financial and trading partner, and our most important customer for defence equipment, we have had virtually no inhibitions (short of nuclear weapons) about arms sales to Iran".⁴⁶⁵ While publicly expressing *rigid scrutiny* on defence exports in Parliament, the FCO had formed a policy with *virtually no inhibitions* towards Iran. Despite installing a military government, however, the Iranian authorities could not maintain order to prevent chaos in the streets. By January 1979 it became apparent that the Shah had to leave the country in the hope that some order could be restored. When the Foreign Secretary was asked whether there was any intelligence failure in predicting the fall of the Shah, he replied that it was "a matter of judgment rather than Intelligence".⁴⁶⁶

Summary

This chapter has explored Anglo-Iranian relations between 1976 and 1979 through the prism of British arms sales. As a result of financial difficulties that emerged in Iran after 1975, the Iranians had signalled their intention to revise and restrict their arms build-up. That decision triggered heated discussions among the British authorities that described the new Iranian policy, which was manifested as *reluctance* to finalise negotiations.

⁴⁶⁴ Hansard, 14 November 1978, column number 653.

⁴⁶⁵ National Archives, FCO 8/2742, Wright to Weir, (25 November 1974).

⁴⁶⁶ Hansard, 17 January 1979, column numbers 1698-9.

Future sale prospects seemed to be in decline. At that stage, the MoD's decision to hold a press conference on the latest British armour invention came as a political bombshell. The MoD had also proposed disclosing information about the 4030/Shir Iran tank deal to showcase the British armaments industry's success in 1976. MoD officials had proposed describing the sale as being for the benefit of their *friend and ally* Iran. However, once the press questioned Iran's alignment and the rationale for the supply of a new armour to that country, the Defence Secretary, Roy Mason, avoided discussing the Anglo-Iranian partnership and the merits of Iran's alignments to the West in CENTO. Instead, he defended the sale on commercial grounds. The equipment was available to *be sold*. The method pursued by the MoD to obtain the Iranians' consent for the revelations was also questionable for the FCO. The MoD conducted *personal diplomacy*, without any prior consultation with the FCO or the British Embassy in Tehran. FCO officials argued that bypassing the FCO could result *embarrassing* situations for the British.

The competitive nature of the Iranian arms market remained a concern for the British authorities. They argued that even the Shir Iran tank deal could be reversed and a German or American option could be picked up by the Iranians. This situation required Britain to handle Iranian enquiries carefully. Ambassador Anthony Parsons considered the new HDS, Ronald Ellis, to be capable of carrying out the task given his knowledge about the concerns of the Iranians. In 1977, however, the new administration in the US raised some concerns and presented some opportunities for the British. The Carter administration intended to limit American arms sales to third world countries with poor human rights records, including Iran. The US had asked its allies not to volunteer to supply arms to certain countries on human rights grounds. That policy added a layer of complexity into the promotion of British arms sales to Iran. For instance, the FCO and MoD had expressed opposing views on whether to promote the sale of Tornado aircraft to Iran. Inter-departmental discussions about the sale of aircraft to Iran reflected the dilemmas faced by the UK. The sale of aircraft would be a *logical* extension of British defence supplies to Iran. Thus, the authorities had to continue promoting British aircraft in Iran. On the other hand, the UK could face American accusations that they were acting in *bad faith*, as the US authorities had prevented the sale of F18s to Iran. The British authorities continued to promote the Tornado in Iran, but no firm order was placed by the Iranians.

The most serious challenges arose in 1978, when Iran witnessed growing protests and criticism against the Shah's regime. The use of military force to quell the protestors only helped increase unrest and support for the protestors. The opposition forces had developed a pattern of organising mass protests every 40 days following previous demonstrations that originated from

Shia practices. Lacking the means and equipment to control crowds using less lethal methods, the Iranians had used tanks and live ammunition during those protests. This situation created a heightened dilemma for the UK with regard to its arms exports. Growing criticism and the counter-productive consequences of deploying arms to control protestors led the Iranians to seek alternative internal security equipment. US reluctance to supply internal security equipment to Iran created a dilemma over the sale of CS gas to Iran following a sequence of events. The MoD had, once again, started promoting British internal security equipment in Iran in January 1978, without having had a clear consultation with the FCO. However, ministers at the FCO had been unwilling to supply such equipment to Iran. They were concerned that the sale would be inconsistent with the UK's approach to similar requests from Latin American states and that British public opinion would oppose to the sale. The UK faced a dilemma with regard to how to respond to the Iranians' urgent requests. After lengthy discussions, the Foreign Secretary decided that it was in the UK's *national interest* that the sale should go ahead, despite the risks involved. In Parliament, the Government was accused of failing to support people demanding democracy, and of backing the Shah's regime. The Government responded to those criticisms by declaring that Iran was a *respected ally* and had legitimate reasons for its arms build-up.

CHAPTER THREE

Student and Guerrilla Movement in Iran: Origins of British Dilemmas

Introduction

This chapter focuses on how the issue of human rights in Iran was viewed by the UK government in London in both the Foreign and Commonwealth Office (FCO) and the Home Office, and by the British Embassy in Tehran. It analyses how these views were shaped by understandings of British interests and priorities in dealing with Iran and how these understandings impacted on perceptions of the Shah. In doing this, it highlights differences between the Home Office and FCO on the human rights question in Iran and how and to what extent British perceptions evolved during the 1970s, a period when Iran's response to domestic and international protests attracted global attention to human rights issues in that country. The increase in international public interest gradually placed the Iranian regime at the centre stage of criticism, which also put pressure on Iran's bilateral relations with the Western governments. Iran's special relationship with the United States, and particularly President Carter's human rights initiative, have been the focus of much of the scholarly research in this area.⁴⁶⁷ The place of human rights in the

⁴⁶⁷ See, for instance, Amuzegar, J., 1991. *Dynamics of the Iranian Revolution: The Pahlavis' Triumph and Tragedy*. Albany: State University of New York Press; Keddie, N. R., 2006. *Modern Iran: Roots and Results of Revolution*. Updated ed. New Haven: Yale University Press; Saikal, A., 1980. *The Rise and Fall of the Shah*. Princeton: Princeton University Press; Forsythe, D. P., 1980. American foreign policy and human rights: rhetoric and reality. *Universal Human Rights*, 2(3), pp. 35-53; Guerrero, J. G., 2016. Human Rights and Tear Gas: The Question of Carter Administration Officials Opposed to the Shah. *British Journal of Middle Eastern Studies*, 43(3), pp. 285-301; Shannon, M., 2011. "Contacts with the opposition": American foreign relations, the Iranian student movement, and the global sixties. *The Sixties*, 4(1), pp. 1-29; Shannon, M., 2015. American-Iranian Alliances: International Education, Modernization, and Human Rights during the Pahlavi Era. *Diplomatic History*, 39(4), p. 661-688; Trenta, L., 2013. The Champion of Human Rights Meets the King of Kings: Jimmy Carter, the Shah, and Iranian Illusions and Rage. *Diplomacy & Statecraft*, 24(3), pp. 476-498; Shakibi, Z., 2007. *Revolutions and the Collapse of Monarchy: Human*

Anglo-Iranian relationship is less explored.⁴⁶⁸ Overall, this chapter illustrates that having strong trade and political relations with Iran impacted on FCO perceptions and limited their ability, or desire, to be openly critical of Iran on human rights grounds, despite the increasing international salience of the subject. Iranian student protests and guerrilla warfare had been instrumental in turning global attention to human rights violations and lack of political freedom in Iran. In responding to public enquiries about allegations of human rights violations in Iran, however, the FCO found itself caught in a dilemma as it attempted to reconcile internal pressures and British interests in Iran. This chapter seeks answers to three sub-questions set in the Introduction chapter (i.e. sub-questions 5-7): i) how UK's normative stand affected its perceptions of Iran, ii) how UK authorities' perceived the anti-Shah Iranian student movements, and iii) whether increased terrorist activities in Iran caused a change in UK's perceptions of Iran.

1. Student Protests: Focusing Global Attention on Iran

In the domestic sphere the Shah both reigned over and ruled Iran after initiating the White Revolution in 1963. The Iranian authorities actively controlled opposition movements and restricted political activities in Iran. Established in 1957 the Iranian national intelligence organization (SAVAK) had been highly active in monitoring and detecting opposition movements in Iran.⁴⁶⁹ Tight political control and a lack of freedom to engage in political activities paved the way for the marginalisation of opposition groups. Students were among those groups marginalised by the lack of political freedom in Iran. There were both left-oriented and right-oriented student movements, although the emphasis was usually on the former groups. It was Iranian students abroad who were able to protest most vigorously against the Shah's regime and organised demonstrations in Western countries.⁴⁷⁰

Agency and the Making of Revolution in France, Russia and Iran. London: I.B.Tauris; Moens, A., 1991. President Carter's Advisers and the Fall of the Shah. *Political Science Quarterly*, 106(2), pp. 211-237.

⁴⁶⁸ Rundle, C., 2002. *Reflections on the Iranian revolution and Iranian-British relations*, Durham: University of Durham, Centre for Middle Eastern and Islamic Studies; Ali, L., 2018. *British Diplomacy and the Iranian Revolution, 1978-1981*. Cham: Palgrave Macmillan; Felci, V., 2019. "A Latter-Day Hitler": Anti-Shah Activism and British Policy towards Iran, 1974-1976. *Diplomacy & Statecraft*, 30(3), pp. 515-535.

⁴⁶⁹ Ansari, A. M., 2007. *Modern Iran: The Pahlavis and After*. Second ed. Essex: Pearson Education Limited, p.137.

⁴⁷⁰ Matin-Asgari, A., 2002. *Iranian Student Opposition to the Shah*. Costa Mesa, CA: Mazda Publishers.

SAVAK officials were experts in surveillance methods to monitor suspicious movements within Iran, and to some extent internationally.⁴⁷¹ Iranian students, however, succeeded in working actively in Europe and America to establish opposition to the Iranian government. In this section, the evolution of student unrest both in Iran and abroad will be examined, alongside notable implications reflected in British nationals' understanding and perceptions of Iran.

One of the earliest international student demonstrations against the Shah took place in the Federal Republic of Germany, which had significant impact on subsequent developments. The protest was organised during the Shah's state visit to West Germany in summer of 1967. The Shah encountered sharp criticism from left-oriented organizations, who were also protesting changes in German law that would allowed the state to use its power to control protestors. This demonstration was considered one of the turning points in 20th century German history, and the protesters were mainly German citizens rather than Iranian immigrants.⁴⁷²

The importance of the German protest lies in its impact on Iran and its attitude towards criticism from within western countries. The Iranian reaction to such criticism had been considered *sensitive*, or *extremely sensitive* at times by British diplomats. In November 1968, a group of Iranian students living in the UK organized a protest march to the Iranian Embassy in London, which caused concern at the FCO, as well as in the British Embassy in Tehran. The primary goal of the demonstration was to "protest at the alleged detention and trial by military tribunal in Tehran of a group of Iranian students".⁴⁷³ Three years earlier in 1965, following an assassination attempt on the Shah, some British MPs and the British media had criticized the Iranian regime over its handling of trials of the accused.⁴⁷⁴

⁴⁷¹ Kusha, H. R., 2013. Impediments to police modernisation in Iran, 1878–1979. *Policing and Society*, 23(2), pp. 164-182.

⁴⁷² Brown, T. S., 2013. *West Germany and the Global Sixties: The Anti-Authoritarian Revolt, 1962–1978*. Cambridge: Cambridge University Press.

⁴⁷³ National Archives, FCO 17/851, TELNO 2056, (21 November 1968).

⁴⁷⁴ National Archives, FCO 17/851, Beamish to Champion, (25 November 1968). The archival documents reveal minimal details on the detainee students. However, the documents studied in this section clarify that they were accused of being *pro-Chinese* students; this was an allegation made frequently by the Iranian authorities when classifying dissidents. Here, it needs to be noted that the Iranian regime considered leftist organizations / movements to be the primary threat, rather than the religious-oriented conservative mullahs (i.e. Islamic religious teachers). For a comparison between Islamist activism in Iran and Egypt). As will be discussed below, according to British documents, religious groups were not classified as enemies of the regime prior to the mid-1970s, despite being repeatedly in opposition, see Bayat, A.,

I consider this protest as a key part of my analysis as it reflects, if not represents, British perceptions of Iran at that time. A speaking note prepared before the Iranian Ambassador, Abbas Aram's, meeting at the FCO, made a lengthy comparison between personal freedom in Britain and other nations. The document indicated the differences between the UK and Iran. The document started by discussing the role of *freedom of assembly and expression* in English life, indicating that while such freedoms are an integral part of British society, they could not be considered *essential* in other countries. This statement is followed by a reference to the anti-Vietnam war protest which had taken place in London in March 1968⁴⁷⁵. The first argument was that whilst the organizers of the protest were successful in publicizing the protest and causing tension and fear of violence, no serious trouble occurred on the protest march. Consequently, there was no need for the Iranians to be concerned about the planned march on the Iranian Embassy, as protests in the UK were common and generally peaceful. Secondly, the brief argued, even if the British Government had the power to prevent such protests from taking place, the organizers could fulfil their aim of attaining publicity and sympathy. By emphasising the HMG's inability to ban the protest, the brief indirectly criticized the strict control the Iranians used against protest movements in Iran. Moreover, it identified the Iranian practice of banning protests as a contributing factor in the rise of dissatisfaction with the Iranian Government.⁴⁷⁶

The British authorities were sceptical about the possible impact of the march. The expectation was that there would be less publicity and support for the protest march by allowing it. That decision would also limit the adverse outcomes of the march. Thus, the Iranians were expected to avoid pushing the British unnecessarily to ban the march, as this would *certainly* have the opposite effect and increase support for the protestors. The British authorities expressed their *own view* that accepting any petition presented by the activists would be a *wise* decision. Here the FCO was drawing a line between the UK and Iran, by emphasizing that the Iranians should react *wisely*, as defined in the brief. This implicit separation suggests that the British authorities had attached a superiority to the British way of handling protests over methods employed by the Iranians. That view was also visible in other arguments of the document. For instance, the document concluded

1998. Revolution without Movement, Movement without Revolution: Comparing Islamic Activism in Iran and Egypt. *Comparative Studies in Society and History*, 40(1), pp. 136-169.

⁴⁷⁵ Around 200 protestors were arrested in Grosvenor Square (Times, 31 Dec. 1968).

⁴⁷⁶ National Archives, FCO 17/851, Speaking Notes, [n.d.].

that allowing the protest to take place would be *the most realistic* option. The Iranian initiative to inquire about the protest could be considered a locus of possible disagreement between the Iranians and the British over whether such a protest should be allowed. More importantly, however, the FCO wanted to forward the inquiry to the Home Office, arguing it was their responsibility to decide whether to allow the march to take place.⁴⁷⁷

The protest march took place on 30th November 1968 in London. The attendance was low, and the protest ended without any violence⁴⁷⁸. Rather than evaluating the driving forces for the march, the Iranians raised questions regarding the identity of protestors. They claimed that there were a handful of Iranians and the remainder were members of various leftist organizations, as had been the case in West Berlin one year earlier. The matter was passed on to the Home Office. The issue gave the HO an opportunity to comment on Iran. The HO reply emphasised that what distinguished the UK from *some other countries* was: “As you know we tend to be somewhat more lenient about demonstrations than some other countries”.⁴⁷⁹ Although the Home Office avoided naming *some other countries*, the aim was criticising Iran implicitly. This is an example of how British perceptions of Iranians has been maintained.

The Iranian students’ protests in Western countries were successful in drawing attention to the condition of political prisoners in Iran. For instance, once the Iranians decided to allow foreign observers to attend a trial of accused dissidents in January 1969, the British audience took that opportunity to scrutinise the issue first-hand. British Labour MP, William Wilson was one of the foreign observers present in the courtroom during the trial. He was openly critical of the handling of the trial, because the trial “was quite alien to anything known in the U.K.” and the case was based on SAVAK reports. Despite these shortcomings, Wilson explained that foreign audiences’ interest in the trial process of political prisoners in Iran would reduce the sentence of the accused.⁴⁸⁰ Wilson considered foreign observation and interest in such cases in Iran helped defenders get shorter sentences. However, the Iranian authorities were sensitive about criticism from the international community, which had negative implications on Iran’s response to reports on Iran’s human rights records. One of the most prominent human rights

⁴⁷⁷ Ibid.

⁴⁷⁸ As a further indication of the low attendance, the Times did not report about the protest march despite having a lengthy article one day before it took place (see Times, 29 Nov. 1968).

⁴⁷⁹ National Archives, FCO 17/851, POL/66 480/19/3, (7 January 1969).

⁴⁸⁰ National Archives, FCO 17/851, Weston to Beamish, (9 January 1969).

organisations, Amnesty International⁴⁸¹, observed the same trial. Their unofficial⁴⁸² representative, Mrs. Ashton-Smith, voiced concerns regarding Iran's low standards of justice compared to British standards. She claimed that the prisoners had been tortured, although evidence of this was no longer visible, due to the lengthy delay between detention and trial. Ashton-Smith commented also that Iran was making progress in many other areas, an assertion with which the British Ambassador, Denis Wright, agreed. The Ambassador argued that "he did not get the feeling that the people as a whole felt that they were living in a police state and that it was only the subversives rather than the critics who had anything to fear".⁴⁸³ The actual observations contributed to the ways of balancing between the actual Iranian practices and British perceptions of Iran. For instance, the Ambassador's comments illustrated Iran as a country where maltreatment would be used against *subversive* groups and critics of the regime could express their opinion freely. Compared to the views expressed by both the FCO and the HO, the British Embassy in Tehran projected the Iranians' methods in a defensible fashion rather than criticising them.

The perceived *Iranian sensitivity* had direct impacts on Anglo-Iranian relations. For example, even though the march planned to take place in London in January 1969 did not go ahead, the FCO felt the need to advise the Home Office on the possible consequences of an adverse event against the Iranian regime. They argued that the Iranians could react if a sit-in took place in the Iranian Embassy in London, like that which had then recently happened in Rome⁴⁸⁴. The FCO argued that the Iranians would evaluate host countries' attitudes towards protestors, stressing why the UK should be careful not to offend the Iranians. The document highlighted one strategic and one commercial reason to be cautious. First, the strategic reason: The UK's dependence on Iran in the Gulf region. The document argued that the UK was "heavily reliant upon the co-operation of the Iranian Government in connection with our withdrawal from the Persian Gulf and laying the foundation for peaceful and orderly development there when

⁴⁸¹ Due to its known stand towards human rights abuses in Iran, Amnesty International did not receive any welcome from the Iranian Government before the late 1970s. Power, J., 1981. *Amnesty International: The Human Rights Story*. Oxford: Pergamon Press, pp.27-8.

⁴⁸² The Iranian authorities did not recognise AI to observe the trials, hence Mrs Ashton-Smith was an *unofficial* representative.

⁴⁸³ National Archives, FCO 17/851, Weston to Beamish, (16 January 1969).

⁴⁸⁴ Around 100 students had been reported to occupy the Iranian Embassy in Rome, who demanded release of 14 prisoners held in Iran. The occupation ended after five hours with a press conference accusing the Shah of being "dictatorial, bloodstained and imperialist" (Times, 28 Jan. 1969).

we have left”. Second, the commercial reason: maintaining and developing trade contracts with the Iranians. The FCO claimed that “the maintenance of close and friendly relations with the Iranian Government is of great importance in view of other British interests both governmental and commercial in Iran”. There were rumours that a group of the marching protestors could head to the Iranian Embassy to occupy it. A sit-in at the Iranian Embassy in London would be an undesirable event. The British concern was that the Iranians could associate such a sit-in with the UK’s failure to “display appropriate firmness in defence of Iran’s interests”.⁴⁸⁵ The FCO argued that if a sit-in protest were to take place in London, the Iranians could even “consider closing their Embassy in London”.⁴⁸⁶ The British emphasis on Iranian *sensitivity* suggests that the authorities had a tendency to expect a reaction from the Iranian Government. Contrary to what was expected, there were no attempts to occupy the Iranian Embassy in 1969.

In Iran, however, higher education students were seeking ways to get their voices heard by the Iranian authorities. Without having the means to openly criticise the regime, the students were employing economic concerns to raise their voices. For instance, students raised their voices to protest an increase in bus fares, gaining some support from among the working class of Tehran in early 1970. At the time, the primary motivation for the demonstrations seemed to be economic; however, there was some speculation that in university circles it was a way to denounce the regime.⁴⁸⁷ The Iranian authorities investigated the issue immediately and decided to reverse the decision to increase bus fares as a result of the Shah’s intervention. The reversal of the policy caused an “atmosphere of triumphant martyrdom among university circles”.⁴⁸⁸ Ambassador Wright evaluated the entire episode and concluded that the demonstrations had started as “spontaneous and non-political in origin but quickly became a highly-charged political affair. One reason for that rapid escalation to political grounds was that Iranian law was prohibiting students from organising political demonstrations, thus increasing the possibility of any protest turning violent”.⁴⁸⁹

I consider these protest movements in Iran to be essential in analysing British reflections of the events. For instance, in the days following the student protests and their

⁴⁸⁵ National Archives, FCO 17/851, Weston to Clift, (28 January 1969).

⁴⁸⁶ National Archives, FCO 17/851, Beamish to Tripp, (27 January 1969).

⁴⁸⁷ National Archives, FCO 17/1214, TELNO 145, (23 February 1970).

⁴⁸⁸ National Archives, FCO 17/1214, TELNO 148, (24 February 1970).

⁴⁸⁹ National Archives, FCO 17/1214, Murray to Tripp, (26 February 1970).

eventual triumph, there were rumours concerning the nature of the protests. One concerned whether SAVAK had provoked students to smash a bus by placing it outside the campus of the Polytechnic⁴⁹⁰, where protests would become common in due course in the early 1970s. Consequently, even in diplomatic circles, opinions were varied as to whether the demonstrations were spontaneous or triggered by SAVAK to identify dissident students. In its evaluation of the incidents, the British Embassy in Tehran argued that the “Persian mental tendency would favour the hidden-hand theory” of SAVAK’s involvement.⁴⁹¹ The reference to a *mental tendency* can be read as an example of oversimplifying. This reflection could be associated with Britain’s superpower role in the region in the 19th century, during which Iran’s weakness made it vulnerable to foreign interventions.

On the other hand, the Iranian government introduced some measures to tackle youth unrest. One was threatening students who failed their exams with conscription. The British Embassy in Tehran argued that some students had already been drafted into the Iranian army for not progressing successfully in their courses. The same document also pointed out that conscription into the army “is of course, as you well know, the classic response of the Persian authorities to student trouble”.⁴⁹² Another method employed by the Iranians to tackle youth unrest was to persuade dissident youths to recant their beliefs and openly declare their support for the regime. That practice became a concern for the British when the Austrian Embassy in Tehran approached the British Embassy with worries over visa applications. The Austrian claim was that the Iranians wanted to send one of the high-profile recanting students to Austria to *spread the gospel of repentance*. The British Embassy suggested that in order to avoid being faced with a similar case, they should make a list of *important recanters*, who London should consider when determining whether to issue visas or not. The British Embassy argued that those recanters could provoke protests by left-wing organisations and MPs by engaging in *propaganda work* in the UK.⁴⁹³ Both incidents indicate close British scrutiny of domestic developments in Iran.

⁴⁹⁰ One of the leading engineering universities in Iran. Its name was changed to Amirkabir University of Technology in 1979.

⁴⁹¹ National Archives, FCO 17/1214, Murray to Tripp, (5 March 1970).

⁴⁹² National Archives, FCO 17/1214, Drace-Francis to Makinson, (10 April 1970).

⁴⁹³ National Archives, FCO 17/1514, Drace-Francis to Makinson, (20 January 1971).

In October 1970, a notable story was revealed about police *interference* with the personal freedom of individuals in Iran and its connection with the Niavaran Palace. There were an increasing number of youths in *hippy-style gear and long hair* which created the “usual series of complaints against these boys and the police decided to institute a campaign against them on grounds of public order, morality, etc.”. The police apprehended individuals matching this description, who were subsequently shaved at the police stations. A police raid on the Key Club, a famous night club in Tehran, made this procedure public knowledge, due to an artist and friend of the Empress / Shahbanu being subjected to similar treatment. Consequently, the issue was raised in the Palace, with the Shahbanu criticizing police treatment. The Shah instructed a review of the practice and ended police interference into the *personal freedom of individuals*. The fall of the Police Chief of Tehran ensued just before “the Shah was to deliver his major speech about ‘real’ democracy at the Provincial Councillors Congress”.⁴⁹⁴ In fact, the British Embassy suggested that police treatment was determined by the Shah himself:

[...] we have heard from the American Military Attache that the whole row “really” started when 2 or 3 weeks ago the Shah was driving himself home from an evening function and was held up by a mob of long-haired youths in the street. Narked by this, he rang up General Mobasser the next morning and instructed him to clamp down on the hippies. Eager to regain favour after their mishandling of the student riots in February, the police went to work with a will and when General Mobasser was summoned after the Key Club incident, he tried to explain that he was merely acting on H.I.M.’s [His Imperial Majesty’s] orders. But this time the boot was on the Shah’s other foot and General Mobasser was summarily sacked. It is a typical Persian story, but such are the problems of a one-man regime.⁴⁹⁵

Comparing the events discussed, new insights emerge regarding the British approach towards the Iranian authorities' practice when dealing with student unrest. In the first case, the Iranian officials threaten *unsuccessful* students with being drafted into the army. In the second case, Iranian security officers take direct action to change the appearance of individuals that they deemed inappropriate. In both cases, the British approach was on similar lines. Drafting into the army was explained as *the classic response*. Reversing a decision recently taken by the Royal Court on the grounds that the practice violated *personal freedoms* was a *typical Persian story* and related to *problems of a one-man*

⁴⁹⁴ National Archives, FCO 17/1214, Drace-Francis to Makinson, (6 October 1970).

⁴⁹⁵ *Ibid.*

regime. It can be argued that considering and classifying Iranian actions in this manner caused *normalization* of the situation in Iran. This normalization resulted in negligence in terms of human rights violations in Iran.

The documents and developments discussed in this section indicate the foundations of the British views towards opposition movements against the Shah's regime and the reactions of the Iranian authorities. I argue that the FCO officials, for legislative reasons, did not want to get involved in decisions regarding protests organised by the Iranian students in the UK. That did not stop FCO officials from emphasising Iran's importance to the UK in both political and commercial terms. The British Embassy in Tehran, however, had expressed critical views about the Shah's comments on *real democracy* in Iran. The possibility of Iranian *recanters'* provocation in the UK was another concern for the British Embassy, which did not materialise. The next section will explore how intensified student movements in Iran had an impact on those British views.

1.1. Increase in Protest Movements

During 1971, the number of student protests in Iran increased. Until that point, as a type of undeclared tradition, the protests were mainly taking place during the Shah's annual winter vacation in Switzerland. However, 1971 marked widespread student unrest, and the Shah was present in Tehran.⁴⁹⁶ The students were not afraid to chant anti-regime slogans on campuses and demand more change in how the authorities handled protests. Some working-class citizens of Tehran also raised their dissatisfaction with the high cost of living.⁴⁹⁷ In this environment, the Iranian authorities announced a clampdown on members of the Confederation of Iranian Students Abroad⁴⁹⁸ by banning it. By criminalising membership to this organisation, the Iranians aimed to cut popular support for the Confederation.⁴⁹⁹

From 1971 onwards, the student protests became the most notable and dominant movement inside and outside Iran. In March 1971, the British Embassy produced a

⁴⁹⁶ National Archives, FCO 17/1514, Drace-Francis to Smith, (2 March 1971).

⁴⁹⁷ National Archives, FCO 17/1514, Drace-Francis to Smith, (16 March 1971).

⁴⁹⁸ One of the main Iranian opposition organisations abroad that had a presence in most western countries including West Germany, France, the United Kingdom and the United States during the 1970s.

⁴⁹⁹ Economist, 1971. Banned Students. *Economist*, 27 March, p. 34.

special report entitled *Iranian Youth in Turmoil* which revealed the crux of the situation. There was a need to closely observe the issue, “as the Shah grows older while his country gets younger it is worth taking a look at the problems facing Iranian youth”. The country was suffering from a brain-drain, due to the reluctance of foreign-educated Iranians to return to Iran. As the country’s revenue from oil increased, more Iranians left Iran to get a degree abroad, but very few then chose to return to pursue a career in their homeland. In order to overcome the shortfall in human capital, the Iranian authorities proposed changes to the education system. Improving education standards in Iran had its challenges as each attempt to reform the system and curricula was opposed by the students. The report accused the Iranians of being “ham-handed in putting their reform into effect and came up against the innate conservatism of the young – for whom the only methods of protest are revolutionary”⁵⁰⁰. The implied meaning here is that Iranians were *impatient* to nurture an idea before *jumping into* implementing them. There was another danger, in that the Iranian emphasis on requesting a license to be employed in almost every profession was turning education institutions into *degree-factories*. Accordingly, the report argued that while the tone of criticism was becoming “openly anti-regime,” senior university students were reluctant to take part in every protest movement as they were focused on getting “their pieces of paper [i.e. licence/certificate/diploma]”. While the Iranian authorities associated the main threat with the left-wing organizations, there was evident opposition from religious groups who were claiming that the “monarchy must be destroyed for religion to become free.” During student protests, the Iranian authorities tried to draw a line between *ordinary students* and *traitors* influenced by *foreign subversive organizations*. It should also be noted that not all Iranian methods were designed to suppress the opposition groups. Another mechanism employed by the Iranian authorities was offering promotion to recanting dissidents. The practice was considered a “risky policy even if it is founded in centuries of Persian cynicism: as one loyal student put it to a member of my staff, ‘it seems you have to be a Maoist to become an Under-Secretary these days’”.⁵⁰¹ The report also argued that:

For the Shah and his Ministers the problem is that the cauldron will always be on the boil and they may never be able to predict when it will boil over or why. If the students are kept isolated, and so long as the

⁵⁰⁰ Although the term *conservatism of the young* appears contradictory to notions of protesting students, the term could be employed to emphasise the Iranian students’ resistance to changes to the education system, such as revised curricula or a new exam schedule.

⁵⁰¹ National Archives, FCO 17/1514, *Iranian Youth in Turmoil*, (23 March 1971).

working class remains unorganised and, indeed, in the case of the peasants, defends the White Revolution, the student challenge to the establishment can have little mass basis. The ambitions of the growing middle classes, despite their private attitudes, probably make for stability. But economic setback, or the slowing down of development, could give youth a chance to broaden its protest, as it has done recently by dragging in non-student issues, e.g. bus fares, religious protest stirred up by the [sic] Ayatollah Khomeini, and the Government's policy over Bahrain. The Shah himself has hitherto tried to keep aloof from the immediate battlefield: in fact it is noticeable that over the past five years the worst clashes have often occurred during his annual winter holiday in Switzerland. But he has inevitably been dragged into conflict, even if his name has officially been kept out of the assassination lists and off the demonstrators' slogans, and he took last year's troubles as a personal attack on everything he has done for Iran. One of his first reactions is still to blame the foreign influences which he suspects of aiding and abetting the young subversives: this means that Anglo-Iranian relations will continue to be at the mercy of his obsession with the BBC, British Left-wing opinion and the alleged misdeeds of the oil companies. Yet in many ways he is riding a tiger of his own making. The White Revolution having solved the immediate problems of Iran's post-war society, has stimulated the expectations of the rising generation in a way which could bring a fundamental challenge to all the autocratic concepts on which even the White Revolution was founded. This challenge will almost certainly come in the Shah's lifetime and possibly in the next few years; but as I see the present scene I think that when it does it will not be to his person or to the principle of monarchy. What the Shah still needs is time to consolidate, educate and reform. He is conscious of this and a large measure of his planning and thinking is directed to anticipating challenge.⁵⁰²

The excerpt above is one of the arguments in which British diplomatic staff openly discussed their concerns of Iran in relation to future threats and anticipated progress. As long as the opposition forces remained divided, there appeared no immediate threat to the regime. The potential to unify those groups on a hot topic was always within the realm of possibility. The report argued that the Shah was subject to protests against his policies only, rather than a more general dissatisfaction with the monarchy. The emphasis here, however, also indicates that the Shah's *lack of understanding* of the motivation of the protestors led him to oppress critical voices against his policies rather than engaging in dialogue and finding solutions. Of equal importance is that the British accused the Shah of holding Iran's foreign relations hostage to *foreign conspiracy theories*. The report

⁵⁰² Ibid.

argued that the Shah's "obsession with the BBC, British Left-wing opinion and the alleged misdeeds of the oil companies" would colour the future of Anglo-Iranian relations. The excerpt above is an example of the oversimplification of the Shah's thinking, which is also evident in other analyses made by the British.

This section demonstrated the signs of dilemmas appearing for the British Embassy in Tehran over the rise of student demonstrations. I argue that the relative increase in protests in Iran led to unbalanced conclusions by the Embassy. Although it was significant to prophesy that student protests, if supported by other groups, could lead to extreme disturbances, it was equally provocative to indicate that the Shah's authority was weak even in 1971. The dilemma was that the UK had placed great importance on maintaining *friendly* relations with the Iranian regime, but at the same time was critical of its handling of political activities in Iran. The year 1971 is significant, at least for two reasons. First, at that time the British withdrawal from East of Suez was still not complete, and negotiations about post-withdrawal arrangements were continuing. In that sense, there were reasons to prioritise the goal of continued *stability* in the region. Second, the Shah was revising his role to make it more proactive, which required devoting material and financial resources to the Iranian arms build-up. With Iran turning to Britain for its arms procurement needs, the UK had to consider the economic impact of any developments in its relations with the Shah's regime. The next section will explore how the British perceived Iran's attempts to veil student protests.

1.2. Iranian Attempts to Cloak Student Protests

During student protests in December 1970, the Iranian authorities decided to reveal details regarding the death of General Teymur Bakhtiar, former head of SAVAK living in exile in Iraq, who was assassinated in August of that year. British diplomats viewed the revelations as an attempt to divert attention away from the student problems which had gained much attention in the press. The Iranians alleged that Bakhtiar had been receiving support from foreign powers, including Russia and Britain, while also being offered payments from oil producing companies including British Petroleum.⁵⁰³ The

⁵⁰³ National Archives, FCO 17/1218, TELNO 825, (24 December 1970).

allegation about Bakhtiar receiving foreign support was a concern for the British Embassy as it had the potential to sour relations between the UK and Iran.

Following these revelations, the Shah gave a speech which was aired live on television on 29th December 1970. The speech, lasting two and half hours, was described as inducing “natural tendencies to go to sleep”, and also had the Shah’s “violent table thumping at crucial intervals, particularly during the passage on the iniquities of developed countries.” The impression given was that the Shah was “still fighting the battles of the 1940s, about which he will clearly remain obsessed until his deathbed”.⁵⁰⁴ Commenting on the Shah’s speech, the British Embassy discussed how they perceived the Shah’s *extreme anger*:

The oil companies, and the British in particular, are always good game for the Iranians, deep down in every one of whom there is a suspicion of us. I have little doubt that one of SAVAK’s motives in giving such publicity to the Bakhtiar/oil companies revelations was to divert attention from the student troubles. [...] What is additionally disturbing is that the Shah at the same time should have made such a critical television broadcast most of it admittedly about internal affairs, but with his nasty reminders of the alleged links between BP and the Tudeh Party. [...] It may well be that this latest outburst by the Shah was in part inspired by the BBC broadcast in praise of Mossadeq.⁵⁰⁵

The excerpt reveals Ambassador Wright’s depiction of the speech and the conclusion he reached (i.e. the British being *good game* for the Iranians). While the text attributes a *suspicious* mindset to the host country, it can be argued that the excerpt also reveals equally suspicious thinking on the part of the British Embassy. The Ambassador stated that the Shah made “nasty reminders of the alleged links between BP and the Tudeh Party”. It can be argued that classifying some parts of the speech as “nasty” indicates the existence of preconceived judgements about the Shah’s thinking. The previous document cited, which had accused the Shah of “fighting the battles of the 1940s”, could also suggest the existence of that thinking. Additionally, the argument was based on the assumption that the Iranians accuse foreigners of plotting against Iran and were using the Bakhtiar revelations to divert attention from internal unrest, giving the underlying impression that the Iranians were hiding their failures with conspiracy theories about westerners, rather than working on identifying and solving the problems. This is a point

⁵⁰⁴ National Archives, FCO 17/1512, Drace-Francis to Makinson, (1 January 1971).

⁵⁰⁵ National Archives, FCO 17/1512, Wright to Evans, (31 December 1970).

which is apparent throughout the lengthy document, implying that the Iranians are *incapable* of analysing and solving their own problems⁵⁰⁶.

In May 1971, the Iranians introduced more thorough measurements to tackle student unrest; students participating in *disturbances* would face expulsion from their studentships. The Iranians claimed that the majority of students were not supportive of such protests which were clearly “attacking the Shah and the White Revolution”. The British Embassy, however, expected that there could be an increase in opposition to the regime in 1971 towards the celebrations of the 2500th anniversary of the monarchy in Iran⁵⁰⁷. The British authorities inferred that public opinion was with the students who suffered police brutality. During this period, the Embassy noted that an account of the Shah’s visit to the University of Shiraz where he was “surrounded by ‘his loyal students’ has been greeted with ridicule” by the public.⁵⁰⁸ The student unrest, which was clearly evident in the capital, led British diplomats to make a distinction between *loyal* and *rebel* students. However, the importance of this sentence lies in the emphasis put on the words *his loyal students* by which the Embassy also indicated the Shah’s alienation from *anti-White revolution* students.

The Iranian authorities were putting much of the stress on communist-oriented organisations. That was palpable in the Iranian authorities’ discourses. For instance, during a UK Parliamentary Delegation visit to Iran in May 1971, the Shah openly addressed students being prey of communist propaganda. After discussing the “Communist subversive threat to Iran”, the Shah argued that foreign elements were primarily targeting Iranian students studying abroad. He gave the example of West Germany, where *ignorant students* were welcomed by communist groups on arrival and felt at home. The Shah also argued that Iranian students abroad were becoming “easy prey for Communist influence” when those students compared the backwardness of Iran with the “wealth, development and sophistication of Europe”. In Iran, however, as a result of “the success of land reform and the emancipation of the peasants, there was no effective power group which the Communists could easily subvert. They were, therefore,

⁵⁰⁶ These arguments and implicit accusations were not limited to 1970. The British authorities employed a pattern of criticising the Iranian authorities for the shortcomings of the Iranian regime. Similar arguments would appear in various cases during the remainder of the 1970s.

⁵⁰⁷ The Iranian authorities had invited dozens of heads of state and arranged extravagant celebrations, which was picked up by Khomeini as being against Islamic principles, Arjomand, S. A., 1988. *The Turban for the Crown: The Islamic Revolution in Iran*. Oxford: Oxford University Press, pp.147-8.

⁵⁰⁸ National Archives, FCO 17/1514, Drace-Francis to Smith, (5 May 1971).

going for the eggheads in the universities”.⁵⁰⁹ Those arguments were in parallel to the ones expressed by Iranian security officers following the Siahkal incident when a group attacked the local gendarmerie post to save their comrades in April 1971. The Shah’s argument was that “Iranian students who went abroad, particularly those who were too young to remember the events of the 40s and early 50s, were misled by Maoist propaganda in Western countries, including Britain”.⁵¹⁰ It seems that the main concern of the Iranians, including the Shah, was eliminating communist influence in Iran. The Shah’s remark, while acknowledging Iran’s need for further development, claims that only “the eggheads in the universities” would be influenced by communist propaganda. Iranian students studying abroad were accused of being “ignorant” by the Shah and being “too young to remember the events of the 40s and early 50s” by Iranian authorities. The perceived threat from communism also helps explain the harsh Iranian police/military involvement in student protests.

I argue that the British Embassy’s reaction to student protests blurred their analysis of the Iranian authorities’ response to those events. The Embassy’s *suspicion* that *every* Iranian was blaming the British for subversive actions in Iran was evident in Ambassador Wright’s reporting to the FCO. That view, however, contributed to British dilemmas about Iran. How could the Iranians be considered an *ally* if both the UK and Iran were suspicious of each other? Rather than promising a strong partnership, the Ambassador’s comments on the Shah’s criticism about events of the 1940s (e.g. Anglo-Russian occupation and Reza Shah’s abdication) could be read as indications of the weak structure of the alliance between the UK and Iran before 1972 (i.e. by when the British withdrawal would be completed). It is important to note that Britain avoided engaging in open criticism of the Iranian regime about its handling of protests, despite being critical of it. The next section will demonstrate whether FCO concerns over *Iranian sensitivity* to criticism had a firm basis and how this affected the British dilemma over balancing domestic and foreign relations.

⁵⁰⁹ National Archives, FCO 17/1514, Arbuthnott to Smith, (24 May 1971).

⁵¹⁰ National Archives, FCO 17/1515, TELNO 228, (5 April 1971).

2. Urban Terrorism and Questions on Treatment of Prisoners in Iran

Following the Siahkal incident, Iran witnessed a series of gun battles between the authorities and armed groups⁵¹¹. In April 1971 the head of the Military Tribunal, General Farsiu, was shot dead marking the most high-profile assassination attempt since the assassination of Prime Minister Hassan Ali Mansur in 1965. The British Embassy reported that there was some criticism of the police for “trying to cover up the incident by pretending that Farsiu would live [...]. But we do not know what the exact medical situation was, and this may just a typically cynical Persian reaction to the reports put out by the authorities”.⁵¹² Following the incident, there were several “wild rumours” about further incidents which were neither confirmed nor denied by the authorities. However, after a thorough examination, the British Embassy concluded that they were untrue. Instead, they “merely reflect the jittery state of public opinion and the authorities seem to have let them run in order to keep people suitably scared”.⁵¹³ Considering both excerpts in connection reveals information about how the British viewed the relationship between the Government and people in Iran. It appears that the Embassy separated rumours into two categories: One generated by the authorities and one created by the people. The importance of this identification lies in how the audience reacts to it. If the rumour originates from the authorities, the British Embassy argued, then the “typically cynical Persian reaction” would be doubting it at first sight. If, on the other hand, the rumours originate from the people, the Iranian officials could just “let them run” if they have some utility for the authorities.

Despite the Iranian authorities’ claims to have full control over the situation following the Siahkal incident, there was still a possibility of anti-regime violent/armed opposition. The FCO argued that “given that there is still bitter discontent among many of the students and intelligentsia, it would not be surprising if extremists tried to follow the Siahkal gang’s methods, although their failure may have some slight deterrent effect for the time being”.⁵¹⁴ That being the argument, the British Embassy also pointed out that

⁵¹¹ For an account of Iranian leftist organisations rise and fall see Behrooz (1999) and for terrorist activities in Iran see Zabih (1982).

⁵¹² National Archives, FCO 17/1515, Drace-Francis to Smith, (13 April 1971).

⁵¹³ National Archives, FCO 17/1515, Drace-Francis to Smith, (16 April 1971).

⁵¹⁴ National Archives, FCO 17/1515, Drace-Francis to Smith, (27 May 1971).

the “terrorist youth problem is a world-wide phenomenon” and Iranian students and authorities had a close eye on developments in Turkey where wide-spread student demonstrations were frequent.⁵¹⁵ There was a decline in terrorist activities in Iran which could be falsely associated with a decrease in the “level of discontent”. On the contrary, the British argued that it was possible to see an increase in security problems as the country approached its 2500th-anniversary celebrations.⁵¹⁶ The excerpts may seem in conflict with each other, but they unite in predicting more political unrest in Iran.

Iranian revelations about the backgrounds of armed groups indicated public discontent from diverse groups in Iran. In January 1972 SAVAK revealed that there were 120 “members of subversive groups” awaiting trial. The trial in question was proposed to be *open* to the public. Those detained were mainly members of three organisations. The biggest of them was “the Iran Liberation Organisation (Nehzate Azadi), a right-wing group with the professed object of safeguarding Islamic principles”. The group was alleged to have an establishment within Iraq in addition to getting training from the Palestinians. The second group was a faction of the Tudeh Party. The members of this group were charged with at least one bank robbery. The third group, “the Revolutionary Organisation of Iranian Communists (SAKA) were basically a non-violent organisation”. While failing to get international support, the organisation was caught by SAVAK.⁵¹⁷ The Iranian authorities by disclosing information on these groups were aiming to show the public that they were in control. In the background, however, bombings were taking place indicating that those subversive groups were still capable of carrying out successful incidents.⁵¹⁸ Accordingly, in the 1970s both left-oriented and right-oriented groups gained momentum to express dissatisfaction with the regime.

Iranian revelations indicated that there were other dissident groups organising against the Iranian Government. One such group called themselves “the Cherkha

⁵¹⁵ National Archives, FCO 17/1515, Drace-Francis to Smith, (4 June 1971).

⁵¹⁶ National Archives, FCO 17/1515, Drace-Francis to Smith, (2 September 1971). The Iranians were putting much emphasis on the 2500th anniversary celebrations and precautionary steps were taken to ensure their success. SAVAK even revealed that “more than 600 persons had been detained and would remain in custody until after the October celebrations. Most of these were merely suspects but SAVAK could not afford to take any risks”, National Archives, FCO 17/1515, TELNO 766, (26 September [1971]). The level of precautions indicated that even foreign nationals could be arrested on suspicion of subversive activities and remain in detention until after the celebrations, FCO 17/1515, Drace-Francis to Smith, (30 September 1971).

⁵¹⁷ National Archives, FCO 17/1717, TELNO 43, (17 January [1972]).

⁵¹⁸ National Archives, FCO 17/1717, TELNO 56, (19 January [1972]).

Fedaiye Khalq (literally ‘the people’s self-sacrificing guerillas [sic]’). They were part of the Siahkal group which featured in newspapers for a while in 1971 after an attack on a gendarmerie post. The British Embassy had two main interests in following these developments. First, to have some prediction about how these subversive organisations would affect the stability of Iran. Second, to keep a close eye on “British-based civil rights groups whose activities might sour Anglo-Iranian relations”.⁵¹⁹ The British Embassy had also learnt from a source⁵²⁰ that members of SAKA had been secretly tried and sentenced:

Since SAKA had not actually committed any subversive acts, there was no question of the death penalty being imposed; this was the reason given for the trials being held in secret. The reason for this is perhaps that the hard evidence that they can produce against the other three groups is conspicuously lacking in the case of SAKA and to give SAKA the same treatment would reflect badly on their judicial image. If Amnesty International were to put their oar in, it would be SAKA that they would concentrate on arguing that they were political prisoners.

In contrast, judging by the press reports of the first three days of the trial of the “Cherikha”, they are making no attempt to deny culpability but are basing their defence on the claim that their opposition to the Shah’s regime is consistent with loyalty to the Iranian constitution.⁵²¹

The British Embassy’s impression was that the Iranians were detaining and sentencing people without having *hard evidence*. Due to international pressure groups, however, they were trying to cover their actions. The reference to Cherika makes an interesting point as the British distinguished two subversive organisations from SAKA. During trials, the members of Cherika argued that their actions were complying with the Iranian constitution and the trial was absurd as they were not offending Iranian laws. The British Embassy considered SAKA to be an ideal candidate for Amnesty International’s support on political terms while Cherika could only get attention from that organisation on imprisonment conditions⁵²². As classified by the British Embassy, SAKA was a non-

⁵¹⁹ National Archives, FCO 17/1717, Arbuthnott to Smith, (27 January 1972). As discussed above AI had not been officially recognised by the Iranian regime. That situation, however, did not stop either AI or other non-governmental organisations working in promoting greater political freedom in Iran. The British Embassy had argued that adverse comments on Iran from those groups could easily be picked by the Iranians who could also ask the UK to take action against those organisations.

⁵²⁰ The name of the person is still hidden/protected in archival documents.

⁵²¹ National Archives, FCO 17/1717, Arbuthnott to Smith, (27 January 1972).

⁵²² The documents indicate that the Iranian authorities sentenced the members of SAKA without having concrete evidence. Similar arguments would be made by the British authorities to highlight lack of fair trials in Iran (discussed below).

violent political group whose members were caught up by the SAVAK. That would mean its members were demanding political freedom through peaceful methods. Their imprisonment would make them *political prisoners*, a focus of AI. Separating dissident organisations, however, also indicated that the British diplomats did not find Cherika's argument on loyalty to the constitution strong enough.

While the British Embassy commented on the background of dissident groups, they skipped the Iranian officials' comments on treatment of detainees. For instance, the Iranian police expressed "the hope that as many as 60 might be sentenced to death; they were, after all, proven terrorists and not mere subversives".⁵²³ While that meant giving capital punishment to one out of two detainees, the British Embassy instead chose to *speculate* about public support for those groups:

It is interesting to speculate to what extent, if any, the terrorists enjoy the sympathy of the public. The Police, naturally enough, claim that the townspeople refuse to shelter and report them readily, which proves nothing because they would be scared of SAVAK if they did not do so. There have been straws in the wind that suggest that the level of discontent with the Government (as opposed to the Shah himself) is higher than usual at present. The main factor in this is escalating prices, which the Government are not alone in finding a difficult problem to tackle. [...] From moaning about the cost of living to supporting subversive groups is a big jump and it would be naïve to suppose that rising prices could be a great help to the terrorists.⁵²⁴

The Embassy made a distinction between discontent with the Government and the Shah. While there was a rise in the former, there was no reference to the latter. British officials constantly repeated the argument that public criticism was mainly against the Government rather than to the Shah during the first half of the 1970s. The main underlying factor for that increase was related to the rise in living expenses rather than social conditions in Iran. The FCO comment on this subject requires attention:

I have been following with interest the reports in your letters, and in the "Kayhan"⁵²⁵, on the trials. SAVAK do seem half-hearted in their efforts to present "fair and public" trials; one can appreciate their difficulty in producing hard evidence and hence a proper trial in some of the cases –

⁵²³ National Archives, FCO 17/1717, Browne to Smith, (3 February 1972).

⁵²⁴ Ibid.

⁵²⁵ *Kayhan* was one of the major daily newspapers in Iran before the revolution. It had also an English edition called *Kayhan International*.

but one would expect them to be more careful to show justice being done wherever possible.⁵²⁶

The commentator openly criticised the Iranians' attitude towards *fair and open trials* as described here. The Iranians were accused of both being *half-hearted* in the trial process and *ignorant* even to show they care to be impartial. The comments, however, have a tone of patronising over the Iranians, especially the sentence that states "one would expect them to be more careful to show justice being done wherever possible"⁵²⁷. This argument suggests that the Iranians were deliberately maltreating the accused at courts. The *fair and public* trials had a halt following successful violent activities of subversive organisations, which showed that the security forces were not in control of the situation. In other words, the Iranians had "decided to go back to the old ways" and keep trials in secret. The document argued that:

This inept handling of the trials was generally thought to be [PM Amir-Abbas] Hoveyda's work, so we were rather surprised to read in the Shah's press conference in the wake of Brandt's visit on 7 February, a strong attack on *Le Monde* and its criticism of the conduct of the trials. Using emotive language, and dealing with cases some of which to our minds would still be sub judice, he said for example "to go back to the saboteurs, they were killing innocent people, taxi drivers, bystanders and 2 boys of 5 and 6 by machine-gunning everybody in the street". He also developed one of his favourite themes in claiming that student discontent and subversion was a world-wide, not particularly Iranian, phenomenon. Iranian students in Britain did not escape unmentioned. [...]

Because of all this, I doubt whether it will be long before Amnesty International, William Wilson MP or somebody else starts to cause trouble. [...]

The Iranians have demonstrated again by all this how prone they are to over-reacting. It would have been far better for them (and for us, to stave off criticism in England) to have carried on with the controlled public trials and to have avoided such publicity as was given to them by the demonstration and the Shah's ill-considered remarks. Let us hope that there are not too many more death sentences to inflame the situation; I suspect that there will be.⁵²⁸

⁵²⁶ National Archives, FCO 17/1717, Smith to Arbutnott, (11 February 1972).

⁵²⁷ The British authorities' focus could be both on the substance and the essence of the judicial system in Iran. That issue will be discussed in the next chapter.

⁵²⁸ National Archives, FCO 17/1717, Browne to Smith, (9 March 1972).

The Shah was accused of using *emotive language* to describe the developments and even referring to children affected by the violence on streets. Iranian students studying abroad also took their share in the Shah's comments. The Shah also discussed one of his *favourite themes* of claiming violent student protest is a global trend and not specific to Iran. The overall exchange was considered an *over-reaction* which was associated with Iranians being *prone to over-reacting*. As such comments would have the opposite effect and create more publicity the Shah, the FCO argued, had made *ill-considered* remarks.

I argue that the Iranian revelations about the subversive groups did more harm than good to the views the British Embassy had about the Iranian regime. First of all, the Iranian authorities' inability to restore stability led to British speculation about the possibility of a widespread protest movement in Iran. The celebrations planned for 1971 were cited as a potential event to spark unrest. The Iranian authorities' broad threat perception, however, was contributing to growing criticism of the lack of political freedom in Iran. That was evident in the British Embassy's comments on the likely interest of British non-governmental organisations in the trials of the accused members of the Iranian intelligentsia. Interestingly, in its evaluations, the British authorities made three critical points. First, they distinguished the opposition to the Iranian Government from opposition to the Shah, despite the latter having the *divine authority to rule* in Iran. Second, they accused the Shah of failing to address the opposition. That point also reduced the impact of the Iranians' arguments that urban terrorism was a global problem. Last, but not least, the British tacitly admitted that they feared that AI or some MPs could cause *trouble* for Anglo-Iranian relations. That would become a highly significant contributory factor with regard to British dilemmas in maintaining Anglo-Iranian relations. The next section will follow the signs towards the realisation of the FCO's concerns.

2.1. Early British Dilemmas During Violent Disturbances in Iran

Parallel to increasing domestic unrest in Iran, there was growing interest in Iran's handling of it in western countries. For instance, in March 1972 Lord Fenner Brockway⁵²⁹

⁵²⁹ During his long political career, Brockway was a member of the Labour Party and later became a life-peer in the House of Lords in 1964.

has tabled parliamentary question about whether the UK should express concern about allegations of mistreatment of prisoners in Iran at the United Nations Human Rights Commission. The initial FCO recommendation was that they should counter this question on the lines that there were no “grounds for raising this matter”. To support this argument, however, the FCO asked the British Embassy to provide their view and “any evidence to refute allegations of ill treatment before or after trial” and “any evidence to demonstrate the ‘fairness’ of such trials”.⁵³⁰ Those arguments suggest that the initial FCO opinion was in favour of defending the Iranians.

For the British Embassy responding to that request was quite challenging if one had to provide evidence on the *fairness of trials* in Iran. The British Embassy stated that there was no evidence to prove mistreatment despite there being widespread rumours about its existence in Iran. On the *fairness* of the trials, Embassy officials argued that the Iranians were rejecting the accusations on grounds that according to Iranian law, the military tribunal was responsible for trying those dissidents. The Embassy emphasised that they had “little doubt there may have been ill treatment of prisoners and that, by our standards, the trials may not have been entirely fair [sic]. But we have no hard evidence either way”.⁵³¹ Here, the reference to *our standards* needs to be noted as a comparison between Iran and the UK. The British diplomats evidently were quick to contrast Iranian and UK practices. In such comparisons, the British reached the conclusion that the Iranians were far behind in terms of British standards. The FCO, in turn, proposed the following reply for the Foreign Secretary to respond to Brockway’s inquiry:

I do not know the allegations to which the noble lord refers. If he will provide me with details I will look into the matter. But I would point out that we are prevented by the United Nations charter from interfering in the domestic affairs of a member state unless there is a consistent pattern of gross and reliably attested violation of human rights.⁵³²

The excerpt reveals that the British authorities had drafted the reply in a form “to be helpful to Iran”. Due to human rights violations in Iran not having a *consistent pattern*, the reply could refuse the necessity to raise the issue at the UN.⁵³³ The British Embassy commented that it would be “a bit ingenuous” to claim to be *unaware* of allegations

⁵³⁰ National Archives, FCO 8/1881, Burton to Browne, (21 April 1972).

⁵³¹ National Archives, FCO 8/1881, TELNO 363, (28 April [1972]).

⁵³² National Archives, FCO 8/1881, TELNO 255, (28 April [1972]).

⁵³³ *Ibid.*

widely published in the international press. That said, the UK had to be careful in responding to Brockway's question as that would be "the first occasion when a friendly government will have made an official statement" on allegations of Iranian mistreatment of prisoners. Equally, it was possible that any negative reference to Iran's human rights record would cause a counter comment about Northern Ireland.⁵³⁴ The Embassy, as instructed by the FCO, informed the Iranians about the existence of the Parliamentary question and the HMG's proposed reply. The initial Iranian response was cautious. The Iranians stressed that Iran was respecting other nations' internal affairs and expecting the same treatment. Iran's response was a warning to the UK not to interfere in Iran's internal affairs.⁵³⁵ When the Shah saw the proposed reply, however, he recommended deletion of the last fifteen words (i.e. from "unless" to "rights"). While the FCO and the Embassy considered it essential to agree to the Shah's suggestion, his state of mind was described as "excessively touchy on this subject".⁵³⁶ Those comments suggest that the British side accepted the Shah's arguments while still questioning the Shah's intervention on the grounds of being *touchy* or sensitive.

Other Iranian officials had demonstrated more tough handling against the armed opposition groups. In August 1972 *guerrillas* assassinated Brigadier General Sa'id Taheri, the officer in charge of prisons. The Embassy considered this "the guerillas' biggest success since the death of General Farsio". On the subject, the Embassy contacted the Iranian authorities to get more in-depth information. General Palizban, Head of J2, commented fiercely about the situation.⁵³⁷ He also challenged the treatment of captured terrorists:

Quite the reverse of taking a more lenient attitude to the treatment of captured terrorists, Palizban felt that the Shah's response had been too weak. Iranians only understood force he claimed; talk of democracy was meaningless. If things showed no sign of improving the Government should seriously consider the reintroduction of public executions. It looks therefore as if nothing will change to appease Amnesty International and we are considering the line to take in a defensive paper for use here and in London in talking to delegations from Amnesty.⁵³⁸

⁵³⁴ National Archives, FCO 8/1881, TELNO 365, (1 May [1972]).

⁵³⁵ National Archives, FCO 8/1881, TELNO 377, (2 May [1972]).

⁵³⁶ National Archives, FCO 8/1881, TELNO 387, (4 May [1972]).

⁵³⁷ National Archives, FCO 8/1881, Browne to Smith, (24 August 1972).

⁵³⁸ *Ibid.*

This is significant in two respects. First, it quotes an Iranian official critical of the Shah's response who advocates harsher punishment for terrorists. Palizban questioned explicitly the meaning of democracy in Iran and argued in favour of using force to *educate* Iranians. Second, it reveals the British reaction to those comments. Accordingly, they argued that, such a reverse move to more severe punishment would be contrary to criticisms made by organisations like AI⁵³⁹. Instead, a reverse in policy could make the situation more complicated by re-introducing harsher treatment of the dissidents. The British officials anticipated that the Shah would initially take a similar line to that argued by Palizban.

The Embassy expressed its stand even more clearly in other documents. As the unrest increased in Iran, in June 1972 the British Embassy felt the need to prepare a special report entitled *Unrest in Iran*. The report also contained indirect criticism of human rights violations in Iran. I will focus on both the *summary* and *main body* of the report. First, the summary:

Perfunctory conduct of the trials and poor chances of a fair defence for the accused. Who are they? Mainly young, students or recent graduates, usually with links with Iranian student organisations abroad and often with help from "revolutionary" regimes. Marxist and Maoists groups and religious nationalists, all anti-western but acting in what they see as Iranian interests not for Moscow, Peking or Baghdad.

Do they enjoy wider support? Not from peasants. At present no evidence of support from paid classes in the towns, but there is discontent which would be seriously aggravated by economic recession. They can be influenced by the Mullahs. The middle classes see that change must come but would not risk damage to their own interests by precipitating it. The army and SAVAK loyal.

The implications for HMG. Security problems for the Embassy. The Shah irritated by British press coverage. Most important, will Iran remain a bastion of stability in the Middle East? The Fifth Plan may help; and the next five years is not likely to produce a crisis. But the time may have come for us and the Americans to consider advising the Shah of the possible consequences if continuing the present system of government and we should discuss the whole problem with them.⁵⁴⁰

The passage above discusses the situation in June 1972 and how it would affect the British if the condition were to persist. The Embassy argued that there was confusion concerning those armed organisations and what their aims were. However, the one thing for sure was

⁵³⁹ The position of AI on human rights violations in Iran will be discussed in the next chapter.

⁵⁴⁰ National Archives, FCO 8/1881, Unrest in Iran, (17 June 1972).

that SAVAK had failed to tackle them and put the situation under control. While having different backgrounds, the members of those organisations were united in being *anti-western* and *nationalist*. The support for subversive organisations was low, especially in rural areas. Among the urban population, however, a desire for change was emerging. The middle classes were expected to be the last to risk their privilege at this stage. The underground movements could gain momentum as a result of economic recession and by getting the Mullahs to back them. The most crucial point was, nevertheless, the possible implication for the British. The Embassy argued that while a new economic plan could help alleviate the pressure, there might be a need for the UK and the US to get involved in the situation. That involvement could be in the form of *advising the Shah*. Arguably, the UK saw itself in a position to *influence* the Shah's policy. That argument is discussed more in detail by the report. The main arguments were in parallel to the report discussed above⁵⁴¹. Despite growing youth dissatisfaction with the regime, the middle class would keep their stance for the time being. The armed forces and security organisations were still loyal to the Shah, which was a reassuring sign. But there were concerns for short-term British interests in Iran. The violence used by subversive groups was considered a growing threat to the Shah's regime and anyone supporting it. The UK and the US were seen as in the latter category and could become a target for violent attacks. The British Embassy, in this connection, turned to be *high risk* both for dissidents and the Iranian authorities. The cooperation with the Iranian authorities was making the Embassy a target for rebellious groups. The British media's and international organisations' reports on the Iranian response were damaging relations between Iran and the UK. British press coverage was argued to be a cause of *upset* for the Shah and *irritation* for the Iranians in general. The Shah's reaction to such reporting, however, was described as *unjustifiable*. The British diplomats were defending the press reporting on human rights violations (e.g. absence of fair trial) while accusing particularly the Shah of making unnecessary complaints.⁵⁴²

More important, the unrest raises questions about Iran's long-term position as a bastion of stability in the Middle East. In the short term we need not be unduly worried. The establishment is behind the regime. [unreadable word] the present situation may in some ways be reminiscent of the days of the Mossadeg period, we are a long way from a repetition of those events. The power and extent of the subversive

⁵⁴¹ See the discussion of the report entitled *Iranian Youth in Turmoil* in section 1.1 in this chapter.

⁵⁴² National Archives, FCO 8/1881, Unrest in Iran, (17 June 1972).

movement is exaggerated by Tehran gossip – the Iranians are always ready to be pessimistic, and take a malicious delight in spreading alarmist rumours. [...] Iran is still more [unreadable word] and stable than other countries in the area. For the next five or six years, and barring accidents, there is unlikely to be any fundamental upset to Iran's stability. What we know of [unreadable word] of the Fifth Plan, particularly the proposed expansion of agriculture and increases in employment, may, if they are achieved, help alleviate discontent among the ordinary people. But, in the long term, the Shah will have to find a way out of the dilemma he has faced himself with by his refusal or inability to delegate authority to better people. It may be that we shall have to consider whether we can or should warn the Shah of the possible consequences of the continuation of this present system of government, without greater flexibility, delegation of authority and political freedom. But his will need careful thought and we should keep in close touch with the Americans, given the important position they occupy here and our common interests in preserving stability in the country.⁵⁴³

On Iran being a *bastion of stability* in its geography and, due to its alliance with the west, defending western interests there, no immediate threat appeared concerning the UK. Comparing the current situation with that of the Mossadeg time was an argument that had been repeated frequently during troubles. The comparison, however, seems to be on the public support to Mossadeg rather than indicating any possible British interference. The document argued that behaviours of Iranians where it doubts the *power and extent of the subversive movement* and how it was *exaggerated* by *pessimistic* Iranians. The classification of Iranians went on to the stage that they were taking *a malicious delight in spreading alarmist rumours* following such events. For having control of the situation, the Embassy argued that the Shah should focus on solving administrative difficulties. The British officials claimed that the Shah was either *refusing* or *unable* to appoint *better people* to crucial posts with powers to act autonomously. There was the question of *warning the Shah* of conceivable outcomes of the prolongation of this existing system of government which was lacking political freedom and flexibility.

By the summer of 1975, the FCO argued that the subversive terrorist organisations had gained increasing self-confidence and sophistication in their operations both against Iranian and international, mainly American, targets. The British Embassy discussed its concern about this trend in the following sentences:

⁵⁴³ Ibid.

the slightly alarming thought remains that this year's operations [of the guerrillas] have been more sophisticated and have had a higher success ratio than previously. In part this is no more than the local reflection of a worldwide trend towards urban violence; but the Shah's security authorities admit to being worried about the scale and effectiveness of these scattered demonstrations of violent opposition to his rule.⁵⁴⁴

From the passage above, we understand that both British diplomats and Iranian authorities acknowledged the increase in the danger posed by those armed groups. The British Embassy also felt the need to correlate the Iranian case with an increase in urban violence globally. In a sense, that judgement reduced the significance of armed violence in Iran by associating it with worldwide events. The sentence has another importance in terms of the focus of this thesis. First and foremost, the *reflecting global trends* argument is raised by the British diplomats to explain the situation. When the Shah had used the same argument in 1972⁵⁴⁵, the British reaction was more like snubbing the force of it rather than acknowledging it, as done here. The excerpt also cites the Iranian authorities who accept the growing violent opposition to the Shah's rule rather than any policy. That was also a revision in British views.

The Iranian Government introduced extra measures to control the spread of anti-regime organisations. To discourage Iranians from joining subversive organisations and show the success of the authorities vis-à-vis those groups the Iranians aired a TV programme during which four captured terrorists confessed their actions. In September 1975 the British Embassy evaluated the outcomes of that TV programme:

According to one well-informed journalist, it was more or less counter-productive. The terrorists all said that in committing their crimes they were "acting on orders". While this line may have succeeded in giving an impression of misguided youth rather than one of dedicated revolutionaries, our source felt that it also prompted the question "whose orders?" [.] This gave the impression of their being a mythical terrorist organisation of "Islamic Marxists", much bigger and more organised than in reality it really was. According to the same source, the term "Islamic Marxists" was itself created by SAVAK and suggested a more coherent body than was in fact constituted by the various groups each using slightly different labels.⁵⁴⁶

⁵⁴⁴ National Archives, FCO 8/2499, Westmacott to Williams, (9 July 1975).

⁵⁴⁵ Please see section 2 above in this chapter.

⁵⁴⁶ National Archives, FCO 8/2499, Westmacott to Williams, (11 September 1975).

The excerpt reveals two points. First and foremost, the British Embassy reflected their doubts about the impact of such TV shows on the audience by quoting a journalist. Accordingly, the programme gave the impression that Iranian youth were lacking revolutionary motives and were led astray by subversive groups. The confessing terrorists' references to *acting on orders* were indicating an imaginary umbrella organisation called *Islamic Marxists*. Secondly, it was argued that the umbrella title, *Islamic Marxists*, was coined by SAVAK and did more harm than good by giving the impression that the opposition was united against the Shah's regime. The arguments indicate that the British considered that the Iranians were failing to control the situation.

The revelations of this section present the foundations of British policy towards Iran in the second half of the 1970s. They are fundamental in understanding and evaluating growing UK public and international interest in the Iranians' human rights violations and lack of political freedom there. I argue that because of the British inability to present supportive arguments on fair trials being held in Iran, they turned to deny accusations expressed by the non-governmental organisations. At the same time, the British blamed the Shah for the government's shortcomings in responding to criticism within Iran. It is also important to note that no structural change had happened in terms of prioritising human rights in foreign policy. Despite growing awareness of human rights violations in the third world, at the government level, western capitals avoided openly criticising countries with poor human right records. That focus would be tested first by Jimmy Carter's presidential campaign and his subsequent presidency.⁵⁴⁷ The next chapter will both demonstrate the impact of Jimmy Carter's presidency and focus on Britain's confrontation with the Iranian criticism on its handling of the occupation of the Iranian Embassy in London.

Summary

The chapter has described the factors triggering international public interest in human rights issues in Iran. The Iranian students' demonstrations and protests abroad played a

⁵⁴⁷ Sargent, D., 2014. Oasis in the Desert? America's Human Rights Rediscovery. In: J. Eckel & S. Moyn, eds. *The Breakthrough: human rights in the 1970s*. Philadelphia(Pennsylvania): University of Pennsylvania Press, pp. 125-145 (pp.142-4).

significant role in attracting attention to Iran and gaining support for the cause of political freedom in Iran. The student movements in Iran had limited impact on foreign audiences, but kept the resistance to the Shah's regime alive and strengthened opposition forces. The increase in the volume and sophistication of armed conflict between opposition groups and the regime, however, contributed to the British Embassy's questioning the future of the Iranian Government. Both developments highlighted British accusations that the Shah and Iranian authorities were failing to understand and respond to domestic pressures for political freedom.

The chapter also highlighted the British Embassy's perceptions of opposition forces in Iran. In both 1971 and 1972, the Embassy argued that the movement had lacked popular support. FCO officials argued that students and guerrillas were persistently critical of the Iranian regime but lacked any real prospects to ignite change. The Iranian armed forces and security organisations, however, were perceived as guarantors of the stability of the Shah's rule. By discussing developments in Iran, the FCO officials revealed also their generalisations about the Iranians, both officials and civilians. The Iranians were considered to harbour cynical thoughts and to have traditional approaches. These arguments were employed by the FCO to explain the Iranian regime's control over the masses and the lack of liberties in the country.

Balancing British withdrawal from the Persian Gulf and Iran's increased interest in British military equipment was another complexity confronting the British authorities. Settling the complexities caused by the withdrawal decision was thought to have significance in maintaining order and stability in the region. In the post-withdrawal period, the Shah would, or could, help smaller states to keep Soviet influence away from the area. The Shah's arms procurement programme (as discussed in Chapter One and Two), however, had a direct impact on British policies towards Iran. In this context, the FCO considered that human rights organisations and MPs taking an interest in human rights in Iran were thought to be potential *troublemakers* in Anglo-Iranian relations, highlighting the British authorities' (in)ability to criticise Iran for its poor human rights record in view of the broader interests at stake. This created a growing dilemma for the British authorities between domestic politics and foreign policy. The next chapter will focus on the extended discussions that took place between the Home Office and the Foreign and Commonwealth Office, which reveal differing emphases and priorities in addressing this dilemma.

CHAPTER FOUR

British Dilemmas in Responding to Public Criticism of Iran's Human Rights Record

Introduction

The previous chapter discussed the foundations of the UK's attitude toward human rights issues in Iran; how British public interest emerged, and growing awareness/criticism became a factor to consider in Anglo-Iranian relations. The chapter demonstrated that from 1968 onwards the Iranian students abroad had a role in raising their concerns about lack of political freedom and fair trials in Iran. During the early 1970s student demonstrations in Iran led the FCO and the British Embassy in Tehran to speculate about revolutionary spirit of those protests and chance of success. Start of guerrilla warfare between the Iranian authorities and dissidents introduced another dimension to consider for the British authorities. Although the Shah's regime had the backing of the security forces, middle-class Iranians were thought to be neutral, if not supportive, to the regime. Despite being actively against the regime, Islamic oriented opposition groups attracted little attention of both the Iranians and the British. The emphasis was on leftist/communist organisations which were banned in Iran and constituted the basis for Iran's imprisonment of activists. British public criticism of Iran, argued the FCO, could sour Anglo-Iranian relations and jeopardise British interests in Iran. That perception was demonstrated in the FCO officials' responses to enquiries raised by MPs and non-governmental organisations. The most noticeable cases revealing the FCO views, however, were the Iranian students' occupation of the Iranian Embassy in London in 1975 and Amnesty International's report on Iran in 1976. Both issues will be discussed in detail in this chapter. The chapter will highlight the differences between the FCO and the HO on how to handle the Iranians' criticisms and how FCO officials' emphasis on maintaining good Anglo-Iranian relations conflicted with and restricted their normative understandings of the situation in Iran. Although this chapter seeks answers to all four subs-questions related to human rights (i.e. sub-

questions 5-8), it specifically focusses on how increased global emphasis on human rights violations contributed to UK's dilemmas.

1. Iranian Student Occupation of the Iranian Embassy in London: Uneasy British Experience of Iranian Criticism

In relation to news about nine prisoners being shot dead while trying to escape, 21 Iranian students took part in a sit-in at the Iranian Embassy in London in April 1975.⁵⁴⁸ While the protest ended without further violence other than occupying the building, the Iranians reported some allegations of misbehaviour. The case, however, has significance in demonstrating the British approach to Iranian's requests and expectations by exploring the discussions both among the FCO officials and between the FCO and HO. The protest was organised overtly against the Shah and his regime. There was no doubt on it. Some of the protestors had travelled a long distance from West Germany to participate in the event. While the political orientation of the students was not discussed in the documents, their handling was a question for the British Government. The main burden was that the Iranians being "particularly sensitive on the subject of demonstrations against their Embassies and on the measures taken by host Governments to offer protection and to prosecute demonstrators".⁵⁴⁹ The background rationale for expecting a reaction from the Iranians was that the experience the Dutch had in 1974 following a similar occupation of Iranian Embassy there by Iranian students.⁵⁵⁰ At that time "the 'failure' to mete out a suitable punishment for the demonstrators' crimes" had resulted in "temporary withdrawal of the Iranian Ambassador and his entire diplomatic staff in protest".⁵⁵¹ FCO argued that the recent sit-in in Iranian Embassy in London could cause "a disproportionate reaction by the Iranians"⁵⁵² and they had to express their regret about the incident without delay. That suggest that the initial British expectation was a

⁵⁴⁸ Mortimer, E., 1975. MPs concerned over fate of prisoners in Iran. *Times*, 26 April, p. 5.

⁵⁴⁹ National Archives, FCO 8/2519, Williams to Weir, (29 April 1975).

⁵⁵⁰ Except for a short news article in *The Times*, there is no information about the occupation of the Iranian Embassy in the Hague either in *The Guardian* or *The Telegraph*. *Times* article only mentions the occupation without giving details of it (Times, 9 Mar. 1974).

⁵⁵¹ *Ibid.*

⁵⁵² *Ibid.*

disproportionate reaction from the Iranians, despite the occupation ending without causing any significant damage to the Iranian Embassy premises.

The FCO officials argued that the best strategy could be emphasising the separation of judicial system and government from the very beginning of the incident. When the Iranians made their expectation clear, the British response was already formed. The Iranian minister of foreign affairs told the British ambassador that the Shah had “expected the British government to deal severely with the students”.⁵⁵³ While the British Ambassador agreed to transmit the Shah’s request but felt the need to tell that “the judicial system in Britain was independent of government”.⁵⁵⁴ The danger, however, was that the British could find themselves in “the doghouse so long occupied by the Dutch”⁵⁵⁵ which could have lasting damaging impacts on British interests in Iran. That argument was also reflected in FCO’s letter to Home Office which had responsibility for handling the case. After outlining the Iranians’ request of having access to protestors’ passports and names, the FCO argued that there were *real dangers* to British interests if they do not cooperate with the Iranians:

A similar but by accounts rather more violent incident at the Iranian Embassy in The Hague in March last year resulted in the temporary withdrawal of the Iranian Ambassador and his entire diplomatic staff in protest against the lack of protection afforded by the Dutch authorities and their “failure” to mete out suitable punishment for the demonstrators’ crimes. There is therefore a real danger that this incident and its repercussions could, unless very carefully handled, cause damage to our relations with Iran with disturbing implications to our major political and economic interests there.⁵⁵⁶

The FCO made a comparison between the incident happened in the Netherlands a year earlier, and the one just occurred in the UK. They concluded that despite the former being *more violent* in nature, the latter still could trigger a similar Iranian reaction. The extra stress put on the word *failure* requires further attention. The implication given by the emphasis is that the Iranians had over-reacted to the Dutch handling of the case. A similar *failure* could have damaging consequences on Anglo-Iranian relations in the short term. Therefore, there was a *real danger* to British political and economic interest in Iran unless the situation *handled very carefully*. In the excerpt above FCO asked for a *quick* and

⁵⁵³ National Archives, FCO 8/2519, TELNO 322, (30 April 1975).

⁵⁵⁴ Ibid.

⁵⁵⁵ Ibid.

⁵⁵⁶ National Archives, FCO 8/2519, Clark to Hilary, (1 May 1975).

explicit reply to Iranian requests, but Home Office did not respond quickly. That situation made it necessary for FCO to send another letter which had significant differences from the previous letter. First, the tone of FCO had changed in focus and emphasis of it. In the first letter, the case was classified as requiring *quick* reply, and the sound of the argument was mild. In the second letter, however, probably due to renewed Iranian inquiry, FCO felt the need to say that was *urgent* to respond to the Iranian request.⁵⁵⁷ The letter also argued that:

I hope that you will be able to agree that the request for Iranian consular access to the documents can be granted. As I think you will know a series of Parliamentary Questions were tabled today [...]. In these circumstances we have to bear in mind very much the extremely important political and economic considerations involved in our relations with Iran [...]⁵⁵⁸

The former letter discusses possibilities of Iranian reaction based on the experience of the Dutch. That letter also had warnings to HO about likely severe consequences to British interests in Iran. The second letter, however, emphasised that the UK had *extremely important* political and economic concerns and not just *major* interests as previously described. On that last point, the first letter chose to mention the importance of Iran to Britain only, while the second letter reminds HO that the UK *have to bear in mind* those *extremely important* British interests in Iran.

The FCO discussed the essence of their position while updating the British Embassy in Tehran. The FCO stated that the court had decided to remand the students on bail and impounded their passports. The Office also argued that “[a]s you know the question of whether people are remanded in custody or on bail is entirely a matter for the court”.⁵⁵⁹ The wording here needs a bit further analysis. First, the sentence acknowledged *the fact* that courts are independent in the UK. Although the students could still face further detention, the court had the sole authority to decide on the outcome. The British Government had no authority to dictate in either way. The word *entirely* in the sentence emphasises that last point. The telegram was short and snappy in terms of summarising the court decision and underlining the need to remind the Iranians that the courts are independent in the UK. That said, the primary purpose of sending such a message to the

⁵⁵⁷ National Archives, FCO 8/2519, Clark to Hilary, (6 May 1975).

⁵⁵⁸ *Ibid.*

⁵⁵⁹ National Archives, FCO 8/2519, TELNO 283, (8 May [1975]).

British mission should be warning them of possible Iranian *overreaction*. The Iranian authorities could consider the court's ruling a sign of *unwillingness* to support Iran and *encouraging* dissidents. Remanding the students on bail could hardly be in line with the Shah's request of 'harsh treatment' of them.

The FCO had took extra precautions steps not to cause further damage to Anglo-Iranian relations. For instance, the British posts were warned that Iranian students could organise new protests in solidarity with the students occupied the Iranian Embassy in London. The Office based on press articles informed that the Confederation of Iranian Students of "considering 'world wide' protests against British missions".⁵⁶⁰ FCO instructed the embassies that the Iranian students could approach them on charges against their fellow Iranians, but they should categorically avoid commenting on the matter. They could, however, the document states, "can undertake to transmit, without commitment, any letter of protest or message but should emphasise that the judiciary and government of the United Kingdom are totally separate and that the Government are not able to interfere in cases before the courts".⁵⁶¹ Accordingly, the British posts were asked to stress the independence of the judiciary from the executive branch of the UK Government. The wording here is similar to the one quoted above, but the latter is more explicit where it emphasises being *totally separate* and the Government's inability to *interfere in cases*. If remanding students on bail could have *damaging* impacts on Anglo-Iranian relations, transmitting the HO reply to the Iranians could have serious repercussion. The HO had argued that:

Some of the passports are at present in the hands of the police having been surrendered as a condition of bail and it is expected that the rest will be surrendered to the police today. We do not think it would be appropriate for the staff of the Iranian Embassy to be given access to these passports. Their owners would have a legitimate grievance if they were shown to the Embassy.

Similarly we are reluctant to facilitate the Embassy's getting hold of the names of the students. It is true that these names are given openly in court but that is another matter. In fact we understand that the Iranian Embassy had a lawyer in court yesterday when the accused appeared on remand and the Embassy may now have the names.⁵⁶²

⁵⁶⁰ National Archives, FCO 8/2519, TELNO Guidance 80, (9 May 1975).

⁵⁶¹ *Ibid.*

⁵⁶² National Archives, FCO 8/2519, Hilary to Clark, (9 May 1975).

The HO reply was opposing both Iranian requests of having the students' names and being able to examine their passports. On the first request, HO argued that while during the court hearing the names were given openly, that would not necessarily mean HO could grant Iranians access to them. In the end, both should be considered separately and acknowledged as *another matter*. Responding positively to the Iranian's second request would be *inappropriate* either. The students had surrendered their passports to the police as part of the condition of bail. Showing the documents to the Iranian Embassy staff could cause a *legitimate grievance*. FCO found the arguments presented by HO "respectable and comprehensible".⁵⁶³ That said, considering "the possible damage of a negative reply to our bilateral relations". The FCO argued that a further attempt, at a higher level this time, should not be ruled out altogether.⁵⁶⁴ From the attitude of FCO, it is evident that despite acknowledging the HO view as comprehensive and respectable the FCO still showed signs of concern about possible Iranian backlash.

The FCO had formed the view that the HMG had to show a gesture of support to the Iranians or at least avoid giving the impression that they were indifferent to the demonstrations against Iran. A negative reply could be considered falling "short of Iranian expectations of cooperation". How the UK would respond to the Iranians' requests could be taken as a token of Britain's attitude towards the incident.⁵⁶⁵ The danger stemmed from what was perceived as *Iranian sensitivity* as discussed in the document:

In the light of the Iranian record of extreme sensitivity over incidents involving their Embassies [...] we cannot discount the possibility that a negative reply might well lead to action by the Iranian Government which could damage our bilateral relations and our major economic and political interests in Iran. [...] In the circumstances I consider that there is no alternative to our asking the Home Office at the highest possible level to reconsider their answers on these points and suggest that the Minister of State should write to his colleague at the Home Office.⁵⁶⁶

In the excerpt above there was no mention of Iranians' expectation of protection of their embassies in host countries. In the absence of that argument, there were references to *extremely sensitive* reaction of Iranians and how they had withdrawn their diplomatic staff from the Netherlands. The emphasis was put on the Iranian side which, in a sense,

⁵⁶³ National Archives, FCO 8/2519, Batstone to Williams, (12 May 1975).

⁵⁶⁴ Ibid.

⁵⁶⁵ National Archives, FCO 8/2519, Lucas to Weir, (13 May 1975).

⁵⁶⁶ Ibid.

accused the Iranians of having a record of *unnecessary over-reaction*. The document argued that involvement of the Head of SAVAK could be a sign of Iranians becoming *impatient* as a result of silence on the British Government about their requests. Due to the high possibility of adverse Iranian reaction, the document concludes, FCO should consider having another approach to the HO and underline the importance of having a somehow positive reply to the Iranians. In parallel to the document's recommendation Minister of State at FCO wrote a letter to his counterpart at HO in which he argued in favour of cooperating with the Iranians requests after highlighting what happened in the Netherlands in 1974:

Against this background I think we have to consider very carefully indeed the implications of a negative reply to the Iranians on matters which clearly concern HMG rather than the Courts. We have to take into account our extremely important economic interests in Iran which could be affected by any change in our political relationship.

I should not wish to risk endangering these major interests without the most careful consideration of the issues involved. I should therefore be grateful if you would reconsider urgently the replies we are to give the Iranians on these questions.⁵⁶⁷

This letter became the third FCO attempt to get a somewhat positive response from the HO. In each letter, the structure, emphasis and choice of words showed changes which I will compare now. First, the tone of the letters. The first two letters⁵⁶⁸ had a more informal tone in writing. For instance, in the first letter, the FCO compared the recent occupation of the Iranian Embassy with the one that happened last year in the Netherlands. The comparison implied that the former occupation had violent elements in it, which was used to explain the extreme Iranian reaction. However, discussing the Dutch Government's failure in quotation marks reduced the impact of the *real danger* the UK should expect from the Iranians. Putting emphasis on *failure* aspect of the *Dutch experience* did not repeat in consecutive letters.

The perceived danger was also reframed differently in each letter. In the first one, the FCO just stated that there would be *real danger* to Anglo-Iranian relations and *disturbing implications* to British *major political and economic interests* in Iran.⁵⁶⁹ In the

⁵⁶⁷ National Archives, FCO 8/2519, Ennals to Lyon, (15 May 1975).

⁵⁶⁸ See National Archives, FCO 8/2519, Clark to Hilary, (1 May 1975) and National Archives, FCO 8/2519, Clark to Hilary, (6 May 1975).

⁵⁶⁹ National Archives, FCO 8/2519, Clark to Hilary, (1 May 1975).

second letter, the FCO decided to put more emphasis on the importance of Iran. That letter asked the HO to *bear in mind* “extremely important political and economic consideration” the UK has in Iran.⁵⁷⁰ Despite receiving a negative reply from the HO, the third letter pushed once again to overturn at least part of the HO decision. In that last document, the FCO asked the HO not to *risk* the UK’s *major interests* in Iran before having *most careful consideration of the issues*.⁵⁷¹ The HO reply, however, was not very *encouraging* and FCO informed the British Embassy about the HO view. Iranian access to either passports or names would be *inappropriate*. That said, however, FCO had decided to make another request this time at ministerial level with the hope that they could get a positive reply before long. Despite expressing such a belief, the wording and structure of the sentences indicate the opposite: “We have asked for an early replay and will let you know the outcome by telegram once the question is resolved. Once we have an answer we will clearly have to consider very carefully indeed how the reply should be conveyed to the Iranians in order to minimise any danger of damage”.⁵⁷² Given the urgency of the matter and possible impacts of a negative reply on Anglo-Iranian relations, FCO felt under pressure to make another appeal. The purpose of creating a further request at ministerial level was getting an *encouraging* and positive reply from the HO. The quotation above first claimed that FCO would inform the British Embassy *once the question is resolved* which indicated hope. The following sentence, however, underlined the necessity of considering “very carefully indeed how the reply should be conveyed to the Iranians in order to minimise any danger of damage”. The second sentence gave the impression that despite making the application, FCO expected no significant change in HO view and informed the British Embassy accordingly. The next FCO move had to be arranged in a way minimising, if not eliminating, possible damages to Anglo-Iranian relations. The only remaining hope in the excerpt was that an early HO reply could enable the British Ambassador to *deal with Alam* who was previously prised to be *reasonable*⁵⁷³.

As anticipated the HO reply was *not encouraging* again. It was, however, more explicit than ever before on why HO should refuse the Iranian requests to have access to the names and passports of the protestors.

⁵⁷⁰ National Archives, FCO 8/2519, Clark to Hilary, (6 May 1975).

⁵⁷¹ National Archives, FCO 8/2519, Ennals to Lyon, (15 May 1975).

⁵⁷² National Archives, FCO 8/2519, Williams to Alston, (16 May 1975).

⁵⁷³ In May 1975 the British Embassy had argued that Alam was “more likely to take a reasonable attitude and to give moderate advice to the Shah”, National Archives, FCO 8/2519, TELNO 333, (4 May 1975).

The passports were surrendered to the police as a condition of bail and the police may thus be regarded as holding the passports as agents of the court. The Commissioner of Police of the Metropolis takes the view, with which I agree, that it would be improper for him to comply with the Iranian Embassy's request to be shown the passports. The police have no right to do anything with the passports except to hold them as directed by the court. Apart from the strictly legal issue, people whose passports come into hands of the police in these circumstances are, I think, entitled to expect that the police will not show them to other people. It would be particularly inappropriate to take the exceptional step of showing passports held by the police as a condition of bail to representatives of a regime whose security forces have the reputation of the Iranians.

The names of the defendants are of course called at the court hearings and may well be published in the press in due course. [...] Nevertheless, given the nature of the Iranian regime I am reluctant for the Home Office to do anything to facilitate action by the Iranian authorities against the defendants or their families. We would not, I think, contemplate helping the South African authorities in such circumstances.⁵⁷⁴

The quotation above is from the second HO reply regarding the Iranian student occupation of the Iranian Embassy in London. There are noticeable differences between the letters which I will highlight below. First, however, I will discuss the second letter in detail.

The letter started with outlining the role of Police in the matter. The HO view was that the Police was acting just as *agents of the court* and had no authority other than holding the Iranian students' passports in safe hands. That role required the Police to keep the passports away from third parties including members of the Iranian Embassy no matter the dissidents had Iranian nationality, or the event took place at Iranian premises. The letter argued that even if there was no legal obstacle in showing the passports to the Iranians, there would be moral questions. The dissidents would still have an *entitled expectation* from the Police to safeguard their passports. Complying with the Iranian request was considered *improper* under legal terms and *inappropriate* under ethical terms. The HO expressed its criticism of Iran more explicitly in the following sentence: "It would be particularly inappropriate to take the exceptional step of showing passports held by the police as a condition of bail to representatives of a regime whose security

⁵⁷⁴ National Archives, FCO 8/2519, Harris to Ennals, (21 May 1975).

forces have the reputation of the Iranians”.⁵⁷⁵ The words *particularly inappropriate*, *exceptional step*, *a regime* and *reputation* took attention in this sentence. The HO openly rejected the Iranian request not only on legal terms but also on principles where it described meeting such a demand being *particularly inappropriate*. The Iranian application would require taking *exceptional step* which was impossible under current legal and moral conditions given the human rights situation in Iran.⁵⁷⁶ The HO criticised both the Iranian security forces and government for having a poor reputation. The letter argued that while there were legal and ethical difficulties in meeting such a request, the matter was *particularly inappropriate* when the third party was *a regime with reputation of the Iranians*. This suggests that the HO ruled out totally being in a position to be cooperating with the Iranian Government which it accused of having poor reputation.

On the question of giving the protestors’ names to the Iranian representatives, the HO also rejected that request for the second time. The argument was that the Iranians could well attend the court hearing and take notes of the names there, which indeed the HO understands what the Iranians already did. Secondly, the Iranians could also ask for the names on the day of the incident. The main obstacle on not to give the names to the Iranians was related to that country’s reputation again. The HO letter argued that: “Nevertheless, given the nature of the Iranian regime I am reluctant for the Home Office to do anything to facilitate action by the Iranian authorities against the defendants or their families”.⁵⁷⁷ The letter openly criticised Iran for its poor human rights record, especially in Iran’s handling of dissidents. The HO also argued that not only the protestors, but also their families could become target of the Iranian regime. This letter shows a pronounced difference in emphasis between FCO and HO on the priority that should be given to human rights considerations. Accordingly, the HO was *reluctant to do anything* might have severe consequences for the demonstrators and their families. The letter defended the view that *the nature of the Iranian regime* was not welcoming protests peaceful or otherwise. Relating their opposition to giving names and *the nature* of the Iranian regime was a move that stated in other FCO document so far. To balance that last point and to

⁵⁷⁵ Ibid.

⁵⁷⁶ Even before 1975, there was a criticism in the West, especially in the US, against supporting repressive regimes, including Iran. Torture and political oppression in Iran started to gain attention in Western media. Hambly, G. R., 1991. *The Pahlavi Autocracy: Muhammad Riza Shah, 1941-1979*. In: A. Peter, G. Hambly & C. Melville, eds. *The Cambridge History of Iran*. Cambridge: Cambridge University Press, pp. 244-295 (p.286).

⁵⁷⁷ National Archives, FCO 8/2519, Harris to Ennals, (21 May 1975).

show that the decision was not biased, the letter argued that if the South African authorities had filled a similar request, they would get the same reply from the HO. The HO also highlighted they were aware of the FCO's concerns:

I fully recognise the force of the point you make in your letter and the difficulties of appearing not to co-operate with the Iranians. But I also think that we should be in an indefensible position if we extended that co-operation into fields where the liberties of individuals could be infringed by our actions.⁵⁷⁸

The dangers of not co-operating with the Iranians were also acknowledged in the letter. The HO again, however, chose to highlight the importance of principles over interests: "But I also think that we should be in an indefensible position if we extended that co-operation into fields where the liberties of individuals could be infringed by our actions".⁵⁷⁹ The HO wanted to make it explicit that while maintaining British economic and political interests in Iran, the UK had to bear in mind its principles. Infringing *liberties of individuals* would be unacceptable. The essence of the HO view was that Iran had a poor record of human rights and the UK should avoid co-operation with Iran on matters where *liberties of individuals* would be in question.

Comparing both HO letters reveals more detail about their perceptions of the human rights situation in Iran. In the first letter, the HO authorities felt no need to give reasons for their decisions. Merely stating impossibility of complying with the Iranians' request was considered enough, but renewed FCO application falsified that belief.

On the passports question the first letter expressed the following argument: "We do not think it would be appropriate for the staff of the Iranian Embassy to be given access to these passports. Their owners would have a legitimate grievance if they were shown to the Embassy".⁵⁸⁰ Here the argument was structured around what the HO thought about letting the Iranians have details of the dissidents' passports and consequence of such an action. Complying with that request was considered *not appropriate* and could result in a *legitimate grievance*. In the second letter, however, the HO argument went beyond the legal boundaries and introduced a moral point of view. The second letter expressed the following position: "Apart from the strictly legal issue, people whose passports come into hands of the police in these circumstances are, I think, entitled to expect that the police

⁵⁷⁸ Ibid.

⁵⁷⁹ Ibid.

⁵⁸⁰ Ibid.

will not show them to other people”.⁵⁸¹ Following this point, the letter built its reasoning on the view that the Iranian regime had a poor human rights record. The Iranian government and its security organisations were openly criticised in the letter alongside the argument that the HO could not take *the exceptional step* to let the Iranian examine the passports. In the second letter, the HO made it clear that due to the perceived lack of respect to human rights in Iran, they were *particularly* careful about their response.

On the question of revealing the protestors’ names the HO had put forward similar arguments in both letters. The first letter expressed *reluctance* on the HO to give identities of the dissidents to the Iranians: “Similarly we are reluctant to facilitate the Embassy’s getting hold of the names of the students”.⁵⁸² The HO stated its unwillingness to *facilitate* any way to the Iranians to have the names. The letter stated that handing names and calling them in court were separate matters where the latter could not make the former legitimate. The HO also argued that the Iranians could already have the names, if they had a representative in the court hearing. In the second letter, however, it chose to make its criticism of Iran known. The second letter started with renewing the arguments of the first letter: “The names of the defendants are of course called at the court hearings and may well be published in the press in due course. It is open to the Iranian Embassy to send someone to court and try to get the names there [...]”.⁵⁸³ The letter argued that the names even could be published in the press, but, again, that was *another matter* not to be confused with the legality and practicality of the Iranians’ request. The second letter also explained the underlying concern affecting the HO decision: “[...] given the nature of the Iranian regime I am reluctant for the Home Office to do anything to facilitate action by the Iranian authorities against the defendants or their families”.⁵⁸⁴ Here, while emphasising the reluctance to become involved in *facilitating* the Embassy’s getting the names, the HO criticised the Iranian regime and its handling of dissidents and their families. The HO attempted to distance itself from any action potentially harming the protestors. That stand had a presence in both letters, while in the second letter the reasoning behind that decision was openly associated with Iran’s poor human rights record.

⁵⁸¹ Ibid.

⁵⁸² Ibid.

⁵⁸³ Ibid.

⁵⁸⁴ Ibid.

Despite being refused for the second time by the HO, the FCO did not lose hope reversing the HO decision even partially. The FCO officials considered making a third approach at the highest level. This time by the Foreign Secretary, James Callaghan. The intra-FCO document recommending the third approach started with outlining the problem and why the FCO should take it seriously. First, the Iranians were giving *considerable importance* to how the UK would react to their requests and treat the protestors. Second, there was a *risk* which could affect bilateral relation, if the UK expressed that they could not co-operate in providing either or both passports and names of the dissidents. Finally, the renewed Iranian requests were signs of the importance of the case for the Iranian authorities. On receiving the first *not encouraging* reply, the FCO had consulted the legal advisers who initially found the HO view “respectable and comprehensible”⁵⁸⁵, but still opted to make the second attempt which failed again eventually. The second negative reply raised the question of making the third attempt at Foreign Secretary level. The arguments for recommending another application were considered carefully by the FCO officials.

The British had attributed renewed Iranian requests with Iranians sensitivity over past incidents, especially with the one that happened one year ago in the Netherlands. The Dutch incident was *more violent*, but the British Ambassador thought that the UK could face a similar treatment from the Iranians. As *the Dutch experience* ended with the temporary withdrawal of Iranian Ambassador and diplomatic staff from the Netherlands, the UK could now face the danger of *entering the dog-house*. The Shah was aware of the matter from the very beginning, which should also have contributed to FCO expectations of possible deterioration of bilateral relations. There was also the SAVAK approach indicating Iranians being “perhaps already impatient over our failure to reply in these points”.⁵⁸⁶ Thus, there was an expectation of a decline in cooperation between the UK and Iran. The document discussed the possible extent of the deterioration in the next paragraphs.

There was a risk involved in giving negative replies, but measuring the potential damage was open to debate. The document discussed the *hope* that it was *unlikely* for the Iranians to retaliate over existing or prospective contracts. That *hope* was based on the argument that maintaining those contracts would be in the Iranians’ *own interest*, but they

⁵⁸⁵ National Archives, FCO 8/2519, Lucas to Campbell, (22 May 1975).

⁵⁸⁶ *Ibid.*

could still expect retaliation in other *some less commercial* fields. While drawing a mild threat, for the time being, the document makes a warning for the future: “Even if there were no direct commercial result, politics and trade are closely linked in Iran and political difficulties could affect our general trade prospects there” .⁵⁸⁷ Thus, even if the Iranians prioritised their interest now, they could still choose to punish the British by not awarding them with lucrative contracts. Here, a question may be asked: If the Iranians had an interest in doing business with the British, why they should choose to discipline them? The underlying argument in this sentence is that the Iranians could even act against their interest to give a lesson to the British in the mid-term. ⁵⁸⁸

The document also gave insights into how the British and Iranian views on the protest differed. The Iranians regarded the occupation of the Embassy as an act of terrorism. The British, however, did not share that view. Through putting the word *terrorism* in quotation marks the document attempted to indicate disapproval of the Iranian classification. That argument presented in following terms: “Anything which the Iranians might regard as our failure to cooperate over “terrorism” could be particularly unfortunate following the assassination in Tehran of two members of the US Military Mission”.⁵⁸⁹ The sentence structured in a way to indicate both discontentment with the Iranian view and dangers lie ahead if the British rejected the Iranian requests. In that sentence, without citing the *Dutch experience* again, the FCO underlined that any *failure* could have severe consequences. The document presented the assassination of American military personnel in Tehran as an additional complication.

By considering the possible consequences, the document argued that the issue could be put at the Foreign Secretary level to the Home Office urgently. Even if the HO stand on handling the passports to the Iranians would not change, *at the very least* the FCO could ask for disclosing the names of the protesters. The recommended action suggested that the third FCO attempt should again underline the importance of Iran (both politically and economically) to the UK and discuss the Iranians possible retaliation

⁵⁸⁷ Ibid.

⁵⁸⁸ That reasoning is in line with general assumptions of Orientalism which accused the Orient with being irrational but emotional.

⁵⁸⁹ National Archives, FCO 8/2519, Lucas to Campbell, (22 May 1975). The assassinations were claimed to be related to the execution of nine prisoners in Iran. There were claims that nine prisoners were tortured to death rather than shot while trying to escape (Times, 22 May 1975).

against any *adverse* reply. A sign of goodwill in terms of revealing the names of the dissidents, *at the very least*, could help to avoid deterioration of bilateral relations.

1.1. The FCO Respond to the Iranians

Despite all the arguments presented in the document above, the Foreign Secretary, James Callaghan, did not approve making a third attempt to the Home Office. Instead, he accepted the HO view on the issue on the following terms: “We could not meet the request on passports; and as the names have apparently been made public in court he [the Foreign Secretary] does not see what the problem is for the Iranians”.⁵⁹⁰ Unlike previous intra-FCO discussions, Callaghan rejected the recommendation to make a new application to HO at least to secure revelation of protestors’ names. The Secretary’s response was short but clear. Handing passports to the Iranian Embassy was out of the question. On giving the names, there was no need to make an application as they had already been made public in the court hearing. The Iranians could get them at court. That being the case, the Secretary questioned “what the problem is for the Iranians”. The Secretary formed the view that the Iranians were making an unnecessary complaint about the issue and the FCO should avoid being dragged into it by renewing its request to the HO. The only thing the FCO could do was sending a *soft answer* to the Iranians.⁵⁹¹ Instead of submitting a soft letter, however, the FCO chose to discuss the matter with the new Iranian Ambassador, Dr Mohammad Reza Amirteymour, who would make his first call on the Foreign Secretary in June 1975. Signs were indicating that such an initiative would be successful. The recent terrorist activity targeting Americans in Iran had softened the Iranian view on the occupation of the Iranian Embassy. The British authorities, encouraged by this latest development, decided to have a verbal discussion with the Iranian Ambassador rather than replying formally to the Iranian requests. While this change in approach has some significance, highlighting the British opinion about the new Iranian Ambassador is more critical. Although the Iranian Ambassador’s view on the incident is not included in the document, it argued that his opinion was *highly emotional* on the subject. In addition to lack of clarification on the Iranian Ambassador’s view, the

⁵⁹⁰ National Archives, FCO 8/2519, Dales to Lucas, (27 May 1975).

⁵⁹¹ *Ibid.*

document did not make it clear how the FCO reached that conclusion or in what sense that his view was *highly emotional*.⁵⁹² The FCO officials recommended have a oral discussion with the new Iranian ambassador. While presenting the recommended policy initiative, the document argued that due to *the known bias* of the Iranian Ambassador it would be best to reply verbally rather than responding to the Iranian note. Here, again, the document did not clarify what it meant by *the known bias* or how it was related to the occupation of the Iranian Embassy. Considering how the document unfolded and discussed the issue, it needs to be noted that the FCO official formed a perception based on prejudgement about the Iranians. Those judgements might have originated from past orientalist practices and opinions at the Office. The document has also consisted of an attachment on Iran which discusses the importance of Iran to the UK and bilateral relations⁵⁹³:

BACKGROUND NOTE

ANGLO/IRANIAN RELATIONS

Iran is a constitutional monarchy in which the Shah retains considerable personal power to influence events through his Ministers and officials. The present Shah (the Shahanshah Aryamehr, Mohammed Reza Pahlavi) has immense ambitions and is determined to extract the maximum advantage for his country from her oil wealth. Iran is rapidly approaching major economic and political status in the world. She is a leading member of OPEC.

Despite the unhelpful role which the Iranians have played in pressing for high oil prices, their growing political importance in the area make it expedient for us to exploit their increasing purchasing power and to maintain and develop the close and friendly relations we have enjoyed with the Shah since the resolution of the Islands Question in the Persian Gulf at the end of 1971. Iran is allied to the UK in the Central Treaty Organisation (CENTO).

Visits to Iran by British Ministers are contributing to our broadening relationship with the Iranians. Mr Peter Shore visited Iran for a meeting of the Joint Ministerial Commission (JMC) in late January. The JMC provides the framework for Anglo-Iranian economic relations and this most recent meeting resulted in a trade deal which could eventually be worth £500 m. The Chancellor of the Exchequer's visit to Tehran in late April was postponed by the Iranian because it would have coincided with the First Congress of the new Iranian Resurgency Party. The

⁵⁹² National Archives, FCO 8/2519, Lucas to Campbell, (2 June 1975).

⁵⁹³ Due to the importance of details presented in the document, I decided to include a long quote into the analysis.

Governor of the Bank of England and the Queen Mother have also recently visited Iran.

The Iranian market with a population of some 31 m. and a growth rate over the last decade which has been second only to that of Japan is a valuable customer for British exports. Iran is our largest and most rapidly developing market in the Middle East. In 1974 we sold Iran goods worth £278.5 m. (cp £169m. in 1972). Iranian exports to the UK were worth 512.1 m. (mainly oil) in 1974.

Iran is a potentially important source of investment in the UK and of invisible earnings for the City. The increase in oil revenues to Iran as a result of the recent price increase will provide foreign exchange earnings for Iran in the current Iranian financial year of about US\$ 23 billion (over three times earnings in the previous year). The Iranian Government agreed in June 1974 to a £1.2 billion line of credit for eventual UK public sector borrowers of which a first tranche of \$400 m. basis had been negotiated by the National Water Council. Iran is an important source of oil for the UK, (we imported over 20 m. tons of oil from Iran in 1973, ie over 18 per cent of our total oil imports), and is our largest non-Arab supplier.

Iran is the major overseas customer for British defence equipment. Sales, which are very much regarded as the Shah's exclusive concern, have to date been worth something in the region of £300 m. The major items have been frigates, support ships and 764 Chieftain tanks. Iran has shown interest in future defence purchases which might be worth a further £1,000 m. (Maritime Harrier; anti-submarine cruiser; more Chieftain tanks).

In general, the Shah sees a wide range of common interests with the UK, particularly in the preservation of stability in the Persian Gulf (the Shah takes exception to any use of the phrase "Arab Gulf"). The Shah concluded on 6 March in Algiers an agreement with Iraq over the Shatt al-Arab and the Iran/Iraq frontier. We have welcomed the agreement as contributing to stability. Although the Shah has spoken of the need to remove all foreign forces he has not specifically referred to our presence in Oman which, he recognises, is necessary. Contingents of his own forces are also supporting the Sultan of Oman.⁵⁹⁴

The text started with summarising the political structure of Iran, where the Shah had *influencing power* on policies. The Shah was described as an *ambitious and determined* person who wants to use the oil wealth of its nation to transform Iran. The excerpt also highlighted that Iran was expected to become a significant player in world politics. The

⁵⁹⁴ National Archives, FCO 8/2519, Background Note Anglo Iranian Relations, [n.d.].

passage acknowledged the role Shah played in Iranian politics and counted him as the sole actor to be considered.

That introduction was followed by an outline of Anglo-Iranian relations. Two major issues highlighted in the document: Dispute over oil prices and Iran being a lucrative market for UK goods. In a lengthy sentence, the document criticises Iran for pushing oil prices up by collaborating with other members of OPEC. That said, due to increasing *political importance* and rising *purchasing power* the UK was lured into Iran to do more business. The words used to describe that relationship need further attention: "Despite the unhelpful role which the Iranians have played in pressing for high oil prices, their growing political importance in the area make it expedient for us to exploit their increasing purchasing power and to maintain and develop the close and friendly relations [...]".⁵⁹⁵ First of all, the document chooses to evaluate Iran's regional role and its economic power together. In terms of Iran's role within OPEC, Iran was considered *unhelpful* for demanding higher oil prices, which increased costs for oil importing countries, including Britain. Due to getting more revenues from higher oil prices, however, Iran gained more *purchasing power* to buy stuff and services from around the globe, attracting increased British attention. The sentence implied that rising oil prices and growing purchasing power of Iran required Britain to push for more share in Iranian import market and *maintain and develop the close and friendly relations* to secure British interests there. The argument made indistinct Iran's role both as a regional player and an export market for British goods.

The focus of the document was mainly on trade rather than politics that made Anglo-Iranian relations look like a business partnership between two companies. As an effort to *broadening relationship* UK Government had visits to Iran at ministerial levels, which proved to be successful so far. The document chose to discuss the volume of trade both actual and potential to show the importance of the Iranian market. It also highlighted Iran's capability as a *source of investment* into the UK economy and cited the recent credit the Iranian agreed to loan to Britain⁵⁹⁶. Iran was also referred to as a *source of oil*

⁵⁹⁵ Ibid.

⁵⁹⁶ The third tranche of that loan later was proposed to be used by the Iranians to purchase military ships from Britain following a successful intervention of Ambassador Parsons in 1977. See folder FCO 8/2991 at the National Archives in Kew, London.

from where the UK imported nearly twenty per cent of its total oil imports for the year 1973.

It appears that the document found only the sale of British arms to Iran notable enough to discuss. It described Iran as *the major overseas customer* to whom the British sold hundreds of millions Pound Sterling worth defence equipment. The prospects for future arms sales were considered to worth near a billion Pound Sterling probably keeping Iran as *the major customer* for British defence equipment.

The document only spared a small part for discussing *wide range of common interest* which were left undisclosed other than *preservation of stability* in the Persian Gulf region. There was no reference to whether both countries adopt a cooperative or rival attitude towards maintaining stability in the area. Instead, it briefly discussed the latest Iranian moves to secure a deal with Iraq on Shatt al-Arab border dispute. Albeit indirect, only cooperation discussed in the document was British and Iranian military support to the Sultan of Oman. The arguments presented in this section of the text, despite claiming to indicate the existence of coordination and cooperation between Iran and Britain, did not provide any significant example to support that view. Structuring the sentences and arguments in that order made Iran an object of Anglo-Iranian relations rather than making it a subject with a significant role.

In parallel to the expectations, the Iranian Ambassador first call on the Foreign Secretary turned to be a success for the British. The Secretary told the Ambassador that he could not “to intervene in the legal processes in order to meet the Iranian Embassy’s request”, but he had “personally examined the issues”.⁵⁹⁷

1.2. Dilemma: to Criticise or not to Criticise Iran

In January 1976, after eight months since the occupation of the Iranian Embassy took place, the court had not still decided on the case of Iranian protestors. The FCO, however, for the first time categorised its position as a *dilemma* where internal pressures and Anglo-Iranian relations appeared to be conflicting:

On 29 April 1975 a group of 21 Iranian students (11 of whom had come over especially from the FRG [Federal Republic of Germany]) entered

⁵⁹⁷ National Archives, FCO 8/2519, TELNO 333, (9 June [1975]).

the Iranian Embassy here and staged a “sit-down” demonstration in protest against the treatment by the Iranian Government of political prisoners and students. [...]

The trial set for February poses a dilemma. The conspiracy to trespass charge has [...] aroused considerable hostility in this country and its use against the Iranian students has been referred to specifically and critically in a paper circulated for a recent meeting of the Labour Party NEC [National Executive Committee]. [...] On the other hand there is no doubt that the Shah will expect the trial to take place and the culprits to be punished “severely”. The Iranian Ambassador is presumably following the progress of the case fairly closely. Even if the trial takes place however, it is not sure that the Shah will be satisfied with the outcome. We understand from the Home Office that recent cases on a similar charge (a student “sit-in” at the Air Iberia Offices and an earlier Ukrainian “sit-in” at the Soviet Consulate General in Manchester) have resulted in acquittal or at most a fine.

The situation is one in which it seems impossible to avoid criticism and where whatever the outcome we will fail to please the Shah. [...]

In short, we cannot win. There is bound to be either domestic or Iranian criticism – or both – whatever we do. In these circumstances I suggest that we should make a virtue of necessity and let the law take its course.⁵⁹⁸

Albeit not in the same paragraph, the document makes a distinction between previous *sit-in* protests and the *sit-down* protest at the Iranian Embassy. Classifying protests in such a way gave the impression that the FCO did not consider the occupation of the Iranian Embassy a significant protest as the word *sit-down* indicates stopping for a while and the word *sit-in* has protest nature. In previous documents both FCO and HO were referring to the incident as *sit-in*. The change in choice of words could be considered reflecting a difference in the British attitude towards the case.

The dilemma, as expressed by the FCO, had domestic and international reflections for the UK Government. First, the document refers to growing national interest in the case of the Iranian protestors among Labour Party circles who were openly being critical of Iran. Second, the Iranians were closely watching the developments, and the Shah was expecting a *severe punishment* for the demonstrators. By judging from previous similar cases, however, the FCO anticipated that the court would decide on the acquittal of protestors or issue a fine *at most*. Both possibilities, as anticipated by the FCO, would fail

⁵⁹⁸ National Archives, FCO 8/2765, Lucas to Weir, (7 January 1976).

to meet the Shah's request for severe punishment. The best course of action, in that situation, as argued in the document, would be preparing for seemingly unavoidable criticism and face dissatisfaction of the Shah. In parallel to the previous FCO arguments, the record indicated *closely linked* relationship between politics and trade in Iran by arguing that the court's decision could have impacts on the aspect of oil liftings of Anglo-Iranian relations.

The document summarised the situation in the following words: "In short, we cannot win. There is bound to be either domestic or Iranian criticism – or both – whatever we do. In these circumstances I suggest that we should make a virtue of necessity and let the law take its course".⁵⁹⁹ The FCO argued that the Office could not avoid criticism no matter how it handles the case. Both domestic and Iranian disapproval seemed equally possible given the UK public interest in the case and renewed Iranian emphasis for *severe punishment*. Under these circumstances, the FCO suggested that the Office should *make a virtue of necessity* to wait and see the court's decision. The implication in the last sentence was that the FCO had no choice but to comply with the court's course. That said, the Office could still benefit from that decision by pleasing domestic audiences at least.

The court decided to free all Iranian protestors in February 1976, which created another question for the FCO when the defendants' solicitor stated that they would seek political asylum.⁶⁰⁰ After some examination, the applications and interviewing the Iranian demonstrators the HO concluded that they had merit to be treated as political refugees.⁶⁰¹

The HO view was in parallel to previous HO arguments on the case of the Iranian protestors, yet it also had significant changes in the HO approach towards the Iranian Government's possible reaction. First, the essence of the document. The letter made it clear that the Iranian protestors' condition had required political asylum. In line with the previous HO letters, the argument was structured around the legal requirement to grant asylum to that case. The HO explored all alternatives available in front of them: 1. Granting asylum, 2. Deportation and 3. Treating as students. Instead of discussing the alternatives in an order, the HO chose to start the discussion with why they decided to grant political asylum first and support that point by discussing eliminated options. The

⁵⁹⁹ National Archives, FCO 8/2765, Lucas to Weir, (7 January 1976).

⁶⁰⁰ National Archives, FCO 8/2765, TELNO 108, (17 February 1976).

⁶⁰¹ National Archives, FCO 8/2765, McDowall to Lucas, (29 September 1976).

Iranian protestors argued that they would face *certain persecution* on their return to Iran which the HO authorities indirectly acknowledged as being the situation in that country. The second option, deportation, was out of the question considering the *current public opinion* in the UK towards the *certain activities* of the Iranian regime. This evokes that the HO expressed concern about the human rights record of the Iranian Government by referencing to *certain activities*. Regarding deportation of the protestors, in that sense, would not be *realistic*. The last option, treating the protestors as students, was also not applicable as the demonstrators were not engaged in full-time formal study and the given uncertainty about the funding they would receive from Iran. The HO concluded that they had *no alternative* other than *let them stay* in the UK. Second, the change in HO attitude. Unlike previous HO letters, this one acknowledged the *strong possibility* that the Iranian authorities could protest the HO decision to grant asylum. That said, the HO was still not entirely convinced that the Iranians could opt for an extremely reactionary move like withdrawal of Iranian diplomatic staff from London.⁶⁰² To assess the extent of the danger, the HO asked three questions: The HO also argued that:

Would relations between United Kingdom and Iran suffer serious damage? Is there a danger that the Ambassador could temporarily withdraw (as happened in The Hague in 1974)? Or are we perhaps overreacting and trying to cover a situation which probably won't arise?

Any help you could give on the degree of embarrassment which might be caused by our decision to allow these seven Iranians to stay here, would be greatly appreciated.⁶⁰³

The overall tone of the message was that despite acknowledging the possibility of Iranian reaction, the HO did not consider the damage would be devastating for the UK. The first two questions focused on *seriousness* of expected loss and whether the Iranian Ambassador could *temporarily withdraw* from London. The last question, however, challenged the FCO emphasis on *real risks* to British interests in Iran by questioning whether the UK Government was *overreacting* and preparing unnecessarily for less likely scenarios.

Last, the choice of words. Despite having an indirect criticism of the Iranian regime, the letter still avoided using words indicating widespread discontent. The protestors claimed that they could face *certain persecution*, but the letter did not comment

⁶⁰² Ibid.

⁶⁰³ Ibid.

on that argument. Instead, the HO pointed out to *certain activities* of the Iranian Government, still without naming what those *activities* were. Possible candidates for those *certain activities* might include lack of freedom of speech, maltreatment of political prisoners and use of torture which contributed in Iran gaining a poor reputation in terms of human rights in rest of the 1970s.⁶⁰⁴ The HO letter argued that due to the presence of that *certain activities* it would be *not realistic* to deport those protestors to Iran. The HO ranked a policy option by its degree of *realism*. It is essential to underline that while deportation option was considered *not realistic* that was associated with the *current public opinion* about the Iranian regime. This suggests that if the public opinion was in a different state, deportation could still be on the table. On contingency planning, the HO used the word *overreacting* to signal their disapproval of the FCO emphasis on possible Iranian reaction. The implication meant in that paragraph was that the FCO put unnecessary stress on the shoulders of the UK Government not to disappoint the Iranians. On the other hand, the UK Government had responsibilities to protect *liberties of individuals* and do not cooperate whatever third party government demand in case of a clash of priorities. The HO also made an inquiry about the *degree of embarrassment* as an attempt to show their preparedness to grant asylum.

Unlike previous episodes of the student protestors question, the FCO this time did not consider appealing the HO view. Instead, they informed the British Embassy in Tehran on the following terms:

In the light of current public interest in the allegedly repressive nature and attitude to human rights of the Iranian authorities, there are likely to be protests from MPs and interested students and political organisations if the Home Office refuse the students' request. [...]

It is a long time after the event and the Iranians probably know that the students are still here. They will inevitably learn of any decision to allow permanent residence. We can then expect a protest and would be grateful for your advice on the likely extent of the damage to Anglo-Iranian relations. Our preliminary assessment is that if we stuck firmly

⁶⁰⁴ Matin-Asgari, A., 2006. Twentieth century Iran's political prisoners. *Middle Eastern Studies*, 42(5), pp. 689-707.

to the line in para 3 above⁶⁰⁵ and avoid reference to the emotive words “political asylum”, the storm would pass.⁶⁰⁶

The document has significance in showing how British perceptions of the human rights situation in Iran varied between different departments of the UK Government. First is the FCO understanding of the situation. The document started with summarising the events which was followed by paraphrased paragraphs of the HO arguments. The record does not attempt to challenge any of the HO arguments, including the one that the HO has *no alternative* other than granting political asylum to the protestors. Instead, the FCO points out to *probability* that the Iranians were aware of the protestors still being in the UK. In terms of possible Iranian reaction, the FCO argued that they could expect a *protest* but by avoiding the use of *emotive words* of *political asylum* the damage to Anglo-Iranian relations could be minimised.

While not voicing criticism about the HO decision to grant political asylum, the FCO modified the HO views. The altered sentences became more inclusive for the UK Government, but soft in criticising the Iranians. I will highlight those differences below:

HO view 1: “We would also face a great deal of protest from MPs and interested student and political organisations if we were to refuse their request, as the only course open to us; if they did not leave this country voluntarily, would be deport them to Iran. In the light of current public opinion about certain activities of the present Iranian government, we do not think this course [deportation of protestors] is realistic”.⁶⁰⁷

FCO view 1: “In the light of current public interest in the allegedly repressive nature and attitude to human rights of the Iranian authorities, there are likely to be protests from MPs and interested students and political organisations if the Home Office refuse the students’ request”.⁶⁰⁸

In the first HO sentence, the argument referred to *current public opinion*. The word *opinion* in that sentence added a meaning that the UK public had *formed and established judgement* about the human rights situation in Iran. On the other hand, the FCO sentence discussed the presence of *current public interest*. Choosing the word *interest* instead of

⁶⁰⁵ The FCO argued that granting political asylum to the Iranian students could mean “apparent acknowledgement” of Iran’s capacity to persecuting dissidents. But, if questioned, the HO would only reveal that the students were granted to stay in the UK under the terms of the Immigration Act 1971, National Archives, FCO 8/2765, TELNO 537, (1 October [1976]).

⁶⁰⁶ National Archives, FCO 8/2765, TELNO 537, (1 October [1976]).

⁶⁰⁷ National Archives, FCO 8/2765, McDowall to Lucas, (29 September 1976).

⁶⁰⁸ National Archives, FCO 8/2765, TELNO 537, (1 October [1976]).

opinion reduced the emphasis on public knowledge about Iran by merely shrinking the meaning to indicate a general *curiosity*.

In the same sentence, the HO discussed that the UK public was aware of *certain activities of the present Iranian government*. The HO, throughout the document, categorically avoided revealing its own opinion about the human rights situation in Iran other than expressing overall criticism. The FCO, however, opted to discuss openly the point of concern of the UK public. The FCO discussed that *the allegedly repressive nature and attitude to human rights of the Iranian authorities*. While acknowledging that the focus of British public criticism was on *human rights*, the FCO aimed to decrease the seriousness of the issue by using the word *allegedly* in the sentence. The modified sentence indicated some doubts about the urgency of the human rights violations in Iran by avoiding associating accusations with the Iranian regime.

On possible short-term consequences of refusing the demonstrators' asylum request, the HO stated that there *would be a great deal of protest* if they do not grant political asylum to the protestors. While the HO expressed the likelihood of a protest in certain terms, the FCO opt to reduce that probability. The FCO argued that there were *likely to be protests* if the protestors' request of political refuge was rejected. Similarly, the HO considered the magnitude of the protest would be *great* and from diverse communities and organisations. The FCO, however, expected *protests* without suggesting any degree of severity.

HO view 2: "We therefore see no alternative but to let them stay as political refugees (which would mean documenting them for travel abroad and back if necessary). The group may seek to make public and political capital of our seemingly acknowledging that the Iranian government is capable of persecuting its opponents"⁶⁰⁹

FCO view 2: "The Home Office therefore see no alternative to letting them stay, though the group may seek to make political capital out of HMG's apparent acknowledgement that the Iranian Government is capable of persecuting its opponents."⁶¹⁰

In line with previous arguments, the FCO continued not to challenge the HO decision to *let the students stay*. The FCO emphasis, however, shifted to consequences of the decision. The HO argued that they had *no alternative* other than granting political asylum

⁶⁰⁹ National Archives, FCO 8/2765, McDowall to Lucas, (29 September 1976).

⁶¹⁰ National Archives, FCO 8/2765, TELNO 537, (1 October [1976]).

to the protestors. That decision would also mean enabling them to travel abroad. The group could also seek to make political and public gains, the HO argued, through using their status as an approval of the Iranian regime's capability to persecute opponents. The HO described that situation in the following sentence "The group may seek to make public and political capital of our seemingly acknowledging that the Iranian government is capable of persecuting its opponents". Here the HO office did not differentiate the subject of the sentence. The word *our* in this sentence would most probably mean the HO rather than the UK Government. The FCO, however, broadened that definition to include the British Government: "The Home Office therefore see no alternative to letting them stay, though the group may seek to make political capital out of HMG's apparent acknowledgement that the Iranian Government is capable of persecuting its opponents.". Instead of attributing the decision to the HO, the FCO chose to give credit to the entire apparatus of the UK Government.

Similarly, while the HO and FCO views differed on the degree of visibility of the principal focus of their decision. The HO argued that the UK position of *seemingly acknowledging* human rights violations in Iran could be taken advantage of by the students to gain political and public capital. By choosing the word *seemingly* in the sentence, the HO aimed to reduce the link between the students' possible course of action and the UK's position on the human rights situation in Iran. The FCO, however, reversed that argument by pointing out the decision would mean *apparent acknowledgement* of the human rights situation in Iran. The FCO considered the HO decision as an *apparent acknowledgement* of violations of human rights in Iran.

HO view 3: "Nevertheless there is a strong possibility the Iranian Embassy here might protest about our decision (you will recall the strong note of protest which the Iranians sent after the demonstration) and we would be very grateful for any advice and information from you about the likely nature and extent of protest we could expect. Would relations between United Kingdom and Iran suffer serious damage? Is there a danger that the Ambassador could temporarily withdraw (as happened in The Hague in 1974)? Or are we perhaps overreacting and trying to cover a situation which probably won't arise?"⁶¹¹

FCO view 3: "It is a long time after the event and the Iranians probably know that the students are still here. They will inevitably learn of any decision to allow permanent residence. We can then expect a protest

⁶¹¹ National Archives, FCO 8/2765, McDowall to Lucas, (29 September 1976).

and would be grateful for your advice on the likely extent of the damage to Anglo-Iranian relations. Our preliminary assessment is that if we stuck firmly to the line in para 3 above and avoid reference to the emotive words “political asylum”, the storm would pass”.⁶¹²

Unlike initial phases of the student occupation of the Iranian Embassy, the HO and FCO had formed a similar opinion about the possible Iranian reaction. The tone of their sentences, however, was different. The HO acknowledged the *strong possibility* of an Iranian protest considering the strength and repetition of Iranian requests for *severe punishment* and access to names and passports of the protestors. That said, the HO questioned the extent of the likely Iranian protest and indicated unnecessary precautions of the FCO on that matter. The FCO merely acknowledged that there would be an Iranian protest. On the *extent of the damage*, however, the FCO could handle the storm by avoiding using the “emotive words ‘political asylum’”. The FCO anticipated that the Iranians could react strongly if the UK discloses publicly that the protestors were granted political asylum. From the earlier phases of the issue, the HO was critical about the FCO emphasis on possible Iranian reaction and did not hesitate to indicate that criticism again in its letter. The FCO, due to probably handling the court’s acquittance decision smoothly with the Iranians, expected no *real risk to major British interests* this time. Instead, the Office put less emphasis on contingency planning. After going through the case again, the FCO formed the following view:

The dilemma we face is that if the Home Office were to grant the students’ request, the group might well seek to make political capital out of HMG’s apparent acknowledgement that the Iranian Government is capable of persecuting its opponents, while we could expect a hostile reaction from the Iranian authorities. Conversely, if the Home Office refuse the request there could well be domestic political repercussions (especially as it would be open to the students to lodge an appeal which would be heard publicly). This would also risk embarrassing our relations with the Iranians.

[...] Sir A Parsons thinks that we can ride the storm without too much damage, although we can expect a protest when the Iranians learn what has happened.

RECOMMENDATION

⁶¹² National Archives, FCO 8/2765, TELNO 537, (1 October [1976]).

Weighing up the strength of domestic feeling against that of Iranian reactions, I recommend that we should raise no objection to the Home Office's proposed course of action.⁶¹³

The FCO, again, described the matter as a *dilemma*. The difference between this one and the previous letter is the absence of the Iranian position. During the court hearings, the FCO had aware of the Iranian authorities' expectations (i.e. *severe punishment*), but here the arguments solely represent the FCO perceptions of Iran. The FCO anticipated that both scenarios could harm Anglo-Iranian relations. While granting political asylum would risk facing a *hostile reaction* from the Iranian Government, there was no assessment about the severity of Iran's reaction in the second scenario other than stating that that would *risk embarrassing* UK-Iran relations.

The FCO also distinguished the gravity of reaction in both scenarios. In the first one (granting political asylum), the FCO expected a *hostile reaction* from the Iranians without discussing what that means or how that would impact the UK. In the second scenario (denying political asylum), there could be *domestic political repercussions* anticipating long-lasting internal debates and demonstrations against the HO's refusal to grant political asylum. By making such a distinction between rival outcomes, the FCO signalled that they had, this time, more concerns on internal criticism than an Iranian reaction. The difference was probably supported by the argument that the Iranian did not raise any objection to the protestors still being in the UK despite the court's ruling. The FCO argued that by avoiding the phrase *political asylum* they could well *ride the storm* with minimised damage. The argument here should be considered together with the previous FCO document where the same phrase was classified as *emotive words*. This evokes that the Office expected that the Iranians could tolerate the HO decision if the British authorities choose their words carefully and do not anger the Iranians by using *emotive words*.

Reviewing the recommendation of the document tells more about the FCO's stand in the issue. The FCO document recommended that the Office should not challenge the HO decision to grant political asylum. Through examining the rival options of the dilemma, the FCO concluded that the *strength of domestic feeling* had more significant weight than that of Iranian reactions. The FCO left obscure what it meant by *hostile Iranian reaction*, yet still considered it to be less damaging than *domestic political*

⁶¹³ National Archives, FCO 8/2765, Lucas to Sykes, (7 October 1976).

repercussions. That said, describing the internal pressures as *domestic feeling* indicates that the Office started to consider the difficulties in maintaining good relations with Iran. However, the FCO still limited the scope of UK public opposition to *feeling*. By not opposing to the HO decision, however, for the first time, UK authorities listened to internal pressures over major interests in Iran which opened the Anglo-Iranian relations to further criticism. At such an environment, the UK public discussion turned to the Amnesty report on Iran, which harshly criticised the Iranian regime for their human rights record.

2. The Amnesty International's Report on Iran's Human Rights Record

The AI report, entitled *Amnesty International Briefing: Iran* (1976), accused the Iranian regime of arbitrary sentencing the opposition groups, lack of political freedom and large-scale use of torture.⁶¹⁴ The report's reasoning was in line with the arguments of the presidential hopeful Jimmy Carter in the US, which helped it to stir a reaction within the MPs of that time.⁶¹⁵ Both developments also had a considerable impact on the Iranians who decided to counter the arguments and launch a counter-offensive campaign to get their points heard abroad. The British Embassy argued that:

But his [the Shah's] present mood will make it more difficult for the officials concerned to keep the campaign focussed on the need to improve Iran's image in the west as a long-term objective and to prevent the campaign from deteriorating [sic] into a series of bilateral wrangles. Threats to the Dutch that their goods and services may be boycotted if a meeting which Amnesty is alleged to be organising in Amsterdam is allowed to take place. [...] I see no need to make any specific recommendation for the moment in the light of all this but we shall clearly need to be on the alert for possible dangers to our own economic

⁶¹⁴ The SAVAK had issued, even in 1978, guideline for newspapers to follow which included strictly requesting any reporting about the Pahlavi family or government to be cleared by Iranian official sources Boini, A. A., 1978. Savak guidelines. *Index on Censorship*, 7(2), pp. 50-52 (p.51).

⁶¹⁵ Although emergence of human rights as a foreign policy issue fell short in achieving its aims, the attention it generated in the late 1970s created a climate for more discussion and awareness about human rights abuses around the globe. See Moyn, S., 2010. *The Last Utopia: Human Rights in History*. Cambridge, Massachusetts: Harvard University Press.

and commercial interests here. Particularly in the light of Amnesty's London base.⁶¹⁶

The excerpt above has three significant contributions in further exposing British perceptions of Iran. First, the Embassy attributed a limited scope to the opposition abroad despite their strong presence in western countries. Second, the Embassy argued that the success of the campaign highly depended on the *mood* of the Shah. Third, the main point of concern for the British is defined by economic and commercial terms, which reduced Iran's value as an ally to Britain. That last point openly strengthened the argument that Iran's importance was primarily related to its trade potential rather than political alignment to the West.

On the importance of the situation the Embassy decided to weight in in favour of the Iranian regime by choosing not to discuss details or strength of the opposition groups: "In recent weeks the Iranian authorities have launched a major campaign on several fronts in a serious attempt to recover the initiative from groups abroad critical of the regime".⁶¹⁷ The Embassy considered the Iranian campaign *a serious attempt to recover the initiative* from opposition groups lobbying abroad. The focus of the sentence and the document was on the *serious attempt* of the Iranian regime rather than on the factors making that move necessary. The aim of that *attempt* was described as *recovering the initiative* from anti-regime forces operating abroad. The emphasis on *recovery* aspect of the Iranian campaign indicated that the opposition groups could only recently attracted the attention of the western audiences. Those views should have contributed to the FCO's negligence of the human rights violations in Iran. That development was thought to cause counter-measurements of the Iranian authorities. The document also revealed that the Iranians associated the critics of the regime with communist movements.

The British Embassy also highlighted the timing of the Iranian move. The preparations for such a move was probably started some time ago. The increase in magnitude and frequency of opposition to the Iranian regime abroad, however, played a decisive role in accelerating the process. The success of the campaign, the Embassy argued, would rely on the Shah's *mood* on the subject. In addition to acknowledging the Shah's direct involvement in the decision to launching the campaign, the Embassy expressed doubts about his handling of the situation. For instance, threatening the Dutch

⁶¹⁶ National Archives, FCO 58/1164, TELNO 79, (2 February [1977]).

⁶¹⁷ Ibid.

Government with boycotting their goods and services for allowing the AI to have a meeting in Amsterdam could possibly serve the hands of the opposition. That would initially cause further damage to the image of the Iranian regime. By explaining the situation as depending on the Shah's *mood*, the Embassy also indicated how the Iranian objectives were fragile and short-term focused.

The Embassy argued that the British authorities should be *on the alert* to protect their *economic and commercial interests* in Iran. In parallel to the *Dutch example* in this excerpt, the Embassy indicated that they could face Iranian backlash and even boycott of British goods and services. The document did not discuss whether that could also have an impact on political relations between Iran and Britain.

The Amnesty report increased interest in developments in Iran among British MPs. Some Labour MPs even requested an appointment from the FCO to discuss the allegations cited in the report.⁶¹⁸ Before the arranged meeting, the FCO officials prepared a briefing document, which consisted of *speaking notes* and *background* information about Iran. Both reports highlight the aspect of Anglo-Iranian relations to where the British paid much attention. First, *speaking notes*:

Importance of Iran to UK

Moreover there are important political and economic factors which we cannot ignore. Iran is a force for stability in the Middle East, an area vital to Western interests, and most of the oil produced in the area passes through the Straits of Hormuz. It is also our largest market in the Middle East, particularly for the automotive and defence equipment industries. In 1976 Iran provided 26% of our oil imports, and took 2% of our total exports (worth over £500 million). Iranian contracts contribute significantly to jobs in this country.

In his dealings with foreign countries the Shah has always attached great importance to their political policies and attitudes and his judgement on these frequently determines economic and trade questions⁶¹⁹. He and his close advisers are especially sensitive to what they see as the bias of the western media who ignore his genuine efforts to create a better society. However, obvious if unjustifiable comparisons are drawn with Ulster

⁶¹⁸ Labour MPs Robin F Cook, Stan Newens and John Watkinson had requested the meeting, see National Archives, FCO 58/1164, Lucas to Weir, (17 March 1977).

⁶¹⁹ In this document, the FCO repeated its emphasis on trade which was discussed in section 1 of this chapter.

[...]. All these factors argue the need to cultivate and maintain close relations with Iran at all levels.⁶²⁰

Rather than discussing solely British commercial interests in Iran, the FCO, this time, defended Iran's importance on both political and economic grounds. Iran was defined as *a force for stability* in the region and hence a vital actor in preserving Western interests there through its *stabilising* role. The document discussed oil as the second factor defining Iran's importance. Lastly, Iran was described as the *largest market* for British goods, especially automotive and defence equipment. The document argued that the Iranian contracts had a *significant* contribution to employment in the UK. The excerpt did not reveal what should consist of *Western interests* other than the flow of oil from the Straits of Hormuz. Additionally, despite being accounted only for 2% of British exports, the Iranian market was considered having a significant role in the British economy.

Following a discussion on Iran's role as a *force of stability*, the focus of the document was again on trade. The second paragraph of the section *Importance of Iran to UK* put arguments in a way to suggest why the UK should *cultivate and maintain close relations* with Iran to protect its economic interests there. The document argued that in reaching decisions on economic and trade issues, the Shah had *always* weighted the foreign countries' attitudes and policies about Iran. This suggests that the British authorities had to avoid angering the Shah who was *especially sensitive* to criticism of the western media. By discussing the role of third parties, the FCO authorities merged the UK Government with media outlets and non-governmental organisations, claiming that being how the Iranians *see* it. That point was in parallel to previous claims that the Shah not being able to differentiate between UK Government and courts. This time, however, the FCO argued that they should aim *cultivating and maintaining* good relations with Iran. The document also argued that the British should consider Iran in context:

Iran in Context

Without in any way condoning everything that happens in that country, I think that present day Iran should be seen in its historical and geographical context. Enormous political, social and economic progress has been made over the past twenty years and it would be no exaggeration to say that for the last forty to fifty years the Iranian leadership has been involved in the difficult and demanding task of creating and building a modern national state on the foundation of a traditional, and in many ways feudal civilisation. From their point of

⁶²⁰ National Archives, FCO 58/1164, Speaking Notes, [n.d.].

view, bread in Iranian bellies takes priority over concepts of political liberty.⁶²¹

The document put *Iran in context* both in *its historical and geographical* terms. The FCO here presented two different periods. First, it discussed Iran's development *over the past twenty years*, probably indicating the events of Mosaddeq era and its end in 1953 by the orchestrated coup. The argument was that since the Shah had grasped the power to *rule* the country, Iran saw *enormous political, social and economic progress*. While lacking the supporting evidence on what those political, social and economic signs of progress were, the FCO expressed approval of developments in Iran. Second, it cited *the last forty to fifty years*, which dates to the establishment of the Pahlavi monarchy. The argument praised the work done under the Pahlavi monarchy at the expense of ignoring the modernisation movements started under the Qajar dynasty. The task of the Iranian monarchs was defined as *difficult and demanding* given the Iranian society being *traditional and in many ways feudal civilisation*. The document expressed a view on how the Iranians understand the world: "From their point of view, bread in Iranian bellies takes priority over concepts of political liberty".⁶²² This suggests that the FCO considered the Iranian society more *traditional and living in feudal civilisation* than *modern western civilisation* as stated, at least aimed, by the Iranian authorities. Furthermore, the FCO diminished the force of anti-regime political movements in Iran by claiming that *bread in Iranian bellies* having much more important than *concepts of political liberty*. The points on the Iranians being *traditional* further explored in the *background* document attached to the *speaking notes*:

Political Progress

Iran is emerging from a feudal Islamic society. Although the Shah depicts present-day Iran as a modern industrial state on Western lines, 50 years ago his country more resembled England during the Wars of the Roses. All major and most minor policy decisions are still taken by the Shah but there are indications of progress towards our concept of democracy. The single Rastakhiz party which was created abruptly and by personal decision of the Shah in March 1975 replaced the increasingly ramshackle two-party political structure of the previous decade. This action, far from removing the last vestige of political freedom as the Amnesty Report alleges at paragraph two, was a genuine attempt by the Shah to encourage participation, particularly at regional

⁶²¹ Ibid.

⁶²² Ibid.

level, amongst a people traditionally politically cynical and inactive. There is open and outspoken criticism of Iranian government but such criticism is never directed at the Shah personally.⁶²³

The passage above has three references to how Iran remained a *traditional* country even at the time of discussion in March 1977. The first of those descriptions took place while discussing *political participation* in Iran. The arguments in the speaking note were supported by further discussion. For instance, the excerpt stated that Iran was *emerging* from a *feudal Islamic society*. This indicated that the transformation was still not completed. The FCO argued that even by looking no longer than 50 years ago (i.e. the 1920s), one could find Iran in a state in what England was back in the fifteenth century. The time lapses indicated that there was more than 400 years gap between the UK and Iran, implying the scale of backwardness of the country as perceived by the British authorities. However, the comparison was not limited to the material development of Iran. Through taking British democracy as a yardstick, the FCO evaluated Iran. Despite arguing that *all major and most minor* policy decisions being taken by the Shah, the document claimed that there was *progress towards our concept of democracy*. The FCO views raised confusion when it both claimed *progress* in one sentence and described the creation of single party (i.e. Rastakhiz party) rule as an *abrupt* decision indicating lack of preparation in advance. The document even countered AI's claim that new single-party political structure would diminish political freedom further. The FCO argued that the new administrative establishment was a *genuine attempt* to encourage participation into especially local politics of *people traditionally politically cynical and inactive*. While the *cynicism* here attributed here only to political activities, in previous FCO documents it was claimed that the Persian people had cynical behaviours⁶²⁴. Another point to consider was the social and economic progress in Iran:

Social and Economic Progress

Too little attention is paid in the West to the real efforts of the Shah's regime to improve the lives of millions of Iranians⁶²⁵. Enormous efforts have been made to transform a traditional society into a modern one and the Shah would admit that there is still a long way to go. A comprehensive programme of reform is under way, in particular a campaign against illiteracy, the development of a health and social welfare programme, the emancipation of women (a significant

⁶²³ Ibid.

⁶²⁴ see for instance folders FCO 17/1514 and FCO 17/1515 at the National Archives in Kew, London.

⁶²⁵ UN HR award etc.

development in an Islamic state which compares favourably with many of Iran's Arab neighbours) and worker participation in industry. These reforms go largely unnoticed by the Western Press and yet it would be no exaggeration to describe Iran as an incipient Welfare State. The Shah shows a genuine desire to distribute Iran's vast oil revenues amongst all levels of society and to remove corruption, which is traditional. He is intelligent enough to realise that he can only ensure a peaceful transition of power to his son (at present 17) if his regime has broad-based support.

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In discussing *social and economic progress* in Iran, the document again turned to *traditional* values of the Iranian people to highlight conflict between the people and the vision of the Shah. First, the FCO claimed that the western audiences were not paying credit to *real efforts* of the Shah who had changed the lives of millions in Iran. The document attributed the major success to *transform a traditional society into a modern one* while arguing that even the Shah would *admit* that the transformation still being in initial steps. Among other developments, *the emancipation of women*, in which Iran was considered ahead of its Arab neighbours and received special praise of the Office. While the Western Press was accused of failing to notice and report most social and economic reforms, the document described Iran as *an incipient Welfare State*. That description, comparing to the previous portrayal of Iran as *feudal society*, improved the perceived image of Iran dramatically. The document then discussed another *genuine desire* of the Shah to develop the nation in a more balanced way and end corruption, which was described as *traditional* by the FCO. The paragraph indicated a contradiction in itself: First sentence claimed that the Shah's policies improved the lives of millions. The last sentence, however, implied that to secure a *peaceful transition of power*, the regime had to gain *broad-based support*. This suggests that the British authorities were in doubt about the achievements of the Shah despite praising them in previous sentences.

The main topic of the MPs visit, however, was concerning the Amnesty report, which criticised the Iranian regime of large scales of human rights abuses. To counter the report's arguments, the FCO highlighted the following points:

Political Prisoners in Iran

The Amnesty Report refers to Press estimates of between 25,000 and 100,000 political prisoners in Iran as if these figures were hard evidence. The Shah said in a BBC television interview broadcast on 13 December

⁶²⁶ National Archives, FCO 58/1164, Speaking Notes, [n.d.].

that the communist party was outlawed in Iran and that there were 3,300 prisoners detained for their political beliefs, all of them Marxists. In a report submitted to Congress by the State Department, last year, it is stated that if political prisoners are defined as those prisoners “who had been detained, arrested or punished for their beliefs or opinions, but should have neither used nor advocated violence” the total is probably about 100 to 150. The figures for political prisoners will include members of revolutionary groups who advocate the violent overthrow of the Shah’s regime and who are involved in urban guerilla [sic] activity and terrorist attacks on civilian targets. Our assessment is that those convicted of security offences, ranging from terrorism to the spread of communist ideas and the membership of proscribed organisations, number between 3,000 and 4,000. Amnesty admit that much of their evidence is out of date (they have no direct evidence later than 1972).⁶²⁷

The FCO has structured the argument in a way to downplay the Amnesty accusations about the Iranian regime. First, it denounced the lack of hard evidence and the source of information on there being tens of dozens of political prisoners in Iran. Second, the FCO decided to cite the Shah’s BBC interview to give a figure about the estimated number of political prisoners, all of which, the Shah claimed, were from *Marxist* organisations. Third, the document referred to American sources to decrease the number to lower hundreds by making a stricter definition of the political prisoners. Lastly, the FCO explained its estimate, which was parallel to that of the Shah. The arguments presented in an order to balance the situation in favour of the Iranian regime.

The FCO even chose to referring local laws to counter Amnesty claims. For instance, on prisoners having a lack of information about their arrest reason, the FCO directly refer to Iranian laws. The document argued since there was no right of habeas corpus granted by the Iranian lawmakers, long detention of suspect implied as *lawful*. That argument was followed by a detailed explanation of how the absence of habeas corpus clause affected the trial process. The FCO even argued that there was *no evidence* of extended detention of suspects longer than five months before trial. On the positive side, the Office argued, the Western press could be allowed more easily to visit prisons and interview notable detainees in due course.⁶²⁸ On the question of the use of torture, the document did not hesitate to defend Iran’s position vis-à-vis the Amnesty Report:

⁶²⁷ Ibid.

⁶²⁸ Ibid.

Use of Torture

There is no evidence available to us to suggest that, in the last two to three years at least, torture has been used indiscriminately as it may have been in SAVAK's early days [...]. Although reports of torture are too persistent to discount, our impression is its use is declining.

In recent campaigns about the lack of human rights in Iran, much has been made of the testimony of Reza Beraheni (part of which appears on page eight of the Amnesty paper). We have reason to doubt this "evidence": it seems that Beraheni may be an ex-member of SAVAK who became disillusioned with the organisation when he was refused promotion.⁶²⁹

The FCO did not deny the use of torture in Iran. The Office, however, argued that their *impression* was that its use was *declining* in the last couple of years. There was *no evidence*, the FCO argued, of *indiscriminate use of torture* compared to the SAVAK's practices dating back to the 1950s. The FCO raised doubts about the source of Amnesty allegations, Reza Berahani. The Office argued that he could be an ex-SAVAK who had failed to get the promotions he wanted and became a critic of the system. By reducing the issue to a single person, no matter he was the source of *evidence* for the Amnesty Report or not, the FCO decreased the importance of the use of torture claims in Iran.

2.1. Discussing the Human Rights issues with the Iranians

The approach of downplaying the importance of human rights issues was visible at the British Foreign Secretary David Owen's visit to Tehran in May 1977.⁶³⁰ During the visit the Foreign Secretary had discussed human rights issue with both the Shah and Iranian Foreign Minister. The first meeting took place between the Shah and the UK delegates.

Human Rights

Dr Owen said that he wished to raise the difficult question of human rights. He had appreciated the Shah's recent response to outside pressure. We did not wish to impose our own views on another country. But the Shah's personal willingness to make moves had gone very well eg, his preparedness to see representatives from Amnesty International. The Shah said that he had seen Mr Martin Ennals⁶³¹ in a personal capacity and not as a representative of Amnesty International. (In fact

⁶²⁹ Ibid.

⁶³⁰ The memoirs of Parsons, Lucas, and Owen do not discuss these meetings.

⁶³¹ Martin Ennals was the Secretary General of Amnesty International.

he saw Ennals about a month ago.) He sometimes wondered whether it would not make life easier to legalise the Communists. But the answer was with the Soviet Union as a neighbour and with the Brezhnev doctrine, this would be just asking for trouble. A legal communist party would try to develop links with the Soviet Union and sooner or later there would be trouble; he knew that the United States would not lift a finger to help him if there were any monkey business. But since the Communist Party was illegal, he was acting within the law under any principle of human rights, in proceeding against such people. They were traitors and terrorists not philosophical intellectuals though they called themselves Islamic Marxist. All the same he was taking steps to ensure better treatment for prisoners and on the 50th anniversary of the regime he had pardoned more than 1,000 prisoners. There were now no more than 3,000 in prison.

Dr Owen said that no one would criticise the Shah just because people were put in prison after due process of law. Most countries had human rights skeletons in their cupboards and we were ourselves [sic] facing charges at Strasbourg over our past actions in Northern Ireland. However, he thought that criticism would be less if conditions could be improved and if trials could be held openly. The Shah said and subsequently repeated, “this we will do”. Dr Owen said that his aim in talking to the Shah in this way was to prevent Iran succeeding Chile as the fashionable focus of criticism. He then referred to President Carter’s human rights stand. The new Administration wanted to draw attention to the absence of human rights in the Soviet Union but they had to be even-handed in their criticism. The Shah said that the British were proud of their political system and the Iranians were proud of theirs. The country was developing as a family, based not on class hatred, but on love and comprehension.⁶³²

The excerpt sheds light on how both Iranian and British authorities perceived the human rights issue. First, throughout the exchange of views, both parties were in a defensive position where neither party tried to challenge the other one. From the very beginning of the conversation, the Foreign Secretary made it clear that they were not in Tehran to *impose* their views. On the contrary, the British side decided to praise the moves taken by the Iranians to respond to *outside pressure* about Iran’s human rights record.⁶³³

The Foreign Secretary’s mention of Amnesty International requires further attention to depict how the views had differed between the UK and Iranian parties. The

⁶³² National Archives, FCO 58/1164, Record of Discussion Between Foreign and Commonwealth Secretary and His Imperial Majesty Mohammed Reza Pahlavi, Shahanshah Aryamehr at the Niavaran Palace on Saturday, 14 May 1977 at 6pm, [n.d.]

⁶³³ In 1978 Owen published a book entitled *Human Rights* but it does not address human rights violations in Iran. See Owen, D., 1978. *Human Rights*. London: Cape.

UK had considered that any contact taking place between Iran and Amnesty International as a positive step towards easing the international pressure on the Iranian regime.⁶³⁴ The Shah, on the other hand, dismissed that argument by not commenting on it. Instead, the Shah emphasised the formalities of the contact with the Amnesty and rejected having any formal meeting with that organisation. His attention then turned to *communist threat* Iran had perceived and why the Shah still believes in banning leftist political organisations⁶³⁵ with communist tendencies. He had considered the leftist groups the biggest threat to the regime in Iran. Since the Communist Party was illegal in Iran, the Shah indicated, the authorities had the right to prosecute any person affiliated with that organisation under the Iranian law. Prosecution under the law could not be considered breach of human rights. The prosecuted people were, after all, according to the Shah, *traitors and terrorists* and not *philosophical intellectuals* under those circumstances. He also argued that there were less than three thousand political prisoners.

In his response to the Shah, the Secretary chose to skip his previous remarks on how Iran was doing good by having a dialogue with the international organisations. Instead, he projected human rights issues as a global phenomenon. He argued that “[m]ost countries had human rights skeletons in their cupboards”.⁶³⁶ Accordingly, the UK was facing charges about its treatments in Northern Ireland. Expressing that point did not still discourage the Secretary from making further suggestions to Iran to improve its image abroad. Improving the conditions of the prisoners and having open trials of the accused persons could reduce international criticism. What he meant by *improving prisoners’ conditions* left obscure in the Secretary’s argument probably not to offend the Shah by *imposing* his views or facing his possible criticism on UK’s handling of events in Ulster.

The overall British stand was not criticising the Iranian authorities in their treatment of the political prisoners. The Secretary still decided to openly express the *aim* of his talk: preventing “Iran succeeding Chile as the fashionable focus of criticism”.⁶³⁷ That point, arguably, gave the impression that Iran was not already in the centre of

⁶³⁴ In November 1978, at the height of public unrest in Iran, the Shah had indicated acknowledgement of difficulties caused by ignoring international organisations criticism of Iran’s human rights record, Naraghi, E., 1994. *From Palace to Prison: Inside the Iranian Revolution*. London: I B Tauris & Co Ltd, pp.77-8.

⁶³⁵ Since March 1975 there was only one legal political party, Rastaktiz, in Iran.

⁶³⁶ National Archives, FCO 58/1164, Record of Discussion Between Foreign and Commonwealth Secretary and His Imperial Majesty Mohammed Reza Pahlavi, Shahanshah Aryamehr at the Niavaran Palace on Saturday, 14 May 1977 at 6pm, [n.d.].

⁶³⁷ *Ibid.*

international criticism and the situation could be put under control. The Secretary argued that Iran could face replacing Chilean authorities as *the fashionable focus* of criticism. While consisting of a warning about the future, that last point, however, reduced the seriousness of the critique by describing it as *the fashionable focus*. The tone of the Secretary's arguments changed when he met with the Iranian Foreign Minister next day.

As the second subject of marginal difference Dr Owen mentioned human rights. He had, he said, been very pleased at the Iranian response to pressures on human rights subjects from the West. He did not believe that anything was gained from public posturing on these issues, but the willingness which Iran had shown to discuss the subject, and to allow outside observers from Amnesty International and the ICRG to attend trials and visit prisoners, made it much easier for her friends abroad to defend their links with Iran. Dr Owen said that he fully supported President Carter's decision to increase importance of human rights in foreign policy, but felt that such criteria had to be applied indiscriminately. It was pointless raising the subject with the Communist states if one ignored criticisms of one's friends in the free world. Dr Owen added that he felt that the danger of Iran being, so to speak, put in the international dock on the subject of human rights had now been dispelled by the Government's intelligent reaction to Western criticisms.⁶³⁸

Through echoing the Shah's remarks about the Anglo-Iranian relations, the Secretary emphasised the closeness of bilateral ties. Despite being in such a smooth state, there were still two issues where Iran and the UK differed *marginally*: oil prices and human rights. In both matters the UK side developed specific reasons to defend their stand, while the Iranian response was short on oil prices and explanatory about human rights. About oil prices, the Secretary indicated how the western countries were affected by the price increases and asked for *contemplating* before pushing for higher rates. The Iranian side, in turn, stated mutual understanding on the issue but complained about *rising cost of imports*. Giving the costs of *destroyers* as an example indicating military build-up being a concern for Iran.

On the other subject, human rights, the records show more in-depth dialogue and discussion between the Iranian and the British. Following the meeting with the Shah previous day, the Secretary acted more careful not to offend the Iranians. For instance,

⁶³⁸ National Archives, FCO 58/1164, Record of Meeting Between the Secretary of State for Foreign and Commonwealth and Dr Khalatbari, Iranian Minister of Foreign Affairs, Held in Tehran on 15 May 1977 at 10.30 am, [n.d.].

while praising the Iranians' efforts to counter international criticism, the Secretary avoided indicating any direct contact between the Amnesty International and the Iranian Government. Instead, the British side downgraded the role of the Amnesty to an *outside observer* rather than a critic and activist organisation. Such moves to respond to international criticism were making the defence of Anglo-Iranian relations *much easier* once questioned by the public. The Secretary also commented on the US President Carter's human rights initiative. He projected the focus of the policy as increasing the importance of human rights not against the communist states but globally. Iran's *intelligent reaction*, however, the Secretary argued, *had dispelled* Iran from becoming at the centre of international criticism. The Iranian response to these points was defensive yet explanatory:

Dr Khalatbari commented that there had been misunderstandings over human rights in Iran. The media chose to ignore the distinction between intellectual dissidents and terrorists, although sometimes they could not be fully informed of the facts. For example, the two killings reported the day before Mr Vance's arrival in Tehran were not the result of just another gun battle between terrorists and police. The two Iranians killed had tried to kidnap the head of the Israeli mission in Tehran, and the first shots had been fired by Israeli guards. Naturally, because the Israeli mission in Tehran was unofficial, the Iranian Government could not publicise the full facts. Dr Khalatbari went on to explain the historical reasons for the proscription of communism in Iran. Dr Owen replied that the question of whether or not to ban communists within Iran was purely an internal matter. So too were other aspects of Iranian law. What mattered was that the letter of the law was properly observed and that individuals were given fair trials. He went on to say that he was impressed by Iran's excellent record in other aspects of human rights – for example, the racial tolerance of Iranian society in being able to accommodate, in an Islamic state, some 200,000 Jews without any sign of tension.

In conclusion Dr Owen said that he was delighted that the two Governments could discuss these problems openly and objectively; and he repeated his conviction that it was in private conversations that Governments were most able to influence each other.⁶³⁹

The Iranian Foreign Minister constructed his argument on making a distinction between *intellectual dissidents* and *terrorists* in Iran. While there was no previous discussion or

⁶³⁹ National Archives, FCO 58/1164, Record of Meeting Between the Secretary of State for Foreign and Commonwealth and Dr Khalatbari, Iranian Minister of Foreign Affairs, Held in Tehran on 15 May 1977 at 10.30 am, [n.d.].

information on the former, the Iranians frequently expressed an opinion about the terrorist activities and organisations targeting the stability and security of Iran. How to differentiate between *intellectual dissident* and *terrorist*, as described by the Iranians, was remained unknown. Second, Khalatbari complained about the *media's ignorance* about the Iranian case⁶⁴⁰. Through giving details about a recent incident involving the Israeli representatives, the Iranian side aimed to demonstrate the challenges they face in tackling terrorism and how complicated the situation was. The British representatives did not get the message as wished by their counterparts when the Secretary expressed the British view as non-interference in domestic politics of Iran and how the Iranians should categorise communism within their borders. That argument, however, was in contradiction with the following one: "What mattered was that the letter of the law was properly observed and that individuals were given fair trials."⁶⁴¹ This point needs further clarification.

First, the Secretary claimed that the British were not part of the discussion of banning any group by law in Iran. That point was of course per non-interference in domestic politics of another country policy and would be treated as such. As expressed by the Secretary, freeing or banning organisations with communist inspirations was an issue primarily concerning the Iranians. The next argument, however, contradicted the previous one. That sentence highlighted how the law should be interpreted, at least how the court trial should process in Iran. Here the British side indicated that the *letter of the law* was not *observed properly* by all Iranians. That was especially the case for the dissidents of the regime. The second criticism was about the lack of *fair trials* in Iran. If considered together, both arguments described Iran in a state of legal failure where the opposition to the regime was subject to maltreatment, and legal processes were far from delivering justice.

Albeit not receiving the attention of the Iranians, the British views on the legal processes in Iran was a serious critique of the Iranian regime so far expressed by the UK Government. The sentence itself could even be considered an issue of interference into

⁶⁴⁰ Here, the media should be considered as foreign/international media. In Iran, the press was under scrutiny and news were mirroring that relationship Badii, N. & Atwood, E., 1986. How the Tehran Press Responded to the 1979 Iranian Revolution. *Journalism Quarterly*, 63(3), p. 517–523.

⁶⁴¹ National Archives, FCO 58/1164, Record of Meeting Between the Secretary of State for Foreign and Commonwealth and Dr Khalatbari, Iranian Minister of Foreign Affairs, Held in Tehran on 15 May 1977 at 10.30 am, [n.d.].

Iranian domestic affairs if put to the Shah a day ago. On the contrary, the meeting ended with the parties exchanging views on why they both country need each other. For the UK, Iran had an importance *as a market and as a friend*. For Iran, the UK's value lied in it being "a manufacturer of industrial goods essential to Iran's development".⁶⁴²

Summary

The chapter has demonstrated how FCO and HO views differed in terms of the most appropriate approach to take regarding the Iranians' requests and criticisms. The occupation by Iranian students of the Iranian Embassy in London in 1975 revealed details about the FCO's priorities in Iran and concerns about Anglo-Iranian relations. Both FCO officials and the British Embassy in Tehran stressed the importance of giving a positive reply to Iranian officials' request for access to demonstrators' passports and names. A negative reply could be read as *a failure* by the Iranian regime and could lead to *serious political and economic repercussions*. Those views pushed the officials at the FCO to make renewed enquiries to the HO, asking it to *consider very carefully* how their decision could impact Anglo-Iranian relations. However, the views of the HO were not *encouraging*. Officials at the HO strongly opposed complying with the Iranians' requests on legal and normative grounds. The students could have *a legitimate grievance* if their passports were shown to the Iranian Embassy staff. Apart from that legal obstacle, HO officials expressed their concerns about *the reputation* of the Iranian security forces, indicating their perceptions of human rights violations in Iran. The lengthy exchanges between the FCO and HO ended in triumph for the HO after FCO ministers acknowledged the HO view.

The chapter also highlighted that growing British public interest in the human rights situation in Iran caused a dilemma for the FCO. The FCO had to choose between British public criticism for its handling of the occupation of the Iranian Embassy and the Iranians' denunciation of their *failure* to *severely* punish the demonstrators. It is important to note that despite facing such a dilemma, the FCO's options were limited. They could either accept the decisions of the Court and HO or appeal against those

⁶⁴² Please see Chapter Two for a discussion on how concerns about Iran's poor human rights record played a role in sale of British internal security equipment to Iran in 1978.

decisions. It was beyond the FCO's capacity to reverse any decision and replace it with one more favourable to the Iranian regime. More importantly, at no point did FCO officials challenge the HO's criticism of Iran's *reputation* or its *capability* to persecute its opponents. Following questioning by political groups, however, the FCO emphasised the commercial aspect of Anglo-Iranian relations. FCO officials argued that *trading* with one country would not indicate *condoning* internal developments there. Ending cooperation, on the other hand, would not help to foster democracy, as suggested by the critics of Iran.

The publication of Amnesty International's report on human rights violations in Iran was another source of concern for the FCO. As Amnesty was a London-based organisation, officials had expected that the Iranians could raise this criticism with the British authorities. An Iranian backlash to the Amnesty report could endanger British *economic and commercial interests* in Iran. The emphasis, again, was on the commercial side of Anglo-Iranian relations. FCO officials argued that the Amnesty report lacked credible evidence and was outdated in terms of its claims about the number of political prisoners in Iran. They also argued that, if evaluated *in context*, Iran had made enormous social and economic progress, which should be acknowledged.

The visit by the British Foreign Secretary David Owen to Iran in 1977 revealed that the British authorities were unable, if not unwilling, to discuss the issue of human rights with the Iranians. Despite expressing concerns about the subject, the British delegation cut short their arguments to avoid criticising the Iranians. The chapter also suggested that the UK's position in Northern Ireland was a contributing factor to the FCO's lack of enthusiasm in discussing human rights violations with the Shah's regime.

This chapter highlighted the conflicting views of British authorities, including the FCO, the British Embassy in Tehran and the HO, regarding students' occupation of the Iranian Embassy and how this contradiction was resolved. The chapter stressed the British dilemma between trading with Iran and condoning the country's internal situation. The next chapter will discuss and summarise the findings of each of the four chapters and evaluate Anglo-Iranian relations. It will also highlight the contribution of this thesis to the literature.

CONCLUSION

This thesis has explored UK dilemmas in shaping British foreign policy towards and relations with Iran and the significance of perceptions by reference to two key areas. By focusing on arms sales and human rights, the study has shed light on the evolution of the UK's position as the Shah's rule reached its peak by 1975 and collapsed before the end of that decade. How Iran and the Iranians are represented in British archival documents provides valuable insights into the UK's overall attitude towards Iran. Through analysis of these documents, I have aimed to demonstrate how the arms sales relationship and the question of human rights played a role in shaping the British authorities' perceptions of Iran in the period from the decision to end British military presence in the Persian Gulf in 1968 to the fall of the Shah in 1979. This chapter will first provide answers to questions set out in the Introduction and then discuss key contributions of the thesis to the literature.

British perceptions of Iran during this period had their origins in the role Britain played historically in the Persian Gulf region. The UK had been a global power during the nineteenth century and the first half of the twentieth century. It had *protectorates* in the Gulf region and could exert *influence* in Iran. In due course, however, Iran had become a theatre of great-power rivalry between Britain and Russia. The rivalry had led to the division of Iranian territories into *spheres of influence* in the late nineteenth century. This was quickly followed by oil concessions for the British, constitutional revolution and the foundation of the Pahlavi dynasty in Iran. Iran's gravitation towards Nazi Germany for strategic partnership ended with the Anglo-Soviet occupation of Iran during the Second World War. In the post-war period, the Anglo-American orchestrated coup in 1953 against the elected Iranian Government was a seminal moment in Iranian history that subsequently had a significant impact on perceptions held by both Iran and Britain.

Apparently, despite not being the *only* country to *intrude* in Iranian politics, the UK had the power to interfere to protect its interests. Britain's great power role, however, was in decline. It had been replaced by the end of *empire* rhetoric in the second half of the twentieth century. Under those circumstances, the UK announced its military withdrawal from the Gulf region in 1968.

First sub-question addressed the connection between British perceptions and the UK's commercial interests, focusing on the question of arms sales. The analysis revealed that British perceptions evolved by 1975 after the UK secured significant orders for military equipment from Iran. This makes it necessary to consider British perceptions in two phases. The first one covers the period up to 1975, during which time Iran became an *important customer* for UK defence sales. In the second phase, from 1975 onwards, the British authorities aimed to maintain their share in the Iranian arms market, an effort which ended with the Shah's downfall.

The exchanges on prospects for British defence sales to Iran, discussed in Chapter One, highlight how the British authorities did not expect to receive significant orders from Iran due to the US dominance of the Iranian arms market. That challenge could have led the British authorities to be more accommodating to the Iranians' enquiries on British equipment and offering more flexible credit terms. That did not happen. Instead, FCO officials questioned the seriousness of the Shah's interest in sophisticated British equipment like the Rapier surface-to-air missile. A similar attitude was present during Chieftain main battle tank negotiations when the Iranians requested a price for a thousand tanks. The British Embassy in Tehran did not take the Iranian enquiry seriously. On credit terms, the British side did not want to show any flexibility either. The Iranian enquiries about paying in overlift oil were considered to be an example of the Shah's expertise in *brinkmanship*. These points suggest that it was not only the American presence but also British perceptions that hindered the UK's prospects in Iran by slowing down the negotiations unnecessarily. The FCO also voiced concerns about the possible impact of Iran's over-spending on armaments on its development goals and budget. The FCO criticism reached a point where the British authorities even discussed the possible consequences of *preaching* to the Shah on his arms spending. Although not actualised, weighing the option of preaching to the Iranians suggests the one-way relationship between the UK and Iran in which the latter was considered to be unable to make its own decisions. That was a dilemma faced by the British. On the one hand, there were

motivations for promoting British defence equipment in Iran. On the other hand, FCO officials had concerns about Iran's overspending on armaments.

Securing consecutive large orders, however, contributed to a change in UK perceptions and policies. By 1975 the Iranian regime had become one of the most significant customers for British defence exports. That change was apparent in FCO discourses in which it was now considered that the UK could sell *any* weapon, excluding nuclear ones, to Iran. The UK had enjoyed a period of *bright prospects* in Iran until the Iranian Government reconsidered its military spending due to inflation-related economic difficulties in 1976, discussed in Chapter Two. The problems affecting trade and industry coincided with growing international criticism of Iran's treatment of prisoners and of the lack of political freedom in Iran. Those developments, however, did not change British efforts to promote British equipment at every opportunity.

Conversely, US President Jimmy Carter announced his intention to restrict US arms sales to countries with poor human rights records. Iran was one of those countries subjected to international criticism for its poor human rights record. Rather than follow the normative lead of the US, the British saw this as an opportunity to secure new orders and to gain a larger share of the Iranian arms market. For example, the British authorities had expectations about selling military aircraft to Iran after the Carter administration banned the sale of F18s in 1977. The desire to expand the UK's share of the Iranian market meant that the British were now ready to consider alternatives to cash payment, such as paying with overflight oil, which had been regarded as unacceptable before 1975. These changes in British discourse suggest that the commercial benefits of defence sales had overcome previous concerns about both the Shah's *brinkmanship* and the military necessity for Iran's arms build-up.

That leads to the second sub-question; whether the decision to boost arms sales had any effect on British perceptions of Iran. As demonstrated above, the shift in the FCO's discourse took time. Unlike the FCO, the MoD was adamant about promoting British defence equipment sales from first Iranian enquiries. Here, a point needs to be highlighted about that difference. It had been the MoD's responsibility to promote British equipment sales since the foundation of *the Defence Sales Organisation* situated within

the MoD in the mid-1960s.⁶⁴³ Having a duty to boost defence sales abroad should have contributed to MoD officials' eagerness to push exports to Iran. The FCO, however, had to measure the possible impact of British military equipment sales on regional politics. For instance, the FCO expressed concerns about the likely reaction of the Arab states to Chieftain tank sales to Iran in 1971 (i.e. before the UK's withdrawal from the Gulf region). That cautious approach gradually diminished as the volume of British military equipment sales to Iran increased without causing any significant political crisis for the UK. Equally, proponents of the view that the UK should *consult*, or at least *inform*, the Americans about their sales prospects in Iran saw their influence weaken by 1975.

The third sub-question sought to explore the impact of intensive competition in the Iranian arms market on British discourse. While the early British assessments of the competition were centred on the US, it became evident that West Germany, France and even the Soviet Union could compete for contracts in Iran. In addition to actual competition from other arms manufacturing countries, the FCO had also argued that the Iranians were playing off one country against another to fuel competition to their advantage. Despite making an argument in favour of keeping the Americans informed about Iran's enquiries, the FCO had wanted to avoid disclosing details about their negotiations with the Iranians. The MoD shared that view. For instance, once the Iranians asked the British not to inform the Americans about their interest in the Chieftain tank, the MoD expressed relief that there was now an obligation to keep the negotiations secret. After securing the sale of the Rapier, Chieftain and other equipment to the Iranian Army, the British Embassy in Tehran argued in favour of pushing British naval sales to Iran even if that would mean over-supplying Iran with military equipment. Rather than seeking international cooperation to limit arms sales, the FCO officials expressed support to the continuation of the sale effort in Iran. The UK had to avoid giving the impression that it was not prepared to supply military equipment, it was argued.

The impact of competition on the MoD was evident in their approach to holding a press conference on Chobham tank armour in 1976. In addition to informing the FCO just ten days before the press conference was due to take place, the MoD conducted *personal diplomacy* bypassing the FCO to get the Iranians' consent for the revelations about the 4030/Shir Iran tank project. Despite receiving criticism from the

⁶⁴³ Phythian, M., 2000. *The Politics of British Arms Sales Since 1964*. Manchester: Manchester University Press, pp.73-4.

FCO that the MoD's personal diplomacy with the Iranians could have resulted in embarrassing situations, the MoD kept a degree of independence/secretcy in its dealings with the Shah's regime. For instance, in 1978, the MoD pushed for an exhibition in Tehran to demonstrate British internal security equipment, again without the FCO's prior knowledge.

In the 1970s, the issues of arms sales and human rights attracted growing public interest across Western states as the concept of universal human rights was revived in the space created by détente. That connection was the subject of the fourth sub-question. The UK Government's response to criticism about its policy to supply arms to Iran became explicit in 1978. That year Iran witnessed growing public unrest, and British military equipment was deployed on Iranian streets in quelling demonstrations. In the spring of 1978, the British Government argued that Iran was a *respected ally* in CENTO. There was no reason to reconsider the UK's arms sales policy to Iran. Iran's role in maintaining regional *stability* was also emphasised as part of the same argument. Similar reasoning was presented again in the autumn of 1978, despite growing discontent and uncertainty in Iran. Supporting the Shah was projected as supporting the CENTO alliance, and no link was made between human rights violations and arms supplies in the UK Government's responses to criticisms.

The question of clearing the sale of internal security equipment to Iran demonstrated that at the top of the FCO there were concerns about Iran's human rights record. FCO documents reveal that to get ministerial approval for the sale, FCO officials emphasised Iran being the UK's ally in CENTO and the UK's economic and commercial interests in Iran. At the ministerial and Foreign Secretary level, however, objections were expressed to the sale of internal security equipment to Iran. That objection caused lengthy discussions among FCO officials with occasional MoD contributions urging the FCO to authorise the sale of equipment ordered by Iran. The episode rapidly turned into another dilemma for the FCO. Any decision to deny the sale could be discovered by the Iranians at a time when they were seeking help in handling protests in Iran. Most importantly, however, the Iranians were already equipped with British-made Chieftain tanks which they used to quell demonstrators. Denying the sale of less sophisticated equipment would not avoid the use of British military equipment. On the contrary, due to not having riot control equipment, the Iranian would be expected to deploy the army to control protests.

Albeit reluctantly, the top of the FCO revised their position to approve the sale of internal security equipment to Iran.

British perceptions and issues related to human rights in Iran were the focus of Chapters Three and Four. Chapter Three analysed the impact of Iranian student protests in Iran and abroad and of rising unrest in Iran as the basis of British perceptions. Chapter Four focused on the student occupation of the Iranian Embassy in London in 1975 and Amnesty International's report, *Briefing: Iran*, to demonstrate the FCO's concerns about Anglo-Iranian relations and how the British responded to Iranian criticisms.

Chapter Three explored the sub-question of how the British authorities reacted to the demonstrations in Western countries against the Iranian regime in 1968. Although a line could be drawn between Iranian students' protests in Western countries and youth movements of the late 1960s, those demonstrations represent ideal cases to study early British attitudes towards Iranian student movements. On the question of whether to allow an Iranian students' march in London in 1968, the British authorities underlined the British values which would make organising such demonstrations a *right*. Secondly, banning the march, as suggested by the Iranian authorities, could lead to increased publicity and public support for the demonstrators. A ban could prove to be counterproductive. Those arguments were made in Whitehall. In Tehran, however, the British Embassy emphasised that the Iranian population overall was satisfied with the regime; the Iranian public neither thought they were living in a police state nor shared the view that critics of the regime should fear SAVAK, the Iranian secret police. Such views, however, undermined the significance of the anti-Shah demonstrations both in Iran and abroad.

FCO documents concerning Iranian revelations about dissidents also revealed details on how the British perceived the Shah's attitude towards Britain. The Shah was represented as a man who was *obsessed* with the events of the 1940s, which referred to the Anglo-Soviet occupation of Iran and Reza Shah's abdication. The Iranian ruler was also accused of having a *suspicious mind* about the British, although it is more of a mutual mistrust which is evident in the documents. For instance, the Iranians were considered *typically cynical* by the British Embassy in Tehran. The tendency to generalise a behaviour to the broader Iranian population suggests that arguments about

the Shah's personality and the behaviour of the Iranian people were linked in British perceptions.

Exploring the evolution of British perceptions in the 1970s was one of the sub-questions explored in Chapter Four. For that purpose, the chapter presented and discussed cases relating to human rights and demonstrations against the Iranian regime. One of the most significant events, however, was the 1975 Iranian students' occupation of the Iranian Embassy in London. The occupation led to a row between the Iranians and the British about how to treat the protesting students. The exchanges between the Home Office and the FCO reveal significant differences over the issue. They also represent the foundations of British dilemmas in determining policy towards human rights violations in Iran. The FCO emphasised mainly two aspects of the question. First, the Iranians were *particularly sensitive* about matters concerning their Embassies. Second, the UK had *major interests* in Iran which should be considered carefully before making any decision on the issue. The HO, however, focused on the normative side of the problem and argued against Iranian requests to access the protesting students' names and passports. The lengthy exchanges ended in a triumph for the Home Office as the FCO recognised the *legal and moral* arguments presented.

The occupation, however, stimulated UK public interest to the cause of the Iranian protestors. FCO documents reveal details of enquiries made about the Iranian regime's human right violations. In one instance, the UK Government was even accused of being in *close collusion* with the Iranian regime. The FCO response to those criticisms was centered on the UK's foreign policy principles. For instance, *cooperating and trading* did not necessarily mean approval of internal practices of any country. Iran, the FCO explained, was a significant trading partner. Before implementing any policy change, the potential impact on Britain's interests in Iran had to be considered thoroughly. There was also the argument about the UK's limited ability to *influence* change in Iran.

Notwithstanding having lengthy discussions and analyses, on two occasions the FCO declared itself to be caught in a *dilemma* between facing British public criticism and the Iranian authorities' complaints. The first occasion arose during the trials of Iranian students in 1975. The Iranian authorities were demanding *severe punishment* for the culprits. On the other hand, the trial could most likely result in the acquittal of the students. The FCO had concerns about possible Iranian retaliation in light of the Court's

decision to find the students not guilty of the charges. The decision could anger the Iranians, and the UK could lose valuable contracts to its competitors. Sentencing the students, however, could cause increased public scrutiny and criticism of the UK's relations with the Iranian regime.

The second *dilemma* related to the acquitted students' decision to seek political refugee status in the UK in 1976. If the HO granted asylum to the Iranian students, they could make political capital out of the HMG's *apparent* acknowledgement that the Iranian regime could persecute its opponents abroad. Granting asylum could also result in a *hostile* Iranian reaction. Refusing political refugee status, however, could cause domestic political repercussions in the UK in addition to the risk of embarrassing Anglo-Iranian relations. Considering both possibilities, the FCO decided not to dispute the HO decision to grant asylum to the Iranian students who had occupied the Iranian Embassy. The FCO's acceptance of the HO decision could be regarded as a policy and discourse change in the FCO. The handling of the Amnesty International report on Iran, however, proved otherwise.

In its report, *Briefing: Iran*, in 1976 Amnesty International accused the Iranian regime of suppressing opposition groups by arbitrary sentencing and highlighted the lack of political freedom in Iran. The report increased interest in Iran among the UK public and, as AI was based in London, the FCO expected a backlash from Tehran. The importance of this case was, however, lies in what it reveals about the FCO response to domestic and Iranian enquiries. Domestically, the FCO emphasised that Iran had to be considered *in context*, stressing the importance of *creating and building* a modern state out of a *traditional and feudal civilisation*. Thus, the stress was on Iran's material development. Secondly, the FCO adopted the argument that the Iranian public would prefer *bread in their bellies* to *political liberty*. This argument suggests that the FCO underestimated the significance of the developing political struggle in Iran. FCO officials also expressed doubts about the credibility of the information presented by AI. Those perceptions and views could have contributed to their under-estimating the claims and the impact of the report on UK public opinion.

Due to growing UK and international interest in the human rights situation in Iran, the British Government finally decided to address the issue directly with the Iranians. The Foreign Secretary David Owen's visit to Tehran in May 1977 appeared to be an ideal

opportunity to discuss the issue. Despite taking the decision to voice concerns about human rights and the treatment of prisoners in principle, the exchanges between the British and the Iranians fell short of making any significant remarks. Due to Iranian objections to any criticism of their human rights record, the British delegation rapidly retreated from expressing concerns and instead appeared to accept the Iranians' comments on political progress in Iran. This suggests that the US Carter Administration's human rights initiative and British domestic pressures had little impact on the official British discourse on the human rights situation in Iran. The issue was purely considered to be an internal and legal matter rather than a wider political or normative one.

The final sub-question addressed the degree of unity among government departments in their discourses on, and perceptions of Iran. The thesis covered three governmental departments, the FCO, the MoD and the HO. Chapters One and Two analysed the views of the FCO and MoD on British defence sales to Iran. Those chapters argued that in the late 1960s, the Foreign Office was not fully engaged in *hard-selling* efforts. The FCO had expressed doubts about the necessity of supplying arms to Iran since that country had only a limited trained army staff and already had been over-supplied by the Americans. That view changed after the UK secured a valuable share of the Iranian arms market by 1975. The MoD's approach, however, was always to prioritise arms sales and promote British equipment whenever possible. From the mid-1970s the FCO and MoD discourses united in the common goal of promoting the UK defence export industry in Iran. That being the case, the FCO still expressed concerns when MoD officials by-passed the British Embassy in Tehran to negotiate with the Iranians.

Chapters Three and Four focused on the views of the FCO and HO on issues concerning human rights. Those chapters discussed how the Foreign Office wanted to avoid giving the impression that the UK was treating Iranian dissidents lightly. The FCO stressed the importance of Iran to the UK's commercial and political interests in the Gulf region. The Home Office, however, emphasised *British values* such as democracy and the rule of law. In the HO's view, those values were mostly absent in Iran, and the Iranian dissidents had valid reasons to protest the Iranian regime. In the course of events, the HO discourse did not change, but the FCO view altered in the direction of acknowledging human rights violations in Iran. That acknowledgement, however, made it necessary to balance criticism of the Iranian regime with maintaining the UK's interests in Iran. The

solution was to voice concerns about human rights in Iran but at the same time emphasise the notion that the matter was a domestic legal issue.

This thesis enhances our understanding of Anglo-Iranian relations between 1968 and 1979 by focusing on the arms trade and human rights and exploring specific areas relatively untouched in the literature. The focus and analyses of this thesis make two significant contributions to the existing literature on Anglo-Iranian relations. First, by focusing on discourses and highlighting the UK's dilemmas, it explores the changes in British perceptions in the 1970s. The analysis suggests that British discourses altered around 1975 to accommodate British commercial interests in Iran. Before the UK's military withdrawal from the Persian Gulf in 1971, the British focus was on maintaining stability in the region and cordial relations with the Iranian regime. Chapters One and Three demonstrated that even before 1971, the British authorities avoided angering the Iranians and the Shah. The UK's past interventions and withdrawal decision played a role in this cautious approach. Other factors include the Shah's increasing suspicion about Western intentions and his sensitivity to criticism despite Iran's close alignment with the West. Even before Iran became the most important customer for British military equipment, FCO policy was designed to avoid incurring Iranian resentment. This suggests that the UK's reluctance in criticising the Iranian regime in the late 1970s for its poor human rights record had its roots in earlier discourses in addition to Britain's trade interests in Iran. The UK's commercial concerns only strengthened the British authorities' unwillingness to criticise the Iranian regime, rather than being the origin of that reluctance.

Secondly, the thesis examines the role played by perceptions in shaping British foreign policy and the UK's relations with Iran. The dilemmas highlighted by the thesis become especially crucial in re-evaluating the events leading up to the Shah's downfall in 1979. Both previous and recent studies mainly focus on *why* the Iranian revolution happened or *why* the West failed to predict it.⁶⁴⁴ This thesis, however, concentrates

⁶⁴⁴ See, for instance, Parsons, A., 1984. *The Pride and the Fall: Iran 1974-1979*. London: Jonathan Cape; Lucas, I., 1997. *A Road to Damascus: Mainly diplomatic memoirs from the Middle East*. London: The Radcliffe Press; Hambly, G. R., 1991. The Pahlavi Autocracy: Muhammad Riza Shah, 1941-1979. In: A. Peter, G. Hambly & C. Melville, eds. *The Cambridge History of Iran*. Cambridge: Cambridge University Press, pp. 244-295; Jervis, R., 2010. *Why Intelligence Fails: Lessons from the Iranian Revolution and the*

on *how* the British perceived and represented Iran and the Iranians. The chapters on arms sales and human rights demonstrated that British perceptions evolved to accommodate international and domestic changes. On defence sales, after a short period of hesitancy by the FCO, the FCO and the MoD united in promoting British military equipment in Iran. Despite growing unrest on the Iranian streets, that attitude lasted until shortly before the Shah's fall in January 1979. On the human rights issue, however, the FCO slightly altered its position only to acknowledge the credibility of HO arguments. The UK's discourse and policy concentrated on avoiding the Iranians' anger rather than championing political *liberalisation* in Iran. Constructing British foreign policy around boosting exports and avoiding Iranian criticism at all costs contributed to the UK's inability to foresee and react to public turbulence in Iran.

The documents analysed in this thesis also support the main arguments of Constructivist International Relations theory. The findings of this thesis suggest that there were parallels between British foreign policy and perceptions.⁶⁴⁵ The British discourses were constructive in determining the UK's foreign policy. Chapters One and Two demonstrated that the FCO had been faced with the MoD's emphasis on *promoting British military equipment* which eventually led to discourse and policy change within the FCO. After some hesitation, the British authorities adopted a policy of encouraging the Iranians to purchase defence equipment from the UK. FCO officials expressed arguments in support of the UK's arms export policy. Exporting defence equipment could help to keep the British armaments industry competitive, create jobs and generate revenue to relieve the budget deficit in the UK. Earlier concerns about the possible consequences of the Shah's militarily questionable armaments programme for the Iranian economy were, subsequently, shelved. Equally, the British suspicion about the Shah's proficiency in *brinkmanship* was replaced by an intensive campaign to boost British defence sales in Iran. In other words, to borrow Finnemore and Sikkink's arguments⁶⁴⁶, a new *norm* was successfully adopted by the Foreign Office.

Iraq War. Ithaca: Cornell University Press; Ali, L., 2018. *British Diplomacy and the Iranian Revolution, 1978-1981*. Cham: Palgrave Macmillan.

⁶⁴⁵ I employed Constructivist International Relations approach to evaluate the archival materials and analyse the texts in historical context. Constructivism's emphasis on understanding and explaining *how* we construct the relations, and perceptions, between entities were instrumental in analysing the changes in British perceptions of Iran and the role played by British dilemmas in this process.

⁶⁴⁶ Finnemore, M. & Sikkink, K., 1998. International norm dynamics and political change. *International Organization*, 52(4), pp. 887-917.

On the human rights issue, however, the impact the Home Office had on the FCO was limited. Despite making arguments emphasising the importance of *the rule of law* and Iran's failure to grant political freedom, the HO perspective received little enthusiasm among FCO officials. Chapters Three and Four demonstrated that the events surrounding the occupation of the Iranian Embassy in London in 1975 could only lead the Foreign Office to make *a virtue of necessity* and acknowledge the legal and moral concerns expressed by the Home Office. Growing international criticism of the Iranian regime, as demonstrated in Amnesty International's report on Iran, or the Carter Administration's stress on championing human rights in foreign policy, led to a partial shift in British discourses. The British Foreign Secretary, David Owen, even had a direct but vague dialogue on human rights issues with the Iranians in May 1977. The FCO, however, resisted making a radical change in its discourse which could also lead to adjustments in British foreign policy towards Iran.

One explanation for the difference in both FCO responses is related to *how* the British authorities formulated policy outcomes. Based on the documents studied and discussed in this thesis, the effects of suggested policies, *promoting defence sales* and *championing liberalisation*, could have been formulated by the FCO officials as below:

Promoting defence sales: Sell arms to Iran > enhance relations with customer state > earn foreign revenue to balance payments > keep production lines open for the British military's future needs

Championing liberalisation: Criticise Iran for its human rights violations > deteriorating relations with the vilified state > lose influence and interests (commercial and/or political) to other nations

Since the formation of the *Defence Sales Organisation* within the MoD, the UK Government had a policy of promoting British defence exports, and the Shah was looking to *diversify* Iran's arms suppliers. These developments made Iran an ideal target for British commercial expansion. Iran had been an *ally* and a *friendly* country, especially after the coup of 1953. As discussed in the thesis, the British had cordial relations with the Iranians, despite occasional sparks of mutual distrust. Although there were some initial concerns about the likely consequences of Iranian overspending on armaments, the expected commercial benefits overcame those concerns. In other words, promoting British military equipment sales to Iran was associated with the policy goals of the UK

Government. That harmony between the FCO and MoD made the shift in FCO discourse and policy possible.

Human rights, however, was a challenging issue. There were clashes between *principal British values* and the maltreatment of political dissidents in Iran. The Iranian regime had been silencing demands for political freedom and liberalisation for decades. Since the 1970s, however, the issue had attracted global attention due to the increasing influence of non-governmental organisations such as Amnesty International. In the FCO's view, protecting broader British interests in Iran would require maintaining good relations with the Shah's regime. The Home Office, however, could form a view criticising the Iranian regime for human rights violations more liberally than the Foreign Office. It is also crucial to note that in the early 1970s, human rights issues were still not high on the international agenda. Towards the end of that decade, a normative shift started to take hold, especially after Jimmy Carter became US President in 1977. That policy alteration was evident in Foreign Secretary David Owen's discourses. Even at that stage, however, the criticism was mainly of human rights violations in Communist bloc countries. That limitation was manifested in Owen's book, *Human Rights*, which skipped the violations of human rights in Iran for the sake of hammering the Soviets.⁶⁴⁷ Consequently, the FCO did not alter its discourse on human rights violations in Iran to protect British commercial interests in Iran.

This thesis provides the first in-depth, based on British archival materials account of how arms trade and human rights concerns affected the Anglo-Iranian relations in the period from the withdrawal decision in 1968 to the Shah's fall in 1979. It demonstrated how the UK's relations evolved from confrontation in islands dispute to cooperation in Iran's military build-up. The thesis has shown that the FCO had adopted Iran's status as an important customer for British goods, especially for military equipment. The thesis also revealed that the UK's efforts to salvage military supply contracts blinded to the opposition against the Shah's rule. The emphasis on maintaining cordial relations with the Iranian regime to protect British commercial interest overshadowed the concerns about political freedom and conditions of the political prisoners in Iran. These developments highlight the norm employed by the FCO prioritising British commercial

⁶⁴⁷ Owen, D., 1978. *Human Rights*. London: Cape.

interests as the primary goal in both arms trade and human rights. The thesis confirms the importance of perceptions in defining foreign policy decisions.

Appendix

Table A.1 showing UK's major arms deliveries to Iran (1968-1979)

Recipient/ supplier (S)	No. ordered	No. designation	Weapon description	Year(s) Weapon of order	Year delivery	of delivered	No. Comments
Iran S: United Kingdom	4 (450)	Saam	Frigate	1966	1971-1972	4	
	(50)	Sea Cat	SAM	1967	1969-1970	(450)	Tigercat version
	(15)	Sea Cat	SAM	1967	1971-1972	(50)	For Saam frigates
	2	Tigercat-2	SAM system	1967	1969-1970	(15)	
	(34)	BH-7	Landing/patrol craft	(1969)	1970-1971	2	BH-7 Mk-4 version
	(50)	Dart	Turboprop	1969	1971-1977	(34)	For 17 F-27 transport aircraft from Netherlands
	45	Ferret	APV	(1970)	1970-1971	(50)	
	(1250)	Rapier-1	SAM system	1970	1972-1973	(45)	Part of GBP47 m deal
	(3)	S-330	SAM	1970	1972-1973	(1250)	Part of GBP47 m deal
	(2)	S-404	Air search radar	1970	1972-1973	(3)	
	(30)	Chieftain ARV	Height-finding radar	1970	1972-1973	(2)	
	(14)	Chieftain AVLB	ARV	1971	1972-1975	(30)	
	707	Chieftain Mk-3	ABL	1971	1972-1975	(14)	
	4	BH-7	Tank	1971	1971-1975	(707)	Chieftain Mk-3/3P and Mk-5/5P version
	2	Hengam	Landing/patrol craft	(1972)	1974-1975	(4)	BH-7 Mk-5 version
	(950)	Rapier-1	Landing ship	1972	1974	2	
	(125)	Chieftain FV-4030-1	SAM	1973	1975	(950)	
	(16)	Dart	Tank	1974	1978-1979	(125)	Originally more ordered but cancelled after Iranian Revolution in 1979; no. delivered could be 187
	(36)	Rapier	Turboprop	1974	1976-1981	(16)	For 8 F-27 transport aircraft from Netherlands
	(11)	Chieftain ARV	SAM system	1974	1975	(36)	
	4	Mk-8 114mm	ARV	(1975)	1979	(11)	32 more ordered but cancelled after Iranian Revolution in 1979
	(250)	Scorpion	Naval gun	(1975)	1977-1979	(4)	For modernization of 4 Saam frigates
			Light tank	1976	1975-1978	(250)	

Source: Stockholm International Peace Research Institute – Trade Register

Archival Materials

FCO 8: Foreign Office and Foreign and Commonwealth Office: Arabian Department and Middle East Department: Registered Files (B and NB Series). The National Archives: Kew, Richmond, Surrey, United Kingdom.

FCO 17: Foreign Office, Eastern Department and successors: Registered Files (E and NE Series). The National Archives: Kew, Richmond, Surrey, United Kingdom.

FCO 58: Foreign Office and Foreign and Commonwealth Office: United Nations (Political) Department: Registered Files (UP and UL Series). The National Archives: Kew, Richmond, Surrey, United Kingdom.

Hansards: The official report of all parliamentary debates. Available online at <https://hansard.parliament.uk/>.

PREM 15: Prime Minister's Office: Correspondence and Papers, 1970-1974. The National Archives: Kew, Richmond, Surrey, United Kingdom.

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