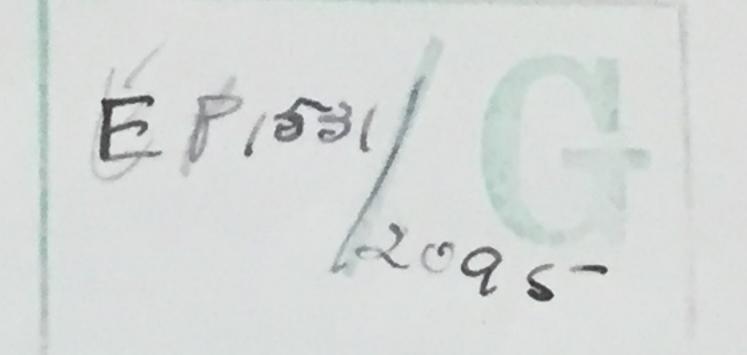
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PERSIA



As agreed with you, I had a long talk with Miss Lambton yesterday evening. I told her the present position. Her discretion is, of course, absolute. Through her work and her psychological insight, she is still in surprisingly close touch with Persia. Her contribution to the clash between British and American views as to the tactics of dealing with Dr. Mussadiq is, I think, important. I put to Miss Lambton the two following points at issue;

- (1) Should we agree to trying to reach agreement with Dr. Mussadiq?
- (2) Is an A.I.O.C. return to Persia possible?

As in the past Miss Lambton returned an emphatic "no" to the first question. She thinks that if only we keep steady nerves Dr. Mussadiq will fall. There may be a period of chaos, but ultimately a government with which we can deal will come back.

On the second question, two months ago Miss Lambton said A.I.O.C. could not hope to return in any shape. She now says that she thinks they could and we should not throw in our hand on this point.

To develop the first question, Miss Lambton says that Dr. Mussadig's position was really shaky before Mr. Harriman went to Tehran, then Mr. Stokes' and then the reference to the Security Council. All these events greatly strengthened Dr. Mussadig's position, as the Persians have some patriotic feelings. Mr. Stokes made the disastrous mistake of visiting Mr. Kashani the religious leader, without reference to the Embassy. greatly confused Persian public opinion. Dr. Kashani has received large sums of money from somewhere. There is no evidence that it comes from the Russians. It is not impossible that there is an American source, not of course, State Department, but perhaps the U.S. brand of S.O.E. who may for some time have been supporting Dr. Mussadig and Mr. Kashani as their answer to Communism. Anyway in Miss Lambton's view, Dr. Mussadig and his main assistant Makki, are not of the stature to maintain so strong a stand without outside support.

Our own unofficial efforts to undermine Dr. Mussadiq are making good progress. If we agree to discuss a compromise with him, the effect must be to strengthen his position. This is, to say the least of it, inconsistent with our unofficial action.

The American assessment of the political position is, therefore, wrong. They have not the experience or the psychological insight and are too impressed by their particular contacts, interpreters and the like. Furthermore, one sham visit by Dr. Mussadiq to the Russian Ambassador brings them to heel.

The conclusion is that we must not compromise with Dr. Mussadiq but back our own judgement. On this Miss Lambton seems to be in full agreement with Sir F. Shepherd.

As regards the second point, Miss Lambton's revised views are striking because she has told me for 10 years that A.I.O.C. were making a psychological mess of their relations with Persia.

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Her views are based on up to date knowledge of what the Persians are thinking. The bulk of the Persian population certainly have no quarrel with A.I.O.C. I feel that perhaps the legitimate criticism of Sir W. Fraser and his senior colleagues may make us too ready to jettison A.I.O.C. and that an alternative course might be a drastic revamping of the A.I.O.C. Board, followed by renewed H.M.G. support.

I do not conclude from the above that we should discontinue our study of the American compromise proposals. To do so would alienate the U.S. Administration. But we should play the position long so as to give ourselves time to prove to the Americans that their assessment of the political situation in Persia is wrong.

In view of her unique experience and capabilities, it might be possible to find a pretext to send Miss Lambton unobtrusively to Tehran to write a report which could be made available to the Americans. Sir F. Shepherd would know whether there were political obstacles to this.

I suggest that you should see Miss Lambton soon to form your own impression of the authencity of her views. She has met the Secretary of State and he might care also to see her.

SAAchtund E. A. Berthoud 2nd November, 1951

Sir Roger Makins ?
Sir 45 Makins

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meed fre Miss Lan Men This was intended to he a punch late.

I have sent a copy of this -less the last two baras - to Ver. Browher in Paris.

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