INCOMING TELEGRAM

Department of State

DATE: August 1, 1951
TIME: 11:39 p.m.

FROM: London

TO: Secretary of State

NO: 669, Aug 1, 7 p.m.

SENT: DEPT 669, RPTD INFO TEHRAN X3.

In EMBTEL 579, July 28 we stated our belief UK did not (rpt not) resort to force while efforts to negot with Iranians showing progress and in any event we consult with US in advance. We still believe this to be the case and therefore for present find no (rpt no) cause for alarm about Brit intentions. We do wish, however, report to Dept our growing conviction that, should negot fail and shld there be no (rpt no) other prospect restraining Iranians, UK Govt will send troops into Abadan. This would be done to protect Brit lives, but, in our opinion, such a step may lead to decision to hold on to refinery if this proved feasible.

Churchill's and Salisbury's remarks (EMBTEL 610, July 30; EMBTEL 651, Aug 1) leave no (rpt no) doubt that Conservatives would want this done. More significant, however, was Attlee's affirmation went intended remain in Abadan, even though some further partial withdrawal might be necessary (EMBTEL 612 July 30). Jowitt's statement yesterday thatgovt accepted full implications this decision and his failure challenge Salisbury's interpretation what this means (EMBTEL 651), lends further emphasis to this point. Finally, we believe that at least some members of Cab have already decided in their own minds that it would be better to use troops than to abandon Abadan.

Cab's attt is now (rpt now) absorbed in the hope of successful negot on the basis which Mr. Harriman is trying to arrange. Probability that Cab does not (rpt not) consider any decision use of force imminent is emphasized by fact that it has adjourned for summer Parl recess and that both Attlee and Morrison are planning continental vacations during coming month.

Gifford

TT: VIM

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