A REPORT
TO THE
NATIONAL SECURITY COUNCIL
by
THE SECRETARY OF DEFENSE
on
THE ANGLO-IRANIAN PROBLEM

October 13, 1951

WASHINGTON

TOP SECRET
WARNING

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October 18, 1951

NOTE BY THE EXECUTIVE SECRETARY
to the
NATIONAL SECURITY COUNCIL
on
THE ANGO-IRANIAN PROBLEM

References:  A. NSC 107/2
            B. NSC 97
            C. Senior NSC Staff Project on
               "The Eastern Mediterranean
               and Middle East"

At the request of the Secretary of Defense, the
enclosed memorandum by the Deputy Director, Executive Office
of the Secretary of Defense and its attached memorandum by the
Joint Chiefs of Staff on the subject are transmitted here with
for the information of the National Security Council and will
be scheduled on the agenda of an early Council meeting.

JAMES S. LAY, JR.
Executive Secretary

cc: The Secretary of the Treasury
    The Director of Defense Mobilization
17 October 1951

MEMORANDUM FOR THE EXECUTIVE SECRETARY OF THE NATIONAL SECURITY COUNCIL

SUBJECT: The Anglo-Iranian Problem

The Secretary of Defense has requested that the attached memorandum from the Joint Chiefs of Staff on the above subject be transmitted to you for appropriate distribution to include the President and the National Security Council.

Paragraph one of the Joint Chiefs of Staff memorandum refers to Secretary Lovett's memorandum, dated 8 October 1951. In this memorandum he requested the Joint Chiefs of Staff to present a quick survey of the military judgment of the change in Russian military potential if the Iranian oil should fall into their possession or control. He particularly wished to know if Iranian oil would permit the Russians to continue any war longer; if their possession of this oil would require an alteration of our strategic targets; and if it possibly would require an increase in the level of our military establishments.

It was hoped that the attached might serve a most useful purpose in trying to work out some solution of this most difficult and explosive situation.

For the Secretary of Defense:

/s/ K. R. Kreps

K. R. KREPS
Colonel, ESAF, Deputy Director
Executive Office of the Secretary

Enclosure

NSC 117 - 1 -
MEMORANDUM FOR THE SECRETARY OF DEFENSE

10 October 1951

Subject: The Anglo-Iranian Problem.

1. This memorandum is in response to your memorandum, dated 8 October 1951, on the above subject.

2. If Iran passes to the domination of the USSR, the following consequences are to be expected:

   a. Immediate loss of Iranian oil and probable eventual loss of all Middle East oil with the consequent greatly increased and possible intolerable deficiency in oil resources;

   b. Demonstration of the strength of the Soviet system and of the weak position of the Western World in opposition thereto;

   c. Expansion of the Soviet empire to the Persian Gulf and the Indian Ocean;

   d. Major threat to the position of Afghanistan, Pakistan, and India;

   e. The almost inevitable collapse of Afghanistan to Communism;

   f. Such enhancement of the Soviet position in the Middle East as to increase greatly the danger of Communist domination during peacetime of Pakistan, Iraq, Saudi Arabia, and India; and in the event of war to permit pre-positioning of USSR military forces with oil immediately available which would greatly increase the chances of their military success against the Middle East and/or Pakistan-India; and

   g. Turkey would be so flanked and uncovered as greatly to threaten its military position.
3. If Iran comes under Soviet domination in peacetime:
   a. The Truman Doctrine would be breached;
   b. The USSR would be provided with a springboard for domination of the entire Middle East, including the Eastern Mediterranean and the Suez Canal area; prior development by the USSR of bases, facilities, and military stockpiles (including oil) would permit the Soviets to advance greatly any time table for military operations against the Middle East and/or Pakistan-India; and
   c. The USSR would be permitted to develop facilities for delivery of Iranian oil to the territory of the USSR.

4. If the Iranian oil problem results in the complete denial to the British of any stake in Iranian oil, the position and prestige of the United Kingdom in the Middle East and possibly throughout the world would, in all probability, be further weakened. Events in Iran cannot be separated from the world situation and specifically from developments in Egypt.

5. The following is responsive to the three specific questions in the third paragraph of your memorandum:
   a. If Iranian oil should fall to the USSR a greater and, in all probability, a longer effort by the Western Powers would be required to bring about the defeat of the USSR and its satellites;
   b. Whether or not any alteration of our strategic targets would be required in the eventuality of control of Iranian oil by the USSR would depend largely upon the length of time available to and the scale of effort by the Soviets for development of facilities for delivery of that oil to the USSR; and
   c. If the USSR achieves control of Iran in peacetime, the Soviet power position (including its logistical position) would be so improved that, in all probability, an increase in the level of the military establishments of the Western World would be required.
6. The Joint Chiefs of Staff consider that the United States should take most energetic measures, as a matter of urgency, to support or arrive at the achievement of a solution of the Iranian problem which will:

a. Provide for the continued orientation of Iran toward the Western World (This should receive overriding priority);

b. Make possible an effective command organization for the defense of Iran in coordination with the other areas of the Middle East; and

c. Assure the continued supply of Iranian oil to the Western World, at least during peace.

Accordingly, they would support action which would achieve those objectives, such as an offer by the United States of its "good offices," as outlined in the first paragraph of your memorandum.

7. Strictly from the United States military point of view, Iran's orientation towards the United States in peacetime and maintenance of the British position in the Middle East now transcend in importance the desirability of supporting British oil interests in Iran. The Joint Chiefs of Staff would be forced immediately to re-examine their global strategy in the event that the USSR breached the Truman Doctrine in regard to Iran by measures short of war.

For the Joint Chiefs of Staff:

/s/ Hoyt S. Vandenberg,
Chief of Staff, United States Air Force