

SECRETNoted by DD/A
16 MAY
1961

16 May 1961

MEMORANDUM FOR: DDI

SUBJECT : Comparison of Iran Task Force Paper with State Cable 1379 (Tehran to Secretary of State)

1. The following comments are based on the semi-final draft of the Iran Task Force Paper. According to the CIA member the final version is substantially the same.

2. Ambassador Wailes cautions that the US Government should not support Amini personally nor identify with him to any greater extent than with any other friendly Prime Minister. He points out that the Shah remains the focal point of power in Iran and that Amini's staying power is unknown. The Task Force paper goes further. It recommends that we take vigorous action to support Amini and to impress upon the Shah that his stake in Amini's success is greater than our own. It urges that we not be deterred from backing Amini by the fear that he will fail and calls the new government the best instrument in sight for promoting evolution in Iran. However, the paper does caution that we should act discreetly to protect Amini against undercutting by the Shah and states the US must maintain some freedom of action in the event that Amini fails.

3. The cable does not consider Amini as the last chance for the Mosadeqists and the paper agrees. The paper also states, however, that Amini may be the last hope of averting political chaos and possible loss of Iran to the West.

4. The cable states that we should be cautious about giving the Shah desirable but unwelcome advice. The paper urges that we encourage the Shah to move toward a more constitutional role, which is clearly one of the cases where a cautious and careful approach is desirable.

5. The cable states that the US should not urge the devolution of local government powers to local elected assemblies because elections cannot be expected for the foreseeable future to produce responsible representatives. The paper agrees.

SECRET

~~SECRET~~

6. The cable and the paper are substantially agreed that the US political objectives should be political, social and economic development which will promote a strong, stable government with popular support and ability to resist subversion.

7. The cable recommends that the US not join CENTO but that it inform the CENTO countries the US has plans for allocating nuclear weapons outside the CENTO area to support CENTO in the event of hostilities with the USSR. The paper states that it would be militarily desirable for the US to join CENTO but agreed that the US should not do so for political reasons. It recommends that the US make plans to dispose military forces in support of Iran and inform the government of Iran of these moves.

8. The cable recommends a reduction in Iranian armed forces from about 200,000 men to perhaps 150,000 men with an accompanying improvement in quality. The paper concludes that even larger military forces would be militarily desirable but recommends only the present force level be maintained.

9. The cable states that cash grants are the only way to insure timely receipt of new aid. The paper emphasizes the urgency of timely aid but does not specify a method of insuring it.

10. The cable states that forty million dollars will be required by the plan organization to complete the second plan. The paper believes that it may be as little as twenty-five million dollars.

11. The paper discusses US assistance for the Iranian Third Plan. This discussion appears to be consistent with comments in the cable, which do not go into any detail.



LOUIS MARENGO

(b)(3)

~~SECRET~~