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27 February 1953

MEMORANDUM FOR THE DIRECTOR OF CENTRAL INTELLIGENCE

SUBJECT: Developments in Iran

1. Recent events in Iran, and the news of the probable departure of the Shah, lead to the following conclusions:

a. Mossadeq has won a considerable victory. He has temporarily repressed the major elements of non-Communist opposition to his regime. If the Shah leaves Iran, the principal rallying-point for this opposition will have been removed from the scene.

b. The nature of Mossadeq's victory emphasizes again that his power is personal; it is not based upon a well-knit political and security organization. Opposition has not been permanently suppressed. Unless Mossadeq consolidates his power to a greater degree than seems likely he will feel obliged repeatedly to rely upon unpredictable coups like that of the past weekend.

c. We believe it likely that Mossadeq will continue to dominate the situation at least through 1953 - as concluded in NIE-75/1. It is possible, but we believe it unlikely, that news of the departure of the Shah might precipitate unrest beyond the power of Mossadeq's government to control.

d. Unless such a state of unrest should develop, we see no immediate advantage to the Tudeh Party arising from the events of the past week. In the longer run, however, the departure of the Shah would enhance the importance of the Tudeh Party as a center of effective opposition to Mossadeq, and thus would make it more attractive as an ally to extremist dissidents such as Kashani and Baghai. Moreover, departure of the Shah, by weakening the monarchy

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as a symbol of unity and stability in Iran, would contribute to the accomplishment of an important Tudeh Party objective.

e. Inasmuch as Mossadeq's maneuvers of the last ten days were largely directed against those who had criticized him for not concluding an oil agreement, it appears likely that he will now be more insistent than ever that the US and UK agree to his terms.

2. In the present fluid situation we do not feel that an immediate revision of NIE-75/1 would be useful.

SHERMAN KENT
Assistant Director
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