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SECURITY INFORMATION

CENTRAL INTELLIGENCE AGENCY

OFFICE OF NATIONAL ESTIMATES

1 July 1952

STAFF MEMORANDUM NO. 247

SUBJECT: An Evaluation of the Significance of the National Front Movement in Iran

1. Since Mossadeq and the National Front came to power in Iran a little more than a year ago, there has been considerable difference of opinion among Near Eastern specialists concerning the National Front movement and its relationship to the basic social changes that are taking place in Iran. That such social changes are occurring is generally recognized. Their most important aspect is that a third social group, composed primarily of urban dwellers, is emerging between the traditional ruling aristocracy and the mass of peasants. The members of this group -- as a result of increased education, a broader understanding of political, social and economic problems, greater contact with the West, and the competitive propaganda of foreign powers -- are becoming increasingly aware of their ability to influence events, and their exploitation by political leaders has transformed them into a significant political force. While they are also becoming dimly aware of the fact that their position in society and their prospects for a higher standard of life are not inevitable, they continue to attribute their difficulties almost exclusively to foreign influence.

2. There is a tendency among some observers of the Iranian scene, particularly in OIR, to assume that this urban middle class has not only found expression through the National Front but also that its interests as a class have been directly represented by the National Front. These observers have adopted the view that the balance of power has shifted decisively from the traditional ruling group -- the wealthy landlords, merchants, and tribal leaders -- to the urban middle class and that the "old guard" has lost not only the ability, but even the will, to rule. They have viewed the nationalization of oil as merely a first step in a comprehensive

SECRET

present program to: (a) free Iran from foreign influence; (b) eliminate the social, economic, and political privileges of the traditional ruling aristocracy; and (c) introduce major reforms which would improve the lot of the mass of the population. They have assumed that the influence of the Shah has already been virtually eliminated and that any attempt by the Shah to obstruct the National Front "program" might well lead to the overthrow of the Pahlevi dynasty and the establishment of a republic. They also consider that the failure of such a "program" for any reason would induce large numbers of the urban middle class to shift their allegiance to the Tudeh Party, thereby greatly increasing Tudeh's potential and the possibility of Communist domination of Iran. In short, these observers have assumed that a political and social revolution has in fact already taken place.

3. The pace of political, economic, and social change in Iran is normally so slow and the conditions of life of the vast majority of the population appear so intolerable by Western standards that it is easy for Western observers to assume that a major development, such as the sudden rise to power of the National Front, imminently foreshadows, or even constitutes in itself, a revolutionary development. Moreover, the tendency to make such an extreme interpretation of recent Iranian developments has been supported by the flamboyant personality of Mossadeq and by the fact that, in the absence of oil royalties, fundamental reforms would appear to be necessary if Iran is to remain viable and independent. Nevertheless, a review of events of the past year and an analysis of the present situation in Iran suggest that no basic changes in Iran's social and political structure have yet taken place. The most that can be said is that the increased participation of the urban middle class in political affairs may in time bring about such changes, although this class itself does not now consciously aim for such changes.

4. The most significant development of the past year has undoubtedly been this sudden increase of political activity by the urban middle class. With the exception of Mossadeq himself, none of the leaders of the National Front has been a member of the traditional ruling aristocracy and few of them had previously held important government posts. They came to power not as a result of political bargaining among professional politicians nor as a result of the Shah's support, but because of widespread popular support for their attitude

- 2 -

SECRET

SECRET

toward the British and the oil question. They have repeatedly appealed to the public (i.e., the urban middle class) for support when intrigue among the "old guard" threatened to undermine their position. They have taken over the techniques of mass demonstration first developed in Iran by the Tudeh Party and have incited the mob against individual opposition members.

5. The participation of a much larger number of people in the political affairs of the country has not, however, resulted in any basic changes in the political or social system. The direction of political activity is still in the hands of the professional **politicians**, although the attainment of political power has become far more complicated and success depends at least as much on the development of popular support as on the arrangement of "deals" and the disbursement of bribes among the "old guard." Nor does this increasing political activity on the part of the urban middle class necessarily indicate that the days of the "old guard" are numbered and that a "middle class" leader will now dominate the scene. Developments in the Arab states over the past twenty years have demonstrated that the pashas -- men like Mahas in Egypt, Nuri Said in Iraq, and President Khuri in Lebanon -- are just as capable of manipulating public opinion and using it to enhance their own political power and maintaining their prerogatives as leaders who have sprung from the people. While, therefore, the National Front leaders have been the first to exploit the political potentialities of the urban middle class in Iran, it is unlikely that they will have the field to themselves.

6. A further reason why the National Front movement has not yet caused, and is unlikely to cause, any fundamental changes in Iran's social and political structure is that its leaders have had no inclination to bring about such changes. As its name implies, it is a national movement, and its sole aim has been to nationalize the oil industry and thereby eliminate British influence. While it has depended for support primarily on the urban middle class and opposition has come largely from the "old guard," its program has had no class bias. Rarely has it attempted to exploit what might be assumed to be a latent antagonism of the under-privileged for the privileged few. During the elections, the National Front attacked opposition candidates because they were "in the pay of the British" or "traitors," not because they were exploiting their tenants and laborers. Government attempts to shore up its dwindling finances through enforced loans and salary cuts were directed at the urban middle class as well as at the wealthy merchants and landlords.

7. The obvious explanation for this absence of class bias in the National Front movement is that class consciousness is not yet a political factor in Iran. While the urban middle class is becoming

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increasingly articulate, it is not homogeneous, its intellectual outlook is confused, and its aims as a social group are so inchoate as to be practically non-existent. Its political energies are devoted exclusively to the national aim of eliminating British influence. Beyond that, all that the members of this group appear to want at present is the opportunity to plan a more active role in political affairs. In a political sense, therefore, the needs of these people have been filled, at least temporarily, by the manner in which the National Front has appealed for their support and by the National Front's uncompromising attitude toward the British in the oil controversy. In other respects, the National Front's ideas concerning basic reforms and economic development are even less developed than those of past governments, and the desire of its leaders for political power as an end in itself is even more apparent.

8. Finally, the impact of the National Front movement on the traditional bases of power in Iran appears to have been something less than revolutionary. The Shah, through his command of the Army, continues to occupy a key position in the state. His reluctance to withdraw his support from Mossadeq stems from sympathy with the basic policy of oil nationalization, his desire not to over-step the bounds of a constitutional monarch, and most important of all his conviction that his own, as well as his country's, best interests are served by keeping in step with public opinion. Consequently, his decision not to act against Mossadeq until the latter's position has been undermined by the course of events does not in itself indicate that his position is weak. The vital elements of his position -- his prestige in the country, his command of the armed forces and the loyalty of the armed forces to him -- do not appear to have been seriously affected.

9. Moreover, the position of the traditional ruling group does not appear to have been seriously undermined, even though its members have been conspicuously absent from the highest government posts during the past year. The economic basis of their power, the land tenure system, has not been touched by the National Front regime, and because of their wealth they are in a much stronger position than the civil servants, the factory and oil workers, and the middle class in general to bear the economic consequences of the oil nationalization policy. Moreover, like the Shah, they are beginning to realize the political importance of the emerging middle class and that political power rests with those who can win its support. For all these reasons the members of the "old guard" have been "rolling with the punch" during the past year. They have supported oil nationalization and the elimination of British influence as strongly as the National Front has itself. However,

SECRET

they have, particularly since last fall, placed progressively more emphasis on Mossadeq's failure to solve the critical financial and economic problems resulting from the oil issue. In view of the interdependence of the oil problem and the financial situation their attitude is no more consistent than Mossadeq's. It is, nevertheless, good politics and an indication that the political developments of the past year have not been lost on them. Their attitude toward the oil controversy is, however, more realistic and prospects for an oil solution would improve if they returned to power. They have at no time lost their controlling position in the Senate and Majlis and have the numerical strength not only to block legislation desired by the National Front but also to overthrow the government when they consider such action to be desirable.

10. The foregoing analysis of the National Front movement suggests the following conclusions concerning Iran's future:

- a. There is little prospect of major changes in Iran's social and political structure until the urban middle class and the political parties which represent it develop clearly defined social, political, and economic aims.
- b. These groups are unlikely to develop such aims so long as their political energies are concentrated almost exclusively on anti-foreign policies.
- c. In view of Iran's dependence on foreign trade and foreign assistance, these groups will be afforded continuing opportunities to express their anti-foreign feelings and are unlikely, therefore, to shift their interest to internal affairs. Moreover, so long as their preoccupation with foreign influence and their aimlessness with respect to internal affairs persist, Tudeh influence is unlikely to increase significantly.
- d. Translated into political activity, this suggests a continuing uneasy equilibrium between extreme nationalist elements, advocating the complete elimination of foreign influence, and the traditional ruling class, which attempts to reconcile Iran's nationalist aims with the need to maintain some degree of economic and political stability.
- e. This continuing state of equilibrium will prevent economic "collapse" and political disintegration. It will also, however, seriously inhibit, if not completely block, social and economic improvements and will perpetuate Iran's isolated position in the cold war.

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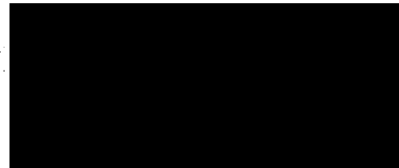
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f. The only developments, short of war, that are likely to alter this situation are:

1. the establishment of an authoritarian regime, which now appears unlikely; and
2. a great increase in the strength, education, and political sophistication of the urban middle class, which will probably not occur for many years.

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