

~~SECRET~~
~~SECURITY INFORMATION~~

CENTRAL INTELLIGENCE AGENCY
OFFICE OF NATIONAL ESTIMATES

15 September 1952

STAFF MEMORANDUM NO. 269

SUBJECT: New NIE on Iran

25X1C8e
25X1C8e

1. The need for a new National Intelligence Estimate on Iran is widely agreed upon. The [redacted] is producing a new estimate, which may lead to [redacted] proposals requiring a US response. AFOIN and G-2 agree that a new US estimate is called for and that its execution is feasible. The O/IE Staff believes that basic elements in the Iranian situation have become clear enough for an estimate to be made.

2. Sufficient time has passed since the anti-Qavam riots to permit a re-examination of the relative strength of the basic internal economic and political forces affecting the Iranian situation. These include the strength and cohesiveness of the National Front movement, the position of the Shah and the Army, the role of Tudeh, and economic and financial trends.

3. At the same time, however, the oil dispute remains a central issue in the Iranian situation. Developments in the oil dispute, and as a result in the whole political situation in Iran, will depend fully as much on the actions and policies of the US and the UK as on events in Iran itself. The Staff, therefore, feels that a mere revision of NIE-46 would be of little value because it would leave out of account the effects on the Iranian situation of alternative US-UK policies and actions.

4. With the above in mind, the Staff recommends initiation of a new estimate which would focus primarily on basic factors in the Iranian situation which are likely to remain constant, and on the consequences of certain broad alternative courses of action available to the US with respect to Iran. These can be stated in very general terms as:

- a. Continuation of present US policy of furthering a negotiated settlement between Iran and the UK.

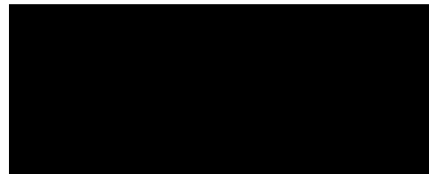
~~CONFIDENTIAL~~

- 2 -

CONFIDENTIAL

- b. US support for Iran's national aspirations, with or without the concurrence of the UK, in the hope of keeping Iran out of the Soviet orbit;
 - c. Unqualified support of the UK in its policies toward Iran; and
 - d. Withdrawal of US interest and influence from the Iranian problem.
5. The Staff believes that this estimate should be done on an urgent schedule, since the trends seem to be toward a climax in the near future which may require major policy decisions by the US and UK.

25X1A9a



~~SECRET~~

CONFIDENTIAL