show too much anxiety, eventual arrangements may well be facilitated by pursuit of line suggested.

WARREN

No. 163

780.5/12-353; Telegrazo

The Ambassador in Iran (Henderson) to the Department of State

TOP SECRET PRIORITY Tehran, December 3, 1953—11 a. m.

1229. Limit distribution. Re Department telegram 1263. ¹ Reply dated November 23 to Jernegan's letter November 9 ² supplementing information contained Embassy telegrams 1102 and 1103 ³ en route by pouch which left Tehran November 28. View slow pouch service summary follows:

- (1) In recent conversations with Shah during which latter urged early decision as to nature Iranian defense forces we will support, his attitude was that until Iran has army capable of putting up some kind defense would be useless to discuss multilateral security arrangements. He did not, however, state as corollary that he willing undertake such arrangements if Iranian army built up, although that appears to be his train of thought. Two principal elements his thinking apparently are, first, Iran should be more on basis equality in military capabilities before seriously considering mutual defense arrangements and, second, combined strength of participating countries should be enough to discourage Russian aggression.
- (2) Our recent proposals for revision policy re Iran and increase military aid not only for purpose making it possible for Iran later to undertake joint arrangements with other countries but also, and primarily, for immediate political and psychological reasons. Believe, however, it possible Iran will, in perhaps one or two years, be willing move in direction joint arrangements assuming (a) early oil settlement, (b) continuation in power of government friendly towards West which cooperates fully with Shah and which has widespread public support, and (c) steady though not necessarily spectacular increase in capability Iranian army.
- (3) Here, however, we confronted with something of dilemma in light indication reference letter that increase in military aid to

¹ Not printed; this was the same as telegram 591 to Ankara. See footnote 2, supra.

² Document 157.

^a Neither printed. For a summary of telegram 1102, see footnote 4, Document 159.