

NSC BRIEFING

5 April 1960

BACKGROUND

IRAN

I. Iran-Soviet relations remain at an impasse, and Soviet attacks on the Shah and his regime continue in daily broadcasts beamed to Iran.

A. The Soviet Union continues to insist that Shah agree to ban foreign military bases of all types in Iran before "normal" relations can be resumed.

1. But the Shah refuses to go beyond his standing offer to guarantee against bases for long- and medium-range missiles.

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II. While the Shah is worried about relations with the Soviet Union, he seems to feel that relationships with other countries are going about as well as could be expected.

A. Relations continue strained with Iraq (largely over the Shatt-al-Arab) and with Afghanistan (largely over the division of the Helmand waters), but these situations are more chronic than acute.

III. The Shah also believes things are going fairly well for his regime internally.

- A. He is now hopefully expecting an heir to the throne.
- B. In mid-March, the Shah succeeded in forcing Majlis to pass a land-reform bill over the objections of landlords, and he believes--though this may be wishful thinking--that this bill will broaden support for the monarchy.
- C. New Majlis elections will be held this spring, and the Shah expects to make the parliament more pliable by judicious purging of deputies and selection of new candidates.

IV. Actually, however, the prospects for stability of the Shah's regime have not improved.

- A. Considerable dissatisfaction continues over the Shah's dictatorial role, the lack of improvements for the lower classes, and corruption in government.

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