Mohammed Reza Shah’s rule of Iran from 1942 until 1979 spanned eight U.S. presidents. His desire for military supremacy over his neighbors and his distrust of the Soviets led him to seek a military relationship with the United States following the end of the Second World War. As the U.S.-Iranian relationship developed, the idea of arming Iran came to form a key component of U.S. policy due to waning U.S. options in the Gulf through the 1960s and an alignment in U.S. and Iranian regional policies in the early 1970s. This relationship eventually resulted in Iran wielding a military that was, on paper, within reach of becoming the world’s fifth-most-advanced force in 1978.
By the time of Richard Nixon’s arrival in office in January 1969, Iran was already America’s single-largest arms purchaser. Whilst this is notable in and of itself, it is vastly overshadowed by what followed. By late 1972 Nixon leveraged U.S. Middle Eastern regional policy primarily around the focal point of a militarily strong, pro-American Iran. Concurrently, the Shah was encouraged, and empowered, to begin an unprecedented and virtually unmoderated military spending spree in what is now known as the “blank check.”

Nixon did this for two reasons. Firstly, the British decided to withdraw their military forces from the Gulf, leaving behind a vacuum of sorts. Secondly, the Vietnam quagmire stressed the limits of the direct application of U.S. power in peripheral areas. Iran seemed the obvious candidate to turn to. There was a legacy of U.S. investment going back to the 1953 coup that the CIA engineered with the British to restore the Shah’s autocracy after a left-leaning nationalist government had marginalised him. Other possible pro-U.S. candidates were eliminated from consideration: Saudi Arabia had languished in military redundancy beset by political instability, and moving any closer to Israel would risk pushing the Arab states further toward the Soviets.

Within the space of a few short months in 1972, the Shah purchased over $3 billion dollars of arms from the United States—a twentyfold increase on the prior year. For the remainder of the 1970s, the Shah continued to buy arms in the multibillions per annum, dwarfing all other U.S. allies such as Israel and the NATO nations. In the Shah, Washington had an ally who was willing to accept a position as a regional policeman and rich enough to afford to do so (due to his ever-rising oil income). In return, Iran secured a high-level alliance with its preferred side in the Cold War, a buffer against potential Soviet incursions from its northern border. It was a win-win scenario for both nations.

Yet the “pros” in the arrangement overshadowed a series of significant “cons.”

The wisdom of choosing Iran as the primary vehicle for outsourcing containment in the Gulf was controversial in its very essence. Firstly, Iran was not an Arab nation like the majority of its neighbors. Secondly, the Iranian religious population was comprised of Shia Muslims rather than the regionally dominant Sunnis. Thirdly, under the Shah’s rule, Iran was widely perceived as an arrogant and status-quo-threatening regime by its neighbors. In sum, the Shah’s Iran was neither respected nor liked in the region. Therefore, investing in promoting Iranian hegemony as a proxy for American power was at odds with the reality in the wider region. Additionally, the disproportionate extent of the military investment in the Shah’s regime is partially responsible for the tide of anti-American sentiment that endures in Iran to this day. If the Shah had not been overthrown by the Iranians themselves in 1979, it is likely that wider regional opposition would have manifested to the Shah’s ambitions as his plans became ever grander. For those reasons, Nixon’s blank check and the policy package that surrounded it was an extremely risky bet.

When Nixon was forced to resign to avoid impeachment over the Watergate affair, the successor Gerald R. Ford administration found itself the steward for an Iran-arms policy that was under threat from within the administration and from Congress. Executive power had peaked in the Nixon years in what has been widely referred to as a period of
imperial presidency. Yet by 1974 Congress had begun to recover lost ground. Congress continually battled with Ford for influence over military sales, with Iran at the forefront of concerns due to its extraordinarily large volume of purchases. The truth was, Congress was in the dark. It, and the public by extension, had no idea what was going on with U.S.-Iranian relations. Nixon had kept the arrangement secret. The majority of the mid-1970s was spent with Congress attempting to secure access and understanding over why the United States was arming Iran to such an extent—which the administration skillfully navigated in such a way as to stall and restrict progress.

Ford’s first secretary of defense, Jim Schlesinger, led a small cabal in the administration advising that the relationship with Iran was unwise. Schlesinger’s concern, which had traction in the Pentagon and in other departments such as USAID and the Treasury, was that Iran could not absorb the arms it was buying due to its primitive level of development. Reports that Iran had to regularly import such low-level personnel as truck drivers due to a lack of skills in its domestic workforce did not inspire confidence that it could operate its eighty F-14s and other advanced U.S. equipment. In that sense, the arms being sold required the presence of many thousands of U.S. support staff, who risked becoming a proxy U.S. military force deployed at the service of a foreign government—or a liability in the case of a security breakdown in Iran. Concurrently, the vast military budget of the Shah was stunting Iranian economic progress and could lead to unforeseen social problems. Schlesinger was sacked by Ford and replaced with Donald Rumsfeld, who together with Henry Kissinger ensured that any trends in Washington to upset the path of U.S.-Iranian arms policy were muted.

While Schlesinger’s concerns were legitimate, the security relationship was too important to suffer second guessing in the short term. Ultimately, Ford’s full approval for the military and strategic relationship that Nixon initiated with Iran ensured that the events of the early 1970s became the norm, rather than an irregularity. It was the act that sealed the fate of the United States in its relationship with the Shah.

Jimmy Carter triumphed in the Presidential election of 1976, partially on a popular platform of increased arms control and the introduction of human-rights considerations into U.S. foreign policy. Despite the Shah’s authoritarian nature and Iran being a prime example of an extreme arms policy, the post–1972 relationship with Iran largely endured. In 1977, Carter actually sold more arms to Iran than the United States had during any year prior.

Carter did introduce some nuance into the relationship by ending the blank-check culture that had characterized the Nixon/Ford years. Instead of approving all arms requests by default, he sought to moderate the Shah’s ambitions. In reality this had little effect on the overall relationship due to the Shah’s power of persuasion and the leverage he wielded as a pivotal ally in a sensitive region. The Shah continued to prepare arms-sale requests in the multibillions as late as mid-1978, safe in the knowledge that he had the backing of the new president, who had toasted the Shah as “a rock of stability” during a visit to Tehran over the New Year period of 1977-1978.
By maintaining the arms relationship with the Shah, Carter’s experience exemplifies the lack of alternatives that existed for U.S. regional policy by the late 1970s. After thirty years of investment and political winnowing, America’s regional options had become heavily leveraged on the Shah’s Iran. A path dependency had taken hold that even an antiarms president was powerless to materially alter. It had been no surprise that Ford continued to arm Iran. But witnessing the same advocacy from Carter is testament to the power and influence that Washington had outsourced to the Shah. The project was simply, in today’s jargon, too big to fail.

Unfortunately for U.S. policy makers, the Iranian people had other intentions in mind. Their removal of the Shah and his regime through the winter of 1978-1979 tore Iran from the United States, and a deeply hostile regime took power in Tehran. The largest deployment of U.S. arms in one single country fell into the hands of angry mobs shouting “death to America and Israel.”

Adding this layer of analysis into U.S.-Iranian relations is not just historical. It provides insight into the major U.S. Cold War policy shifts that followed the Iranian Revolution—such as the Carter Doctrine and Reagan’s decision to go on the offensive against the Soviet Union. Put simply, those policies bore a direct relation to the failure of outsourcing containment in the Middle East via arms sales and security relationships with allies such as the Shah. In that sense, arming Iran was the grand test of Nixon’s idea of outsourcing containment. And it became its grand failure. When Iran descended into revolution, the very essence of U.S. policy towards the entire Gulf region imploded. The consequence was the direct application of U.S. power in the region—something that had been resisted for decades due to fears of overstretch and a reluctance to extend the definition of U.S. national interests to another theater.

Looking at the Middle East today, it seems that the loss of Iran was a game-changing event. It forced the United States to cross a line into territory which it has been unable to step back from due to the ongoing geopolitical centrality of the region.

*Stephen McGlinchey is Senior Lecturer in International Relations at the University of the West of England, Bristol. He is the author of* Richard Nixon’s Road to Tehran: The Making of the U.S.-Iran Arms Agreement of May 1972 and lead editor of e-International Relations.*