

American-Iranian Relations: A Study of Foreign Policy

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In 1977, US President Jimmy Carter toasted the Shah of Iran and said: "Iran, because of the great leadership of the Shah, is an island of stability in one of the more troubled areas of the world".¹ Little did he know that less than two years later the Shah would be living in exile and the US would lose its foothold in the Middle East. The Islamic revolution of 1979 profoundly damaged relations between the US and Iran and set the stage for major events such as the Iranian hostage crisis and the Iran-Contra scandal. The strained relationship with Iran changed the way that the US approached foreign policy especially regarding the Middle East. After his speech, Carter would watch the US-Iran relationship slowly come unravelled until 1980 when he decided to sever diplomatic ties. Iran was the American foothold in the Middle East and gave the US access to relations with other more volatile countries.

This research essay outlines three major events in the US-Iran relationship deterioration including the 1979 Islamic revolution, the Iranian hostage crisis and the Iran-Contra scandal. I focus on how these three events shaped US foreign policy decisions towards Iran and why they were key to the narrative at the time. To do this, one must have an understanding of each of the events as well as a brief background of additional constraints during each event. Overall, each of the three events outlined serves to prove that an inflexible government approach to foreign policy is not the answer specifically when dealing with a very volatile country.

American foreign policy is an oft-studied topic for political science and history scholars alike. Individuals are continuously publishing new works as additional information becomes declassified and major events occur in the world. In the study of the Iranian-American relationship, there are several key works. Many texts primarily focus on the relationship following the Iranian Revolution and the relationship preceding that is more often woven into other more general texts on American foreign policy. One of these broader texts is *Us Diplomacy Since 1900* by Robert Schulzinger. Schulzinger is recognized as a leading scholar on American history and professors use his texts as course material for numerous courses. Schulzinger does not specifically focus on Iran but rather as the title suggests, walks the reader through a timeline of foreign policy. The first

¹ "Jimmy Carter Toasts the Shah | 31 December 1977," Voices & Visions, accessed 2 Nov 2020.

edition of this text was published in 1998 has been edited and most recently the sixth edition was published in 2008.

Focusing on American-Iranian relations, one of the most prominent scholars was James A. Bill. He had published numerous books on the bilateral relationship as well as cultivating connections with key players. His text *The Eagle and the Lion* published in 1988 is a leading text on the Iranian revolution. The text, however, does provide a more comprehensive look at the history of diplomatic relations and stretches back to trace a basic history since 1830. Bill looks in-depth at many entanglements between the US and Iran and finishes with a critique of the relationship discussing how tensions have risen and how often American diplomats do not have the correct language and culture training before going to Iran.

When the American government began to declassify documents starting in the early 2000s, several texts analyzing the American-Iranian relationship came to light. Donette Murray published *US Foreign Policy and Iran* in 2010, Christian Emery published *US Foreign Policy and Iran* in 2013 and Javier Gil Guerrero published *The Carter Administration and the Fall of the Pahlavi Dynasty* in 2016. Each of these texts provides a unique analysis of the relationship and provides different insights into the diplomatic relationship of the US and Iran.

For example, Murray's text explores the rationale, effectiveness, and consequences of American foreign policy regarding Iran. She explores how Iran has been both a key ally as well as a loose cannon in American political history. Emery's text takes a different perspective and looks at the US-Iran relationship through the lens of the Cold War. He examines how American policy had to change considering three major crises that came after the 1979 revolution: the Iran hostage crisis, the Soviet intervention in Afghanistan, and the beginning of the Iran-Iraq War. Next, Gil Guerrero's text focuses primarily on pre-revolution Iran and how the buildup occurred. He explores Carter's actions during the end of the Shah's reign and presents his thoughts about how the outcome could have changed with more action from the US. Each of the three texts outlined here presents different perspectives on the US-Iran relationship and each provides a look into a different dynamic of key events.

Alongside these secondary source texts, there are hundreds of journal articles as well as primary sources to consult when researching the US-Iran relationship. Primary sources come in the form of declassified American documents as well as books written by individuals involved in the US government during the time. Some examples of these include *White House Diary* by Jimmy

Carter, *The Reagan Diaries* and *An American Life* by Ronald Reagan and *American Hostages in Iran* by Warren Christopher et al. Though there are many more primary source texts, the aforementioned were key in developing an analysis of the situation which unfolded between the US and Iran and gaining an understanding of the pressures facing the individuals involved.

Carter's Approach to Foreign Policy

The Carter administration's main goals of foreign policy were to address human rights abuses, democratic values, encourage nuclear non-proliferation, and fight global poverty.² The Carter administration focused on diplomacy and wanted to smooth ties with their allies. They took a harder stance on human rights abuses ending military aid to several countries, for example Nicaragua, Chile, and Argentina.³ Carter did shift his stance on the USSR part way through his presidency moving from détente to confrontation but generally pursued a peaceful resolution to conflicts he faced. The Carter administration can be criticized for not prioritizing initiatives which led to confusion and the appearance of disorganization to the public.⁴ Overall, this leadership team focused on maintaining relationships and trying to improve lives around the world.

The Iranian Revolution and the Fall of the Shah

Public demonstrations against the Shah began in October 1977 in Tehran by students and then spread throughout the country supported by various Islamic leftist organizations and more student movements. The protests escalated rapidly and developed into a civil resistance campaign eventually culminating in terrorists barring the doors and setting a full cinema on fire in 1978.⁵ Over 400 people died and historians consider the event as the catalyst for the Islamic Revolution.⁶ After the attack, various factions blamed each other including placing blame on the Iranian secret

² David F. Schmitz and Vanessa Walker, "Jimmy Carter and the Foreign Policy of Human Rights: The Development of a Post-Cold War Foreign Policy," 113.

³ Schmitz and Walker, "Jimmy Carter and the Foreign Policy of Human Rights," 137.

⁴ Schmitz and Walker, "Jimmy Carter and the Foreign Policy of Human Rights," 114-115.

⁵ Javier Gil Guerrero, *The Carter Administration & the Fall of Iran's Pahlavi Dynasty: US-Iran Relations on the Brink of the 1979 Revolution*, 95.

⁶ Gil Guerrero, *The Carter Administration & the Fall of Iran's Pahlavi Dynasty*, 95.

police, so-called 'Islamic Marxists' and Islamic militants.⁷ Protests and strikes shook the country in the second half of 1978 and the Shah left the country in November of that year and was officially exiled on 16 January 1979. He left his duties to a regency council. The council invited the Shah's main political opponent, Ayatollah Khomeini, back to Iran from his exile where several thousand Iranians greeted him. The reign of the Iranian monarchy officially collapsed shortly after when rebel troops and guerillas overwhelmed those still loyal to the Shah and brought Khomeini to power. Iran then held a national referendum on 1 April 1979 to make it an Islamic republic. Additionally, the overthrow was nearly non-violent which was also extremely unusual. The shock to the rest of the world especially the US, stemmed from the speed with which the revolution turned from strikes and demonstrations to the collapse of a long royal rule. In just over a year Iran went from some student and leftist demonstrations to a national referendum to change the country to an Islamic republic.

The American president at the time was President Jimmy Carter and he was shocked by the situation unfolding in Iran. Iran was a strategically important country to the US due to their support of American military campaigns during the Cold War and their strategic geographical position in the Middle East. Despite signs that the Shah's reign was failing, Carter hung onto the hope that the US support would continue to prop up the Shah as it had done for years prior. As he remarks in his memoir *White House Diary*, while discussing the Shah and Iran's strict views on Communists who were illegal in Iran "It seems, in retrospect, that this was the beginning of his downfall."⁸ Carter and his advisors were certainly aware of the growing dissent against the Shah as protestors had made their aims very clear, however, the world did not expect the overthrow as it did not follow the conventional 'recipe' for a revolution. As Dr. Jack Goldstone, a sociology, political science and history professor at George Mason University in Virginia, states: "There are five elements that create an unstable social equilibrium: economic or fiscal strain, alienation and opposition among the elites, widespread popular anger at injustice, a persuasive shared narrative of resistance and favorable international relations."⁹ The overthrow of the Iranian Shah surprised President Carter as Iran was not facing many of these elements at the time. Iran enjoyed relative economic prosperity, had an average amount of opposition among elites, and did not have a

⁷ Gil Guerrero, *The Carter Administration & the Fall of Iran's Pahlavi Dynasty*, 94.

⁸ Jimmy Carter, *White House Diary*, 137.

⁹ Jack A. Goldstone, *Revolutions: A Very Short Introduction*, 10.

persuasive shared narrative of resistance. There was some widespread popular anger at some of the Shah's decisions but this was primarily limited to the student and younger population and there were favourable international relations but they were supporting the Shah not the revolutionaries. Based on these factors alone, President Carter did not see the path to the Iranian revolution as it was somewhat unclear.

A shock to the American government also came when the Shah's administration informed them that the Shah was battling cancer and had been for the previous four years. His condition was hindering the government as he was the key decision-maker and some days he was unable to attend meetings or make decisions due to the medication for his treatment.¹⁰ His condition did nothing to soothe Iranian anxieties about his capabilities as a leader.

On 2 November 1978, President Carter wrote in his diary: "The shah expressed deep concern about whether to set up an interim government, a military government or perhaps even to abdicate. We encouraged him to hang firm and count on our backing."¹¹ At this point, Iran had been paralyzed by strikes and was struggling to meet international agreements especially for oil. After the so-called Black Friday on 8 September 1978, where police fired into a massive crowd of protestors, it was the beginning of the end for the Shah. However as proven through President Carter's diary entry, the Americans still believed that they had a chance to turn the situation in their favour. As Iran was a key country in the American Middle Eastern Cold War strategy and served as a pro-American buffer between the USSR and pro-Soviet Iraq, the US focused on how they could support the current regime rather than preparing for a potential collapse. The above entry from President Carter outlined that he would support the Shah in whatever action he took including setting up a military government.¹² Carter concluded that the Shah was not a strong leader and was unsure of himself.¹³ Even at this point, there was little thought from the US that there would be dramatic action in Iran. Carter further remarked on 21 November 1978 that the Shah was increasingly isolated having no public relations or political structure and the revolutionaries opposing him were extremely unpredictable.¹⁴ As such, Carter decided to support the Shah as

¹⁰ Carter, *White House Diary*, 364.

¹¹ Carter, *White House Diary*, 257.

¹² Carter, *White House Diary*, 257.

¹³ Carter, *White House Diary*, 258.

¹⁴ Carter, *White House Diary*, 261. As an editor's note, Carter comments that the Shah had been depended on by the six preceding presidents and he had hoped to continue that pattern.

much as possible without being directly involved in the internal affairs of Iran.¹⁵ This support was primarily in the form of words rather than actions but it was support nonetheless. The remaining comments regarding the Shah from 1978 include Carter discussing his thoughts that the Shah was handling the situation extremely poorly and was simply being indecisive which was exacerbating the situation. Carter commented on 23 December 1978 that they are 'walking a tightrope with Iran' which was certainly true as the Shah left Iran in exile less than a month later.¹⁶ Each of the comments that Carter made in his diary demonstrated the concern that he held over the developing situation in Iran as he was aware of the fallout if the Shah's reign ended which demonstrated how politically important Iran was to the US. Overall, Carter had a prescribed approach to his reaction to the fall of the Shah. He chose not to deviate from his initial demonstrations of support namely by not offering physical support or any visible show of strength. He maintained the same strategy even as the situation in Iran continued to develop.

The Importance of the Iranian Revolution and the Fall of the Shah

With the fall of the Shah, several key issues emerged and affected the US. First, the Iranian revolution began the process of completely severing ties between Iran and the US. There continues to be no official diplomatic relations between the two countries to this day. Since the fall of the Shah, there have been many disputes between the two countries including the Iranian hostage crisis and the ongoing nuclear disagreements as two key examples. Next, the US lost an integral foothold in the Middle East during the Cold War. Not only did this expose weaknesses to its main opponent the Soviet Union (USSR) but it was also a strategic loss for the US as well as now facing a regime that was extremely hostile towards them. Finally, the fallout from the Iranian revolution starkly highlighted the weaknesses of the Carter administration. Not only did they have to admit that the Shah had been in America for both medical treatment and protection but the lack of action on behalf of the US truly demonstrated that the administration was not that dedicated to acting on pressing issues. Overall, the Iranian revolution was a key event in American foreign policy history as it caused long-lasting impacts that are still seen today.

¹⁵ Carter, *White House Diary*, 261.

¹⁶ Carter, *White House Diary*, 268.

By the time Carter came to power, the US government was generally disapproving of US policies toward Iran saying that they were too open and the US was too willing to do anything in return for Iran's cooperation.¹⁷ The collapse of the Iranian regime affected the US as they were extremely dependent on Iran as a foothold in the Middle East. Almost overnight the US had lost a major doorway into the Middle East in the middle of the Cold War with the USSR. While the US also had connections in Egypt, Saudi Arabia and Pakistan, Iran was the key country as it supported the US goals in the Horn of Africa as well as being a strong buffer between the USSR and pro-Soviet Iraq.¹⁸ In a study of the Carter administration and their role in the fall of the Shah, authors Michael Leeden and William Lewis said: "The geopolitical consequences are [...] apparent: the loss of Iran as a reliable Western ally almost certainly emboldened the Soviet Union when contemplating [...] the invasion of Afghanistan; [and] the United States has suddenly been compelled to reconsider its strategic position in the Persian Gulf [...]"¹⁹ The Iranian revolution certainly impacted Iranian-American relations but it also caused waves in the American strategy during the Cold War. Iran had served as a buffer between the USSR and other pro-Soviet countries such as Iraq as much of the Middle East was sympathetic to the Soviets. As stated in *US Foreign Policy and Iran* by Donette Murray: "The Shah's usefulness was demonstrated in numerous ways: the counter-insurgency assistance he provided in Oman, his active support for US goals in the Horn of Africa and in the buffer that Iran offered against the Soviet Union and a pro-Soviet Iraq. [...] As one senior official put it, he was 'sitting on an area of the world we consider necessary for our own national security'."²⁰ Murray highlights the importance of Iran for the US. It was no small matter that their relationship deteriorated, especially during the Cold War. Having the Shah on the side of the US provided a great deal of security during this period. Not only could the US count on Iran for some military assistance but the location of the country also served as a buffer between key Soviet allies and the USSR itself. Through this analysis, Iran was a significant player in the

¹⁷ Christian Emery, *US Foreign Policy and the Iranian Revolution: Cold War Dynamics of Engagement and Strategic Alliance*, 32.

¹⁸ Donette Murray, *US Foreign Policy and Iran: American-Iranian Revolutions Since the Islamic Revolution*, 16.

¹⁹ Michael A. Ledeen & William H. Lewis, "Carter and the Fall of the Shah: The Inside Story," 38.

²⁰ Donette Murray, *US Foreign Policy and Iran*, 16.

American strategy during the Cold War and the loss of the relationship was a heavy blow for the Americans.

Moreover, after the fall of the Shah, the Carter administration placed their trust in the newly named Prime Minister, Mehdi Bazargan. Bazargan was also a weak leader who did not have popular support behind him, however, the US thought that they had no choice as the other contender was the 'anti-American' Ayatollah Khomeini. As Washington lost its grip on the situation, there was room for Khomeini to rise to power. As an analysis of the fall of the Pahlavi Dynasty by Javier Gil Guerrero states: "Ultimately, those missteps would be seized by Khomeini to break relations with the United States and accelerate the downfall of Bazargan's government with the hostage crisis."²¹ The Iranians rallied around Khomeini and were happy to push the American influence out of Iran. The actions or perhaps lack of action taken by the Carter administration and President Carter himself highlighted the weaknesses of the government. As Carter wrote in his memoir: "We encouraged [the Shah] to hang firm and count on our backing," and "After much thought and discussion, I decided to give [the Shah] as much support as possible without directly interfering in the internal affairs of Iran."²² Both these comments demonstrate that Carter was hesitant to take action to help the Shah and rather simply hoped that the Shah would be able to sort out the issues for himself. In Gil Guerrero's text, he adds that "Yet, the problem was that [...] Carter repeatedly refused to commit the resources and determination necessary to achieve those goals."²³ As Professor Simon Sefarty has explained, Carter's inability to make a firm decision "made the administration move from one worst option to another."²⁴ By continuing to switch tactics so often, Carter did not allow a situation to play out before he changed his mind. Each of the quotations references above demonstrated that the Carter administration was unwilling to use their position to take direct action as well as indecision from the President himself.²⁵ Overall, the fall of the Shah and the Iranian revolution helped to expose some of the major flaws of the Carter administration and Carter himself.

So, the Iranian revolution was a critical event in US foreign policy history as it had a long-lasting impact on diplomatic relations between the two countries. First, the US began to completely

²¹ Gil Guerrero, *The Carter Administration & the Fall of Iran's Pahlavi Dynasty*, 191.

²² Carter, *White House Diary*, 257; Carter, *White House Diary*, 261.

²³ Gil Guerrero, *The Carter Administration & the Fall of Iran's Pahlavi Dynasty*, xviii.

²⁴ Gil Guerrero, *The Carter Administration & the Fall of Iran's Pahlavi Dynasty*, xviii.

²⁵ Murray, *US Foreign Policy and Iran*, 18.

sever ties with Iran. While ties were officially severed slightly later, the revolution was a turning point for the relationship where the pro-American Shah was deposed and an anti-American leader Ayatollah Khomeini installed instead. Next, the US lost Iran as a strategic ally in the Cold War. Iran under the Shah served as a buffer between pro-Soviet Iraq and the USSR itself as well as providing military assistance in the region when called upon. With the Shah out of power, the US lost one important ally in the Middle East and lost face in the conflict against the USSR. The Iranian revolution left a hole in the American strategy in the Middle East and gave them yet another hostile enemy to deal with in that region. Though there was little that the Americans could have done to prevent the revolution, it appeared as though they verbally pledged support but were unprepared to act. The Shah maintained that the American's were working against him to topple his regime, proving that he believed this as well. Overall, the inflexible approach to the crisis that Carter decided on was not effective. His lack of adaptability to the situation and slow decision-making allowed the situation to get out of hand. While it is highly unlikely that he could have prevented the fall of the Shah, there was some room to mitigate the effects of the revolution.

The Iranian Hostage Crisis

The Iranian hostage crisis followed after the Shah entered America for cancer treatment in November 1978 but before Ayatollah Khomeini officially came to power in Iran. On 4 November 1979, student protestors stormed the American embassy in Tehran and held 52 American diplomats and citizens for 444 days.²⁶ Ayatollah Khomeini supported the students' actions and the Iranian leaders refused to bargain with the US to release the hostages. The US attempted several different measures such as threatening to strangle international trade, to ensure the safety and secure the safe release of the hostages but they were consistently unsuccessful. From trade threats to seeking direct negotiations, President Carter continued working on the situation until his presidency ended.²⁷ From the Iranian point of view, the hostage-taking was a direct action against the United States. They believed that the US and specifically President Carter had played a large

²⁶ Constance Duncombe, "Representation, Recognition & Foreign Policy in the Iran-US Relationship," 632.

²⁷ Carter, *White House Diary*, 517.

role in attempting to undermine the Iranian revolution by aiding the Shah.²⁸ Iranians thought that the US tried to prolong a reign in Iran that was beneficial to the US but did not consider Iranian citizens' welfare as they generally disliked the Shah especially as the new Iranian government charged him with committing war crimes. After the Shah was admitted to the US for cancer treatment, Iran demanded that he return to stand trial for his accused crimes from his reign - specifically against Iranian citizens with aid from the secret police. The US refused which Iranians saw as the US admitting their complicity in these crimes and also raised fears that the US would repeat their actions from 1953, which was when they assisted in placing the Shah on the throne.²⁹ As State Department Director of Iranian Affairs Henry Precht wrote in retrospect: "No government, no force in Iran, could support the United State when a question of the Shah was involved."³⁰ Iranian students took matters into their own hands and decided to get even with the US by holding diplomats and US citizens hostage. The students saw it as retribution for all that the US had put them through while Americans saw it as a breach of international laws such as the Vienna Convention which allowed diplomatic immunity from arrest.³¹ Students held the 52 hostages for 444 days until moments after President Reagan was sworn in.³² It is clear that the hostage crisis was in direct retaliation to President Carter and to the decisions he made while in office. It is also interesting to note that Carter would not allow the return of the Shah to face human rights abuse allegations as one of the key pillars of his foreign policy was protecting human rights. Carter continued to maintain the execution of his original decisions despite having the situation with Iran continually changing.

There was a great deal of American action during the Iranian hostage crisis ranging from diplomatic missions to US-imposed sanctions. At the onset of the crisis, Carter attempted to negotiate with Ayatollah Khomeini, however, he was met with silence. Khomeini was uninterested in working with the US as they were viewed as the enemy. Carter appointed two former federal officials to negotiate the release of the hostages in early November 1979 but Khomeini refused to

²⁸ Warren Christopher et al., *American Hostages in Iran: The Conduct of a Crisis*, 201.

²⁹ Christopher et al., *American Hostages in Iran*, 43.

³⁰ Christopher et al., *American Hostages in Iran*, 43.

³¹ Christopher et al., *American Hostages in Iran*, 11.

³² Christopher et al., *American Hostages in Iran*, 35.

see them.³³ In January 1980, Carter tried a new approach working with Canada to secure the release of the hostages. This was somewhat successful as six diplomats escaped using Canadian passports.³⁴ In April of 1980 Carter officially severed diplomatic relations with Iran and placed a trade embargo on the country hoping that the harsh retaliation would demonstrate how serious the US was and the power they held over Iran.³⁵

Following this, the US continued to refuse to capitulate to Iranian demands which ranged from returning the Shah to Iran to releasing all his currency assets back to Iran after his death.³⁶

After Reagan won the 1980 election, the US Deputy Secretary of State worked with the Algerian government and a representative from the Iranian government to sign an agreement to release the hostages.³⁷ It is important to note the timing of this. After the US announced that Carter would not be staying for a second term as president, the Iranian government was significantly more willing to cooperate and sent a representative to negotiate with the Americans and Algerians. Finally, 20 minutes after Reagan was sworn into office the Iranians released the hostages who were then flown home. Through the brief timeline of American activities during the hostage crisis, there was little room for Carter to work with Iran directly. As the Carter administration's general attitude towards foreign policy was a very diplomatic one which sought to smooth ties rather than use military might, the Iranian leaders were not convinced that Carter would act against them. Carter attempted to pressure Iran in reacting and releasing the hostages with the severing of diplomatic ties and trade embargos, however, this was unsuccessful as there was no convincing action as a show of strength. The Iranian government held Carter in contempt and was unwilling to work with him or his administration. Overall, the Iranian hostage crisis highlighted the cracks in American foreign policy concerning Iran. Carter's decision to stick to his initial idea of how to handle the conflict demonstrates that the administration was unwilling to change its strategy. While the US attempted different tactics including working with other countries, sanctions etc., all these tactics fit under Carter's broad idea of foreign policy namely trying to smooth ties rather than use military might.

³³ Foreign Affairs and National Defense Division, *Iran Hostage Crisis: A Chronology of Daily Developments*, 36.

³⁴ Foreign Affairs and National Defense Division, *Iran Hostage Crisis*, 95.

³⁵ Carter, *White House Diary*, 415.

³⁶ Christopher et al., *American Hostages in Iran*, 208.

³⁷ Christopher et al., *American Hostages in Iran*, 208.

The Impact of the Iranian Hostage Crisis

The hostage crisis had many key impacts on the US and President Carter himself. First, the hostage crisis and decline in US-Iranian relations were one of the key reasons for President Carter's landslide loss to Ronald Reagan in the 1980 presidential elections.

To expand, the Iranian hostage crisis was the catalyst that was the reason for President Carter's landslide loss to Ronald Reagan in the 1980 presidential election. President Carter won only seven states during the election which gave him a total of 49 electoral votes and 35,480,948 popular votes.³⁸ By comparison, Reagan received 489 electoral votes and 43,642,639 popular votes.³⁹ One of the major issues which hurt President Carter was his handling of the Iranian-US relationship and specifically the Iranian hostage crisis. Carter promised, "first, to protect the present and long-range interests of the United States; secondly, to preserve the lives of the hostages and to secure as quickly as possible, their safe release [...]."⁴⁰ He made this remark during a speech on 23 January 1980. The hostages were not released until nearly a year later on 20 January 1981. During this time, the American people lost faith in his ability to negotiate with Iran for the safe return of the diplomats. This reaction grew even stronger after the failed Operation Eagle Claw in April 1980. Not only was the operation designed to rescue the 52 diplomats held hostage a complete failure but it also killed five air force personnel and three marines. Popular support decreased dramatically for Carter and his actions and mismanagement with the Iranian hostage crisis led to his failure in the 1980 election. Overall, the Iranian hostage crisis was one of the key factors in Carter losing the presidential election of 1980.

Next, the Iranian people and leader Ayatollah Khomeini wanted the Shah to return to Iran so he could face charges for war crimes against the citizens of Iran.⁴¹ However, Carter denied this request citing the Shah's poor health. Iranians took this to mean that the US had been fully aware of the war crimes if they had not actively participated in the crimes themselves. There was outrage in Iran due to this realization which eventually led to the storming of the American embassy.

³⁸ Michael Levy, "Results of the 1980 Election," United States Presidential Election of 1980, *Encyclopaedia Britannica*, last modified 28 October 2020.

³⁹ Levy, "Results of the 1980 Election".

⁴⁰ Jimmy Carter, "State of the Union Address 1980" (Speech, Washington, DC 23 January 1980), The Jimmy Carter Presidential Library and Museum.

⁴¹ Carter, *White House Diary*, 288.

Additionally, Iranian leaders refused to negotiate with Carter. They would not deal with the US which was why other countries, such as Canada and Algeria, became involved. The complete refusal to negotiate with Iran demonstrated the antipathy that had built up between the two countries. Iran was also aware that diplomacy was one of the key pillars of Carter's approach to foreign policy meaning that if they completely ignored his attempts at diplomacy, they were taking away one of the key strengths that the government was willing to use.

There was an important lesson here for the US government - namely that they had become complacent and placed too much reliance on a weak dictator. The Iranians released the hostages within minutes of Ronald Reagan's appointment to the presidency on 20 January 1981. While there was a complicated agreement in play, it was the termination of Carter's presidency which was a decisive factor in both the acceptance of the agreement and the actual release of the hostages. The American people understood that the release was a victory, however, it was a defeat for American foreign policy which had long-reaching effects.⁴²

As a renowned scholar on Iran, James Bill writes: "The hostage incident left a legacy of distrust, misunderstanding and hatred that will plague Iranian-American relations for years. In this sense, both sides are losers."⁴³ Bill then points out how the hostage crisis laid the foundation for future hostage-takings which resulted in the ill-fated Iran-Contra scandal. Overall, the taking of the American diplomats demonstrated the act of vengeance against a specific American leader and showed how much relations could deteriorate if the wrong person were left in charge of a situation.

Comparatively, President Carter officially severed the diplomatic relationship as of April 1980 between the two countries.⁴⁴ He felt that there was no hope left for negotiating with Iran and on 7 April 1980 decided to "break diplomatic relations; expel all Iranian diplomats; declare an embargo against the shipment of any goods to Iran except food and medicine; make a census of claims against Iranian assets which we hold; and expedite through legislation a conclusion of those claims."⁴⁵ It was clear that Carter was set on his actions against Iran and he believed that these strict decisions would add pressure to moving Iran toward releasing the hostages. Unfortunately,

⁴² James A. Bill, *The Eagle and the Lion: The Tragedy of American-Iranian Relations*, 302.

⁴³ Bill, *The Eagle and the Lion*, 302.

⁴⁴ Carter, *White House Diary*, 415.

⁴⁵ Carter, *White House Diary*, 415.

the decision to break diplomatic relationships and enforce a trade embargo did not help in the return of the hostages at all. Iran firmly held onto its advantage over the US.

The severing of diplomatic ties was a serious decision that has had long-standing impacts. The two countries have not reinstated the relationship to date. Additionally, since the severing of ties, Iran has been continually subject to sanctions primarily from the US but also from other American allies. For more than three decades Iran has faced sanctions from the White House for various reasons but the first ones stemmed from retaliation for the hostage crisis.⁴⁶ These sanctions have been in place for the same reasons as President Carter enforced them - to demonstrate American displeasure with Iran while avoiding military intervention. It was clear to see why the Iranian hostage crisis was a consequential event for both the US and Iran as it precipitated the severing of relations and began a long series of sanctions on Iran and proved that the Carter administration was willing to prolong a serious event if they could continue to adhere to their foreign policy values with no deviation.

Reagan's Approach to Foreign Policy

With the introduction of a new government came a shift in approach to foreign policy. Not only was there a new administration but also a shift from a Democratic Party leader to a Republican Party leader. There was a clear divide between the Carter approach to foreign policy and the new Reagan approach.

The Reagan administration's approach was markedly different. Some of their main targets were winning the Cold War and rolling back Communism around the globe.⁴⁷ Reagan did not focus on improving individual lives but rather waged a war against Communism with the Reagan Doctrine. Reagan funded many anti-communist organizations in Central Europe and took a hardline approach against Angola, Nicaragua, and elsewhere with left-wing governments.⁴⁸ Reagan and his advisors escalated the Cold War by starting a significant military buildup as well

⁴⁶ Sarah Bazoobandi et al., "Sanctions Against Iran: Winners and Losers," in *On Target?: EU Sanctions as Security Policy Tools*, 57.

⁴⁷ Morris H. Morley, *Crisis and Confrontation: Ronald Reagan's Foreign Policy*, 1.

⁴⁸ Morley, *Crisis and Confrontation*, 1-2.

as through Reagan's charged speeches.⁴⁹ However, Reagan was also an excellent diplomat as he recognized Gorbachev's willingness to change Soviet policies despite some of his advisors disagreeing. Reagan and Gorbachev became close allies and worked through the end of the Cold War together.

Overall, there is a marked difference between the way that the Carter and Reagan administrations approached foreign policy decisions. Carter looked to smooth tensions and work with others to improve living conditions around the globe. He did not make quick decisions or take drastic measures against other countries even those he strongly disagreed with. Conversely, Reagan took a hard-line approach against opposing countries. He was willing to take drastic measures to make resolutions come about faster. This swift decision making sometimes led to under-researched decisions as can be seen through the following section regarding the Iran-Contra affair.

The Iran-Contra Affair

The Iran-Contra affair was a political scandal between the US and Iran occurring in President Reagan's second term from August 1985 to March 1987. During this scandal, senior administrators of the Reagan Administration were secretly facilitating the sale of arms to the Khomeini government in Iran.⁵⁰ Iran at the time was under an arms embargo from the United States thus making the sale not only immoral as they were supporting a violent regime but also illegal. The US was the main source of arms before the Iran hostage crisis, however, during the crisis President Carter declared an embargo which President Reagan vowed to uphold after he took office. The US then sent the money gained from the arms sales to fund the Contras in Nicaragua. The Contras were different right-wing rebel groups opposing the sitting government in Nicaragua, which the US-funded and supported for many years. This funding was illegal as the US had signed the Boland Amendment in December 1982 which prohibited the continued funding of the Contra's by the US.⁵¹

⁴⁸ Reagan gave a speech in which he called the Soviet Union an 'evil empire'; Ronald Reagan, "Evil Empire" (speech, Orlando, Florida, 8 March 1983), *Voices of Democracy*.

⁴⁹ C.J. Mixter, "Memoranda on Criminal Liability of Former President Reagan and of President Bush," *Office of the Independent Council*, 21 March 1991, 3-4.

⁵⁰ Ronald Reagan, *The Reagan Diaries*, 453.

The official justification for the sale was very different. It was a narrative that declared the shipments were part of a rescue operation for seven American hostages who were being held in Lebanon by Hezbollah which was a paramilitary group with Iranian ties.⁵² Unfortunately, this narrative fails as the US authorised the first arms sales in 1981 which was before Hezbollah took the hostages. While the discussion about rescuing the hostages was intertwined with the sales agreements, it did not explain why the US should send money to the Contras or why the US would jump to an arms-for-hostages agreement rather than attempting negotiations.

In the spring of 1983, the US launched Operation Staunch which lectured other countries about how morally wrong it was to sell arms to Iran. This operation was part of the major humiliation that the US faced when their deeds were uncovered - they had been preaching about not selling arms but then senior officials were doing just that.

The Iranians uncovered the scandal when a senior official in the Islamic Revolutionary Guard Corps exposed the deals to a Lebanese magazine.⁵³ This was the first public record of the arms-for-hostages deal and the Iranian government confirmed the story just days after new outlets published it. Reagan attempted to explain his actions and the situation through several public addresses, however, he maintained that he was unaware of the arms sales that had been taking place.⁵⁴ The scandal only compounded when Oliver North a military aide was found to have shredded and destroyed pertinent documents. Reagan elected a group of three men to investigate the Iran-Contra scandal and they determined that Reagan did not know the extent of the program though the council also pointed out that he should have had better control over his staff. Reagan, however, had released contradictory statements regarding his involvement which indicated he likely knew much more than he either told the commission or that they published.

The American public was displeased. Reagan made a speech on 4 March 1987 saying that he: "take[s] full responsibility for my own actions and for those of my administration. As angry as I may be about activities undertaken without my knowledge, I am still accountable for those activities."⁵⁵ Though Reagan claimed he was unaware of the entire thing, he did sign off on the

⁵¹ Ronald Reagan, *An American Life*, 520-521.

⁵² Reagan, *An American Life*, 527.

⁵³ Reagan, *An American Life*, 529.

⁵⁴ Ronald Reagan, "Address to the Nation on the Iran Arms and Contra Aid Controversy" (Speech, Washington, DC 4 March 1987), The Ronald Reagan Presidential Library and Museum.

Presidential Finding on 17 January 1986.⁵⁶ This document directly outlined the plan to sell arms to Iran routed through the Israelis and undermined Reagans' attempts to hide his involvement. At the time, the Presidential Finding was classified material which meant that the public had no way of knowing about it. The finding was a key piece of evidence as it supported the description of Reagan's quick decision-making.

The affair caused a massive drop in Reagan's approval ratings.⁵⁷ His polls dropped from 67% to 46% in November 1986 eventually recovering.⁵⁸ The public lost faith that Reagan had control over his administration as there was an exorbitant number of individuals who the US indicted for being involved in the scandal. The American government charged a total of eleven individuals ranging from top CIA officers to a businessman and the government investigated several dozen more.

The Importance of the Iran-Contra Scandal on American Foreign Policy

The Iran-Contra scandal had some far-reaching impacts on American foreign policy and though largely forgotten by the public taught future administrations several lessons. First, the Iran-Contra was a key event as it precipitated a large drop in Reagan's public approval rating demonstrating the displeasure that the American people had with the scandal. Next, the event set a precedent and a message to other anti-American countries. The scandal showed how willing the US government was to bend the laws they had created if it meant a faster resolution to their problem. Finally, the Iran-Contra undermined American credibility when criticizing other countries. This was largely due to the contradictory actions of the Iran-Contra scandal whilst Operation Staunch was in play. Overall, the Iran-Contra scandal undermined Reagan's position and the credibility of the American government as well as demonstrating that Iran was willing to participate in immoral activities if it allowed them to be successful. The Iran-Contra added additional strain to already tense relations between the two countries and caused a great deal of disarray with the American government.

⁵⁵ Oliver L. North and John M. Poindexter, "Covert Action Finding Regarding Iran," *Memorandum for the President*, 17 January 1986, 6.

⁵⁶ Reagan, *The Reagan Diaries*, 455.

⁵⁷ Adam Clymer, "Analyzing the Drop in Reagan's Ratings," *The New York Times*, 7 December 1986.

To begin, the American people lost faith and trust in President Reagan. When the scandal was leaked to the press, there was a public outcry. Reagan had not addressed this issue in any speeches for many months and when he did he cited the reason for the delay as he “felt it was improper to come to [the public] with sketchy reports, or possibly even erroneous statements [...]”⁵⁹ As stated above, Reagan's approval rating fell steeply a further demonstration of the displeasure of the American people.

Next, the Iran-Contra scandal revealed to countries that hostage-taking was an effective measure to have the US government capitulate to demands. President Reagan said in a private meeting in response to accusations about his complicity in the crime: “he could answer charges of illegality but he couldn't answer charges that ‘big strong President Reagan passed up a chance to free hostages’.”⁶⁰ This quotation demonstrated the willingness that Reagan showed to break the law if it meant the potential of the release of hostages. Additionally, it demonstrated the significant change in attitude from the Carter administration to the Reagan one. Carter held out on giving in to Iranian demands to release hostages for 444 days. He refused to send back the Shah and give into financial demands. In short, Carter took a more hardline approach to deal with hostage negotiations. In comparison, Reagan and his administration wasted no time in not only giving the Iranian leadership what they wanted but also breaking American and international laws to do it. Neither approach proved particularly successful as Carter took over a year to secure the release of the hostages and Reagan embarrassed the US on an international scale. The actions taken by the governments of both the US and Iran added tension to the already strained ties as the sale of prohibited arms demonstrated that the US government was in disarray and that the Iranian leaders were fully capable and willing to take advantage of this if it gave them what they wanted.

The Iran-Contra scandal undermined American credibility to criticize other nations. Their criticism on transparency, hostage negotiations, arms deals, terror financing, and more suddenly carried little to no weight as they had been caught breaking their own rules against each of these issues. The US had launched Operation Staunch in the spring of 1983 to encourage other nations not to sell arms to Iran.⁶¹ The US targeted countries including South Korea, Italy, Spain and Portugal, alongside some Arab countries. The US added pressure to the already uneasy relationship

⁵⁸ Reagan, "Address to the Nation on the Iran Arms and Contra Aid Controversy".

⁵⁹ Caspar W. Weinberger, *December 7 Notes*, 7 December 1985.

⁶¹ Michael Eisenstadt, "Can the United States Influence the WMD Policies of Iraq and Iran?," 67.

with Iran by cutting off other potential arms suppliers but Iranian officials were able to exploit weaknesses in the American government by providing the correct leverage to fulfill their arms needs from the US.

Another factor was when President Reagan announced that he did not know about the events that had been taking place. While he signed off on a confidential report which outlined the plan to sell arms, he still publicly denied his role.⁶² His denial of association with the crime demonstrated how little control he had over his administration. The fact that key ministers and points of contact could undertake an operation such as the Iran-Contra scandal supposedly without the President's knowledge was a sign of weakness and disorganization of the government.⁶³ There had already been public criticisms against Reagan to this nature and his announcement only solidified these thoughts. The biggest takeaway was the effect that the Iran-Contra had on American-Iranian relations. After the Iran-Contra, what little diplomacy and trust the US had gained was wiped away. The US was embarrassed with their failings as well as with the public outcry regarding selling arms to a hostile country and Iran had been caught exploiting an extremely powerful leading country which placed them in a poor position for dealing with other American allies. Overall, Reagan proved that he was able to make swift decisions that could have helped bring about a satisfactory conclusion but he also did not fully contemplate the outcome of his decisions.

Conclusion

Overall, 1979 to 1987 was a key timeframe for events that significantly affected US foreign policy with Iran. Both Presidents Carter and Reagan mismanaged the relationship and both men managed to make irreparable mistakes.

First, the Iranian Revolution occurred in 1979. While the revolution itself was not directly due to President Carter, his inaction was certainly a contributing factor. Carter promised that the US would back the Shah, however, he never took any action to demonstrate the support. The fallout from the 1979 revolution included the beginning of a severing of ties between the US and Iran as well as the US losing a major foothold in the Middle East. Iran was important geographically as it

⁶⁰ North and Poindexter, "Covert Action Finding Regarding Iran".

⁶¹ Bill, *The Eagle and the Lion*, 411.

served as a buffer between Soviet Russia and pro-Russia Iraq during the Cold War. Last, the Iranian Revolution exposed some of President Carter's major weaknesses as a leader namely his lack of action to support his declarations.

Next, the Iranian hostage crisis occurred throughout 1979-1981. This event also occurred during President Carter's time in office and was a major turning point in the relationship, or lack thereof, between the US and Iran. The hostage crisis was one of the main contributing factors to Carter's landslide loss to Reagan at the 1980 presidential elections. The public was unimpressed with the way that Carter handled the hostage situation and demonstrated this by not electing him back to the office. Additionally, the hostage crisis showed how poorly Carter handled the Iranian Revolution from the perspective of the Iranian people and government. They were displeased that Carter chose to protect the Shah and was extremely suspicious that the US had participated in the war crimes that the Shah was accused of as well. The taking of the 52 hostages and the complete refusal to deal directly with Carter reflect the sentiments of Iran quite clearly. Lastly, the hostage crisis was the proverbial last straw in the relationship between the US and Iran. President Carter called for a complete severing of diplomatic ties, a trade embargo, and an embargo on arms sales. This was a significant decision that has had a long-reaching impact as there are still no official diplomatic relations between the two countries to date.

Finally, there was the Iran-Contra scandal during President Reagan's time in office. This scandal exposed weaknesses in the American government and brought humiliation to the Reagan administration and Reagan himself. First, the scandal caused the public to lose faith in the President. Reagan's approval ratings dropped and he lost their trust. Next, the fact that the Americans gave in to Iranian demands demonstrated the success of hostage-taking under a new administration and anti-American countries were shown that this was a successful tool to use as leverage. Reagan's administration demonstrated they were significantly more willing to capitulate to demands as compared to the Carter administration. Finally, the Iran-Contra scandal undermined American credibility primarily due to the discovery at the same time as the US was undertaking Operation Staunch to encourage other key countries not to sell arms to Iran. Additionally, the scandal demonstrated Reagan's lack of control over his government which weakened the stance of the US on the international scale.

Overall, the decisions made by both Carter and Reagan highlighted how starkly different their approaches to foreign policy were but also how inflexible both men were. Carter sought to

smooth relationships and was only interested in using diplomatic measures rather than military force or any clear show of strength. On the flip side, Reagan was all too happy to use military strength and did not use diplomacy often enough. Both men demonstrated inflexibility in their strategy to approach the Iranian-American relationship and the consequences were apparent through the events occurring in each of their presidencies.

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