

PART III

OTHER DOCUMENTS SUBMITTED
TO THE COURT

TROISIÈME PARTIE

AUTRES DOCUMENTS SOUMIS
A LA COUR

I. COMMUNICATION FROM THE MINISTER OF FOREIGN
AFFAIRS OF IRAN TO THE PRESIDENT OF THE INTER-
NATIONAL COURT OF JUSTICE, DATED 29th JUNE 1951,
WITH THREE ANNEXES¹

Your telegram No. 13926 addressed to His Excellency the Prime-Minister and myself was received on 25th June 1951. Although we were desperately pressed for time because of the very short notice given, I have the honour to submit herewith a statement which the Imperial Government of Iran has prepared rejecting the petition submitted by the British Government, 29th June 1951, No. 12434. Minister of Foreign Affairs (*Signed*) B. KAZEMI.

After the termination of World War I in 1918, all the nations who had suffered the pangs of war were earnestly hoping that the newly set up international organizations which were representing their deep yearnings for world security and peace, and were the culmination of their ideals, would be successful in their efforts to attain to this holy objective and would prevent the recurrence of another world war. But unfortunately, after the lapse of a few years and against all their expectations, a second world war started in 1939, which wrought havoc for a second time in the world. At the termination of this second war, a new scheme for keeping peace and security was planned, based on the Charter of the United Nations Organization. This new organization, which fortunately includes in its membership an overwhelming majority of the nations of the world, has become a paladin for the preservation of world peace and international justice.

Yet the question is often asked by many nations, how is it that with the existence of the United Nations Organization, the Security Council and the International Court of Justice, the foundations of world peace are still shaky and insecure? And how can it be accounted for that the builders and the founders of this Organization are anxiously waiting for another world catastrophe?

If we view this question impartially, it will become clear to us that greed and selfishness on the part of the strong to procure illicit advantages from the weak nations are to be regarded as the main causes of this instability and the insecurity which prevails at the present; and for so long as fair play and justice are not governing the relations of the strong and the weak, there can be no hope of

¹ Telegram received on June 29th, 1951, and confirmed by letter of same date received on June 30th, 1951, to which were joined three annexes.

bringing about world stability and achieving a lasting peace. As an example of the above-mentioned statement we wish to bring to the notice of the honourable judges of the International Court of Justice a case which is purely based on the greed and selfishness of an English company against a peace-loving and weak oriental nation, which has been submitted through an incorrect appeal by the British Government, beyond the jurisdiction of the Court.

In the year 1901, i.e. six years prior to the establishment of the constitutional regime in Iran, a certain Australian and a British subject called D'Arcy with a capital of 20,000 pounds sterling secured an oil concession in a large area for a period of 60 years from the Iranian Government. He undertook to pay as royalties 16 per cent of the income derived from his activities; and furthermore to transfer gratuitously, to the Iranian Government, all the properties, movable and immovable, after the lapse of 60 years. The said company, under various pretexts, did not make any royalty payments to the Iranian Government until the year 1919; and paid no attention to the request of the said Government to refer the said dispute to arbitration. It happened at that time that the British Government, desiring to conclude the Treaty of 1919 with Iran, had brought a financial adviser by the name of Mr. Armitage Smith to put into force the financial terms of the said Treaty. The Iranian Government empowered the said Mr. Armitage Smith to audit the accounts of the Oil Company, and to settle the existing differences. It is noteworthy to recall here that through this so-called Treaty of 1919, known by the name of its signatory Vossough-ul-Dowleh, Iran was intended to become a protectorate of the British against the will of its people and against all the principles of fair play and human justice. The said Armitage Smith went to London with the above-mentioned mission but on the 22nd of December 1920, under the claim that his mission to London as financial adviser of the Iranian Government had been to put into force the concession (and not to settle the relevant accounts), he signed an agreement with the Oil Company against the directions he had received from the Iranian Government, and against the stipulations of the original contract. Our reasons for his deviation are as follows :

1. The Iranian Government had been deprived of its 16 % share of the profits of the transport service of the company; while in accordance with the D'Arcy Contract the Iranian Government had to share the profits pertaining to the original Company and its subsidiary branches on the basis of 16 %.

2. The differences arising out of the failure of the Company to fulfil its financial obligations had been referred to a British chartered accountant; while according to the terms of the original contract they should have been referred to arbitration.

It is to be noted that the said English chartered accountant discovered several cases of falsifications and distortions committed by the Company in its accounts with a view to decrease the royalties

accruing to the Iranian Government ; but in spite of all this the Oil Company paid to the Iranian Government only one million pounds as its arrears payment until 1920. Hence the latter Government, which found its rights wasted by the Oil Company, protested against the agreement signed by Mr. Armitage Smith against its instructions and contrary to the terms of the original contract ; and has reserved its protestation until the present date.

From 1920 until the year 1932, the Oil Company has paid only less than ten million pounds as its royalty payments to the Iranian Government, which, in accordance with its balance sheets, amounts to only 13 percent of its total profits ; while its total revenues have been enormous. As for the remaining 3 per cent, the Company claims to have given the said sum to the private landowners in the concession area as a rent for the use of their land ; while it is clearly stated in the original contract that such expenses must be paid out of the revenues of the Company, and not out of the royalties accruing to the Iranian Government. The Company, having gained enormous profits and having acquired undue political influence and power in Iran, decided to prolong its period of exploitation ; and since the road was not paved for the easy attainment of such a purpose, the Company started to prepare the grounds through illicit means. Early in 1919, when the British Government had started on its way to make Iran a protectorate, it began to exercise its influence in the Iranian Parliamentary elections. But this illegal intervention did not prove satisfactory for their purpose ; therefore they decided to bring about some radical changes in Iran which were effected from 1921 onwards. From that date and thereafter the Government openly intervened in the general elections ; and no member could set foot in Parliament without the consent of Government. Hence the Iranian people lost their hold altogether in their Government, and were deprived of their inalienable rights to govern themselves. The preliminary steps thus taken, the Company put up a false front to show that the Iranian Government itself had volunteered to cancel the original contract ; and the subsequent step was the extension of the said document which was successfully carried out by the Company through its agents.

In this connection it must be added that during the course of years, the Company, because of its deviations from the terms of the original contract, had brought about complaints by the Iranian Government. This artificial tension reached its climax in the year 1931, when, through the intentional curtailment of the oil output and account falsifications, the Iranian royalties were reduced to one fourth of what they had been in the previous year. The only road open to the two contracting parties was to appoint their arbitrators to settle their differences ; and in case of failure on the part of the Company to appoint its arbitrator, the Iranian Government had the right to repeal the contract. But this step was not taken, and, through the instigation of the Company ; the Iranian Government

resorted to the cancellation of the contract, while it should have referred the case to arbitration in accordance with the terms of the contract. The ground thus prepared, the case was referred to the former League of Nations. The space does not allow me to go into any details concerning the intrigues of the Company in the seat of the League at Geneva and the account of its supporters; but briefly stated, it was decided that the two parties should settle their differences outside the League. The British Government not only carried on its illegal intervention in the dispute between the Iranian Government and the Company in Geneva, but formally threatened the Iranian Government with the severance of its diplomatic relations; not being content with this, they sent several men-of-war to the Persian Gulf to complete their threats.

As a consequence of these manoeuvres, and as a result of the illegal intervention of the Company in the internal affairs of Iran, and the threats of the British Government, the Company achieved its purpose; and the new contract of 1933 was imposed upon the Iranian people with a time-extension of 32 years duration.

After the fall of the Iranian dictatorship, the people of Iran found an opportunity to read and write about the doings of the Company, its intrigues and oppressions, and its imposition of the 1933 Contract upon the Iranians. The curtain which had hidden the crimes of the Company was lifted, and the public came to know of what had happened behind the curtain against its interests. The public sentiment rose to such a pitch that the Finance Minister of that time who was a member of the Parliament three years ago made the following open confession in a regular session of the Majlis:

"It was in the last day of our negotiations that they insisted on the extension of the time-limit in the new contract. We who were taking part in these negotiations had no authority whatsoever, but were not in agreement with any such extension, and consequently were aggrieved beyond any measure of comprehension. But all the roads were closed to us; and I must make my point clear that we were only insecure as individuals, but we feared the resultant dangers to the country which might arise out of a controversy of this nature. Neither I nor the others ever consented to extend the time-limit of the agreement. If there was a mistake or failure in this matter, it has been the fault of the person who issued such instructions and had unfortunately made a mistake from which he could not retreat, not the fault of the person who had carried out the said instructions." He personally was not in agreement with such an extension of the agreement, and when it was uttered in his presence (by the British), he was terrified and surprisingly said: "This is not feasible. Do you wish the posterity to curse us for another fifty years as we have cursed the past generation for 30 years?" But finally he surrendered. The 1933 agreement is wholly to the disadvantage of the Iranian people, and we give only a few random remarks concerning the said document.

1. *Income tax.* According to the 1948 balance sheets of the former Oil Company (a balance sheet which was not audited and verified by the Iranian Government), it has made a profit of £62 million, and has also paid £28 million as income tax to the British Government. Whereas the taxes paid to the Iranian Government in the same year have amounted only to £1,400,000 or 21 times less than the £28 million which had been paid to the British Government as taxes; and has been less than 2 per cent of the Company's profits.

While in the year 1933, i.e. the year in which the new agreement was concluded, the income tax paid to the Iranian Government by the Company amounted to 4 per cent of its total receipts, which is the maximum limit of tax rates received by the Iranian Government at that time.

If the D'Arcy Agreement would have been carried out, the 50 per cent due in this connection to the Iranian Government would amount for the fiscal year corresponding to 1948, at the present income-tax rates of Iran, to 31 million pounds sterling.

2. *Internal oil prices.* The prices of oil products for the interior having been fixed on the basis of the rates prevailing in the Gulf of Mexico, while allowing a 10 per cent reduction for the people and 25 per cent for the Government, naturally, oil cost the Iranian people 4 to 5 times more than the original cost price in Iran, whose oil resources are the richest and the least costly in the world.

3. *Customs duties.* Considering the fact that the former oil company was not liable to pay any customs duties or dues, the loss accruing to the Iranian Government through this exemption is so great that the Iranian Government would have gained more by receiving the relevant customs duties and dues on the imports and the exports of the Company and forego the reception of its royalties, which means to have left its oil resources at the disposal of the Company gratuitously. The most important argument which can be advanced against this defective and one-sided agreement of 1933 lies in the fact that under the D'Arcy Concession, the Iranian people had to wait until 1961 when the whole installation and the entire revenue from oil would unconditionally belong to the Iranian Government. But as a result of this conspiracy and imposition, this boundless wealth would have remained for another 32 years in the hands of the Company.

It is important to note that very probably there would have been no oil left under the Iranian soil as anticipated by 1933 by those who had planned the conclusion of the above-mentioned agreement.

In order to draw the attention of the Court to the material and moral losses suffered by the Iranians as a result of their dealing with the former Anglo-Iranian Oil Company, the value of the oil exported from Iran and her share out of the Company's proceeds are given below: If we compute the total output of the Company from the very start of its activities until the year 1950, the whole output amounts to 284 million tons, which, on the basis of the prevailing

prices in respective years, would exceed the sum of 1,000 million pounds ; while the Iranian Government as the original proprietor has received only one hundred million pounds in the form of royalties during all this period, which is less than 10 per cent of the total receipts of the Company.

It should be added that although the 1933 Agreement had been totally to the disadvantage of the Iranians and was even imposed on the Government of the time, yet the Company has infringed the terms of that defective agreement on many occasions. It would be unduly long to go into details for all these cases of infringement, and therefore we give below only a few examples :

1. The Company had undertaken to decrease the foreign employees each year and to replace them by the Iranians progressively. Yet it is surprising to see that instead of 1,800 foreign employees in 1933, there have been 4,200 foreigners working in the Company in 1947.

As a consequence of this intrusive policy to-day the Iranians are dependent on foreign experts to operate their oil industry. The losses through this to the Iranians are inestimable and irreparable.

2. Although the Company was bound to place any information at the Government's disposal which it may require, so far everything has been kept secret from the Iranian Government and people. For instance, the Government and Majlis enquired in recent years about the amount and price of the oil sold to the British Navy, but they could not obtain the slightest information.

3. The Company was bound by the invalid Agreement to base the exchange rate for the sterling on the actual value of gold, but the official rate of sterling has always been the basis of accounts by the Company and has in this way brought great losses upon Iran.

4. By the virtue of Article 21 of the same defective Agreement, the Company was bound to regard the interests of the Iranian Government in good faith, whereas by the Company's deal with the British Navy and Air Force concluded at unreasonable rates, the Company has for years violated the right of the Iranian Government. For the sake of brevity, other cases of infractions are not mentioned here.

In spite of the invalidity and worthlessness of the Agreement of 1933, which had been imposed upon the Iranian nation, without being ever approved by true representatives of the nation, and not having any legal value, yet the Government does not propose to enter into any discussion with reference to the said defective Agreement. The point at issue is that both houses of our Parliament have unanimously ratified the nationalization law of oil industry throughout the country, on the strength of the Iranian people's sovereign right. This right has been recognized for every State and the British Government itself has repeatedly exercised it in recent years. Having brought to the attention of the honourable judges of the International Court of Justice the records and the evidences of

our case, we beg permission to advance our arguments on the subject of the incompetency of the British Government in submitting the plea in question which is beyond the jurisdiction of the honourable Court to give consideration to such a plea :

(1) Even if we grant the validity of the 1933 Agreement, the second contracting party is a private Company (the former Anglo-Iranian Oil Company) and not the British Government. Hence the British Government not being one of the two contracting parties cannot have any claim on the Iranian Government which could be referred to the International Court of Justice. This Company, as in the case of all other private companies, whether foreign or local, is subject to the internal laws of the country where they operate and in case of having any claims against the Iranian Government they must refer to the local courts of justice for gaining their rights. The mere fact that the British Government is a large share-holder in the former Anglo-Iranian Oil Company cannot change the status of the said Company as the signatory of the original contract.

(2) The declaration made by the Iranian Government in the year 1932 with reference to the acceptance of the jurisdiction of the International Court of Justice excludes all questions that might have any bearing on its national sovereignty.

(3) Paragraph 7 of the second Article of the United Nations Charter explicitly specifies that none of the provisions of the said Charter authorize the United Nations intervention in matters pertaining to the sovereign rights of any nation ; member countries are not bound to settle differences of this nature through methods stipulated in the Charter.

(4) In accordance with Article 36 of the Statutes of the International Court of Justice, the jurisdiction of the Court extends to all cases which the parties refer to it and all matters specially provided for in the Charter of the United Nations or in treaties and conventions in force.

From what has been said above, it is not clear to us how the British Government, not being one of the two contracting parties and lacking in competence to intervene in such a case, should have considered it appropriate to file a plea with the Court regarding the oil dispute. It is also surprising to us that the respite given us by the Court for submitting a reply is so short that one could not even procure the necessary visas for passports. Hence the Iranian Government, owing to the short respite, curtails its arguments ; but earnestly hopes that the Court will not spare a moment to declare the case beyond its jurisdiction, as otherwise it would bring disappointment to the weaker nations as far as international justice and good-will are concerned.

With the explanations furnished as to the fundamental aspects of the question with special reference to the British Government's lack of legal competence to institute a law-suit and to the fact that it would be beyond the jurisdiction of the International' Court of

Justice to examine the case, the Iranian Government finds it unnecessary to make any statement in rejection of the request made by the British Government to take interim measures of protection. Nevertheless, I venture to invite the kind attention of the honourable judges of the Court to the following points :

(1) As it has been noted, there is no controversy between the Governments of Iran and Great Britain. The British Government is unjustly trying to inject itself into a matter which, according to the most elementary and axiomatic principles of international law, results from Iranian right of sovereignty, and which is exclusively within the jurisdiction of the Iranian Government.

(2) Granted that a controversy exists on the nationalization of Iranian oil, such controversy could only be between the Iranian Government and the former Anglo-Iranian Oil Company, which is a juristic personality no different from a single British national, and, by virtue of paragraph 1 of Article 34 of the Statute of the Court which stipulates that "only States may be parties in cases before the Court", it could not be brought up before the International Court.

(3) Regardless of the legal incompetence of the claimant and the fact that the case is beyond the jurisdiction of the International Court, the subject-matter of the issue could not in principle be taken by any claimant to any court for action, for, as it has already been explained, there is no question of cancellation and annulment and invalidity of the 1933 Agreement. The question is that the Iranian Government and people have made use of one of their most indisputable natural rights, which is the right of sovereignty, and have nationalized the oil industry throughout the country without any discrimination. The British Government has repeatedly made use of this right by nationalizing their own great industries. It goes without saying that owners and concession holders of those industries have had no right to complain.

(4) Aside from all these considerations, a request for interim measures of protection could be made when the rights of the parties to litigation should be exposed to the danger of being wasted or at least when there should be such likelihood and when failure to take prompt action would result in irreparable losses. In this case there is no such likelihood at all, for the following reasons :

(a) The Iranian Government is in duty bound by Act of both Houses of Parliament to exert every effort to maintain the material and human means of exploitation, refining, transportation and flow of Iranian oil for the technical and industrial needs of customers in the past years.

(b) All foreign experts and technicians, whether of British or other nationality, shall not only remain in the posts they occupy, but in addition to all their salaries and the allowances which they have been enjoying in the employ of the former Company, they shall receive encouragement and commendation.

(c) In the thought that the nationalization of the oil industry and the transfer of oil installations to the Iranian Government might involve damages to the Company's property, and in spite of the many claims of the Iranian Government against the former Company, nevertheless, for the further assurance of the Company Article 2 of the law makes it incumbent upon the Government to deposit twenty-five per cent of the current income of oil with a bank which would be satisfactory to both parties, with a view to compensating for possible losses by the Company.

In view of the foregoing considerations, the Iranian Government hopes that the Court will declare that the case is not within its jurisdiction because of the legal incompetence of the complainant and because of the fact that *exercise of the right of sovereignty* is not subject to complaint. Under these circumstances the request for interim measures of protection would naturally be rejected.

At the last moment, when the Iranian Government was preparing its reply to the Court, report was received that the members of the British staff of the former Company who had been asked to continue their services with the Iranian Government in order that the continual flow of oil may be maintained and who had been offered the same salaries and the same allowances which they have been receiving, have unfortunately tendered their collective resignation this morning, June 27th. It goes without saying that their withdrawal in this manner is merely intended to paralyze the work and bring the Iranian Government to its knees. It has also been reported that two British cruisers, several thousand tons each, have anchored in Chat-el-Arab, their motive being to intimidate and frighten the Iranian Government and people who have asked for nothing—save their natural and legitimate rights.

This last report would leave no room for doubt by the honourable judges of the International Court of Justice that when the British Government, in spite of present world conditions and exigencies, does not refrain from frightening the weak people of Iran in an attempt to support the encroachments and trespasses committed by a covetous and usurping company, it undoubtedly had recourse to this illicit practice for the purpose of prolongation in the year 1933 when world conditions facilitated such infringements.

In conclusion (it could be imagined that) the petition recently submitted by the British Government might have deluded the minds of the illustrious judges with respect to the Iranian Government's good-will in the matter of *exploitation of oil and with respect to its proper attitude towards British and other nationals*. In that case it might be necessary that I should herewith submit to the Court certain official documents, evidences and news items from British news agencies and neutral countries relating to this issue, in order that the Court may become positively certain of the Iranian Government's good intentions in nationalizing the oil industries and the British Government's threats to proceed with military intervention

and destruction of factories and instigation of technical experts and labourers to tender their resignation, to go on strike and to conduct poisonous propaganda that the world may be led to believe that there is no security in Iran.

Annex A

The opinion of foreign observers in regard to intervention of the former Anglo-Iranian Oil Company in the internal affairs of Iran.

1. A résumé of the statement made by General Patrick Hurley at the Senate Investigation Committee on June 21st, 1951.
2. Reports published in *Figaro*, June 16th, 1951.
3. Résumé of the article of the *Daily Graphic* published April 28th, 1951.

Translation from the Persian text :

- I. FROM THE STATEMENT OF GENERAL HURLEY IN THE INVESTIGATION COMMITTEE OF THE [U.S.] SENATE ON JUNE 21ST, 1951

.... In answer to the question of the Senate Committee chairman what his [General Hurley's] opinion was in regard to the present situation in IRAN, the General replied that the danger in IRAN is from an imperialistic and colonial policy and not from communism. The Shah and the people of IRAN had repeatedly complained to him about the colonial policy. And in this dispute the Oil Company, who made enormous profits and gave a very small share to IRAN, is to be blamed. It would have been more appropriate and just to sit down and see what can be done instead of threatening the country by paratroops. However, this was not done and like many similar problems it is now too late....

Translation from the Persian text :

2. FROM THE "FIGARO" OF JUNE 16th, 1951, PARIS

Figaro reporter writes from Tehran : A neutral observer as a guest of this beautiful and hospitable country cannot help but agree with the view of the Iranians. There is no doubt that the Oil Company has been a government within a government and has interfered in the internal affairs of IRAN so far that even it has had a hand in changing governments and dynasties.

Translation from the Persian text :

3. FROM THE NEWSPAPER "DAILY GRAPHIC" OF APRIL 28th, 1951
(TRANSLATED FROM A TEHRAN DAILY PAPER)

Bevin's mistake in Iranian oil

Daily Graphic, an English newspaper, regarded quite reliable in England, writes the following about the Iranian Oil :

The sovereignty of each country is undoubtedly to be respected by other countries. Iranian oil belongs to the Iranians, and therefore it has to be considered as a natural wealth of that country. However, the Iranian Government has signed a contract with the Oil Company and has given the right of exploitation of this natural wealth to that Company against the payment of a certain royalty. The present situation and the oil question in IRAN has been previously reflected in this paper, and we have considered the Labour Government, and in particular the late Mr. Ernest Bevin, responsible for all the recent unpleasant happenings in IRAN. And we have emphasized that if Mr. Bevin had not ignored the national feelings of the Iranian people and had not insisted upon the policy of "keeping the Persians hungry", the prophecy of some pessimists that some day a national movement against the British in IRAN would start decidedly, would not have materialized. Despite all that, we think that there is still a ray of hope for settlement of this dispute between Great Britain and IRAN by negotiations.

The new Minister of Foreign Affairs has to prove his ability to the world in these negotiations and in winning the attention of the Iranian people.

Annex B

Threats to the security of Iran.

1. Report published on June 16th, 1951, in *Aurore*.
2. A report on the London newspapers of June 16th, 1951.
3. From report of foreign news agencies of June 9th, 1951.
4. Foreign news agencies of April 30th, 1951.
5. Reports of the foreign news agencies of May 19th, 1951.
6. Report of the foreign news agencies of May 1st, 1951.
7. Report of the foreign news agencies of April 15th, 1951.

Translation from the Persian text :

1. FROM THE FRENCH NEWSPAPER "AURORE" OF JUNE 16th, 1951

Newspaper *Aurore* writes on the basis of its reporter's message from London :

The British in their negotiations with Iran have important means of pressure at their disposal, such as refusal of the usage of oil tankers, non payment of the oil royalties to Iran, or even confiscation of Iranian properties in England.

Translation from the Persian text :

2. FROM A REPORT ON THE LONDON NEWSPAPERS OF JUNE 16th, 1951

To-day's daily papers print in the news of the meeting of the top British Middle East Military Commanders in the Suez Canal, and express the opinion that at this meeting they have studied the proposals for the

possibilities of landing troops in the oil well areas where the British consider it as being necessary.

Translation from the Persian text:

3. FROM FOREIGN NEWS AGENCIES OF JUNE 9th, 1951

Departure of a British warship to the Persian Gulf waters

The A.S. reporter sent this morning the news from Malta that to-day a British warship by the name of *Wild Goose* assigned to the waters of the Persian Gulf has anchored temporarily at the Malta naval station, and will sail to-morrow to the Persian Gulf.

The same reporter adds that a military plane carrying 50 officers of the 16th Independent Paratroop Division coming from London has landed in Malta on the way to Cyprus.

Translation from the Persian text:

4. FROM FOREIGN NEWS AGENCIES OF APRIL 30th, 1951

Dismantling of the installations

Among other news, yesterday, several British newspapers, attached to the British Government, hinted at the possible destruction of the Oil Company's installations and have written that the [British] Government should dismantle the important parts of the installations in IRAN to be shipped abroad and destroy the rest of them.

Translation from the Persian text:

5. FROM FOREIGN NEWS AGENCIES OF 19th MAY 1951

Reinforcement of British warships in the Mediterranean sea area

Another news report by the U.P. from London states that the British Government yesterday, for the purpose of reinforcing its naval forces in the Mediterranean waters, has dispatched 8 more warships to that area.

The announcement of this decision coincides with the sending of a new note by the British Government to Iran.

The British Admiralty has ordered one aircraft-carrier, one mine-sweeper, one destroyer, one gunboat, and three submarines: altogether 8 warships, to sail for the Mediterranean.

With the arrival of these ships the British naval units in the Mediterranean will increase to 35, so that, if the differences between Iran and Britain should become dangerous, these naval units may easily reach the Persian Gulf area.

As it is reported, the British Government in its note to Iran has warned that if the Iranian Government should refuse to start negotiations with Britain, it will have to face unexpected consequences.

Translation from the Persian text:

6. FROM FOREIGN NEWS AGENCIES OF MAY 1ST, 1951

Churchill uses Iranian oil as an excuse

A dispatch by the French reporter from London states that well-informed circles in London gave the opinion that Churchill and the opposition party have found a suitable opportunity to attack Attlee's Government in the House of Commons and declare him incapable and weak against the insistence and pressure of the Iranian Government.

Of course Churchill's intentions in declaring the [British] Government weak are that military forces be dispatched immediately to IRAN to prevent the nationalization of oil in IRAN and the taking over of the Company's properties....

Translation from the Persian text:

7. FROM FOREIGN NEWS AGENCIES OF APRIL 15th, 1951

Reporter of the French news agency also sends the information that the conservative paper *Daily Telegraph*, which gets its news and reports from official and reliable government sources, in its yesterday's issue, after reviewing dispatches on the Abadan happenings and the killing of the British subjects, states that a 5,500-ton cruiser of the British naval unit in the Mediterranean has sailed via the Red Sea towards the Persian Gulf; to be used when necessary.

The same paper gives the news that a 1,500-ton British man-of-war, which was under repair in Colombo, has sailed off for Bahrein on Saturday morning.

Therefore, now 2 cruisers and 3 gunboats have anchored at a short distance from Abadan. They can reach that city in case of emergency within 24 hours.

One of the cruisers is the 8,000-ton *Gambia*, and the other boats of the British navy in the Persian Gulf waters are *Flamingo*, *Wild Goose* and the *Wren*.

A news agency reports from Cairo that the aircraft-carrier *Mauritius* of the British naval units in the Channel area, which had sailed some ten days ago towards the Indian Ocean, and most probably towards the Persian Gulf, passed last night through the Suez Canal and entered the Red Sea.

The British authorities in Cairo have refused to give any information about the destination of this new 23,000-ton vessel. However, they admitted that she carried 40 fighting planes and some 1,200 British marines.

Annex C

Iranian goodwill expressed

1. Message of the Prime Minister of Iran to the President of the United States of America.

2. Press interview by Mr. Saleh, President of the Mixed Parliamentary Oil Commission, with the foreign reporters.
3. A copy of the note from the Minister of Finance to the former Anglo-Iranian Oil Company.
4. Message of the Iranian Prime Minister to all foreign experts, technicians and other employees in the oil area.
5. Copies of letters exchanged between the Finance Minister and the former Anglo-Iranian Oil Company.

I. MESSAGE OF THE PRIME MINISTER OF IRAN TO THE PRESIDENT OF THE UNITED STATES OF AMERICA

Tehran, 11th June 1951.

The Honourable
Harry S. Truman,
President of the United States of America.

Dear Mr. President,

I have the honour to express my thanks for your kind message, sent through His Excellency the United States Ambassador in Iran, and to emphasize that the Iranian people and their Government have always considered the United States of America as their sincere and well-wishing friend and are relying upon that friendship.

Concerning the nationalization of the oil industry in Iran, I have to assure you, Mr. President, that the Government and Parliament of Iran, like yourself, desire that the interests of the countries which hitherto have used the Iranian oil should not suffer in the slightest degree. As, however, you have expressed the apprehension of the United States, and it would seem that the matter is not fully clear to you, I ask permission to avail myself of the opportunity to put before you a cursory history of the case and of the measures which have now been adopted.

For many years the Iranian Government have been dissatisfied with the activities of the former Anglo-Iranian Oil Company, but I feel it would be beyond the scope of this letter and would cause you undue trouble if I attempted to set forth in detail the exactions of that Company and to prove with unshakable documentary evidence that the accounts of the Company have not corresponded with the true facts and that, even in their disclosed accounts, the share they have earmarked for the Iranian people, the sole owners of the soil, has been so meagre as to rouse the indignation of all fair-minded persons.

The Iranian people have suffered these events for a good many years, with the result that they are now in the clutches of terrible poverty and acute distress, and it has become impossible to continue this tolerance, especially with the situation brought into existence in this country by the Second World War.

No doubt you will recall, Mr. President, that during the war Iran collaborated fully and most sincerely with the Allies for the ultimate triumph of right, justice and world freedom, and that she suffered untold

hardships and made many sacrifices. During the war all our development activities came to a stand-still, as all our productive resources were directed day and night to carrying out large-scale plans for the transfer of ammunitions, the supply of foodstuffs and other requirements of the Allied armies. These heavy burdens, borne for several years, disorganized and weakened our finance and economy and brought us up against a series of very grave economic problems, with the result that the labouring classes of this country, who had toiled for the Allies throughout the war, were faced with an unbearable rise in prices and wide-spread unemployment.

Had we been left alone, after the termination of war, we could have dealt with the situation brought about by the war, restored normal conditions and managed to move back to the depopulated villages the peasants who had been drawn toward work on roads and in factories, thus improving our agriculture.

Had we been given outside help like other countries which suffered from war, we could soon have revived our economy, and, even without that help, could have succeeded in our efforts had we not been hampered by the greed of the Company and by the activities of its agents.

The Company, however, always strove, by restricting our income, to put us under heavy financial pressure, and by disrupting our organizations, to force us to ask its help and, as a consequence, to submit to whatever it desired to force upon us.

Secret agents, on the one hand, paralyzed our reform movements by economic pressure, and, on the other hand, on the contention that the country had enormous sources of wealth and oil, prevented us from enjoying the help which was given to other countries suffering from the effects of war.

I ask you in fairness, Mr. President, whether the tolerant Iranian people, who, whilst suffering from all these hardships and desperate privations, have so far withstood all kinds of strong and revolutionary propaganda without causing any anxiety to the world, are not worthy of praise and appreciation, and whether they had any other alternative but recourse to the nationalization of the oil industry, which will enable them to utilize the natural wealth of their country and will put an end to the unfair activities of the Company.

Having thus given a short summary of the motives which have led to nationalization of the oil industry in Iran, I wish to refer you, Mr. President, to the text of the law, and I hope you will agree that the two Houses of the Iranian Parliament have not deviated from the path of right and justice, and that the law, as repeatedly announced from the tribunes of both Houses and in various interviews, does not authorize the confiscation and seizure of property, but, on the contrary, envisages and gives security for the repayment of damages and losses and that, furthermore, it gives special consideration to the continuation of oil supplies to those countries hitherto using Iranian oil, and explicitly safeguards the viewpoints of former customers.

It is now a month since the law and the method of execution of the principle of the nationalization of the oil industry in Iran were ratified by both Houses of Parliament and received the royal signature, and, although the law has decreed an immediate dispossession, and the Government is under extraordinary pressure from public opinion impatiently demanding the dispossession of the former oil Company, the Government

and the Mixed Committee appointed by the two Houses of Parliament have given careful study to the means of putting the law into force in the best possible way, so that no disruption may occur in the exploitation of oil from the various centres and in the continuity of the flow of export.

The surest evidence of the truth of this contention, and the goodwill of the Imperial Iranian Government, is to be found in the provisions which have been communicated to the representative of the former oil Company, the most important of which are mentioned below :

(1) So long as the statute of the National Iranian Oil Company is not approved by the two Houses of the Iranian Parliament, the basis of operations of the Temporary Board of Directors shall be the regulations devised by the former oil Company (except in so far as such regulations are contrary to the law of nationalization of the oil industry).

(2) The foreign and Iranian experts, employees and labourers of the former oil Company shall remain in service as before, and shall henceforth be recognized as employees of the National Iranian Oil Company.

(3) The Temporary Board of Directors will take the utmost care to execute existing programmes and to increase the production of oil, so that the level of production and exploitation shall be raised above the present level.

(4) The Board of Directors are bound to invite by public notices purchasers from the former oil Company to submit documents showing their former transactions. The Board must, at the same time, provide facilities so that no stoppage or restriction in the exportation of oil shall occur before the verification of the documents and the conclusion of agreements with the purchaser.

Lastly the former oil Company has been given the opportunity to submit immediate proposals, provided they are not contrary to the principle of the nationalization of the oil industry, and the Government has promised to consider those proposals.

The aim of the Iranian Government and the Mixed Committee in adopting the above measures has been the continuation of the flow of oil to the consumer countries—an aim which has been your immediate concern.

You may rest assured, Mr. President, that the Iranian people are desirous of maintaining their friendship with all nations and especially with those, like the British nation, which have had age-long relations with them.

With regard to the questions of dispossession and the settlement of account with the former oil Company, which must be carried out in accordance with the provisions of the law ratified by the two Houses of Parliament, no doubt you will agree that, as they are solely affairs of an internal nature, the Government of Iran cannot enter into negotiations with anyone but the representatives of the former oil Company.

The British Government can only show its concern if Iran, in her dealings with the former oil Company, stepped beyond the limits of right and justice in the enforcement of the law of the nationalization of the oil industry, and you may rest assured, Mr. President, that no such trespass will ever take place.

We shall always strive to protect our cordial relations with the British Government and to remove, according to the law, any anxiety which

that Government may have in the matter of securing Iranian oil for their requirements.

In this way there remains no cause for apprehension on the part of the Government and people of Britain in their relations with the Iranian Government and people.

I avail myself of this opportunity to offer to you, Mr. President, the expression of my highest and most sincere regards, and to wish the continuous progress and prosperity of the great American nation.

(Signed) Dr. MOHAMMAD MOSSADEGH,
Prime Minister of Iran.

2. PRESS INTERVIEW BY MR. SALEH, PRESIDENT OF THE MIXED
PARLIAMENTARY OIL COMMISSION, WITH THE FOREIGN REPORTERS

June 23rd, 1951.

Certain news have appeared here and there that the excitement of the feelings of Iranians may result in some injury to the life and property of the British subjects, or may interrupt the production and export of oil. As the Parliamentary Mixed Committee has been referred to about these news, I therefore deem it essential to declare that these news are either the outcome of misunderstanding and ignorance of the publishers, or the result of their ill-will. The question of oil nationalization, being the sovereign right of Iran, has nothing to do with the life and property of British subjects. All that the Iranian Government and people are demanding from the former oil Company is to restore our indisputable right. We have no aim or object in view other than this. The life and the property of the British and all foreign subjects are secure in our country; and under all circumstances the Government has full control over the situations and would not allow the least trespass on the life and property of anyone.

In fact, it is such groundless rumours that give rise to agitation and anxiety of the people. In carrying out the Oil Nationalization Law, no action will be taken which would cause a stoppage in the flow of oil to the west. As regards collective resignation of the British officials and experts, put forth as a threat by the former oil Company circles, I must declare that the Iranian Government and people are not all willing that the extraction and exportation of oil should stop even for an hour, as both Iran and former purchasers will thereby suffer great losses. For this same important reason, we have suggested that all the employees of the former Company, whether Iranians or foreigners, should remain in the service of the Iranian Government with their previous pay, allowances and pensions, and continue to carry out their functions, so that no stoppage may take place in the exploitation.

We expect that the employees of the former oil Company should, with due consideration of the free nations' interests, welcome this suggestion of the Government, and cause no stoppage in the flow of oil to the west by declining to continue their services. Should the experts discontinue their work contrary to the expectations of the Iranian people, the Government will do its best to maintain the present level of production

within the limits of its technical capacity. But should the achievement of this object prove to be impossible, the Iranian Government would not at all be responsible for shortages which may thereby arise for the western nations and former consumers of oil. To achieve economic independence and secure national sovereignty, the Iranian people are prepared to endure any privations which may arise from such incident.

Our dispute with the former oil Company in connection with the oil nationalization should not give the former Company any ground for direct or indirect instigations which may lead to the stoppage of oil production and cause an irreparable loss to our country, to the former purchasers and even to Britain itself. Thus the Iranian Government is prepared to bring about every facility within the limit of law, so as to avoid the slightest delays or shortage in the extraction and distribution of oil. Therefore, should the former oil Company resort to any means which would lead to the stoppage of work, it will be held responsible for any damage resulting from this interruption. In order to prevent any incident which might obstruct the flow of oil, the Government once more notified the managers of the former oil Company that the British employees should continue their service with the same pay, allowances and pensions as they received before, so that the exploitation might not be interrupted in any way. It is our hope that particular attention will be paid to this decision, which is to the benefit of all ; it is obvious that, should we come to a deadlock, and in case no understanding is reached and no assistance given, the Government will be obliged to seek another alternative and make use of other experts.

All the world should know that the Iranian Government does not wish to create any technical or administrative difficulty in the way of exploitation. On the contrary, it has provided, and will continue to provide, every facility and encouragement to ensure the efficiency of the operations.

In conclusion, I give herein, for public information, the instructions which have hitherto been issued to ensure this aim :

(1) Article 2 of the provisions relating to the Mixed Committee ratified on Thursday 26.3.30. :

Original text : The Iranian and foreign experts, employees and workers of the former oil Company shall remain in their positions, and shall be recognized from this date as employees of the National Oil Company of Iran.

(2) Declaration made by the Provisional Board of Directors on 30th Khordad 1330 :

Article 2. All the employees and workers of the former oil Company, whether Iranians or foreigners, who would be sincerely willing to function under the Iranian Board of Directors, will be regarded as employees of the Iranian Government and as our esteemed collaborators ; and they may rest assured that in case of rendering loyal services, their salary and allowances, as well as their prestige, will not be affected in the least.

Article 3. The foreign employees and workers remaining in their positions and serving loyally, will enjoy the love and respect of the Iranian people. It is necessary that the Iranian employees and workers should consider them as their sincere collaborators and as employees to the Iranian Government ; meanwhile, extend towards them every hospitality and kindness.

Article 4. As regards the foreign employees and workers willing to leave Iran, no objection and no violence will be made towards them ; but necessary arrangements will be made for their departure and the settlement of their accounts.

3. THE NOTE ON THE TALK BETWEEN HIS EXCELLENCY THE MINISTER OF FINANCE AND THE REPRESENTATIVE OF THE FORMER ANGLO-IRANIAN OIL CO.

As you are aware a law was passed on the 29th of Esfand 1329 in both Houses, according to which the oil industry was nationalized throughout the country.

The law concerning the nationalization of oil arises out of the sovereign rights of the Iranian nation in choosing and determining the method of making use of national industries, and the Iranian Government, in putting this law into execution, has no object except to secure the comfort of its nation, and does not intend, in this way, to damage the rights of others. For this purpose every attention has been paid in this law to take into consideration all necessary points in order to observe the rights of those who possess any rights. For instance, two essential matters have been taken into careful and necessary consideration.

First, the nationalization of oil does not damage the rights of former purchasers and consumers of oil, and in order to secure this aim, Article VII of the law which is quoted below explicitly recognizes the rights of the former customers :

Article VII of the law :

"All the purchasers of the products of the mines worked by the former Anglo-Iranian Oil Co. can purchase hereafter, at a fair international price, whatever quantity of oil which they have been buying annually from that Co. from the beginning of the Christian year 1948 up to the 29th of Esfand 1329 (20th March 1951). Regarding the surplus produce, they will have in case of equal terms the priority rights in purchase."

Secondly, if it is proved that as a result of nationalization of oil, damage is caused to the former Company, the Iranian Government will accept compensation of that damage and is ready to deposit 25 % of the net profit of the Company as security in a bank agreed upon by both parties for compensation of any probable damage (Article II).

Consequent to these preliminaries, it can be observed that the Iranian Government has in no way intended, and does not intend, to confiscate the properties of the former company, and does not in any way intend to stop selling oil to its former customers. After this prelude which has been quoted in order to draw your attention to, I hereby inform you of the regulations which the Iranian Government has drawn up under the supervision of the Joint Committee, for the execution of the law of nationalizing the oil industry.

The Regulations

1. To execute Article II of the law of nationalizing the oil industry, and to manage temporarily the affairs of the Iranian National Oil Co., a Board, consisting of three members, appointed by the Government, as

the temporary Board of Directors, will work under the supervision of the Joint Committee.

2. The said Board is vested with all the necessary powers for managing the affairs of the Company, whether exploitation, refining, distillation and sale.

3. So long as the Statute of the Iranian National Oil Company has not been approved, the temporary Board of Directors will observe the regulations laid down by the former Co. (except those parts which do not conform with the law of nationalization of the oil industry).

4. The Iranian and foreign technicians, employees and workers of the former Co. will continue to work as before and will be considered hereafter as the employees of the Iranian National Oil Co.

5. The temporary Board of Directors will do its best to put the present programme into action and to increase the production of oil so that the quantity exploited and produced will exceed the present volume.

6. In order to determine the fair international price, and in order to avoid any slow-down or stoppage in the exportation of oil, the temporary Board of Directors is bound, as soon as it arrives in Khuzistan, to publish a notice in Iran and abroad stating that, according to the programme of the former Anglo-Iranian Oil Co. petroleum products will be delivered to the former purchasers of the Co. against receipt for one month. The purchasers are bound to refer within this time to the office of the temporary Board of Directors and make arrangements regarding the payment of the price for the products which they have obtained within this period. In order to secure the right stated in Article VII of the law of 9th Ordibehesht 1330, and make arrangements for the purchase and sale of petrol in future, they have also to obtain the agreement of the temporary Board.

The temporary Board of Directors will submit to the Joint Committee the principles of agreement with the purchasers.

Finally I have to mention the following two points :

1. The regulations brought to your attention are general instructions which have been thought of for the execution of the law of nationalizing the oil industry, and as the Iranian Government desires this important national matter to be carried out in utmost accuracy and firmness and benefit of the experience and information of the former Company, therefore if you put forth any proposal which is not contrary to the law concerning the nationalization of the oil the Government will consider those proposals.

2. It is expected from the former Company to put forward its proposals, which will be within the said law, within five days from now, to me, so that they may be studied and benefited as according to the law. The Government is bound to put the law of nationalization of the oil industry immediately into execution and any delay in executing it will cause responsibility. Therefore, if you have any proposals, please submit them to me within the said period.

4. MESSAGE FROM THE PRIME MINISTER OF IRAN TO ALL FOREIGN EXPERTS, TECHNICIANS AND OTHER EMPLOYEES IN THE OIL AREA

Gentlemen,

Since the date when the law for the nationalization of the oil industry and the method of its enforcement were made public, the Government and people of Iran have been desirous in all sincerity to utilize in full the services of all foreign experts, technicians and others working in the various branches of the oil industry, and to continue to keep them in employment with their previous salaries, allowances and pensions due to them. They have desired further to provide these employees with all encouragement in order that they should continue to work in confidence and even with greater zeal than before, on the production and exploitation of oil, so vital to Iran and the western countries.

It is therefore with great regret that some talk has been heard on the possibility of resignation *en bloc* of the above employees. The Imperial Iranian Government cannot imagine any justification for such an action which would cause immeasurable loss to all concerned.

I wish to assure you, gentlemen, that, contrary to the provoking rumours, there can be no conceivable anxiety with regard to the safety of life and property, or for the disruption of the comfort and facilities which you have so far enjoyed.

Should you wish to continue your productive services in the oil industry with frankness and goodwill, you may rest assured that our country would receive you with all hospitality and warmth, and would do her best to make you feel at home with us.

The contract signed between you and the former oil Co. shall remain in force and all undertakings made with your salaries, allowances and leave and pensions shall be respected in full.

The Imperial Iranian Government hopes that you will accept this message as a frank invitation and that you will receive it with candid sincerity and will continue your very important work with complete assurance and confidence.

Prime Minister of Iran.

5. COPIES OF LETTERS EXCHANGED BETWEEN THE FINANCE MINISTER AND THE FORMER ANGLO-IRANIAN OIL COMPANY

No. 9582.

29.2.1330.

Mr. Seddon, Representative of the former Anglo-Iranian Oil Company.

His Excellency the Prime Minister has instructed me to transmit to you the following in reply to your letter addressed to His Excellency.

In virtue of the laws of 24 and 29th Esfand 1329 and the law of 9th Ordibehesht 1330, copies of which are herewith attached, the oil industry is nationalized throughout the land of Iran and the Imperial Government is obliged to carry on itself all activities pertaining to research exploitation and refinery.

Perhaps it is not necessary to explain that :

1. The nationalization of industries emanates from the sovereign right of nations. Other governments such as the British and the Mexican Governments have taken advantage of this right in various cases.

2. Private agreements, even if valid, cannot prevent the execution of this right which is based on recognized principles of international law.

3. The nationalization of the oil industry which is an act of sovereignty of the Iranian nation is not referable to arbitration, and no international institution is competent to examine this case.

In view of the above, the Iranian Government has no other course except to execute the law and does not agree with the contents of the letter of the former oil Company to refer the case to arbitration.

I beg to further point out that according to Articles 2 and 3 of the law of Ordibehesht 1330, the Iranian Government is prepared to consider the rightful claims of the former oil Company.

In conclusion, the oil Company is invited in virtue of this letter to introduce its representatives urgently with a view to arranging the manner of the execution of the law so that we may appoint the day, the hour and the place of the meeting.

Minister of Finance.

Tehran, 8th May 1951.

No. Z.22/29619.

His Excellency the Prime Minister.

Your Excellency,

I am instructed by Sir William Fraser, Chairman of the Anglo-Iranian Oil Company, Limited, to submit to you the following notification on his behalf :

Your Excellency,

“The measures recently introduced in respect of the oil industry in Iran clearly have the object of either bringing the Concession held by the Anglo-Iranian Oil Company, Limited, to an end, or annulling it before the date provided therein for its termination, by a unilateral act of the Imperial Iranian Government in breach of Articles 26 and 21 of the Concession Agreement or unilaterally altering the terms therein contained in breach of Articles 21 and 1 of that Agreement.

Therefore I, on behalf of the Company and in accordance with the rights reserved to it by Articles 22 and 26 of the Concession Agreement, beg to notify the Government that the Company requests arbitration for the purpose of determining whether in so attempting to annul, or terminate the Concession or to alter the Concession Agreement, the Government has acted in accordance with the terms of the Concession Agreement and for the purpose of establishing the responsibility for and determining the consequences of the breach above referred to.

I further beg to state that the Company has appointed the Right Honourable Lord Radcliffe, G.B.E., as its arbitrator, and that he has given his consent to act.

Finally, the Company, in view of the gravity of the situation brought about by the measures above referred to, expresses the hope that the Government will appoint its arbitrator at the Government's earliest convenience.

I shall be glad if Your Excellency will kindly acknowledge receipt of the above notification from Sir William Fraser.

With the assurance of our highest esteem.

For Anglo-Iranian Oil Co., Ltd.

No. 30221.

Your Excellency,

We have been informed by Mr. Drake that a letter has been addressed to him by the Board of Management of the National Oil Company containing the following three points :

(1) That Mr. Drake should state in writing whether or not he is willing to serve the National Oil Company.

(2) Mr. Drake has been asked to issue a circular notice to staff at all centres to bring their notice to Clause I of the Decree of the Council of Ministers which was announced yesterday.

(3) That no member of the staff is to be permitted on leave at present.

We feel it our urgent duty to warn Your Excellency that the above-mentioned measures involve the gravest risk of mass resignations of the staff which would necessitate the closing down of the operations of production, refining, and loading of oil into tankers.

Accordingly, we must in the interest of safety of life and the preservation of plant request that should this come about, the Members of the Board of Management of the National Oil Company should be instructed to be present on all occasions when plant is being closed down.

We request this because the task of closing down is fraught with considerable danger and requires expert handling without interference of any kind.

The presence of the Members of the Board of Management is requested to ensure that no interference takes place.

With the assurance of the highest esteem.

FOR ANGLO-IRANIAN OIL COMPANY, LTD.

His Excellency
Mr. Mohammed Ali Varesteh,
Minister of Finance.

Mr. Seddon, representative of the former Anglo-Iranian Oil Company.

Receipt is acknowledged of your letter dated 30th Khordad 1330. No. 30221.

Your statement to the effect that the letter of the Board of Directors of the National Oil Company to Mr. Drake transmitting to him the three points written in that letter may cause the probable mass resignation of the employees and the stoppage of production, refinery and transportation activities, caused no little surprise because there was nothing in Articles 1 and 2 of the aforesaid letter as to warrant the mass resignation of the employees.

As to the leaves of absence in Article 3, we asked explanation, and it was found out that there is no intention to withhold granting leaves

of absence which are, according to regulations and the well-running of the work, unpermissible.

As repeatedly pointed out, the Imperial Government is anxious to see the activities of the oil establishments in full swing, and for the same reason they have agreed to the continuance of the services of the above-mentioned employees. We do once more repeat and confirm our agreement to that effect and we ask you to inform them to continue their services and remain sure that they will enjoy their salaries and other advantages as here so far.

In case, however, that the employees do not want to continue their services in face of the assurances given, it is appropriate that their withdrawal from service be gradual and according to notice given beforehand, so that the Imperial Government may be able to choose other technical men in their places.

In view of the above, the Imperial Government expect that they will take into consideration the public interest and will abstain from taking such steps as will create difficulties and losses for those who get the benefit of the use of oil.

(Signed) MINISTER OF FINANCE.

2. LOI AUTORISANT L'ADHÉSION DÉFINITIVE DU GOUVERNEMENT IRANIEN AUX DISPOSITIONS DE L'ART. 36 DU STATUT DE LA COUR PERMANENTE DE JUSTICE INTERNATIONALE, VOTÉE LE 23 KHORDAD 1310 DE L'ANNÉE SOLAIRE (= 14 JUIN 1931 A. D.)

CORPUS DES LOIS VOTÉES ET DES TEXTES RATIFIÉS AU COURS DE LA VIII^{me} LÉGISLATURE (25 DEY 1309 — 25 DEY 1311 DE L'ÈRE SOLAIRE PERSANE = 15 JANVIER 1931 — 15 JANVIER 1933 A. D.), PP. 472 A 475

Traduit du persan (traduction littérale).

Article unique. — Le Madjliss approuve l'adhésion définitive du Gouvernement de l'Iran aux dispositions de l'art. 36 du Statut de la Cour permanente de Justice internationale, relatives à la juridiction obligatoire de ladite Cour, dans les cas prévus à l'article précité, telle qu'elle a été signée par le représentant de l'Iran le 10 mehr 1309 (= 2 octobre 1930) et autorise le Gouvernement à en déposer au Secrétariat de la S. d. N. les actes approuvés conformes.

Cette loi, qui comprend un article et le texte de l'art. 36 du Statut, ainsi que les conditions de l'adhésion du Gouvernement iranien à l'article précité, est approuvée par le Medjliss à la séance du 23 khordad 1310 de l'ère solaire (= 14 juin 1931).

Le Président du Madjliss,
(Signé) DAGDAR.

Article 36 du Statut de la Cour permanente de Justice internationale

[Non reproduit]

« L'acceptation de la juridiction obligatoire de la Cour internationale de Justice par le Gouvernement de l'Iran est sous condition de réciprocité pour une durée de six ans et ensuite jusqu'à déclaration de résiliation.

Au sujet de tous différends provenant de situations ou de faits ayant trait, directement ou indirectement, à l'exécution des traités et conventions que le Gouvernement aura acceptés après la ratification de cette déclaration. »

Les cas suivants sont exceptés :

a) Les différends relatifs au statut territorial, de même que les différends relatifs au droit de souveraineté de l'Iran concernant ses îles et ports,

b) les différends sur lesquels les deux parties se sont mises d'accord ou se seront mises d'accord en vue de recourir à un autre mode de règlement pacifique,

c) les différends relatifs à des questions qui, d'après le droit international, relèvent exclusivement de la juridiction de l'Iran.

De plus, le Gouvernement impérial de l'Iran se réserve le droit de demander, pour tout différend porté devant le Conseil de la Société des Nations, la suspension de procédure à la Cour de Justice internationale.

L'autorisation d'adhésion du Gouvernement iranien à l'article 36 du Statut de la Cour permanente de Justice internationale ci-dessus mentionné a été accordée à la séance du 23 khordad 1310 de l'ère solaire (= 14 juin 1931 A. D.).

Les conditions d'adhésion du Gouvernement iranien sont valables conformément à ce qui précède et annexées à l'autorisation susmentionnée.

Le Président du Madjliss,

(Signé) DAGDAR.

Je soussigné, Petko P. Ikowski, expert traducteur juré près le Tribunal de première instance du département de la Seine, avec l'autorisation de Monsieur le Vice-Président du Tribunal, chargé du contrôle des expertises, certifie que la traduction qui précède est sincère et conforme à l'original écrit en langue persane, visé et paraphé par moi sous le numéro 7689, *ne varietur*.

Paris, le 19 juin 1952.

3. TRADUCTION DU
PROCÈS-VERBAL DU CONSEIL DES MINISTRES D'IRAN
DU 31 TIR 1330 (23 JUILLET 1951) A 22 HEURES

La séance extraordinaire du Conseil des Ministres s'est réunie chez M. le Dr Mossadegh le lundi 31 tir 1330 (23 juillet 1951) à 22 heures. D'abord, Mr. Saleh donna le compte rendu des entretiens échangés entre les membres de la Commission, le ministre des Finances et Mr. Harriman et ajouta que ce dernier avait accepté de porter la teneur du procès-verbal de ce matin à la connaissance des autorités du Gouvernement du Royaume-Uni. En second lieu, il acceptait de même que le Gouvernement du Royaume-Uni annonçât officiellement son adhésion au principe de la nationalisation avant d'envoyer ses délégués. *Tertio*, Monsieur Harriman avait ajouté ce qui suit :

« Je porterai les termes du procès-verbal du Conseil des Ministres de l'Iran à la connaissance des autorités du Gouvernement du Royaume-Uni et je leur déclarerai que le Gouvernement iranien est disposé à engager des pourparlers relatifs à la modalité de la mise en exécution de la loi dans le cadre des intérêts britanniques. »

Cette dernière proposition de Mr. Harriman fut agréée par le Gouvernement et cet agrément lui fut annoncé au téléphone par M. le ministre des Voies et Communications.

[Signatures.]

4. TRADUCTION DU
PROCÈS-VERBAL DU CONSEIL DES MINISTRES D'IRAN
DU LUNDI 31 TIR 1330 (23 JUILLET 1951)

La séance ordinaire du Conseil des Ministres et de la Commission mixte du pétrole s'est réunie le lundi 31 tirmah 1330 chez S. E. M. le Dr Mossadegh, Premier Ministre.

A la suite d'un long débat, les décisions suivantes ont été prises pour être suivies au cours des pourparlers tenus ce soir avec Mr. Harriman, envoyé spécial de Mr. Truman, Président de la République des États-Unis d'Amérique :

1) La formule qui doit être remise à Mr. Harriman est conçue dans les termes suivants :

« Dans le cas où le Gouvernement du Royaume-Uni viendrait à reconnaître au nom de l'ex-A. I. O. C. le principe de la nationalisation des industries pétrolières en Iran, le Gouvernement iranien serait disposé à entamer des pourparlers avec les délégués du Gouvernement britannique se présentant de la part de l'ex-A. I. O. C. »

2) Avant d'envoyer ses délégués à Téhéran, le Gouvernement britannique annoncera officiellement son adhésion, au nom de l'ex-A. I. O. C., au principe de la nationalisation du pétrole.

3) Il faut entendre par le principe de la nationalisation de l'industrie du pétrole le sens inclus dans la proposition approuvée à cette fin par la Commission spéciale du pétrole de la Chambre des Députés, laquelle a été confirmée par la loi du 29 esfand 1329 (20 mars 1951).

En voici le texte :

« Au nom de la prospérité de la nation iranienne et en vue de servir la paix mondiale, nous, soussignés, proposons que l'industrie du pétrole soit nationalisée dans toutes les régions du pays sans exception aucune, c'est-à-dire toutes les opérations d'exploration, d'extraction et d'exploitation doivent être concentrées entre les mains du Gouvernement iranien. »

4) Au cours des pourparlers engagés, Mr. Harriman prendra connaissance de la définition du principe de la nationalisation du pétrole exactement telle qu'elle se trouve exposée dans le texte de loi, afin qu'aucun malentendu ne puisse survenir au cours des pourparlers échangés.

De même on portera à la connaissance de Mr. Harriman le texte de la note des représentants de l'ex-A. I. O. C. adressée au Gouvernement iranien et où ils expriment leur façon de comprendre le principe de la nationalisation — interprétation qui a été nettement refusée.

[Signatures.]