**Shah of Iran 1919 - 1980**

**Mohammad Reza Shah Pahlavi** (26 October 1919 – 27 July 1980) was the ruler of Iran ([Shah of Iran](http://en.wikipedia.org/wiki/Shah_of_Iran)) from 16 September 1941 until his overthrow by the [Iranian Revolution](http://en.wikipedia.org/wiki/Iranian_Revolution) on 11 February 1979. He took the title Šâhanšāh ("Emperor" or "King of Kings") on 26 October 1967. He was the second and last monarch of the [House of Pahlavi](http://en.wikipedia.org/wiki/Pahlavi_dynasty) of the Iranian monarchy. Mohammad Reza Shah Pahlavi held several other titles, including that of [Aryamehr](http://en.wikipedia.org/wiki/Aryamehr) (Light of the [Aryans](http://en.wikipedia.org/wiki/Aryan)) and Bozorge Arteštārān (Head of the Warriors, [Persian](http://en.wikipedia.org/wiki/Persian_language): Bozorg Arteŝdārān).

Mohammad Reza Pahlavi came to power during [World War II](http://en.wikipedia.org/wiki/World_War_II) after an [Anglo-Soviet invasion](http://en.wikipedia.org/wiki/Anglo-Soviet_invasion_of_Iran) forced the abdication of his father [Reza Shah](http://en.wikipedia.org/wiki/Rez%C4%81_Sh%C4%81h). During Mohammad Reza's reign, the Iranian oil industry was briefly [nationalized](http://en.wikipedia.org/wiki/Nationalization) under the democratically elected Prime Minister[Mohammad Mosaddegh](http://en.wikipedia.org/wiki/Mohammad_Mosaddegh) before a U.S.-backed [coup d'état](http://en.wikipedia.org/wiki/1953_Iranian_coup_d%27%C3%A9tat) deposed Mosaddegh and brought back foreign oil firms, and Iran marked the anniversary of [2,500 years of continuous monarchy](http://en.wikipedia.org/wiki/2%2C500_year_celebration_of_the_Persian_Empire) since the founding of the [Persian Empire](http://en.wikipedia.org/wiki/Achaemenid_Empire) by [Cyrus the Great](http://en.wikipedia.org/wiki/Cyrus_the_Great). As ruler, he introduced the [White Revolution](http://en.wikipedia.org/wiki/White_Revolution), a series of economic, social and political reforms with the proclaimed intention of transforming Iran into a global power and modernizing the nation by nationalizing certain industries and granting women suffrage.

A secular Muslim, Mohammad Reza gradually lost support from the [Shi'a](http://en.wikipedia.org/wiki/Shia_Islam) clergy of Iran as well as the working class, particularly due to his strong policy of modernization, secularization, conflict with the traditional class of merchants known as [bazaari](http://en.wikipedia.org/wiki/Bazaari), [recognition](http://en.wikipedia.org/wiki/Recognition_of_Israel) of [Israel](http://en.wikipedia.org/wiki/Israel), and corruption issues surrounding himself, his family, and the ruling elite. Various additional controversial policies were enacted, including the banning of the communist [Tudeh Party](http://en.wikipedia.org/wiki/Tudeh_Party_of_Iran), and a general suppression of political dissent by Iran's [intelligence agency](http://en.wikipedia.org/wiki/Intelligence_agency), [SAVAK](http://en.wikipedia.org/wiki/SAVAK). According to official statistics, Iran had as many as 2,200 [political prisoners](http://en.wikipedia.org/wiki/Political_prisoner) in 1978, a number which multiplied rapidly as a result of the revolution.

Several other factors contributed to strong opposition to the Shah among certain groups within Iran, the most notable of which were United States and UK support for his regime, clashes with [Islamists](http://en.wikipedia.org/wiki/Islamism) and increased communist activity. By 1979, political unrest had transformed into a revolution which, on 17 January, forced him to leave Iran. Soon thereafter, the Iranian monarchy was formally abolished, and Iran was declared an [Islamic republic](http://en.wikipedia.org/wiki/Islamic_republic) led by [Ayatollah Khomeini](http://en.wikipedia.org/wiki/Ruhollah_Khomeini). Facing likely execution should he return to Iran, he died in exile in [Egypt](http://en.wikipedia.org/wiki/Egypt), whose President, [Anwar Sadat](http://en.wikipedia.org/wiki/Anwar_Sadat), had granted him [asylum](http://en.wikipedia.org/wiki/Right_of_asylum). Mohammad Reza Shah Pahlavi is often called "the last Shah of Iran" or more commonly and simply "the Shah"

**Oil nationalization and the 1953 coup**

By the early 1950s, the political crisis brewing in Iran commanded the attention of British and American policy leaders. In 1951, [Mohammad Mosaddegh](http://en.wikipedia.org/wiki/Mohammad_Mosaddegh) was appointed Prime Minister and committed to nationalizing the Iranian petroleum industry controlled by the Anglo-Persian Oil Company. Under the leadership of Mosaddegh's democratically elected [nationalist](http://en.wikipedia.org/wiki/Nationalization) movement, the Iranian parliament unanimously voted to nationalize the oil industry – thus shutting out the immensely profitable [Anglo-Iranian Oil Company](http://en.wikipedia.org/wiki/Anglo-Iranian_Oil_Company) (AIOC), which was a pillar of Britain's economy and provided it political clout in the region.

At the start of the confrontation, American political sympathy was forthcoming from the [Truman Administration](http://en.wikipedia.org/wiki/Harry_Truman). In particular, Mosaddegh was buoyed by the advice and counsel he was receiving from American Ambassador in Tehran, [Henry F. Grady](http://en.wikipedia.org/wiki/Henry_F._Grady). However, eventually American decision-makers lost their patience, and by the time a [Republican](http://en.wikipedia.org/wiki/U.S._Republican_Party) Administration came to office fears that communists were poised to overthrow the government became an all consuming concern (these concerns were later dismissed as "paranoid" in retrospective commentary on the coup from U.S. government officials). Shortly prior to the [1952 presidential election](http://en.wikipedia.org/wiki/U.S._presidential_election%2C_1952) in the United States, the British government invited [CIA](http://en.wikipedia.org/wiki/CIA) officer [Kermit Roosevelt, Jr.](http://en.wikipedia.org/wiki/Kermit_Roosevelt%2C_Jr.), to London to propose collaboration on a secret plan to force Mosaddegh from office. This would be the first of three "regime change" operations led by [Allen Dulles](http://en.wikipedia.org/wiki/Allen_Dulles) (the other two being the successful CIA-instigated [1954 Guatemalan coup d'état](http://en.wikipedia.org/wiki/1954_Guatemalan_coup_d%27%C3%A9tat) and the failed [Bay of Pigs Invasion](http://en.wikipedia.org/wiki/Bay_of_Pigs_Invasion) of Cuba).

Under the direction of Kermit Roosevelt, Jr., a senior [Central Intelligence Agency](http://en.wikipedia.org/wiki/Central_Intelligence_Agency) (CIA) officer and grandson of former U.S. President [Theodore Roosevelt](http://en.wikipedia.org/wiki/Theodore_Roosevelt), the American CIA and British [Secret Intelligence Service](http://en.wikipedia.org/wiki/Secret_Intelligence_Service) (SIS) funded and led a [covert operation](http://en.wikipedia.org/wiki/Covert_operation) to depose Mosaddegh with the help of military forces disloyal to the democratically elected government. Referred to as [Operation Ajax](http://en.wikipedia.org/wiki/Operation_Ajax), the plot hinged on orders signed by Mohammad Reza to dismiss Mosaddegh as prime minister and replace him with General [Fazlollah Zahedi](http://en.wikipedia.org/wiki/Fazlollah_Zahedi) – a choice agreed on by the British and Americans.

Despite the high-level coordination and planning, the coup initially failed, causing the Shah to flee to [Baghdad](http://en.wikipedia.org/wiki/Baghdad), and then to Rome. After a brief exile in Italy, he returned to Iran, this time through a successful second attempt at a coup. A deposed Mosaddegh was arrested and tried. The king intervened and [commuted](http://en.wikipedia.org/wiki/Clemency) the sentence to one and a half years. Zahedi was installed to succeed Mosaddegh.

Before the first attempted coup, the American Embassy in Tehran reported that Mosaddegh's popular support remained robust. The Prime Minister requested direct control of the army from the [Majlis](http://en.wikipedia.org/wiki/Majlis). Given the situation, alongside the strong personal support of [Conservative](http://en.wikipedia.org/wiki/Conservative_Party_%28UK%29) leader [Anthony Eden](http://en.wikipedia.org/wiki/Anthony_Eden) and Prime Minister [Winston Churchill](http://en.wikipedia.org/wiki/Winston_Churchill) for covert action, the American government gave the go-ahead to a committee, attended by the Secretary of State [John Foster Dulles](http://en.wikipedia.org/wiki/John_Foster_Dulles), [Director of Central Intelligence](http://en.wikipedia.org/wiki/Director_of_Central_Intelligence) [Allen Dulles](http://en.wikipedia.org/wiki/Allen_Dulles), Kermit Roosevelt, Henderson, and [Secretary of Defense](http://en.wikipedia.org/wiki/Secretary_of_Defense) [Charles Erwin Wilson](http://en.wikipedia.org/wiki/Charles_Erwin_Wilson). Kermit Roosevelt returned to Iran on 13 July 1953, and again on 1 August 1953, in his first meeting with the king. A car picked him up at midnight and drove him to the palace. He lay down on the seat and covered himself with a blanket as guards waved his driver through the gates. The Shah got into the car and Roosevelt explained the mission. The CIA bribed him with $1 million in Iranian currency, which Roosevelt had stored in a large safe – a bulky cache, given the exchange rate at the time of 1,000 rial to 15 dollars.

The Communists staged massive demonstrations to hijack Mosaddegh's initiatives. The United States actively plotted against him. On 16 August 1953, the right wing of the Army attacked. Armed with an order by the Shah, it appointed General [Fazlollah Zahedi](http://en.wikipedia.org/wiki/Fazlollah_Zahedi) as prime minister. A coalition of mobs and retired officers close to the Palace executed this coup d'état. They failed dismally and the Shah fled the country in humiliating haste. Even [*Ettelaat*](http://en.wikipedia.org/wiki/Ettelaat), the nation's largest daily newspaper, and its pro-Shah publisher, Abbas Masudi, were against him.

During the following two days, the Communists turned against Mosaddegh. Opposition against him grew tremendously. They roamed Tehran, raising red flags and pulling down statues of Reza Shah. This was rejected by conservative clerics like [Kashani](http://en.wikipedia.org/wiki/Abol-Ghasem_Kashani) and [National Front](http://en.wikipedia.org/wiki/National_Front_%28Iran%29) leaders like [Hossein Makki](http://en.wikipedia.org/w/index.php?title=Hossein_Makki&action=edit&redlink=1), who sided with the king. On 18 August 1953, Mosaddegh defended the government against this new attack. Tudeh partisans were clubbed and dispersed.

The Tudeh party had no choice but to accept defeat. In the meantime, according to the CIA plot, Zahedi appealed to the military, and claimed to be the legitimate prime minister and charged Mosaddegh with staging a coup by ignoring the Shah's decree. Zahedi's son Ardeshir acted as the contact between the CIA and his father. On 19 August 1953, pro-Shah partisans – bribed with $100,000 in CIA funds – finally appeared and marched out of south Tehran into the city center, where others joined in. Gangs with clubs, knives, and rocks controlled the streets, overturning Tudeh trucks and beating up anti-Shah activists. As Roosevelt was congratulating Zahedi in the basement of his hiding place, the new Prime Minister's mobs burst in and carried him upstairs on their shoulders. That evening, Henderson suggested to Ardashir that Mosaddegh not be harmed. Roosevelt gave Zahedi US$900,000 left from Operation Ajax funds

U.S. actions further solidified sentiments that the West was a meddlesome influence in Iranian politics. In the year 2000, reflecting on this notion, U.S. Secretary of State [Madeleine K. Albright](http://en.wikipedia.org/wiki/Madeleine_K._Albright) stated:

"In 1953 the United States played a significant role in orchestrating the overthrow of Iran's popular Prime Minister, Mohammad Mosaddegh. The Eisenhower Administration believed its actions were justified for strategic reasons; but the coup was clearly a setback for Iran's political development. And it is easy to see now why many Iranians continue to resent this intervention by America in their internal affairs."

Mohammad Reza Pahlavi returned to power, but never extended the elite status of the court to the technocrats and intellectuals who emerged from Iranian and Western universities. Indeed, his system irritated the new classes, for they were barred from partaking in real power.

**Assassination attempts**

Mohammad Reza Pahlavi was the target of at least two unsuccessful assassination attempts. On 4 February 1949, he attended an annual ceremony to commemorate the founding of [Tehran University](http://en.wikipedia.org/wiki/Tehran_University). At the ceremony, Fakhr-Arai fired five shots at him at a range of ten feet. Only one of the shots hit the king, grazing his cheek. Fakhr-Arai was instantly shot by nearby officers. After an investigation, it was thought that Fakhr-Arai was a member of the [Tudeh Party](http://en.wikipedia.org/wiki/Tudeh_Party), which was subsequently banned. However, there is evidence that the would-be assassin was not a Tudeh member but a religious fundamentalist member of [Fada'iyan-e Islam](http://en.wikipedia.org/wiki/Fada%27iyan-e_Islam). The Tudeh was nonetheless blamed and persecuted.

The second attempt on the Shah's life occurred on 10 April 1965. A soldier shot his way through [the Marble Palace](http://en.wikipedia.org/wiki/Marble_Palace_%28Tehran%29). The assassin was killed before he reached the royal quarters. Two civilian guards died protecting the Shah.

According to [Vladimir Kuzichkin](http://en.wikipedia.org/wiki/Vladimir_Kuzichkin) – a former [KGB](http://en.wikipedia.org/wiki/KGB) officer who defected to the [SIS](http://en.wikipedia.org/wiki/Secret_Intelligence_Service) – the Shah was also allegedly targeted by the Soviet Union, who tried to use a TV [remote control](http://en.wikipedia.org/wiki/Remote_control) to detonate a bomb-laden [Volkswagen Beetle](http://en.wikipedia.org/wiki/Volkswagen_Beetle). The TV remote failed to function. A high-ranking Romanian defector [Ion Mihai Pacepa](http://en.wikipedia.org/wiki/Ion_Mihai_Pacepa) also supported this claim, asserting that he had been the target of various assassination attempts by Soviet agents for many years.

**Foreign relations**

Mohammad Reza Shah supported the [Yemeni](http://en.wikipedia.org/wiki/Yemen) royalists against republican forces in the [Yemen Civil War](http://en.wikipedia.org/wiki/Yemen_Civil_War) (1962–70) and assisted the sultan of [Oman](http://en.wikipedia.org/wiki/Oman) in [putting down a rebellion](http://en.wikipedia.org/wiki/Dhofar_Rebellion) in [Dhofar](http://en.wikipedia.org/wiki/Dhofar) (1971).

Concerning the fate of [Bahrain](http://en.wikipedia.org/wiki/Bahrain) (which Britain had controlled since the 19th century, but which Iran claimed as its own territory) and three small [Persian Gulf](http://en.wikipedia.org/wiki/Persian_Gulf) islands, the Shah negotiated an agreement with the British, which, by means of a public consensus, ultimately led to the independence of Bahrain (against the wishes of Iranian nationalists). In return, [Iran took full control](http://en.wikipedia.org/wiki/Seizure_of_Abu_Musa_and_the_Greater_and_Lesser_Tunbs) of [Greater and Lesser Tunbs](http://en.wikipedia.org/wiki/Greater_and_Lesser_Tunbs) and [Abu Musa](http://en.wikipedia.org/wiki/Abu_Musa) in the [Strait of Hormuz](http://en.wikipedia.org/wiki/Strait_of_Hormuz), three strategically sensitive islands which were claimed by the [United Arab Emirates](http://en.wikipedia.org/wiki/United_Arab_Emirates).

During this period, the Shah maintained cordial relations with the Persian Gulf states and established close diplomatic ties with [Saudi Arabia](http://en.wikipedia.org/wiki/Saudi_Arabia).

Relations with [Iraq](http://en.wikipedia.org/wiki/Iraq), however, were often difficult due to political instability in the latter country. Mohammad Reza Pahlavi was distrustful of both the Socialist government of [Abd al-Karim Qasim](http://en.wikipedia.org/wiki/Abd_al-Karim_Qasim) and the [Arab nationalist](http://en.wikipedia.org/wiki/Arab_nationalist) [Baath party](http://en.wikipedia.org/wiki/Baath_party). In April 1969, he abrogated the 1937 Iranian-Iraqi treaty over control of the [Shatt al-Arab](http://en.wikipedia.org/wiki/Shatt_al-Arab), and as such, Iran ceased paying tolls to Iraq when its ships used the Shatt al-Arab. He justified his move by arguing that almost all river borders all over the world ran along the *thalweg* (deep channel mark), and by claiming that because most of the ships that used the Shatt al-Arab were Iranian, the 1937 treaty was unfair to Iran. Iraq threatened war over the Iranian move, but when on 24 April 1969 an Iranian tanker escorted by Iranian warships sailed down the Shatt al-Arab, Iraq being the militarily weaker state did nothing. The Iranian abrogation of the 1937 treaty marked the beginning of a period of acute Iraqi-Iranian tension that was to last until the Algiers Accords of 1975. He financed Kurdish separatist rebels, and to cover his tracks, armed them with Soviet weapons which Israel had seized from Soviet-backed Arab regimes, and then handed over to Iran at the Shah's behest. The initial operation was a disaster, but the Shah continued attempts to support the rebels and weaken Iraq. Then in 1975, the countries signed the [Algiers Accord](http://en.wikipedia.org/wiki/Algiers_Agreement_%281975%29), which granted Iraq equal navigation rights in the [Shatt al-Arab](http://en.wikipedia.org/wiki/Shatt_al-Arab) river, while Mohammad Reza Pahlavi agreed to end his support for Iraqi [Kurdish](http://en.wikipedia.org/wiki/Kurdish_people) rebels. The Shah also maintained close relations with [King Hussein](http://en.wikipedia.org/wiki/Hussein_of_Jordan) of [Jordan](http://en.wikipedia.org/wiki/Jordan), [Anwar Sadat](http://en.wikipedia.org/wiki/Anwar_Sadat) of [Egypt](http://en.wikipedia.org/wiki/Egypt), and [King Hassan II](http://en.wikipedia.org/wiki/Hassan_II_of_Morocco) of [Morocco](http://en.wikipedia.org/wiki/Morocco).

The Shah's diplomatic foundation was the United States' guarantee that they would protect him, which was what enabled him to stand up to larger enemies. While the arrangement did not preclude other partnerships and treaties, it helped to provide a somewhat stable environment in which Pahlavi could implement his reforms. Another factor guiding Pahlavi in his foreign policy was his wish for financial stability which required strong diplomatic ties. A third factor in his foreign policy was his wish to present Iran as a prosperous and powerful nation; this fueled his domestic policy of Westernization and reform. A final component was his promise that communism could be halted at Iran's border if his monarchy was preserved. By 1977, the country's treasury, Pahlavi's autocracy, and his strategic alliances seemed to form a protective layer around Iran.

In July 1964, the Shah, Turkish President [Cemal Gürsel](http://en.wikipedia.org/wiki/Cemal_G%C3%BCrsel) and Pakistani President [Ayub Khan](http://en.wikipedia.org/wiki/Ayub_Khan_%28Field_Marshal%29) announced in [Istanbul](http://en.wikipedia.org/wiki/Istanbul) the establishment of the [Regional Cooperation for Development](http://en.wikipedia.org/wiki/Regional_Cooperation_for_Development)(RCD) organization to promote joint transportation and economic projects. It also envisioned [Afghanistan](http://en.wikipedia.org/wiki/Afghanistan)'s joining sometime in the future.

The Shah of Iran was the first regional leader to recognize the [State of Israel](http://en.wikipedia.org/wiki/State_of_Israel) as a de facto state, although when interviewed on [*60 Minutes*](http://en.wikipedia.org/wiki/CBS_60_Minutes) by reporter [Mike Wallace](http://en.wikipedia.org/wiki/Mike_Wallace_%28journalist%29), he criticized [American Jews](http://en.wikipedia.org/wiki/American_Jews) for their presumed control over U.S. media and finance.

**Modernization and evolution of government**

With Iran's great oil wealth, the Shah became the pre-eminent leader of the Middle East, and self-styled "Guardian" of the [Persian Gulf](http://en.wikipedia.org/wiki/Persian_Gulf). In 1961, he defended his style of rule, saying "when Iranians learn to behave like Swedes, I will behave like the [King of Sweden](http://en.wikipedia.org/wiki/King_of_Sweden)".

During the last years of his government, the Shah's government became more centralized. In the words of a US Embassy dispatch, "The Shah's picture is everywhere. The beginning of all film showings in public theaters presents the Shah in various regal poses accompanied by the strains of the National anthem. The monarch also actively extends his influence to all phases of social affairs...there is hardly any activity or vocation which the Shah or members of his family or his closest friends do not have a direct or at least a symbolic involvement. In the past, he had claimed to take a two-party system seriously and declared, "If I were a dictator rather than a constitutional monarch, then I might be tempted to sponsor a single dominant party such as Hitler organized".

By 1975, he abolished the multi-party system of government in favor of a one-party state under the [Rastakhiz](http://en.wikipedia.org/wiki/Rastakhiz) (*Resurrection*) Party. Mohammad Reza Shah's own words on its justification was; "We must straighten out Iranians' ranks. To do so, we divide them into two categories: those who believe in Monarchy, the constitution and the Six Bahman Revolution and those who don't. A person who does not enter the new political party and does not believe in the three cardinal principles will have only two choices. He is either an individual who belongs to an illegal organization, or is related to the outlawed Tudeh Party, or in other words a traitor. Such an individual belongs to an Iranian prison, or if he desires he can leave the country tomorrow, without even paying exit fees; he can go anywhere he likes, because he is not Iranian, he has no nation, and his activities are illegal and punishable according to the law". In addition, the Shah had decreed that all Iranian citizens and the few remaining political parties become part of Rastakhiz.

Achievements

In his "[White Revolution](http://en.wikipedia.org/wiki/White_Revolution)" starting in the 1960s, Mohammad Reza Pahlavi made major changes to modernize Iran. He curbed the power of certain ancient elite factions by expropriating large and medium-sized estates for the benefit of more than four million small farmers. He took a number of other major measures, including extending [suffrage](http://en.wikipedia.org/wiki/Suffrage) to women and the participation of workers in factories through shares and other measures. In the 1970s the governmental program of a free of charge nourishment for children at school ("Taghzieh e Rāigān") was implemented. Under the Shah's reign, the national Iranian income showed an unprecedented rise for an extended period.

Improvement of the educational system was made through new elementary schools and additionally literacy courses were set up in remote villages by the [Imperial Iranian Armed Forces](http://en.wikipedia.org/wiki/Imperial_Iranian_Armed_Forces), this initiative being called "Sepāh e Dānesh", "Army of Knowledge". The Armed Forces were also engaged in infrastructural and other educational projects throughout the country ("Sepāh-e Tarvij va Âbādāni") as well as in health education and promotion ("Sepāh-e Behdāsht"). The Shah instituted exams for Islamic theologians to become established clerics. Many Iranian university students were sent to and supported in foreign, especially Western countries and the Indian subcontinent.

In the field of diplomacy, Iran realized and maintained friendly relations with Western and East European countries as well as the state of [Israel](http://en.wikipedia.org/wiki/Israel) and China and became, especially through the close friendship with the United States, more and more a hegemonial power in the [Persian Gulf](http://en.wikipedia.org/wiki/Persian_Gulf) region and the Middle East. The suppression of the communist guerilla movement in the region of [Dhofar](http://en.wikipedia.org/wiki/Dhofar) in Oman with the help of the Iranian army after a formal request by [Sultan Qaboos](http://en.wikipedia.org/wiki/Qaboos_bin_Said_al_Said) was widely regarded in this context.

As to infrastructural and technological progress, the Shah continued and developed further the policies introduced by his father. As part of his programs, projects in several technologies, such as steel, telecommunications, petrochemical facilities, power plants, dams and the automobile industry may be named. The [Aryamehr University of Technology](http://en.wikipedia.org/wiki/Sharif_University_of_Technology) was established as a major new academic institution.

In terms of cultural activities, international cooperations were encouraged and organized, such as the [Shiraz Arts Festival](http://en.wikipedia.org/wiki/Shiraz_Arts_Festival). As part of his various financial support programs in the fields of culture and arts, the Shah, along with King Hussein of Jordan donated an amount to the [Chinese Muslim Association](http://en.wikipedia.org/wiki/Chinese_Muslim_Association) for the construction of the [Taipei Grand Mosque](http://en.wikipedia.org/wiki/Taipei_Grand_Mosque).

Criticism of reign and causes of his overthrow

In 1978 the deepening opposition to the Shah erupted in widespread demonstrations and rioting. Recognizing that even this level of violence had failed to crush the rebellion, the Shah abdicated the [Peacock Throne](http://en.wikipedia.org/wiki/Peacock_Throne) and fled Iran on 16 January 1979. Despite decades of pervasive surveillance by SAVAK, working closely with CIA, the extent of public opposition to the Shah, and his sudden departure, came as a considerable surprise to the US intelligence community and national leadership. As late as 28 September 1978 the US Defense Intelligence Agency reported that the Shah "is expected to remain actively in power over the next ten years."

Explanations for why Mohammad Reza was overthrown include that he was a dictator put in place by a non-[Muslim](http://en.wikipedia.org/wiki/Muslim) Western power, the United States, whose foreign culture was seen as influencing that of Iran. Additional contributing factors included reports of oppression, brutality, corruption, and extravagance. Basic functional failures of the regime have also been blamed – economic bottlenecks, shortages and inflation; the regime's over-ambitious economic program; the failure of its security forces to deal with protest and demonstration; the overly centralized royal power structure. International policies pursued by the Shah in order to increase national income by remarkable increases of the price of oil through his leading role in the [Organization of the Oil Producing Countries](http://en.wikipedia.org/wiki/OPEC) (OPEC) have been stressed as a major cause for a shift of Western interests and priorities and for an actual reduction of their support for him reflected in a critical position of Western politicians and media, especially of the administration of U.S. President [Jimmy Carter](http://en.wikipedia.org/wiki/Jimmy_Carter), regarding the question of human rights in Iran, and in strengthened economic ties between the United States of America and Saudi Arabia in the 1970s.

In October 1971, Mohammad Reza Shah Pahlavi celebrated the twenty-five-hundredth anniversary of the Iranian monarchy. The [*New York Times*](http://en.wikipedia.org/wiki/The_New_York_Times) reported that $100 million was spent. Next to the ancient ruins of [Persepolis](http://en.wikipedia.org/wiki/Persepolis), the Shah gave orders to build a [tent city](http://en.wikipedia.org/wiki/Tent_city) covering 160 acres (0.65 km2), studded with three huge royal tents and fifty-nine lesser ones arranged in a star-shaped design. French chefs from [Maxim's](http://en.wikipedia.org/wiki/Maxim%27s_Paris) of Paris prepared breast of peacock for royalty and dignitaries around the world, the buildings were decorated by [Maison Jansen](http://en.wikipedia.org/wiki/Maison_Jansen) (the same firm that helped [Jacqueline Kennedy](http://en.wikipedia.org/wiki/Jacqueline_Kennedy) redecorate the [White House](http://en.wikipedia.org/wiki/White_House)), the guests ate off [Limoges porcelain](http://en.wikipedia.org/wiki/Limoges_porcelain) china and drank from [Baccarat](http://en.wikipedia.org/wiki/Baccarat_%28company%29) crystal glasses. This became a major scandal as the contrast between the dazzling elegance of celebration and the misery of the nearby villages was so dramatic that no one could ignore it. Months before the festivities, university students went on strike in protest. Indeed, the cost was so sufficiently impressive that the Shah forbade his associates to discuss the actual figures. However he and his supporters argue that the celebrations opened new investments in Iran, improved relationships with the other leaders and nations of the world, and provided greater recognition of Iran.

Other actions that are thought to have contributed to his downfall include antagonizing formerly apolitical Iranians — especially merchants of the bazaars — with the creation in 1975 of a [single party](http://en.wikipedia.org/wiki/Single_party) political monopoly (the *Rastakhiz* Party), with compulsory membership and dues, and general aggressive interference in the political, economic, and religious concerns of people's lives; and the 1976 change from an Islamic calendar to an Imperial calendar, marking the conquest of [Babylon](http://en.wikipedia.org/wiki/Babylon) by [Cyrus](http://en.wikipedia.org/wiki/Cyrus_the_Great) as the first day, instead of the migration of the Prophet [Muhammad](http://en.wikipedia.org/wiki/Muhammad) from [Mecca](http://en.wikipedia.org/wiki/Mecca) to [Medina](http://en.wikipedia.org/wiki/Medina). This supposed date was designed that the year 2500 would fall on 1941, the year when his own reign started. Overnight, the year changed from 1355 to 2535. During the extravagant festivities to celebrate the 2500th anniversary, the Shah was quoted as saying at Cyrus's tomb: "Rest in peace, Cyrus, for we are awake".

It has been argued that the [White Revolution](http://en.wikipedia.org/wiki/White_Revolution) was "shoddily planned and haphazardly carried out", upsetting the wealthy while not going far enough to provide for the poor or offer greater political freedom.

Some achievements of the Shah—such as broadened education—had unintended consequences. While school attendance rose (by 1966 the school attendance of urban seven- to fourteen-year-olds was estimated at 75.8%), Iran's labor market could not absorb a high number of educated youth. In 1966, high school graduates had "a higher rate of unemployment than did the illiterate", and educated unemployed often supported the revolution.

**Black Friday**

The Shah-centered command structure of the Iranian military, and the lack of training to confront civil unrest, was marked by disaster and bloodshed. There were several instances where army units had opened fire, the most notorious one being the events of 8 September 1978. On this day, which later became known as "[Black Friday](http://en.wikipedia.org/wiki/Black_Friday_%281978%29)", thousands had gathered in Tehran's Jaleh Square for a religious demonstration. With people refusing to recognize martial law, the soldiers opened fire, killing and seriously injuring a large number of people. Black Friday played a crucial role in further radicalizing the protest movement. This massacre seriously reduced the chances for reconciliation to the level that Black Friday is referred to as *point of no return* for the revolution.

Revolution

The overthrow of the Shah came as a surprise to almost all observers. The first militant anti-Shah demonstrations of a few hundred started in October 1977, after the death of Khomeini's son Mostafa. A year later strikes were paralyzing the country, and in early December a "total of 6 to 9 million"—more than 10% of the country—marched against the Shah throughout Iran. On 2 October 1978, the Shah declared and granted an amnesty to dissidents living abroad, including [Ayatollah Khomenei](http://en.wikipedia.org/wiki/Ayatollah_Khomenei).

On 16 January 1979, he made a contract with Farboud and left Iran at the behest of Prime Minister [Shapour Bakhtiar](http://en.wikipedia.org/wiki/Shapour_Bakhtiar) (a long time opposition leader himself), who sought to calm the situation. Spontaneous attacks by members of the public on statues of the Pahlavis followed, and "within hours, almost every sign of the Pahlavi dynasty" was destroyed. Bakhtiar dissolved [SAVAK](http://en.wikipedia.org/wiki/SAVAK), freed all political prisoners, and allowed Ayatollah Khomeini to return to Iran after years in exile. He asked Khomeini to create a [Vatican](http://en.wikipedia.org/wiki/Vatican_City)-like state in[Qom](http://en.wikipedia.org/wiki/Qom), promised free elections, and called upon the opposition to help preserve the constitution, proposing a "national unity" government including Khomeini's followers. Khomeini rejected Bakhtiar's demands and appointed his own interim government, with [Mehdi Bazargan](http://en.wikipedia.org/wiki/Mehdi_Bazargan) as prime minister, stating that "I will appoint a state. I will act against this government. With the nation's support, I will appoint a state." In February, pro-Khomeini revolutionary guerrilla and rebel soldiers gained the upper hand in street fighting, and the military announced its neutrality. On the evening of 11 February, the dissolution of the monarchy was complete.

Exile and death

During his second exile, Mohammad Reza Pahlavi traveled from country to country seeking what he hoped would be temporary residence. First he flew to [Assuan](http://en.wikipedia.org/wiki/Assuan), [Egypt](http://en.wikipedia.org/wiki/Egypt), where he received a warm and gracious welcome from President [Anwar El-Sadat](http://en.wikipedia.org/wiki/Anwar_El-Sadat). He later lived in [Morocco](http://en.wikipedia.org/wiki/Morocco) as a guest of King [Hassan II](http://en.wikipedia.org/wiki/Hassan_II), as well as in the [Bahamas](http://en.wikipedia.org/wiki/Bahamas), and in [Cuernavaca](http://en.wikipedia.org/wiki/Cuernavaca), [Mexico](http://en.wikipedia.org/wiki/Mexico_City), near [Mexico City](http://en.wikipedia.org/wiki/Mexico_City), as a guest of [José López Portillo](http://en.wikipedia.org/wiki/Jos%C3%A9_L%C3%B3pez_Portillo). [Richard Nixon](http://en.wikipedia.org/wiki/Richard_Nixon), the former president, visited the Shah in summer 1979 in Mexico. The Shah suffered from [gallstones](http://en.wikipedia.org/wiki/Gallstones) that would require prompt surgery. He was offered treatment in [Switzerland](http://en.wikipedia.org/wiki/Switzerland), but insisted on treatment in the United States.

On 22 October 1979, President [Jimmy Carter](http://en.wikipedia.org/wiki/Jimmy_Carter) reluctantly allowed the Shah into the United States to undergo surgical treatment at the [New York–Weill Cornell Medical Hospital](http://en.wikipedia.org/wiki/NewYork%E2%80%93Presbyterian_Hospital). While in Cornell Medical Center, Mohammad Reza Shah Pahlavi used the name "[David D. Newsom](http://en.wikipedia.org/wiki/David_D._Newsom)" as his temporary code name, without Newsom's knowledge.

The Shah was taken later by [U.S. Air Force](http://en.wikipedia.org/wiki/U.S._Air_Force) jet to [Kelly Air Force Base](http://en.wikipedia.org/wiki/Kelly_Air_Force_Base) in [Texas](http://en.wikipedia.org/wiki/Texas) and from there to [Wilford Hall Medical Center](http://en.wikipedia.org/wiki/Wilford_Hall_Medical_Center) at [Lackland Air Force Base](http://en.wikipedia.org/wiki/Lackland_Air_Force_Base). It was anticipated that his stay in the United States would be short; however, surgical complications ensued, which required six weeks of confinement in the hospital before he recovered. His prolonged stay in the United States was extremely unpopular with the revolutionary movement in Iran, which still resented the United States' overthrow of [Prime Minister Mosaddegh](http://en.wikipedia.org/wiki/Mosaddegh) and the years of support for the Shah's rule. The Iranian government demanded his return to Iran, but he stayed in the hospital

There are claims that this resulted in the storming of the U.S. Embassy in Tehran and the kidnapping of American diplomats, military personnel, and intelligence officers, which soon became known as the [Iran hostage crisis](http://en.wikipedia.org/wiki/Iran_hostage_crisis). In the Shah's memoir, [*Answer to History*](http://en.wikipedia.org/wiki/Answer_to_History), he claimed that the United States never provided him any kind of health care and asked him to leave the country.

He left the United States on 15 December 1979 and lived for a short time in the [Isla Contadora](http://en.wikipedia.org/wiki/Isla_Contadora) in Panama. This caused riots by Panamanians who overwhelmingly objected to the Shah being in their country. Panamanians viewed it as their country being used as a stoogeof the United States. The [new government](http://en.wikipedia.org/wiki/The_Interim_Government_of_Iran) in Iran still demanded his and [his wife's](http://en.wikipedia.org/wiki/Farah_Pahlavi) immediate extradition to Tehran. A short time after Mohammad Reza Pahlavi's arrival in Panama, an Iranian ambassador was dispatched to the Central American nation carrying a 450-page extradition request. That official appeal greatly alarmed both the Shah and his advisors. Whether the Panamanian government would have complied is a matter of speculation among historians.

After that event, the Shah again sought the support of Egyptian president Anwar El-Sadat, who renewed his offer of permanent asylum in Egypt to the ailing monarch. He returned to Egypt in March 1980, where he received urgent medical treatment, including a splenectomy performed by [Michael DeBakey](http://en.wikipedia.org/wiki/Michael_DeBakey), but nevertheless died from complications of [Waldenström's macroglobulinemia](http://en.wikipedia.org/wiki/Waldenstr%C3%B6m%27s_macroglobulinemia) (a type of [non-Hodgkin lymphoma](http://en.wikipedia.org/wiki/Non-Hodgkin_lymphoma)) on 27 July 1980, aged 60. Egyptian President Sadat gave the Shah a state funeral.

Mohammad Reza Pahlavi is buried in the [Al Rifa'i Mosque](http://en.wikipedia.org/wiki/Al_Rifa%27i_Mosque) in Cairo, a mosque of great symbolic importance. The last royal rulers of two monarchies are buried there, Mohammad Reza Shah Pahlavi of Iran and King [Farouk of Egypt](http://en.wikipedia.org/wiki/Farouk_of_Egypt), his former brother-in-law. The tombs lie to the left of the entrance. Years earlier, his father and predecessor, [Reza Shah](http://en.wikipedia.org/wiki/Reza_Shah) had also initially been buried at the Al Rifa'i Mosque.

Wealth

Mohammad Reza Pahlavi inherited the wealth built by his father [Reza Shah](http://en.wikipedia.org/wiki/Reza_Shah) who preceded him as king of Iran and became known as the richest person in Iran during his reign, with his wealth estimated to be higher than 600 million rialsand including vast amounts of land and numerous large estates specially in the province of [Mazandaran](http://en.wikipedia.org/wiki/Mazandaran) obtained usually at a fraction of its real price. Reza Pahlavi facing criticism for his wealth decided to pass on all of his land and wealth to his eldest son Mohammad Reza in exchange for a sugar cube, known in [Iran](http://en.wikipedia.org/wiki/Iran) as *habbe kardan*. However shortly after obtaining the wealth Mohammad Reza was ordered by his father and then king to transfer a million tooman or 500,000 dollars to each of his siblings. By 1958 it was estimated that the companies possessed by Mohammad Reza Pahlavi had a value of $157 million (in 1958 USD) with an estimated additional 100 million saved outside Iran. The rumors and constant talk of his, and his family's corruption greatly damaged his reputation and lead to the creation of the [Pahlavi Foundation](http://en.wikipedia.org/w/index.php?title=Pahlavi_Foundation&action=edit&redlink=1) in the same year and the return of some 2,000 villages inherited by his father back to the people often at very low and discount prices, however it can be argued that this was too little too late as the royal family's wealth and corruption can be seen as one of the factors behind the [Iranian revolution](http://en.wikipedia.org/wiki/Iranian_revolution) in 1979. Mohammad Reza Shah Pahlavi's wealth was even considerable during his time in exile. While staying in the [Bahamas](http://en.wikipedia.org/wiki/Bahamas) he offered to purchase the island that he was staying on for $425 million (in 1979 USD), however his offer was rejected by the [Bahamas](http://en.wikipedia.org/wiki/Bahamas) claiming that the island was worth far more. On 17 October 1979 again in exile and perhaps knowing the gravity of his illness he split up his wealth between his family members, giving 20% to Farah, 20% to his eldest son Reza, 15% to Farahnaz, 15% to Leila, 20% to his younger son, in addition to giving 8% to Shahnaz and 2% to his granddaughter Mahnaz Zahedi.

On 14 January 1979, an article titled "Little pain expected in exile for Shah" by The Spokesman Review newspaper found that the Pahlavi dynasty had amassed one of the largest private fortunes in the world; estimated at well over $1 billion at the time. A list submitted to the ministry of justice in protest of the royal family's penetration of every corner of the nation's economy detailed that the Pahlavi dynasty dominated the economy of Iran at the time. The list showed that the Pahlavi dynasty had interests in, amongst other things, 17 banks and insurance companies, including a 90 percent ownership in the nation's third-largest insurance company, 25 metal enterprises, 8 mining companies, 10 building materials companies, including 25 percent of the largest cement company, 45 construction companies, 43 food companies, and 26 enterprises in trade or commerce, including a share of ownership in almost every major hotel in Iran. According to another source, the Pahlavis owned 70 percent of the hotel capacity in the country at the time. Much of the Pahlavi dynasty fortune was required to be transferred to the "Pahlavi Foundation", a charitable organization and the families' trust. The organization refuses to give any value of its assets or an annual income but a published book in Iran by Robert Graham, a British journalist, calculates that on the basis of its known holdings, the foundation assets totaled over $2.8 billion at the time.

In Iran alone the Pahlavi foundation owned four leading hotels—the Hilton, the Vanak, the Evin and the Darband. The foundation gained international attention for purchasing the DePinna building on [Fifth Avenue](http://en.wikipedia.org/wiki/Fifth_Avenue), New York, at the time in 1975 valued at $14.5 million. Such investment in a foreign market by the Pahlavi foundation gained media attention because in order to do such foreign investment the foundation had to register as an American charitable foundation with the declared aim of using the rental to pay for Iranian students studying in America. The advantage of such charitable status was that the U.S. authorities could not investigate the books of the Pahlavi Foundation in Iran.

Mohammad Reza Shah Pahlavi was also known for his interest in cars and had a personal collection of 140 [classic](http://en.wikipedia.org/wiki/Classic_Car_Club_of_America) and [sports car](http://en.wikipedia.org/wiki/Sports_car)s including a [Mercedes-Benz 500K](http://en.wikipedia.org/wiki/Mercedes-Benz_500K) coupe, one of only six ever made.