POLITICAL PROSPECTS IN IRAN

I. Mossadeq decrees nationwide referendum:
   A. Decree issued on 25 July.
   B. Referendum will decide if present Majlis should be abolished.
   C. May be held as early as 5 August.

II. Referendum expected to dissolve Majlis:
   A. Proposed referendum actually illegal, only shah can dissolve Majlis.
   B. Tudeh will support Mossadeq.
   C. Nonsecret ballot makes it possible for Mossadeq's supporters to influence the voters.
   D. Referendum will probably approve dissolution of Majlis.

III. Mossadeq can rule as dictator until new elections:
   A. Full powers previously granted Mossadeq are valid until January 1954.
   B. He has previously made the Majlis share responsibilities.
   C. Therefore, new elections are expected.

IV. Communists will probably gain from new elections:
   A. Tudeh party will probably run its candidates under front organizations, or even under Mossadeq's banner.
   B. Probably can elect some of its candidates in Tehran.
   C. Other cities, such as Isfahan, might also return Communist deputies.
   D. In districts where Tudeh is weak, it will probably support Mossadeq.
V. Opposition expected to elect some deputies:

A. Mossadeg faces considerable moderate and rightist opposition grouped around shah.

B. A united opposition including tribal chiefs, army officers, landlords and Kashani's religious fanatics might defeat Mossadeg.

C. At any rate, in rural districts the opposition will probably have some success since only wholesale terrorism could completely defeat them.

VI. New Majlis no solution to Mossadeg's problems:

A. Mossadeg will rule alone for several months before new elections can be held.

B. In new Majlis, Mossadeg may control a larger group.

C. He will still face an opposition bloc.

D. Tudeh will be urging Mossadeg to move toward policies while waiting for a chance to take over.

E. Possibility of Tudeh members in Mossadeg's cabinet.

VII. Mossadeg vacillates:

A. He is reportedly undecided and extremely nervous.

B. However, he claims that people will support him.

C. Mossadeg has an almost miraculous ability to recoup.

D. Only Tudeh, however, has a sense of purpose and a clear doctrine.

VIII. Mossadeg's statement

"You cannot crush the will of the people--look at what happened in China."