Controversial Leader, 86, Nationalized Oil Industry in '51, Stirring Storm

TEHERAN, Iran, March 5 (AP)—Dr. Mohammad Mossadegh, former Premier of Iran, died today at the age of 86.

A spokesman at Majmaeh Hospital said death had resulted from intestinal bleeding. A chronic illness he had suffered for 12 years.

On the orders of Shah Mohammad Reza Pahlavi, he was brought to Teheran several months ago for treatment of a similar condition. He was taken to the hospital March 1 for intestinal bleeding. Doctors did not operate because of his age, a hospital spokesman said.

Overthrown in Rioting

For two turbulent years, Mohammad Mossadegh prevailed as the mercenary Premier of Iran, until he was overthrown in riotous street fighting in 1953. A frail, bald, hawk-nosed man, Dr. Mossadegh rose to power in 1951 and quickly became a controversial center of international attention as he nationalized Britain's vast oil holdings in Iran. His regime was marked by extreme nationalism and intense emotionalism that brought Iran to the brink of political chaos and economic ruin.

Dr. Mossadegh frequently appeared in public wearing pajamas, and often burst into sobs or open weeping while speaking to his people or to reporters. Through much of his regime, he held cabinet meetings while propped up in bed by three pillows and nourished by transfusions of American blood plasma. He favored pajamas, occasionally covered by a fawn-colored jacket, during those sessions.

Some observers attributed his odd dress and behavior to his chronic frail health. Others saw in his actions an obvious attempt at sympathy and political support.

Iran's Parliament gave Dr. Mossadegh wide-ranging powers to cope with the deteriorating economic situation that resulted from the seizure of the British oil interests, but opposition to his leadership mounted and Shah Mohammed Reza Pahlavi tried to dismiss him as Premier.

Refused Dismissal

The wispy but iron-willed Dr. Mossadegh refused to accept the dismissal order, however, and the young Shah fled the country. A royalist uprising soon returned the Shah to the capital as Premier Mossadegh was toppled on Aug. 19, 1953.

Agents of the Central Intelligence Agency reportedly played a key role in the overthrow of Dr. Mossadegh.

The C.I.A. operation was said to have been directed by Kermit Roosevelt, grandson of President Theodore Roosevelt. Mr. Roosevelt is supposed to have slipped into Iran secrecy and masterminded the coup from a basement hiding place.

The United States has never admitted the C.I.A.'s role, but Allen W. Dulles, director of the agency at the time of the coup, testified at its trial.

In a telecast on the Columbia Broadcasting System in 1962, he was asked whether it was true that the C.I.A. people spent literally millions of dollars hiring people to riot in the streets and do other things to get rid of Mossadegh?

"It can't be denied that is utterly false,"

Nevertheless, on May 1, 1951, Dr. Mossadegh's law placing Iran's oil industry under state control went into effect. The vast oil refining complex of the British-controlled Anglo-Iranian Oil Company at Abadan was the largest installation involved.

Dr. Mossadegh's father was Minister of Finance for 30 years to the Kajar Shahs, and his mother was a cousin of a Shah. After working for a few years in the office of the Iranian Collector of Taxes, he entered the School of Political Science at the University of Lausanne in Switzerland.

Returning to Iran, Dr. Mossadegh held minor posts in connection with Government finance and by 1917 was Under Secretary of Taxes. He was a member of two reform Parliaments in the nineteen-twenties.

After his dismissal in 1953, he was sentenced to three years of solitary confinement after a trial that lasted more than a month. He was released from prison in 1956, but remained under house arrest for many years in precisely isolation on his estate west of Teheran.

The Islamic Revolution in 1979 brought back some of the Shah's opponents, and in 1980 his supporters unsuccessfully opposed the Shah's plans for land and elections.

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