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Secretary of Defense Trip to the Middle East

Paper for PRC Discussion

February 1, 1979

This paper is cast in the form of an agenda for Secretary Brown's dialogue in the Middle East in order to more sharply focus the PRC discussion.

In meetings with leaders of Israel, Saudi Arabia, Egypt, and Jordan Secretary Brown should seek to accomplish the following:

General Objectives

First, to foster a new strategic perspective, in recognition that the instability in Iran has created a new security situation in which the moderate states stand at the center, against a background of more active U.S. participation. In this connection, however, it should be made clear that the degree to which the U.S. can effectively increase its regional security role will depend in great measure on the degree to which the moderate states can cooperate with each other. (In a similar way, the ability of the Western Europeans to overcome old enmities has provided the basis for far-reaching U.S. support for Western Europe's security.)

Second, to promote greater cooperation among these moderate governments based on their common interest in preventing Soviet penetration and in checking Arab radicalism. It should be emphasized that the United States shares these objectives; that these are objectives held in common by Israel and the moderate Arabs; that only by pulling together can the objectives be achieved; and that a peaceful resolution of the Arab-Israeli conflict is essential to reaching these goals, in particular because the conflict exacerbates the Palestinian radicalism and Soviet meddling which Egypt, Saudi Arabia and Jordan fear.

Third, to provide assurance that the United States supports the security and territorial integrity of the nations individually. To this end emphasis should be given to the strength and determination of the United States and our worldwide strategic posture vis-à-vis the U.S.S.R.; our deep interest in the security concerns of each country; and our willingness to expand our bilateral security relationships in certain ways, as further indicated below.

Saudi Arabia

Saudi Arabia perceives the trend in power and initiative in the Middle East moving from the United States toward the Soviet Union. A

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specific objective is to shift this psychological balance in our favor, to strengthen Saudi confidence in the security relationship with the United States, and in the process to move Saudi Arabia toward more constructive and cooperative relationships with the United States and with the moderate states of the region. Secretary Brown should:

1. Discuss with the Saudis the nature of the "special" relationship they say they desire.
2. Commit the United States to expanded and more systematic security consultations, including in principle some degree of joint contingency planning provided it is understood that such planning in no way commits the United States.
3. Agree in principle to present to the Congress the Saudi requests for air munitions, subject to a later decision as to timing of the submission; and agree in principle to provide equipment to modernize two additional army brigades, and equipment and support to modernize five national guard battalions, the details to be developed via the expanded security consultations.
4. Agree in principle to continue our joint cooperation in third country military assistance programs, including for the first time at least nominal U.S. financial participation, the details to be developed in the course of our security consultations.
5. Explore without commitment the question of oil field security.
6. Explore without commitment the degree of Saudi interest in an American security presence (intelligence and/or military facilities).

In conversations with Saudi leaders it should be emphasized that it is vital that American policy have the support of the Congress and the American people, and that in this regard closer U.S.-Saudi security relations are in considerable measure dependent for their success upon U.S.-Saudi cooperation in the peace process and on economic issues, on both of which recent Saudi action has been disappointing.

Egypt

President Sadat has concluded that Egypt can play a constructive regional role in support of moderate states and in limiting Soviet

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influence, provided a peace treaty with Israel can be achieved and Egypt receives American support. Egyptian leaders should be encouraged in this direction and we should begin the development of a close U.S.-Egyptian security relationship for the post-treaty environment. Specifically Secretary Brown should:

1. Discuss with the Egyptians the central role they play in regional security and the broad outlines of a U.S.-Egyptian security relationship beginning with a joint assessment of the strategic implications for the Middle East and Africa of the instability of Iran.

2. Commit the United States to systematic security consultation with Egypt.

3. Agree to send a DOD survey team to Egypt to review Egyptian military requirements in the post-peace treaty environment.

4. Agree in principle to the provision of FMS credits for Egypt, and to support Egypt's requests to Saudi Arabia for financial assistance to meet legitimate security needs.

5. Agree to present to the Congress Egyptian arms requests for 800 armored personnel carriers, 2 destroyers and 2 diesel submarines.

In conversations with Egyptian leaders it should be emphasized that a peace treaty between Israel and Egypt is essential if we are to obtain the broad American Congressional and public support necessary to the development of a close security relationship between our two countries.

Israel

Israel wants reassurance that the United States commitment to its security continues, notwithstanding political differences with regard to the peace negotiations, and that American arms supply and financial assistance will remain at substantial levels. In meetings with Israeli leaders, principal objectives are to (a) provide assurance, in general terms, of continuing American support for these Israeli objectives, (b) gain understanding from Israeli leaders of their security problems, especially those that would arise from Israeli withdrawal from the West Bank, with the aim of finding solutions that permit withdrawal, and (c) encourage Israeli leaders to develop a regional approach to security matters, building on the common interest of Israel and the moderate Arab states in excluding hostile Soviet and radical Arab influence from the area. Specifically Secretary Brown should:

1. Seek Israel's support for U.S. security relationships with Saudi Arabia and Egypt.

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2. Commit the United States to systematic security consultations with Israel, (including in principle joint contingency planning, if requested, provided it is understood that such planning in no way commits the United States).

3. Agree in principle to continue to support arms supply requirements, including MATMON C, for the purpose of modernizing but not for expanding Israeli forces. As appropriate, agree to present to Congress Israeli requests for up to 960 APC's and 200 M109/SP Howitzers. Agree in principle to the future delivery of 700 AIM 9L missiles.

4. Agree, in principle and subject to the approval of Congress, to provide financial support of up to \$1 billion in loans and essential U.S. managerial and technical assistance, for the relocation of two Israeli air bases from the Sinai.

5. Agree in principle to provide equipment and technical assistance in overcoming the loss of intelligence and early warning stemming from Sinai withdrawal, the details to be developed in the course of the aforementioned security consultations.

6. The air base relocation aside, reject Israeli requests for financial assistance in excess of the \$1 billion in FMS and \$785 million in security supporting assistance insofar as FY 1980 is concerned.

In conversations with Israeli leaders it should be emphasized that the U.S. believes that Israel can effectively cope with any reasonably conceivable Arab threat for the next several years and that, while the U.S. is committed to Israel's security, it sees no need to expedite a response to the full range of requests the Israelis have made.

Jordan

Jordan is anxious about its security and long-term future in the context of peace negotiations, and is concerned that the United States is not sufficiently sensitive to the precarious position of King Hussein as he negotiates among the Saudis and other moderate Arabs, the radical Arabs, and the Israelis. The King will be seeking both general assurance of American support and specific commitments to supply arms of greater sophistication. Secretary Brown should (a) encourage the King toward early participation in the peace negotiations, and (b) hold open to him the prospect of greater U.S. assistance in meeting his legitimate security needs during the transition of the West Bank to a new status. The Secretary should specifically:

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1. Discuss Jordan's security requirements now and during a period of protracted negotiations about the future of the West Bank.

2. Agree to consider Jordan's additional defense needs, but without commitment to a favorable outcome.

3. Agree to detailed Defense consultations through the existing Joint Military Commission in the spring with regard to Jordan's security requirements in the context of a peace negotiation.

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PRC Meeting - Saudi Arabia

February 1, 1979

DISCUSSION PAPER

Linkages in the US-Saudi Relationship

Over a decade ago Yamani described Aramco to a group of Arab students bent on nationalism as a "milk cow" which should be gentled and made to feel secure in order better to exploit it. In seeking the proper nuance in our relationship with Saudi Arabia it might be useful to keep this simile in mind. For by seeking to bind the Saudi cow too tightly or to pressure it, we risk damaging the quality of its productivity in terms of our own interests. The trick rather is to seek to gently persuade the cow toward greener pastures where we both may prosper.

The essence of the relationship we have developed with the Saudis over many years has been one of linkage in the broader sense in which the Saudis have perceived a need for assurances of American support for their security, not only in terms of our willingness to supply arms, but also in a broader US implied commitment to the Kingdom's territorial integrity. To the extent the Saudis have been confident in this relationship, and free from constraints of the Arab political environment in pursuing it, they in turn have been inclined to be sympathetic to our concerns in the economic sphere.

But each aspect of our relationship has been most fruitful when the Saudis could see strong elements of common interest in their cooperation with us. For instance, in areas such as Saudi support for the dollar, expansion of commercial relations, and working together to build stability in surrounding countries, the degree of US-Saudi cooperation appears to be still well within the limits of mutual interest, and Saudi responses to our requests for help come easily.

At present, however, the relationship is under some strain precisely because on each side we and the Saudis are pressing for a degree of cooperation in certain areas which pushes at the limits of common interest. The Saudis appear to be seeking a security commitment from us that is

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broader in scope and more specific than public and Congressional support for the relationship in this country will permit. We in turn have pushed for a degree of Saudi support in the peace process which apparently is greater than the Saudi leadership feels national interest will permit it to give. There are, moreover, indications that the Saudi perception of national interest is beginning to place limits on how far the Saudi government will go in responding to our concerns about oil supply and pricing.

The strategy for obtaining what we want from Saudi Arabia, therefore, would seem to lie in seeking to strengthen Saudi perceptions of mutual interests in specific areas while at the same time endeavoring to fortify the Saudi sense that their cooperation with us in certain areas strengthens our ability to be helpful to them in others. To pursue this strategy soundly, however, it is important that we not overreach and press for more than the Saudis might realistically be inclined to give.

During Secretary Brown's February visit to Saudi Arabia and Crown Prince Fahd's subsequent visit to Washington in March we need to carefully develop this strategy. Our focal point must be intensified Saudi concern about regional security. During the Brown visit we should seek to convince the Saudis of our sensitivity to their security concerns, and to try to have the Saudis delineate their perceptions with greater clarity; at the same time, however, we should not try to camouflage deficiencies, where they exist, between Saudi and US perceptions of the immediate threats to Saudi security. In addition, we should articulate how our global policies serve to protect the security of the region. This would set the stage for a Fahd visit in which the President could use the Saudi security concern as a point of departure for stressing the theme that Saudi cooperation in the peace process and in oil and financial matters will serve Saudi security and our ability to bolster it. In setting the stage Secretary Brown could foreshadow this theme while leaving our detailed pursuit of it for Fahd's visit to Washington.

On embarking on such a strategy we need a fairly clear picture of how far we can go in meeting Saudi security concerns and how far the Saudis might go in meeting our needs in the peace process and on the economic questions. At this point it seems unlikely the Saudis can be brought to urge effectively Palestinian or

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Jordanian participation in the West Bank/Gaza negotiations or to publicly support the Camp David process. We can, however, realistically seek continued strong Saudi financial support for Sadat after the conclusion of an Egyptian/Israeli treaty, as well as a refraining from public criticism of the treaty or our continuing peace efforts. We can expect continued Saudi support for the dollar, if we demonstrate determination in our own policies to strengthen it. Assuming our own national energy policy is convincing, it is realistic to urge continued Saudi oil production at full capacity to meet the Iranian shortfall and Saudi efforts to keep the price of oil at the levels agreed by OPEC for 1979, but it should be understood that market pressures have already permitted some OPEC countries and oil countries to charge premiums on crude in excess of prices scheduled. Should these pressures continue, the Saudis will find it costly (to them) to continue to produce at current prices. It is not realistic in the light of the current and projected market, to expect the Saudis to try to postpone the scheduled OPEC increases. It is highly unlikely that the Saudis would make in the near future a long term commitment to increase productive capacity to the specific levels which we believe the market may require by the mid-1980s. (In fact, as we proceed in our efforts we may encounter counterpressure from the Saudis for economic incentives such as indexing of assets or preferential treatment for Saudi petrochemical products.) It is possible, however, that we might persuade them in the course of the year to accelerate planned expansion which, because it will require Saudi treasury financing, will require a high level SAG commitment to capacity expansion. In determining how to approach this, however, we need to keep in mind the critical importance of our most urgent objective of full production at present capacity to help offset the Iranian cutback.

On our own side we face serious limitations in how far we can go in responding to Saudi security concerns. Furthermore, to the extent Saudi perceptions of their immediate security needs exceed our own perceptions, the Saudis are bound to see any US response as less than fully adequate. Essentially non-committal Presidential assurances of our interest in Saudi security have satisfied the Saudi leadership, but now they seem to be looking for firm commitments as to what we might do in certain security contingencies, commitments which would appear in essence to be in the nature of a defense treaty. There is a strong anti-Saudi tide running in the Congress in the wake of the Baghdad Summit and the OPEC price decision. Absent the sort

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of Saudi gesture on the peace process or oil prices which would be an unrealistic expectation, we are going to be hardpressed to defend our present relationship in the Congress. Further commitment to Saudi security, except perhaps a Presidential statement of interest in security of the region and opposition to intervention by outside powers, would seem quite unrealistic in the present atmosphere. In addition, we would have difficulty entering into a defense treaty relationship because it would reduce our flexibility to respond appropriately to the diverse threats in Saudi Arabia's security environment, including Israel.

In pursuit of this broad strategy Secretary Brown in his visit to Saudi Arabia might stress the following themes:

--We have a deep national interest in the security and orderly development of Saudi Arabia and the Arabian Peninsula;

--Our ongoing willingness to serve this mutual interest by helping Saudi Arabia meet legitimate defense needs was dramatically demonstrated in the F-15 sale;

--Our recent deployment of USAF F-15s to Saudi Arabia was further evidence of our commitment;

--We are aware of the intensity of Saudi security concerns in the light of recent events in South Arabia and Iran and the Saudi perception that the Soviet Union is taking advantage of the opportunities in the region;

--From a global perspective the US is alert to Soviet designs and fully prepared to work to maintain international peace and stability;

--In our policy toward the Soviet Union and toward other nations we are working to build and strengthen constraints, against Soviet adventures in such strategically critical areas such as the Arabian Peninsula/Persian Gulf. We wish to have a frank and detailed exchange of views with the Saudis about our respective perceptions of the real nature of the Soviet and radical threats to the regime, and about ways in which we can consult and work together to build a stronger foundation for security and orderly development in the region; at the same time, we wish to proceed in a deliberate way so that we can avoid steps which might undermine regional cooperation or which might provide an incentive for Soviet or Soviet-supported military activities in the region;

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TAGS: SCIN, SA
SUBJECT: OPEN LETTER TO PRESIDENT CARTER IN SAUDI PRESS

1. (U) ARABIC LANGUAGE NEWSPAPER OKAZ OF JAN 20 PUBLISHED
OPEN LETTER TO PRESIDENT CARTER SIGNED BY OKAZ EDITOR-IN-
CHIEF RIDH WARI. FOLLOWING IS INFORMAL EMBASSY TRANSLATION
OF THIS LETTER:

2. (U) GREETINGS FROM THE OPPRESSED TO THE OPPRESSOR.
MANY OF MY AMERICAN FRIENDS HAVE TOLD ME THAT YOUR PRESENCE AT
THE WHITE HOUSE REPRESENTS AN
NATIONAL CATASTROPHE. I HAVE ALWAYS REFUSED TO
ACCEPT THAT VIEW BECAUSE I REJECT LINKING THE U.S.
INTERNAL AND EXTERNAL ROLES. BUT I HAVE ALWAYS INSISTED
THAT DEALING WITH THE U.S. IS IN ITSELF A WORLD DIS-
ASTER. YOU WILL AGREE THAT THE SERIES OF AMERICAN
ERRORS IN THE WORLD ARE BASED ON A FEELING OF SUPER-
IORITY AS A RESULT OF HAVING SAVED EUROPE FROM NAZISM.

3. (U) MR. PRESIDENT, WE CANNOT IGNORE U.S. STUPIDITY.
THE AMERICANS INTENDED TO DOMINATE EUROPE MILITARILY
AND POLITICALLY SO AS TO MAKE THE CONTINENT A BARRIER
IN THE FACE OF THE SOVIET UNION. I DON'T KNOW,
MR. PRESIDENT, IF ISOLATIONISM IN THE U.S. HAS COM-
PELLED YOU TO IGNORE HUMAN HISTORY AND HAS LED TO
ADVERSE RESULTS IN YOUR DEALINGS WITH THE WORLD. THESE
RESULTS CAN BE SEEN IN REBELLIOUS ATTEMPTS BY DE GAULLE
IN FRANCE AND ADENAUER IN GERMANY. THEY ALSO LED TO
BUILDING BRIDGES BETWEEN EUROPE AND PEKING -- AWAY FROM
THE U.S. WITH ITS SCIENTIFIC PROGRESS, THE U.S. HAS
CANCELLED EUROPE'S ROLE IN WORLD STRATEGY. IN ORDER TO
OFFSET EUROPEAN ECONOMIC PROGRESS, THE U.S. TRIED TO
DEVALUE THE DOLLAR. IT ALSO IMPORTED OIL FROM ABROAD,
BUT QUANTITIES OF IMPORTED OIL CONSTITUTE
ONLY A PART OF TOTAL IMPORTS.

4. (U) IN FACT, MR. PRESIDENT, SUCH CHAOS IN POLITICAL
AND ECONOMIC CALCULATIONS IS DUE TO DISORDER IN THE
AMERICAN POLITICAL STRUCTURE WHERE EACH ORGAN FOLLOWS
ITS OWN POLICY. THE QUESTION IS: DO YOU KNOW WHAT IS
GOING ON IN YOUR DEPARTMENTS? BESIDES, THE DECISIONS
YOU ADOPTED AT GUADELOUPE SUGGEST THAT EITHER YOU ARE
NOT OF THE WORLD SITUATION -- WHICH IS IMPOSSIBLE --
OR ARE UN-DISCLOSED MOVES.

5. (U) ALLOW ME TO SAY, MR. PRESIDENT, THAT YOUR COUNTRY
IS PRACTISING POLITICAL SLAVERY WITHIN THE THIRD WORLD.

BY SELLING ALLIES. WE CANNOT EXPLAIN WHAT HAPPENED IN
IRAN AND WHAT IS GOING TO OCCUR IN TURKEY BECAUSE BOTH
TEHRAN AND ANKARA ARE MEMBERS OF CENTO. BY SACRIFICING
THE SHAN YOU SACRIFICED POLITICAL LEGITIMACY -- AN
ALARMING SACRIFICE. THE ONLY HEIR OF THIS LEGITIMACY IS
EITHER EXTREMIST COMMUNISM OR EXTREMIST SHIISM, BOTH OF
WHICH HAVE AMBITIONS IN THIS STRATEGIC AREA. THE FIRST
SEEKS TO CONTROL OIL RESOURCES AND THE SECOND WANTS TO
ESTABLISH A NEW SHIITE STATE. YOU WILL AGREE THAT THE ABSENCE
OF THE SHAN WOULD CREATE A POLITICAL AND STRATEGIC VACUUM
IN THE REGION, WHICH YOU AND WE WILL BE UNABLE TO FILL BY
A NEW ALLY. MORE THAN THAT, YOUR COUNTRY COULD HAVE SAVED
THE SITUATION BUT INSTEAD IT ADOPTED POLICIES WHICH BROUGHT
OPPONENTS TO POWER IN TEHRAN. YOU CANNOT EXPLAIN FOR
WHOSE SAKE THE CHANGES IN IRAN TOOK PLACE. IS THIS A
NEW SACRIFICE CAUSED BY AMERICAN STUPIDITY? OUR
CONFIDENCE IN YOU HAS BEEN SHAKEN BECAUSE WE REALIZE
THAT CIRCUMSTANCES HAVE TEMPORARILY CREATED A FRIEND-
SHIP BETWEEN US WHICH IN A MOMENT COULD TURN INTO
HOSTILITY. THESE CIRCUMSTANCES MAKE US DEAL WITH YOU
IN THE WORLD POWER GAME. WE ALSO REALIZE THAT OUR CON-
TINUED ROLE IN WORLD POLITICS DEPENDS ON OUR CONTINUED
SUPPLY OF OIL.

6. (U) IN FACT, YOUR POLICIES CAUSED THE ARABS TO HAVE
DIFFERENT AFFILIATIONS AND, DUE TO YOUR HOSTILE ROLE, NEW
POLITICAL AND IDEOLOGICAL TRENDS HAVE STARTED TO ENTER
THE AREA. THIS ATTEMPT BY YOUR COUNTRY TO DESTROY ARAB
NATIONALISM IS SIMILAR TO THE ROLE YOU PLAYED AGAINST
EUROPE. THESE FACTS ARE WELL UNDERSTOOD IN OUR REGION
AND HAVE AFFECTED OUR RELATIONS WITH YOU AND HAVE BLOKED
OUR DEVELOPMENT.

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7. (U) ARE HUMAN RIGHTS AND JUSTICE IN YOUR COUNTRY DIFFERENT FROM ELSEWHERE BECAUSE YOU BELIEVE IN THE SUPERIORITY OF AMERICAN MAN? DON'T TELL ME, MR. PRESIDENT, THAT THE MEASURES THE U.S. ADOPTS ARE MADE BECAUSE OF ZIONIST LOBBY PRESSURES - A REASONING UN-ACCEPTABLE TO US. THE THING IS THAT THERE IS A LINK BETWEEN HOLDING AND RETAINING POLITICAL OFFICE AND WINNING THE ACCEPTANCE AND AGREEMENT OF JEWISH GROUPS. THIS IS WRONG, MR. PRESIDENT. PRESIDENT EISENHOWER IGNORED ALL ZIONIST PRESSURE AND FORCED ISRAEL TO WITHDRAW FROM SINAI IN 1956. THE QUESTION IS: ARE ALL PRESIDENTS TO HAVE COME AFTER HIM, INCLUDING YOURSELF, SO WEAK THAT THEY CANNOT IGNORE ISRAELI INSTRUCTIONS? THIS IN ITSELF IS A CATASTROPHE.

9. (U) MR. PRESIDENT, THE CALL FOR THE CAMP DAVID SUMMIT WAS INTENDED FOR A PERSONAL ACHIEVEMENT, TO SERVE YOU IN THE COMING ELECTIONS. AT THAT MEETING YOU SACRIFICED ARAB INTERESTS AND CONFIRMED OUR BELIEF THAT AMERICAN ELECTIONS ARE A BARRIER AGAINST OUR NATIONAL VITAL INTERESTS. OUR STAND TOWARDS THE MEETING WAS BASED ON MODERATION BUT YOU IGNORED THAT MODERATION AND CAUSED MORE DISINTEGRATION IN THE ARAB FRONT BECAUSE OF YOUR INABILITY TO FORCE ISRAEL TO WITHDRAW FROM THE OCCUPIED ARAB LAND. CERTAINLY YOU WILL AGREE THAT THERE IS A CONNECTION BETWEEN DISRUPTION IN THE ARAB WORLD AND YOUR DIRECT AND INDIRECT ROLES. OUT OF FRIENDSHIP WITH US YOU WANT TO SELL OUR INTERESTS TO ISRAEL SO THAT THE LATTER WILL BECOME SUPERIOR IN THE AREA. PERHAPS, MR. PRESIDENT, YOUR AIM IS TO IMPOSE THAT STATE AS A UNIQUE POWER IN THE AREA TO DOMINATE THE MIDEAST, ESPECIALLY AFTER THE END OF THE IRANIAN ROLE. YOU FORGET THAT ISRAEL'S POSITION IS QUITE DIFFERENT FROM IRAN'S IN RELATION TO ACCEPTANCE IF NOT TO GEOGRAPHIC POSITION.

10. (U) MAKING ISRAEL SUPERIOR WOULD LEAD TO TWO OPPOSING WAYS AS FAR AS PEACE TALKS ARE CONCERNED. THE ARABS WOULD REFUSE TO ACT FROM A WEAK POSITION - EVEN IN OUR RELATIONS WITH YOU - AND ISRAEL WOULD REFUSE TO RETURN LAND TO ARABS.

11. (U) I BELIEVE THAT IN YOUR COUNTRY YOU CONSIDER PLAYING WITH PEOPLE'S INTERESTS AS PART OF YOUR FOREIGN POLICY. HIS EXPLAINS THAT DEALING WITH YOU IS A WORLD DISASTER. I AM NOT EXAGGERATING IN STATING THESE FACTS, ESPECIALLY WHEN YOU DECLARE THAT YOU VIEW WITH SATISFAC-

TION ALL DISASTERS IN THE WORLD. THIS IS YOUR RIGHT, BECAUSE OFFICIALLY THE U.S. HAS CONTRIBUTED TO ALL THESE DEVELOPMENTS EVER SINCE IT CAME OUT OF ITS ISOLATION. I WISH YOU WOULD GO BACK TO THAT ISOLATION. THIS IS NOT ONLY THE HOPE OF THE ARAB NATION BUT ALSO OF ALL NATIONS WHICH HAVE DEALT WITH YOU. REGARDS, RIDHA LARI.

12. (LOU) COMMENT: THE TONE OF THIS EDITORIAL IS VERY HARSH BY THE STANDARDS OF THE SAUDI PRESS, WHICH USUALLY AVOIDS DIRECT ATTACKS ON LEADERS OF FRIENDLY STATES. THIS EDITORIAL IS CLEARLY LABELLED AS LARI'S PERSONAL VIEWS, AND HE MAY NOT HAVE OFFICIAL SANCTION FOR HIS ATTACK. IN THE PAST, LARI HAS GOTTEN INTO TROUBLE FOR STATEMENTS WHICH DISPLEASED SAUDI GOVERNMENT OFFICIALS, AND WE WILL BE INTERESTED TO SEE IF THERE IS ANY OFFICIAL REACTION.

13. (LOU) LARI IS ONE OF MOST REFLECTIVE AND LIBERAL MINDED OF SAUDI JOURNALISTS. IN OCTOBER, WHILE OTHER PAPERS CRITICIZED THE CAMP DAVID ACCORDS, LARI WROTE A THOUGHTFUL EDITORIAL SUPPORTING THEM (78 JIDDA 7341). WE DO NOT KNOW WHY LARI HAS CHANGED HIS MIND ABOUT CAMP DAVID, BUT HIS ARTICLE COULD BE REFLECTION OF SAUDI DISAPPOINTMENT AT PERCEIVED U.S. FAILURE TO TAKE ACTION TO SAVE THE SHAH AND RESTORE STABILITY IN IRAN. WEST

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SAUDI OFFICIAL TAKES ISSUE WITH OPEC PRICE DECISION

CRUELISM AND US ATTITUDE TOWARDS ARAB INVESTMENT

1. (U) IN AN ARTICLE FROM THE RIYADH DAILY "AL JAZIRAH", WIDELY QUOTED IN ALL PAPERS ON JANUARY 29, 1979 DR. FAROUK AKHDAR ATTACKED RECENT CRITICISMS OF WESTERN LEADERS FOR THE RECENT OIL PRICE HIKE EFFECTED BY OPEC AND THE RASH OF PUBLICITY PORTRAYING THE ALLEGED TAKEOVER OF WESTERN ECONOMIES BY THE OPEC ARABS. A TRANSLATION OF THE ARTICLE APPEARING IN THE "ARAB NEWS" OF JANUARY 29, 1979 IS AS FOLLOWS:

2. (U) QUOTE - A SENIOR SAUDI OFFICIAL SUNDAY ATTACKED THE FREQUENTLY CRITICAL RESPONSE IN THE UNITED STATES AND EUROPEAN COUNTRIES TO THE OPEC OIL-PRICE INCREASE FOR THIS YEAR AND ALLEGATION THAT OPEC - AND ARAB - INVESTMENT IN THESE COUNTRIES REPRESENTED A THREAT TO THEIR NATIONAL SOVEREIGNTIES.

3. (U) IN AN ARTICLE IN THE RIYADH DAILY "AL-JAZIRAH", DR. FAROUK AKHDAR, SECRETARY GENERAL OF THE ROYAL COMMISSION FOR JUBAIL AND YANBU, SAID THAT THE OVERALL TEN PER CENT PRICE INCREASE, AGREED AT OPEC'S MEETING IN ABU DHABI IN DECEMBER WAS ONLY A SMALL COMPENSATION FOR THE EROSION OF PRODUCER REAL INCOME THROUGH INFLATION AND THE DECLINE IN THE VALUE OF THE DOLLAR.

4. (U) AN INCREASE OF AT LEAST FIFTY PER CENT WOULD HAVE BEEN NECESSARY FOR FULL COMPENSATION, DR. AKHDAR WROTE, CONSIDERING THAT THE REAL TRADE-WEIGHTED VALUE OF THE DOLLAR HAD DROPPED 30 PER CENT FROM ITS 1974

AKHDAR ALSO SAID THAT BUT FOR SAUDI ARABIA, THE INCREASE AT ABU DHABI MIGHT HAVE BEEN CONSIDERABLY HIGHER. "SAUDI ARABIA CONVINCED OTHER OPEC MEMBERS THAT

ANY LARGER INCREASE MIGHT HAVE HAMPERED WORLD ECONOMIC RECOVERY." THIS STAND WAS MADE CLEAR TO U.S. TREASURY SECRETARY MICHAEL BLUMENTHAL AND A NUMBER OF CONGRESSMEN WHO VISITED THE KINGDOM BEFORE THE ABU DHABI MEETING, HE SAID.

6. (U) BUT HE REFERRED TO SAUDI ARABIA'S REJECTION OF A 10 PERCENT INCREASE AT THE DC-4 MEETING IN 1977 AND THE SUBSEQUENT TWO-TIER PRICING SYSTEM FOR SIX MONTHS OF THAT YEAR WHICH "ALMOST WEAKENED THE ORGANIZATION" - AN INDICATION THAT SAUDI ARABIA WAS NOT WILLING TO RISK A SPLIT AGAIN.

7. (U) AKHDAR ALSO NOTED THE FREQUENT ATTACKS ON OPEC AS A MAJOR FACTOR IN WESTERN ECONOMIC ILLS. "WE MIGHT REMIND WESTERN COMMENTATORS THAT MILTON FRIEDMAN HIMSELF - NO PARTICULAR FRIEND OF THE ARABS - SUGGESTED THAT THE (QUADRUPLE) PRICE INCREASES OF 1973-1974 WERE DIRECTLY RESPONSIBLE FOR ONLY THREE PER CENT OF THE INCREASE IN RETAIL PRICES IN THE UNITED STATES".

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INCOMING
TELEGRAM

1100 01 JIDDA 00005 02 OF 02 291311Z
ON NEA-11

2881

JIDDA 00005 02 OF 02 291311Z

INFO OCT-01 AF-10 ARA-11 EUR-12 EA-10 ISO-00 SAA-01
SES-01 SOM-03 COM-02 PA-01 SOE-02 AID-05 CEA-01
CIAC-00 CODE-00 EB-03 DOE-15 H-01 INR-10 INT-05
L-03 NSAE-00 NSC-03 OMB-01 PM-05 ICA-11 OES-09
SP-02 SS-15 STR-01 TRSE-00 ACDA-12 7181 W
-----104105 291332Z 750

R 291031Z JAN 79
FM AMEMBASSY JIDDA
TO SECSTATE WASHDC 4695
INFO AMEMBASSY ABU DHABI
AMEMBASSY ALGIERS
USINT BAGHDAD
4734/AMEMBASSY CARACAS 197
AMEMBASSY JAKARTA
AMEMBASSY KUWAIT
AMEMBASSY LAGOS
AMEMBASSY LIBREVILLE
AMEMBASSY LONDON
AMEMBASSY MEXICO CITY
AMEMBASSY OSLO
AMEMBASSY OTTAWA
AMEMBASSY QUITO
AMEMBASSY TEHRAN
AMEMBASSY TRIPOLI
ANCONSUL DHAHRAN 1872
USLO RIYADH

NO CRITIC OF THE PRICE RISE RECALLS THE PAST SAUDI
EFFORTS TO HOLD THE LID ON OIL PRICES WHICH ADVERSELY
AFFECTED ITS OPEC RELATIONSHIPS. REGARDING INVESTMENT
IN THE US THE PRIME SAUDI COMPLAINT ABOUT FOREIGN
PRESS ARTICLES AND FEATURES IS THAT EVERY OPEC INVESTMENT
IS DESCRIBED AS ARAB AND TAKEN TO MEAN SAUDI ARABIA.
THE ABOVE ARTICLE, HOWEVER, FOR THE FIRST TIME IN
RECENT YEARS DRAWS THE UNFAVORABLE COMPARISON OF THE
ARAMCO INVESTMENT IN SAUDI ARABIA. CURRENTLY, ARAMCO-
SAUDI RELATIONS ARE MORE FRIENDLY THEN THEY HAVE EVER
BEEN AND THE COMPARISON IS NOT RECEIVED TO REFLECT
ANY PROBLEM IN RELATIONS WITH ARAMCO.

12. (LOU) NOT STATED BY DR. AKHDAR BUT OF POSSIBLE
FUTURE RETALIATORY INTEREST IS THE FACT THAT THERE
ARE NOW 400 US FIRMS WITH BRANCHES AND OFFICES IN
SAUDI ARABIA.
WEST

LIMITED OFFICIAL USE SECTION 2 OF 2 JIDDA 0005

8. (U) TURNING TO ALLEGATIONS THAT OPEC WAS "BUYING UP"
UNITED STATES AND WESTERN EUROPE, AKHDAR MADE THE
ACTUAL OPEC INVESTMENT IN THE UNITED STATES IN 1977
MEASURED ONLY \$35 BILLION OF OF A TOTAL FINANCIAL
INVESTMENT THERE OF \$3,300 BILLION.
-- OPEC DOES NOT OWN EVEN ONE PER CENT OF THE STOCK OF
QUOTED AMERICAN COMPANIES.
-- OPEC HOLDINGS OF U.S. TREASURY PAPER DO NOT EXCEED TEN
PER CENT OF TOTAL HOLDINGS BY NON-AMERICANS.
-- TOTAL OPEC DEPOSITS IN U.S. BANKS ARE LESS THAN 2.5
PER CENT OF TOTAL ASSETS.
-- AND OPEC EURODOLLAR HOLDINGS ARE LITTLE MORE THAN
13 PER CENT OF NON-OPEC HOLDINGS.

9. (U) AKHDAR SAID THAT IT WAS CURIOUS THAT COUNTRIES
THAT PURPORT TO CHAMPION FREE TRADE AND THE CAPITALIST
SYSTEM AND CALL FOR LIFTING RESTRICTIONS TO THE FREE
FLOW OF CAPITAL SHOULD NEVERTHELESS OBJECT TO OPEC
INVESTMENT.

10. (U) "WHEN THEY SAY THAT ARAB INVESTMENT IN THE UNITED
STATES CONFLICTS WITH THE COUNTRY'S SOVEREIGNTH, THEY
MIGHT REMEMBER THAT FOR FORTY YEARS FOUR AMERICAN
COMPANIES OWNED, IN ARAMCO, THE MEANS OF PRODUCTION
OF THE GREATEST PART OF THE SAUDI NATIONAL ECONOMY.
BETWEEN 1933 AND 1973, FOUR U.S. OIL COMPANIES WHOLLY
OWNED ARAMCO AND ENJOYED AN INCOME FROM PRODUCTION
EQUAL TO APPROXIMATELY 80 PER CENT OF THE SAUDI
NATIONAL INCOME. IN 40 YEARS, THESE COMPANIES MADE
PROFITS OF EIGHT TIMES THEIR DIRECT INVESTMENT IN
ARAMCO." END QUOTE.

11. (LOU) THERE HAS BEEN WIDESPREAD CHAGRIN AMONG SAUDI
OFFICIALS AND BUSINESS LEADERS TOWARDS THE CRITICISM OF
OPEC PRICE HIKE OF DECEMBER 1978 -- BY US OFFICIALS
AND THE US PRESS. GERMANE TO EVERY DISCUSSION OF THE
SUBJECT WITH SAUDIS IS THE CONCEPT THAT NO ONE APPRECIATES
THE FACT THAT THE PRICE RISE COULD HAVE BEEN GREATER AND

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Department of State

INFORMED
TELEGRAM

FILE 01 JIDDA 2504 01 02 291303Z

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JIDDA 2504 01 02 291303Z

NEA-11

OCT-07 AF-10 100-02 ADR-12 ONB-01 10-14 SRA-01
SIS-01 CME-07 000-02 10-02 10-01 10-10 L-03
NAME-03 10-01 10-02 10-15 10-12 TRSE-02
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FM AMEMBASSY JIDDA
TO SECSTATE WASHDC 4887
INFO AID-03 WASHDC 0846
AMEMBASSY JIDDA
USINT BAGHDAD
AMEMBASSY DUBAI
AMEMBASSY CAIRO
AMEMBASSY COH
AMEMBASSY KSA
AMEMBASSY RIYADH
AMEMBASSY MUSCAT
AMEMBASSY SAUDI ARABIA
AMEMBASSY TEL AVIV
C/O RYAN
AMEMBASSY DUBAI
USICA WASHDC

CONFIDENTIAL SECTION 31 OF 02 JIDDA 0504

ELCJ JIDDA 0504 (EUGENE, H. EUGENE) GR-P
TAGS: EOPN, SP
SUBJECT: (U) SAUDI PAPER COMMENTS ON U.S. ROLE IN IRAN AND EGYPT-
ISRAEL NEGOTIATIONS

(A) JIDDA 0504 (NOTAL) (B) JIDDA 0504

1. ENGLISH-LANGUAGE ARAB NEWS OF JANUARY 27 CARRIED EDITORIAL ENTITLED "BIG POWER PLAY". TEXT OF EDITORIAL FOLLOWS.
2. (U) (U) BEGIN TEXT: THE ONCE PROUD SHAH RIGHTLY FEELS BETRAYED BY THE UNITED STATES AND PRESIDENT CARTER IN PARTICULAR. HE HAS REALIZED TOO LATE THAT HE HAS PUT ALL HIS EGGS IN ONE BASKET AND THAT HE HAS BEEN MADE TO PAY FOR IT. THE CASE OF THE SHAH ONCE MORE UNDERLINES THE DANGER OF PLAYING FAIR IN BIG POWER POLITICS BECAUSE THE BIG POWERS ARE DRIVEN BY THE SOLE MOTIVE OF PROTECTING THEIR OWN INTERESTS AT THE EXPENSE OF EVERYONE ELSE.

3. (U) THE ALTERNATIVE IS TO KEEP THE BIG POWERS AT ARM'S LENGTH AND TO COOPERATE WITH THEM ONLY TO THE POINT WHERE COOPERATION REMAINS BALANCED AND MUTUALLY ADVANTAGEOUS. THE GAME OF PLAYING ONE'S POWER AGAINST ANOTHER IS AS DAMAGING AS PLAYING WITH ONE ALONE. A SMALL NATION CAN ONLY DEPEND ON ITSELF FOR ITS OWN SURVIVAL, ASKING FOR AND ACCEPTING FAVORS FROM NO ONE BECAUSE NO NATION IS LOVED FOR ITS BLUE (EYES) BUT RATHER FOR ITS USEFULNESS TO OTHERS.

4. (U) IN IRAN, THE U.S. HAS COMMITTED THE SAME MISTAKES THAT HAVE CAUSED IT TO LOSE INFLUENCE AND INTERESTS IN MANY OTHER PARTS OF THE WORLD FROM CENTRAL AFRICA TO SOUTHEAST ASIA. AT TIMES, THE ONLY EXPLANATION BECOMES THE MOST UNDERSTANDABLE ONE - THE AMERICAN ADMINISTRATION SUFFERING A COLOR BLINDNESS THAT MAKES IT UNABLE TO TELL GREEN FROM RED.

5. (U) WHAT CONCERNS THE ARAB WORLD IS THAT THE U.S. MAY BE MAKING THE SAME MISTAKES IN THEIR REGION. RIGHT THIS WITH POSSIBLE AMERICAN/ISRAELI REPERCUSSIONS. IT IS DETERMINED TO FIGHT WITH AN EQUIVOCAL/ISRAELI POLICY THAT DENIES THE CLEAR PROPOSITION OF THE OTHER ARAB

STATED. IF A TREATY IS SIGNED, THE U.S. MAY CREATE A MORE POTENTIALLY DANGEROUS SITUATION THAN THE ONE IT HAS CREATED. AT BEST, THE PEACE TREATY WILL GIVE EGYPT A GOOD DEAL AND THE INTERESTS OF EVERY OTHER ARAB STATE. AT WORST, IT WILL GIVE EGYPT A ROTTEN DEAL AND AT THE SAME TIME DRIVE A WEDGE BETWEEN ISRAEL AND OTHER ARAB STATES. SOMEHOW, THE AMERICAN ADMINISTRATION STILL THINKS THAT IT CAN USE THE TREATY AS A FIRST STEP TOWARD GENERAL PEACE. IT STILL HOPES THAT JORDAN, THE PALESTINIANS AND OTHERS WILL EVENTUALLY BE LURED INTO SIMILAR DEALS.

6. (U) MEANWHILE, THE U.S. IS PICKED WITH ITS FRIENDS FOR NOT SUPPORTING EGYPT IN ITS NEGOTIATIONS WITH ISRAEL. INSTEAD OF EXERTING PRESSURE ON THE EGYPT GOVERNMENT TO MAKE SENSIBLE CONCESSIONS FOR PEACE THAT WOULD MAKE THE TREATY MORE PALATABLE, IT IS CRITICIZING THE MODERATE ARAB STATES FOR STAYING ON THE SIDELINES. NO ONE IN THE MIDDLE EAST WANTS PEACE MORE THAN THE MODERATE ARAB STATES WHICH ARE GENERALLY RICH COUNTRIES THAT WOULD THRIVE IN AN ERA OF CALM AND QUIET. BUT THERE ARE LIMITS TO WHAT SUCH STATES CAN BE REQUESTED TO PRODUCE

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INCOMING
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3009

PAGE 01 JIDDA 00804 02 OF 02 291302Z
ACTION NEA-11

INFO OCT-01 AF-10 ISO-00 ACDA-12 OMB-01 CIAE-00
DODE-00 PM-05 H-01 INR-10 L-03 NSAE-00 NSC-05
PA-01 SP-02 SS-15 IO-14 SAA-01 SES-01 EUR-12
TRSE-00 /105 W

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R 291033Z JAN 79
FM AMEMBASSY JIDDA
TO SECSTATE WASHDC 4693
INFO AMEMBASSY ABU DHABI
AMEMBASSY AMMAN
USINT BAGHDAD
AMEMBASSY CAIRO
AMEMBASSY DAMASCUS
AMEMBASSY DOHA
AMEMBASSY KHARTOUM
AMEMBASSY KUWAIT
AMEMBASSY MANAMA
AMEMBASSY MUSCAT
AMEMBASSY SANA 2779
AMEMBASSY TEL AVIV
USLO RIYADH
AMCONSUL DHAHRAN
USICA WASHDC

~~CONFIDENTIAL~~ SECTION 02 OF 02 JIDDA 00804

IN THE INTEREST OF THE SO-CALLED PEACE. THERE ARE
EQUAL OPPOSITE PRESSURES ON THEM (WHICH A FRIEND SHOULD
BE ABLE TO SEE) AND THERE ARE HISTORICAL AND RELIGIOUS
CONSIDERATIONS THAT WILL NOT BE SHELVED UNDER ANY CIR-
CUMSTANCES AND REGARDLESS OF THE CONSEQUENCES.

7. (U) THE CASE OF IRAN DOES NOT MAKE SUCH STATES FEAR FOR
THE FUTURE AND PREPARED TO GIVE UP THEIR PRINCIPLES.
ON THE CONTRARY, IT MAKES THEM DETERMINED TO PRESERVE
AND PROTECT THEIR INDEPENDENCE AND FREEDOM OF DECISION.
END TEXT.

8. (C) COMMENT: THIS EDITORIAL ECHOED MANY OF THE
CRITICISMS VOICED BY OKAZ EDITOR RIDHA LARI IN HIS
"OPEN LETTER TO PRESIDENT CARTER" (REF A.) THE TONE OF
THIS EDITORIAL, HOWEVER, IS MORE MODERATE AND ITS CRITI-
CISMS ARE MORE CLEARLY FOCUSED ON TWO POINTS: (1) FAIL-
URE OF THE U. S. TO FIND A WAY TO SAVE THE SHAH, WHO
PLACED ALL HIS EGGS IN THE AMERICAN BASKET AND (2) U. S.
INSISTENCE ON EGYPT-ISRAEL PEACE TREATY DESPITE WARNINGS
FROM OTHER ARABS THAT THIS WILL CREATE POTENTIALLY DANGER-
OUS SITUATION IN ARAB WORLD. EDITORIAL ALSO SEEMS TO BE
SAYING THAT ARABS SHOULD DEPEND ONLY ON THEMSELVES, KEEP
BIG POWERS AT ARM'S LENGTH, AND COOPERATE WITH EACH ONLY
TO EXTENT THAT IT BENEFITS ARABS. THIS DOES NOT SOUND TOO
DIFFERENT TO EXTENT THAT IT BENEFITS ARAB
FROM THE ALTERNATIVE THAT SAUDI LEADERS MAY BE CONSIDERING IF
THEIR TESTING AND PROBING OF U. S. INTENTIONS CONVINCE THEM
THAT THEY CANNOT RELY ON U. S. TO COME TO THEIR ASSISTANCE
WHEN THE CRUNCH COMES. (REF B).

9. (C) IN THIS CONNECTION, IT MAY BE WORTH NOTING THAT
RIDHA LARI DOES NOT APPEAR THUS FAR TO HAVE BEEN PEN-
ALIZED FOR HIS OPEN LETTER. IT MAY BE RECALLED THAT WHEN
HE WROTE HIS ARTICLE IMPLICATING U. S. IN ASSASSINATION
OF YAR PRESIDENT HAMDI, OKAZ WAS SHUT DOWN FOR THREE DAYS
AND RIDHA LARI WAS SUSPENDED FOR A WHILE. HE IS STILL
WRITING THIS TIME AND OKAZ IS STILL PUBLISHING.
WEST

~~CONFIDENTIAL~~

MEMORANDUM

OFFICE OF THE VICE PRESIDENT
WASHINGTON


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INFORMATION

Memo 171-79

February 22, 1979

MEMORANDUM FOR THE VICE PRESIDENT

FROM: Denis Clift 
SUBJECT: Foreign Policy Breakfast,
Friday, February 23, 1979

Middle East/Camp David Ministerial Talks

Secretary Vance will be coming from Camp David for the breakfast. He plans to return to Camp David following your meeting. State has assured me that, at my request, either Vance or a member of his delegation will have briefed you on this round of the Camp David talks following your return to Washington on Thursday evening and prior to the breakfast. I do not know what the President's thinking is on Camp David and the weekend. Unless the Secretary of State reports an imminent breakthrough, I continue to think it would be a mistake for the President to invest his time and prestige in the ministerial talks.

Iran

(I have asked the Situation Room to provide you with Iran and Indochina sitreps at the beginning of the breakfast.)

The wire item at Tab A reports Senator Tom Eagleton's call for Ambassador Sullivan's removal. This is a live issue, and I believe Vance will be prepared to address it.

The Cable at Tab B from Rabat, Morocco, reports tentative thinking on the part of the Shah that he may come to the U.S. in the next week or two.


We have other reports that the Shah may return to Egypt shortly (see ticker item at Tab B). I would hope this is the case, I continue to think that, while we cannot deny the Shah should he officially wish to come to the U.S., we should

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REVIEW 22 February 1999

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BY  NARA, DATE 7/21/06

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try discreetly, perhaps through intelligence channels, to make it known that it would be best for all concerned if he were to stay in Egypt or perhaps go to Switzerland rather than coming to the U.S. If the Shah goes to Egypt, I think Hermann Eilts is skilled enough to be able to deliver a sensitive message along this line to Sadat.

Saudi Arabia

With Fahd postponing his visit for health reasons, State has asked (Tab C) Ambassador West for his views on a visit by Foreign Minister Prince Saud in mid-March. I believe it is important to maintain an active dialogue with the Saudis. I recommend that you ask Vance for an update.

Indochina

1. Vance will be prepared to provide a situation report on the fighting.
2. Mike Blumenthal's trip and the question of our public posture may be discussed. The trip is going ahead. The question is how to calibrate our concern over China's actions in Vietnam, while at the same time proceeding with the economic aspects of normalization. It might be best if Hodding Carter and Jody Powell do some backgrounding on this subject so that we cast Blumenthal's trip in the most correct light.
3. Vance will be prepared to discuss the status of the United States' call for a U.N. Security Council meeting on Indochina.

Supplemental Request/Turkey

Following up on the President's Georgia Tech address, State has put together a recommended \$200 million supplemental request. It is my understanding that this contains for Turkey an additional \$100 million FMS and an additional \$30 million MAP. I fully support this additional request for Turkey. Clearly, Vest, Spiers and all concerned will have to go to the mat with Ecevit on the need for progress on Cyprus if the supplemental is approved by the President and if it is to stand any chance of approval by the Congress.

SALT

It is my understanding that your address on SALT was well received by the audience. You may wish to comment on this during the breakfast placing it in the context of the American public's attitude toward a SALT II agreement.

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PM-IRAN-EMBLETON

78JANR:IND:CE

WASHINGTON: FEB 23: REUTER - SENATOR THOMAS EMBLETON TODAY
URGED PRESIDENT CARTER TO NAME A NEW AMBASSADOR TO IRAN, SAYING
THE CONTINUED PRESENCE OF AMBASSADOR WILLIAM SULLIVAN WAS AN
IMPEDEMENT TO RELATIONS WITH THE NEW GOVERNMENT THERE.

THE MISSOURI DEMOCRAT SAID IN A SPEECH PREPARED FOR
DELIVERY IN THE SENATE: "AS THE SCOPE OF THE AMERICAN
INTELLIGENCE-GATHERING FAILURE IN IRAN BECOMES MORE CLEAR, SO
DOES THE NEED FOR A NEW AMERICAN AMBASSADOR."

HE SAID MR SULLIVAN HAD PRACTICED A "SEE NO EVIL, HEAR NO
EVIL" STYLE OF INTELLIGENCE-GATHERING AND UP TO LAST SEPTEMBER
WAS SAYING THAT "ALL IS WELL" WITH THE SHAH.

"AMBASSADOR SULLIVAN THIS MARKED HIMSELF EITHER AS THE
VICTIM OR AS THE PERPETRATOR OF OUR BLIND MAN'S DUFF FOREIGN
POLICY TOWARDS IRAN," SENATOR EMBLETON SAID. "IN EITHER EVENT,
HIS USE TO US AS AMBASSADOR TO THE NEW KHAMENI REGIME IS
ENDED."

SAYING THAT MR SULLIVAN WAS REGARDED BY FOLLOWERS OF
AYATOLLAH KHOMENI AS THE SHAH'S MAN, SENATOR EMBLETON
SAID: "THE AMBASSADOR'S CONTINUED PRESENCE IN IRAN WILL BE AN
IMPEDEMENT TO THE DEVELOPMENT OF ANY WORKING RELATIONSHIP
BETWEEN THE UNITED STATES AND THE NEW IRANIAN REGIME."
REUTER 1034

OF IMMEDIATE PRIORITY

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EXDIS DISTRIBUTE AS NODIS

EO 12065: RDS-1 2/22/89 (PARKER, RICHARD B.) OR-M

TAGS: SPEC CIVIS IP

SUBJ: (S) SHAH'S PLANS

REF: STATE 043625

1. (S) ENTIRE TEXT.

2. IRANIAN AMBASSADOR SEPAHBODY CAME TO SEE ME MORNING FEBRUARY 22 TO SAY THAT AT SHAH'S REQUEST HE WAS ASKING OFFICIALLY WHAT SORT OF RECEPTION SHAH WOULD GET IN THE U.S. HE SAID SHAH HAD DECIDED TO GO THERE WITHIN THE NEXT WEEK OR TWO. HE WOULD HAVE WITH HIM A MAXIMUM RETINUE OF THIRTY PEOPLE, AND PROBABLY SUBSTANTIALLY FEWER. THE SHAH WANTS TO KNOW THAT AT LEAST FOR THE INTERIM, I.E., UNTIL SUCH TIME AS HE GETS SETTLED, USC WILL PROVIDE PROTECTION. HE IS CONCERNED, ABOVE ALL, ABOUT THE NATURE OF HIS RECEPTION. SOME OF HIS ENTOURAGE HAVE TOLD HIM THAT DEPARTMENT SPOKESMAN HAS SAID HE WILL BE RECEIVED AS REIGNING MONARCH ON PRIVATE VISIT. SEPAHBODY HAS TOLD HIM HE, SEPAHBODY, HAS NOT HEARD THAT AND HAS CAUTIONED HIM THAT HIS EXPECTATIONS SHOULD BE MODEST. SHAH HIMSELF IS CONCERNED THAT THE USC WILL PROVE INCONSTANT.

3. I ASKED WHERE EXACTLY SHAH WANTED TO GO AND SEPAHBODY SAID SHAH WOULD LIKE SUGGESTIONS. HE WAS THINKING IN TERMS OF SOME "QUIET STATE" WHERE THE CLIMATE WAS NOT TOO EXTREME IN EITHER DIRECTION. THE SHAH OWNED NO PROPERTY IN THE U.S., ALTHOUGH HIS SISTER DID HAVE A HOUSE IN FLORIDA. HE HAD NO IDEA WHETHER IT WOULD BE ADEQUATE TO RECEIVE

***** WHSR COMMENT *****

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per 7/1/06 NSC/1tr

BY: CS NARA DATE 7/21/06

4. I CONVEYED TO SEPAHBODY THE INFORMATION IN PARAS. 2 AND 3 OF REPTEL. SEPAHBODY SAID HE DID NOT SAY ANYTHING ABOUT PROTECTION. I SAID WE HAD ALREADY SAID THAT AND WAS SURE THERE HAD BEEN NO CHANGE IN OUR POSITION. PROBLEM WAS OUR MEANS WERE LIMITED BECAUSE IT WAS STATE DEPARTMENT WHICH HAD TO ASSUME RESPONSIBILITY, BOTH IN TERMS OF PERSONNEL AND FINANCES. WE FOUND THIS HEAVY BURDEN. AS I UNDERSTOOD OUR POSITION, WE WOULD ASSUME INITIAL RESPONSIBILITY BUT EARLY ON WOULD WANT TO HAVE SHAH HIRE CONTRACT GUARDS TO DO MOST OF THE WORK. WE WOULD, I ASSUMED, RETAIN A RESIDUAL RESPONSIBILITY. (CLARIFICATION ON OUR WILLINGNESS TO MAINTAIN A POSTURE OF RESIDUAL RESPONSIBILITY, I.E., TO LEAVE AT LEAST ONE MAN WITH THE SHAH, WOULD BE VERY USEFUL).

5. SEPAHBODY, WHO IS MARRIED TO AN AMERICAN CITIZEN, SAID HE PLANNED TO ACCOMPANY THE SHAH. HE HAD RECEIVED ORDERS TO RETURN TO TEHRAN AND HAD BEEN TOLD IF HE DID NOT DO SO WITHIN 48 HOURS HE "WOULD BE IN DANGER". HE INTERPRETED THIS AS MEANING THAT AUTHORITIES WOULD DO SOMETHING TO HIS AGED PARENTS WHO ARE STILL IN TEHRAN. HE IS NOT GOING BACK, HOWEVER. I GAVE HIM VISA PETITION FORM AND HAVE URGED HE SEND HIS WIFE IN IMMEDIATELY TO START WORK ON VISA APPLICATION. HIS IRANIAN DIPLOMATIC PASSPORT IS LIKELY TO BE INVALIDATED BY THE KHOMEINI REGIME BEFORE HE GETS TO NEW YORK, BUT I ASSUME USG IS GOING TO BE WILLING TO OVERLOOK THIS FACT. SEPAHBODY SEEMS TO ME TO BE PARTICULARLY DESERVING OF SPECIAL CONSIDERATION. AT GREAT PERSONAL SACRIFICE HE HAS STOOD BY THE SHAH IN VERY DIFFICULT CIRCUMSTANCES. SEPAHBODY NOTES THAT HIS EMBASSY STAFF IS NOW SO TERRORIZED THEY ARE UNWILLING TO ISSUE HIM NEW PASSPORT.

6. COMMENT: RECURRING THEME WITH SEPAHBODY IS THAT SHAH FEELS OUR ATTITUDE TOWARD HIM IS GOING TO CHANGE AND THAT WE WILL THROW HIM TO THE DOGS. I HAVE TRIED TO ASSURE SEPAHBODY THAT THIS IS NOT THE CASE AND THAT I AM SURE MY GOVERNMENT WILL DO THE HONORABLE THING BY THE SHAH. SEPAHBODY'S RESPONSE IS THAT THIS IS MY PERSONAL VIEW, AND THE SHAH WANTS SOME REAFFIRMATION FROM THE USG THAT HE WILL RECEIVE PROTECTION. HE IS NOT CONCERNED ABOUT THE PROTOCOLARY ASPECTS OF HIS RECEPTION BUT IS

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CONCERNED ABOUT PROTECTION. REQUEST INSTRUCTIONS
AS TO WHAT I CAN TELL IRANIANS ON THIS POINT.
FURTHERMORE, IF WE HAVE ANY PREFERENCES OR SUGGESTIONS
AS TO WHERE THE SHAH SHOULD GO, AT LEAST INITIALLY,
IT WOULD BE VERY HELPFUL TO HAVE THEM. PARKER
BT

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per 7/11/06 NSC/HR
CS 7/21/06

ZB:AAR.IND.EL

FBI 54 (SEE 107 OF 21 FEB)

AMMAN DAILY: SHAH TO ARRIVE IN EGYPT WITHIN 'NEXT 2 DAYS'

JN221412 AMMAN JORDAN TIMES IN ENGLISH 22 FEB 79 P 1 JN

(EXCERPT) CAIRO, FEB. 21 (JT)--THE SHAH OF IRAN WILL ARRIVE IN EGYPT "WITHIN THE NEXT TWO DAYS", IT WAS LEARNED HERE TODAY.

WELL INFORMED SOURCES TOLD THE JORDAN TIMES THAT PRESIDENT ANWAR AS-SADAT HAD TELEPHONED THE SHAH, NOW IN MOROCCO, AND INVITED HIM TO COME TO EGYPT.

22 FEB 1525Z HMM/SAH

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PM-WIDERST-SADAT

CAIRO, FEB 22, REUTER - PRESIDENT ANWAR SADAT IS EXPECTED TO VISIT THE UNITED STATES, EUROPE AND JAPAN IN APRIL, SOURCES ON HIS STAFF SAID TODAY.

THE SOURCES SAID THE VISITS WOULD PROBABLY TAKE PLACE IN THE SECOND HALF OF THE MONTH.

MOUSSA SABRI, THE EDITOR OF THE MASS-CIRCULATION NEWSPAPER AL-AKHBAR, SAID TODAY THAT MR SADAT WOULD BE DISCUSSING WITH FOREIGN LEADERS A 15 BILLION DOLLAR ECONOMIC DEVELOPMENT PROGRAM FOR EGYPT.

HE SAID EGYPTIAN OFFICIALS WERE STUDYING SPECIFIC PROJECTS WHICH THEY HOPED WOULD BE FINANCED BY A "CARTER PLAN" SIMILAR TO THE U.S. POST-WORLD WAR II MARSHALL PLAN FOR AIDING WESTERN EUROPEAN RECONSTRUCTION. THE PROJECTS WOULD INCLUDE LAND RECLAMATION IN THE SINAI DESERT AND IMPROVEMENTS IN TRANSPORTATION, HEALTH SERVICES AND OTHER FIELDS.

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ZB:AAR.IND.EL

Saudi Arabia

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FM SECSTATE WASHDC

TO AMEMBASSY JIDDA NIACT IMMEDIATE 7760

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EXDIS DISTRIBUTE AS NODIS FOR AMBASSADOR FROM CRAWFORD
E.O. 12065 GDS 2/21/85 (CRAWFORD, WILLIAM R.)

TAGS: OVIP (FAHD BIN ABD AL-AZIZ) SA US

SUBJECT: POSTPONEMENT OF FAHD VISIT TO UNITED STATES

REF: JIDDA 1515

FOR MANY OBVIOUS REASONS WE DEEPLY REGRET THE INDEFINITE
POSTPONEMENT OF FAHD'S VISIT, NECESSITATED BY HIS POOR
HEALTH AS REPORTED IN YOUR RECENT MESSAGES. WE ATTACH
GREAT IMPORTANCE TO A CONTINUING CLOSE DIALOGUE WITH
SAUDI LEADERSHIP. TO THIS END, AND WITHOUT ANY PROBING
OF SAG AT THIS STAGE, WE WOULD APPRECIATE YOUR VIEWS ON
THE DESIRABILITY OF ASKING FOMHIN PRINCE SAUD TO VISIT
WASHINGTON APPROXIMATELY MID-MARCH. WE NEED YOUR COMMENTS
SOONEST FOR CONSIDERATION AT A SENIOR LEVEL MEETING ON
SEVERAL WEST ASIAN SUBJECTS SCHEDULED FOR AFTERNOON
FEBRUARY 22. CHRISTOPHER
BT

/ Good

***** WHSR COMMENT *****

IND, GATES, VP
EOB:QUANDT

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NLTSC-2006-076
per 7/11/06 NLTSC/HC
BY CS NARA, DATE 7/21/06

Saudi Arabia

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OF IMMEDIATE
FM RUHMC #3581 0435144
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FM SECSTATE WASHDC

TO AMEMBASSY JIDDA NIACT IMMEDIATE 777B

INFO WHITE HOUSE IMMEDIATE 1515

~~SECRET~~ STATE 043581

NOOTIS
FOR AMBASSADOR
E.O. 12065ADS 2/22/80 (BURLING, A. PETER)

TAGS: OVIP, SA

SUBJECT: POSTPONEMENT OF FAHD VISIT

REFS: JIDDA 1515 AND 1516

(S) ENTIRE TEXT

WE CONCUR WITH YOUR VIEWS THAT THE SAG BE URGED TO ANNOUNCE
ASAP THE POSTPONEMENT OF THE FAHD VISIT. WE FULLY SHARE
YOUR VIEW THAT THE REASON GIVEN BY THE SAG FOR THE POST-
PONEMENT SHOULD BE THE SIMPLE TRUTH: FAHD'S ILL HEALTH.
AS YOU NOTED TO PRINCE SAUD, OTHER EXPLANATIONS WOULD GIVE
RISE TO UNFOUNDED DOUBTS REGARDING OUR BILATERAL RELATIONS.
WE DO NOT PLAN TO MAKE ANY ANNOUNCEMENT HERE OF THE POST-
PONEMENT IN ADVANCE OF THE SAG. HOWEVER, WE URGE PROMPTEST
POSSIBLE ANNOUNCEMENT IN VIEW OF EXPECTED PRESS QUERIES.
CHRISTOPHER
BT

***** WHSR COMMENT *****

IND, GATES, VP
E081QUANDT

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~~SECRET~~

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ALTC 2006-0-76

per 7/11/06 NSC 1A

BY CS NARA DATE 7/11/06

OFFICE OF THE VICE PRESIDENT
WASHINGTON


~~SECRET~~

INFORMATION

Memo No. 316-79

April 5, 1979

MEMORANDUM FOR THE VICE PRESIDENT

FROM: Denis Clift 
SUBJECT: Foreign Policy Breakfast,
Friday, April 6, 1979

Sonoda Visit

I have separately provided you with papers for your 9:00 a.m. meeting with Sonoda. I recommend that two points be covered at breakfast:

- (1) Drop-by by President - State, the NSC and I think it would be a good idea if the President came in to shake the Foreign Minister's hand and say that he is looking forward to his meeting with Prime Minister Ohira.
- (2) Tactics during Sonoda visit - your talking points cover the broad range of our interests with Japan, including the many pros as well as the economic cons. State is concerned that Strauss may be getting bad advice from Japanese sources who have recommended to him that he "beat up" Sonoda. I think you should ask Vance to offer his views on the tone to be taken in meetings with the Foreign Minister.

Southern Africa

At a Thursday PRC meeting it was agreed to recommend to the President that he send a handwritten letter to Prime Minister Botha on Namibia saying that if South Africa does not go along we will impose sanctions - if South Africa does go along, the President would like to have a meeting with Botha.

~~SECRET~~

Classified by Source
Review 4/4/99

SANITIZED

NLJC-2006-076
per 7/14/06 NSC ltr
BY CS NARA, DATE 7/21/06



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