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2. Q: What is the U. S. response to the Shah's announcement that he will seek a cut in oil prices?

6/4/74

Guidance: I have little to add to what has already been said on this matter, by the Shah himself and by Secretary Kissinger in his press conference following his meetings in Tehran. As the Secretary noted, we will have to wait and see precisely what the Shah will propose at the next OPEC meeting.

3. Q: Both the Shah and President Ceausescu called for an early reconvening of the Geneva peace conference to bring about a peace settlement in the Middle East. Is the U. S. considering an early return to Geneva?

Guidance: As I noted with regard to the Secretary's travels in the Middle East this week, the Secretary will be consulting with all the parties about possible next steps toward a Middle East peace. Therefore I would not want to comment on what specific steps may be taken until the Secretary has completed his consultations.

Dec. 6

Q. Were any Americans killed in the tragedy (roof collapse) at Tehran Airport (Mehrabad Airport)? Were any US officials?

A. I understand that, as of this morning, our embassy has reported two Americans among the dead, none of them US officials, and that there were also some injured. But State will have the precise figures as the rescue situation for this very sad accident clarifies and you should check there.

FOR RELEASE NOON SUNDAY FEB. 16, 1975

DEPARTMENT OF STATE
WASHINGTON

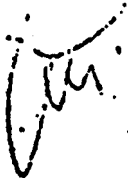
JOINT US-IRANIAN STATEMENT REGARDING
IRANIAN GOVERNMENT INVESTMENT IN
PAN AMERICAN AIRWAYS

In recent weeks the Government of Iran and Pan American World Airways Inc. have sought agreement in regard to the possible investment by the Iranian Government in Pan American. The United States Government has been informed of these developments and has been in consultation with both Pan American and the Government of Iran on this subject.

The United States Government and the Government of Iran recognize that any final agreement reached between Iran and Pan American World Airways Inc. is subject to approval by the United States Civil Aeronautics Board, using its normally applied laws and regulations. It is also understood that there be appropriate provisions in such an agreement which would satisfy various requirements of the United States Department of Defense vis-a-vis Pan American. Both Governments note that in entering into such an arrangement, the Government of Iran has no interest in controlling the management or operations of Pan American. For its part, the United States Government has no objection in principle to the proposed agreement.

Both the United States Government and the Government of Iran regard the fruitful consultations they have had on this issue as an expression of their close cooperation and a further contribution to the strengthening of their relationship.

Department of State
Imperial Embassy of Iran
16 February 1975
Washington, D.C.



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Department of State
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16 February 1975
Washington, D.C.

W

3/3/75
1. The President will meet with Hushang Ansary [hu-shang an-sar-i], Minister of Economic Affairs and Finance of Iran, tomorrow (Tuesday) at noon in the Oval Office. Minister Ansary is visiting Washington to attend a meeting of the US-Iranian Joint Commission, of which he and Secretary Kissinger are Co-Chairmen. This is an opportunity for the President to discuss matters of common interest pertaining to the work of the Joint Commission, particularly in the economic and energy fields. The President's meeting with Minister Ansary reflects the warm and close relations which exist between the U. S. and Iran and the importance our Government attaches to strengthening and broadening that relationship. We will post an announcement following the conclusion of the meeting tomorrow.

April 25, 1975

ANNOUNCEMENT OF THE SHAH OF IRAN'S VISIT
FRIDAY - APRIL 25

FYI: The following text has the concurrent^{ce} of the Iranians and should not be changed. The Iranians expressly asked that the Shah's full title be used each time:

"His Imperial Majesty, Mohammad Reza Pahlavi, Shahanshah of Iran, has accepted President Ford's invitation to make a State Visit to the United States. His Imperial Majesty the Shahanshah will be accompanied by Her Imperial Majesty, Farah Phalavi, Shahbanou of Iran.

His Imperial Majesty the Shahanshah will meet with the President on May 15, following an arrival ceremony at the White House. The President and Mrs. Ford will host a State dinner in honor of Their Imperial Majesties, the Shahanshah and the Shahbanou, on the evening of May 15. His Imperial Majesty the Shahanshah will meet with high level officials of the Administration and Members of Congress during his visit to Washington. This visit reflects the very close and warm relations that have long existed between the United States and Iran."

BACK-UP Q's and A's:
SHAH OF IRAN'S VISIT

- Q. Why is the Shah coming at this time and is his visit in any way related to the Middle East policy reassessment?
- A. A State Visit by the Shah of Iran has been under consideration for some time as a natural outgrowth of our very close relations with Iran and the President's interest in meeting personally with the Shah at the White House. It is not directly related to our Middle East reassessment which began a few weeks ago but it would be natural for both leaders to discuss the Middle East along with all other issues of common interest. The Shah was last here in July 1973. This will be his first State visit under President Ford.
- Q. Will the Shah seek new levels of military equipment from the U. S.? Will energy policies and the Shah's insistence on high oil pricing be a major focus on this visit? Will nuclear matters and the Kurdish situation be discussed?
- A. I have nothing specific to give you in advance of the meeting.

May 3, 1975

US - IRAN RELATIONS
SHAH VISIT

Q. You will be meeting with the Shah shortly. Iran is acquiring massive amounts of sophisticated US arms, yet Iran has greatly benefitted by oil prices rises and is linked with the major oil producers in OPEC confrontation with the US; the Shah is assuming increasing importance in the Gulf and he is reportedly seeking the ousting of US military presence (MIDEASTFOR) in Bahrain.

Do you believe Iranian policies are in the US national interest?

A. Over the years we have developed a very close and constructive relationship with Iran. Under the Shah's leadership, Iran has played a constructive role in the achievement of stability and moderation in the vital Gulf region, as has Saudi Arabia. Our military assistance has been geared toward helping Iran meet its legitimate security needs, maintain its moderate policies and contribute to regional stability. On the basis of our close relationship with Iran and with the Shah, I believe we can continue to work cooperatively and constructively on a wide range of issues and the Shah's visit will provide an occasion for personal discussion of matters of common interest.

As far as our presence in Bahrain, I believe these reports to be unfounded.

May 13, 1975

US - IRAN RELATIONS
SHAH VISIT

Q: Iran is acquiring massive amounts of sophisticated US arms, yet Iran has greatly benefitted by oil prices rises and is linked with the major oil producers in OPEC confrontation with the US; the Shah is assuming increasing importance in the Gulf and he is reportedly seeking the ousting of US military presence (MIDEASTFOR) in Bahrain.

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May 14, 1975

IRAN - PAN AM AGREEMENT

The New York Times today reports that Iran and Pan American Airlines are close to agreement on a \$300 million deal designed to alleviate Pan Am's severe financial problems and give Iran a significant amount of influence over the airline. A summary of the provisions of the agreement is set forth in the article.

Q. The Shah of Iran will be meeting with the President tomorrow. Is it likely that they will discuss the Pan American agreement and the timing of its completion?

A. The President and the Shah will most likely have a wide ranging discussion and exchange of views on bilateral, regional, and international affairs in support of a continuing close and constructive relationship. In that vein it is possible that the Pan Am agreement may come up, but I cannot predict nor speculate on their specific topics of conversation. As you are aware, the United States and Iran issued a joint statement on the Pan Am agreement on February 16, which stated that the fruitful consultations on the issue were regarded as an expression of the governments' close cooperation and a further contribution to the strengthening of their relationship. The statement also acknowledged that any final agreement is subject to approval by the U.S. Civil Aeronautics Board, using its normally applied laws and regulations.

FYI: Copy of the Joint Statement is attached. For details on the nature of the agreements, refer to State.

May 21, 1975

IRAN

Background Information:

The attached cable summarizes the events in Tehran early today during which two MAAG officers were shot by anti-regime terrorists.

Q. What is the U.S. reaction to the killing of the two MAAG officers in Tehran? Have we protested the incident? What does the Iranian government have to say? Will this affect our relations with Iran?

A. ^{end with}
~~First let me say that~~ I understand the State Department will have a statement on this today. ^{Begin w} The President deeply regrets the loss of life. I understand that Iranian Prime Minister Hove Yda and other Iranian officials have expressed their condolences.

ONLY IF ASKED: There is no change in U.S. -Iranian relations.

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ASSASSINATION
DETAILS

TO SECSTATE WASHDC NIACT IMMEDIATE 1615
SECDEF WASHDC NIACT IMMEDIATE
USCINCEUR VAIHINGEN GER NIACT IMMEDIATE
JCS WASHDC NIACT IMMEDIATE
DA WASHDC NIACT IMMEDIATE
USAF WASHDC NIACT IMMEDIATE
CNO WASHDC NIACT IMMEDIATE

UNCLAS TEHRAN 4768

E.O. 11652: N/A
TAGS: PINS, IR
SUBJ: ASSASSINATION OF TWO ARMISH/MAAG OFFICERS

1. TWO ~~ARMISH/MAAG~~ OFFICERS WERE ASSASSINATED AT 0630 MAY 21 BY ANTI-REGIME TERRORISTS. AS COLONEL PAUL R. SHAFFER, JR., USAF, AND LTC JACK H. TURNER, USAF, WERE BEING DRIVEN TO THEIR DUTIES AT ARMISH/MAAG J SECTION, A PEYKAN CAR PULLED OUT TO BLOCK THEIR PROGRESS. A SMALL CITROEN RAMMED THEM FROM BEHIND. ACCORDING TO THE IRANIAN MILITARY DRIVER, THREE MEN GOT OUT OF THE AUTOMOBILE AND AFTER ORDERING HIM TO GET DOWN, SHOT COLONEL SHAFFER AND COLONEL TURNER SEVERAL TIMES AS THEY FELL TO THE FLOOR OF THE BACK SEAT. THE TERRORISTS THEN GOT INTO A THIRD CAR AND MADE THEIR GETAWAY. A MIMEOGRAPHED LEAFLET IN ENGLISH AND FARSI WAS LEFT AT THE SCENE. THE MURDERS TOOK PLACE ABOUT ONE BLOCK FROM THE SITE OF THE BOMBING OF GENERAL PRICE ALMOST THREE YEARS AGO TO THE DATE DURING THE VISIT OF PRESIDENT NIXON. LTC HAWKINS WAS ASSASSINATED TWO YEARS AGO JUNE 2. COLONEL SHAFFER WOULD HAVE COMPLETED A TWO YEAR TOUR IN IRAN THIS SUMMER. COLONEL TURNER WAS ASSIGNED HERE LAST YEAR.

2. POLICE AND SAVAK ARE INVESTIGATING. WE ARE IN TOUCH WITH IRANIAN GOVERNMENT OFFICIALS. ~~THE PRIME MINISTER AND CHIEF SUPREME COMMANDER'S STAFF HAVE EXPRESSED THEIR CONDOLENCES.~~
MIKLOS
BT



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

SCONCROFT,LL

July 21, 1975

SUBJECT:

IRAN/PAN AM DEAL OFFER

Any reaction to Iran calling off their proposal to
invest in Pan Am?

GUIDANCE: The President has seen the press reports to the effect that the Government of Iran has decided not to loan money to Iran.

We have not seen an official statement by Iran, nor has Pan Am.

May 27, 1976

SHAH SAYS STEP-BY-STEP IS DEAD

Q: According to press reports, the Shah of Iran was quoted in a Saudi publication as saying step-by-step diplomacy is no longer useful. Does the Administration agree with his assessment?

A: As Secretary Kissinger said during his press conference in Luxembourg the other day, "we have always made clear that the step-by-step approach would merge at some point with an overall approach involving all of the parties."

It has always been our position that we are prepared to consider any of several alternative steps that are acceptable to the parties.

June 23, 1976

SUBJECT:

IRANIAN-OCCIDENTAL
OIL DEAL

Does the President have the authority to block the Iranian-Occidental Petroleum deal if the Foreign Investment Review Committee feels it is not in the national interest?

GUIDANCE: If the Foreign Investment Review Committee, headed by the Treasury Department, feels it is not in the Nation's best interests to permit the Occidental-Iranian agreement to be consummated (Currently, the only thing signed has been a letter of intent.), then the U.S. would first of all ask the Iranian Government, through diplomatic channels, to withdraw from the agreement. Since Occidental has negotiated with a foreign government, as opposed to a foreign corporation, it is anticipated that a request from the U.S. Government to rescind the deal would probably be sufficient.

However, in the event that the Iranians did not heed this notice, and the President wished to pursue it further, he could use the "ultimate emergency power" he has under the Trading with the Enemy Act to force cancellation (for national security purposes) of the deal.

At this point, of course, we do not know what the FIRC's recommendation to the President will be. (It is anticipated that Parsky will meet shortly with Ambassador Zahedi on the matter.)

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August 2, 1976

US ARMS SALES POLICY TO IRAN

Q: Did President Ford accept without question an open-ended arms sales policy to Iran?

A: There is no such thing as an open-ended arms sales policy.

In this Administration every major arms transaction in which we engage is reviewed on its merits at the highest levels of the Administration. This is true for arms sales to Iran as well as to other major arms recipients.

It is true that there have been substantial arms sales to Iran over the past several years and we expect substantial sales in the future. Iran is an important force for stability in that area and is understandably interested in bolstering its security capabilities.

A thorough explanation for our arms policy to Iran was issued at the State Department this weekend.

STATE GUIDANCE

at STATE
POSTED AUGUST 2

CLEARED BY HAZ

REPLY TO REPORT OF HUMPHREY SUB-COMMITTEE

The report raises a number of questions about our arms policy toward Iran which need clarification and to be placed in context. Until 1969 Iran was largely dependent on us for military assistance through grant aid or loans. Grant aid was terminated in 1969 because of Iran's steadily improving economy. By 1972, when President Nixon made his visit to Tehran, Iran, from its own resources, was able to begin a program of military modernization from whatever sources it desired. (You will note that our grant aid and credits constituted a very modest program over 20 years.) The President believed that it was in U.S. national interests to have Iran turn to the United States as the principal source of its military purchases. The first sentence of the report makes the point: Iran will remain an "extremely important country" to the United States for many years to come.

Therefore, President Nixon in 1972 did agree that Iran could purchase the F-14 or F-15 and that Iran should have increased access to U.S. arms. These decisions, however, must be seen in a larger context.

The President at Guam in 1969 stated that henceforth the U.S. would expect regional countries to assume greater responsibilities for area defense and that the U.S. would work closely with such countries. Also, in the late '60's, it became clear that the U.K. would withdraw its forces from the Persian Gulf and thereby end its security and stabilizing

role. The U.S. certainly was not in a position to replace British power in this vital area. We concluded that only the regional countries -- particularly Iran and Saudi Arabia -- could take on the responsibilities for regional security, and that their perception of the threat they face, and their judgment of what they needed to do the job, must be given serious weight in responding to their arms requests. This was the context of our decision.

Iran, a particularly close and reliable friend for 30 years, is in a key and difficult strategic situation. It is a large country, with a long tradition of independence -- intent on being able to defend itself. It pursues policies in many areas congruent with and supportive of our own. It is only natural that we would help.

As to the statement that this arms sales policy was never formally reviewed -- in spite of Iran's and Saudi Arabia's greatly increased income -- we are unclear as to the meaning. All policies are, in the process of specific implementation actions, continually under review, whether or not new formal policy papers are prepared. Each purchase was reviewed and a number were brought to the attention of senior officials of the Department with pros and cons and options. This is, in practice, policy review.

With respect to the statements concerning managerial

problems, it is obvious that any such large program will have such problems. Our own services have them. We recognized these problems last year and sent a senior, highly capable DOD civilian with a staff of specialists to dig into them. These matters are much better now but, of course, there will be problems in the future.

IRAN

August 9, 1976

Q: Is the President concerned that we are getting in too deep with Iran in the arms sale? What kind of deals were made during Kissinger's trip?

A: Secretary Kissinger has addressed a whole range of issues in the course of his visit to Iran and I have nothing further to add to that. Let me emphasize, however, that the President views our overall relationship with Iran as in our national interest-- indeed in the interests of both our countries which has led Iran and the United States to share many common views on these problems relating to global strategy and peace. This perception of Iran as important to the interests of our country is not new, when you look at the importance that U.S. Presidents have attached to the US-Iranian relationship in the post World War II period. For its part, Iran has made strenuous efforts in its own behalf to bolster its economy and defense capabilities. If Iran has been important in the past, it is even more important today in the more complicated international environment. Our country cannot assume all of the responsibilities. Therefore, we especially value those friends such as Iran who are prepared to make their own efforts for economic advance and a contribution to their own defenses.

In sum, the President especially values our ties with Iran today. Our countries have developed a parallelism of views with regard to the central issues of global peace and stability. These views are based on our calculation of our own national and global interests, just as Iranian policy is based on its calculation of its national interest

ARMS SALES TO IRAN

Let me emphasize that the President views our overall relationship with Iran, including military supply, as vital to Iran's strategic location adjacent to Russia, Iraq, Afghanistan, Pakistan and the vital Persian Gulf and the views it holds in common with us on regional and global issues. This perception of Iran is important to the interests of our country is not new. It began in 1946 when President Truman helped Iran rid itself of a Soviet occupation in the north. It continued under Truman and Eisenhower with economic and military assistance agreements, endorsed by Congress.

If Iran has been important in the past, it is even more important today. It has made strenuous efforts in its own behalf to bolster its economy and defense capabilities. Since 1969 it has needed no aid and now it provides aid to others. It has also assumed responsibilities for regional stability and security. Our country cannot assume all of the responsibilities. Therefore, we especially value our ties with friends such as Iran, who are doing so much which serves our mutual interests.

The President and his top national security advisors review all major arms supply decisions, including those for Iran. The Administration has no intention of changing the long-standing US policy of meeting Iran's legitimate defense needs, particularly in view of its present vital regional role.

PRESS GUIDANCE

October 11, 1976

F-18s TO IRAN

Q: Does the Administration plan to sell F-18s to Iran?

A: The Pentagon has already pointed out the Government of Iran has been informed that the Administration will study its request. No decisions have been made one way or another on this issue.

AMERICAN DEATHS IN IRAN

- MATZ²

Therefore, the statements are embargoed until delivery.

Five, you should have copies of a press release entitled "Interagency Task Force Plans for Fourth Refugee Reception Center."

And finally, I have a statement to read on the murder of the two U.S. Air Force officers in Tehran. Copies of this statement will be available in the press office after the briefing.

Iran

"The Department of State was deeply distressed to learn of the murder of two United States Air Force officers in Tehran today: Colonel Paul R. Shaffer, Jr., and Lieutenant Colonel Jack H. Turner.

"We deplore and condemn this terrorist act of calculated brutality against American personnel assigned to duties in a country with which we enjoy close and friendly relations. We extend our deepest sympathy to the families of these two officers.

"We are also confident that these murders, evidently carried out by a band of professional assassins, do not represent the sentiments of the Iranian people toward Americans serving there. The strong ties between our two countries, reinforced by the Shah's conversations during his recent State visit, remain.

"I understand that the Prime Minister and Chief of the Supreme Commander's staff in Tehran have expressed their condolences for these killings.

"We have also been assured that the Iranian authorities are launching an investigation to apprehend the murderers."

- Questions.

Q Bob, while we're in that sort of area, are you familiar with the kidnapping in Tanzania? Have you anything to add on that? The three Americans, Stanford students, I believe, at an animal research center.

A The American Embassy in Dar es Salaam has reported that three American students from Stanford University were kidnapped, along with a Dutch student, from the Gombe Research Center on the night of May 19-20. The names of the three students are: Barbara Smuts of Ann Arbor, Michigan; Kenneth Steven Smith of Garden Grove, California.

Q I'm sorry, is the Steven ph or v?

A S-t-e-v-e-n. Garden Grove, California; and Carrie Hunter of Atherton, California.

This game research center, I understand, is located 17 miles north of the town of Kigoma on the shores

ITEMS FOR RESPONSE TO QUERY

2. Q: What is the U.S. response to the **Shah's announcement** that he will seek a cut in oil prices?

Guidance: I have little to add to what has already been said on this matter, by the Shah himself and by Secretary Kissinger in his press conference following his meetings in Tehran. (As the Secretary noted, we will have to wait and see ~~finally~~ what the Shah will propose at the next OPEC meeting.)

3. Q: Both the Shah and President Ceausescu called for an early reconvening of the **Geneva peace conference** to bring about a peace settlement in the **Middle East**. Is the U.S. considering an early return to Geneva?

Guidance: As I noted with regard to the Secretary's travels in the Middle East this week, the Secretary will be consulting with all the parties about possible next steps toward a Middle East peace. Therefore I would not want to comment on what specific steps may be taken ~~until the Secretary has completed his consultations.~~ *at this time.*

4. Q: Does the United States agree with **PLO leader Arafat's** assessment in a TIME Magazine interview that war in the Middle East will resume within six months?

Guidance: I would have no comment on that interview, but the United States hopes that all parties will avoid actions that would jeopardize the progress made so far in the search for a just and durable settlement in the Middle East.

5. Q: **The OAS meeting of foreign ministers** begins this Friday in Quito to consider lifting sanctions against Cuba. Which way will the US vote on the sanctions issue?

Guidance: As you know, Deputy Secretary of State Robert Ingersoll will lead the US delegation to the meeting of foreign ministers in Quito. We are consulting with the members of the OAS in preparation for this meeting and I would suggest you take your further questions to the Department of State.

U. S. ARMS POLICY TO IRAN

Q. The Washington Post editorial this morning claims that the NSC is making a belated study of American policy in the Persian Gulf, including sales policy. Is this true? What is our arms sale policy toward Iran?

A. As you know, we never comment on articles on the editorial page. Secondly, I will not confirm or deny whether we are conducting an internal policy study on arms sale policy toward Iran.

Our overall relationship with Iran is of fundamental importance to the United States and to the interests of the entire free world. Involving close cooperation in all fields, it is a two-way street leading to great mutual benefit for the United States and Iran. An important element of this relationship is that of military supply, but it is merely one part of an integrated whole.

In order to understand the significance of this relationship, one must first look at Iran's strategic importance, bordering the Soviet Union to the north; Turkey, Iraq and the Persian Gulf -- so vital to the world's energy needs -- to the west; and Afghanistan and Pakistan to the east.

Consider the value to the United States of having a strong

friend and ally in that location, serving as a force for stability and moderation. Look at the economic importance of Iran, with whom the United States will have a two-way volume of trade during the period 1975-1980 of some 20 billion dollars exclusive of both the oil and arms, which attract so much public attention. Iran's policy and practice has been to keep the oil flowing to the United States and other nations of the free world rather than participating in an embargo. Look at the political importance of Iran, a country whose foreign policies parallel our own on almost every major issue, whose actions in the Gulf, in South Asia and the Middle East have increased the chances for stability in these regions. Iran has good relations with Israel as well as the moderate Arab regimes and with India and Afghanistan, as well as Pakistan. Its policy is one of trying to promote peace and harmony among its neighbors. It has made liberal use of its oil revenues to this end by aiding the economic development of poorer nations.

Since the late 1960's it has been our policy to encourage our allies to assume greater regional security responsibilities, Iran was not only willing to do so, but able to assume the financial responsibility for it. In our view it would be foolhardy

to renounce or weaken our commitment to a valuable ally of long-standing such as Iran, an ally willing and able to look after itself, just because it is buying the military equipment and training it needs from the United States. In our view, the greater Iran's own capacity for self-defense, the less the likelihood that the United States might become involved militarily in that part of the world. Moreover, Iran has used its military as well as its economic strength, wisely. It has avoided the temptations to which others have succumbed.

Finally, our arms contacts with Iran have not been made in secret nor have they been made without thorough review by the highest authorities of the United States Government. Every major sale of weapons has been made public and has been sent to Congress as required by law. In addition to reviewing each major arms transaction, the Administration has had periodic reviews, some formal and some not, of both our arms transfer policy and our policy toward the Gulf over the past four years. We have found no reason to change our policy of support for Iran.

Our close friendship with Iran is one of the successes of American foreign policy. It gives us a reason to be proud rather than grounds for apprehension. The President has sent Secretary Kissinger to Iran not only to attend an important

meeting of the United States - Iranian Joint Commission for Economic Cooperation, but also to tell the Shah of the continuing strong backing his nation enjoys from this Administration and of the President's determination to make every effort to sustain and strengthen our relationship with Iran. This relationship is in the interest of the United States, of the free world, and of world peace. The President will not be deflected from it.