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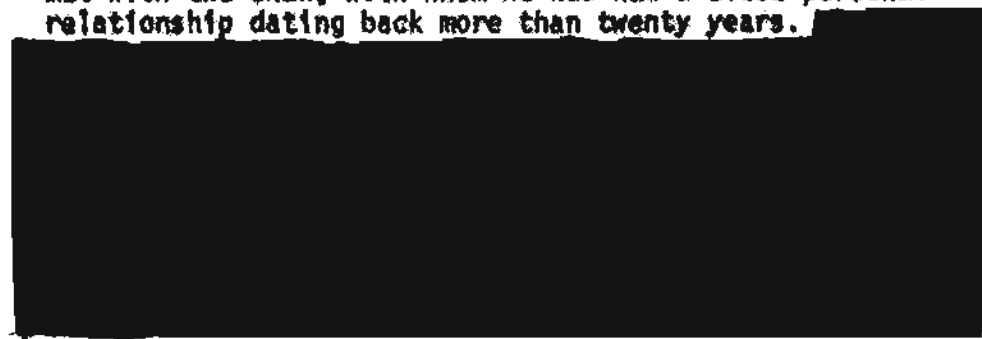
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8 MAY 1972 JDD 80B 01086A
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MEMORANDUM FOR: Dr. Henry A. Kissinger
Assistant to the President
for National Security Affairs
The White House
Washington, D. C. 20520

SUBJECT: Mr. Kermit Roosevelt's
26 April Meeting with
the Shah of Iran

1. During the last week of April 1972, Mr. Kermit Roosevelt was in Teheran dealing with the Iranian Government on behalf of one of his American business associates. Just prior to his departure from Teheran, Mr. Roosevelt met with the Shah, with whom he has had a close personal relationship dating back more than twenty years.



2. Mr. Roosevelt said the Shah was obviously preoccupied with the prospect of an opportunity to discuss world problems with the President. In this context the Shah indulged in a lengthy discourse on the situation in the region. The following summarizes the principal points made by the Shah:

a. Major economic blocs are emerging. Logically the Middle East region should itself organize to deal more effectively with the principal world power blocs. The Shah sees the need for regional

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development in the Middle East and believes that he probably has as good credentials as anyone for asserting some leadership in the region. The principal objective of the region must be to remain free and independent.

b. The Shah is disturbed by events in the sub-continent which have created the possibility that West Pakistan may fragment. He is worried about Soviet capabilities in Afghanistan. The Shah says that he understands Bhutto's problems and is more optimistic about Bhutto's character and abilities than he has been in the past. Bhutto will come to see the Shah after the President's visit.

c. The Shah said that he was very concerned about Turkey. He dwelled on this subject at length. He feels that Turkey does not know where, in terms of its role in world affairs, it is going.

d. The Shah said that he had always been hopeful that he could work closely and effectively with King Faisal. He realized that his own actions on the Gulf islands had damaged the relationship and embarrassed King Faisal. He hopes that the action on the Gulf can be relegated to history and not permanently restrict the cooperation between Iran and Saudi Arabia which the Shah feels is essential for regional security. The Shah hopes to soon take the initiative in strengthening his relations with Saudi Arabia.

e.



f. The Shah found the recent Iraq pact with the USSR "most disturbing...a fulfillment of his worst dreams." He sees the Soviet action in Iraq as relevant to Soviet aspirations in the Gulf. In this connection, he described as "dismal folly" the action by Sheikh Zayid of Abu Dhabi in agreeing to the establishment of a Soviet Embassy in the New Union of Arab Emirates.

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g. The Shah has been disappointed by the action of President Sadat of Egypt in the past few months. The Shah has been impressed by President Sadat's performance since taking office and had hoped that he would bring Egypt into closer alignment with Iran, Saudi Arabia and other nations in the Middle East who were determined to oppose the spread of Soviet influence. The Shah will keep an open mind on this question until Sadat's position in Egypt and the trend of his relations with Moscow are clearer. He was disappointed that Sadat had acted so abruptly in breaking relations with Jordan after King Hussein announced his new plan for Palestine.

h. The Shah said that, in spite of the difficulties involved, he felt he must play a more active role as a regional leader in organizing anti-communist forces.

3. Mr. Roosevelt said that other well-informed senior Iranians with whom he met have expressed concern that the Shah has pressing domestic problems that are not being given enough attention. They questioned whether the Shah will be able to find the time to play the role of a regional leader. Ambassador Mahmud Foruqi, former Iranian Ambassador in Washington, D.C. and back in Iran after six years as Ambassador in Kabul, told Roosevelt that he thought there was a growing gap between "the government" and the people of Iran. He said that only the Shah's personal influence holds "the government" and the people of Iran together. He found inflation a serious problem and believed the credibility of the government was badly eroded.

(Signed) Richard Helms

Richard Helms