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TO PRIORITY CANBERRA

TELEGRAM NUMBER 198 OF 18 APRIL

INFO WASHINGTON UKMIS NEW YORK PARIS BONN TEHRAN. FROM PRIVATE SECRETARY

MEETING IN SALISBURY WITH AUSTRALIAN PRIME MINISTER.

- 1. THE SECRETARY OF STATE HAD BREAKFAST WITH MALCOLM FRASER ON 18 APRIL. OFFICIALS WERE NOT PRESENT.
- 2. THE CONVERSATION WAS LARGELY ABOUT IRAN. FRASER FELT THE AUSTRALIANS WERE OBLIGED TO GIVE FULL SUPPORT TO THE UNITED STATES, BUT EXPRESSED DEEP FOREBODINGS ABOUT THE CONSEQUENCES OF U.S. POLICY. HE THOUGHT THAT ECONOMIC SANCTIONS WOULD PROVE INEFFECTIVE, AND THAT THE AMERICANS WOULD BE DRAWN INTO MORE SEVERE MEASURES, SUCH AS A NAVAL BLOCKADE. WITH THE ESCALATION OF AMERICAN MEASURES AGAINST IRAN. THE LIKELIHOOD OF SOVIET INTERVENTION ON THE OTHER SIDE WOULD INCREASE.

3. FRASER COULD SEE NO WAY OF BREAKING THIS SPIRAL SHORT OF ENGINEERING THE SHAH'S RETURN TO IRAN. LORD CARRINGTON DID NOT PURSUE THIS SUGGESTION WITH HIM.

4. ON AFGHANISTAN, FRASER GAVE A DIFFERENT INTERPRETATION OF HIS CONVERSATION WITH MRS GANDHI (REPORTED SEPARATELY). HE ATTRIBUTED TO MRS GANDHI THE IDEA THAT, IF SOVIET TROOPS WITHDREW, THE COMPLEXION OF THE GOVERNMENT WHICH REMAINED IN KABUL WOULD NOT MATTER: HIS OWN VIEW WAS SIMPLY THAT IT WOULD BE IMPOSSIBLE FOR A GOVERNMENT UNFRIENDLY TO THE SOVIET UNION TO SURVIVE THERE.

CARRINGTON

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