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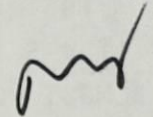
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 TO IMMEDIATE WASHINGTON
 TELEGRAM NUMBER 39 OF 11 DECEMBER
 AND TO IMMEDIATE FCO (FOR MED)

Crime Minister
 11.12.


US EMBASSY TEHRAN

FOLLOWING IS A FURTHER MESSAGE FROM LAINGEN TO IRAN WORKING PARTY, STATE DEPARTMENT.

IT WAS GIVEN TO THE DANISH AMBASSADOR LATE YESTERDAY.

BEGINS:

1. FIVE WEEKS AFTER THE SEIZURE OF OUR EMBASSY A SOLUTION TO THE CRISIS STILL ELUDES US. A VARIETY OF FACTORS SEEM TO FIGURE IN THIS FRUSTRATING STATE OF AFFAIRS: E.G.,

A) KHOMEINI'S INTRANSIGENCE. HE IS A STUBBORN MAN WHO IS MADE EVEN MORE DIFFICULT TO NEGOTIATE WITH BY THE NARROWNESS OF HIS EXPERIENCE WITH THE WORLD OUTSIDE SHIA IRAN. HE IS OBSESSED WITH THE IDEA OF REVENGE AND CONVINCED THAT BY STANDING FIRM AGAINST THE U.S. HE WILL ULTIMATELY GET IT. SIMPLE STATEMENTS THAT WE WILL NOT BE BLACKMAILED LEAVE HIM UNIMPRESSED.

B) LACK OF A STRUCTURE OF AUTHORITY. POLITICAL POWER HERE REMAINS BOTH HIGHLY CONCENTRATED IN THE PERSON OF KHOMEINI AND

B) LACK OF A STRUCTURE OF AUTHORITY. POLITICAL POWER HERE REMAINS BOTH HIGHLY CONCENTRATED IN THE PERSON OF KHOMEINI AND WIDELY DIFUSED AMONG POLITICAL GROUPS WHICH OFTERN OPENLY COMPETE WITH KHOMEINI FOR THE EXERCISE OF AUTHORITY IF NOT ACTUAL LEADERSHIP OF THE REVOLUTIONARY MOVEMENT. ACCORDINGLY, KHOMEINI CAN COMMAND MILLIONS TO MARCH AGAINST AMERICAN IMPERIALISM ON OCCASIONS LIKE ASHURA, BUT HE MUST PROCEED WITH CAUTION WHEN DEALING WITH A FEW HUNDRED STUDENTS WHOSE ALLEGIANCE TO HIM MAY BE NO MORE THAN NOMINAL. THERE FEW INSTRUMENTS OF GOVERNMENT READILY AVAILABLE WHICH CAN EFFECTIVELY BE BROUGHT TO BEAR AGAINST POLITICAL ELEMENTS THAT DEFY OR SIMPLY IGNORE THE REVOLUTIONARY LEADERSHIP.

C) SO-CALLED LEADERS WHO WILL NOT LEAD. THE SECOND ECHELON LEADERSHIP -- THE REVOLUTIONARY COUNCIL AND SENIOR GOVERNMENT AND RELIGIOUS FIGURES -- HAS WITH RARE EXCEPTION ABDICATED ITS RESPONSIBILITIES IN THIS CRISIS. WHETHER THIS HAS BEEN DONE OUT OF PERSONAL AMBITION, IGNORANCE OR CRAVENNESS, THE EFFECT HAS EVERYWHERE BEEN THE SAME: I.E., POLICY DERIVED BY INTERACTION OF AN AGEING RELIGIOUS ZEALOT, A GROUP OF RADICAL REVOLUTIONARIES, AND THE MINDLESS IRANIAN MOB.

2. ALMOST WILLY-NILLY, IRAN HAS CREATED A SITUATION IN WHICH IT HAS ISOLATED ITSELF INTERNATIONALLY AND FROM WHICH THERE ARE ALMOST NO AVENUES OF ESCAPE THAT DO NOT ENTAIL GRAVE RISK OR GREAT LOSS OF FACE. KHOMEINI AND THE STUDENTS HAVE LARGELY WRITTEN OFF WORLD PUBLIC OPINION, HAVING CONVINCED THEMSELVES THAT PEOPLES, AS OPPOSED TO GOVERNMENTS, EVERYWHERE RECOGNISE THE JUSTICE OF THEIR CAUSE AND SUPPORT THEIR ACTIONS. UNDER THE CIRCUMSTANCES, IT IS DIFFICULT TO ENVISION A RESOLUTION OF THE CRISIS BEING HAMMERED OUT UNDER UN AUSPICES OR ANY OTHER GENERALLY ACCEPTED INTERNATIONAL FRAMEWORK IN ACCORDANCE WITH RECOGNISED DIPLOMATIC AND LEGAL CONVENTION. THAT IS NOT TO SAY THAT EFFORTS ALONG THESE LINES ARE WITHOUT VALUE. HOWEVER, IT SEEMS LIKELY THAT UNCONVENTIONAL MEANS WILL HAVE TO BE FOUND TO RESOLVE UNCONVENTIONAL SITUATION, AND SINCE THE IRANIANS HAVE LARGELY BEEN RESPONSIBLE FOR CREATING THE PARAMETERS OF THE LATTER, THEY WILL HAVE TO PLAY THE PRIMARY ROLE IN FINDING AN ACCEPTABLE WAY OUT.

3. ACCEPTABLE MEANS ACCEPTABLE IN TERMS OF INTERNAL IRANIAN POLITICAL DYNAMICS. IN THIS CONTEXT, OUR IMMEDIATE GOAL REMAINS THE RELEASE OF THE HOSTAGES UNHARMED. FOR THAT TO OCCUR, KHOMEINI MUST BE CONVINCED THAT HE CANNOT FORCE US TO RETURN THE SHAH AND THAT HIS OWN POSITION WILL NOT BE UNDER MINED BY FREEING THE HOSTAGES: THE STUDENTS MUST BE SATISFIED THAT THEIR SEIZURE OF THE EMBASSY HAS BEEN VINDICATED AMONG THE AUDIENCE THAT MATTERS MOST TO THEM

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4. KHOMEINI MAY BE RELUCTANT TO ABANDON THE NOTION THAT HE CAN FORCE US TO RETURN THE SHAH EVEN IF THE SHAH DEPARTS THE U.S., BUT HAVING HIM LEAVE IS THE MOST CONVINCING GESTURE WE CAN MAKE THAT WE WILL NOT RETURN HIM TO IRAN. EVEN IF KHOMEINI GIVES UP THE DEMAND THAT WE EXTRADITE THE SHAH, HE WILL WANT TO BE CERTAIN THAT FREEING THE HOSTAGES WILL NOT CREATE AN INTERNAL BACKLASH, AN EVENTUALITY HE PRESUMBABLY CAN BEST GUARD AGAINST BY FIRST CREATING AN ATMOSPHERE OF INTENSE ANTI-AMERICAN EMOTION UNDER HIS LEADERSHIP.

5. THE STUDENTS' OBJECTIVES HAVE NEVER BEEN ENTIRELY CLEAR. HOWEVER, WE ARE IMPRESSED BY THE ANALYSIS OF ONE OF OUR DIPLOMATIC VISITORS THAT THEIR PRIMARY PURPOSE IN SEIZING THE EMBASSY WAS LESS THE RETURN OF THE SHAH THAN REVITALIZATION OF THE REVOLUTIONARY MOVEMENT. IF THIS ANALYSIS IS CORRECT, THE STUDENTS ARE NOW IN A POSITION TO CLAIM A RESOUNDING SUCCESS. ALL THAT REMAINS TO BE DONE IS TO DEVISE SOME PROCESS WHEREBY THE STUDENTS ACTIONS CAN BE FORMALLY APPROVED.

6. IT HAS BEEN OUR EXPERIENCE THAT THOSE AMONG THE REVOLUTIONARY LEADERSHIP WHO HAVE NOT BEEN ABLE TO AVOID COMING TO GRIPS WITH THE ACTUAL PROBLEMS IRAN CONFRONTS, HAVE HAD TO MAKE SOME CONCESSIONS TO THE REALITY OF WHERE THEIR COUNTRY'S ABIDING INTERESTS LIE. THAT WAS CERTAINLY TRUE OF BANI SADR. GHOTBZADEH SEEMS DETERMINED NOT TO MAKE BANI SADR'S MISTAKE OF GETTING TOO FAR OUT IN FRONT OF KHOMEINI AND THE STUDENTS. HE, TOO, PROBABLY RECOGNISES THE NEED TO RESOLVE THE HOSTAGE ISSUE. HIS PROPOSAL TO CONVENE A PANEL OF IRANIANS AND QUOTE INDEPENDENT UNQUOTE FOREIGNERS TO QUOTE PROBE THE CRIMES OF THE USG IN IRAN SINCE 1953 UNQUOTE, WITH THE HOSTAGES SERVING AS EITHER EVIDENCE OF OR WITNESSES TO THESE ALLEGED CRIMES, SEEMS TO BE THE MECHANISM THAT IN GHOTBZADEH'S VIEW MAY BE ACCEPTABLE TO KHOMEINI AND THE STUDENTS FOR ACHIEVING THIS.

7. WHAT CAN WE AND THOSE WHO SUPPORT US DO TO ADVANCE THE PROCESS TOWARD RESOLUTION OF THIS CRISIS? AT BEST ACTIONS THAT MIGHT BE TAKEN WILL AFFECT ONLY THE MARGINS OF A PROCESS THAT MUST BE FUNDAMENTALLY AN INTERNAL IRANIAN ONE: AT WORST, EXTERNAL PRESSURES MAY RESULT IN HARDENING THE IRANIAN POSITION. THE RISKS NOTWITHSTANDING, WE SEE THE FOLLOWING AS VIABLE COURSES OF ACTION:

A) PUSH THE SEARCH FOR A THIRD COUNTRY WHICH WILL ACCEPT THE SHAH. SO LONG AS HE REMAINS IN THE U.S., NEITHER KHOMEINI

A) PUSH THE SEARCH FOR A THIRD COUNTRY WHICH WILL ACCEPT THE SHAH. SO LONG AS HE REMAINS IN THE U.S., NEITHER KHOMEINI NOR THE STUDENTS WILL HAVE MUCH INCENTIVE TO THINK IN TERMS OF, RELEASING THE HOSTAGES.

B) CONTINUE TO EMPHASIZE IRAN'S ISOLATION INTERNATIONALLY. KHOMEINI AND THE STUDENTS CARE LITTLE ABOUT THIS ISOLATION PER SE, BUT PEOPLE LIKE BANI SADR AND GHOTBZADEH CAN BE INFLUENCED BY WORLD PUBLIC OPINION. ULTIMATELY, IT WILL HAVE TO BE INDIVIDUALS LIKE THEM WHO CONVINCED KHOMEINI THAT IT IS IN IRAN'S INTEREST TO RESOLVE THE HOSTAGE ISSUE SHORT OF THE SHAH'S EXTRADITION TO IRAN.

C) KEEP THE UNSC INVOLVED. IRAN IS UNLIKELY TO ACCEDE TO UNSC RESOLUTIONS OR ICJ RULINGS JUST BECAUSE THEY HAVE BEEN ADOPTED, BUT THESE ACTIONS ARE NOT TOTALLY WITHOUT EFFECT. KHOMEINI APPARENTLY INTENDS FOR THE PRESENT TO IGNORE BOTH WALHEIM AND THE UNSC RESOLUTION. IN THE MEANTIME GHOTBZADEH HAS PROPOSED THAT IRAN CREATE ITS OWN INTERNATIONAL TRIBUNAL. SINCE THE UNSC RESOLUTION DIRECTS THE COUNCIL TO REMAIN QUOTE ACTIVELY SEIZED UNQUOTE WITH THE PROBLEM, WE WILL NEED TO COORDINATE CAREFULLY WITH WALHAIM AND UNSC MEMBERS WHAT FURTHER STEPS THE COUNCIL CAN EFFECTIVELY TAKE AND WHEN.

D) LEAN FURTHER ON THE RUSSIANS. WE ASSUME WE ARE MAKING IT CLEAR TO MOSCOW THAT PRONOUNCEMENTS SUCH AS THAT IN THE RECENT PRAVDA EDITORIAL ARE SERIOUSLY CONTERPRODUCTIVE TO THE BROADER U.S. - SOVIET RELATIONSHIP.

E) CONTINUE ECONOMIC PRESSURES. DESPITE REVOLUTINARY RHETORIC ABOUT WESTERN MATERIALISM AND ISLAMIC SPIRITUALISM, THE NERVE ENDINGS IN THE IRANIAN POCKET BOOK ARE HIGHLY SENSITIZED. FREEZING IRANIAN ASSETS HAS CLEARLY MADE AN IMPACT HERE. CONSIDERATION SHOULD BE GIVEN TO A COMMODITIES EMBARGO AND OTHER ACTIONS FURTHER TO DISRUPT IRAN'S INTERNATIONAL FINANCIAL TRANS-ACTIONS. WHATEVER STEPS ARE TAKEN SHOULD BE WEIGHED CAREFULLY AND PREFERABLY TAKEN QUIETLY OUT OF PUBLIC FOCUS, KEEPING IN MIND THE EFFECTS ON COUNTRIES OTHER THAN IRAN AS WELL AS THE POSSIBILITY OF PROVIDING ISSUES AROUND WHICH IRANIANS CAN EFFECTIVELY UNITE AGAINST US. OPEC MEMBERS' ATTITUDES ARE ESPECIALLY IMPORTANT.

F) EMPHASIZE OUR PREFERENCE FOR A PEACEFUL RESOLUTION, ESPECIALLY IN PUBLIC STATEMENTS. WARNINGS THAT OUR PATIENCE IS NOT INFINITE WILL BE MOST EFFECTIVE IF MADE PRIVATELY AND NOT SO FREQUENTLY AS TO LOSE CREDIBILTIY.

G) EXPLOIT ANY OPPORTUNITY TO SECURE A PARTIAL RELEASE OF THE HOSTAGES. STUDENT CLAIMS THAT ALL 50 REMAINING HOSTAGES, RANGING AS THEY DO FROM A HAPLESS BUSINESSMAN AND A SCHOOL ADMINISTRATOR FROM PAKISTAN TO REGULAR FS PERSONNEL, ARE SO PATENTLY REDICULOUS THAT INITIATIVES TO GAIN A LIMITED RELEASE A LA THE 13 WOMEN AND BLACKS MAY PROVE SUCCESSFUL.

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UNQUOTE RATHER THAN DEFENDANTS MAY BE, IT COULD IN THE FINAL
ANALYSIS AMOUNT TO SOMETHING LESS OFFENSIVE THAN THE SHOW TRIALS
THE STUDENTS HAVE DEMANDED. WHILE WE SHOULD USE EVERY MEANS,
DIRECTLY AND THROUGH THE UN, TO EMPHASIZE THE ILLEGALITY OF SUCH
A PROCEEDING AND THE POSSIBLE GRAVITY OF ITS CONSEQUENCES, WE
CANNOT PREVENT SUCH AN AFFAIR AND WE MAY NOT WISH TO IMPEDE IT
IN ANY EVENT IF IT REPRESENTS THE ONLY MECHANISM THAT WILL FREE
THE HOSTAGES AND ALSO PERMIT THE IRANIANS TO EXTRICATE THEMSELVES
FROM THEIR OWN PREDICAMENT.

8. THE DEPARTMENT WILL UNDERSTAND THAT OUR VIEWS ABOVE ARE
SUBJECT TO OUR LIMITED AWARENESS OF ACTIONS THAT MAY BE
UNDERWAY. THEY ALSO FOCUS PRIMARILY ON THE DYNAMICS OPERATING
ON THE IRANIAN WILLINGNESS OR CAPACITY TO ACT, SINCE THAT IS
WHERE OUR VISIBILITY IS BEST. TO SUM UP, THE MAIN DANGERS AS
WE SEE THEM IN OUR CONTINUING EFFORTS TO DEAL WITH THE HOSTAGE
ISSUE ARE, ON THE ONE HAND, TAKING ACTIONS THAT RISK DRIVING
THE IRANIANS INTO POSITIONS FROM WHICH THERE TRULY IS NO ESCAPE
AND, ON THE OTHER, ALLOWING THE MATTER TO DRAG ON INTERMINABLY
THROUGH TOO GREAT A DEGREE OF CAUTION.

ENDS

GRAHAM

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