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PM/80/1

PRIME MINISTER

Iran and Afghanistan

Both you and my other colleagues in OD will wish to know where we stand following developments over the holiday period.

IRAN

1. The Security Council adopted on 31 December a further Resolution on Iran (with the Soviet Union, Czechoslovakia, Kuwait and Bangladesh this time abstaining) calling for the release of the US hostages, and committing the UN to mandatory sanctions under Chapter VII if this did not happen by 7 January. (Text at Annex A). It was fortunate that the Americans agreed to move towards sanctions in two stages in this way, following pressure from ourselves and others. This opened the way for the UN Secretary General's current visit to Tehran, with the ground prepared by the Pakistan Foreign Affairs Adviser, to investigate the possibility of a face-saving method for the Iranians to release the hostages. It also avoided giving a further twist to the spiral of US/Iranian confrontation, in a way which would have undercut the development of more moderate opinion in Iran, and diminished the chances of the Iranian leaders realising, with the Soviet invasion of Afghanistan, that they are attacking the wrong enemy in continuing to hold the US hostages.

2. But the situation remains ominous for several reasons. First, there is no evidence of significant movement by Khomeini. It remains extremely doubtful whether the Iranians will be able to release the hostages, or even to make a helpful gesture in that direction, before the expiry of the UN deadline. It is not even certain that Khomeini will agree to see Waldheim. Second, domestic opinion in the US is growing increasingly restive and pressure is developing on the President to take more forceful action. This means that

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means that the Americans will probably be determined to push ahead with a sanctions resolution when the UN deadline expires, which may well strengthen the hardliners and weaken the moderates in Iran. If the Resolution fails to attract the necessary votes (or is vetoed by the USSR), it would gravely undermine the American attempt to put international pressure on Iran, leaving them with few, and mostly unpalatable, options. Discussion on the detailed text of a sanctions resolution is continuing in New York and Washington. The latest text, which includes a ban on all exports to Iran except food and medicines, a ban on Iranian ships and aircraft and on new service contracts, and certain measures in the field of finance, is attached (Annex B). Our reservations have been put to the Americans, and we shall press for as helpful a text as possible. But solidarity with the Americans may well oblige us to vote for mandatory sanctions on these lines as early as 7 January.

3. We may have to withdraw HM Ambassador and his staff (eight persons in all) from Tehran if and when we have to speak in the Security Council in favour of concrete sanctions, but I am keeping this under review. A caretaker staff of two UK-based persons would be left under the aegis of the Australian Embassy. A suitable warning would be issued to the British Community (now only about 300).

4. The Americans have also been pressing their allies, separately from the Security Council action, to adopt certain voluntary economic measures. We have agreed to help over this, in line with action taken by other countries. The exchange of telegrams setting out the details of the action taken are also attached (Annex C).

#### AFGHANISTAN

1. The Soviet aim seems to be to bring the whole of the country rapidly under their control, using whatever force may be necessary and hoping that Babrak Karmal will prove more acceptable to the population than Amin. To achieve this, they may tolerate apparent concessions to Afghan and Islamic feeling and soft-pedal Marxist measures for the time being.

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2. The Russians for their own reasons might like to withdraw most of their troops once the new government is firmly established, and if the Afghan army later was capable of controlling the country. But we certainly cannot rely on this. They are more likely to be drawn into a prolonged anti-insurgent campaign. And the possibilities of using Afghanistan as a staging post for troublemaking elsewhere, for instance Pakistan or Iran, could in time prove attractive.

3. Afghan governments have long lived in the Russian shadow, and a change from one Marxist to another is in itself not significant. But the manner of the change is unprecedented and could have extremely serious repercussions. I think it important that the West's response should be robust, lest the Russians are led to believe that such tactics pay off. The Prime Minister's letter to Brezhnev set the tone. We met the Americans, Germans, French, Italians and Canadians in London on 31 December, and we hope to get action in the Security Council this week. The meeting of 31 December produced a number of ideas we shall be pursuing; while no one spoke in favour of upsetting the framework of detente (European Security Conference, MBFR, Salt II and III etc), it was agreed that we needed urgently to bring the matter to the Security Council and to consider the implications for detente and bilateral relations with the Soviet Union. We are pressing for further allied consultations on this. On 31 December there was also agreement about the need to provide encouragement to Pakistan; my / visit to Islamabad next week serves this end (see below). intended

4. The Russian move has angered some Non-Aligned and Islamic countries. We are doing what we can to encourage a robust response here too. There is even some hope that the Iranians may eventually begin to think straight about the world.

5. We are in touch with our European and Commonwealth colleagues on recognition. Meanwhile our Ambassador in Kabul has been instructed to avoid political contacts.

/NEXT STEPS

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NEXT STEPS

Against this background, it is important that the West should make clear its concern at the threats to stability in the region and that a coherent response should be made to the Soviet move.

It may of course take time to work out the most appropriate positive steps to take. But as a first measure I have it in mind to advance to the middle of next week the date of my proposed visit to Saudi Arabia and Oman, and to extend it by including Pakistan and Turkey. My main objectives would be:-

- (a) to familiarise myself at first hand with the problems of the region;
- (b) to discuss the threats to stability with the leaders of the countries visited;
- (c) to reassure our friends that we view these threats with concern.

I am copying this minute to our colleagues in OD and to Keith Joseph and David Howell.

(CARRINGTON)

Foreign and Commonwealth Office  
2 January 1980

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