GRS 650

UNCLASSIFIED

DESKBY FCO 180800Z DESKBY SALISBURY 182700Z

FM WASHINGTON 172356Z APR 80
TE IMMEDIATE F C 0
TELEGRAM NUMBER 1516 OF 17 APRIL 1980
INFO IMMEDIATE TERRAN SALISBURY (FOR P S), BCNN, PARIS, ROUTINE
UKMIS NEW YORK ROME OTTAWA TOKYO MOSCOW CANBERRA WELLINGTON
INFO SAVING OTHER EC POSTS AND UKDEL NATO.

## MIPT: PRESIDENT CARTER'S PRESS CONFERENCE: IRAN

 FOLLOWINGIS A SUMMARY OF THE PRINCIPAL POINTS ON IRAN MADE BY THE PRESIDENT IN RESPONSE TO QUESTIONS FOLLOWING HIS STATEMENT:

(A) ASKED WHETHER HE HAD SET A DEADLINE FOR A DECISION ON MILITARY ACTION BEFORE THE SUMMER AND WHETHER THE UNITED STATES' ALLIES WERE PROVING FAIRWEATHER FRIENDS, THE PRESIDENT SAID THAT THROUGHOUT, HE HAD HAD TWO GOALS IN MIND:

(1) TO PROTECT THE INTERESTS OF THE UNITED STATES AND ITS PRINCIPLES AND STANDARDS: AND

(11) AN EQUAL CONCERN TO PROTECT THE LIVES OF THE HOSTAGES AND TO SECURE THEIR RELEASE AND FREEDOM. IN MEETING THESE GOALS, HE HAD THREE OPTIONS: ECONOMIC, POLITICAL AND MILITARY OF WHICH SO FAR ONLY THE ECONOMIC AND POLITICAL OPTIONS HAD BEEN EXERCISED. WHILE HE COULD NOT PREDICT EXACTLY WHAT OTHER NATIONS WOULD DO, HE HAD BEEN IN TOUCH WITH ALMOST ALL THE ALLIED LEADERS ABOUT WHAT ECONOMIC AND POLITICAL ACTION THEY MIGHT TAKE TO CONVINCE THE IRANIAN LEADERSHIP OF THE DANGERS TO IRAN, BOTH INTERNAL AND EXTERNAL, ARISING FROM THE CONTINUED DETENTION OF THE HOSTAGES. ALLIED AMBASSADORS HAD BEEN WITHDRAWN TO CONSIDER THE NEXT STEPS AND THE EUROPEANS WOULD BE HOLDING A MEETING NEXT WEEK TO CONSIDER WHAT MEASURES MIGHT BE TAKEN. IF THE MEASURES ANNOUNCED BY THE UNITED STATES, AND THE CONCERTED ACTION WHICH WOULD BE TAKEN BY AMERICA'S ALLIES WERE NOT SUCCESSFUL THEN THE ONLY NEXT AVAILABLE STEP WHICH HE COULD SEE WAS SOME KIND OF MILITARY ACTION WHICH WAS THE PREROGATIVE AND RIGHT OF THE UNITED STATES.

(S) ASKED HOW FAR CIRCUMSTANCES AND TIMING OF ANY MILITARY ACTION WOULD DEPEND ON ALLIED SUPPORT AND HOW FAR ON CIRCUMSTANCES WITHIN IRAN ALONE, THE PRESIDENT SAID THAT THERE WERE THREE FACTORS:

/ (I) THE EFFECTIVENESS

Kend i full.

(I) THE EFFECTIVENESS OF THE ECONOMIC AND POLITICAL SANCTIONS IMPOSED BY THE UNITED STATES:

(II) THE EFFECTIVENESS OF SANCTIONS TO BE IMPOSED BY OTHER NATIONS: AND

(111) THE RESPONSE OF IRAN AND THE EFFECT OF WORLD CONDEMNATION. IT WOULD NOT BE APPROPRIATE TO SET A TIME SCHEDULE BUT THE KEY ALLIED LEADERS UNDERSTOOD THE TIME FRAME UNDER WHICH THE UNITED STATES WAS OPERATING AND THEIR DECISIONS WOULD BE COLOURED BY HIS

CONTACTS WITH THEM.

(C) ASKED WHETHER THE U.S. WOULD FIND IT ACCEPTABLE TO WAIT

UNTIL JULY BEFORE THE IRANIANS TOOK A DECISION ON THE FUTURE OF
THE HOSTAGES, PRESIDENT CARTER SAID THAT JULY WOULD REPRESENT AN

EXCESSIVE TIME FOR THE US TO WAIT.

(D) ASKED ABOUT THE THREAT TO THE PEACE AND TO ALLIED ECONOMIES WITCH MILITARY ACTION MIGHT INVOLVE THE PRESIDENT SAID THAT HE HAD NOT DISCUSSED SPECIFIC MILITARY STEPS WITH AMERICA'S ALLIES, BUT THAT THOSE ALLIES KNEW FROM PRESS REPORTS AND FROM COMMON SENSE WHAT THOSE MEASURES MIGHT BE. WHILE HE HOPED TO AVOID SUCH STEPS, THEY WERE AN OPTION WHICH HE MUST KEEP OPEN. HE DID NOT BELIEVE THAT STEPS WHICH MIGHT LEAD TO THE INTERRUPTION OF OIL SUPPLIES FROM IRAN WOULD BE A DEVASTATING BLOW AS OPPOSED TO AN INCONVENIENCE, TO AMERICA'S ALLIES BECAUSE IRANIAN SHIPMENTS OF CIL HAD ALREADY PROPPED PRECIPITOUSLY BECAUSE OF EXISTING SANCTIONS AND THE FRAGMENTED NATURE OF IRAN'S OWN ECONOMY. THEY WOULD HOVEVER HAVE A SERIOUS IMPACT ON IRAN,

(E) ALTHOUGH THERE WERE HISTORICAL TRADE LINKS BETWEEN IRAN AND THE SOVIET UNION, THE PRESIDENT DID NOT BELIEVE THAT IRAN COULD CIRCUMVENT THE EFFECTS OF ANY BLOCKADE BY MEANS OF LAND LINKS WITH OTHER COUNTRIES. HE ADDED THAT HIS REPLY DID NOT INDICATE THAT HE HAD DECIDED THAT A BLOCKADE SHOULD BE IMPOSED.

(F) HE HAD NOT TAKEN SPECIFIC STEPS TO BAN THE EXPORT OF FOOD AND DRUGS TO IRAN BECAUSE TRADE IN THEM WAS NOW PRACTICALLY NON-EXISTENT. BUT A BAN ON SUCH EXPORTS REMAINED AN OPTION.

FCO PASS SAVING TO BRUSSELS COPENHAGEN DUBLIN LUXEMBOURG THE HAGUE UKREP BRUSSELS AND UKDEL NATO

HENDERSON

[REPEATED AS REQUESTED]

DEPARTMENTAL DISTRIBUTION
MED ECD
NENAD UND
N AM D TRED
SED CONS D
SAD CONS EM UNIT

ADDITIONAL DISTRIBUTION TEHRAN SPECIAL GR 800

UNCLASSIFIED

DESKBY 180800Z FCO

DESKBY 180700Z SALISBURY

PM WASHINGTON 172359Z APR 80

TO IMMEDIATE F C O

TELEGRAN NUMBER 1515 OF 17 APRIL 1980,

INFO IMMEDIATE TEHPAN, SALISBURY (FOR PRIVATE SECRETARY), BONN,

PARIS, ROUTINE UKMIS NEW YORK, ROME, OTTAWA, TOKYO, MOSCCH, CANBERRA,

MELLINGTON

INFO SAVING OTHER E C POSTS, UKDEL NATO.

PRESIDENT CARTER'S PRESS CONFERENCE: IRAN.

FOLLOWING IS TEXT OF SUBSTANCE OF PRESIDENT CARTER'S STATEMENT ON IRAN AT HIS PRESS CONFERENCE ON 17 APPIL. THE MEASURES ANNOUNCED OVERLAP, BUT DIFFER IN IMPORTANT RESPECTS FROM, THOSE IN THE U S PAPER HANDED OVER IN ADVANCE IN LONDON (F C G - WASHINGTON TELNO 702).

BEGINS:

FIRST, I AM PROHIBITING ALL FINANCIAL TRANSFERS BY PERSONS SUBJECT TO THE JURISDICTION OF THE U S TO ANY PERSON OR ENTITY IN TRAN, EXCEPT THOSE DIRECTLY RELATED TO THE GATHERING OF NEWS AND FAMILY REMITTANCES TO THE HOSTAGES. AS FROM TODAY ANY SUCH TRANSACTIONS WILL BECOME A CRIMINAL ACT.

SECONDLY, ALL IMPORTS FROM IRAN TO THE U S WILL BE BARRED.

THIRD, I INTEND TO EXERCISE MY STATUTORY AUTHORITY TO PROTECT AMERICAN CITIZENS ABROAD BY PROHIBITING TRAVEL TO IRAN AND BY PROHIBITING THE TRAVEL TO IRAN AND BY PROHIBITING ANY TRANSACTION BETWEEN AMERICANS AND FOREIGN PERSONS RELATING TO SUCH TRAVEL OR THE PRESENCE OF AMERICANS IN IRAN. AGAIN, THIS AUTHORITY WILL NOT NOW BE USED TO INTERFERE WITH THE RIGHT OF THE PRESS TO GATHER NEWS. HOWEVER, IT IS MY RESPONSIBILITY AND MY COLIGATION, GIVEN THE SITUATION IN IRAN TO CALL ON AMERICAN JOURNALISTS AND NEWSGATHERING ORGANISATIONS TO MINIMISE AS SEVERELY AS POSSIBLE THEIR PRESENCE AND THEIR ACTIVITIES IN IRAN.

FOURTH, I AM ORDERING THAT ALL MILITARY EQUIPMENT PREVIOUSLY PURCHASED BY THE GOVERNMENT OF IRAN, WHICH I HAD PREVIOUSLY MOMOUNDED, BE MADE AVAILABLE FOR USE BY THE U S MILITARY FORCES OR FOR SALE TO OTHER COUNTRIES.

FINALLY, I WILL ASK CONGRESS FOR DISCRETIONARY AUTHORITY TO PAY REPARATIONS TO THE HOSTAGES AND TO THEIR FAMILIES OUT OF THE MORE THAN 8 BILLION DOLLARS IN FROZEN IRANIAN ASSETS IN THE UNITED STATES. THESE ASSETS WILL BE AVAILABLE TO SATISFY CONTRACTS AND OTHER COMMERCIAL CLAIMS OF AMERICAN FIRMS AGAINST IRANIAN GOVERNMENT ENTITIES, AND TO REIMBURSE CLAIMS OF THE U S FOR THE HEAVY MILITARY AND OTHER COSTS WE HAVE INCURRED BECAUSE OF IRAN'S ILLEGAL ACTIONS.

IF A CONSTRUCTIVE IRANIAN RESPONSE IS NOT FORTHCOMING SOON THE U.S. SHOULD AND WILL PROCEED WITH OTHER MEASURES. WE WILL LEGALLY FORBILD SHIPMENTS OF FOOD AND MEDICINE AND THE U.M. CHARTEP, AS YOU KNOW, STIPULATES INTERRUPTION OF COMMUNICATIONS AS A LEGITIMATE SANCTION ACCORDINGLY, I AM PREPARED TO INITIATE CONSULTATIONS WITH THE MEMBER NATIONS OF INTELSAT TO BAR IPAN'S USE OF INTERNATIONAL COMMUNICATIONS FACILITIES.

THE MEASURES WHICH I AM ANNOUNCING TCDAY ARE STILL NON-BELLIGERENT IN NATURE. THEY ARE A CONTINUATION OF OUR EFFORTS TO RESOLVE THIS CRISIS BY PEACEFUL MEANS. THE AUTHORITIES IN IRAN SHOULD REALISE HOWEVER THAT THE AVAILABILITY OF PEACEFUL MEASURES, LIKE THE PATIENCE OF THE AMERICAN PEOPLE IS RUNNING OUT. I AM COMPELLED TO REPEAT WHAT I HAVE SAID ON PREVIOUS OCCASIONS. OTHER ACTIONS ARE AVAILABLE TO THE U S AND MAY BECOME NECESSARY IF THE COVERNMENT OF IRAN REFUSES TO FULFILL ITS SCLOMN INTERNATIONAL RESPONSIBILITY. THE AMERICAN HOSTAGES MUST BE FREED.

EN DS.

F C O PASS SAVING BRUSSELS COPENHAGEN DUBLIN LUXEMBOURG THE HAGUE UKREP BRUSSELS UKDEL NATO

HEN DER SON

[REPEATED AS REQUESTED]

DEPARTMENTAL DISTRIBUTION

JISTRIBUTION

ADDITIONAL DISTRIBUTION
TEHRAN SPECIAL

MED N AM D FRD ECD (E)

- 2 -