

PS
PS/SIR I GILMOUR
PS/MR HURD
PS/PUS
SIR A DUFF
SIR A PARSONS
MR J C MOBERLY
MR LEAHY
HD/MED
HD/NENAD
HD/UND (2)
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MISS BROWN
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SIR J HUNT)
ASSESSMENTS STAFF) CABINET
MR LE CHEMINANT) OFFICE
DR J THOMPSON)
CABINET OFFICE DIO
MR F R BARRATT TREASURY

(Dept.)

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FM TEHRAN 211115Z JUN 79

TO PRIORITY FCO

TELEGRAM NUMBER 712 OF 21 JUNE

INFO PRIORITY CABINET OFFICE (DIO), MODUK (DI4, DS11), CRE 5,
WASHINGTON, ABU DHABI, ANKARA, BAGHDAD, BAHRAIN, CAIRO, DOHA,
DUBAI, ISLAMABAD, JEDDA, KABUL, KUWAIT, MOSCOW AND PARIS.

IRAN INTERNAL SITUATION: MY TEL 703

1. THE POLITICAL SCENE HAS BEEN DOMINATED THIS WEEK BY THE CONSTITUTIONAL ISSUE AND THE PUBLICATION OF THE DRAFT DOCUMENT, (MY TUR). THE FOUR SENIOR QOM AYATOLLAHS - KHOMEINI, SHARIAT-MADARI, MARASHI-NAJAF AND GOLPAYGANI - MET THERE ON 19 JUNE. ALTHOUGH NO COMMUNIQUE WAS ISSUED, SHARIAT-MADARI'S SUBSEQUENT STATEMENTS SUGGEST THAT HE GAVE SOME GROUND BY AGREEING THAT AN ASSEMBLY OF EXPERTS NUMBERING ABOUT 72, RATHER THAN A LARGER CONSTITUENT ASSEMBLY, SHOULD EXAMINE THE DRAFT CONSTITUTION. HOWEVER KHOMEINI APPEARS TO HAVE CONCEDED THAT THEY SHOULD BE ELECTED, NOT APPOINTED. (A FULL TEXT OF THE DRAFT AND A PRELIMINARY ANALYSIS IS BEING SENT TO MED BY TODAY'S BAG) OPPOSITION TO THE DRAFT AND THE ASSEMBLY OF EXPETS HAS ALREADY BEEN VOICED BY LIBERAL GROUPS, AND, IN PARTICULAR, BY THE ETHNIC MINORITIES AND SUNNI MUSLIMS. THE NATIONAL DEMOCRATIC FRONT IS HOLDING A RALLY AT TEHRAN UNIVERSITY TOMORROW - TOGETHER WITH KURDISH, ARAB AND TURKMEN GROUPS AS WELL AS SOME OTHERS - TO DISCUSS THE CONSTITUTION.

MUSLIMS. THE NATIONAL DEMOCRATIC FRONT IS HOLDING A RALLY AT TEHRAN UNIVERSITY TOMORROW - TOGETHER WITH KURDISH, ARAB AND TURKMEN GROUPS AS WELL AS SOME OTHERS - TO DISCUSS THE CONSTITUTION AND THE PROCEDURE FOR ITS APPROVAL. (THE BALUCH SEEM MORE QUIESCENT.) THE ASSOCIATION OF IRANIAN LAWYERS HAS BEEN STAGING A SEMINAR SINCE 16 JUNE AND A NUMBER OF SPEAKERS HAVE BEEN VERY CRITICAL OF THE DRAFT.

2. KHOMEINI HAS CALLED IN A SPEECH THIS WEEK FOR A "CONSTRUCTION DRIVE" TO REPAIR THE "DEVASTATION" CAUSED BY THE PREVIOUS REGIME'S DEVELOPMENT PROJECTS. HE HAS ASKED THE NATION TO DIRECT ITS ENERGIES TO PROJECTS AIMED AT IMPROVING CONDITIONS, PARTICULARLY IN VILLAGES AND AMONG THE TRIBES. AS WAS TO BE EXPECTED, THE CALL HAS BEEN ENDORSED BY THE GOVERNMENT - BANI ASSADI, DEPUTY PRIME MINISTER, HAS SAID THAT THE DRIVE IS TO BE AIMED AT THE PROVISION OF BASIC RURAL SERVICES AND INDUSTRIES. THE MINISTRY OF AGRICULTURE HAS EARMARKED 70 BILLION RIALS (ABOUT \$500.0 M) AS LOANS TO FARMERS.

3. DR SANJABI (NATIONAL FRONT) HAS GIVEN THE DRAFT CONSTITUTION A CAUTIOUS WELCOME. BUT THE INDICATIONS ARE THAT THE NATIONAL FRONT IS LOSING GROUND. ON 17 JUNE DARIUSH FOROUSHAR, MINISTER OF LABOUR, OFFICIAL SPOKESMAN FOR THE FRONT AND A CLOSE ASSOCIATE OF SANJABI IN RECENT MONTHS, ANNOUNCED THAT HE AND HIS IRAN PEOPLE'S PARTY WERE LEAVING THE FRONT, WHICH WAS "PLAGUED BY A POWER STRUGGLE". HE HAS PROBABLY REACTED TO THE RECRUITMENT TO THE FRONT'S CENTRAL COMMITTEE OF DR GHOLAM HOSSEIN SADDIQI, A FORMER CABINET MINISTER UNDER MOSSADEQ. THE FRONT HAS ANNOUNCED ITS INTENTION TO INCLUDE MORE YOUNGER MEMBERS IN ITS LEADERSHIP, BUT ITS FOLLOWING IS RAPIDLY DECLINING. A MEETING HELD BY THE FRONT ON 19 JUNE TO CELEBRATE THE ANNIVERSARY OF THE EXPROPRIATION OF AIOC IN 1951 WAS FAR LESS WELL ATTENDED THAN A RALLY ON THE SAME DAY TO HONOUR THE MEMORY OF DR ALI SHARIATI. (THERE WERE NO ANTI-BRITISH MANIFESTATIONS, DESPITE THE PREVIOUS APPEARANCE IN THE LOCAL PRESS OF PASSAGES LINKING THE CELEBRATION TO THE REMOVAL OF THE BRITISH IN 1951.)

4. A NUMBER OF CABINET CHANGES WERE ANNOUNCED ON 20 JUNE. THE MINISTER OF JUSTICE, ASADULLAH MOBASHERI, HAS RESIGNED, AND HAS BEEN REPLACED BY HAJ SAYID JAVADI, THE MINISTER OF INTERIOR, WHO IS SUCCEEDED IN THAT OFFICE BY HASHEM SABAGHIAN, DEPUTY PRIME MINISTER FOR TRANSITIONAL AFFAIRS. NO REASONS WERE GIVEN FOR MOBASHERI'S RESIGNATION, THOUGH APPARENTLY HE SAID HE WAS TIRED AND WISHED TO RETURN TO ACADEMIC LIFE. THERE MAY BE SOME TRUTH IN THIS - HE IS NOT A YOUNG MAN - BUT OTHER CAUSES MAY HAVE BEEN THE CONTINUED ARBITRARY DISPENSATION OF JUSTICE BY THE REVOLUTIONARY COURTS, (OVER WHICH HE IS SAID TO HAVE OFFERED HIS

HAVE BEEN THE CONTINUED ARBITRARY DISPENSATION OF JUSTICE BY THE REVOLUTIONARY COURTS, (OVER WHICH HE IS SAID TO HAVE OFFERED HIS RESIGNATION LAST APRIL), AND HIS KNOWN RESERVATIONS ABOUT THE DRAFT CONSTITUTION AND THE METHOD CHOSEN TO EXAMINE AND RATIFY IT.

5. THERE ARE FURTHER REPORTS IN THE PROVINCES OF TROUBLE CAUSED BY THE DEPREDATIONS OF LOCAL KOMITEHS EG IN ZANJAN, (THE DISAGREEMENT REPORTED IN MY TELNO 694 APPARENTLY CONTINUES), KHOY AND OKUMIYEH IN THE NORTH-WEST, YASUJ IN SOUTHERN LURISTAN AND BUSHEHR ON THE SOUTHERN COAST. IN YASUJ, THE LOCAL GOVERNOR HAS RESIGNED IN PROTEST AT THE ARBITRARY ARREST OF MEMBERS OF HIS OFFICE BY THE TOWN'S KOMITEH. THERE ARE ALSO SIGNS OF CONTINUING DISQUIET IN KHORRAMSHAHR WHERE KHALKHALI HAS THREATENED THAT ANYONE CONTINUING TO SEEK AUTONOMY - INCLUDING KHAQANI, THE LOCAL ARAB RELIGIOUS LEADER - SHOULD BE PUT BEFORE A FIRING SQUAD, AND WHERE IT SEEMS THERE HAVE BEEN DEMONSTRATIONS AGAINST THE CONTINUED DETENTION OF THE ARABS ARRESTED IN THE RECENT FIGHTING.

6. IN A SPEECH GIVEN ON 16 JUNE, NOTABLE FOR ITS TOUGH AND UN-COMPROMISING ATTITUDE TO THE (?) FOR A PROPERLY RECONSTRUCTED ARMY, THE CHIEF OF IRAN'S MILITARY POLICE, GENERAL AMIR RAHIMI, HAS SAID THAT IRAN'S ARMED FORCES HAVE LOST MOST OF THEIR POWERS AND WARNED THAT THE COUNTRY WOULD BE DESTROYED IF THE ARMY WERE FURTHER WEAKENED. ONE LOCAL NEWSPAPER, AYANDEGAN, REPORTED THIS WEEK THAT GENERAL MOSTAFA MOSTAFA'I HAS BEEN APPOINTED HEAD OF POLICE, REPLACING GENERAL MOJALLALI. THIS SEEMS TO HAVE BEEN CONFIRMED IN A SUBSEQUENT REFERENCE BY THE OFFICIAL PARS NEWS AGENCY THOUGH, OTHERWISE, THE APPOINTMENT HAS RECEIVED NO COVERAGE.

7. THE ARREST OF GENERAL TOUFANIAN AT HIS BROTHER'S HOUSE IN TEHRAN HAS BEEN REPORTED.

8. THE KOMITEH IN KARAJ DESTROYED LAST WEEK THE LIQUOR STORE OF A PARTLY BRITISH-OWNED FIRM, AND WORK HAS STARTED ALSO ON GRAY MACKENZIE'S STOCK (WORTH ABOUT £1.0M).

GRAHAM

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