

EXCLUSIVE

Shah Pushes Hard Bargain For Nuclear Development

The Shah of Iran arrived in Washington this week for his first meeting with President James Carter. A priority agenda item discussed by the two leaders is the fate of a pending deal for the sale of nuclear reactors to Iran. First proposed over two years ago, the deal, which involves eight nuclear power plants, has been stalled as a result of Washington's antinuclear policies.

The Shah has been an outspoken proponent of nuclear energy not only for Iran, but as the new energy mode for the international economy. He intends to purchase 20 reactors which will make Iran's growing economy almost totally dependent on nuclear power by the turn of the century. As a result of the United States' unwillingness to finalize the reactor deal, the Shah has bypassed Washington and bought eight reactors from France and West Germany, with the total sale valued at over \$10 billion.

Days before the Shah arrived in Washington, he signed an agreement with the West German firm Kraftwerke Union for four reactors — the largest single deal of its kind in history, with a price tag of \$8 billion. The timing of the agreement was clearly designed to maximize pressure on the Carter Administration to break with its neo-growth energy program.

West German journalist Kurt Leissler wrote in *Die Welt* Nov. 14, that the newly signed West German-Iran deal markedly strengthened the Shah's position in bargaining with Carter. Moreover, he noted, such a deal was a "blow" to Carter's ability to sell no-growth policies to the Third World along the lines promoted by the World Bank and the International Monetary Fund.

The stumbling block to completing the U.S. sale to Iran has been a demand from Washington that Iran renounce its commitment to spent fuel recycling, based on the trumped-up issue of the danger of nuclear weapons proliferation. Well-informed nuclear industry sources indicate that no breakthrough occurred between the Shah and Carter over this issue. Relations between Iran and its traditionally number one ally, the U.S., have shown signs of strain in recent months as a result of Carter's policy on nuclear energy as well as problems with arms sales and Carter's "human rights" campaign. Iran, in turn, has tightened relations with both Western Europe and the Comecon countries, all of which are eager to see a change in Washington's energy policy.

The shift in Iran's foreign alignments is a warning to Washington that a continuation of the same policies will only further alienate Iran, one of America's most valuable strategic allies in the Persian Gulf and Indian Ocean region. This reality was the background to the meetings between the Shah and Carter. For this reason, Iran is a crucial part of the international effort to force the U.S. to join the majority of the advanced and underdeveloped countries that support energy growth. In this endeavor, France, West Germany, and the Soviet Union have taken the lead.

The Shah's International Diplomacy

On other fronts, the Shah is showing signs of a heightened sense of responsibility for the world economy. During his meetings with Carter he affirmed that, unlike in the past, Iran would not take its traditional hawkish position on pricing at the upcoming meeting of the Organization of Petroleum Exporting Countries meeting next month, but would support the Saudi position of no price rise. Moreover, the Shah has repeatedly expressed the need for a new world economic order based on generating new productive capacity for the Third World.

Iran has maintained its momentum in building an industrial infrastructure apart from the oil industry on which it is still 85 percent dependent. The Comecon countries are playing an increasingly significant role in supplying the Shah with technology and knowhow, in return for bartered oil. Following a trip to Poland and Czechoslovakia late last summer, the Shah will make a visit to Berlin in the near future. Furthermore, the Shah met with the French leaders in Paris immediately before and after his trip to Washington.

Moreover, West German and Japan have in the last twelve months overtaken the U.S. in nonmilitary trade with Iran. A spokesman from the Commerce Department indicated that if current trends continue, the U.S. will lose even more ground in the Iranian capital goods market.

The Flaw in Iran's Development

While a program of employing the most advanced technology for development of an underdeveloped country such as Iran is correct, the Shah has failed to exhibit any notion of the development of a domestic labor force which is necessary for his overall development forecast. As a result, Iran's estimated 35 million population is still unprepared for rapid industrialization, with the majority of Iranians still not even literate.

This leaves Iran vulnerable to various counterinsurgent and terrorist formations, such as the newly reconstituted Islamic Marxist movement, which are controlled by foreign elements such as British-based Fabian networks and the Institute for Policy Studies terror command center in Washington. Behind such operations are the banking and political interests which are opposed to the Shah's development perspective and its international correlates. A recent assassination attempt against the Shah's twin sister and numerous reports from informed sources of threats against the Shah are still other features of international efforts to undermine Iran's current policies.

A knowledgeable source at the University of Texas last week predicted that a new wave of radicalism will sweep the major urban centers of Iran under the banner of Islamic Marxism. Last month the University of Tehran saw its first terrorist incident in the recent period, when

students went on the rampage and inflicted significant damage to campus facilities. The unprecedented turnout of Iranian students and anti-Shah demonstrators in Washington during the Shah's visit here is another facet of such an operation.

Last month, the Iranian government issued a condemnation of the British Broadcasting Corporation for its slanderous coverage of Iran's development plans. The BBC had characterized the closing relations between Iran and the East bloc as based only on the Comecon nations' need for oil. Parviz Adl, a spokesman for the Iranian Foreign Ministry, addressed the BBC commentary: "No great goal can be achieved without encountering difficulties. Are Western journalists mature and humane in showing joy over problems caused by Iran's rapid development like port congestion, jammed roads, and electric power . . . Iran accepts honest criticism and considers logical recommendations. But exaggerated descriptions of the nation's difficulties and the total exclusion of any reference to her stupendous achievements are something entirely different."

—Judy Weyer

Terrorism: 'A Sort Of Cold War'

The interview with Princess Ashraf, sister of the Shah of Iran, that is excerpted here followed an attempted assassination against her three months ago in France, and appeared in Zan-e-Ruz, a weekly magazine published by Kayhan International, the official daily of the Iranian government.

Asked about the motivations of the terrorists who tried to kill her, she responded:

There are people who have set out to intimidate and threaten others through a sort of cold war which is much worse than all-out war because in war, at least one knows one's assailants and can prepare to defend oneself and one's country.

The perpetrators of this kind of war are like filthy rats who hide in dark corners and attack from behind. They do not have the courage to attack when they can be seen and known.

This is a movement which has swept the globe and affects the most developed countries with the most advanced systems of welfare. They are motivated by selfishness, mental distress, vague illusions, and a love of violence and blood. . . . A few years ago, hijacking airplanes was their favorite ploy. Today, they kidnap famous people and demand all sorts of concessions from governments for their release.

These terrorists are influenced by foreign elements and they kill for money. They can have no value or worth in the eyes of the Iranian people.

My brother the Shahanshah has undertaken a mission for his country and we all stand behind him like soldiers. . . . Let me make it perfectly clear that if one of us is kidnapped or killed, our assailants will not be able to exact the smallest concession. The country's programs will be launched as before and terrorists can accomplish absolutely nothing, except bloodshed, in this way.