



THE DEPUTY SECRETARY OF DEFENSE WASHINGTON, D. C. 20301

1 8 MAY 1972

MEMORANDUM FOR THE ASSISTANT TO THE PRESIDENT FOR NATIONAL SECURITY AFFAIRS

SUBJECT: Talking Papers for the President's Discussions in Iran

The attached talking papers are submitted for the President's consideration and use in his discussions with the Shah of Iran. They outline Department of Defense positions responding to requests the Shah is expected to make for purchase of our newest and most sophisticated weapons systems and for assignment of U.S. uniformed personnel to assist in their absorption by Iran.

Enclosures - 5 a/s

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TITLE: Laser Guided Bombs

BACKGROUND:

The USG has released certain information on laser-guided bombs to NATO countries and recently part of this information has been made available to the Government of Iran. This bombing system is currently in use by our Air Force in Southeast Asia and all production for the foreseeable future will be required by the USAF.

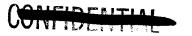
LIKELY IRANIAN POSITION:

The Shah will ask that USG approve the sale of laser-guided bombs to GOI.

RECOMMENDED U.S. POSITION:

Recommend you inform the Shah that the USG approves in principle the sale of laser-guided equipment to the GOI and that details on price and availability can be worked out when our own requirements are satisfied. This will include the helicopter launched laser guided antitank missiles.





TITLE: Sale of F-15/F-14 Aircraft

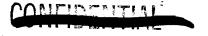
BACKGROUND:

Since 1969 the Shah has focused increasingly on the issue of followon aircraft to replace US supplied F-4's in his Air Force during the
late 1970's. The Shah argues that a long lead time is required in the
budget and procurement cycle for such a major defense acquisition, and
that third countries have been trying to interest him in a prototype aircraft, such as the French Mirage VIII, or other British/German MRCA.
In addition, the Shah argues that he will need an aircraft of the F-15
caliber to counter the "almost assured" introduction into neighboring
countries of the MIG-23 by the Soviet Union. We have briefed representatives of the Government of Iran on the F-14 and F-15 aircraft but
have made no commitment for the sale. These aircraft are barely out
of the research and development stage, and the F-15's first flight test
is not scheduled until September 1972.

LIKELY IRANIAN POSITION:

Shah will ask for assurances that the USG will make available 3 squadrons of F-15 and a few F-14 with Phoenix missiles for sale to the Government of Iran at some unspecified time in the future as follow-on aircraft or as a supplement to his F-4 fighter fleet.





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RECOMMENDED U.S. POSITION:

There are two major factors that militate against making a positive F-14/F-15 sales commitment, particularly with firm numbers and delivery dates, to the Shah at this time. First, neither of these aircraft programs has progressed to a point at which we can accurately predict their availability. Second, we cannot foresee the world situation in the latter half of this decade sufficient to permit a positive delivery date and number commitment of these sophisticated and unique aircraft. Conditions in the region by the time of aircraft availability might make a sale counterproductive to USG interests. We must consider the possibility of priority need by our NATO or other allies and additional requirements of our own. Therefore, recommend we tell the Shah that we anticipate favorable action on the sale but the matter must be held in abeyance until the programs become more stable and predictable. We will, however, keep the Shah apprised of our progress on the development of these weapons systems.



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TITLE: MAVERICK Missile

BACKGROUND:

The MAVERICK Missile is a new electro-optical air-to-ground missile manufactured by Hughes Aircraft Corp. The missile in pretesting proved itself well enough for DoD to approve production in limited quantities in 1971. However, additional testing was ordered. Secretary Laird told the NATO Ministerial Council in December 1971 that additional operational tests would be required prior to a follow-on production decision. After tests are completed, USG will discuss the missile availability for use on NATO assigned aircraft. Subsequently, Secretary Laird also included Iran for possible sale of Maverick under same caveat.

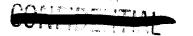
LIKELY IRANIAN POSITION:

Shah will ask for the sale of sufficient MAVERICK Missiles at the earliest possible time to equip his F-4 squadrons.

RECOMMENDED U.S. POSITION:

That you advise the Shah that our operational testing is nearly complete and that as soon as test results have been analyzed, and missile proves out satisfactorily, we intend to act favorably on Iran's purchase request. Production and delivery schedules could be discussed at a later date.





TITLE: Additional F-4E/F-5E Sales to Iran

BACKGROUND:

In the early 1960's the Shah requested USG assistance in modernizing his fighter aircraft fleet. At that time he had 3 squadrons of MAP F-86F's. We assisted the Shah by providing 2 squadrons of F-5A's under Grant Aid and the GOI purchased 4 additional squadrons. In the late 1960's the GOI ordered 2 squadrons of F-4D's and 2 squadrons of F-4E's. Almost before the first F-4's were delivered the GOI ordered 4 additional squadrons. Recently they have indicated an interest in buying 2 more squadrons making a total of 10 squadrons when all are delivered. Last year the Shah decided to replace the older F-5A with the newer F-5E. He has placed orders with Northrop for 8 squadrons. Recently the Shah has indicated a desire to purchase 2 more squadrons of F-5E's that would produce an inventory of 10 squadrons of this aircraft as well.

LIKELY IRANIAN POSITION:

The Shah will ask that the USG approve the sale of two additional squadrons of F-4E's and two of F-5E's.

RECOMMENDED U.S. POSITION:

Recommend you tell the Shah that the USG will approve the sale of these aircraft and that price and availability is now being studied by the USAF. He will be notified when negotiations can be expected to commence.



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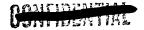
TITLE: Technical Assistance by U.S. Armed Forces Personnel BACKGROUND:

Since 1969 the U.S. Air Force has made available to the Imperial Iranian Air Force (IIAF) on a reimbursable basis a Technical Assistance Field Team to help the IIAF absorb the F-4's. The team has varied in size from 54 to 83, and supplements our 200-man Military Assistance Advisory Group (MAAG). As Iran takes delivery of increasingly more complex U.S. military equipment, the strain on the country's manpower base may become critical; thus the Shah's desire for increased numbers of U.S. military technicians to assist/train his key maintenance personnel. We have resisted the Shah in this matter chiefly to keep our military profile low and to encourage the Iranians to solve their own problems. When additional U.S. assistance has become unavoidable, we have urged the Shah to hire technical personnel from U.S. civilian contractors, a route he considers unduly expensive and not fully responsive to his needs.

LIKELY IRANIAN POSITION:

The Shah will request a "bank account" of several hundred U.S. uniformed technicians on which to draw on a fiscally reimbursable basis. He would like to be assured that we will furnish the GOI a team





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of skilled personnel at any time a requirement appears.

RECOMMENDED U.S. POSITION:

Although the U.S. generally opposes introducing military items into the inventory of a country that is incapable of operating and maintaining them properly, we recognize that political-military requirements may occasionally dictate such a course. Should Iran acquire advanced items where short-term technical help is required, we should try to help it bridge the gap. Recommend you advise the Shah that, although our policy is to reduce our military presence overseas and although we are under heavy Congressional pressure in this regard, the U.S. Government will try to assist the GOI by providing on a case-by-case basis selective U.S. military technical assistance where such advice cannot be secured through a civilian contractor.

