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Fid [] Embassy Relations

14 April 1973

MEMORANDUM FOR: The Ambassador

SUBJECT: Miscellaneous Jottings

copy between red lines

1. In connection with the two papers from [] on the current state of negotiations, [the Shah mentioned to me the other day that he thought things were working themselves out rather well and repeated for the umpteenth time his conviction that his is the way of the future and his parallel conviction, which he has expressed to the companies, that they should enter into a similar agreement with the Saudis whenever the Saudis are technically up to taking over management. I said I understood that the question of pricing was the current difficulty. He said he thought not, that this could be easily settled. His whole attitude was one of relaxed confidence.]

2. In connection with [] remarks about opposition to Northrop in the Prime Minister's office and the Plan Organization, the Shah remarked to me a couple of years ago when the Northrop-Page contract for the integrated communications system was under consideration that he had decided he must give it to Northrop-Page if a beginning was ever to be made on the project. He added that he was sure that he would "have trouble with some of his people about this."

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I suggest you privately send paragraph 1 to [] for his info.

HR70-14 (U)

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DATE: MAR 2008

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