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FTE TEHRAN				

FROM: AMBASSADOR HELMS, TEHRAN

- 1. WOULD YOU PLEASE PASS THE FOLLOWING TO SECRETARY KISSINGER FROM ME:
- (A) PLEASE HAVE A LOOK AT THE BOTTOM OF PAGE THREE AND THE TOP OF PAGE FOUR IN THE 17 JANUARY 1974 ISSUE OF THE ECONOMIST'S FOREIGN REPORT. THIS KIND OF TALK, WHICH APPEARS TO GIVE SUBSTANCE TO SCHLESINGER'S REMARKS EARLIER THIS MONTH, WILL, IFFEAR, BE BELIEVED BY A LOT OF PEOPLE IN THE MIDDLE EAST NOT TO MENTION IRAN. THE SOVIETS ARE PROBABLY RESPONSIBLE FOR PUSHING THIS LINE, IF NOT ORIGINATING IT. BUT IRANIANS AND ARABS ALIKE BELIEVE IN THE CONSPIRATORIAL THEORY OF POLITICAL LIFE AND ARE SUCKERS FOR THIS KIND OF RATIONALIZATION. NOBODY IN THIS PART OF THE WORLD WILL BOTHER TO MUSE OVER WHAT THE SOVIET UNION WILL BE DOING WHILE OUR MARINES ARE TAKING OVER THE GULF OIL FIELDS.
- (B) I BRING THIS ITEM TO YOUR ATTENTION, BECAUSE I FAIL
 TO SEE WHAT AMERICAN DECLARATIONS ARE GOING TO ACHIEVE TOWARD
 LOWERING CRUBE OIL PRICES OR MAKING SAUDI ARABIA MORE INTERESTED

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APPROVED FOR RELEASE DATE: MAR 2008

RELEASED: 5/11/

SECRET

PAGE 2 TEHRAN S E C R E T

IN SITTING DOWN WITH THE CONSUMER COUNTRIES. WE HAVE IN FRONT OF US ONE HELL OF A PROBLEM WHICH IS NOT GOING TO BE MADE EASIER BY AMERICAN MUSCLE FLEXING WHICH MAY LOOK GOOD TO CONGRESS BUT WHICH SIMPLY FANS EMOTIONALISM AND IRRATIONALITY IN THE MIDDLE EAST.

- (C) UNLESS THERE IS SOMETHING IN ALL THIS WHICH WE ARE COMPLETELY MISSING, YOU MAY WANT TO PERSUADE OTHER ADMINISTRATION OFFICIALS THAT THERE ARE NO OBVIOUS SHORTCUTS TO ROLLING BACK CRUDE OIL PRICES OR TO PERSUADING THE OPEC MEMBERS TO LINE UP AND SALUTE.
- (D) I HOPE THAT NONE OF THE FOREGOING IS TAKEN AMISS.

 MY EFFORT IS TO BE HELPFUL AND CONSTRUCTIVE, SO PLEASE READ THIS

 NO OTHER WAY. WARM REGARDS.

SECRET

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