

Documents Detail Israeli Missile Deal With the Shah

By ELAINE SCIOLINO

Special to The New York Times

WASHINGTON — Before the fall of the Shah in 1979, Israel was involved in a multibillion-dollar project to modify advanced, surface-to-surface missiles for sale to Iran, according to documents said to have been left in Teheran by Israeli diplomats.

The documents reveal that the Israelis told the Iranians that the missiles could be fitted with nuclear warheads, although this possibility was not pursued. The two sides agreed that if Iran wanted a nuclear ability, this would pose a problem with the Americans.

The Israelis left shortly before the 1979 revolution. The Israeli papers, in English, were published in paperback by the Iranians who seized the American Embassy in November 1979 and who have published more than 50 volumes of secret documents found there.

The Israeli-Iranian project, code-named "Flower," was one of six oil-for-arms contracts signed in April 1977 in Teheran by Shah Mohammed Riza Pahlavi and Shimon Peres, then the Israeli Defense Minister.

Two Nations Had Trade Missions

At the time, Iran and Israel did not have diplomatic relations, but they had trade missions. In addition, Iran was the only Middle Eastern country that recognized Israel's right to exist.

The two countries, according to transcripts of conversations in the documents, intended to keep the proposed missile improvement secret from the United States.

Although American officials were aware that Israeli and Iranian military leaders had exchanged secret visits, they did not know the nature of the discussion, according to interviews with former officials of the State Department, the Pentagon, the Central Intelligence Agency and the National Security Council staff.

The possession of surface-to-surface missiles was part of the Shah's plan to turn Iran into the most formidable military power in the Middle East. For the Israelis, the deal offered a guaranteed oil supply as well as financing for advanced military research.

Work Halts After Revolution

According to the documents, a missile was test-fired in Israel in the presence of an Iranian general. The aim of the project was to extend the range of an Israeli missile developed in the early 1970's and replace American-supplied parts so that Israel could legally export it without American approval.

Israel was still perfecting the missile when Ayatollah Ruhollah Khomeini came to power in February 1979 and halted cooperation with Israel.

Two Iranian officials involved, Gen. Hassan Toufanian, the arms procurer, and Adm. Kamal Habibollahi, the navy commander, said in interviews that the conversations recorded in the documents were genuine. The two now live in the United States.

In a third interview, Ezer Weizman, who took over as Israeli Defense Minister in May 1977 and who is now a member of the Cabinet under Prime Minister Peres, did not deny that the documents were authentic.

Weizman Confirms Contacts

"Obviously we had relations with Iran and I knew General Toufanian personally," he said from Jerusalem in a telephone interview. "I had many conversations with him both in Tel Aviv and in Teheran. But I don't think it is appropriate that I, as former Minister of Defense and as a Minister in the Israeli Cabinet, should comment on affairs of state backdated to 1977."

Other Israeli officials called the papers a forgery.

"These rumors and falsified documents are usually spread by the present regime in Teheran with the view to discredit the previous regime," Avi Pazner, a spokesman for Israel's Foreign Ministry, said.

A spokesman for Mr. Peres, Uri Savir, said, "I have nothing to add to Mr. Pazner's statement."

The Flower project, according to the documents, involved the production of missiles with warheads weighing 750 kilograms, or 1,650 pounds, and with a range of up to 300 miles. They were to be shipped through a Swiss company to central Iran for assembly and testing.

Books Available in Libraries

The books with the documents are on sale in Teheran. They are available in the libraries of Harvard University, the University of Chicago, Columbia University and in the Library of Congress. The volume on the missile project, published three years ago, was made available to The New York Times through the Iranian Library of Encino, Calif.

Richard Helms, former director of the C.I.A. and a former ambassador to Iran who is now a consultant on the Middle East, said:

"I am hardly surprised that these documents have not come to light until now. The books attracted a great deal of attention when the first volumes appeared, but ever since the hostage crisis, interest in Iran has been drastically reduced. Even though new volumes still appear with some regularity, they tend to be regarded in intelligence circles as a kind of ancient history."

A 1977 Visit to Israel

Some of the papers date from July 1977, two months after Israel's Labor Government fell and Menachem Begin was elected as Prime Minister. It was then that the Shah, concerned about the viability of the military deals he had signed with Mr. Peres, dispatched General Toufanian to Israel.

General Weizman tried to convince General Toufanian of Iran's need for an advanced missile, according to a conversation recorded in the documents.

"You must have a ground-to-ground missile," General Weizman said. "A country like yours with F-14's, with so many F-4's, with the problems surrounding you, with a good missile force, a clever and wise one."

Then, perhaps as a bargaining tactic, he almost called off the missile project, telling the Iranian that "the 'Flower' is not a top priority for us."

General Toufanian hinted that such a project might cost more than Iran could afford.

"No country has enough money for defense, no country whatsoever," he said. "Neither Iran nor the U.S."

'It Was Beautiful'

Israel's development of the missile was so far along that General Toufanian was able to witness the firing of a missile during his visit.

"It was beautiful, beautiful, a fully developed missile," he recalled in the interview.

He added that there were technical problems that would have to be overcome before Israel could deliver it. Among its components were American-made inertial navigation equipment and a guidance system that Israel was forbidden to make available to other governments.

There was also the more serious political problem of how the United States would react when it learned that its two allies were secretly working on a missile with a nuclear capability.

In the documents, General Weizman said the missile could carry a nuclear warhead.

"All missiles can carry an atomic head, all missiles can carry a conventional head," he said.

A summary of a conversation on the same day between General Toufanian and Moshe Dayan, then the Israeli Foreign Minister, said:

"General Dayan raised the problem of the Americans' sensitivity to the introduction of the kind of missiles envisaged in the joint project. He added that the ground-to-ground missile that is part of the joint project can be regarded also as a missile with a nuclear head, because with a head of 750 kg., it can be a double-purpose one.

continued

STAT