

# Kissinger to Press Shah on Oil Costs

By Jack Anderson

Secretary of State Henry A. Kissinger will hold crucial discussions in Teheran this week-end with the shah of Iran, who has the power to bring the stratospheric cost of oil back down to earth.

The shah has become one of the world's most recklessly greedy, unbelievably wealthy rulers. He spearheaded the move to quadruple oil prices, and he still isn't satisfied. He has hinted that the oil-producing nations should charge even higher prices.

His more responsible neighbor, Saudi Arabia's King Faisal, is worried that soaring oil costs could endanger the industrial West. He has written a private letter to the shah, warning that neither kingdom will last if the West is plunged into economic chaos by exorbitant oil costs. To add emphasis to the warning, King Faisal delivered his letter to Teheran in person.

Saudi Arabia and Iran produce almost half of the oil that is pumped by the 13 nations of the oil cartel. Thus, they could break the oil squeeze by acting together to cut prices.

At lower levels, representatives of the two oil kingdoms are discussing a joint price reduction. But the shah keeps talking about higher, not lower prices.

He is determined to use his enormous oil wealth to make himself a world power. Last year alone, he spent \$4 billion for U.S. military equipment.

This has made Iran the No. 1 military power in the strategic Persian Gulf.

Kissinger has gone to Teheran, according to State Department sources, prepared to treat the shah as a military ally and protector of U.S. interests in the gulf. Kissinger is counting heavily upon the shah's goodwill to lower oil prices.

This is contrary to the advice of at least one top policy-maker, Treasury Secretary William E. Simon, who fears Kissinger has underestimated the shah's greed and ambition. If the shah refuses to bring down his prices, say our sources, Simon wants to retaliate by quadrupling the price Iran must pay for U.S. arms and wheat.

Not even the Central Intelligence Agency, which saved the shah's throne in 1957, has had any influence with him on oil prices. The late CIA chief Allen Dulles flew to Rome 14 years ago and plotted with the shah's sister, Princess Ashraf, to oust Iranian Premier Mohammed Mossadegh. This prevented the shah's overthrow.

He showed his gratitude by opening Iran to the CIA. He permitted the CIA to install radio and telemetry interceptors, long-range radar devices and other high-powered electronic equipment in his country.

After the Greek military junta was ousted earlier this year, the CIA pulled many of its facilities out of Athens and moved them to Teheran. The CIA also works

closely with SAVAK, the shah's secret police.

Yet the CIA has lost the hold it once had on the shah. "He was our baby," a CIA source told us, "but now he has grown up."

It remains a mystery, meanwhile, how the shah has always managed to work his way in Washington. He has been able to get just about what he wants from the United States. "It has been a one-way street," a Cabinet officer said.

One alarming possibility, never fully proved, is that the shah has paid off top American officials. Here are the allegations, which have been vigorously denied:

- A former Justice Department official, who has traveled extensively in Iran, reported to the Senate Watergate committee that the shah had delivered huge sums to former President Nixon. We contacted the official who described his sources to us in confidence. "I am certain in my own mind," he wrote us, "that if their names came out, they would be in prison or dead within 24 hours." We can say only that his sources are high in the Iranian government. The Watergate committee never got around to investigating the charges.

- We spent six months checking into reports that the shah had funneled money into the Nixon re-election campaign by way of Mexico. We made calls

to Teheran, Geneva, Bonn, Mexico City and other places. Separate sources, all of them anti-shah and therefore suspect, told us that the shah had transferred more than \$1 million from his personal, numbered accounts in Switzerland to the Banco de Londres y Mexico in Mexico City for delivery to the Nixon campaign. Swiss banking sources confirmed that the shah had sent money to Mexico from the Schweizerische Bank Gesellschaft. We could get no reliable confirmation, however, that the money ever reached anyone connected with Mr. Nixon.

- A former aide to Vice President Humphrey told us he had been approached by an emissary of the shah during the 1968 presidential campaign. The emissary asked whether Humphrey would like a campaign contribution from the shah, but the approach was rejected.

- An exiled Iranian leader named Kyber Khan testified behind closed Senate doors in 1963 that the shah had given million-dollar contributions to a list of distinguished Americans. Khan produced photostats of secret Swiss bank records. Senate investigators were never able to confirm the charges, and it is possible that the records had been forged.

Washington, meanwhile, is continuing its policy of placating the shah while he hurts the U.S. with his oil squeeze.

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