SUBJECT: ACCELERATED DELIVERY OF F-4 AIRCRAFT

SUMMARY: RESPONDING TO JOINT A/M AND IIAF RECOMMENDATIONS, SHAH HAS REDUCED REQUEST FOR ACCELERATED DELIVERY OF F-4 AIRCRAFT TO EIGHT IN 1972. COUNTRY TEAM FULLY SUPPORTS REDUCED REQUEST AND URGES FAVORABLE USG DECISION AS POLITICALLY IMPORTANT AND OPERATIONALLY FEASIBLE. END SUMMARY.

1. AFTER RECONSIDERATION, SHAH HAS REDUCED REQUEST FOR 1972 DELIVERY OF F-4 AIRCRAFT TO EIGHT IN LIEU OF SIXTEEN PREVIOUSLY REQUESTED. DECISION IS DIRECT RESULT OF ARMISH/MAAG'S ADVICE TO IIAF AND SCS AND EMBASSY'S DEMARCHES WITH MINISTER OF WAR STRESSING POTENTIALLY HARMFUL CONSEQUENCES OF TOO RAPID F-4 ACCELERATION. IT REFLECTS CONFIDENCE SHAH HAS IN US PROFESSIONAL MILITARY EXPERTISE AND WILLINGNESS TO BE GUIDED BY PERSUASIVE PRACTICAL CONSIDERATIONS DESPITE HIS STRONG SENSE OF URGENCY RE THE PACE OF IRAN'S MILITARY MODERNIZATION IN THE FACE OF RECENT REGIONAL DEVELOPMENTS.

2. EIGHT F-4E AIRCRAFT WANTED IN 1972 WILL REPLACE SIX F-4D WHICH WILL BE OUT OF SERVICE FOR OVERHAUL (IRAN PROGRAM) FOR SOME, SIX MONTHS AS WELL AS TWO F-4'S LOST BY ATTRITION. SHAH'S
REVISED REQUEST IS CONSIDERED FULLY FEASIBLE BY COUNTRY TEAM WHICH JUDGES IIAF HAS NEED FOR AND WILL BE ABLE EFFECTIVELY UTILIZE AIRCRAFT REQUESTED IN TIME FRAME PROPOSED.

3. RESERVATIONS ON PRACTICAL GROUNDS WHICH COUNTRY TEAM HAD RE SHAH'S ORIGINAL REQUEST FOR GREATER ACCELERATION HAVE NOW BEEN REMOVED. CONSEQUENTLY COUNTRY TEAM NOW FULLY SUPPORTS REVISED REQUEST AND BELIEVES FAVORABLE USG RESPONSE IS BOTH POLITICALLY IMPORTANT AND OPERATIONALLY FEASIBLE.

4. CHIEF ARMISH/MAAG GENERAL WILLIAMSON HAS REQUESTED AUDIENCE WITH SHAH WHICH HE EXPECTS WILL BE GRANTED MARCH 13. WOULD APPRECIATE FAVORABLE RESPONSE, IF AT ALL POSSIBLE, IN TIME TO PERMIT GEN WILLIAMSON TO INFORM SHAH, OR AT MINIMUM, AUTHORIZATION TO TELL SHAH (AS PREVIOUSLY REQUESTED REFTEL) THAT USG HAS ACCEPTED HIS REQUEST IN PRINCIPAL AND IS STUDYING WAYS TO MEET IT.

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