



EMBASSY OF THE
UNITED STATES OF AMERICA

Cairo, Egypt

December 30, 1981

Mr. Ken Follett

Dear Mr. Follett:

A relative gave me a copy of Rebecca this Christmas but I will not have time to read it as it seems I will always have letters like yours of December 10 to answer. Clearly, I will never escape my Iranian past.

I am providing the following information in response to your specific requests as a private communication and not for publication. I implore you to leave my name out of whatever work -- fictional or factual -- that you may prepare. I am very modest and, besides, I know there can be no "winners" in the Iran debacle. Now to your questions:

1. The State Department was very actively engaged in the effort to obtain the release from jail in Tehran of Paul Chiapparone and Bill Gaylord. However, as the Iranian Embassy in Washington was essentially not functioning -- the Ambassador was in Tehran propping up the government and the other Embassy employees were trying to save their own skins -- we had to work exclusively through our Embassy in Tehran. During the period that the EDS employees were imprisoned, I must have discussed their status with our Embassy at least once a day, seven days a week. Sometimes we talked the EDS problem two or three times via telephone. I would be passing EDS information, suggestions, pleas and pressures, and seeking information and advice from the Embassy.

You will have heard from those who served in Tehran what extreme difficulty they faced in dealing with a highly principled and obdurate Iranian magistrate and powerless or uncooperative ministries. Remember, the two men were jailed during the time of the Shah and Bakhtiar, not under a revolutionary government. We were attempting to support the legitimate government in Iran and therefore had to make sure that we did nothing that would unbalance it and place in further jeopardy its survival. Thus, our Embassy in Tehran pressed as hard as it could through the various ministries and offices available to it for the release of the two EDS employees. But we did not go the ultimate mile, e.g., threaten punitive measures or a break in relations, because that could have helped bring down the tottering political structure in Iran. In sum, although we had to exercise a certain caution in addressing the problem of EDS, I can assure you our Embassy was relentless and very firm in seeking to resolve the issue. The constraints and difficulties that we faced were never appreciated (apparently) by EDS.

2. I did not assume that Chiapparone and Gaylord were guilty of any crime. Rather, it seemed to me quite probable that they were being held hostage to the Iranian Government's grievances against the EDS Company. It seemed clear to me that the Iranian authorities thought they had been wrongfully treated through the operation of the EDS contract. The amount of bail (\$13+ million) was said to be about equal to what the Iranians thought they were owed by EDS.

In a meeting in Undersecretary Newsom's office with EDS officials, I asked them if they were represented by an agent in Iran. They told me that they had a perfectly legitimate agency contract with Abdul Fath Mahvi. I replied that it was clear to me why the Iranian authorities suspected them of wrongdoing. Mr. Mahvi was widely known in Tehran as the "king of the five percenters," especially for military contracts. His reputation as an illegal middleman was so bad that despite his high-level connections the Shah put him on a blacklist where he remained until he established a large charitable foundation and was allowed to resume business.

Some months after the EDS episode, I spoke to an Iranian who had worked in the pre-revolution Ministry of Social Affairs in connection with the EDS contract and he described it as a terrible crime against the Iranian Government. That Iranian was at the University of Pittsburgh and can be traced through Professor Richard Cottam. His nickname is "Bud" but I have forgotten his full name.

3. From early November 1978 through Late March 1979 I worked from before 8:00 a.m. until around 9:00 p.m., seven days a week at the State Department. We were besieged with telephone calls and other business. We had a large staff on duty around the clock to answer the constantly ringing telephones and take messages. I can assure you that I never failed to return a telephone call except from some journalists who would do us no good, or from other individuals who could be adequately handled by members of our staff. I certainly did not refuse to return EDS telephone calls "until threatened by a press conference." If I failed promptly to return EDS calls it was simply because there were other matters on our agenda and I did not unfortunately get around to it as quickly as they would have liked. Perhaps EDS went to supper earlier than we did in the Department.
4. You are quite right that EDS lobbied many people in Washington and many of them ended up telephoning me. I received telephone calls from EDS lawyers, their consultants, their representatives in Congress and from my superiors, inferiors and equals. I do not believe, however, that I called Dallas lawyer Tom Luce and said "I surrender. Call off the dogs." That is not an idiom that I employ. It is quite probable, however, that I complained to the EDS representatives about the unnecessarily heavy pressure they were placing on us and the excessive time they were consuming when we had other business on our agenda, i.e., preserving the Iranian Government, seeing to the safety of Americans in Iran, informing ourselves on events, consulting with allies, blocking the Soviets and other items in addition, of course, to the very high priority we assigned to the EDS case.

5. I was told by our Embassy in Tehran that the February evacuation flights were held up while the Iranians vainly searched for Chiapparone and Gaylord. I had no reason not to believe that to be true. I cannot recall whether I or anyone else in our office discussed this danger with EDS but I remember feeling at the time that EDS placed more importance on the safety of its two employees than it did on the 45,000 Americans who were also in jeopardy in Iran. I probably conveyed this moral judgment to EDS in a moment of tension.

I don't expect to be traveling out of Egypt in the near future. If you go to Washington you should be able to telephone here quite easily. I would be happy to talk to you if you wish. I might suggest that if you have the time in Washington that you also speak to Mark Johnson of the State Department who worked closely with me on this problem; Tom Shack, a lawyer who represented the Iranian Government in its case against EDS; former Undersecretary Dave Newsom: now of Georgetown University, and Bill Lehfeldt of G.E. who was most knowledgeable about business practices in Tehran.

Sincerely,



Henry P. Recht
Deputy Chief of Mission
American Embassy, Cairo

P. S. Is Al Zukerman your U.S. Agent? He'll tell you I'm loveable.

cc: Dept. of State
NEA/IRN - Please share with Charlie Naas)