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Last Updated: 11/06/2023

Kemp

MEMORANDUM

NATIONAL SECURITY COUNCIL

1573

~~DF~~
IRAN

CORRESPONDENCE REFERRAL

May 1, 1981

TO: MAX L. FRIEDERSDORF
FROM: ALLEN J. LENZ *Allen J. Lenz*

The NSC staff has reviewed and approved the attached draft reply:

✓ as is

 as amended

[Handwritten signature]
 Staff initial

Attachments: Incoming and draft reply.

SUGGESTED REPLY

Dear Mr. Mattox:

Thank you for your letter of March 4 on behalf of Mr. Jack H. Hittson concerning Iranian students in the United States.

I would like to make it clear that no agency of the U.S. Government has assumed the expenses of these students, nor does a special program of financial assistance for them as a group exist. Each Iranian on a student visa in the United States is responsible for his or her own funding. When Iranian assets were frozen, the Department of the Treasury licensed the transfer of funds from Iran to meet the expenses of Iranian students in this country.

I hope this information will be helpful in responding to Mr. Hittson. If he would like more information, he may wish to contact the U.S. International Communication Agency at 1750 Pennsylvania Avenue, N.W., Washington, D.C. 20547. That agency is responsible for international educational exchanges and can answer any specific questions Mr. Hittson might have.

Sincerely,

The Honorable,
Jim Mattox,
House of Representatives.

DEPARTMENT OF STATE

March 19, 1981

Dear Mr. Mattox:

The President has asked me to thank you for your March 4 correspondence enclosing a letter from your constituent, Dr. Jack H. Hittson.

In Dr. Hittson's letter he expressed his grave concern over the status of many Iranian students still studying in our country. Please be assured that I have brought his letter to the attention of the appropriate White House advisers for their careful attention.

With cordial regard, I am


Sincerely,

Max L. Friedersdorf
Assistant to the President

The Honorable Jim Mattox
House of Representatives
Washington, D.C. 20515

MLF:CMF:KIR:kir

cc: w/inc to Janet Colson - NSC - for DRAFT reply (for Charlie Ponticelli)



1573

CONGRESS OF THE UNITED STATES
HOUSE OF REPRESENTATIVES

March 4, 1981

JIM MATTOX
5TH DISTRICT, TEXAS

009623

mm
The President
The White House
Washington, D. C. 20500

Dear Mr. President:

Enclosed is a letter from one of my constituents calling for presidential action with regard to Iranian students in the United States.

I have informed Dr. Hittson that a copy of his letter is being forwarded to you for comment.

Thank you very much.

Sincerely,

Jim Mattox
Jim Mattox

JM:ck
enclosure

JAN 26 1981

January 22, 1981

Jim Mattox
U.S. House of Representatives
Washington, DC 20515

Dear Sir:

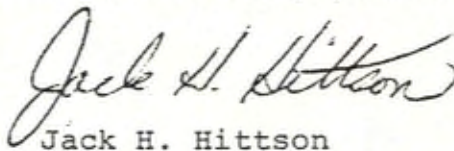
The universal will of the American people calls for prompt and continuous action against the enemy government of Iran.

All alien citizens of that enemy nation must be expelled from our country; This in spite of past agreements or fears about the future of Persian Gulf oil.

All federal funds for education and assistance to Iranian citizens must be stopped; by Presidential order if necessary.

Our national interest in Persian Gulf oil is secondary to national self-respect - and don't forget it!!

Very sincerely yours,


Jack H. Hittson

04
ID # 009623

0001

WHITE HOUSE
CORRESPONDENCE TRACKING WORKSHEET

- O - OUTGOING
- H - INTERNAL
- I - INCOMING

Date Correspondence Received (YY/MM/DD) 8/10/05

Name of Correspondent: _____

MI Mail Report User Codes: (A) _____ (B) _____ (C) _____

Subject: Enrollment Facts for International

Students

ROUTE TO:		ACTION	DISPOSITION		
Office/Agency	(Staff Name)	Action Code	Tracking Date YY/MM/DD	Type of Response	Completion Date YY/MM/DD
<u>LA</u>	<u>FRIE</u>	ORIGINATOR	<u>8/10/05</u>	<u>2.2</u>	<u>8/13/05</u>
<u>N. S. Colson</u>		Referral Note:	<u>8/13/05</u>		<u>1 1</u>
		Referral Note:	<u>1 1</u>		<u>1 1</u>
		Referral Note:	<u>1 1</u>		<u>1 1</u>
		Referral Note:	<u>1 1</u>		<u>1 1</u>

- ACTION CODES: DISPOSITION CODES:
- A - Appropriate Action
 - C - Comments
 - D - Draft Response
 - F - Fact Sheet
 - I - Info Copy/No Action Necessary
 - R - Direct Reply w/Copy
 - S - For Signature
 - X - Interim Reply
 - A - Answered
 - B - Non-Special Referral
 - C - Completed
 - S - Suspended

FOR OUTGOING CORRESPONDENCE:
Type of Response = Initials of Signer
Code = "A"
Completion Date = Date of Outgoing

Comments: _____

Keep this worksheet attached to the original incoming letter.
Send all routing updates to Central Reference (Room 75, OEOB).
Always return completed correspondence record to Central Files.
Refer questions about the correspondence tracking system to Central Reference, ext. 2590.

~~UNCLASSIFIED~~
(CLASSIFICATION)

S/S # 8109685

DATE April 30, 1981

DEPARTMENT OF STATE
EXECUTIVE SECRETARIAT
TRANSMITTAL FORM

FOR: Mr. Richard V. Allen
National Security Council
The White House

REFERENCE:

TO: President Reagan FROM: Jim Mattox
DATE: 04 MAR 81 SUBJECT: Iran

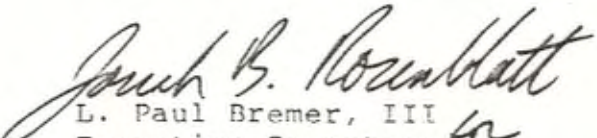
WHITE HOUSE REFERRAL DATED: 26 MAR 81 NSC # _____

THE ATTACHED ITEM WAS SENT DIRECTLY
TO THE DEPARTMENT OF STATE

ACTION TAKEN:

- A draft reply is attached
 A draft reply will be forwarded
 A translation is attached
 An information copy of a direct reply is attached
 We believe no response is necessary for the reason cited below
 Other

REMARKS:


L. Paul Bremer, III
Executive Secretary *for*

UNCLASSIFIED
(CLASSIFICATION)

REFERRAL

DATE: 25 MAR 81

MEMORANDUM FOR: STATE SECRETARINT

8109685

DOCUMENT DESCRIPTION:

TO: PRES

FROM: MATTOX, JIM

DATE: 04 MAR 81

KEYWORDS: IRAN

CO

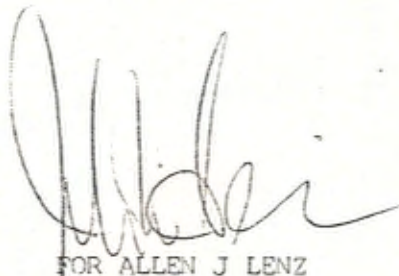
HITTON, JACK H

SUBJ:

REQUIRED ACTION: DRAFT REPLY FOR WH SIG

DUE DATE: ~~25 MAR 81~~

COMMENTS: 4 Apr 81



FOR ALLEN J LENZ

STAFF DIRECTOR

----- FOR NSC USE ONLY -----

FOR INFO

F

O HW C

Received in 5/5-I
3/27 at 9:55 a.m. (at)

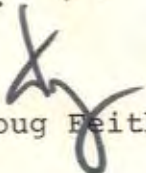
IRAN

NATIONAL SECURITY COUNCIL

May 4

Don Gregg:

If you would like to meet with Adm. Habibollahi, I would be happy to make the arrangements.



Doug Feith

DOUG -
If there is to be a session, I might sit in. Don't arrange a special session just for me.
T bonds
Dg.

DF
File



E. R. ZUMWALT, JR.
ADMIRAL, U. S. NAVY (RET.)

→ GS
Comments?

28 May 1981

Mr. Richard V. Allen
National Security Advisor
Old Executive Office Building
Washington, D. C. 20506

Dear Dick:

I have been informed that there is a difference of view within the government concerning the utility of the Iranian exile community in shaping the course of events within Iran.

I have what I believe to be a very useful and able firsthand source whose views, I believe, ought to be of interest. He is Admiral Kamal Habibollahi, the last Iranian Navy Chief under the Shah. He is one member of the Iranian JCS who was never to the slightest degree involved in corruption. He is a dedicated patriot who is deeply interested in a stable, non-Marxist future for Iran.

I believe that Major General Schweitzer, Geoffrey Kemp, Don Gregg, and Bud Nance would benefit by spending a

Doug
I will
will
it can
be
arranged
JK

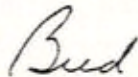
Mr. Richard V. Allen
28 May 1981
Page 2

little time listening to Admiral Habibollahi, since he has just returned from a stock-taking trip to meet with Iranian exiles in Europe.

I am taking the liberty of mailing a copy of this letter to Doug Feith, with the request that he consult with you concerning any action.

All best wishes.

Sincerely,



E. R. Zumwalt, Jr.

1500 Wilson Boulevard
Arlington, Virginia 22209
703/841-8960

cc. Douglas J. Feith ✓

Iran

NATIONAL SECURITY COUNCIL

May 20, 1981

ACTION

MEMORANDUM FOR RICHARD V. ALLEN

FROM: GARY SICK *GS*

SUBJECT: Iran Claims

Mr. Blake Hastings of Butler Associates in Tulsa, Oklahoma, was in touch with me today about a proposal to establish a federal loan guarantee program for U.S. companies with claims outstanding in Iran. Their company does engineering design, and they have what they believe are outstanding debts from Iran for \$4.2 million relating to a joint Iranian (60%)-U.S. (40%) company which was informally taken over by the Iranians after the revolution. I think it would be useful for Frank Hodsoll to touch base with Mr. Hastings.

There is no need to burden you with details, but the central thrust of Mr. Hastings' approach (to Bob Thompson, the Vice President's Legislative Assistant on the Hill, then to your office, finally ending up with me) is for the U.S. Government to accept contingency liability for bank loans to companies which have outstanding claims against Iran but are unlikely to recover their funds in the near future. This would permit the companies to acquire working capital while their cases are being litigated. Hastings says he made a similar proposal to the Carter Administration (through State and Treasury) but the idea was rejected while the hostages were still in custody. (I was not aware of his earlier approach.) He is now anxious to pursue the idea with the Reagan Administration. He believes that State and Treasury are not sympathetic, so he decided to go "straight to the White House" through Bob Thompson.

I can well understand the appeal for smaller companies of having loans underwritten by the USG while their claims are in litigation. Curiously, Mr. Hastings says that his company has decided not to submit a claim through the claims settlement procedure, on the advice of counsel, because the Iranian controlling interest in the joint company puts them in a legal "gray area." It is unclear to me how Butler Associates ever expects to recoup its claimed losses, and Hastings was fuzzy on this point, citing "legal complexities."

The possibility of a federal loan guarantee also raises legal and financial complexities:

-- Would such a program be compatible with the operation of the claims settlement procedure being worked out at The Hague?

-- Would companies use this to avoid lengthy and uncertain litigation while transferring their financial obligations to the USG?

-- What could the USG anticipate in terms of total possible liabilities, and under what circumstances would the USG be expected to assume the loans?

-- What effect would this have on the budget?

All of these considerations go far beyond my expertise. However, I am hesitant to dismiss the idea out of hand. It may have real merit. Since Frank Hodsoll was deeply involved in the policy discussions leading to the establishment of the claims settlement procedure, and since he has the requisite technical expertise, it might be helpful for him to contact Mr. Hastings (918/622-9161) to make a more informed judgment about the proposal.

Alternatively, I can contact officials in State or Treasury or both and ask them to pursue the issue.

RECOMMENDATION

That you pass this memorandum to Frank Hodsoll for his views.

Approve _____ Disapprove _____

Alternatively, that I seek out someone in State/Treasury to talk to Mr. Hastings.

Approve _____ Disapprove _____

GK
Geoffrey Kemp and Bob Kimmitt concur.

H. For

MEMORANDUM

2935

*Remp
file
IRAN*

NATIONAL SECURITY COUNCIL

May 27, 1981

MEMORANDUM FOR WILLIAM M. NICHOLS

FROM: ALLEN J. LENZ *ajl*
SUBJECT: Proposed Executive Order Entitled
"Hostage Relief Act of 1980"

The NSC staff concurs with the Department of State and is aware of no purpose to be served by having the "hostage period" run to the end of the year, and the proposed order would specify January 21, the date all the hostages returned to full United States control in Wiesbaden (Tab A).

MEMORANDUM

NATIONAL SECURITY COUNCIL

ACTION

May 27, 1981

MEMORANDUM FOR ALLEN J. LENZ

FROM: GEOFFREY KEMP *gk*
SUBJECT: Proposed Executive Order Entitled
"Hostage Relief Act of 1980"

The memorandum for your signature to William M. Nichols at Tab I forwards NSC staff concurrence with the Department of State's decision in seeing no purpose to be served by having the "hostage period" run to the end of the year, and the proposed order would specify January 21, the date all the hostages returned to full United States control in Wiesbaden (Tab A).

Carnes Lord has no comment. Bob Kimmitt concurs.
Mike Guhin also has no comment.

RECOMMENDATION:

That you sign the memorandum to William M. Nichols at Tab I.

APPROVE _____

DISAPPROVE _____

Attachments:

Tab I Memo to William M. Nichols
Tab A Proposed Executive Order



GENERAL COUNSEL

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

2935

May 21, 1981

Honorable Richard V. Allen
National Security Council
Washington, D. C. 20506

Dear Mr. Allen:

Enclosed is a proposed Executive order entitled "Hostage Relief Act of 1980."

In accordance with the provisions of Executive Order No. 11030, as amended, it was submitted to this office, along with the enclosed transmittal letter, by the Department of State.

On behalf of the Director of the Office of Management and Budget, I would appreciate receiving any comments you may have concerning this proposal. If you have any comments or objections they should be received no later than Thursday, June 4, 1981.

Comments or inquiries may be submitted by telephone to Mr. Ronald A. Kienlen of this office (395-5600).

Sincerely,

William M. Nichols
William M. Nichols
General Counsel

Enclosure



DEPARTMENT OF STATE

Washington, D.C. 20520

Received
5-19-81
RJK

May 8, 1981

Dear Mr. Stockman:

In accordance with Executive Order 11030, I enclose for review and transmission to the President a proposed Executive order in further implementation of the Hostage Relief Act (P.L. 96-449).

Executive Order 12268, January 15, 1981 (46 FR 4671) generally delegated to the Secretary of State functions vested in the President by that Act. One function remains, however, which requires issuance of an Executive Order. Section 205(b) of the Act defines a key term "hostage period" as ending on the date the President specifies, by Executive Order, as the date on which all citizens and resident aliens held hostage in Iran "have been returned to the United States or otherwise accounted for" or December 31, 1981, whichever is earlier.

The duration of the "hostage period" serves to define when some tax provisions of the Act expire (e.g. filing of a joint return by a spouse and relief from determining tax liability).

We are aware of no purpose to be served by having the period run to the end of the year, and the proposed order would specify January 21, the date all the hostages returned to full United States control in Wiesbaden.

We understand that the Treasury Department supports early issuance of the proposed order.

Sincerely,

James H. Michel
James H. Michel
Acting Legal Adviser

Enclosure:

Proposed Executive Order.

The Honorable
David A. Stockman, Director,
Office of Management and Budget.

Proposed Executive Order

HOSTAGE RELIEF ACT OF 1980

By the authority vested in me as President by section 205(b) of the Hostage Relief Act (Public Law 96-449; 94 Stat. 1972; 5 U.S.C. 5561 note), it is hereby ordered as follows:

On January 21, 1981, all citizens and resident aliens of the United States who were placed in a captive status due to the seizure of the United States Embassy in Iran were no longer under foreign control and were properly accounted for. On that date therefore, the "hostage period" defined for tax purposes in section 205(b) of the Act ended.

5/7/81

IRAW

Keep

5/28/81

NSC Secretariat --

The original of the attached
package was hand carried to
Frank Hodsoll's office.

pb

NATIONAL SECURITY COUNCIL

May 28, 1981

MEMORANDUM FOR FRANK HODSOLL

FROM: GARY SICK *GS*

SUBJECT: Iran Claims

The attached memo is self-explanatory. Mr. Hastings of Tulsa is quite serious in his efforts to persuade the government to sponsor a loan guarantee program for U.S. firms with outstanding claims against Iran. His proposal does not strike me as an attractive prospect for the Administration, for the reasons indicated in the memo, but he does deserve a hearing from someone who can better address some of the issues he raises.

If I can be of any further assistance in getting Mr. Hastings a response, please let me know.

Attachment

NATIONAL SECURITY COUNCIL

May 20, 1981

ACTION

MEMORANDUM FOR RICHARD V. ALLEN

FROM: GARY SICK

SUBJECT: Iran Claims

Mr. Blake Hastings of Butler Associates in Tulsa, Oklahoma, was in touch with me today about a proposal to establish a federal loan guarantee program for U.S. companies with claims outstanding in Iran. Their company does engineering design, and they have what they believe are outstanding debts from Iran for \$4.2 million relating to a joint Iranian (60%)-U.S. (40%) company which was informally taken over by the Iranians after the revolution. I think it would be useful for Frank Hodsoll to touch base with Mr. Hastings.

There is no need to burden you with details, but the central thrust of Mr. Hastings' approach (to Bob Thompson, the Vice President's Legislative Assistant on the Hill, then to your office, finally ending up with me) is for the U.S. Government to accept contingency liability for bank loans to companies which have outstanding claims against Iran but are unlikely to recover their funds in the near future. This would permit the companies to acquire working capital while their cases are being litigated. Hastings says he made a similar proposal to the Carter Administration (through State and Treasury) but the idea was rejected while the hostages were still in custody. (I was not aware of his earlier approach.) He is now anxious to pursue the idea with the Reagan Administration. He believes that State and Treasury are not sympathetic, so he decided to go "straight to the White House" through Bob Thompson.

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-- Would such a program be compatible with the operation of the claims settlement procedure being worked out at The Hague?

-- Would companies use this to avoid lengthy and uncertain litigation while transferring their financial obligations to the USG?

-- What could the USG anticipate in terms of total possible liabilities, and under what circumstances would the USG be expected to assume the loans?

-- What effect would this have on the budget?

All of these considerations go far beyond my expertise. However, I am hesitant to dismiss the idea out of hand. It may have real merit. Since Frank Hodson was deeply involved in the policy discussions leading to the establishment of the claims settlement procedure, and since he has the requisite technical expertise, it might be helpful for him to contact Mr. Hastings (913/622-9161) to make a more informed judgment about the proposal.

Alternatively, I can contact officials in State or Treasury or both and ask them to pursue the issue.

RECOMMENDATION

That you pass this memorandum to Frank Hodson for his views.

Approve PK Disapprove _____

Alternatively, that I seek out someone in State/Treasury to talk to Mr. Hastings.

Approve _____ Disapprove _____

JK
Geoffrey Kemp and Bob Kimmitt concur.

H

5/24

THE WHITE HOUSE
WASHINGTON

1414 add on
Kemp
IRAN
SUSPENSE

cc: CT RE

DATE: 5/29/81

MEMORANDUM

TO: RICHARD V. ALLEN
FROM: GREGORY J. NEWELL
SUBJ: APPROVED PRESIDENTIAL ACTIVITY.

Gary who had
Action
Kemp
OK
RT
DF
CS
FILE

PLEASE IMPLEMENT THE FOLLOWING AND SUBMIT BRIEFING PAPER AND REMARKS TO RICHARD DARMAN BY 3:00 P.M. OF THE PRECEDING DAY.

MEETING: Presentation of Medal to Canadian Ambassador Taylor

DATE: June 16, 1981

TIME: 12:00 Noon

DURATION: 15 min

LOCATION: Rose Garden

REMARKS REQUIRED: Yes

MEDIA COVERAGE: Coordinate with Press Office

for staffing

FIRST LADY PARTICIPATION: Optional

REMARKS REQUIRED

- | | |
|---------------|-------------------------------|
| cc: J. Brady | M. Friedersdorf |
| M. Brandon | C. Fuller |
| J. Canzeri | D. Gergen |
| R. Darman | C. Gerrard |
| M. Deaver | K. Khachigian |
| E. Dole | P. McCoy |
| H. Donaldson | L. Speakes |
| M. Evans | S. Studdert |
| D. Fischer | R. Williamson |
| J. Fitzgerald | WHCA Audio/Visual, Operations |
| | Nina Wormser |
| | C. Tyson |

great

4/6
200-5/1 (eng)

THE WHITE HOUSE
WASHINGTON

1414

SCHEDULE PROPOSAL
DATE: March 31, 1981
FROM: Dick Allen
VIA: Michael Deaver

MEETING: To present a Gold Medal to Canadian Ambassador Taylor

DATE: Open

PURPOSE: To thank Ambassador Taylor for his support in rescuing our embassy personnel from Iran

FORMAT: -- Oval Office
-- President and Mrs. Reagan
The Vice President
Secretary Haig
As many of the rescued embassy personnel as available
Selected members of Congress
-- 15 minutes

CABINET PARTICIPATION: Vice President
Secretary Haig

SPEECH MATERIAL: Remarks and talking points to be provided by NSC staff.

PRESS COVERAGE: Full press coverage

STAFF: Dick Allen

RECOMMENDED: State Department

NOT RECOMMENDED: None

PREVIOUS PARTICIPATION: None

BACKGROUND: The heroism of Ambassador Taylor in sheltering and rescuing our embassy personnel in Iran is worthy of personal recognition from the President. The medal is a specially-struck gold medal authorized by the Congress in December 1980. It was not presented in December in order not to upset negotiations with Iran, and then not presented during the Ottawa trip due to shortage of time.

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

April 9, 1981

MEMORANDUM FOR MICHAEL DEEVER

FROM: CHARLES P. TYSON *cm*

SUBJECT: Information Regarding Presentation of
Gold Medal to Ambassador Taylor

The State Department has informed us that the Gold Medal for Ambassador Taylor is being kept in the safe of a Mr. Goldman (tel. 376-0453) in the Bureau of the Mint at Treasury. The contact point regarding the medal is Mr. George Shaffer (tel. 376-0476). State has asked to be kept informed on any actions taken in connection with the medal.