PRIORITY

SENT VIA C/O LONDON 103 (EYES ONLY GIFFORD), REPEATED PRIORITY DEPT 474.

EYES ONLY SECRETARY FROM HARRIMAN.

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I have discussed with Busheri substance of telegram 42. He stated that Iranian Govt proposes fol procedure:

(1) Brit Govt authorize Charge to deliver to Iranian Govt Msg according to text in my telegram August 1 and in separate communication give name of Minister and, if possible, what number of his party.

(2) Simultaneously Iranian Govt will hand Charge reply according to text my above telegram and separately give him as matter of record copy of two minutes of Iranian Cabinet. The first is three-point minute quoted in my telegram July 24. The second minute approves my qualification that, in connection with third point of first minute, Iranian Govt must be prepared to negotiate the manner in which the law will be carried out insofar as it affects Brit interests. At same time, Iranian Govt will hand Charge invitation to Minister and his party to come to Iran as guest of Iranian Govt.

(3) Iranian Govt states it must inform Majlis of precise action taken by Cabinet, and therefore plans to release to public here exchange of msgs as above, the two minutes of Cabinet and invitation to Minister. If Brit wish, I am sure Iranian Govt will accept Brit suggestion of time for release.

The above covers points (a) and (b) your telegram 42 since Iranian Cabinet minutes refer only to law of March 20 and Iranian Govt also agrees it is prepared to negotiate the manner in which this law will be carried out insofar as it affects Brit interests.

I discussed
-2- #474, August 2, Noon, from Tehran.

I discussed (c) your telegram 42 with Bushari. He told me
Iranian Govt understands that Brit have particularly in mind
situation in the south.

I hope that FO/C will instruct Brit Charge urgently to
deliver and receive communications referred to in (1) and (2)
above. I am showing him this telegram.

Brit Minister said leave soonest after confirmation this
exchange has taken place but not (rpt not) before as Iranian
Govt places great stock on what they consider is friendly
gesture on their part in invitation to Minister to be guest
of Iranian Govt.

SNDYVH

GRADY