

Herald Tribune



Abu Dhabi	4.50 Dirh.	Green
Algeria	2.75 Din.	Islamic
Austria	12 S.	India
Bahrain	0.400 Din.	Iran
Belgium	23 B.Fr.	Israel
Cyprus	250 Mills	Italy
Denmark	3.75 D.Kr.	Jordan
Dubai	4.50 Dirh.	Kenya
Egypt	40 P.	Kuwait
Eire	72 P.	Lebanon
Finland	3.00 F.Mk.	Libya
France	3 F.	U.A.R.
Germany	1.50 D.M.	Mexico
Great Britain	20 P.	Norway

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PARIS, SATURDAY-SUNDAY, DECEMBER 16-17, 1978

40 Reported Dead in Southern Iran Town As Shiite Moslems Attack Bahai Members

TEHRAN, Dec. 15 (AP) — Shiite Moslems, in an outbreak of sectarian violence in Shiraz, southern Iran, were reported today to have attacked homes and businesses belonging to members of the Bahai sect. Forty of the attackers were shot and killed, informed sources reported.

The violence against the Bahais erupted in the Shiraz suburb of Saadi. Among the homes set ablaze were ones belonging to a former army intelligence chief and several noncommissioned members of the army.

There are about 700,000 Bahais in Iran and the sect has always played a prominent role in the country's social, economic and military life.

In an attempt to pacify religious opponents, the shah replaced bank presidents, several generals and the president of Iran Air, retired Air Force Gen. Ali Mohammed Khademi. Gen. Khademi later committed suicide because of accusations that he had misappropriated funds of the national air carrier, the government had said.

The military government, meanwhile, maintained official silence about reports that rebellious troops shot and killed at least 12 imperial guard officers and wounded more than 20 this week in a camp close to the shah's Niavaran Palace residence.

Official sources yesterday claimed that three terrorists dressed in military uniforms sprayed a barracks with bullets from their automatic weapons, wounding at least 20 soldiers at Levizan camp Tuesday night before they were gunned down.

The government has declined to comment on the version reported by informed sources, that the attack on the officers' mess was made by three troopers on Monday whose fate is unknown.

The government tried to get the economy rolling again with concerted efforts to solve a crippling strike by 37,000 oil field workers now in its 12th day.

Informed sources in Shiraz said the army men used their weapons to defend themselves and their families against the rioters, shooting and killing at least 40 and wounding scores of others. An army corporal whose home was burned was killed by the rioters and his family fled along with hundreds of other Bahais to a nearby mountain town.

The Moslems also attacked businesses belonging to Bahais, including the Pepsi-Cola plant.

Pressure on Shah

Shiraz has been the frequent scene of anti-shah demonstrations since civil unrest started 11 months ago throughout Iran.

As the unrest grew, Shiite Moslems put the pressure on the shah to dismiss members of the Bahai sect in influential positions.

Iran Oil Production Reported Very Low

PARIS, Dec. 15 (AP) — Iranian offshore oil production came to a complete halt this week, while onshore crude oil for export dwindled to a trickle of 600,000 barrels a day, according to a confidential report obtained here today.

The little oil being exported is exclusively for Consortium members, according to the report by oil industry experts that is being circulated among oil companies. Those members consist of a handful of large, mostly non-American, companies.

The report was shown to the Associated Press-Dow Jones news service on condition that the source remain unidentified.

It said the virtual halt in produc-

tion came two days ago. Daily production now stands at 1.1 million barrels — one sixth of its usual rate — with the unexported crude going for domestic consumption.

Iran had 35 producing oilfields in 1976, 22 of them on land.

Iran's oil industry has been crippled by strikes. Before the civil strife in the country, Iran was the world's second largest exporter of crude, and it produced about 6 million barrels a day.

The report said production was so low that the National Iranian Oil Co. was trying to purchase products, primarily jet fuel, on the international market.

But consumer intake terminals in Iran were not functioning, and it

was difficult to tell how imported oil would reach its destination, the report added.

Russians Seen Hurt By Iran Oil Strike

BRUSSELS, Dec. 15 — The oil strike in Iran has cut the flow of Iranian natural gas to the Soviet Union and threatened to interfere with an important Soviet trade agreement in Western Europe, diplomatic sources said yesterday.

The Soviet Union imports substantial quantities of Iranian gas, then delivers domestic gas to Western Europe, which pays for it in hard currencies that are much in

agreement between Israel and Egypt at a later date."

Later, aides said this was meant as an assurance to both sides that even if the United States turned its attention to other matters, it would not give up on reaching an eventual settlement.

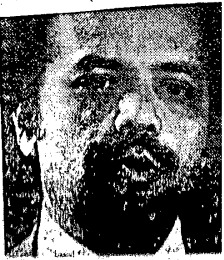
Asked to specify the other "pressing international problems" demanding his attention, the president cited the tension between Argentina and Chile over the ownership of disputed islands, the mediation efforts in Nicaragua and the negotiations with the Soviet Union over a new strategic arms limitation agreement.

'Broad Gamut'

"There's such a broad gamut of things that I need Secretary Vance back here," he said, explaining why he had ordered the secretary to end his Middle East shuttle and return home today.

Mr. Carter said the Argentina-Chile dispute "could erupt into a conflict." But other administration officials said that despite this, a major purpose in recalling Mr. Vance was to jolt the Israelis into serious consideration of the latest

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Sheikh Ahmed Zaki Yamani

OPEC Official Plan to Raise Prices

ABU DHABI, United Arab Emirates, Dec. 15 (AP) — Secretary-General Ali Jaidah of the organization of Petroleum-Exporting Countries (OPEC) confirmed today that world oil producers intend to raise the price of oil at their end price meeting this week but he refused to speculate on precise outcome.

Mr. Jaidah also said that an induced reduction of oil production in Iran will have no immediate effect on OPEC pricing. But he said that he was optimistic that Iranian production will pick up and that other OPEC nations case could raise their price to "alleviate the problem of declining Iranian output."

On the price issue, Algeria Minister Ahmed Ghazali said "We won't accept some price adjustment that would look ridiculous before our

Carter May Call China Summit

China Summit

WASHINGTON, Dec. 15 (AP) — President Carter hastily arranged a televised address to the nation late this evening amid reports that he would announce plans for a U.S.-Chinese summit and resumption of full diplomatic relations.

An administration source said the president's address would be