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Money snarl keeps hostages waiting

Carter, aides continue working to pull out a last-minute release

WASHINGTON (AP) — Less than six hours before Ronald Reagan was to become U.S. president, the 52 American hostages in Iran endured another delay as negotiators wrangled over financial details in the agreement completed Monday.

However, the main difficulty holding up the hostages' release was resolved early Tuesday morning, White House press secretary Jody Powell announced at 1 a.m. PST.

Pres. Jimmy Carter was informed that the frozen Iranian assets had been transferred to the Federal Reserve accounts in London and Washington as the first step in the process of transferring the estimated \$8 billion to the Iranian government, Powell said.

The agreement next must be signed by American, British and Algerian officials. The funds will then be transferred to an escrow account set up for the Iranian government.

After the Iranians have been assured the money is in the account, the hostages will be released, Powell said.

The last-minute snarl centered around an Iranian claim that U.S. banks had added an 11-page appendix that would require Iran to give up some of its financial claims. The sticking point had to do with ambiguities in "calculating amounts of interest due on various accounts," Powell said.

Regarding the proposal to undo the snag, Powell said it was drafted by a British lawyer for the Iranian central bank. Before the document could be approved, the United States had to wait for word the Iranians had accepted the draft, as well as for the wording of the proposal itself.

"As we understand, it is an acceptable solution to this problem," said Powell. "It may also be the last chance that we have in this administration to work things out."

Students express relief, anger at Iranian hostage agreement

University students greeted the news of the apparent break in the hostage crisis with mixed reactions Monday.

Relief, anger and revolutionary rhetoric were all in the air as word spread that the hostages soon will be leaving Iran.

Tom Peters, a senior in religious studies, said he had a feeling of "incredible relief" upon hearing that the hostages might be coming home. "I'm just glad we managed to get them released without going to war," he said.

David Turney, a sociology major, said the returning hostages might just "save Carter's ass."

Another sociology major, Nancy Whitley, is disappointed that the hostages could be home in a few days.

"I'm upset they didn't go on trial," she said.

John Kaiser, a Revolutionary Communist Youth Brigade member, expressed similar sentiments.

He said the hostages should be tried and their true professions should be revealed to the world. Kaiser claims that

Late Monday night, Behzad Nabavi, the chief Iranian negotiator, said his government would set a deadline for U.S. banks to transfer the assets to the Bank of England.

Powell said "I don't think there's anything to be gained by commenting" on Nabavi's threat.

The announcement of the breakthrough came after a meeting of U.S. officials at the office of Treasury Secretary G. William Miller, talking by telephone to the U.S. team that was working in Algiers to try to clear the last hurdle.

Carter spent his last hours in the Oval Office, waiting and talking with his long-time Georgia friends, including Hamilton Jordan and Charles Kirbo.

Preparations for the inauguration of the 40th president of the United States continued. At 9 a.m. PST, to the peal of bells, then a cannon salute, Reagan will become the oldest man ever sworn to the office.

Earlier, Powell said the Reagan administration would be bound by the hostage agreement only if it is completed with release of the captives before Reagan is sworn to office.

Otherwise, Powell said, the new president would be free to act as he sees fit. "We have made it very clear that there was no obligation to adopt the previous negotiating position," Powell said.

However, in a gesture to the outgoing president, Reagan asked Carter to be his envoy to greet the American hostages, no matter when they are released. Carter, for whom the hostages may have been the main issue of his presidency, accepted Reagan's offer.

In addition, Reagan ordered formation of a team from the National Security Council and the departments of State, Defense, Treasury and Justice to help smooth the transition in hostage developments.

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most of the hostages were working for the CIA at the time of the embassy takeover more than 14 months ago.

He said hostage Thomas Ahern was working at the embassy as a "narcotics control coordinator" but was actually a CIA officer with a Belgian passport.

Tooraj Fooladi, Iranian Student Union representative, says he has mixed feelings about the hostages. He said he's glad the American captives are being released because "all along, the religious sector of the government was using the hostages to divert the Iranian people's attention away from the internal turmoil" of Iran.

But Fooladi also claimed there are spies among the hostages who should have been tried. He accused Victor Tomseth, a former Springfield resident, of being one of the spies.

Bart Jones, a journalism major, also was disappointed about the way the crisis was resolved.

"I'm mad because I wanted to see Reagan blow the hell out of Iran."



Although U.S. Deputy Secretary of State Warren Christopher (below, right with a interpreter), signed a final agreement Sunday in Algiers for the release of the hostages, minor money snags kept the 52 Americans in Iran. A banner near the USAF base in West Germany is ready to greet the hostages with "Welcome home, it's been a long time. Now we can smile."

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