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# **Impact of Iranian and Afghan Events on South Asia**

**An Intelligence Assessment**

**Secret**

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January 1980*

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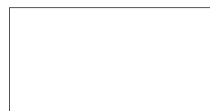
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
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The author of this paper is  Office of  
Political Analysis. Comments and queries are  
welcome and should be directed to the Chief, Near  
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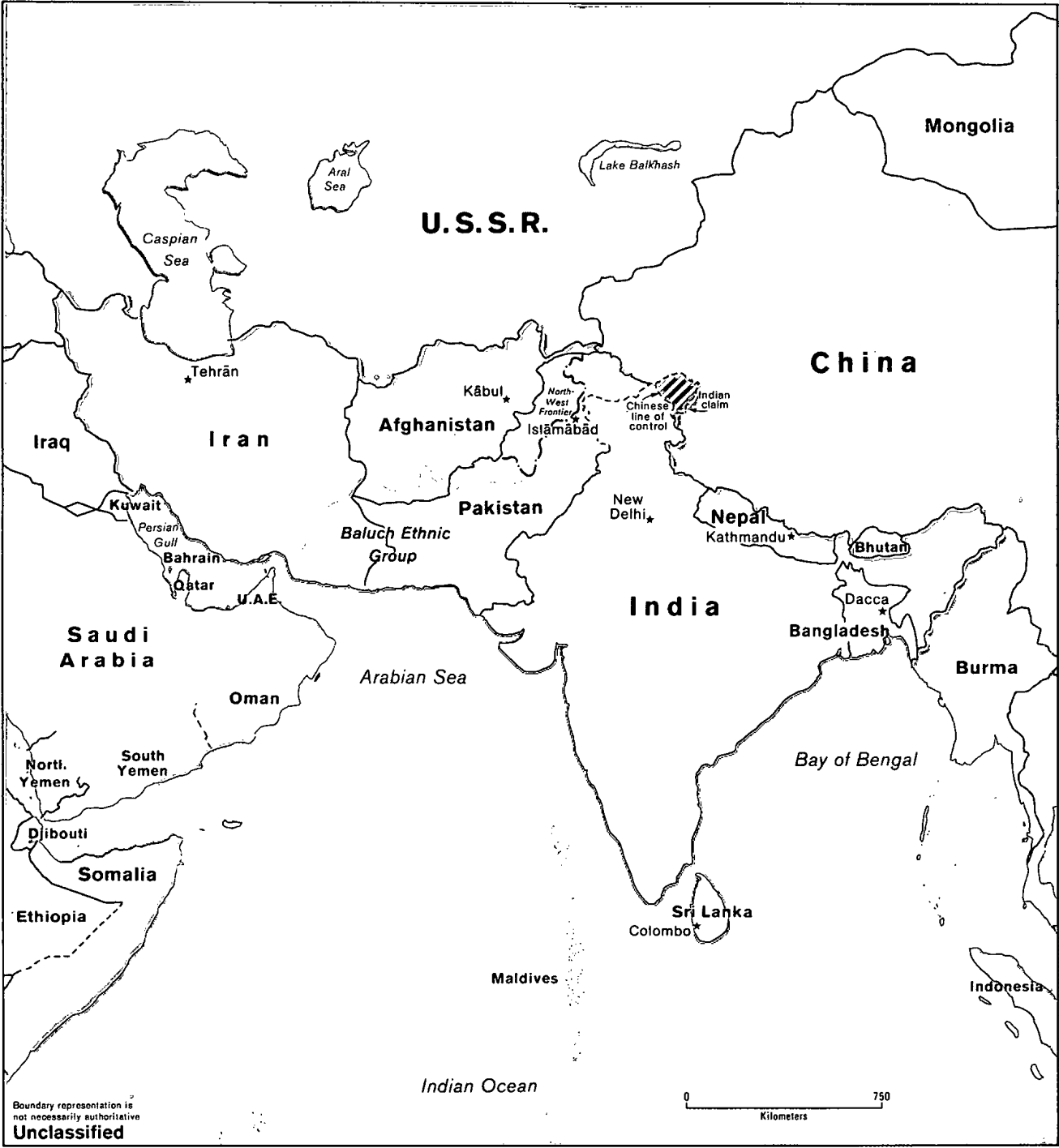
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**Impact of Iranian and  
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**Key Judgments**

The Soviet intervention in Afghanistan is the latest in a series of events that have caused deep concern in neighboring South Asian nations.<sup>1</sup> In combination, the initial Marxist coup in Afghanistan in April 1978, the establishment of Ayatollah Khomeini's fundamentalist Islamic state in Iran, and the overt movement of the Soviets into Afghanistan have brought about major changes in intergovernmental relations and heightened fears both of internal disturbances and of great-power intentions.

The coup in Kabul in April 1978 was unwelcome throughout the region, altering, as it did, bilateral relations that had evolved over a period of years into well-established patterns. Pakistan and Iran were notably disturbed, viewing the event as an expansion of Soviet influence into an area from which attempts at subverting tribesmen within their own countries might be launched. The Afghan coup led to a massive influx of refugees into Pakistan and a decision by Islamabad to provide some military assistance to the Afghan insurgents. The Shah's hostility toward the Marxists in Kabul has been surpassed by that of Khomeini, who views the struggle in Afghanistan as between Islam and the "atheists."

The installation of an Islamic republic in Iran has had an effect throughout South Asia. Khomeini's influence extends far beyond the minority Shiite communities, and his controversy with Washington has found general support from both Muslims and others in an area where latent anti-Americanism has been growing for some time. Although the occupation of the US Embassy in Tehran has been criticized privately by most senior officials throughout South Asia, there have been no strong public statements of condemnation. This reluctance to comment publicly is based on both political and economic factors, including a desire not to intervene in support of the United States when it is in confrontation with a Third World nation.

The recent coup in Kabul and the Soviet invasion have caused a severe shock in all neighboring states. The initial reaction from Iran has been hostile and may presage an increase in aid to the Afghan insurgents. Pakistan, with Soviet troops moving up to its border for the first time, finds itself in a particularly vulnerable position. Islamabad could decide to adopt a strong anti-Soviet stance—initial reaction has been highly condemnatory—or it

<sup>1</sup> For purposes of this report, "South Asia" includes Iran, Afghanistan, Pakistan, India, Bangladesh, Sri Lanka, and Nepal.

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could choose to seek an accommodation with the Soviet Union. Much will depend on the willingness of Pakistan's friends and allies to provide adequate assistance to confront the Soviets. India, meanwhile, finds itself in a particularly vexing position—opposed to any direct great power involvement in South Asia, where India has aspiration of being a regional power, but deeply concerned over possible new arms aid to its traditional foe, Pakistan.

For the United States, the chaos and the fear that have been generated in South Asia would appear to present only limited prospects for gaining new friends or allies. Our relations with Iran and Afghanistan are at their lowest ebb, while India is highly suspicious of new US assistance to Islamabad. Bangladesh and the small nations in the region are determined to avoid involvement in a potential great-power crisis. The Pakistanis, who recall past disappointments in relations with Washington, have yet to make up their minds.



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## Impact of Iranian and Afghan Events on South Asia

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Events in Iran and Afghanistan over the past 20 months have had a significant and growing impact on relations among and between the various nations of South Asia. The coup d'etat of 27 April 1978 that established a Marxist government in Kabul set off shock waves throughout the region. The Islamic revolution in Iran that toppled the Pahlavis increased concern in the area. The recent Soviet-backed coup in Afghanistan, combined with the arrival of Soviet combat troops in that nation, has caused still greater anxiety over possible further instability in adjacent areas and an eventual great-power confrontation in the region. [redacted]

Prior to the coup that ousted the essentially neutralist government of President Mohammad Daoud in April 1978, relations among states in South Asia had developed into a fairly stable pattern, although there were indications that fundamental changes might be in the offing. Iran and Pakistan were closely allied in the Central Treaty Organization. Afghanistan and Pakistan were in dispute over their common border, and the Afghans regarded the Shah as a potential adversary seeking to exert his influence over their backward and poverty-stricken nation. Pakistan and India had long been at odds over Kashmir and a number of other issues, with Islamabad continually fearful of Indian efforts to establish both political and military hegemony over the subcontinent. More or less on the theory that an enemy's enemy is a friend, the Indians tended to cooperate with the authorities in Kabul. The other nations of South Asia—Bangladesh, Sri Lanka, and Nepal—were not directly involved in the complex relationships to the west of them, but all regarded their huge neighbor, India, with undisguised apprehension, fearful that New Delhi would seek to exercise more direct control over their destinies. [redacted]

Slight changes had begun to appear in these relations as 1978 dawned. The Indian Government under Prime Minister Moraji Desai implemented a more cooperative policy toward its neighbors, and despite occasional interruptions, the policy had begun to pay off in terms of improved ties with Pakistan as well as with

Bangladesh, Nepal, and Sri Lanka. India's relations with the Soviet Union, which had been excellent while Indira Gandhi was Prime Minister, remained good but not as close as before, while relations with the United States improved slightly. Iran, meanwhile, had set about improving relations with India—to the concern of Pakistan. Islamabad, which found itself at odds with the United States, moved closer to China while cautiously examining improved relations with Moscow. Both Iran and Pakistan increasingly found the Central Treaty Organization irrelevant and an impediment to joining the nonaligned movement. There were also hints of foreign policy changes in Kabul in the 25X1 weeks immediately preceding the coup, with Daoud appearing eager to improve relations with Tehran and work out some accommodation with Pakistan over the border dispute. [redacted] 25X1

### The Marxist Coup in Afghanistan

Installation of a Marxist government in Kabul immediately led to fears in Pakistan and Iran that the new government, with Soviet support, would reignite the border dispute with Pakistan and, also with Soviet help, might attempt to spur tribal dissatisfaction into open insurgency in the provinces bordering Afghanistan. It is an article of faith in both nations that Moscow, operating through a compliant government in Kabul, intends eventually to secure access to the Indian Ocean through Iranian and/or Pakistani Baluchistan. The Shah also viewed the coup as a successful Soviet penetration of an area of vital concern to Iran. Officials in New Delhi viewed the 27 April coup in Kabul with less concern, but were frank to admit they were uneasy over the direct influence Moscow could now exert in Afghanistan. In 25X1 Indian eyes, any action that tends to increase super-power influence or presence in the South Asian region is undesirable. Government leaders in Bangladesh, Nepal, and Sri Lanka privately expressed anxiety over the changes in Kabul. [redacted] 25X1

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As months passed, the unstable situation in Afghanistan, which eventually evolved into open insurgency against the central government, caused added apprehension in the various capitals, most directly in Islamabad, secondarily in Tehran. Thousands of refugees, today numbering more than 350,000, fled across the border into Pakistan as the government in Kabul attempted to put down the tribal rebellion. Guerrilla leaders, based in Pakistan's Northwest Frontier Province, organized their forces and plotted campaigns against the Marxist regime in Kabul. Islamabad provided the refugees with food and other necessities and gave some logistic support to the insurgents. [redacted]

In Iran, the Shah's government prepared to grant assistance to the tribal guerrillas. The fall of the Shah and the installation of Ayatollah Khomeini's regime only intensified the criticism of Kabul and increased direct assistance to the Afghan insurgents. Khomeini, like the Afghan rebels, viewed the government in Kabul as atheistic and anti-Islamic—a "tool" of the Russians. There is good evidence that Iranian religious leaders, if not the government, established refugee camps in which to train the Afghan insurgents and sent arms and supplies across the border. The recipients of this aid, however, were limited primarily to the small Shiite minority in Afghanistan.<sup>2</sup> [redacted]

Khomeini's appeal, however, extends far beyond the Shiites. His success in establishing an Islamic republic and his denunciations of the regime in Kabul as "infidels" have received an enthusiastic response from the Sunni tribesmen fighting in various parts of Afghanistan. [redacted]

**Khomeini's Victory**

The victory of Khomeini in Iran, the subsequent reprisals against the Shah's followers, and attempts to create a new theocratic government in accordance with the doctrines of Shiite Islam stirred mixed feelings within Iran's eastern neighbors. Many members of the upper and middle classes and the Westernized intelligentsia in Pakistan and Bangladesh viewed attempts to establish a fundamentalist Islamic state with disdain.

<sup>2</sup> Most Afghan Shiites are Hazaras, a Mongoloid people in central Afghanistan who have long been discriminated against by the Sunni majority in that nation. [redacted]

Many students and the lower economic classes in the cities, however, appear to have been favorably impressed with Iran's revolution. A revival of interest in and dedication to traditional Islamic values (both Sunni and Shia) had been growing in both Pakistan and Bangladesh in recent years. In many instances this movement has increasingly combined with a rejection of Western social, economic, and political values. [redacted]

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Khomeini's success in Iran has had its most direct impact on Pakistan. Since assuming direct power in a military coup in July 1977, President Zia-ul-Haq has attempted to establish a republic based on Islamic principles. He has been moderately successful in introducing Islamic laws over both public and private life, but has been unsuccessful in creating a stable civilian government to succeed his martial law regime. He is believed to have only limited popular support and remains in power largely at the tolerance of his fellow generals. He is not in a position, in short, where bold initiatives in either domestic or foreign policies can be expected from him. [redacted]

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The sudden eruption of anti-American demonstrations in Pakistani cities—and elsewhere in South Asia—on 21 November followed Khomeini's charges that the United States was involved in the attack on the grand mosque in Mecca. This revealed a latent but potentially explosive anti-Americanism that exists in many parts of South Asia and which the Iranian leader has been able to exploit. This reservoir of ill will toward the United States existed prior to Khomeini, however, and is based on accumulated frustrations, envy, and a kind of extreme nationalism to which has now been added a violent form of religious fanaticism. [redacted]

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Subsidiary to the above but important is the Palestinian issue—an issue that finds not only the Muslim governments and peoples of South Asia at odds with Washington, but is reflected as well in the statements of non-Muslim governments that see the issue essentially as a United States-versus-Third-World controversy. Government propaganda has also played a role in the growth of anti-American feeling. In Pakistan, the government-controlled press has repeatedly and stridently denounced Washington's attitude toward Pakistan's nuclear aspirations, its request for debt rescheduling, and its pleas for a more liberal arms supply policy. [redacted]

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The attack on the US Embassy in Islamabad may have been planned and initiated by Iranian and Palestinian students, but the mob was recruited in the streets of Islamabad and neighboring Rawalpindi. Khomeini's influence in Pakistan is considerable, and Zia, not in a strong political position, would be most reluctant to cross him. This has become clear during the crisis following the occupation of the US Embassy in Tehran. At US request, Zia sent a private appeal to Khomeini asking for release of the hostages. He has taken no further action, however, and the government press has become increasingly critical of recent US moves in the crisis. [redacted]

Indian officials have been privately critical of Khomeini and his followers since the occupation of the US Embassy, but publicly have issued only a brief and highly legalistic statement calling for compliance with international law and practice. There are several factors at work on the Indian Government that have caused New Delhi to be cautious in commenting on events in Iran. The present caretaker government will be replaced now that national elections have been completed. Additionally, India's Muslim minority of some 70 million, while traditionally apathetic politically and overwhelmingly Sunni in composition, may be receptive to the propaganda emanating from Iranian religious leaders. Moreover, India has some 6,000 citizens resident in Iran, hopes for continuation of Iranian participation in Indian development plans, and relies on Iran for significant quantities of petroleum. Finally, India's traditional aversion to the introduction of superpower military force in the region makes officials in New Delhi critical of both the deployment of US naval vessels to the area and warnings of possible US military action. [redacted]

The other nations in the area are less directly affected by recent events in Iran. Bangladesh is overwhelmingly Muslim, mostly Sunni, and its officials have been critical of Khomeini in private but silent in public. Unlike Pakistan, however, Bangladesh appeared ready to handle any violence against US facilities in late November. The demonstrations in Bangladesh were far smaller than those in Pakistan, however, and thus more easily controlled. Bangladesh, as a member of the Security Council, has not been particularly helpful to US efforts at the UN to gain the release of the hostages. [redacted]

The small Hindu kingdom of Nepal, with only a handful of Muslims in the population, has, like its neighbors, been privately supportive of the US position on the hostages, but has made no public statement on the issue. The youth organization of the opposition Nepali Congress Party, however, has issued one of the strongest condemnations of the Iranian students' action to come out of South Asia. The government of the largely Buddhist island republic of Sri Lanka has also been privately critical of Iran on the hostage issue. Two trips by the Foreign Minister, a Muslim, to Tehran, ostensibly to gain release of the hostages, have been unproductive and appear to have been more a mission to enhance the Foreign Minister's prestige than a serious effort to find a solution to the problem. [redacted]

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#### Soviet Intervention

The recent direct Soviet intervention in Afghanistan has shocked the other nations of the region. Statements by leading Iranian officials denouncing the Soviet invasion as an attack on Muslims everywhere probably are a prelude to stepped-up assistance to the Afghan insurgents. A major Soviet presence in Afghanistan is viewed with particular concern due to Iran's own problems with its minorities. The Soviet Union borders on or is close to the areas where potential separatist groups—the Kurds, Azerbaijanis, and Turkomen—live. With the arrival of Soviet troops and officials in Afghanistan, Moscow will have easy access to yet another dissatisfied minority—the Baluchis. Khomeini, despite his opposition to the latest Soviet move, has been able to tie it into his overriding anti-Americanism by accusing the two great powers of colluding in the Soviet invasion as another part of the larger "superpower plot" against the world's Muslims. [redacted]

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Pakistan is most directly affected by the Soviet invasion, as the move could, for the first time, bring Soviet troops to the borders of Pakistan. Like the Iranians, the Pakistanis will fear Soviet-inspired efforts at subverting the tribes along the border with Afghanistan—particularly the frequently discontented Baluchis of Pakistan, some of whom have been involved in a smoldering insurrection against the central government since the creation of the nation in 25X1

1947. Another fear that undoubtedly has surfaced in Islamabad is the recurrent vision of a Soviet-Afghan-Indian axis bent on the partition of present-day Pakistan. This concern will be given further impetus now that Indira Gandhi has been returned to power. Zia's position within Pakistan may have been moderately strengthened by Soviet intervention, as the other generals, faced with a serious new crisis, will tend to rally around the President—at least temporarily. [redacted]

Surrounded by new and dangerous circumstances, the Pakistanis would appear to have two options—they can seek assurances and assistance from their allies or they can attempt to reach an accommodation with Moscow. While the government in Islamabad has been pleased by strong statements of support from Washington, it has remained cautious of becoming too closely identified with US foreign policy in the area until satisfied that significant military assistance will be forthcoming, without strings attached to such vital issues as the Pakistan nuclear program. Zia recognizes that he probably has some time to examine US intentions, as the new government in Kabul can be expected to seek good relations with Islamabad at least until it has established control throughout Afghanistan. Rapidly improving ties with the United States could cause complications in Pakistan's relations with the Soviet Union, Afghanistan, India, and possibly Iran. The Pakistanis presumably will seek reassurances and increased aid from their other great power ally, China. [redacted]

If the two allies of Pakistan fail to reassure Islamabad that they can and will protect Pakistan against the Soviet threat, Zia or his successors could seek an accommodation with Moscow. This option has been examined in the past by Zia's predecessors and would appear to be an attractive alternative to finding Pakistan hopelessly wedged between an Afghanistan occupied by massive Soviet combat forces and an India that is not trusted. [redacted]

One of the immediate problems facing the government in Islamabad is how to deal with the Afghan insurgents in light of the changed situation in Kabul. Soviet officials have previously been highly critical of Paki-

stan's support to the guerrillas and have sought to have the assistance terminated. With combat troops now operating close to the Pakistani border, Moscow would appear to have the means to apply increased pressure for compliance with its demand. The Pakistani decision in regard to future aid to the rebels will depend to a considerable extent on Islamabad's reading of the support it is likely to get from its allies. [redacted]

The Soviet invasion has caused an ambivalent reaction in India where the acting Prime Minister expressed his "deep concern" at the news, but coupled this with an expression of "grave concern" over possible new US arms deliveries to Pakistan. The next prime minister, Indira Gandhi, has been even less critical of the Soviet action. No senior Indian leader has ever condoned great power involvement in South Asia, however, and the presence of Soviet troops along the Pakistani border will give little satisfaction to the Indian Government. Moscow will be blamed, at least implicitly, for creating a situation in which Pakistan may be given new military assistance by its allies. The Indian press has already started warning that new US military aid to Pakistan will fuel an arms race on the subcontinent. [redacted]

### Conclusion

By the end of 1979, two of the nations of South Asia, Iran and Afghanistan, were in ferment, a third—Pakistan—was becoming more deeply involved, and all the rest were increasingly concerned about the sudden and dramatic changes that were taking place within the region. Two revolutions are taking place in an area of extreme poverty, population pressures, and numerous bilateral disputes. Khomeini's call for a resurgent Muslim fundamentalism and increased Islamic political power has had dramatic impact in those states with sizable Muslim populations—Afghanistan, Pakistan, Bangladesh, and India. At the same time, the new leaders of Afghanistan are attempting to recast traditional society and politics in that nation. The Afghans seek to eradicate feudalism and to create a Marxist state closely tied to the Soviet Union. [redacted]

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Pressures from both revolutions have been felt throughout the area, further complicating an already unstable political environment. Because of the influence that Khomeini wields among the Muslim populations of Pakistan and Bangladesh, the leaders of those two countries would be under intense domestic pressure to give at least lipservice to any future call by the Iranian leader for a holy war against either the United States or the Soviet Union. The problem is somewhat different in the case of India. Muslim resurgence in nations around India could inflame communal passions in that country and lead to increased support for militant Hindu organizations—an obvious danger in a secular state. [REDACTED]

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The most serious danger to South Asia from the Afghan situation stems not from the export of the Marxist revolution itself, but from the presence of Soviet combat troops and the intentions of the Soviet Government toward Afghanistan's neighbors, Pakistan and Iran. Although all of the governments in the region deplore, at least privately, the arrival of Soviet troops in their area, there will not necessarily be an increase in receptivity toward a greater role for the United States. Pakistan presumably will want to buy arms from the United States, but probably will not enter into a new defense arrangement or agree to any widespread open cooperation with the United States at the expense of the Soviet Union. [REDACTED]

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The universal concern that was aroused throughout the region by the hint of the use of US military force against Iran over the hostage issue is indicative of the determination to keep both superpowers out of the area, thereby reducing the chances of a confrontation between them. To many leaders in South Asia, the most unfortunate aspect of the Soviet invasion of Afghanistan is the return of direct great-power involvement in the affairs of the region. This is viewed as a retrograde step that is both feared and resented, particularly by India which has regional power aspirations of its own in the area. [REDACTED]

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