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The Director of Central Intelligence
Washington, D.C. 20505

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National Intelligence Council

MEMORANDUM FOR: Director of Central Intelligence
Deputy Director of Central Intelligence

FROM: Graham E. Fuller
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SUBJECT: Shifting Soviet Emphases in the Gulf--Harder Time for Iran?

1. I am concerned that a series of developments are taking place in the Gulf Region which possibly suggests tougher Soviet attitudes towards Iran, a stronger Soviet defense role in the Gulf, and the development of scenarios which could affect Iran's independence. In brief, the USSR may be resolved to increasingly intimidate Iran, willing to stimulate internal instability in Iran and be prepared to take advantage of Iranian chaos to exert its power in Iranian Azerbaijan.

-- While this is not a "probable scenario," I believe the prospects of an unstable Iran in the years ahead offer major opportunities to the USSR--a prospect we must watch closely.

-- Increased Soviet frustration in Afghanistan will also stimulate tougher Soviet policies towards Iran.

2. The Soviet's Gulf Strategy. The Gulf war has been an overall net loss for Soviet interests.

-- Iraq has been drifting towards the West, improving its relations with the US, supporting Egypt, supporting the moderate PLO, and maintaining moderation towards the peace process.

-- Iraq has been at loggerheads with the Soviet's other major ally, Syria.

-- The war has distracted attention away from the Arab-Israeli issue.

-- The Gulf states have joined together in a defensive alliance of some value.

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- The Gulf states have looked to the West for overall defense.
- The war could offer the US opportunities for intervention in the Gulf.

Faced with these negative developments, I believe the Soviets in the last few months may have resolved to protect their own interests and to turn the situation around to some extent. Although the Soviets have been gravitating towards a pro-Iraq, anti-Iran position for nearly two years, they may have decided to come down much harder on these issues recently.

- The Soviets seem determined to stop Iraq's drift towards the West--and Iraq's public statements about the US have been notably cooler.
- The Soviets are committing themselves to intensified arms deliveries to Iraq.
- The French believe that the Soviets are trying to eliminate French influence in Baghdad and perceive a growth of pro-Soviet elements in the government.
- The Soviet press and academics no longer have anything good to say about Iran.

3. Soviet Goals. In deciding to land four-square on the Iraqi side of the conflict, the Soviets probably have the following goals in mind.

- Arrest Iraq's gravitation towards the West and reassert their own influence there.
- Weaken or eliminate French influence over Iraqi policies and arms purchases.
- Demonstrate to the region that the USSR in times of trouble can be relied upon to deliver the military goods--unlike the US and its Congressional restrictions on arms support to the Gulf.
- Demonstrate to Iran that failure to heed Soviet desires for good relations will now bear a high price; the Soviets will arm Iraq heavily and make them a major threat to Iran down the road. The message to Iran is that the Soviets are no longer willing to use carrots to establish good relations but will rely now on the big stick.
 - This runs the risk of possibly forcing Iran into the arms of the West, but the Soviets probably safely calculate that Iran is hardly about to make up with the US, the Great Satan.

- Demonstrate to Gulf powers that the USSR is willing to use arms deliveries to Iraq as a major factor in blunting the Iranian drive against Iraq.

4. The Threat to Iran. Not only will it be in the Soviet interest to arm Iraq heavily against Iran, but the USSR may also demonstrate its "protective role in the Gulf" by attempting to intimidate Iran along its borders. The Soviets are able at any time to mount military exercises on the Caucasian and Central Asian borders or Iran at virtually no costs to themselves--unlike the US which has to fly 8,000 miles to show its military might to Iran.

- The Soviets may calculate that they are getting nowhere with the Khomeini regime and that it will not hurt to shake it up. If the government of the Ayatollah is shaken, the emerging chaos is bound to produce a government more favorable to Soviet interests than the present one.
- Whether or not the Soviet Union induces turmoil in Iran, turmoil may come into being anyway in any future power struggle in Iran.
- We cannot overlook clause 6 of the 1921 Soviet/Iran agreement in which the Soviets retain the right of military intervention in the case of "usurpation" of power or threat to the USSR from "third parties" in Iran. These clauses equally apply to threats against the USSR or its allies. The "usurpation" language is vague and either Iraq or Afghanistan could be considered "Soviet allies."
- With the Soviet presence in Afghanistan, Soviet borders with Iran have been doubled in size. Moscow's ability to threaten or militarily intervene in Iran have greatly increased--especially if Iran openly supports the insurgency in Afghanistan.

5. Soviet Use of Border Nationalities. Soviet ability to use its border nationalities against its southern neighbors has many precedents. The last fifty years have seen not one, but two different Soviet Republics established in Iranian Azerbaijan. A scholar currently studying the Soviet Azerbaijan Azeri-language press reports that there has been an increase in the last year of emphasis upon a "national unity movement" in Azerbaijan which explicitly refers to union between north (Soviet Azerbaijan) and south (Iranian Azerbaijan). The Soviet press is more critical of Khomeini's stifling of cultural freedom in Iranian Azerbaijan. Soviet Azeri-language publications refer to the fact that the Gulf war is hindering the move towards cultural autonomy in Iranian Azerbaijan. In short, a mechanism exists and may be growing for Soviet manipulation of, if not intervention in, Iranian Azerbaijan.

- Under circumstances of normal internal turmoil in Iran the possibility of a break away movement by Iranian Azerbaijan is

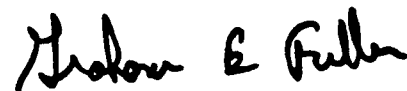
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always present. Such a movement could be quickly exploited by the USSR if the appropriate groundwork is laid now through Soviet autonomy and unity campaigns.

6. The Afghanistan Factor. As the Soviets come to feel greater pressure from lack of progress in Afghanistan, the Soviets will feel increasingly compelled to threaten Iran as well as Pakistan for its support of the insurgency. Soviet nationality studies of other Iranian border minority groups--especially the Turkmen--also provide opportunity for encouragement for other break away movements in Iran. This is facilitated by the Soviet presence in Afghanistan.

7. In summary, we may be reaching a time of increased turmoil in the Gulf with heavy pressures building on Iran from outside and inside the country. The West is in a way contributing to those pressures. The Soviets are in a better position to intensify these pressures against Iran both from Iraq and from within the USSR. The Soviets may welcome the development of these pressures and may be in the process of asserting Soviet power against Iran both to pose as protector of the Gulf against the Khomeini revolution and to facilitate conditions in Iran which could lead to increased Soviet pressure and influence, or even Soviet intervention in Iran.

(This paper represents hypotheses of my own on the potential looming problems of Iran and the USSR in an unstable environment. The paper has been shown to Fritz Ermarth and parts of it may be incorporated in a broader paper on Soviet strategy towards the Middle East.)



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