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USSR-Iran: Prospects for a Troubled Relationship



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An Intelligence Assessment

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SOVA 87-10002X
January 1987*

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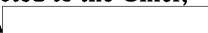
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USSR-Iran: Prospects for a Troubled Relationship



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An Intelligence Assessment

This paper was prepared by 
 Office of Near Eastern and South Asian
Analysis, and  Office of
Soviet Analysis. It was coordinated with the
Directorate of Operations. Comments and queries
are welcome and may be directed to the Chief,
Persian Gulf Division, NESA 



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USSR-Iran: Prospects for a Troubled Relationship

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Key Judgments

Information available as of 19 December 1986 was used in this report.

Relations between the USSR and Iran are troubled by longstanding differences that are likely to prevent a significant improvement in ties at least as long as Khomeini is alive. The clerics' abhorrence of atheistic Communism has reinforced the Iranians' historical hostility toward Russia and fostered deep-seated suspicions about Soviet intentions toward the Islamic republic. Moscow is angry over the clerics' continuing anti-Soviet behavior but believes its major objective is achieved as long as the United States remains excluded from Iran.

[Redacted]

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Iran would like to improve relations to obtain major Soviet arms, economic benefits from increased trade, and diminished Soviet support to Iraq, but the Soviets are likely to hold fast to demands for Iranian concessions on key issues as a precondition for closer ties. The demands include a reduction in anti-Soviet rhetoric and support for the Afghan resistance as well as moderation in its conditions for ending the war with Iraq. Iran is unlikely to meet those demands in the near term unless military or economic setbacks threaten the regime's survival and a turn toward Moscow is viewed as essential to stave off disaster.

[Redacted]

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The USSR's capability to influence events in Iran is limited, and its willingness to intervene militarily is constrained by the possibility of confrontation with the West. Moscow has a variety of assets it might use to exert pressure on Iran, but any such effort could be counterproductive and push Iran closer to the West.

[Redacted]

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Moscow's opportunities for gaining influence in a post-Khomeini Iran will increase if factional strife leads to major shifts in the political balance. A government controlled by left-leaning technocrats or Revolutionary Guard leaders might be more inclined to look to the Soviets for military and economic aid and less hostile to Soviet foreign policy goals in the region. In a less likely scenario, even a government dominated by radical clerics might decide that closer ties to Moscow would best serve its domestic and foreign policy goals, at least temporarily.

[Redacted]

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If Iran experienced a prolonged upheaval after Khomeini, the Soviets would enjoy expanded opportunities for exploitation, particularly among Iran's minorities near the lengthy border with the USSR. Moscow, however, probably does not possess the assets inside Iran to exert significant influence on events or policies in Tehran. Furthermore, a Soviet military invasion of Iran is unlikely in the next several years.

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Even after Khomeini's death, Moscow is unlikely to make major moves to improve relations until Tehran reduces its anti-Soviet rhetoric and posture. In the unlikely event that a successor government in Tehran avoided major factional infighting, it might take the initiative to meet some Soviet demands, but it probably would balance such steps with overtures toward the West, eventually including the United States. 

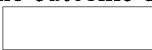
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Iran's refusal to end the war with Iraq and its support for the resistance in Afghanistan have been and are likely to continue to be major impediments to closer relations with the USSR, even after Khomeini dies. His successors might have less personal commitment to these policies, but they will hesitate to change them for fear of being accused of betraying Khomeini's legacy. Although the Soviets have tilted toward Iraq since 1982, they do not want either Iran or Iraq to emerge a clear victor. The Soviets oppose the war because it has led many Persian Gulf states to increase their security cooperation with the United States, allowed the United States to improve its ties to Baghdad, and, in Moscow's eyes, diverted Arab attention from opposing Western imperialism and Israeli expansionism. Moscow is unlikely to risk souring relations with Baghdad without the prospect of significant gains in Tehran. 

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Iran is unlikely to approve a political settlement in Afghanistan that does not provide for a Soviet withdrawal. Tehran's material support for the Afghan resistance probably will remain limited and directed mainly to Shia insurgents. 

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Any significant improvement of Tehran's relations with Washington probably will be more a factor of the outcome of the post-Khomeini power struggle than of Moscow's policies. 

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Figure 1



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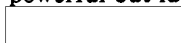
USSR-Iran: Prospects for a Troubled Relationship



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The View From Iran

Revolutionary Iran's policy toward the USSR has displayed deep-seated antagonism tempered by an awareness of the potential benefits of staying on good terms with Moscow. The clerics' antagonism toward the Soviets is based on the Islamic concept of a constant state of war between the Muslim and non-Muslim worlds. Khomeini has described the two superpowers as forming an antagonistic front against Islam and being guided by worthless "human ideologies." His call for "neither East nor West" sums up his view of Iran as a country guided by universal, divinely revealed truth standing up to the more powerful but ideologically bankrupt superpowers.

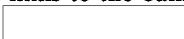


Despite Moscow's atheism, Khomeini has labeled the USSR as the "lesser Satan" and the United States as the "great Satan." US support for the Shah, whom Khomeini charged with undermining traditional Islamic values and repressing the Islamic movement, made the United States a more prominent target for the Ayatollah's wrath. In addition, the United States and the West, because of their greater influence worldwide, are seen as larger threats to Islam than the USSR.



In shaping their policy toward the USSR, the clerics have been guided by traditional Iranian geopolitical considerations and concern about Soviet meddling in Iran's domestic affairs. The Iranians are suspicious of Moscow because of:

- Historical hostility toward Russia.
- Soviet support for Baghdad in the Iran-Iraq war.
- The Soviet invasion and occupation of Afghanistan.
- Soviet covert activities and links to the banned Tudeh (Communist) Party.



Soviet Objectives in Iran

Keeping the United States Out

Moscow had long sought to undermine Washington's influence and presence in Iran, and, with the fall of the Shah, this objective was achieved. Keeping the United States out remains the primary goal but requires little effort as long as Khomeini is ardently opposed to the United States.



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Changing Iran's Anti-Soviet Policies

With the United States on the sidelines, Moscow has felt free to take a hard line toward Iran's anti-Soviet actions. In a speech to the Supreme Soviet in June 1983, then Foreign Minister Gromyko said "the USSR will act with regard to whether Iran wishes to reciprocate its actions and maintain normal relations with us or whether it has different intentions." In March 1985, *Pravda* stated that Soviet-Iranian relations would not improve unless Tehran took "concrete" steps to correct "intolerable" activities. These include:

- A sustained reduction in Iran's anti-Soviet propaganda. Iran's public line equating the USSR with the United States is galling to the Soviets, and frequent criticism at Friday prayer meetings in Tehran annoys Moscow.
- Permission to replace the 18 Soviet diplomats expelled in 1983 and to reopen the Soviet Consulate in the northern Iranian town of Rasht.
- An improvement in economic cooperation, such as reopening the natural gas pipeline to the USSR.
- An end to the repression of the Tudeh Party.



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Moscow's Attitude Toward Islamic Fundamentalism

The rise of Islamic fundamentalism in the late 1970s posed a vexing problem for the Soviets. The movement's fervent rejection of Western values presented opportunities for Moscow's efforts to undermine US influence in the Muslim world, but it also threatened Soviet interests closer to home, namely in Afghanistan. Initially, Soviet theoreticians and academics were cautiously optimistic, but they have grown progressively more pessimistic in their evaluation of the extent that Islamic fundamentalism serves Soviet interests. [redacted]

In one of the first Soviet reactions to the Iranian revolution, Kommunist published an article by Tudeh Party First Secretary Kianuri, who praised it as a people's, anti-imperialist, and socially progressive revolution. Others noted its negative attitude toward atheistic ideologies. In 1980, Moscow's senior Third World theoretician Rostislav Ul'yanovskiy wrote that the Shia clergy offered the only real chance for revolution in Iran because the Shah's regime had terrorized all other resistance groups, including the Communists. He noted, however, that the clergy was critical of the "left democratic movement, especially toward the party of scientific socialism," the Tudeh. Still, in 1981 at the 26th Soviet Communist Party congress, Brezhnev stated that "we Communists treat with respect the religious convictions of people professing Islam." [redacted]

Soviet views gradually became more critical. In 1982, Ul'yanovskiy called the Iranian revolution an expression of class struggle but charged the clergy with monopolizing power and pursuing bourgeois policies. He argued that an Islamic society was an "illusory

quest for a third path between capitalism and socialism and cannot have any real long-term historical prospects" but said the revolution was continuing and "full of contradictory potentialities." By 1985 he claimed the revolution was "fettered from the very beginning by the chains of Muslim fanaticism." He also had little sympathy for the outlawed left, blaming many of its problems and its weakness on its failure to unite. [redacted]

Still, Soviet interpretations of the Iranian revolution vary. Elena Doroshenko of the Soviet Oriental Institute and a specialist on religion in Iran wrote in 1985 that the Shia clergy not only played a leading role in the overthrow of the Shah, but, in a Muslim country, were in the best position to voice opposition to the Shah's government. Semyon Agayev, who is associated with Ul'yanovskiy, portrays the clergy as joining the revolution only after it was well under way and then exploiting the popular victory to seize power. Common to both authors' views is the notion that the Islamic revolution in Iran was a promising opportunity that went wrong. [redacted]

Soviet authors spend little time directly addressing the impact of Islamic fundamentalism on the Muslim peoples of the Soviet Union, although they, and Soviet policymakers, almost certainly view the phenomenon as a threat to stability in Central Asia. Soviet propaganda since 1917 has portrayed religion as an antipopular, repressive, and retrograde influence that will be eradicated under socialism. In recent years, however, the regime has shown heightened concern over pockets of resurgence in religious belief among Soviet citizens. [redacted]

Stopping Iranian Support to the Afghan Resistance

The Soviet position on withdrawal from Afghanistan, first stated in 1980, holds that support for the insurgents must cease first and be guaranteed by Iran as well as Pakistan. Prospects for a Soviet withdrawal from Afghanistan remain dim, but, as the UN-sponsored talks have intensified over the last year, the Soviets have begun to emphasize the need to include

Iran in the settlement process. Should Pakistan and the Afghan Government reach a settlement, the Soviets could stall their withdrawal by insisting that Iran sign a comprehensive agreement. Thus far, Iran has refused to participate in the negotiations. [redacted]

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Soviet-Iranian Relations, 1979-83

Moscow welcomed the overthrow of the Shah and the collapse of US-Iranian relations in 1979, initially believing that the Iranian revolution promised a socialist-oriented future. Moscow signaled its interest in improving relations with Tehran by praising the progressive aspects of the revolution and the historic ties between the two countries. Soviet media, however, stopped short of fully supporting the new regime and noted the distinction between the "progressive masses" and the radical clerics. After Iraq invaded Iran in September 1980, Moscow imposed an arms embargo on Soviet weapons going to both countries—a move that affected Iran far less than Iraq. Khomeini left relations essentially unchanged despite his inherent distrust of the atheistic Soviets. [redacted]

By 1982 relations were becoming more hostile. Iran drove Iraqi forces out of all but small pockets of Iranian territory. Moscow, concerned that Iran was gaining the upper hand, resumed its arms supplies to Baghdad. The clerics began imposing restrictions on their nominal allies in the Tudeh Party. Iran closed its natural gas pipeline to the USSR, reduced the Soviet diplomatic presence, terminated cultural relations, and allowed Afghan rebels to operate from Iranian territory. In early 1983 the Iranians arrested Tudeh members, including the general secretary, on charges of spying for the Soviet KGB. In May, Iran expelled 18 Soviet diplomats for interfering in Iranian internal affairs. [redacted]

In response to these developments, Kommunist published a landmark article by Rostislav Ul'yanovskiy. He presented an authoritative Marxist-Leninist condemnation of the Khomeini regime and its Islamic revolution and stated that clerical rule of Iran would lead to "Islamic despotism." [redacted]

Iran has been uncompromising in its support for the political aims of the Afghan resistance, including an unconditional Soviet withdrawal, but it has provided only limited material support. Iran is restrained by its commitment of resources to the war with Iraq and by its concern not to provoke a serious Soviet reaction.

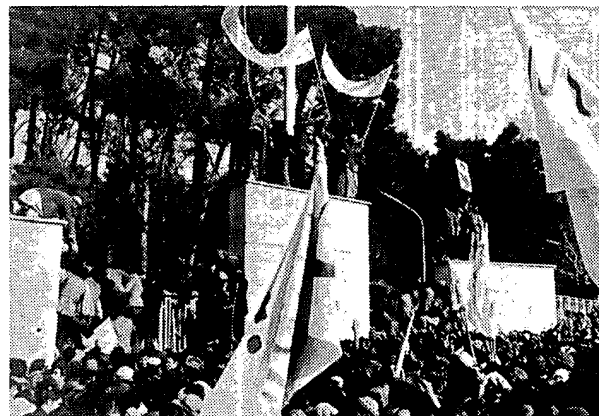


Figure 2. Iranian demonstrations outside Soviet Embassy in Tehran. [redacted]

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Iran's support is far below that of Pakistan and directed almost exclusively to Afghan Shias. The Iranians have grudgingly approved the Pakistan-Afghanistan talks but are suspicious that the talks will lead to a sellout of the resistance. Iran has warned Pakistan that it would oppose any such outcome. Statements by Iranian leaders in 1986 indicate Iran may have dropped its insistence on the creation of an Islamic state as an ultimate solution in Afghanistan and would accept a broad-based government in Kabul. Iran probably hopes its modified stance will encourage a Soviet withdrawal and help Tehran's efforts to improve relations with Moscow. [redacted]

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Ending the Iran-Iraq War

Moscow has consistently called for an end to the Iran-Iraq war. When Iran crossed into Iraqi territory in 1982, Moscow urged Iran to be more willing to negotiate an end to the war. This became an explicit Soviet demand for improved relations during the visit of Iranian Deputy Foreign Minister Larijani to Moscow in August 1986. The Soviets in their public comments tied broader Soviet political and economic support to a resolution of the conflict. [redacted]

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We believe that one of Moscow's longstanding policies in the region has been to attempt to maintain strong relations with both Iraq and Iran, recognizing that Iran is the greater strategic prize but that, over the

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years, Iraq has been more pro-Soviet. Moscow's relations with Iraq's President Saddam Husayn are not trouble free. They have been strained over the Soviet invasion of Afghanistan, the Soviet arms embargo in 1980-81, Iraq's repression of Communists, and Baghdad's improving ties to the West. The two countries nonetheless maintain a fair degree of cooperation. The Soviets almost certainly would not risk endangering those ties, as they did in the early 1980s, without the promise of at least commensurate gains in Iran. [redacted]

We do not believe that the Iran-Iraq war has served Moscow's overall interests in the region. It has led many of the Persian Gulf states to increase their security cooperation with the United States; given the United States an opportunity to improve its ties to Baghdad; and diverted Arab attention from the more important issues, in Moscow's eyes, of opposing Western imperialism and Israeli expansionism. Despite their support for Baghdad, we do not believe that the Soviets want either Iran or Iraq to emerge a clear victor. If the Soviets believed that a major Iraqi defeat was imminent, they would be under pressure to increase their aid to maintain their credibility. Although the Soviets are not unlikely to provide direct combat support to Iraq, they probably would extend emergency military assistance. [redacted]

Iran Probes for Better Ties

Over the past two years, Iran has sought improved relations with the USSR, although it has been unwilling to make more than minor concessions to mollify Moscow. [redacted] this effort has been pushed by those we consider pragmatists who have been concerned over:

- Iran's declining fortunes in the war.
- The deteriorating economic situation.
- The US-Iraqi rapprochement in 1984.
- The belief that Iran is increasingly threatened by the United States. [redacted]

Iran's initiatives have led to a series of reciprocal visits. Although discussions to date have emphasized economic matters, we believe Iran has sought closer military and political cooperation as well. The Iranians have asked Syria and Libya to convince the Soviets of Tehran's desire for cooperation in these areas. [redacted]

Tehran took several other steps in 1985 toward meeting Soviet conditions for improving relations:

- It toned down anti-Soviet rhetoric in the Iranian media and Friday prayer sermons.
- It whitewashed anti-Soviet graffiti at the Soviet Embassy in Tehran.
- It postponed indefinitely the trial of Tudeh members arrested in 1983 on espionage charges. [redacted]

Tehran might make additional minor adjustments. For example, the level of anti-Soviet rhetoric could be further reduced, Tehran might allow the Soviet diplomatic presence to grow, and some of the Tudeh members could be discreetly released or tried but given reduced or suspended sentences. [redacted]

We believe these concessions are close to the maximum the Iranian regime will make until there is a decisive shift in the regime's internal political balance. We do not expect the regime to grant the Tudeh legal status or to end Tehran's support for the Afghan resistance. Conservatives in the leadership have sufficient leverage to prevent major concessions to Moscow, even in the unlikely event pragmatists and radicals wanted to pursue such a course. [redacted]

For its part, Moscow shut down in September 1986 the National Voice of Iran, a radio station located in Baku and affiliated with exiles of the banned Tudeh Party. It had repeatedly called for the overthrow of the Khomeini regime. Besides attempting to appease the Iranians, the Soviets may be courting more lenient treatment of Tudeh members in Iran. [redacted]

Soviet Leverage

We believe that the USSR has little leverage to force Iran to be more accommodating. Moscow could raise the cost for Iranian intransigence but apparently believes pressure tactics would only increase Iranian antagonism without hurting the Iranians enough to compel a change in policy. [redacted]

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Table 1
USSR-Iran Diplomatic Visits, 1984-86

	Venue	Visitor	Results
Spring 1984	Moscow	Iranian Foreign Ministry officials	No substantive agreements.
April 1985	Moscow	Deputy Foreign Minister Kazempur-Ardabili	Resume Joint Economic Committee (JEC); allow more frequent use of Soviet airspace by Iranian commercial aircraft; in principle, reopen Iranian-Soviet gas pipeline.
February 1986	Tehran	First Deputy Foreign Minister Korniyenko	Resume Aeroflot flights; JEC to meet "soon."
June 1986	Tehran	Middle-level Soviet economic delegation	Iranian media says JEC scheduled to meet later in year.
August 1986	Moscow	Deputy Foreign Minister Larijani	Soviets announce technicians to return, but no date specified; improved relations conditional on end of Iran-Iraq war.
August 1986	Moscow	Iranian Oil Minister Aqazadeh	Further discussion of gas exports.
December 1986	Tehran	Chairman of Soviet State Committee for Foreign Economic Relations Katushev	First JEC meeting in six years; agreed to continuing efforts to expand economic ties; open dissension over issues of Iran-Iraq war and Afghanistan.

[REDACTED]

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Economic

We would not expect improved trade relations to strengthen substantially Iran's economy. Nonetheless, Iran during the past two years has focused on expanding economic ties, both because of its limited options for improving the dire state of its economy and because it hopes economic links will pave the way for Soviet military aid. The USSR has allowed the economic dialogue to move ahead slowly, apparently using the prospect of expanded economic ties as an inducement for Iran to soften its political animosity. There are several potential areas for economic cooperation. [REDACTED]

Nevertheless, Moscow has fewer economic incentives than Iran to renew gas purchases and would probably do so only in return for political concessions and guarantees that supplies would not be interrupted as they were in 1980. Since the collapse of the last gas agreement, the USSR has built new pipelines to transport Siberian gas to the Baku and Transcaucasus areas, greatly reducing the need for Iranian gas. [REDACTED]

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Iranian Natural Gas Exports. Before 1980, Iran's primary export to the USSR was natural gas, but sales ended that year in a dispute over price and the portion of payment made in hard currency. Economic problems have made Tehran increasingly eager to resume gas exports to the Soviet Union and more willing to accept barter terms. Moscow, for its part, could then free more domestic gas for export or internal needs. [REDACTED]

Although Tehran and Moscow agreed in August 1986 to study the resumption of gas sales, we believe that depressed energy prices will make it difficult for them to agree on a price that would justify Iranian investment in gas production and pipelines. The existing gas pipelines to the USSR would require substantial time and money to repair. Moreover, in the coming years we expect that Iran will require substantial quantities of gas for domestic use and for injection into oil wells to maintain oil production. [REDACTED]

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Table 2
Iran: Trade With the USSR,
1979-85

	Soviet Imports (million US \$)	Share of Iranian Exports (percent)	Soviet Exports (million US \$)	Share of Iranian Imports (percent)
1979	209	1.0	416	5.3
1980	116	0.9	399	3.7
1981	653	5.6	568	5.3
1982	260	1.4	797	8.2
1983	509	2.6	755	4.9
1984	298	1.7	297	1.9
1985	173	1.1	244	2.2

Source: Soviet trade statistics.

Technical Assistance. Tehran's steel and power industries have long relied on Soviet technical assistance and were hurt when Moscow withdrew the last of its technicians in 1985 because of the threat to their safety posed by the war. The Soviet Union announced in August 1986 that Moscow would return the technicians when their safety could be guaranteed. Their return is probably on hold until either the war ends or the political atmosphere improves substantially. Although the Soviets probably were genuinely concerned about the safety of Soviet citizens in cities that were being bombed by Iraq, they might also hope to use the technicians' return to press Iran to enter peace negotiations with Iraq. Tehran may have made the return of the technicians a precondition for a meeting of the Iran-Soviet Joint Economic Committee. [redacted]

The long-run potential for Soviet technical assistance is not good. Iranian officials, particularly technocrats, have indicated that they prefer Japanese and West European technology and view Soviet expertise as inferior. The Iranians also consider Soviet equipment as substandard and constantly in need of repair. The government encourages Iranian students to study in the United States or Europe. Those requesting studies in the USSR are viewed with suspicion. Nevertheless, the USSR's willingness to offer barter arrangements during financially difficult times and Tehran's desire to diversify trade will encourage at least limited use of Soviet technology. [redacted]

Oil Cooperation. The plunge in oil prices in 1986 has added a new issue to Soviet-Iranian economic relations. The USSR's dependence on oil revenues for a large part of its foreign exchange presents a coincidence of vital economic interests with Iran not present in other areas. Iran's role in OPEC decisions potentially gives it more influence with Moscow than is provided by any bilateral trade agreement. According to press reports, Iran has sought Soviet cooperation in its drive to have oil-exporting countries reduce output and shore up prices. Moscow gave rhetorical support to Tehran's accusations that a plot by Western nations against the Third World was behind the fall in oil prices. Nevertheless, the Soviet Union declined an invitation by Iran to meet with other oil-producing countries before an OPEC meeting last June. [redacted]

Press reports indicate Iran and the Soviet Union are interested in joint development of oil and gas in the southern Caspian Sea. A border dispute has hindered this activity. [redacted]

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Soviet Technicians in Iran

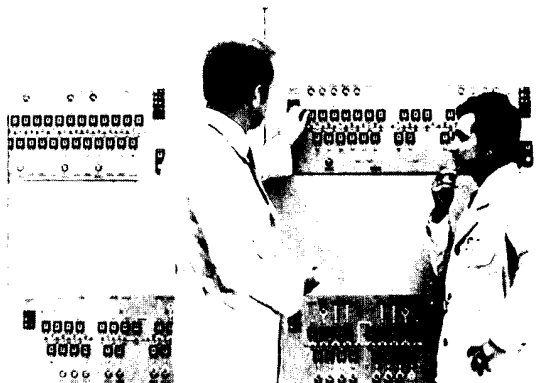
[redacted] the number of Soviet technicians in Iran reached a postrevolution peak in 1982 of 2,500 to 3,000 working on some 55 projects. This compares with approximately 4,500 advisers who were present in Iran before the overthrow of the Shah. Moscow Radio claims that as of March 1986 the USSR had trained more than 85,000 workers and set up 20 training centers in Iran. By far the largest Soviet presence has been at power plant construction sites near Esfahan and Ahvaz and steel complexes near Esfahan. In addition, specialists have helped with numerous smaller development projects and industrial operations. [redacted]

According to press reports, several hundred technicians were withdrawn from the Ahvaz power project in March 1984 because of the war. Remaining technicians throughout the country were withdrawn by June 1985 following increased fighting in the spring of that year. [redacted]

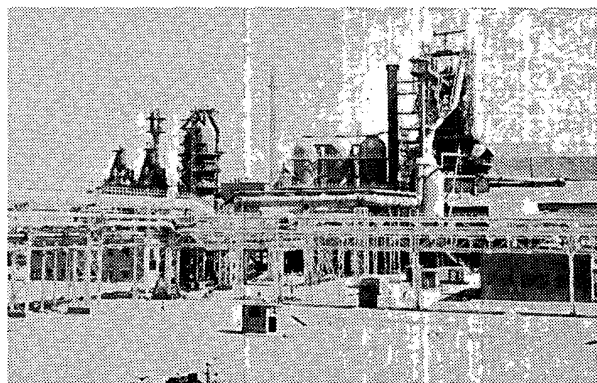
Press reports indicate that Iranian and Soviet experts agreed in principle last summer that future discussions of technical cooperation would focus on several power and steel projects: draft agreements for the Soviets to build two hydroelectric installations along the border at Khoda Afarin and Bist Qal'eh on the Aras River; arrangements for the return of workers to the partly completed thermal power stations in Esfahan and Ahvaz; and completion of the first-phase expansion of the Esfahan steel mill to 900,000 metric tons per year. [redacted]

[redacted]
Iran has made Caspian Sea projects a priority in its oil development plans and is pressing ahead with a \$300 million first-phase exploration well to be completed within two years. [redacted]

Transit Trade. The amount of Iranian goods imported through the USSR has declined considerably over the past four years, reducing the leverage this trade



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Figure 3. (Top) Soviet technicians in Iran. (Bottom) Soviet-built power plant in Iran. [redacted]

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afforded Moscow. In the early 1980s Iran's dependence on the USSR for the transshipment of goods had increased sharply because the war reduced Iran's use of its two major ports on the Persian Gulf. Tehran's expansion of ports in the southern Gulf since 1982 and lower import levels since 1983, however, reversed the trend. In 1984 Iran imported only about 13 percent of its goods through the Soviet Union, according to Iranian trade data. [redacted]

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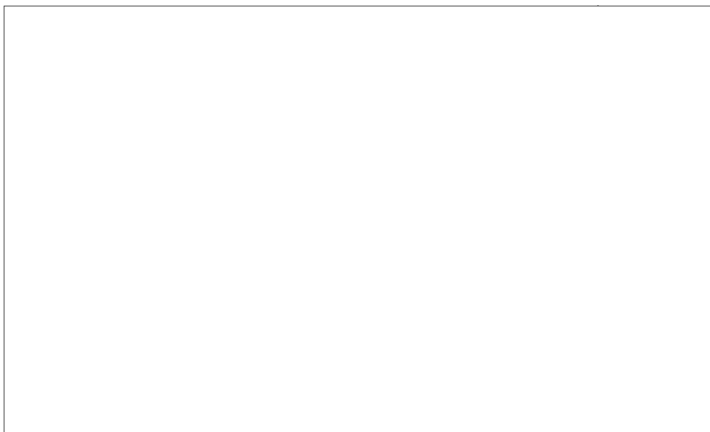


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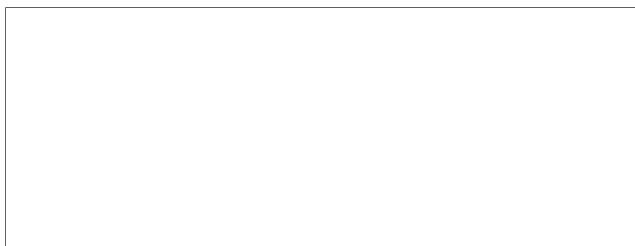
Military

We believe that the 26 motorized rifle divisions and one tank division in three Soviet military districts north of Iran and the equivalent of six divisions in Afghanistan give Moscow a potent lever over Iran. The divisions in the Turkestan, Transcaucasus, and North Caucasus military districts are among the least well equipped of Soviet forces in the USSR's border regions and are in a low state of readiness in peacetime. Nevertheless, we believe that these forces are sufficient, when mobilized, to mount either a limited or full-scale invasion of Iran on relatively short notice without reinforcement from Soviet forces opposite NATO or China [redacted]



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- A leftist faction seized power and appealed to the USSR for help. [redacted]

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The Soviets are likely to cite Articles 5 and 6 of their 1921 Treaty of Friendship with Iran as legal justification for any intervention, just as they did in 1941. The Shah unilaterally abrogated Articles 5 and 6 of the treaty in 1959, and the Khomeini regime reiterated the abrogation in November 1979. The Soviets have ignored the Iranian moves and continue to refer publicly and privately to the entire treaty being in force. [redacted]

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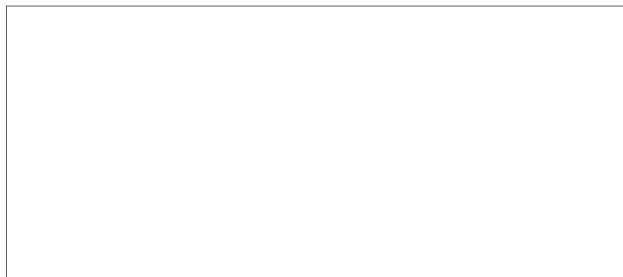
We consider a Soviet invasion of Iran unlikely during the 1980s. The Soviet leadership would face an agonizing decision to use this option. Soviet forces would face fierce Iranian resistance as well as major terrain and logistic problems. The Soviets would be acutely aware that a US military response would further complicate the task and risk a broader superpower confrontation. Moscow probably would consider pursuing this option only under one or more of the following conditions:

- The Soviets perceived that the United States was preparing to intervene in Iran.
- Central power in Iran collapsed, and chaos and civil war erupted.

Soviet and East European arms sales to Iran provide a means for the Soviets to keep open prospects for better relations even though they are significantly less than those to Iraq and limited to small arms and ammunition. We believe that Moscow has little role in the transfer of Soviet-made arms to Iran by North Korea and Libya. [redacted]

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Espionage and Covert Activity

We expect that Iran will continue to be a major target of Soviet espionage and covert political activity. The operational environment for the Soviets, however, has steadily worsened over the past few years as the

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Treaty of Friendship Between Persia and the Russian Socialist Federal Soviet Republic, Signed in Moscow, 26 February 1921

Article 5

The two high contracting parties undertake:

(1) To prohibit the formation or presence within their respective territories of any organizations or groups or persons, irrespective of the name by which they are known, whose object is to engage in acts of hostility against Persia or Russia. They will likewise prohibit the formation of armed troops within their respective territories with the aforementioned object.

(2) Not to allow a third party or any organization whatever it be called, which is hostile to the other contracting party, to import or to convey in transit across their countries material which can be used against the other party.

(3) To prevent by all means in their power the presence within their territories or within the territories of their allies or forces of a third party in cases in which the presence of such forces would be regarded as a menace to the frontiers, interest, or safety of the other contracting party.

Article 6

If a third party should attempt to carry out a policy of usurpation by means of armed intervention in Persia, or such power should desire to use Persian territory as a base of operations against Russia, or if a foreign power should threaten the frontiers of Federal Russia or those of its allies, and if the Persian Government should not be able to put a stop to such menace after having been once called upon to do so by Russia, Russia shall have the right to advance its troops into the Persian interior for the purpose of carrying out the military operations necessary for its defense. Russia, however, undertakes to withdraw its troops from Persian territory as soon as the danger has been removed.

regime has repressed the pro-Moscow Tudeh Party, closed Soviet offices, and expelled almost all Soviet economic advisers and some diplomats.

The government's success in quelling unrest among ethnic minorities has reduced Soviet capabilities for meddling in those areas. Although Soviet covert action opportunities are likely to improve in the post-Khomeini era, Moscow probably will have a better chance of gaining influence in Tehran by cultivating support among factions within the regime than by manipulating covert assets.

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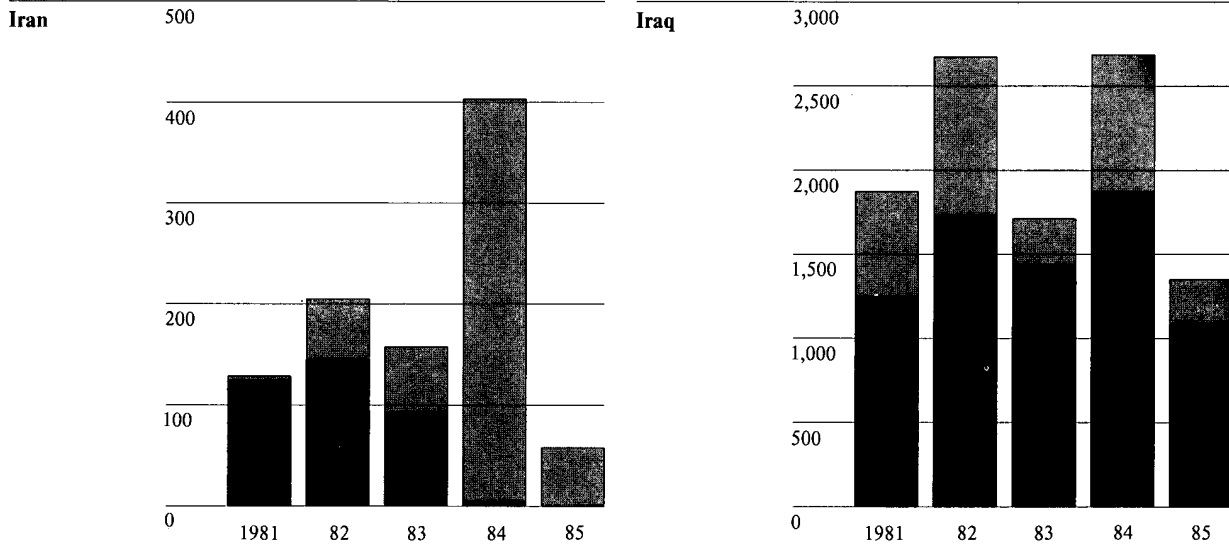
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Figure 4
Estimated Values of Soviet and East European Military Deliveries to Iran and Iraq, 1981-85^a

Million US \$ (Note scale change)

■ Warsaw Pact countries
■ USSR



^a Does not include Yugoslavia.

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Tudeh Party. The Tudeh Party lost what slight influence it had after the regime declared it illegal in 1983 and arrested several of its leaders, including General Secretary Kianuri. Harassment by the regime had already curtailed its ability to operate. [redacted]

[redacted]

[redacted] Nonetheless, the USSR probably continues to provide the Tudeh with financial and other support in the hope that one day it will be able to exploit a change of regime in Tehran. [redacted]

The party is attempting to formulate a new strategy under exiled leaders—including new General Secretary Ali Khavari—living in Eastern Europe. [redacted]

[redacted]

The Non-Communist Left. We believe that Moscow has almost no influence with the two main non-Communist leftist groups, the Mujahedin-e Khalq and the “minority” faction of the Fedayeen-e Khalq that split with the majority faction in 1979 when the latter merged with the Tudeh. According to press reports, these groups have rejected calls by Moscow and the Tudeh for a united Iranian leftist front, and the nationalistic Mujahedin has been explicitly anti-Soviet. [redacted]

[redacted]

We believe the nationalistic, Islamic-Marxist philosophy of the Mujahedin is still attractive to many younger, well-educated Iranians. The party could make a resurgence in the post-Khomeini era if factionalism among the clerics weakens their control. Should Mujahedin members have a chance to share in power, they might turn to the USSR for support, but we would expect them to try to remain politically independent of Moscow. [redacted]

Members of the Fedayeen “minority” joined dissident Kurds in northwestern Iran after their split with the pro-Soviet majority faction. [redacted]

[redacted]

Ethnic Minorities. The USSR has long cultivated contacts with national minorities in Iran—Kurds, Azerbaijanis, Turkomans, and possibly Baluch. We believe Moscow is maintaining contact with minority groups to gain information about them, to influence them in the hope of gaining leverage over the central government, and to gain equities throughout Iran in case of national political fragmentation. [redacted]

Moscow’s official policy is to support greater autonomy, but not separatism, for Iran’s minorities. [redacted]

[redacted] during a period of ethnic unrest while the clerics were consolidating their power in the early 1980s, the Soviets provided at most only limited arms and money to the dissidents. Since then we believe that Moscow has subordinated its contacts with minorities to its major aim of establishing good relations with the central government. Soviet media have consistently called for the peaceful resolution of ethnic disputes in Iran. [redacted]

We believe the USSR would prefer to maintain good relations with a relatively united Iran than to pursue uncertain gains that might be made by encouraging independent entities. Moscow, if it supported the fragmentation of Iran, would have no guarantee that its assets would prevail or that the new political entities would prove sympathetic to Soviet interests. The Iranian minorities generally have only parochial interests—their main concern is with autonomy in their homelands, not political control of Iran. [redacted]

[redacted]

If relations with Tehran deteriorate, Moscow might upgrade its contacts with the minorities and become more supportive of minority demands. Moscow might also attempt to increase its influence among the

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minorities if Khomeini's departure leads to internal chaos and separatist sentiment begins to rise independent of Moscow's instigation. [redacted]

The USSR's occupation of northern Iran in World War II probably gave Moscow some assets it could still exploit. It established puppet "people's republics" in Azerbaijan and Kurdistan, led respectively by the Azerbaijani Democratic Party (ADP) and the Kurdish Democratic Party (KDP). The "republics" collapsed after the Soviets withdrew in 1946 under international pressure, but Moscow maintained contacts with the autonomy-minded Iranian groups.³ The Soviets have spoken out openly since 1982 for Kurdish autonomy, and the media in the Soviet Republic of Azerbaijan occasionally issue veiled calls for "reunification" of Soviet and Iranian Azeris. [redacted]

The Baluch minority in eastern Iran is dissatisfied with clerical rule from Tehran, but there are no signs of Soviet support for the Baluch. Moscow has good ties to a major dissident Pakistani Baluch leader in Kabul and has the incentive to encourage Baluch separatism in both Iran and Pakistan because these regimes support the Afghan insurgency. [redacted]

Opportunities in the Post-Khomeini Era

Even after Khomeini's death, Moscow is unlikely to make major moves to improve relations until Tehran reduces its anti-Soviet rhetoric and posture and begins to address Moscow's other concerns. Moscow's tactics could change quickly, however, if one or more of the following occurs:

- Fighting tears apart the ruling coalition, and Iran moves into a period of major instability.
- The Iran-Iraq war ends.
- Iran and the United States begin to improve ties or, conversely, become involved in a military conflict.



- Iran suddenly decides to meet Soviet conditions and embarks on a major effort to acquire Soviet arms.
- Iraqi President Saddam Husayn is replaced by a more pro-US leader. [redacted]

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If the Radical Clerics Take Over

Possible shifts in the political balance in Tehran following Khomeini's death would offer some prospects for the USSR to gain significant influence. We believe that there is an even chance that the more radical clerics eventually will dominate the government in Tehran. We do not believe that any of the radicals are pro-Soviet. Like Khomeini, they view Islam as basically incompatible with Communism. They are virulently anti-Western and anticapitalist, however, and committed to undermining pro-US Arab governments. In the absence of Khomeini, some radicals might decide that close relations with Moscow would best serve their domestic and foreign policy goals. Should the radicals gain power, many regime clerics now identified as pragmatists would be likely to support a turn to the USSR rather than seek aid from the West. The USSR's geographic proximity would be a major advantage to the Soviets in funneling aid to such factions. [redacted]

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More likely, however, an Iranian regime dominated by radical clerics would have strained relations with the USSR. The clerics would try to remain independent of Moscow while seeking Soviet economic and military aid. Even though the clerics' desire to export the Islamic revolution to the Muslim community in the USSR might trouble the relationship, we believe that the common goal of the Soviets and the Iranian radicals in preventing the restoration of US influence in Iran would give them a powerful incentive to reach a modus vivendi on these and other issues. [redacted]

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If a Leftist Coalition Takes Over

The Soviets would have their best opportunity to make major gains in a post-Khomeini era if the clerics lost power to a leftist coalition of Revolutionary Guards, technocrats, students, and members of such leftist groups as Tudeh and the Mujahedin-e Khalq. Many opportunistic members of these groups are not deeply Islamic and probably resent clerical rule. [redacted]

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Iranian Political Factions

Factional differences among the clerics influence Iran's policies. We believe three groups are contending for primacy. The radicals support aggressive export of the revolution, continuation of the war with Iraq, and greater government control of the economy. They are most vehemently opposed to the United States. A moderate/conservative coalition generally opposes violent export of the revolution, favors a negotiated end to the war, and seeks to limit the government's economic role. This group is the most anti-Soviet. A group of leaders we have labeled pragmatists maneuvers between the two other factions, for the most part choosing policies that they believe further Iran's national interests. [redacted]

Such a coalition is likely to gain the upper hand only after a period of serious instability, probably including armed conflict. We believe that its hold on power would be tenuous and based mainly on force. Its leaders would probably ask for Moscow's help in consolidating power and eliminating their opponents. These leaders—except for members of Tudeh—would probably turn to Moscow not out of ideological conviction, but for personal and political survival. Soviet aid would not guarantee this outcome, but it could prove decisive in tipping the balance in the leftists' favor, especially if it is provided after the factions have been exhausted by internecine conflict. Moscow in particular is likely to offer support to staunchly anti-Western factions such as the Revolutionary Guard. East European countries already sell small arms and ammunition to the Guard. [redacted]

If the leftists gain control in Tehran, they probably would attempt to remain politically independent of Moscow. The Soviets, however, would use their aid and influence to press the new government to adhere to a pro-Soviet line. An Iranian leftist-oriented government is almost certain to seek large-scale Soviet military and economic aid and bring in Soviet advisers. The Soviets would use their access to cultivate supporters and to develop an active measures capability with the aim of bringing to power a Communist government firmly in the Soviet sphere. [redacted]

End to the War With Iraq

In the post-Khomeini era we believe Iran's policy toward Iraq will continue to impede rather than facilitate Moscow's relations with Tehran. Those clerics who are the most likely power brokers probably will advocate continuing the war rather than risk being accused of betraying Khomeini's legacy. They will be preoccupied with the domestic power struggle and will want to neutralize the Army as a political factor by keeping it tied down on the Iraqi border. A new government is unlikely to alter its war policy even if the Soviets promised major arms deliveries or, alternatively, tried to cut off all arms aid from Communist countries. [redacted]

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A military victory by Iran would provide the USSR with a limited opportunity to improve relations with Tehran. The Soviets could offer economic and possibly some military assistance to appease and gain working relations with the Iranian Government. Alternatively, if Iraq wins the war or fights Iran to a draw, Iran is more likely to turn to the West for military equipment than to the country that equipped Iraq. [redacted]

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Moscow's Concern About the United States

Concern that the United States will try to regain its influence in Tehran remains high in Moscow. Soviet scholarly and journalistic writings on the Islamic regime as well as clandestine radiobroadcasts have been highly critical of the Iranian leadership for maintaining what the Soviets consider a more Western economic system. [redacted]

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Should the Iranian Government begin to turn toward the United States, one Soviet option would be to attempt to stir up the minorities on the assumption that instability is preferable to an Iran that is once

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again pro-US. Moscow might also soften its conditions for improving relations, expand economic cooperation, and sell arms to Tehran. [redacted]

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Alternatively, should the United States and Iran engage in a serious confrontation, such as over Iranian attacks in the Persian Gulf on oil tankers or facilities, the Soviets almost certainly would be eager to exploit the anti-US sentiment in Iran by exaggerating the US threat and military intentions. They might provide arms to Iran but probably would seek Iranian concessions in return. [redacted]

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Implications for the United States

The mutual suspicions between the USSR and Iran have served US interests by preventing Moscow and Tehran from drawing together. The Islamic fundamentalists' inherent distaste for Communism and the Soviet invasion of Afghanistan have neutralized much of whatever advantage the USSR gained from Khomeini's designation of the USSR as the "lesser Satan" relative to the United States as the "great Satan." We believe, however, that the Soviets still have greater potential than the United States for establishing closer relations. Iran is at least willing to hold a public dialogue with the Soviets. Unburdened by the legacy of having its diplomats held hostage, Moscow has more leeway than the United States to offer Iran economic and military benefits if Tehran decides to resolve political differences. [redacted]

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A dramatic improvement in Soviet-Iranian relations is unlikely as long as Khomeini or the clerics wedded to his policies rule in Tehran. This will at least buy time for developments that might work to the advantage of the United States, such as the acquisition of increased political influence by leaders more willing to advocate improving ties to Washington. The chief danger to US interests in Iran is if a leftist coalition gained power following Khomeini and sought close ties to the USSR. Another potential threat is that the Soviets will be able to exploit prolonged upheaval in the post-Khomeini era to bring pro-Soviet elements to power or to weaken Tehran's authority over the provinces if groups friendly to the United States gain the upper hand in Iran. [redacted]

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