

DATE 4-24-87

Central Intelligence Agency

FILE

DOC NO SOV M 87-20044X



OIR 3

Washington, D.C. 20505

P & PD 1

DIRECTORATE OF INTELLIGENCE

20 April 1987

Moscow's Agenda for the Gorbachev-Assad Summit

Summary

General Secretary Gorbachev and President Assad probably face tough talks during their April summit. Differences over Syria's military needs and ability to pay for more arms, its treatment of the Palestinians, and support for Iran, and its reluctance to embrace the Soviet proposal for an international conference on the Arab-Israeli conflict will make for difficult negotiations. The Soviets may take advantage of Assad's growing isolation in the Arab world and worsening economy to press for Syrian concessions. Specifically, Moscow appears to want to improve the terms of trade in its arms sales to Damascus and to persuade Assad to make incremental shifts in his regional policies. The Soviets, as in the past, will avoid pushing Assad so far that he threatens to downgrade relations or is weakened within his own regime. [redacted]

25X1

The Soviets probably now will insist on a stronger voice in determining Syrian military needs and, barring another Arab-Israeli conflict, the level of arms deliveries to Syria are unlikely to match the large influx of Soviet weapons following the 1982 Israeli invasion of Lebanon. [redacted]

25X1

Preparations for Assad's Moscow Trip

In mid-February, [redacted] a Syrian military delegation led by Chief of Staff General Shihabi traveled to Moscow to conduct an initial round of negotiations in preparation for a visit by President Assad then scheduled for

25X1

This memorandum was prepared in the Office of Soviet Analysis by [redacted] the Third World Activities Division. It was coordinated with the Office of Near Eastern Analysis and the Directorate of Operations. Comments and queries are welcome and may be addressed to the Chief, Third World Activities Division [redacted]

25X1

25X1

SOV M 87-20044X

[redacted]

25X1

March. The Syrian government reportedly viewed the planned Assad visit as a particularly significant one intended to set the stage for political, military, and economic relations over the next 10 years. The Syrians initially were optimistic that Moscow would respond favorably to their urgent requests for military and economic assistance, even though they reportedly expected the Soviets to press for movement toward Palestinian reunification and reconciliation with PLO Chairman Arafat, and some repayment of Syria's large military debt.

25X1

[Redacted]

Assad's visit to Moscow reportedly was postponed until the second half of April to allow for additional military and economic consultations on areas of disagreement.

25X1

[Redacted]

25X1

Over the past two months, a series of high-level Syrian delegations have visited the USSR apparently to negotiate future economic and military cooperation.

25X1

[Redacted]

Nonetheless, the Syrian press and TASS have announced that the upcoming visit of President Assad to Moscow will occur during the second half of April, suggesting that recent negotiations have yielded enough incentives for a Gorbachev-Assad summit at this time. (It is also possible that Assad's health requires him to visit Moscow for medical treatment, although there is little direct indication that this is a major reason for the timing of his visit.) The convening of a Palestinian National Council in Algiers on 20 April suggests that Assad may want to divert some attention from a possible setback there--in the form of progress toward PLO reunification--by making a state visit to Moscow.

25X1

[Redacted]

25X1

The Debt Question

The most crucial issue Gorbachev and Assad will have to address almost certainly is the deteriorating Syrian economy, which has been exacerbated by declining financial contributions from other Arab countries, and Syria's resultant inability to repay its debts or to purchase new weapons.

25X1


[Redacted]

[Redacted]

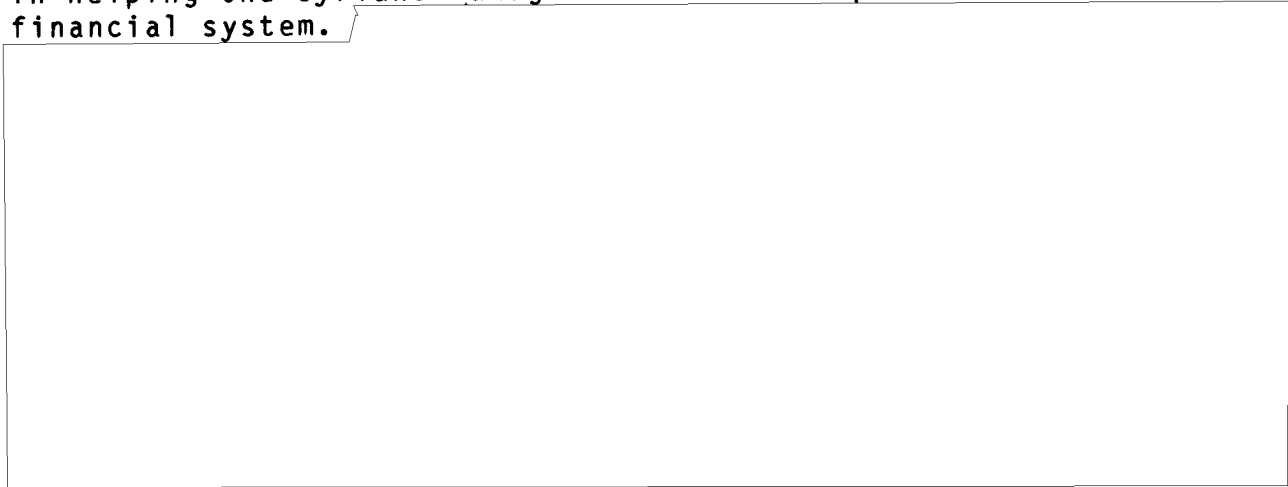
25X1



25X1

Prospects for a recovery of the Syrian economy in the near term are slim, and Moscow probably realizes that its only hope for salvaging any payment of the Syrian military debt is to acquiesce in some refinancing and rescheduling. The Soviets might be willing to refinance earlier debts at more favorable interest rates and probably would postpone payments of more recent debts. The Syrians may cite the Soviets' recent concessionary rescheduling of Egypt's military debt as cause for similar treatment. Nevertheless, Gorbachev's emphasis on improving the USSR's domestic economy and the hard line he appears to be taking with regard to payments for arms elsewhere in the Third World strongly suggest the Soviets will not offer major concessions for future military or economic agreements with Syria. 

25X1

Gorbachev also is likely to press for a stronger Soviet role in helping the Syrians manage their defense procurement and financial system. 

25X1



25X1

Future Arms Deals

Over the past year or so, the USSR apparently has been reluctant to provide Syria with more weapons, probably because of concern about Syria's ability to utilize them effectively or pay for them. The Soviets delivered only about \$600 million worth of military goods last year--the lowest ever during this decade, when deliveries have averaged over \$3 billion per year. Most of last year's deliveries included only overhauled aircraft and helicopters and small arms and ammunition, with no major items such as tanks or new aircraft. Moreover, although Syria is usually Moscow's first client to receive advanced aircraft, it has not yet obtained the MIG-29 fighter, which Moscow already has exported to India and Iraq and has offered to Algeria, Jordan, and Zimbabwe. [redacted]

25X1  
25X1

Despite the recent slowdown in Soviet deliveries, Moscow almost certainly remains committed to maintaining the Syrian military as among the most capable Arab forces in the region. Nevertheless, the amount of equipment and the specific weapons systems Moscow will provide will depend, at least in part, on reaching agreement on repayment terms or perhaps political concessions. Barring another Arab-Israeli conflict, the level of arms deliveries is unlikely to match again the large influx of Soviet weapons following the 1982 Israeli invasion of Lebanon when Syria suffered large losses of equipment. Moreover, the Soviets apparently now are insisting on a stronger voice in determining Syrian military needs and are likely to become more active in ensuring that equipment already on hand is effectively used. [redacted]

25X1

Political Disagreements

Despite the years of close cooperation with Assad, Moscow has always treated him with suspicion [redacted]

25X1

[redacted]  
25X1

[redacted] The two sides have long had differences regarding the Palestinians, Lebanon, an international conference to resolve the Arab-Israeli conflict, and the Iran-Iraq war. Moscow has had no success in altering Assad's policies and has been so dependent on Syria as its major entre into the region that it has acquiesced in Assad's activity. Moscow, as in the past, will avoid pushing Assad to the point of threatening a rupture in Soviet-Syrian relations or weakening Assad within his own Alawite regime, but within those limits, the new Soviet leadership may now be more willing to press harder for Soviet interests. [redacted]

25X1

25X1

Palestinian Unity. Another issue near the top of Moscow's agenda will be its unhappiness over Assad's efforts to prevent a reunification of the PLO and to rout the Palestinians in Lebanon, and his continuing efforts to oust PLO leader Arafat. [redacted]

25X1

The Soviets will want to question Assad closely on his intentions in Lebanon. While they have praised Syrian efforts to

[redacted]  
25X1

end the bloodletting, they almost certainly are uneasy about Syria's expanding hold there, particularly with regard to the Palestinian presence in Lebanon, the Lebanese Communists, and the Druze. [redacted]

25X1

Relations with Iran. Moscow has long sought a rapprochement between the Ba'th parties of Syria and Iraq as an essential ingredient for Arab unity, and therefore disapproved of Assad's support for Iran in the Gulf war. Soviet officials probably recognize that the strong personal enmity between Assad and Iraqi President Saddam Husayn is unlikely to ever be resolved, but they periodically host meetings in Moscow between other Syrian and Iraqi officials. In addition to the standard pitch for Syrian-Iraqi reconciliation, Moscow is likely to press Syria to reduce its support for Iran and to cite their common interest in preventing the growth of Iranian-backed Shia fundamentalism in Lebanon as the compelling rationale. Assad's recent support for the Arab League's call for an end to the Iran-Iraq war may already reflect an adjustment in Syria's policy, but Moscow is likely to want to see a sustained policy. [redacted]

25X1

For economic reasons of their own, the Soviets are unlikely to entice Assad to alter his support for Iran with offers to replace Syrian imports of Iranian oil with Soviet oil. Although Syria is dependent on Iran as a source of oil, the Soviets would be likely to advise Assad that a reconciliation with Iraq would lead to other Arab sources of the needed oil. [redacted]

25X1

The Peace Process and an International Conference. In early March Moscow dispatched two envoys to Damascus, Amman, and Algiers to promote the Soviet call for an international conference on the Middle East. [redacted]

25X1

[redacted] In talks with US officials and the Israelis, moreover, the Soviets have

stressed their openness to bilateral talks between the conflicting parties and to the Israeli position that the conference as a whole should not veto any agreements reached in those talks. [redacted]

25X1

Thus far, the Syrians have not criticized the Soviet peace proposal despite their differences, but Moscow may seek stronger Syrian endorsement of a conference. In addition, Moscow may suggest constructive Syrian behavior to facilitate the process, such as movement toward PLO reunification, which the Soviets regard as essential prior to convening a conference. The Soviets also would hope that a more cooperative Syria would focus attention on the United States and Israel as the obstacles to peace in the Middle East. Moreover, Moscow's increasingly public dialogue with Israel appears aimed at securing Israeli agreement to a Soviet role in the peace process, but may also be intended to keep the Syrians a bit off balance. Assad almost certainly will raise this issue with the Soviets as well. [redacted]

25X1

### Prospects

Assad's last state visit to Moscow in June 1985, which was also his first summit with Gorbachev, did not go well, primarily due to differences over the Palestinians in Lebanon. The two leaders could not agree to a joint communique, and TASS noted the talks were conducted in an atmosphere of "frankness," a codeword for disagreements. Both sides probably hope this next summit will mark an improvement as well as set the tone for relations over the next few years, although both parties are likely to be tough bargainers. [redacted]

25X1

Since their meeting, Gorbachev has solidified his control over foreign policy, putting a strong emphasis on pursuing policies that will advance his domestic economic goals. He has made it clear that an improvement in East-West relations and achievement of an arms control agreement are higher priorities for Moscow than assertive involvement in regional conflicts. While not indicating an abandonment of countries like Syria, Gorbachev's agenda does suggest a harder Soviet line toward arms clients who have difficulty meeting debt repayments. Moreover, some of his personnel changes in the foreign policy apparatus--namely promoting younger and more "activist" specialists who seem more willing to take risks, such as increasing Jewish emigration, releasing political prisoners, and openly meeting with Israeli officials--suggest Moscow will be less understanding of Syria's policies and economic situation unless Damascus is willing to offer the Soviets more in return. [redacted]

25X1

This may be difficult for Assad, a leader who has successfully resisted Soviet pressure in the past. However, he

25X1

is now more isolated in the Arab world, his economy is getting worse, he is pursuing a risky policy in Lebanon, and he may be losing control over the Palestinian dissident movement. Moscow will certainly try to take advantage of these vulnerabilities to press for its own interests. [redacted]

25X1

Until the Soviets are somewhat confident that they will receive some payment for past military sales, they are unlikely to part with any new advanced and expensive weapons, perhaps arguing that the Syrians have not yet been able to absorb the systems already in their inventory, much less pay for them. One exception probably is the MIG-29 fighter. The USSR probably agreed to provide this aircraft to Syria a year or two ago, and, according to US official discussions with the Israelis, Syrian pilots are training on MIG-29s in the USSR. [redacted]

25X1

[redacted] Gorbachev and Assad may also reach agreement on upgrading existing Syrian air defense radar and support equipment. Gorbachev probably would drive a hard bargain, however, before signing agreements to export additional expensive equipment already in the Syrian forces, such as newer model T-72 tanks, SS-21 surface-to-surface missiles, and SA-5 surface-to-air missiles. [redacted]

25X1

The Soviets may be less successful in the political arena. Aside from arms sales, they do not have the leverage to persuade Assad to take steps he believes are not in Syria's interest. Nonetheless, they probably will try and perhaps even will press harder than they have in the past. The fact that the Syrians are expecting this pressure going into the summit suggests they, on their part, may at least be willing to negotiate.

- ° On the Palestinian issue, much will depend on the outcome of the PNC in Algiers, which, if successful in reuniting most of the factions, will present Assad with little choice other than to come to terms with them. If the PNC does not succeed, Assad will have little incentive to bow to Soviet pressure unless Moscow decides to link arms sales to its political agenda.
- ° Syria may be able to get away with token gestures on the Iran-Iraq war and on the peace process, particularly because other factors beside Syria also prevent resolution of these conflicts. [redacted]

25X1

Whether or not there is a joint communique and, if there is one, what it says will provide clues to how successful Gorbachev has been in his summit with Assad, and how relations will proceed over the next several years. [redacted]

25X1



SUBJECT: Moscow's Agenda for the Gorbachev-Assad Summit

External Distribution

White House

The Honorable Donald Gregg  
Assistant to the Vice President  
for National Security Affairs  
Room 298, Old EOB

NSC

Dr. Fritz Ermarth  
Special Assistant to the President  
European and Soviet Affairs  
Room 368, Old EOB

Paula J. Dobriansky  
Director, European and Soviet Affairs  
National Security Council  
Room 368, Old EOB

Colonel Tyrus W. Cobb  
Director, European and Soviet Affairs  
National Security Council  
Room 361, Old EOB

Robert B. Oakley  
Special Assistant to the President  
for Near East and South Asian Affairs  
National Security Council  
Room 348, Old EOB

Ronald C. St. Martin  
Senior Director, Crisis Management Center  
Room 303, Old EOB

DOD

Dr. Darnell Whitt  
Intelligence Adviser to the Under  
Secretary of Defense for Policy  
Room 4E838, The Pentagon

SUBJECT: Moscow's Agenda for the Gorbachev-Assad Summit

External Distribution

Vice Admiral Powell Carter  
Joint Chiefs of Staff  
Room 2E936, The Pentagon

Dr. Wynfred Joshua  
DIO for European and Soviet Political-Military Affairs  
Room 2C238, The Pentagon

Colonel Walter P. Lang  
DIO for Middle East and South Asia  
Room 2C238, The Pentagon

Richard H. Solomon  
Director, Policy Planning Council  
Room 7311  
Department of State

Ambassador H. Allen Holmes  
Director of Politico-Military Affairs  
Room 7327, Department of State

R. Rand Beers  
Director of International Security Policy  
Bureau of Politico-Military Affairs  
Room 7325, Department of State

Karen Dawisha  
PM/SA  
Room 7815, Department of State

Mark R. Parris  
Director of Soviet Union Affairs  
European and Canadian Affairs Bureau  
Room 4217, Department of State

Bruce Burton  
Office of Soviet Union Affairs  
Bureau of European Affairs  
Room 4219, Department of State

John F. Tefft  
EUR/SOV  
Room 4225, Department of State

SUBJECT: Moscow's Agenda for the Gorbachev-Assad Summit

External Distribution

Wendy Chamberlin  
Acting Director, Regional Affairs  
Near Eastern and South Asian Affairs Bureau  
Room 5252A, Department of State

Ronald D. Lorton  
Deputy Director of Analysis for  
Near East and South Asia  
Room 4634, Department of State

Richard Clark  
Deputy Assistant Secretary for Regional Analysis, INR  
Room 6535, Department of State

Robert Baraz  
Director of Analysis for the  
Soviet Union and Eastern Europe, INR  
Room 4758, Department of State

Wayne Limberg  
Chief, INR/SEE/FP  
Room 4843, Department of State

George S. Harris  
Director of Analysis for Near East  
and South Asia, INR  
Room 4634, Department of State

William D. Howells  
Director of Political-Military Analysis, INR  
Room 6638, Department of State



25X1

Internal Distribution

ADCI  
ED/DCI  
D/DCI/DDCI/Executive Staff  
Executive Registry  
DDI  
Senior Review Panel  
OCPAS/IMD/CB  
Chairman, NIC  
Vice Chairman, NIC  
NIO/USSR  
NIO/NESA  
NIO/AG  
PDB Staff

ILS

C/DO/SE   
C/DO/NE   
C/DO/NE 

25X1

D/NESA  
C/NESA/AI  
C/NESA/AI/L  
D/SOVA  
DD/SOVA  
EXO/SOVA  
C/SOVA/ES  
C/SOVA/SIG  
C/SOVA/NIG  
C/SOVA/DEIG  
C/SOVA/RIG


C/SOVA/RIG/TWAD  
C/SOVA/RIG/TWAD/FA 

25X1

C/SOVA/RIG/TWAD/FA/Chrono

25X1

C/SOVA/RIG/TWAD/AFLAME

C/SOVA/RIG/TWAD 

25X1

C/SOVA/RIG/TWAD/Chrono

25X1