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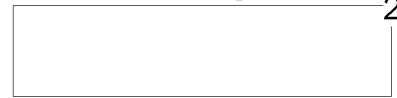
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Soviet Policy Toward the Middle East



National Intelligence Estimate

Key Judgments

These Key Judgments represent the views of the Director of Central Intelligence with the advice and assistance of the US Intelligence Community.

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NIE 11/30-89
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The following intelligence organizations participated in the preparation of these Key Judgments:

The Central Intelligence Agency
 The Defense Intelligence Agency
 The National Security Agency
 Bureau of Intelligence and Research,
 Department of State
 The Office of Intelligence Support,
 Department of the Treasury
 The Intelligence Division,
 Federal Bureau of Investigation

also participating:

The Deputy Chief of Staff for Intelligence,
 Department of the Army
 The Director of Naval Intelligence,
 Department of the Navy
 The Assistant Chief of Staff, Intelligence,
 Department of the Air Force
 The Director of Intelligence,
 Headquarters, Marine Corps

The National Foreign Intelligence Board concurs.

The full text of this Estimate is being published separately with regular distribution.

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NOFORN (NF)	Not releasable to foreign nationals
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PROPIN (PR)	Caution—proprietary information involved
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REL...	This information has been authorized for release to...
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Soviet Policy Toward the Middle East

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- *The USSR will press harder to broaden its influence in the Middle East beyond its traditional Arab clients, but these clients will remain important to the Soviet position for the next two years.*

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- *The Soviets will be more willing than they have been in the past to seek peaceful solutions to Middle Eastern conflicts—even if this upsets key clients such as Syria—and will attempt to keep frictions over the region from undermining the general improvement in US-Soviet relations.*

25X1

- *Despite emphasis on the nonutility of force, the Soviets will continue to provide advanced arms to traditional clients while seeking new paying customers. Arms deliveries will remain Moscow's key influence tool, as its weak economy will keep it a minor player in the Middle East economically.*

25X1

- *The Soviets are now ready to reestablish diplomatic relations with Israel. They would prefer that Tel Aviv first make a move they can claim is a concession to the PLO, but probably would move unconditionally if they perceived the Arab-Israeli peace process were passing them by.*

25X1
25X1

- *Soviet relations with Iran probably will continue to improve but within limits imposed by traditional mutual suspicions, economic constraints on both sides, and Moscow's desire to minimize damage to relations with Iraq and the Gulf Arab states.*

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Key Judgments

The broadened political access General Secretary Gorbachev's policies have won for the USSR in the Middle East ensures that the United States will face a more diverse and demanding political challenge in the region from the Soviets during the next two years. Having achieved recognition as a major player in the region once again, Moscow is likely to stick with the strategy of courting such key regional powers as Israel, Egypt, Saudi Arabia, and Iran, while attempting to protect its equities with its traditional Arab clients. [redacted]

25X1

Gorbachev's policy toward the Middle East, as elsewhere, will continue to be influenced by his desire for a stable international atmosphere conducive to the restructuring of the Soviet political and economic system. As such, he can be expected to display greater flexibility in the region, providing opportunities for US-Soviet cooperation. To that end, the Soviets will be more willing than in the past to seek peaceful solutions to regional conflicts and will seek to avoid confrontation with the United States. To enhance their influence, they are likely to engage Washington in discussions where they lack adequate entree, such as the Arab-Israeli peace process, and—barring a crisis—shun discussions on areas where they hold an edge over the United States, such as Iran. [redacted]

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The supply of arms remains Moscow's best means of influence in the region despite Gorbachev's public rejection of military solutions to Middle Eastern conflicts. Soviet arms transfers to the region have declined since the peak year of 1983 but still account for a significant portion—10 to 15 percent—of Moscow's hard currency export earnings. [redacted]

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The USSR's weak economy and the increased competition it faces for weapons sales in the region will probably limit increases in Soviet arms deliveries to the Middle East over the next two years. The Soviets do not want to continue supplying large volumes of sophisticated arms to clients unlikely to pay. At the same time, in response to the stiffer competition, they are likely to offer some of their most modern weaponry to preserve their influence and market share. Moscow is increasingly concerned, however, about the proliferation of ballistic missiles in the region and probably will be receptive to talks limiting their spread. [redacted]

25X1

The Kremlin has lessened its reliance on its *traditional Arab clients*, but they will remain important to Soviet influence in the region over the next two years. Soviet differences with *Syria* probably will grow and could pose serious risks to the relationship if there is genuine movement in the Arab-Israeli peace process. *The PLO* has become more important for Moscow but is not likely to take Syria's place as the USSR's primary Arab client in the next two years. The Soviets will continue urging PLO chief Arafat to follow more moderate policies as long as they judge he will not make a separate deal with the United States and Israel.

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Achieving a central role in the *Arab-Israeli peace process* is certain to remain the top Soviet goal in the region. Gorbachev attaches increased importance to a peaceful settlement and knows he can only achieve this in cooperation with the United States. This will prompt the Kremlin to be increasingly open to compromise:

- An international conference will continue to be Moscow's preferred option, but, in order to get their foot in the door, the Soviets probably will be more flexible on the mechanics and authority of such a conference.
- The Soviet leadership would support the idea of interim phases—such as the Israeli election plan, and the subsequent Egyptian and US plans—as long as they were confident that such steps would not become ends in themselves, and the PLO's role would not be superseded; but even on these issues they will be open to compromise.
- The Soviets are ready to resume relations with *Israel*. They would prefer to wait until Tel Aviv makes a move that Moscow can claim is a concession to the PLO. However, if the Soviets perceive that the peace process is passing them by, they are likely to resume relations unconditionally.

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Moscow's heightened interest in playing a major role in peaceful Arab-Israeli settlement will make it more willing to risk the ire of its harder line Arab clients. Thus, the Community now believes that, if an international conference were held during the next two years—which is unlikely—and Syria were the only major player to stay away, there would be a better-than-even chance that Moscow would attend lest it be excluded from the process. In this scenario, the Soviets would try to prevent a final Arab-Israeli settlement from being reached until Syria's concerns were addressed.

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Soviet relations with *Iran* are likely to continue to improve but within limits imposed by traditional mutual suspicion, Moscow's desire to avoid damage to its relations with Iraq and the Gulf Arabs, and Tehran's efforts to court Western economic assistance. Although economic ties will increase gradually, arms sales will be the Kremlin's strongest card. The types and quantities of weapons the Soviets sell Iran will depend on Moscow's assessment of the stability of the Iranian leadership, the reaction of Iraq and Saudi Arabia, and the military balance between Iran and Iraq. They probably will sell ground and air defense equipment but not their most advanced aircraft or surface-to-surface missiles.

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