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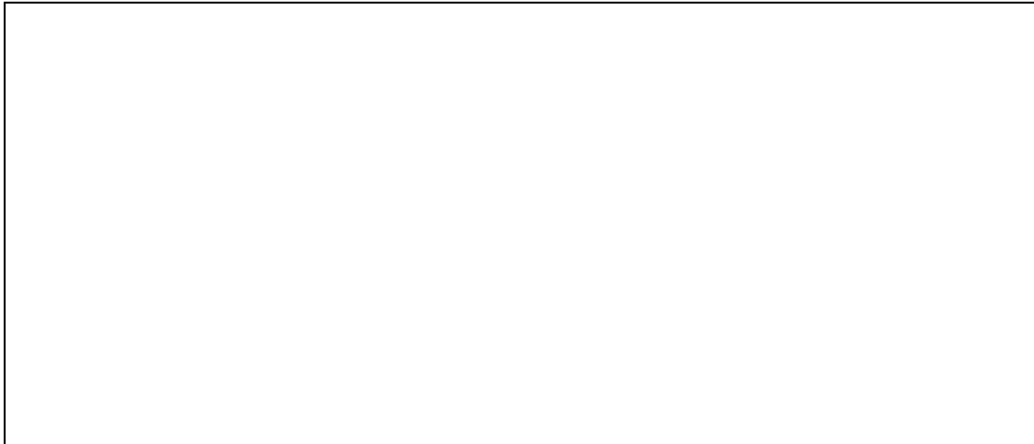
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USSR AND EASTERN EUROPE REVIEW (U)


21 May 1981

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USSR-IRAQ: ONLY SURFACE IMPROVEMENTS IN RELATIONS (U)

Recent Soviet attempts to mend relations with Baghdad are unlikely to win much Iraqi gratitude. []

The rapid deterioration of Soviet-Iraqi ties since the beginning of the Iraq-Iran war has recently been arrested. []

In addition, over the last several weeks the Soviets have repaired critical electric generating facilities at Nasiriyah, exchanged cordial messages with Baghdad on the anniversary of the bilateral Friendship Treaty, and signed new economic cooperation agreements. []

Iraqi relations with Eastern Europe have also warmed, presumably with Moscow's blessings. Key members of the Iraqi hierarchy, accompanied by Trade and Oil Ministry officials, have traveled to Czechoslovakia, Bulgaria, Hungary, East Germany, and Romania over the last two months. []

[] based on the composition of the delegations it is likely that discussions of Iraqi oil for East European manufactured goods, including arms, took place. Since the beginning of the war the East Europeans have delivered to Iraq \$200-300 million in military supplies, including ammunition, spare parts, tanks, and artillery. []

Soviet View

Since the war began last September, the Soviets have tried to avoid being forced into a position of "choosing"

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between Iran and Iraq. The Soviet Union's room for maneuver, however, has been circumscribed by a desire not to alienate either country by overtly aligning itself with one or the other. The recent Soviet signals to Baghdad of Moscow's desire to improve the atmosphere in their relationship probably reflect a genuine Soviet interest in preventing a further erosion of the USSR's position in Iraq. The Soviets may calculate that since Iran-US relations have not progressed as much as expected by Moscow since the resolution of the hostage crisis it is now "safe" to make such a gesture to Baghdad. [redacted]

At the same time, the Soviets are apparently anticipating that Iraq also faces constraints that would ultimately limit its efforts to move away from the USSR. [redacted]

[redacted]

No Reward for Moscow

Soviet and East European activities to assuage Baghdad, however, are both too little and too late to erase Iraqi anger. The Iraqis continue to believe Moscow is primarily interested in improving its position in Iran.

[redacted]

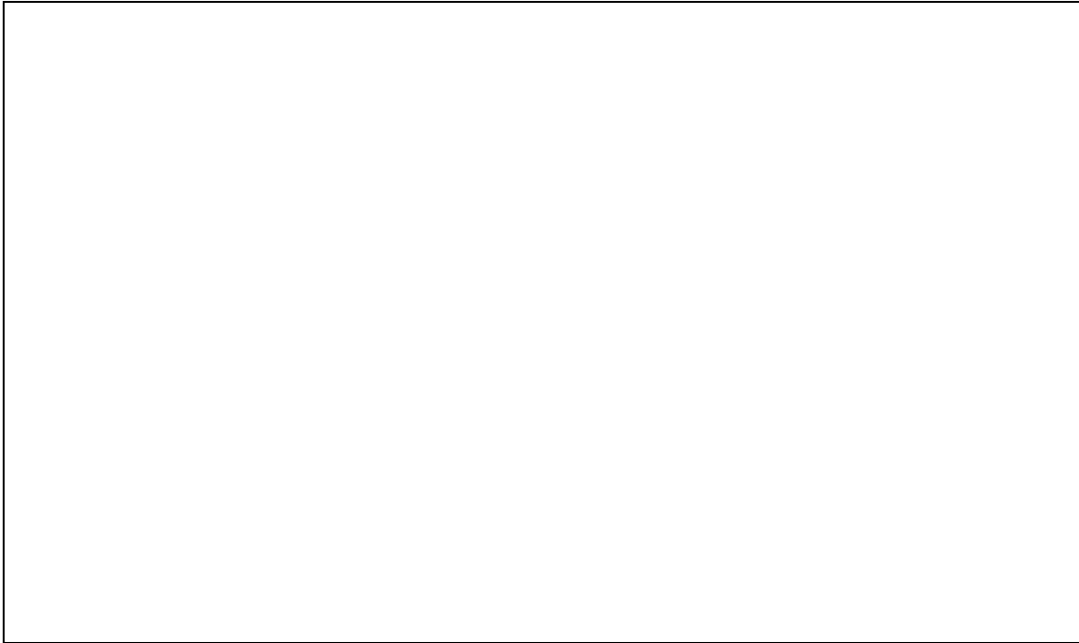
Baghdad appears to be on the verge of another crack-down on the much harassed Communist Party, a standard Baathist method of registering displeasure with Moscow.

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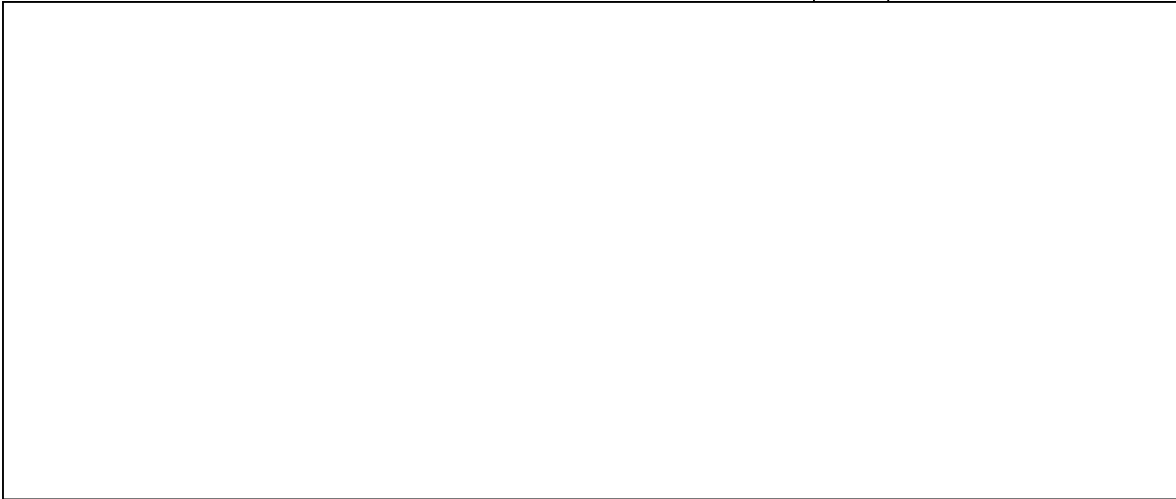
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Iraqi interest in improving relations with the United States and China is presumably also meant to signal Baghdad's ire toward the USSR. Last month's visit to Baghdad of a senior State Department official went well and received favorable coverage in the Iraqi Government media. First Deputy Premier Ramadan's 6-8 May visit to China, the first by an Iraqi official of his prominence, produced trade and technical cooperation agreements.



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The USSR's reported confidence that Iraq has no realistic alternative but to maintain its relationship with the Soviet Union probably will continue to characterize Soviet attitudes toward Baghdad. The Soviets apparently believe that improvements in atmosphericics will help mollify Baghdad's unhappiness over their refusal to deliver sophisticated arms and will stave off any Iraqi efforts to distance itself from the Soviet Union. The Soviets may anticipate that once the war is over they can improve relations with both countries by simultaneously delivering arms to Iraq and following through with offers to expand the arms supply relationship with Iran. [REDACTED]

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