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Near East and South Asia Review

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12 January 1990

Special Issue: A Retrospective of the 1980s, A Projection of the 1990s

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Articles

The Middle East and South Asia: Staggering Into the 1990s

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Conflicts in the Middle East and South Asia – between Israel and the Palestinians, Iran and Iraq, India and Pakistan, and within Lebanon and Afghanistan – are certain to demand the attention of US policymakers as the century enters its last decade.

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Middle East-South Asia: Infusion of Advanced Weapons Accelerates Region's Arms Race

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Military forces in the Middle East and South Asia experienced major quantitative growth and qualitative improvements in their capabilities during the 1980s. The 1990s may witness slower expansion of military inventories, but there will be continued advances in weapons capabilities and efforts toward indigenous military production.

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Middle East-South Asia: The Changing Roster of Leaders – Which Ones Have Left Their Mark, Which Ones Are Likely To Leave a Mark?

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Barring sudden deaths or coups, many of the leaders who dominated the Middle East and South Asia in the 1980s seem certain to dominate regional affairs in the early 1990s. Their successors will be challenged to adopt new leadership styles to counter even more daunting problems later in the decade.

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The Oil Market in the 1990s: Persian Gulf Producers Poised To Reassert Market Dominance [Redacted] 13

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Although market conditions will favor the Persian Gulf oil producers in the 1990s, they will have to coordinate their policies to avoid price instability. In the later 1990s, when there is even greater demand for Gulf oil and fewer key producers, it will be easier to accommodate the production policies of individual Gulf states. [Redacted]

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Middle Eastern Terrorism: Iran and Radical Palestinians Continue To Pose Biggest Threat [Redacted] 19

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Given developments in the last two years, the high rate of terrorist incidents perpetrated by Middle Eastern groups will be sustained at least into the early 1990s. Strong indications continue that the risk to Western, Israeli, and moderate Arab interests is as high as ever. [Redacted]

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Political Islam: The Evolving Challenge [Redacted] 23

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The Islamic fundamentalist movement is likely to be dominated in the 1990s by more flexible leaders adept at employing varied tactics. Their movements almost certainly will have a major impact on the social character, politics, and foreign policies of virtually all Middle Eastern states through the end of the century. [Redacted]

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The Shifting Positions of the Superpowers in the Middle East and South Asia: Entering a New Era? [Redacted] 27

[Redacted]

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The United States and Soviet Union are likely to share an interest in preventing conflict in the Middle East and South Asia in the 1990s. Regional states may be more willing to risk an escalation of tension and the possibility of military conflict because they believe the dangers of superpower involvement will be reduced. [Redacted]

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The Shifting Positions of the Superpowers in the Middle East and South Asia: Entering a New Era? [redacted]

The primary significance of the changes in the Soviet Union and Eastern Europe for the Middle East and South Asia may be that the attention of each superpower will be focused elsewhere – on economic and domestic political priorities, on Europe, and on the management of the superpower relationship itself. The superpowers are likely to share an interest in insuring that conflict in the region does not disrupt their more important interests. [redacted]

The complexities of regional relationships, the rise of “new thinking” in the Soviet Union, and the effort by both superpowers to find political solutions to regional conflicts make a zero-sum analysis of US-Soviet relations increasingly irrelevant. A US gain in political and economic influence will not necessarily be a Soviet loss and vice versa. [redacted]

The implications of this situation are likely to be mixed. On the one hand, the dangers of superpower confrontation almost certainly will decline. On the other, regional states may be more willing to risk an escalation of tension and the possibility of military conflict because they believe the dangers of superpower involvement will be reduced. [redacted]

The End of the 1970s: Dramatic Events Challenge Relative Superpower Strengths in the Region

The decade of the 1970s ended with a series of dramatic events that raised serious questions about the relative positions of the superpowers in the Middle East and South Asia. Although progress in US-backed negotiations on the Arab-Israeli conflict suggested a strengthened US role, developments in the Persian Gulf and South Asia pointed to an enhanced position for the Soviet Union:

- The US-brokered Camp David accords of 1978 launched events that suggested the emergence of a new and rational approach to resolving the Arab-Israeli conflict. They were followed by the signing of an Egyptian-Israeli peace treaty, Israel's withdrawal from Sinai, and the establishment of diplomatic relations between Cairo and Tel Aviv. Moscow's exclusion from the talks seemed a fitting epilogue to its declining relevance in the region.
- The Iranian revolution in 1979 was a significant setback for the United States, which had

considered Iran under the Shah one of its most important Third World allies. The prolonged hostage crisis that ensued was a constant reminder of the limitations of superpower capabilities.

- The Soviet invasion of Afghanistan in December 1979, when counterposed to the US expulsion from Iran, appeared to mark the emergence of a more aggressive Soviet Union, capable of expanding its regional influence at US expense.
- Iraq's attack on Iran in late 1980 began the nearly decadelong war that focused the attention of the Arab world as well as much of the international community on the Persian Gulf. [redacted]

The Beginning of the 1980s: Neither Superpower Capitalizes on New Developments

The ramifications of these events, played out during the early 1980s, were less profound than might have been expected, and neither superpower made significant gains as a result of the setbacks of the other:

- Instead of providing a model for negotiations with other Arab states, the Egyptian-Israeli agreements still stood alone at the end of the decade.
- Despite the US setback in Iran and the relative strategic gain for the Soviet Union, Moscow could not enhance its position in Iran.
- Rather than using their presence in Afghanistan to prepare a bridgehead for further advances, the Soviets struggled to keep their client regime in power in Kabul and faced continuing international censure for their occupation. [redacted]

The Iran-Iraq war proved a bloody stalemate with neither party able to register a decisive victory and neither superpower gaining significant benefit or suffering particular loss:

- Moscow's efforts to balance its relations between Tehran and Baghdad angered both. But the Soviet agreement to lease Kuwaiti oil tankers provided Moscow with its first security role in the Persian Gulf and improved its image with the Gulf states.
- The US commitment to protect Gulf shipping from Iranian attack enhanced Washington's image in the Arab Gulf states and increased their

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(b)(3) receptivity to supporting the US naval presence in the region. [redacted]

The End of the 1980s: A Growing US-Soviet Commonality

The 1980s ended with another series of dramatic events that laid the groundwork for the 1990s. In contrast to the events of the late 1970s that emphasized active superpower competition, recent developments point to a growing commonality of US and Soviet interests in the region, the difficulty of each superpower in influencing its allies, and the beginning of tentative efforts to cooperate to control regional conflict:

- The outbreak of the Palestinian uprising in Israel's occupied territories in December 1987 produced modifications in the PLO's positions on recognition of Israel, acceptance of a two-state solution, and renunciation of terrorism. These policy changes led to a US decision to begin a formal dialogue with the Palestine Liberation Organization (PLO).
- The development of "new thinking" in the Soviet Union produced a more active and flexible Soviet diplomatic effort in the Middle East. Moscow upgraded its contacts with Israel and strengthened its position in moderate Arab capitals.
- In early 1988, Soviet General Secretary Gorbachev announced Moscow's decision to withdraw its military forces from Afghanistan, and in February 1989 the withdrawal was completed.
- Iranian leader Ayatollah Khomeini died in June 1989, and Iran stepped up its efforts to improve economic and political relations with the Soviet Union.
- The Iran-Iraq war ended in August 1988, following unprecedented US and Soviet cooperation in the United Nations to pass a resolution calling for a cease-fire. [redacted]

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The 1990s: Entering an Era of Superpower Accord?

The new Soviet leadership, with its emphasis on achieving international stability so that it can address pressing domestic problems, may now consider regional stability, no matter how attained, to be in its best interests. Such a restructuring of the superpower competition in the region will not ensure peace or resolution of conflict. It could, however, reduce the undermining of process and the exploitation of tension that have marked Moscow's approach to the region, and it almost certainly will reduce the prospect of superpower confrontation. [redacted]

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The Arab-Israeli Conflict. We expect the network of alliances to become increasingly complex as both the United States and the Soviet Union expand contacts with key actors in the Arab-Israeli conflict:

- Moscow has a formal dialogue with Israel, and the United States maintains a dialogue with the PLO.
- The Soviet position on both the modalities of an Arab-Israeli peace process and the ingredients of a settlement is virtually identical to those of Egypt and Jordan. These states will continue to insist on Moscow's participation in any negotiations. [redacted]

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We believe the zero-sum approach to US-Soviet relations still has some utility with respect to the Arab-Israeli conflict:

- If Israel maintains its refusal to negotiate with the PLO and negotiations fail to move forward, the United States is likely to experience an erosion of its credibility and influence in the region. Although the Soviet Union has gained credibility as a constructive mediator because of its expanded contacts with Israel and its more flexible approach to a solution, the United States is perceived by the Arab countries as Israel's patron and the only state capable of pushing Israel to the negotiating table.
- If the peace process moves forward and Syria becomes the obstacle to progress, the Soviets will be under considerable pressure to deliver their client.
- If the process produces a solution acceptable to the moderate Arabs, both the United States and the Soviet Union would receive credit. [redacted]

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The Persian Gulf. Soviet relations with Iran probably will expand gradually. These ties will remain limited, however, because of mutual suspicions, economic incompatibilities, Moscow's desire not to undermine its financially rewarding relationship with Iraq and its improving relations with the Gulf states, and Iran's reluctance to become closely identified with any outside power:

- The Soviets and Iranians have agreed to resume Iran's exports of natural gas to the USSR (at a third of their prerevolution export levels) and to expand trade relations (which are still at prerevolution levels).
- Moscow has agreed in principle to sell arms to Iran, but it has assured the Iraqis and the Gulf states that the arms will not alter the military balance in the region. [redacted]

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The Soviet Union will probably continue its gradual expansion of political and economic relations with the Gulf states:

- The rhetoric of Soviet "new thinking," combined with the Soviet withdrawal from Afghanistan and Moscow's low-key approach to the Iran-Iraq war, has mitigated Gulf state concerns about the threat of an expansionist Soviet Union.
- Moscow has established diplomatic relations with Oman, the United Arab Emirates, and Qatar in the past several years. Only Saudi Arabia and Bahrain have no formal relations with Moscow, and we believe these will be established in the next few years.
- Although the Soviet Union has little of economic value to offer these states, it has had some success marketing weapon systems to them. It almost certainly will continue to try to capitalize on the difficulty these states have in purchasing sophisticated systems from the United States to market its own weapons. [redacted]

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The United States benefited from its security assistance to the Gulf states during the Iran-Iraq war, and some of the smaller Gulf states still see it as the ultimate security guarantor of the region. The overall US presence and influence, however, may decline:

- It will not or cannot sell these states some of the weapon systems they believe they need.
- It faces increasing economic competition in the region from Western Europe and Japan. [redacted]

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South Asia. The Soviet withdrawal from Afghanistan has weakened the USSR's military position in South Asia but improved its political image. The withdrawal has lessened the concerns of regional states (particularly Pakistan) about the military threat posed by the USSR. But Soviet interests in maintaining good relations with India limit the extent to which Moscow can improve relations with Islamabad. [redacted]

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The survival of the Soviet-backed regime in Kabul has enhanced the credibility of the Soviet search for a political solution in Afghanistan based on power-sharing. The fall of the Communist regime at the hands of the Afghan insurgents would be a clear setback and a long-term concern for the Soviet Union, which has its own Islamic community to worry about. The establishment of an Islamic regime in Afghanistan, however, would not necessarily serve Washington's best interests. [redacted]

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This article is Confidential [redacted]

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