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Talking Points for the DDCI
NSR-10 Persian Gulf Deputies Meeting
11 April 1989

Soviet Policy and Interests in the Gulf

The USSR's primary interest in the Gulf is to prevent the US from regaining its past special relationship with Iran, which the Soviets view as the strategic prize in the region.

Capitalizing on end of war

-- Moscow has sought to capitalize on the end of the Iran-Iraq war, the removal of Soviet forces from Afghanistan, and the strains in Iranian-Western relations over the Rushdie affair to bolster its position in Tehran.

Moved quickly designated a primary player

-- The Soviet's quick response to Khomeini's January letter to Gorbachev--Foreign Minister Shevardnadze's visit to Tehran the next month--is a clear sign the Kremlin believes improved ties are possible under Khomeini's rule.

Moscow will probably restore its military relationship with Iran incrementally. It has already eased restrictions on East European arms. The Soviets are unlikely to sell large quantities of major weapons until it becomes clear the war with Iraq will not resume and the political situation in Iran has settled, but we cannot rule out that Moscow may sell Iran a major weapon system.

Pages for description playing a great hand well!

In the rest of the Gulf, Moscow is working hard to bolster its relations with Gulf states and to reduce suspicions over its growing ties to Iran. The further reduction of the US military presence in the Gulf remains an important goal for Moscow.

-- The Soviets will probably try to soothe Iraqi irritation over Soviet-Iranian rapprochement by providing advanced weapons systems--such as the recent sale of SU-24 light bombers to Baghdad--and may be flexible in renegotiating Iraq's military debt.

-- Moscow will portray itself as a moderating force in the region in an attempt to cement relationships with smaller Gulf states and obtain full diplomatic ties to Saudi Arabia and Bahrain.

Iran Internal: Radicals in the Ascendancy

Ayatollah Khomeini's use of the Rushdie affair to rekindle revolutionary fervor in Iran has greatly strengthened radical leaders and increased the prospects for severe political turmoil. A radical-dominated Iran will remain

Disappointment in intel community

deeply hostile toward the West and slow down or reverse Iran's improving relations with Arab states in the Persian Gulf. [REDACTED]

The radicals are exploiting the anti-Western backlash--and increased access to Khomeini--to consolidate their power.

-- They have forced the resignation of two leading proponents of pro-Western policies from the Foreign Ministry. [REDACTED]

The resignation of Ayatollah Montazeri as successor to Khomeini further bolsters the radicals.

-- Khomeini ordered Montazeri to step down because of displeasure with the pragmatic positions Montazeri had embraced.

-- Tension appears to be high over the resignation with reports of large demonstrations in Montazeri's hometown protesting his removal. Montazeri has written an open letter urging calm. [REDACTED]

With no clear favorite to succeed Khomeini, the regime may resort to a leadership council rather than a single leader. A council would increase paralysis in decisionmaking and sharpen factional differences.

-- Although the pragmatists/conservatives are on the defensive, Khomeini probably will allow Rafsanjani and his key supporters to continue to hold government positions, making it likely that bitter factional strife will continue into the post-Khomeini era. [REDACTED]

DIA Stateless Commerce

Implications of changes in threat to area by Soviets on US force posture. Do take some exceptions to statement in page 10 that Iranians continue to improve dip + trade relations - they are becoming more aggressive in supporting Shia element Bahrain in Kuwait

Iraqis no longer spt terrorist groups which target US interests - no recent evidence is a better statement - some distance - tactical position. not yet

Don't agree that a major intel policy might benefit our knowledge