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The Director of Central Intelligence  
Washington, D.C. 20505

APPROVED FOR  
RELEASE [ ] DATE:  
14-Jul-2008

National Intelligence Council

NIC 03455-86  
22 July 1986

MEMORANDUM FOR: Deputy Director for Intelligence  
FROM: [redacted]  
Assistant National Intelligence Officer for NESA  
SUBJECT: CPPG Meeting on Iraq

1. After supplying a paper (Attachment A) and a briefing on the Iran/Iraq war last week, the Director requested further information and expanded recommendations in preparation for his weekly meeting with Admiral Poindexter. I am forwarding the paper written in response to that request (Attachment B) to provide our view of the situation before the upcoming CPPG.

2. If we can be of any further assistance, please ask. I would also like to take the opportunity to compliment the analysts in NESA covering the war. They have always been cooperative and supportive of our efforts but, more importantly, their analysis have been well ahead of developments in the war and certainly ahead of the rest of the community. I have found them anxious to "push the evidence" and thoroughly professional.

3. I look forward to hearing the results of the CPPG.

[redacted] [redacted]

Attachments:  
As stated

[redacted]

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The Director of Central Intelligence  
Washington, D.C. 20505

National Intelligence Council

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MEMORANDUM FOR: Acting Director of Central Intelligence

FROM: [redacted]

Assistant National Intelligence Officer for  
Near East and South Asia

SUBJECT: Developments in the Iran-Iraq War

1. A crisis in Iraq could be imminent. In our recent SNIE (Attachment A) we judged that Baghdad would probably lose the war over the longer term if it did not exploit its military advantages. Saddam has not substantially altered his war policies and the possibility of a collapse of Iraqi will is rapidly becoming more plausible. Several current developments are particularly disturbing:

-- Iraq is faring badly in what has become a major Iranian effort (at least six Revolutionary Guard and two regular Army divisions) to take a strategic ridgeline [redacted]

-- There is a confluence of factors leading Iran to conclude that it must act now if it hopes to achieve a decisive victory. For example, the Iraqi Air Force has recently demonstrated dramatically the vulnerability of Iranian oil and communications facilities to its precision weapons, but they have not sustained the attacks in a way that seriously impairs Iran's ability to make war.

-- [redacted] Iraqi cohesion and prospects in the war has taken a decidedly pessimistic turn (Attachment C).

2. [redacted] thoughts on the psychological dimensions of the war. The danger is not an Iranian drive to Baghdad but a series of dramatic victories that destroys Iraqi military and political cohesion. [redacted] is right in trying to ratchet up the attention level ("we need to get in high gear"). The war has lingered on for so long that there is a dangerous,

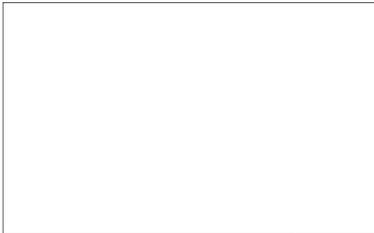
This Memo is Classified  
~~SECRET~~ [redacted] in its entirety.



but widely held, assumption that the situation will not change rapidly and that there is little we can do anyway.

3. Recommend the following:

- That we advise NSC and other senior policymakers of the gravity with which we view the current situation and the prospects for the remainder of 1986.



Attachments:  
As Stated

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[REDACTED]  
The Director of Central Intelligence  
Washington, D.C. 20505

National Intelligence Council

NIC 03384-86  
16 July 1986

MEMORANDUM FOR: Director of Central Intelligence  
Deputy Director of Central Intelligence

FROM: [REDACTED]  
Assistant National Intelligence Officer for NESA

SUBJECT: Troubling Developments in the Iran/Iraq War

1. Saddam Husayn's grip may be slipping and his political fortunes are closely linked to reversing recent trends in the war. On the Iranian side, there is significant evidence that Iran has embarked on a major effort to win the war in the near term.

2. Iraq has suffered two serious military setbacks in 1986--Al Faw and now Mehran. Al Faw was a strategic loss and Mehran was (so far) only a tactical reversal, but both were major blows to Iraqi morale. By using surprise, better planning, and improved coordination Iranian forces have achieved success in limited attacks that have kept Iraq guessing and preserved the initiative for Iran. Even with these improvements, Iran could only impose a decisive strategic defeat on Iraq in conjunction with a major collapse of morale within the Iraqi military. Unfortunately, there are indications that Iranian efforts to erode morale are beginning to bear fruit:

-- Iraqi casualties for this year (at least 30,000) are as high as all of last year. Civilian morale is described as the "lowest ever", with the first indications of widespread, open complaining about Saddam's mismanagement of the war.

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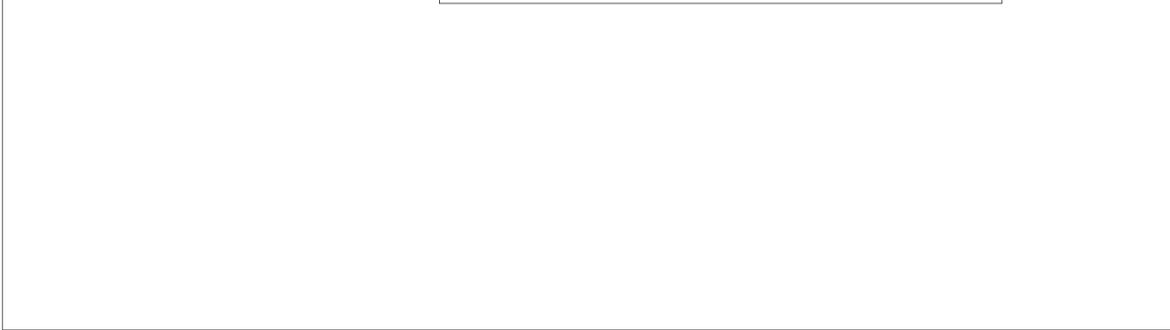
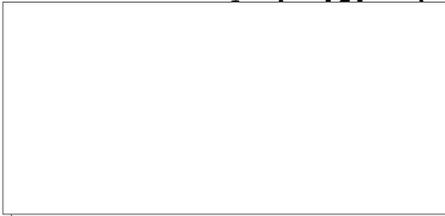
-- The Iraqi economy has continued to deteriorate with little hope of improvement.

3. In spite of these problems, there is little threat from the organized resistance elements such as the Iranian sponsored Da'wa or Kurdish groups. The more likely threat to Saddam comes from the senior

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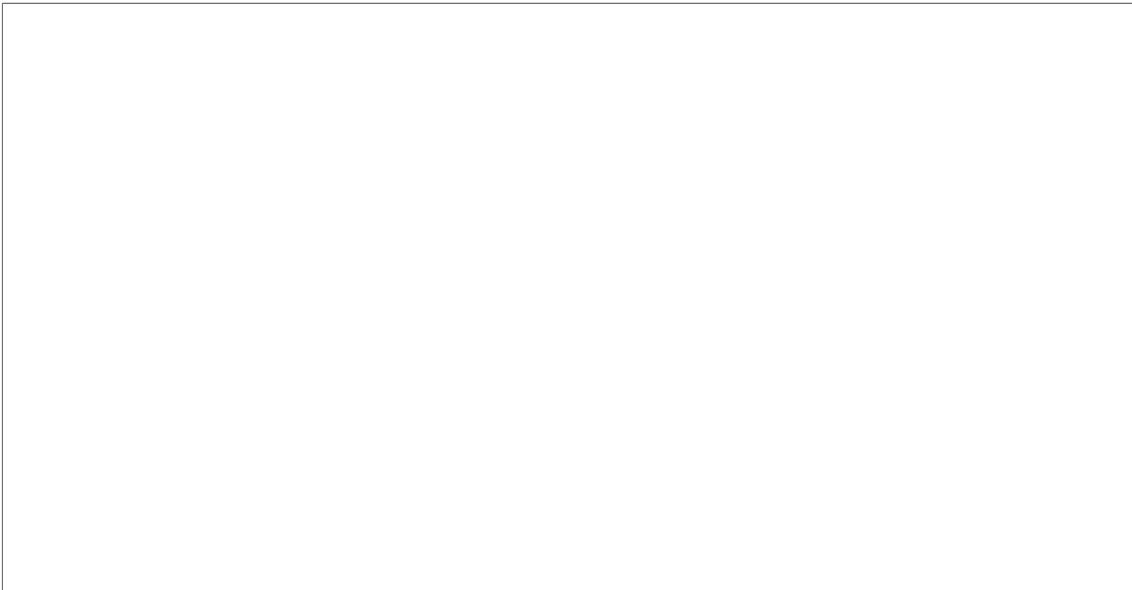
ranks of the military or from within the Ba'th party itself.



5. In short, the key element in preserving Iraqi stability will be the performance of the military. A major defeat--especially in a large campaign that inflicts significant casualties--would have a significant impact. Short of a complete debacle, another tactical defeat in the near term would not result in an unravelling of the military or a collapse of the front, but would further undermine Saddam's position. Over the longer term, a failure to develop and execute an effective strategy could well result in an outright Iranian victory.

6. Recommend that we:

-- Advise NSC and other senior policymakers of the gravity with which we view the current situation and the prospects for the remainder of 1986.



[Redacted]

-- Reinvigorate efforts to cut off war materiel to Iran

[Redacted]

[Redacted]

[Redacted]

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SUBJECT: CPPG Meeting on Iraq

NIC/A/NIO/NESA [redacted] (22 July 1986)

Distribution:

Orig - DDI

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