

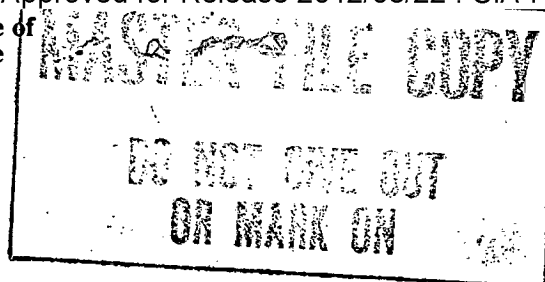
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Iran-Iraq: Negotiating an End to the War

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A Research Paper

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Iran-Iraq: Negotiating an End to the War

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A Research Paper

This paper was prepared by [redacted]
[redacted] the Office of Near Eastern and South
Asian Analysis, with a contribution by [redacted]
[redacted] NESA. It was coordinated with the
Directorate of Operations. [redacted]

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Comments and queries are welcome and may be
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**Iran-Iraq: Negotiating
an End to the War**

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Key Judgments

*Information available
as of 6 May 1988
was used in this report.*

A negotiated settlement is the most likely end to the Iran-Iraq war. An outright victory by either side is unlikely, as is a cessation of hostilities without resolution of at least the core demands of both sides—for Iraq, the Iranian withdrawal from occupied territory; for Iran, blame and punishment of Iraq for initiating the conflict. Even with resolution of a broad range of outstanding issues, Iran and Iraq are unlikely to sign a full peace treaty until at least one of the leaders passes from the scene. Given the hostility between the two nations, we judge that a settlement would result in no more than a “cold peace.”

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Iran's belief that it can win the war has been the primary obstacle to a negotiated settlement. Before around-the-table negotiations can begin, Iran must pass through a potentially long and agonizing phase in which it first explores the possibility of negotiating an end to the war and then commits itself to resolving the conflict by peaceful means. Some analysts believe that Iran already has reached this stage and is ready to negotiate a settlement.

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Iraq is unwilling to make certain compromises, and its eagerness to negotiate—first displayed in 1982 when it withdrew from Iranian territory—cannot be taken for granted. President Saddam Husayn will not diminish either his or the Ba'th Party's control of the government to satisfy Iranian demands. Baghdad has hardened its negotiating position somewhat in the wake of its recapture of the Al Faw Peninsula.

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Costly Iranian defeats in the ground fighting—such as the loss of Al Faw in April—and high Iraqi losses would be the scenario most likely to cause serious movement toward negotiations. Other developments that might push the conflict toward a negotiated settlement include the death of either leader or other dramatic regime change.

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Successful negotiations are likely to involve a single mediator. The UN Secretary General or a special envoy appointed by him, Turkey, and Algeria are the most likely candidates. International organizations such as the United Nations, as represented by the Security Council, or the Organization of the Islamic Conference are not likely to play significant mediatory roles, but their support for a settlement could prove essential.

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We place the issues to be resolved in a comprehensive settlement of the war into four categories:

- Blame and punishment.
- Cease-fire and withdrawal.
- Territorial issues.
- Questions of good neighborliness.

A fifth category of regional security guarantees, possibly involving the US military presence in the Gulf, may also emerge.

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Crafting a solution to the issue of blame and punishment in a manner that is acceptable to both parties will, in our view, be the most difficult aspect of negotiations. A formula that, in the end, might be least objectionable to both sides probably would include:

- A carefully worded judgment about the start of the war by a respected body, which is pointed enough to satisfy Iran yet qualified enough that the Iraqis do not reject it. Such a statement might include condemnation of Iraq for invading Iran without exploring all peaceful options and repeatedly using chemical weapons, blame for Iran for continuing the war, and some rectification of the imbalance (in Iran's view) of international, especially UN Security Council, responses to the hostilities.
- The creation of a large reparations fund—perhaps \$20-40 billion—financed mostly by the wealthy Gulf Arab states and heavily skewed to favor Iran.

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The Iraqi recapture of the Al Faw Peninsula is a major step in restoring the borders to their prewar status and will ease settlement of territorial issues in any negotiations. The status of the Shatt al Arab river remains contested, however, and would be the thorniest territorial question. A possible settlement would draw the boundary at the thalweg (the middle of the navigable channel) on the basis of an agreement reached in 1975 and create a commission to arbitrate the rights, uses, and obligations regarding the waterway. Iran will have to evacuate remaining occupied territory as part of any formal settlement acceptable to Iraq.

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Cease-fire and withdrawal and enforcement of border security probably will become embroiled in questions of timing and national sovereignty, particularly if international forces are involved. Currently, Iraq insists that

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cease-fire and withdrawal precede negotiations, while Iran insists the first step should be simultaneous cease-fire and the convening of an international tribunal to assess blame for initiating the conflict. [REDACTED]

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Iran and Iraq are unlikely to accept either a US or a Soviet mediatory role; both superpowers are distrusted by the belligerents. Washington and Moscow almost certainly will be looked to, however, for quiet support of any peace effort, possibly related to UN participation. [REDACTED]

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A negotiated end to the war evolving from stalemate would have a mixed impact on US interests. On the positive side, it would probably push oil prices down, reduce the chances of a superpower confrontation, open the possibility to improved US-Iranian relations, and reduce Iraqi dependence on the Soviet Union. [REDACTED]

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The continuation of the war, however, has produced beneficial trends for the United States that may be weakened or reversed if a settlement is reached. The war has distracted the Arabs from the Arab-Israeli arena and focused their attention on the Gulf conflict where US goals complement rather than clash with Arab goals. The war has fostered Iraqi moderation and accelerated Egypt's political reentry into the Arab world. The conflict also has been a major barrier to improved relations between Syria and Iraq, two important Soviet clients, and provided the impetus to improved security cooperation between the United States and the Gulf Cooperation Council. [REDACTED]

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[Redacted] This paper [Redacted]

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[Redacted] examines the dynamics of a potential negotiated settlement of the Iran-Iraq war, ranging from a minimum negotiated cease-fire to a full peace treaty. It reviews the issues to be resolved and the positions of the belligerents and assesses the obstacles *to* negotiations as well as the hurdles *in* negotiations. The study examines past cases of successful negotiation between Iran and Iraq for lessons applicable to the current impasse and identifies outcomes that would be least objectionable to the parties. [Redacted]

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The six Gulf Cooperation Council (GCC) member states are shown in red.

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Iran-Iraq: Negotiating an End to the War

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The obstacles to a negotiated settlement of the Iran-Iraq war are formidable. Indeed, hostility between Iran and Iraq springs from the personal vendetta between the two leaders, the religious (Shia-Sunni) and ethnic (Persian-Arab) schisms between the two countries, the shared belief that the political ideology of the other is the embodiment of evil, competition for hegemony in the Persian Gulf, and a long-festering territorial dispute.

Nonetheless, their history of discord also includes a history of overcoming differences. Some 11 treaties have been negotiated—and later repudiated—between Iraq (or the Turkish Ottoman empire) and Iran that have delimited their 1,480-kilometer border or settled other differences.¹

In the current dispute, we judge that Iran's belief that it can still achieve its maximum war goals—the ouster of Saddam Husayn and the ruling Ba'th Party—through military force represents the greatest obstacle to entering negotiations. Iran, however, has not been consistent in stating its war aims. At times Iranian officials have called only for Saddam's ouster and have implied acceptance of the Ba'th Party. At a minimum, Iran requires an assessment of blame against Saddam for starting the war and some form of punishment.

The Will To Make Peace

Iran

Before around-the-table negotiations can begin, in our view, Iran must pass through a potentially agonizing prenegotiation phase in which it first explores the

¹ The first known agreement is the Treaty of Zuhab signed between the Ottoman and Persian empires in 1639. In its grandiloquent style it concluded that "This happy peace will last and be maintained until the day of resurrection." Later agreements include the Treaty of Hamadan, 1727; Treaty of Constantinople, 1736; Treaty of Mughan, 1746; first Treaty of Erzurum, 1823; second Treaty of Erzurum, 1847; Convention between Principals, 1869; Protocol of Constantinople, 1913; Treaty of 1937 (signed in Tehran); and the Algiers Accord, 1975.



Figure 1. Ayatollah Khomeini

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possibility of negotiating and finally commits itself to resolving the conflict by peaceful means. An academic study of conditions surrounding previous successful negotiations concludes that a "hurting stalemate," conveying a sense of hopelessness and unacceptably high cost to the belligerents, is most conducive to successful negotiations.

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The nearly eight costly years of war demonstrate the Iranian regime's willingness to endure great pain. During the course of the war thousands have been killed, and the economy has been heavily damaged. In 1984 and 1985, Tehran sought mutual cessation of air attacks on civilian areas partly because the regime feared a weakening in public support for the war.² The regime has dealt with this year's Iraqi missile campaign, in part, by channeling the populace's fear and frustration into anger against Baghdad.

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² Iran has continually sought prohibitions against attacks against civilian areas and shipping and against chemical warfare. Tehran undoubtedly would like to fight a war that did not bother its civilian populace and, not surprisingly, favored Iranian warmaking capabilities.

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An Alternative Outcome: No War, No Peace

The possibility that the war could "fizzle out" with no resolution of outstanding issues is often raised as the most likely scenario should the conflict remain stalemated. A nonnegotiated end to the war might emerge, for example, from a limited peace initiative that achieved a de facto cessation of hostilities but did not carry over to a broader settlement. Points made in support of this case are that:

- *Ground fighting already continues at a very low level most of the year, interrupted only by Iranian offensives, which are declining in intensity.*
- *The regime in Tehran may conclude that it cannot win the war, but cannot afford to admit this publicly by entering negotiations. A cessation of hostilities without settlement favors Iran, which holds key Iraqi territory.*
- *Since, many analysts argue, Saddam's personal position would be threatened more by peace than by war, Saddam may prefer a technical state of war, but without the burdens of fighting, to a negotiated settlement.* [redacted]

This scenario would present the United States with a short-term situation in the Gulf better than the status

quo, but a long-term situation potentially more dangerous. For a time, the flow of oil would be unimpeded, US-Soviet competition reduced, and the threat of the war expanding to include US friends in the region removed. Over time, however, this scenario, as compared to a negotiated settlement, would:

- *Maintain a high demand for weapons sales to the region, providing Moscow its most productive entree to the Gulf Arab states, and a lucrative market for China to exploit.*
- *Sustain a high level of Soviet-Iraqi military ties.*
- *Probably result in another war.* [redacted]

We believe both belligerents have major incentives for reaching a settlement, however:

- *Baghdad fears—realistically, in our view—that a relaxed international atmosphere would give Iran access to a wider arms market and tip the military balance in Iran's favor. Iraq also is committed to the return of captured territory.*
- *With the GCC states having hinted a willingness to pay Iran for an end to the war, we believe that, should Tehran decide the war is not worth fighting, it would seek reparations as well as a condemnation of Iraq through negotiations.* [redacted]

In our judgment, between 1982 and at least early 1988, the Iranians believed, with some justification, that they were gradually winning the war. The capture of most of the oil-bearing Majnoon Islands in 1984 and the southern end of the strategic Al Faw Peninsula in 1986 boosted Iranian morale and determination to continue. [redacted]

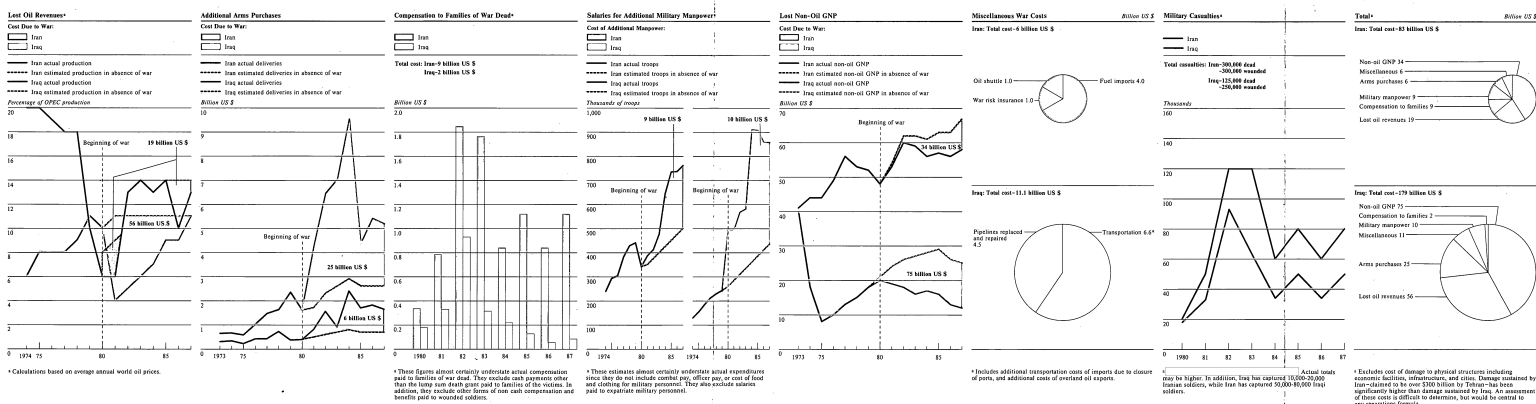
The Iranian defeat at Al Faw and the loss of six ships, including two naval combatants, in the clash with US military forces in the Persian Gulf in April 1988, however, were significant reverses for Tehran. The immediate result of the setback at Al Faw was increased stridency in Iran's position, but over time the defeat may mark a turning point in Iran's willingness to negotiate. [redacted]

Further Iranian defeats and significant Iraqi losses would be most likely to cause movement toward serious negotiations without provoking a hardening of Iraq's attitudes. Other developments that might push the conflict toward a negotiated settlement include the death of either leader or other dramatic regime change in either country. [redacted]

The Iranian regime maintains a unity of purpose as well as sufficient public support for the war. [redacted] some leaders are not enthusiastic about continuing the conflict, but their discontent will remain muted as long as Khomeini continues to pursue the war. [redacted]

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Figure 2
The Cost of the Iran-Iraq War in . . .



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The Iranian leadership is realistic about the substantial military strength of Iraq and the international forces arrayed against Tehran. The regime, however, believes that it has overcome formidable odds in the past—against the Shah, the United States, and the Iraqi invasion—and can do so again. []

There is a minority view among analysts that Iran views the war as a stalemate and is ready for a negotiated settlement of the war. These analysts cite the Iranian response to the UN Secretary General's implementation plan for Resolution 598 as evidence.³ The key points of the Iranian position are that Tehran:

- Does not reject any part of Resolution 598 (including withdrawal from occupied territory).
- Accepts a cease-fire as the first step to an integrated approach to a negotiated end to the war.
- Insists that a link be established between a cease-fire and identification of responsibility for initiating the conflict.
- Would formalize the undeclared cessation of hostilities once the identification of the party responsible is completed. []

The minority view holds that, although the Iranian position can be seen as a rejection of Resolution 598, it nonetheless reflects an Iranian willingness to negotiate an end to the war. (Iran asserts that Resolution 598's insistence on withdrawal before negotiations begin is an unworkable, and probably unprecedented, formula for conflict resolution.) []

Iraq

Baghdad has viewed the war as a stalemate since 1982 when it withdrew from Iranian territory. Since then, Baghdad has been willing to negotiate on terms it rejected the first year of the war. For example, Baghdad insisted that negotiations precede withdrawal when Iraq occupied Iranian territory—a demand that it has since reversed now that Iran holds Iraqi territory. []

³ On 20 July 1987 the UN Security Council unanimously approved Resolution 598, which, among other things: demanded that, as a first step toward a negotiated settlement, Iran and Iraq observe an immediate cease-fire and withdraw all forces to internationally recognized borders; requested that the Secretary General explore the question of entrusting an impartial body with inquiring into responsibility for the conflict; and decided that the Security Council would meet again as necessary to consider further steps to ensure compliance with the resolution. []

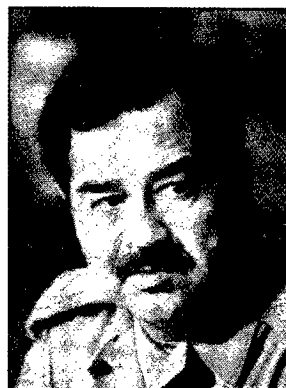


Figure 3. President Saddam Husayn []

Baghdad is not willing to negotiate unconditionally. Despite being on the strategic defensive for years and suffering wide swings in morale, Iraq feels strong enough to hold out for reasonably favorable terms. Although Iraq would prefer to end the long war of attrition, it probably believes that its military strength will enable it to outlast Khomeini. []

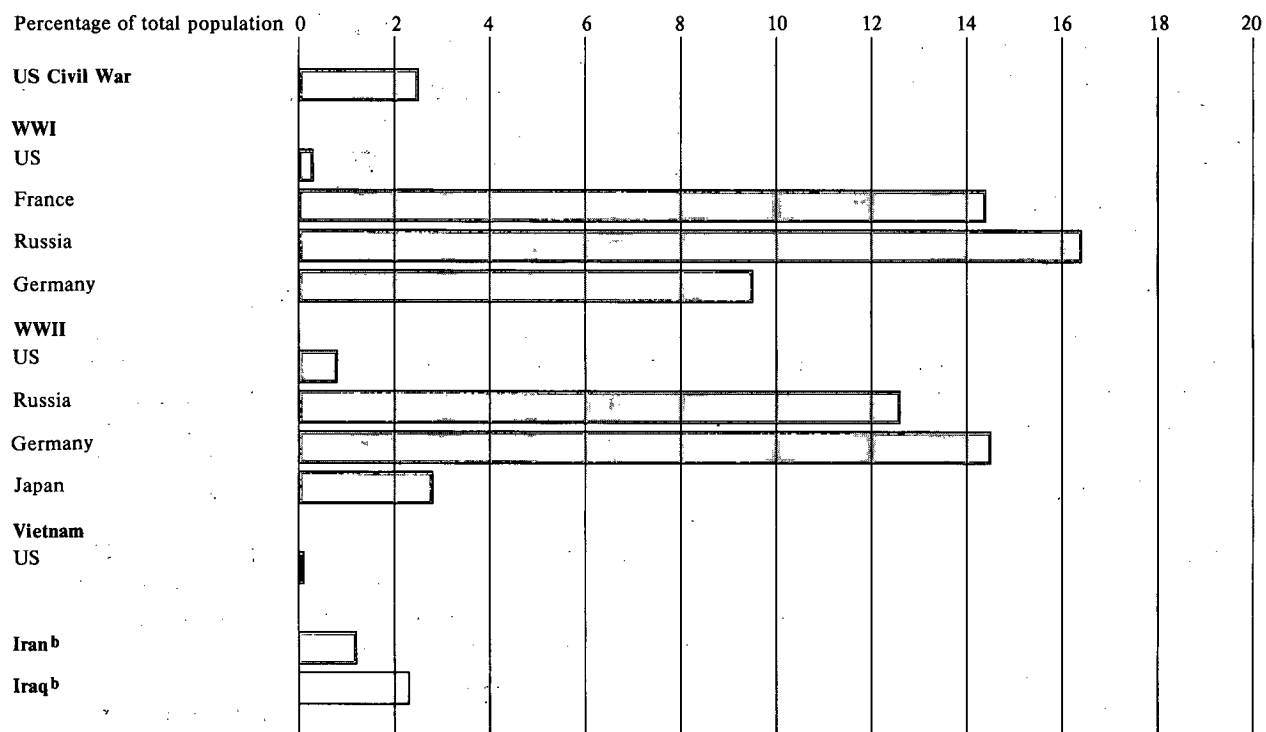
In the wake of its victory at Al Faw, Iraq is likely to continue to press Iran militarily and has already hardened its negotiating position. According to US officials at the United Nations, Iraq's reaction to its Al Faw victory was to disengage from UN diplomatic efforts. Baghdad has also strengthened its demand that Iran unequivocally accept Resolution 598 before negotiations begin. []

President Saddam Husayn will not agree to a settlement that diminishes his control of Iraq or the power of the Ba'thist regime. Baghdad is confident that its Gulf Arab allies, the Soviets, and the West, fearing an Iranian victory and its implications, cannot abandon Iraq. We believe that the international community's pressure for an end to the war with no victor strengthens Iraq's hand. []

The Ba'thist regime is stable and, like Iran, shares a unity of purpose in sustaining its own war effort. We judge the great majority of Iraqis blame Iran for

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Figure 4
War Casualties Comparison^a



^a Includes killed and wounded.

^b Figures calculated through yearend 1987.

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continuing the war and see little choice but to support the Ba'thist regime. Kurdish and Shia dissidents do not seriously threaten either the war effort or popular acceptance of the regime. Saddam appears to maintain firm control of the population through his effective security service, although he has faced infrequent assassination attempts by Iraqi dissidents. []

Saddam's death probably would provide an opening for negotiations, as each side would want to probe the other to see if his demise had created opportunities to end the war. Saddam's death alone, however, would be unlikely to cause either side to make significant concessions. Tehran would be unlikely to drop its demand that Iraq accept blame for starting the war—terms that Saddam's successors would find difficult to accept, at least initially. []

Issues To Be Resolved in Negotiations and Possible Settlements

We place the issues to be resolved in a comprehensive settlement of the war into four categories:

- Blame and punishment of the aggressor.
- Territorial issues.
- Questions of good neighborliness.
- Cease-fire and withdrawal. []

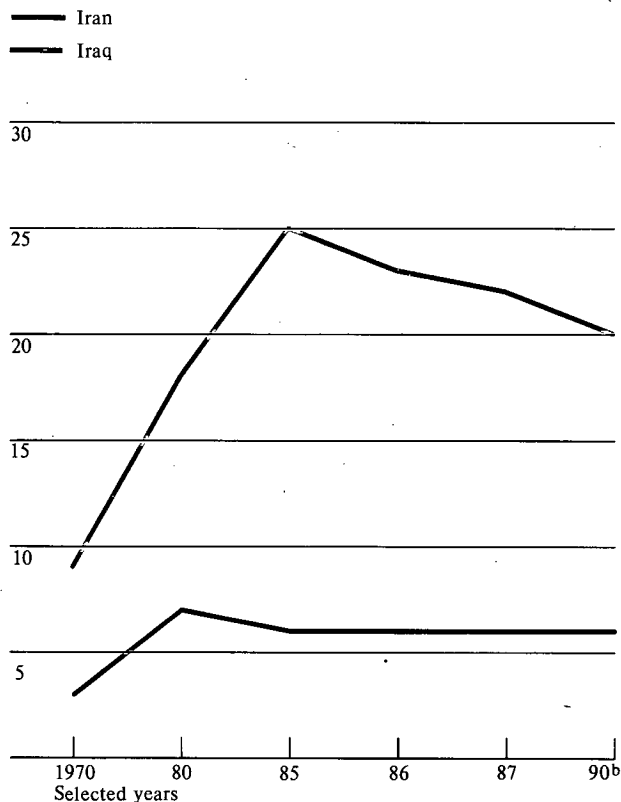
Should Iran broaden its demands—as we believe it may—to include reduction of the US naval presence in the Gulf, a fifth category of regional security guarantees would emerge that would complicate negotiations and put important US interests at stake. According to diplomatic sources, recent Iranian emissaries to the Gulf Cooperation Council (GCC) states have stressed three Iranian desires that:

- The Gulf be “neutralized.”
- The GCC pressure Iraq to stop attacks against ships.
- All foreign naval forces be withdrawn from the Gulf.

These may represent the basic elements of an Iranian long-term regional security doctrine that would best achieve the goal of Iranian domination of the Gulf and be incorporated into Iranian demands in comprehensive negotiations to end the war. Resolution 598

Figure 5
Iran and Iraq: Diversion of Manpower

Armed Forces as a percent of total work force^a



^a Work force is defined as working age population minus students, disabled, internal security forces, and that percentage of working-age women not seeking employment.

^b Projected.

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Who Started the War?

Both Iran and Iraq argue that the other was responsible for initiating hostilities. We believe that both countries contributed to the conflict's origins. []

The most obvious move to full-scale war, however, and the first capture of territory was Iraq's bombing of every major airbase in northern Iran and its invasion with nine divisions along a 700-kilometer front on 22 September 1980. But Baghdad argues that its invasion was justified because Tehran had been trying since early 1979 to overthrow the Iraqi regime. []

Baghdad contends that Tehran:

- *Directed assassins in a terrorist campaign in Baghdad.*
- *Harassed Iraqi diplomats, including taking over two Iraqi consulates in western Iran in November 1979.*
- *Shelled Iraqi border posts and towns and violated Iraqi airspace.* []

Iran asserts that its attempt to undermine the Iraqi regime was a justified response to hostile Iraqi policies. Tehran says that Baghdad:

- *Aided Arab and Kurdish dissidents and former officials of the Shah's regime.*
- *Directed the takeover of the Iranian Embassy in London in early 1980.*
- *Sponsored assassination attempts against Iranian officials.*
- *Violated Iranian territory with Iraqi military forces in 1979 and 1980.*
- *Arrested and then executed a leading Iraqi Shia cleric, Ayatollah Muhammad Baqr al-Sadr, and expelled thousands of Iraqi Shias of Iranian origin.* []

Iraq sought an accommodation with Iran after the Shah's departure, but by late 1979 we believe that both sides were providing significant amounts of support to each other's dissidents. During 1980 both sides almost certainly conducted terrorist operations against each other's officials. In early 1980, Baghdad probably began planning for the invasion of Iran. Iraq, however, did not begin mobilizing its troops for the invasion until after the Iranian shelling of Iraqi border towns on 4 September 1980. []

makes a nod to this Iranian concern by requesting that the Secretary General examine—in consultation with Iran, Iraq, and other states of the region—measures to enhance the security and stability of the region. []

We expect that the most likely negotiated end to the conflict will not encompass all the outstanding issues. We believe, however, that a lasting settlement of the war must at least resolve the central Iranian demand that Iraq be blamed for initiating the conflict and the Iraqi demand that Iran withdraw from occupied territory. Resolution of other outstanding issues would add to the durability of a settlement, but it is difficult

to envision Iran and Iraq signing a full peace treaty until at least one of the leaders passes from the scene. []

Blame and Punishment

The Iranian demand that Iraq and Saddam Husayn be blamed for the war derives its impetus from the personal rivalry between Khomeini and Saddam, the religious imperative to define the war as a just cause, the revolutionary imperative to export the revolution,

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and partially from the need to justify the high human and economic cost of the war. The last three reasons militate against an easy change in this Iranian demand after Khomeini's death and lead us to conclude that blame and punishment will be a fundamental question regardless of Khomeini's death. []

We believe crafting a solution to the blame and punishment issue acceptable to both parties will be the most difficult aspect of a negotiated end to the war. A historical survey of attempted negotiations worldwide reveals that they nearly always have foundered when core values—those affecting a principal's existence or identity—were at stake, as is the case with Iran's central demand for punishment of Saddam Husayn. []

Iran has focused on the idea of an international tribunal that would assess blame against Iraq for starting the war and then levy punishment. According to the UN Secretary General, Iran views this as a four-stage process—determination, judgment, punishment, and reparations. Secure in its assumptions about fault for the hostilities, Tehran has stated that an impartial tribunal need take only two to three days to deliberate and judge Iraq the aggressor, but that assessing appropriate punishment is a legal process that could require a year or more. Iran at least has implied a willingness to negotiate the terms of punishment, but we see no hard evidence so far that Iran defines punishment in any other terms than removal of Saddam as ruler of Iraq. []

Iraq accepts the concept of a tribunal and believes it has a good case of its own. According to UN documents and Embassy reporting, Baghdad would like a tribunal to be judicial in nature and to determine not only who started the war but also who is responsible for the continuation of the war, that is, Iran. The Iraqis believe any impartial tribunal would be influenced by the Iranian provocations that led to the Iraqi invasion. Embassy reporting indicates the Iraqis believe they can make a case for their massive move into Iran on the grounds that there are no broadly accepted norms for correct proportionality of response to provocation. []

A settlement on the issue of blame that we judge would be least objectionable to both sides probably would have two general aspects:

- A carefully worded judgment by a respected body about the start of the war. Such a judgment would have to be pointed enough in criticizing Iraq to satisfy the Iranian demand for blame, yet qualified enough that the Iraqis do not reject it. 25X1

- The establishment of a "reconstruction fund" as a form of negotiated reparations, whose payments would be skewed to favor Iran. [] 25X1

To be accepted by both Iran and Iraq, a statement would have to be laboriously coordinated with them, regardless of the makeup of the tribunal or commission. Some of the elements of a finding might be that: 25X1

- Iran and Iraq both took actions that fueled tension in the year before the war started.
- Iraq violated several articles of the UN Charter by occupying territories without thoroughly exploring peaceful alternatives.

- The international community, including the United Nations, is partly to blame. The UN Security Council, distracted by the Soviet move into Afghanistan and the US-Iran hostage crisis, neglected to take action to stem the escalating tension between Iran and Iraq before the war began and was not impartial in its early attempts to deal with the hostilities. (The UN Charter does not fully cover the circumstances surrounding the start of a war. It is vague in specifying when a country can defend itself with force and the proportionality of such an action.) 25X1

- Iran is at fault for continuing the war long after Iraq sought a negotiated settlement.

- Iraq has repeatedly used chemical weapons in the war. [] 25X1

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We judge the most workable arrangement for reparations would be a multibillion-dollar fund with contributions primarily from the GCC states and with payments lopsided in favor of Iran. The fund probably would be cast as a "reconstruction" fund to avoid the implication of war guilt by the contributors. If Iran still holds the Majnoon Islands during negotiations, Iraq might be pressed to contribute the equivalent of a share of projected oil revenues from the area. []

historical territorial ambitions in the other's country. Moreover, the international land boundary between the two countries has been largely delineated to both countries' satisfaction. The 1975 Algiers Accord provided favorable concessions to Iran along the Shatt al Arab, the only joint water boundary and the most important territorial issue in negotiations. At times both parties have hinted that they could accept a return to the provisions of the accord. []

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Earlier Iranian demands for several hundred billion dollars are clearly unrealistic, but \$20-40 billion might be more attainable. For comparison, the GCC states have delivered about \$40 billion dollars in aid to Iraq since the war began (a point Iran would undoubtedly raise in negotiating reparations). Japan has hinted that it would be willing to participate in a reconstruction fund, and some West European states may offer to participate as well, particularly if the arrangements guaranteed access to major projects in a post-war reconstruction effort. []

The Iraqi recapture of the Al Faw Peninsula is a major step in restoring the borders to their prewar status and will ease settlement of territorial issues in negotiations. Al Faw has great strategic importance because of its location along the western side of the Shatt, and Iran's loss of the territory will weaken Tehran's hand in negotiating the future of the Shatt. By holding Al Faw, Iran could render Iraq landlocked, since it would control both banks of the Shatt al Arab at its mouth and, therefore, access to Iraq's only deepwater port—Al Basrah. Until 1975, all treaties dealing with the Shatt al Arab had failed because they required Iranian ships bound for Abadan and Khorramshahr to traverse Iraqi territorial waters. Any outcome that resulted in Iran controlling the Shatt al Arab would produce the opposite and more serious effect on Iraq—and probably lay the groundwork for future conflict. []

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A formula for a reparations fund would have several difficult aspects: Iran wants a "peace commission" to come to Iran to determine actual damages—a process that would take at least several months. A timetable for payment would have to be established (a 10-year period might be appropriate). Even then, the total amount for such a fund would be largely dictated by the willingness of the GCC states to contribute. The money promised probably would fall well short of money delivered, causing some friction between Iran and the GCC states.⁴ Because Iran, Iraq, and all of the GCC states except Oman and Bahrain are members of OPEC, questions of oil prices and OPEC quotas may become integral to negotiations over reparations. []

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The Iranian occupation of Iraq's Majnoon Islands will complicate negotiations. The manmade islands in the Hawizah Marsh north of Al Basrah cover a significant, although undeveloped, oilfield. Tehran has suggested in the past that the oil from the Majnoons could be applied to reparations after the war, implying that Iranian departure from this territory will not come cheaply for Iraq. []

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Territorial Disputes

Theoretically, the border issues should be relatively easy to settle. Neither side harbors significant

Still, in our view, Iran will have to leave occupied territory as part of a settlement acceptable to the current Iraqi regime. We believe that, once Iran has

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⁴ An example of GCC aid shortfall is the Baghdad Pact commitments—the 10-year aid package mandated at an Arab summit meeting in 1978 from the wealthy Gulf states to Jordan, Syria, and the Palestine Liberation Organization. The Gulf states agreed to provide \$35 billion over 10 years (\$3.5 billion per year). In no year was the full amount paid. At the end of 1987, the ninth year, \$17 billion of a promised \$31.5 billion, or 54 percent, had been paid. []

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Evolution of Shatt al Arab Dispute



History of Iran-Iraq Border Disputes

The Iran-Iraq border extends for more than 1,480 kilometers between the border with Turkey and the mouth of the Shatt al Arab. No single geographical feature delineates the border, which—with significant exceptions along the Shatt—crosses lightly populated and economically unimportant territory. Since the first known bilateral treaty in 1639, disputes over the land boundary have been relatively minor, with frictions usually resulting from repeated failures to demarcate the boundary properly.

The Shatt—a waterway formed by the confluence of the Tigris and Euphrates Rivers—serves as the border for 105 kilometers, and control of shipping on the Shatt and sovereignty over the waterway have been contested for centuries. Iraq has long perceived that its interests in the Shatt were more vital than Iran's, justifying its claim for full sovereignty. The waterway is Iraq's only outlet to the sea from its only deep-water port at Al Basrah, whereas Iran has a long coastline on the Persian Gulf. This reasoning originally was presented by the Ottoman Turks and reluctantly conceded by Persia in 1639. The Iranians grew unhappy with Iraqi sovereignty as their cities along the Shatt became more important

economically, particularly with the increased importance of oil and concentration of Iran's oil industry nearby. Ottoman, and later Iraqi, efforts to limit Iranian shipping and to charge import duties aggravated the situation.

Iran continually sought to change the river boundary. It gained a concession from Iraq to move the boundary from the eastern bank to the thalweg in a small area opposite the Iranian city of Abadan in 1937. A navigation convention in that treaty was never honored, however, contributing to Iranian frustrations. In 1969, the Shah abrogated the 1937 treaty, and relations between Iran and Iraq worsened.

Fear of war and a willingness on both sides to make trade-offs on Iranian support for Kurdish dissidents in northern Iraq and on Iraqi control of the Shatt led to the Algiers Accord of 1975. For the first time the entire boundary was moved to the thalweg, restricting Iraqi sovereignty to the western side of the Shatt. Baghdad's contention that the treaty was forced on it has contributed to its desire to reestablish full sovereignty over the waterway.

decided to enter serious negotiations to end the war, it will be willing to leave the Majnoon Islands and other, less important, occupied territory, but not without fully exploiting its position at the bargaining table.

We believe the formula for the Shatt al Arab most likely to succeed would be a return roughly to the terms of the Algiers Accord of 1975, with the international border drawn at the thalweg as specified in the accord. Both sides probably could agree on the general principles of freedom of navigation, equal access to the river, and the formation of a river commission.

Once Iran and Iraq agree in principle to solve the Shatt al Arab dispute, more detailed, and probably contentious, discussions of the rights, uses, and obligations would have to follow for the river to open to traffic. Questions such as whose flags fly on ships entering the Shatt and whose pilots are used were burning issues before the war started. We believe a workable solution would be the establishment of a Shatt commission that would provide:

- A means for continuing contact between the two countries to address detailed Shatt issues.
- Channel and navigational maintenance and pilots.
- An organization to collect tolls (even set tolls, if given the authority) and organize personnel.

We believe that a Shatt commission would have to be at least trilateral in scope, to consist of Iran, Iraq, and a third party, such as the regional UN economic commission. With Iraq and Iran alone probably incapable of establishing or maintaining the simplest of commissions, the third party could provide some objectivity and reduce the possibility that disagreement over the Shatt would erupt into conflict. []

Good Neighborliness

A number of lesser, but still important, issues fall into the category of maintaining correct relations between the two countries. These issues are likely both to present stumblingblocks in negotiations and to be used for minor concessions to break deadlocks. The issues and possible solutions include:

- *Cessation of support to dissident groups.* Renewed Iranian support to the Kurds was claimed by Iraq as a major reason for abrogating the Algiers Accord just before invading Iran in September 1980. We believe the parties could, as in the past, reach an agreement of mutual noninterference in the internal affairs of the other, although covert support for dissident groups probably would continue. Iraq would press Iran at least to curtail the activities of the dissident Shia Da'wa party, and Iraq probably would be willing publicly to limit support for the Iranian leftist Mujahiden-e Khalq organization and Arab separatist groups in Khuzestan.
- *Exchange of prisoners.* Baghdad's continuing stress on the return of Iraqi prisoners of war underscores the importance it attaches to this issue. Iran holds more than 75,000 prisoners of war and Iraq holds about 20,000. We judge that both sides would return the prisoners of war, fearing most that their own nationals had been brainwashed or recruited as agents while confined by the other side.
- *The Iranian demand that Shias exiled from Iraq since the Iranian revolution be repatriated.* One Iraqi reaction to Iranian provocations before the war was to exile more than 60,000 Shias of Iranian extraction suspected of sympathizing with the clerical regime in Tehran. We believe that Iraq would be willing to accept some of the exiles. Iraq's ruthless internal security apparatus, however, would watch

them closely and imprison or perhaps even execute some. Iraq would almost certainly strongly resist Iranian efforts to link the return of Iraqi prisoners of war to the return of these exiles.

- *Iranian Shia access to holy sites in Iraq.*⁵ Baghdad would not relinquish sovereignty over holy sites in Iraq but probably could offer an annual quota of pilgrimage visas to Iranians. Iraq could use modulation of this number as a bargaining card. For comparison, Saudi Arabia has received requests for as many as 300,000 Iranian pilgrims in one year but has allowed only about 150,000 Iranians to make the annual pilgrimage to Mecca in recent years.
- *Normalization of relations.* A comprehensive settlement might also have provisions for the reestablishment of diplomatic ties and commerce and the cessation of hostile propaganda. The two countries maintained embassies in one another's capitals through the first seven years of the war. The trade relationship between them has always been small, however, and prospects for future commercial ties are limited. []

Cease-Fire and Withdrawal

As the haggling in the United Nations over implementation of Resolution 598 demonstrates, procedural questions can prove extremely difficult to overcome. Iraq insists on the sequential implementation of the resolution—cease-fire and withdrawal to international borders as the first step, then negotiations—while Iran insists that a cease-fire be linked to the establishment of a commission to establish blame as the first step. []

⁵ Since the outbreak of the war it has been impossible for Iranians to visit the two holiest shrine cities for Shias—An Najaf and Karbala' in Iraq. This inaccessibility has greatly enhanced the significance for Iranian Shias of the holy cities in Saudi Arabia, particularly Medina, and is a contributing factor to the increased tension between Iran and Saudi Arabia at the annual pilgrimage. []

Iran rejects the proposal that withdrawal occur before negotiations, and we believe that Iran would not leave Iraqi territory, unless forced out militarily, before negotiations began—or even in their early stages. For its part, we believe Iraq would not tolerate for long a cease-fire in place and continued Iranian occupation of Iraqi territory. Iraq would probably prefer negotiations while fighting continued to a cease-fire in place, because Iran could rebuild militarily during a cease-fire while still holding Iraqi territory. [redacted]

To be workable, we believe that overall negotiations would have to proceed while Iran still holds Iraqi territory. Withdrawal from occupied territory would probably have to be near-simultaneous with the implementation of other aspects of a negotiated settlement, such as the return of prisoners of war. [redacted]

A benefit to Iraq for changing its stance and accepting a cease-fire without prior Iranian withdrawal is that it would enmesh Tehran in a peace process. We believe the clerical regime might find it difficult to disengage from the process once started, increasing the pressure on Tehran at least to develop and refine its terms for a settlement. The process could allow for at least a tacit end to the war. [redacted]

The procedure for monitoring withdrawal and postwithdrawal treaty adherence will probably require international monitoring. We judge that an international—UN or Organization of the Islamic Conference (OIC)—observer force may be necessary at least during withdrawal and perhaps on a long-term basis. As an alternate possibility, Iran and Iraq may prefer to exchange observers. [redacted]

Resolution 598 calls for a team of UN observers to “verify, confirm and supervise” the cease-fire and withdrawal. An arrangement might be reached similar to those made between Israel and Syria and Israel and Egypt, where regular third-party reconnaissance flights are made to ensure adherence to terms of disengagement. [redacted]

Table 1
Belligerents' Willingness To Compromise ^a

	Possibility of Compromise	
	Iraq	Iran
Key issues		
Blame and punishment		
Iranian demand for the removal of Saddam Husayn and the end of Ba'thist rule in Iraq	Nil	Low
Impartial tribunal judgment blaming Iraq for starting the war and holding Iran responsible for continuing the war	Medium	Low
Reparations from Iraq and/or its allies to Iran	High	Medium
Territorial issues		
Return to prewar land and water boundaries with the evacuation of occupied territories	High	Medium
Procedural issues		
Cease-fire and withdrawal		
Cease-fire and withdrawal preceding negotiations	Medium	Low
Initiation of negotiations while fighting continues	Medium	Medium
Broad negotiations before troop withdrawals to prewar boundaries	Low-Medium	Medium-High
Other issues		
Establishment of diplomatic relations and Shia access to holy sites in Iraq	High	High
Exchange of prisoners	High	High
Repatriation of Iraqi Shias	Low	Medium-High
Cessation of support to dissident groups	High	Medium-High
Establishment of governing regime for Shatt al Arab waterway	Medium	High
Establishment of formula and timetable for reparations	High	High
Enforcement procedures for monitoring withdrawals, border security, and treaty adherence	High	High

^a This table assumes a context in which the war is stalemated and Iran and Iraq commit themselves to a negotiated settlement. The judgments of willingness to compromise are based on our assessment of the intrinsic value of each issue to the belligerents.

Negotiations and Settlements Between Iran and Iraq

Since the onset of the current war, Baghdad and Tehran have successfully settled some issues:

Exchange of Prisoners of War. During the past few years Iran and Iraq have regularly exchanged some of their prisoners of war. Iraq had tried to link the exchange to a comprehensive settlement of the war but dropped this demand rather than block the exchange. Iran, although angered on occasion by reports from the International Committee of the Red Cross (Red Crescent) and the United Nations condemning Iranian abuses of prisoners, has allowed the exchange to continue without the propaganda benefits it had sought. Turkey, the Red Crescent, and the United Nations have assisted in negotiating and implementing the exchanges. [redacted]

Moratoriums on Attacks on Civilian Areas. Iran and Iraq have temporarily agreed to partial cease-fires—halting air and Scud surface-to-surface missile attacks on cities—on several occasions. The first moratorium followed an appeal by the UN Secretary General in June 1984. We believe that the Secretary General's appeal only provided a pretext for a cease-fire that both sides anxiously wanted. Tehran and Baghdad were suffering from the attacks, and the regimes were worried about domestic instability. Both sides accommodated the Secretary General and allowed UN observer teams to monitor compliance. After a respite, however, Iraq renewed its air attacks on Iran's cities as a response to Iranian offensive action. [redacted]

Another moratorium was temporarily accepted by both parties at the Secretary General's insistence in early 1985. After a visit to the area in April 1985, the Secretary General noted that the moratorium was not

being observed. The "war of the cities" reached its peak of intensity in early 1988. Iraq has on several occasions declared unilateral halts in missile and bombing attacks, and Tehran has responded by stating that it would attack civilian areas only in retaliation for Iraqi air raids. [redacted]

Trapped Ships and Oil Spills. Iran and Iraq tried to negotiate two other issues, but failed, probably because neither country believed that its interests were directly affected by the outcome. UN Special Representative Olaf Palme tried to use negotiations to free neutral shipping trapped in the Shatt al Arab as a steppingstone to more comprehensive discussions. Aspects of the proposed release, however, touched on sovereignty issues—whose flag the ships would fly and who would pay for the dredging necessary to free the ships—and agreement could not be reached. Neither Iran nor Iraq was willing to have its claims to the Shatt diminished to allow neutral ships to leave. More than 50 ships remain stranded. [redacted]

In early spring 1983, Iraq attacked several Iranian oil platforms in the Persian Gulf, creating a large oil spill. Iraq—whose coast was not threatened by the spill—was urged by the other Gulf littoral states and the United Nations to stop its attacks and allow Iran to repair the platforms. Because the oilfields were already closed and Iran suffered no loss of oil exports, Tehran was in no rush to agree to a settlement. The Iranians were concerned that they would be pressed to expand a limited cease-fire to cap the wells into a general cease-fire to end the war. Negotiations between Iran and the Gulf Cooperation Council in May 1983 made no progress and Iran ultimately capped the wells without an agreement. [redacted]

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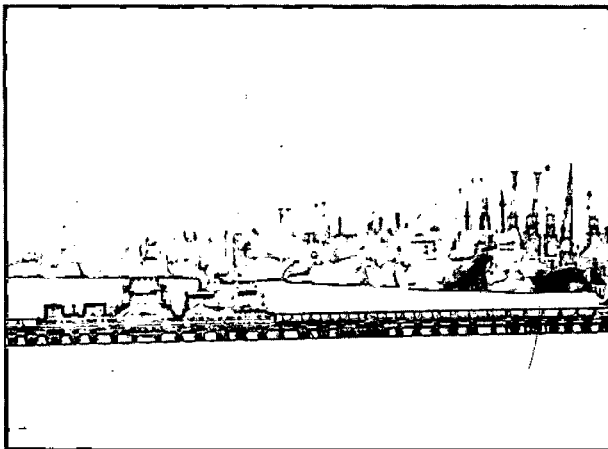


Figure 8. Ships trapped in the Shatt al Arab since 1980 [redacted]



Figure 9. Under the supervision of the Red Cross, 40 Iranian prisoners of war are exchanged for 40 Iraqis at Cyprus airport, 25 August 1981 [redacted]

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We believe that neither side is likely to insist on more than withdrawal to international boundaries. Should either side insist on reduction of troop strengths along the border or demilitarized zones, however, this issue will become enmeshed with questions of sovereignty and noninterference in internal affairs. [redacted]

The Framework for Peace

The Negotiating Format

We believe that successful negotiations almost certainly will:

- Involve a single mediator and the two belligerents.
- Begin while Iran still holds Iraqi territory, despite Baghdad's long-held reservations.
- Lead at least to an end of hostilities and withdrawal to recognized borders. [redacted]

Should negotiations be successful, other third parties probably would be involved in supervising and policing any settlement. Implementation of the settlement is likely to be spread out over a long period and some issues—such as regulation of the Shatt al Arab—may end up in arbitration and perhaps remain unresolved. [redacted]

The Algiers Accord in 1975 is an example of successful mediation between Iran and Iraq that we believe contains lessons applicable to any negotiated settlement of the war:

- *Creative and persistent mediation is essential.* Algeria not only detected that the parties were ready for settlement but also insisted that Algeria be present at, and signatory to, all follow-on technical discussions. President Boumedienne firmly believed that, if Iran and Iraq were left to their own devices at any point in the process, negotiations would probably collapse. Separate UN and Turkish efforts in 1974 foundered largely on the lack of follow-through by an effective mediator and not the inability of Iran and Iraq to come to terms.
- *Both sides were willing to make major trade-offs.* Iraq conceded some sovereignty over the Shatt al Arab, and Iran ceased its support for the Kurds—concessions viewed as roughly equitable and certainly preferable to the costs of a possible war. We believe that Boumedienne's role was key to making the two sides more conscious of the advantages of trade-offs.

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Figure 10. UN Secretary General Kurt Waldheim (right) confers with Olaf Palme, his Special Representative on the Iran-Iraq situation, November 1980

- *General agreement was first reached at the highest level, and technical arrangements followed.* During the period 1969-74—marked by failed mediation efforts—repeated requests for clarification of the two sides' positions evoked responses that were ever more legalistic, rigorous, and intractable. This only complicated efforts to overcome differences and reflected that neither country's leadership was ready to make the necessary compromises.

Third-Party Involvement

We believe that a third-party mediator will be a necessity. In past indirect discussions during the war, both Iran and Iraq have been aggressively difficult—using invective, unconditional demands, and other tactics to hinder negotiations. Both have been frustratingly ambiguous bargainers. A third party would help overcome barriers to communications, clarifying positions while eliminating unproductive propaganda and providing relatively unbiased information.

We believe that a single third party would serve best as a mediator to the conflict. Groups or representatives of groups often have limited flexibility in brokering a resolution. Moreover, both Tehran and Baghdad have raised objections to negotiating efforts of groups such as the United Nations, the Nonaligned Movement, and the OIC in the past because of perceived biases in group representatives or members. We believe that Iranian resentment over past UN Security Council actions and Tehran's perception that the

The 1975 Algiers Accord

I am happy to announce that last night an agreement was signed that completely eliminated the conflict between the two brotherly countries, Iran and Iraq.

Algerian President Boumedienne at the closing session of the OPEC summit meeting held in Algiers, 6 March 1975

The agreement signed between Iran and Iraq at Algiers and successfully implemented until the fall of the Shah came as a surprise to nearly all observers, who had concluded that the hostility generated by the Shatt al Arab river dispute, increasing military incursions along the ill-defined central border area, and Iranian aid to Iraq's Kurds made a settlement impossible and war an increasing likelihood. The agreement—the result of two private, intensive discussions brokered by the Algerian leader between Saddam Husayn and the Shah of Iran—contained three primary points of agreement:

- *To proceed with the permanent demarcation of their land border.*
- *To delimit their water boundary at the thalweg of the Shatt al Arab. (This was Iraq's major concession.)*
- *To put an end to all infiltrations of a subversive character, that is, Iran would cease its support for Iraq's Kurds.*

Iran and Iraq basically agreed to a trade-off between sovereignty over the Shatt and support for the Kurds—the central border question having been settled by an earlier UN good offices mission. Iraq, recognizing its inability to enforce its sovereignty over the Shatt in the face of Iranian military strength, acceded to Iranian demands. In return, Tehran ended its support for the Kurds, whose questionable ability to withstand a prospective Iraqi offensive made them less of an asset to the Shah.

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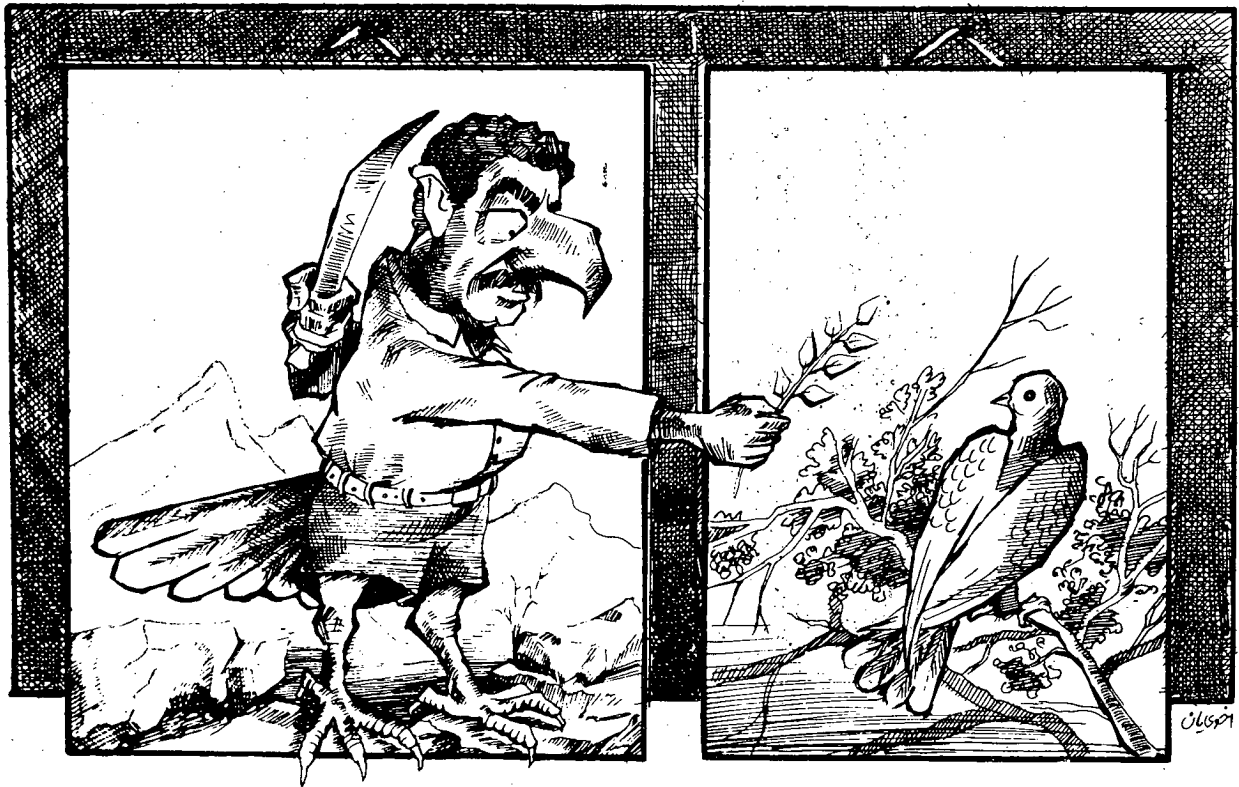


Figure 11. Iranian view of Iraqi willingness to end the war [redacted]

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United Nations is biased in favor of Iraq will prevent the UN Security Council from playing a direct mediatory role. Iran has been dealing with the Secretary General, and he, or a special representative, might be involved in negotiations as long as he is seen as acting independently of the Security Council. If a high-level leader from a single third country were involved, he might foster higher level participation by leaders in Iran and Iraq. [redacted]

Given the likelihood that a settlement will require a tribunal, a regime to govern the Shatt al Arab, and possibly a peacekeeping force, a single mediator probably will need help from other countries and international organizations. Because determining when the parties are ready for peace is difficult, a persistent UN effort in pushing Iran and Iraq toward negotiation would help set the stage for eventual mediation. [redacted]

Potential Mediators

Many countries and organizations have expressed an interest in brokering a settlement (see appendix A). In our judgment, however, many of these third parties will not be suitable brokers. Syria, Pakistan, and the Gulf Arabs, for example, suffer a lack of credibility with one side or the other. Japan unsuccessfully tried to act as an intermediary to deescalate the conflict at times between 1983 and 1986, but the current Japanese Government is less inclined to get involved. [redacted]

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We believe that Turkey and Algeria are well positioned to serve as mediators. They have made the most credible previous efforts. [redacted]

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Turkey. In our judgment, Turkey is the most suitable mediator and the one most likely to be accepted by Tehran and Baghdad. Since Iran and Iraq closed their

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embassies in each other's capitals last year, Turkey has represented both countries. For several years Ankara has helped broker prisoner-of-war exchanges. Turkey has expressed a willingness to serve as mediator, and Prime Minister Ozal probably believes that such a role would enhance Turkish prestige at a time when Ankara is seeking greater regional influence.⁶

A successful mediation would certainly accelerate improving Turkish ties to the Arabs. Ankara—which already has strong economic ties to both Tehran and Baghdad—is interested in positioning itself for the postwar reconstruction in both countries, giving it a greater incentive to try to end the war. Turkey also wants the war stopped to end threats to its oil pipelines and trade and to reduce its Kurdish minorities problem.

Algeria. We believe that Algiers is a likely mediator because it has successfully mediated between Iran and Iraq in the past, is the Arab country that Iran most trusts, and has demonstrated a motivation to succeed in mediating this conflict. The Algerians are confident in their abilities to broker a settlement, and we believe that they probably could perform the duties of mediator better than most other candidates. In our judgment, Algeria wants to mediate mainly in order to enhance its credentials and improve its posture in the Arab world. It is unlikely to push attempts at mediation and waste its reservoir of good will until it senses that both sides are ready to negotiate.

The Soviet Role

We believe that the Soviet Union is poorly placed to mediate, largely because it is distrusted by both sides. It also has been noticeably absent from previous efforts to mediate an end to the conflict. The Soviets are more likely to play a secondary role, either using their contacts with the belligerents to facilitate movement or working through the United Nations.

⁶ Ankara also might want to display to the United States and Europe its importance as a bridge between the West and the Middle East by taking on the mediation. Turkey may seek additional US military and diplomatic support if it succeeds.

Iraq would be particularly uncomfortable with Soviet mediation. Although Baghdad has cordial relations with Moscow, the Iraqis probably suspect the Soviets would sell them out in negotiations for the opportunity to improve the Soviet position in Iran.

Moscow's acceptability with Iran has improved somewhat after several years of limited contacts and deep suspicion, and Iran may increasingly urge Moscow to act as middleman with the Iraqis. Tehran has recently sought improved relations with Moscow to gain leverage with the West and the GCC states and may see Soviet mediation as furthering that goal. Soviet withdrawal from Afghanistan will remove a major cause of Iranian suspicion of Moscow.

Meanwhile, we believe that the Soviets will try to use their clout—as they have in the United Nations with Resolution 598—to keep the door open to improved relations with Iran without jeopardizing their relations with the Arabs. The Soviets also may move to block UN actions or to denigrate other mediation efforts that appear to favor US interests.

Moscow has many options with which to prod Iran and Iraq should it choose involvement in efforts to end the war. The Soviets are Iraq's major arms supplier, and the East European states supply Iran with 15 to 20 percent of its weapons. North Korea supplies Iran with an additional 20 percent of its military equipment needs but is less likely than the Warsaw Pact to comply with Soviet wishes to curtail weapons sales to Iran. The Soviets could also shut down Iranian civilian aircraft flights over Soviet territory, obstruct or close the Soviet-Iranian rail link, or harass Iranian fishing and cargo vessels in the Caspian Sea. Moscow could even deploy its troops in a threatening manner along the Iranian-Soviet border, but such a move clearly would be unlikely in the context of peace efforts.

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Implications for the United States**Negotiations**

We do not believe that Iran or Iraq would accept the United States as mediator, but the GCC states, and perhaps the belligerents as well, will look to Washington for support in any peace effort. The mediator might ask the United States to offer inducements to the players—such as a reduction in the US military presence in the region and access to US markets and technology when hostilities end. Baghdad is likely to support a postwar reduction in the US presence in the Gulf. We believe that long-held Iranian suspicions about US designs on Iran and likely attempts by Tehran to portray undesirable proposals as US sponsored argue for US support to the negotiations to be as low-key as possible. Should negotiations be viewed as an outgrowth of the US presence in the Gulf and vigorous US efforts in the United Nations, the United States could benefit from its perceived prudent use of force, even if it has no meaningful role in negotiations.

If Iran places demands on the United States as part of a comprehensive settlement, negotiations could serve as a vehicle for increased contacts and improved relations. Tehran may call on the United States for assurances that Washington will not attempt to destabilize the clerical regime and that a reduction of US forces in the Gulf will follow an end to the war.

Peace

A negotiated end to the Iran-Iraq war along the lines outlined above would have a mixed impact on US interests. On the positive side, a negotiated settlement would:

- Probably push oil prices down as both sides increased their output and the threat of a disruption of the oil flow from the Gulf is reduced.
- Reduce the need for the United States and the Soviet Union to make sharp choices between Iran and Iraq and reduce the likelihood that the conflict would escalate to involve outside powers.
- Remove some of the obstacles to improved US-Iranian relations. Should Iran and Iraq focus on postwar reconstruction and economic reforms, the

United States and the West would have more to offer than the Soviet Union. US economic ties to Iraq would probably also improve.

The war has produced positive trends for the United States that may be weakened or reversed if a settlement is reached. The war has often distracted the Arabs from the Arab-Israeli arena, where they generally view US policy negatively, and focused their attention on a Gulf conflict where US goals complement Arab goals. It has provided the impetus for improved US-GCC security cooperation. The war has fostered Iraqi moderation, given Baghdad's reliance on moderate states—Saudi Arabia, Jordan, and Egypt—and accelerated Egypt's political reentry into the Arab world. The conflict also has been a major barrier to improved relations between Syria and Iraq.

The Oil Factor. An end to the war almost certainly would put at least temporary, and possibly longer term, downward pressure on oil prices. Psychological factors, particularly market expectations that both Iran and Iraq would increase production to assist in postwar reconstruction, would play a key role in price movements. Divisive issues within OPEC, such as setting the Iraqi production quota, probably would remain unresolved, adding to uncertainty in the market.

Of the belligerents, Iraq is more likely to seek a substantial increase in its oil production. Iraq's Oil Minister recently stated that in a postwar environment Iraq will insist on an OPEC production quota equal to that of Iran. Although Iraqi production is presently constrained by its pipeline capacity, the expected opening of a second pipeline across Saudi Arabia later this year will increase Iraq's export capacity by about 1 million barrels per day to over 3.5 million barrels per day. Moreover, a settlement probably would renew Iraq's access to the Gulf, allowing an eventual resumption of exports through its southern ports.

Iraq has increased its exports to well over OPEC-mandated levels during the past year, despite Saudi pressure to cut production. If a settlement to the war

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The United Nations and the Iran-Iraq War

Efforts by the United Nations to end the Iran-Iraq war have not fared well. Over the course of the war the UN Security Council has passed nine resolutions and issued numerous statements expressing the Council's concern and urging Iran and Iraq to settle their dispute peacefully. Although most of the resolutions were adopted unanimously, none has been followed by enforcement resolutions, allowing Baghdad and Tehran to ignore UN appeals without fear of repercussions.

The basic terms of all the resolutions call for both sides to accept a cease-fire, withdraw all forces to recognized international boundaries, and, later, to abide by international laws regarding prisoners, the rights of neutral shipping, and chemical warfare. Following complaints from the Gulf Arab states in 1984, the resolutions added demands that attacks on nonbelligerent shipping should cease and that free navigation in international waters and the territorial integrity of nonbelligerents be respected.

Iraqi and Iranian Perceptions

Iraq. Baghdad has generally accepted the UN resolutions without conditions because the mediation steps cited—particularly in the first few resolutions—served Iraq's purpose of bringing its planned limited war to an end. After the tide of the war turned against Iraq, Baghdad tried to accommodate the United Nations, accepting the call for a tribunal to determine which country started the war and to decide on reparations. It also backed away from its demands for full sovereignty over the Shatt al Arab.

Iraq has demanded that Resolution 598 be implemented with strict adherence to the provisions calling for a cease-fire and the withdrawal to recognized boundaries as the first step. ^a Iraq fears that Iran will not follow through on the troop withdrawals, and probably also lacks confidence in the United Nations'

^a Iraq has reversed its position since Iraqi troops withdrew from Iranian territory. Until that time, Baghdad wanted negotiations to precede a withdrawal. Ironically, Iran also has reversed its position, first demanding a strict timetable and then adopting the old Iraqi demand of a settlement in stages.

ability to supervise implementation. This year Iraq refused to cooperate with the United Nations when Iraq's use of chemical warfare was investigated, and Baghdad became critical when it appeared the United Nations might weaken its stand on Resolution 598. Baghdad has also begun to criticize the Secretary General for a perceived favoritism toward Iran.

Iran. Except for Resolution 598, Iran has rejected all of the UN resolutions. Tehran does not trust the UN Security Council as an unbiased forum, and it believes that, from the start of the war, the United Nations has favored Iraq. Iran's rejections usually have been based on the Security Council's failure to condemn Iraq's initial act of aggression. In some diplomatic circles, as a precondition to its entering negotiations, Iran has even suggested that the Security Council admit the error of its ways or make other recompense for its past favoritism toward Iraq. Iran has shown a willingness to work with the current Secretary General.

In addition to demanding condemnation of Iraq and war reparations as part of the UN resolutions, Iran has further obstructed the UN efforts by refusing to agree to the timetable requested by Iraq. Iran has held that the application of specific proposals should not be made conditional on a cease-fire, preferring a step-by-step process. Tehran probably believes that such a process reduces its dependency on UN supervision in a settlement by making Iranian military forces holding Iraqi territory the ultimate guarantor that Baghdad fulfill its obligations.

The United Nations in Perspective. *On balance, the United Nations has proved so far to be a weak forum for spurring either Iran or Iraq to compromise on key issues and begin negotiations. The generalities of the first few resolutions were designed to offend none of the Security Council members or Iraq—which appeared in the stronger position militarily—and almost insultingly ignored Iran's main concerns. All subsequent UN efforts, particularly the Security Council's, have suffered from Iran's mistrust. Moreover, we believe the failure to condemn Iraq for*

initiating general warfare and, later, for using chemical weapons robbed the Security Council of any remaining neutrality and moral standing in Tehran.

The timing of many resolutions also diluted their impact, particularly in Tehran. Tehran's suspicions of the UN efforts undoubtedly were aroused when the resolutions appeared following Iranian military victories or after the importunings of the Gulf Arabs. Resolution 598 in particular was scorned by the Iranian leadership as being an adjunct to US military moves in the Persian Gulf in the summer of 1987.

The lack of enforcement provisions probably has been the resolutions' greatest weakness. Tehran and Baghdad have remained inflexible in many instances because they did not fear repercussions. Also, Iran's and Iraq's arms suppliers have continued their trade freely because the Security Council has not sought to identify and condemn nonbelligerents violating the resolutions' calls to abstain from actions that might prolong the war.

UN Resolutions Pertaining to the War

- **Resolution 479 (September 1980)** ... called for immediate cease-fire ... asked other states to prevent widening of conflict ... adopted unanimously ... accepted by Iraq with conditions ... rejected by Iran, which refused to negotiate until Iraqi forces withdrew.
- **Resolution 514 (July 1982)** ... added demand for withdrawal of all forces to recognized international boundaries and allowed dispatch of UN observer team to monitor cease-fire ... adopted unanimously ... Iraq agreed to cooperate ... Iran considered resolutions nonbinding and asked Secretary General why the United Nations was taking action now that Iraq was losing.

- **Resolution 522 (October 1982)** ... repeated earlier calls and welcomed willingness of "one of the parties" [that is, Iraq] to adhere to Resolution 514 ... adopted unanimously.

- **Resolution 540 (October 1983)** ... repeated earlier calls ... condemned violations of international humanitarian laws ... called on both sides to cease all hostilities in the Gulf and its waterways ... adopted 12 to 0 with Malta, Nicaragua, and Pakistan abstaining.

- **Resolution 552 (June 1984)** ... prompted by complaints by Gulf Arab states, condemned attacks on shipping ... implicitly critical of Iran ... adopted 13 to 0 with Nicaragua and Zimbabwe abstaining.

- **Resolution 582 (February 1986)** ... deplored initial acts that led to war, continuation of hostilities, escalation of conflict, violations of humanitarian laws, and the use of chemical warfare ... repeated earlier calls, but a more balanced resolution ... adopted unanimously ... Iran rejected it as it did the others because of Council's failure to condemn Iraq's initial act of aggression.

- **Resolution 598 (July 1987)** ... reaffirmed Resolution 582 ... demanded cease-fire and withdrawal as a first step toward negotiated settlement, decided to consider, as necessary, measures to ensure compliance [that is, a binding resolution embargoing arms to the party(ies) not accepting Resolution 598] ... Iraq accepted on grounds that it be implemented sequentially ... Iran stalled, never formally accepting or rejecting ... adopted unanimously.

were reached, Saudi aid to the Iraqis would almost certainly be cut, giving Riyadh less leverage over Baghdad and giving Iraq added rationale for seeking increased oil revenues. []

Iran's motivation for increasing production will not be as strong as Iraq's, in our view. Iran, traditionally a price hawk in OPEC, probably would push for OPEC production restraints to keep prices high. Moreover, multibillion-dollar reparations from the Gulf Arabs would help finance reconstruction, dampen the need for an immediate increase in oil revenues, and encourage oil policy moderation on Iran's part in order not to antagonize its Gulf creditors. []

The Soviet Role

The Soviet position in the region probably would be substantially improved if the Soviets played the key mediating role in negotiations, a prospect we view as unlikely. Nonetheless, a Soviet support role would also provide benefits to Moscow, particularly if the Soviets had fully withdrawn from Afghanistan. In addition, we believe the Soviet Union would continue to make inroads in the Gulf by improving its diplomatic position and securing a niche in the GCC arms market. []

But Moscow would still face significant barriers to expanding its influence in the region, and Soviet gains would not translate directly into US losses:

- An end to the war could lay the groundwork for further improvement in Soviet-Iranian ties. Iran would be more tolerant of the Soviets maintaining friendly relations with Baghdad, and there is room for substantial improvement in commercial ties and industrial cooperation. Nonetheless, as long as the clerics hold power in Tehran, fundamental ideological differences will limit the degree of cooperation.
- Moscow's position in Iraq—its best so far in the Gulf—will depend largely on its relations with Iran. We judge that Baghdad will maintain close ties to the Soviet Union but will have more flexibility in its dealings with Moscow since its dependence on Soviet weapons will not be so acute in peacetime. Baghdad will continue to move toward the United

States and other Western nations, but, if either superpower is seen as favoring Iran, Iraq will seek improved ties to the other as a counterbalance.

- The GCC states, particularly Saudi Arabia, may move toward more balanced superpower ties similar to the relationships between Kuwait and the superpowers. The Gulf states, however, will remain suspicious of Moscow. []

Implications of Peace for Iraq and Iran

We judge that even a comprehensive settlement would not improve relations between Iran and Iraq beyond a "cold peace." Tension, deep distrust, and occasional low-level conflict is the historical norm for Iraqi-Iranian relations. In the course of a cold peace, each side would probably accuse the other of backsliding on commitments, but we believe that both would choose to pull up short of risking another costly war. []

For Saddam Husayn, we judge that peace is potentially more dangerous than war. We expect that dissident activity in Iraq would increase after a negotiated settlement. Some Iraqis might seek retribution against Saddam for starting the war. At least some will believe that Saddam made unacceptable concessions to gain a settlement. Nonetheless, we judge that Saddam, relying on his powerful security apparatus, could withstand these challenges. []

The size of Iraq's military, currently the largest in the Arab world, is certain to be substantially reduced after the war ends, but we judge it will remain much larger than it was before the war. In the wake of a settlement, we judge that Saddam would use his military to crush Kurdish resistance and maintain a deterrent along the Iranian border. []

Iran would remain the focus of Iraqi regional policy, as both probably would engage in a peacetime arms race and competition for a dominant role in the

Persian Gulf region. We would expect Baghdad to improve its capability to conduct subversive activity in the GCC states, but we doubt that Iraq would seek to topple these regimes for fear that successor governments would be more akin to the Shia theocracy in Iran than to the Ba'thists in Iraq. At most, Iraq would pressure Kuwait to concede Bubiyan and Warbah Islands, which Iraq has long sought because of its limited access to the Gulf. Baghdad, however, probably would avoid pressing so hard that it caused major instability in Kuwait. [REDACTED]

We judge that Iraq would maintain its close ties to Egypt and Jordan and step up hostility toward Syria, particularly if Syrian President Hafiz al-Assad—a bitter enemy of Saddam—remained in power. Given the high toll of the war, we judge that Baghdad would have no stomach for a new war with Israel, particularly in cooperation with Damascus. Iraq probably would continue to support the Palestine Liberation Organization's position in the Arab-Israeli peace efforts, while tailoring its policies to thwart Syrian domination of the PLO. [REDACTED]

Peace may foster instability in *Iran* as well. The war has served as a bonding agent for groups otherwise disgruntled by poor domestic conditions and kept the military far from Tehran. In addition, the war has been a test of the revolution and those clerics tied most closely to war policy. [REDACTED]

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After resolution of the US Embassy hostage crisis in 1981, many Iranians complained that the regime had not extracted the best possible deal. We expect to see similar grumbling, but on a larger scale, should a settlement to the war be reached. [REDACTED]

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Iranian acceptance that the war can be settled by peaceful means would itself mark a significant moderation of Iranian foreign policy, which may well carry over to a postwar era. The Iranian postwar posture toward Kuwait, Bahrain, and Saudi Arabia undoubtedly will include an element of subversion, but if a settlement includes, as we judge likely, substantial payments from the GCC to Iran, Tehran would temper its actions to avoid jeopardizing these payments. [REDACTED]

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Appendix

Past Attempts To End or Limit the War

Numerous third parties have tried to arrange cease-fires or initiate negotiations between Iran and Iraq since the war began.¹ Although there have been successful intercessions involving peripheral matters and attempts made to use limited negotiations as steps to more significant talks, none have moved the belligerents to a comprehensive discussion of the major issues.

Third parties attempting to mediate the Iran-Iraq war include such international organizations as the United Nations—in the persons of two Secretary Generals and special representative Olaf Palme—the Organization of the Islamic Conference, the Nonaligned Movement, the Gulf Cooperation Council, and the Arab League. Individual countries making initiatives were Algeria, Japan, Turkey, Syria, Kuwait, the United Arab Emirates, Cuba, Pakistan, and India.

The major shortcomings of the third parties involved their inability to perform many of the tasks associated with mediation. Although nearly all received consent from Tehran and Baghdad to attempt mediation, some—such as the United Nations with Iran, and, earlier in the war, Algeria with Iraq—could not overcome the distrust of one or both of the belligerents. The timing of many of the overtures coincided with Iraqi battlefield reverses, further raising Iran's suspicions about the mediators' good will. Other parties, including the Nonaligned Movement, offered no substantive proposals for settlement nor did they offer to facilitate negotiations or police any accord. Attempts to use moral suasion or vague general principles failed to convince either side to surrender beliefs about its own moral position and the justice of its cause. Many of the representatives lacked the prestige to influence the belligerents to pursue negotiations or at least focus on common interests.

¹ Baghdad also has attempted to limit the war, offering several cease-fires during Muslim religious seasons, which Tehran has rejected.

The composition of third parties also caused problems. Large groups, such as the Nonaligned Movement and the Arab League, often could not get a consensus among members over approaches. The Nonaligned Movement may also have been constrained by Iraq's contention early in the war that Arab members could not mediate because Baghdad was fighting for an Arab cause.

Finally, none of the third parties did well at the difficult tasks of clarifying the core issues and presenting possible solutions to the conflict. Efforts to turn side issues into more comprehensive discussions usually failed. Moreover, in the first two years of the war, the mediators had to avoid becoming entangled in Iran's internal power struggles. Some parties, such as Special UN Representative Olaf Palme and the Algerian mediators, realized that the conflict was not ripe for a solution and ended their efforts rather than waste their reserve of good will.

Table A-1
Third-Party Attempts To End or Limit the Iran-Iraq War

Third Party	Significant Attempts	Goals	Results	Comments
United Nations	Palme mission (November 1980-January 1982). Secretary General's messages and appeals throughout the war (including visit to Iran and Iraq in April 1985). Secretary General's visit to both capitals (July 1987).	Good offices; attempted to take negotiations on side issues (for example, neutral shipping trapped in the Shatt al Arab and Gulf oil spills) to more comprehensive discussions. Moratorium on attacks on civilian areas; acceptance of eight-point peace plan; bolster Iran's confidence in the United Nations as a mediator. Acceptance of Security Council Resolution 598; good offices.	All failed. Minimal progress on side issues halted by intransigence of both sides. Iraq kept ships trapped rather than weaken claim to Shatt. Tehran maintained unconditional demands. Moratorium accepted for brief periods in 1984 and 1985 after severe air and missile attacks on both capitals; both sides agreed that peace plan could serve as basis for negotiations but took no action. United Nations unable to overcome Iranian distrust. Iran refused to accept formally or reject resolution, which it calls unjust; Iraq previously accepted resolution, but expressed growing fears of possible UN assessment of Iran.	Palme's international prestige probably enabled him to continue efforts. Palme recognized political will for settlement missing and ended efforts.
Organization of the Islamic Conference	Goodwill Committee visits Tehran and Baghdad and various proposals (September 1980-April 1981). Organization of the Islamic Conference Secretary General Habibullah Chirri visits both capitals (April 1981), followed by President of Bangladesh (May 1981). Various panels formed of heads of state visit both capitals and make proposals (March-October 1982).	Good offices and to present proposals for a cease-fire. Good offices.	Initial proposals favorable to Iraq later rewritten to accommodate Iranian objections. Iran still rejected proposals and committee suspended efforts. No progress.	Unconditional Iranian demands, particularly for punishment of Iraq, left no room for compromise. Organization of the Islamic Conference offered forum to supervise withdrawal and navigation on the Shatt. Both mediators apparently lacked the prestige to influence either side to be minimally accommodating.
Nonaligned Movement	Mediation Committee visits both capitals (April 1982). ^a	Unclear. Committee urged Iran and Iraq to end war and accept nonaligned principles, but offered no solution.	General principles accepted by both sides, but Iraq refused to base settlement on 1975 Algiers Accord and Iran demanded immediate condemnation of Iraq. Delegations later proposed an Islamic tribunal that interested Tehran but ultimately failed. None. Iranian Prime Minister told committee in August 1981 that it was wasting its time. Iran later condemned the Nonaligned Movement at the 1986 summit.	Iraq became more accommodating following Iran's capture of Khorramshahr and Iraqi withdrawal from Iranian territory. Tehran's demand for a tribunal that would assume Iraq's guilt for starting the war paralyzed the mediation efforts. Organization of the Islamic Conference gave up active mediation.
Gulf Cooperation Council	Foreign Ministers of Kuwait and the United Arab Emirates visit both capitals (May 1983).	Present mediation plan and resolve Gulf oil spill issue.	None.	Nonaligned Movement started to disarray and never overcame internal disagreements. Moreover, it made no substantive proposals; it only tried moral suasion to initiate negotiations.
Algeria	Foreign Minister attempts to visit both capitals (May 1982). Prime Minister visits Tehran (May 1983).	Good offices. Reaffirm radical credentials by helping Iran and improving relations with Arab world. Good offices.	Foreign Minister killed en route from Baghdad to Tehran when plane was shot down. None.	Effort made for show and to back up Gulf Cooperation Council calls for action by larger international bodies. Algeria maintained good relations with Tehran. Iraq obstructed most Algerian efforts.
Japan	Foreign Minister visits both capitals to urge settlement (August 1983). Foreign Minister tries to broker settlement in 1984 and between 1985-86.	Demarcate war by securing agreement on freedom of navigation in the Gulf. Good offices and presentation of recent UN resolutions.	Proposals rejected because Tehran would not guarantee the safety of Iraqi ports. None. Baghdad frustrated with Tokyo's tilt toward Iran.	Attempts to revive mediation in 1986 and 1987 rejected by Iran.
Turkey	No significant attempts to mediate the war have been made, although Ankara has expressed a willingness to do so if asked by both sides. Turkey has worked with the Red Crescent Society on the release of Iranian and Iraqi prisoners of war.	Maintain good relations with both sides until opportunity for successful mediation occurs.	Turkey and the Red Crescent Society have facilitated the exchange of prisoners of war since 1983.	Initiatives taken by Foreign Minister between 1981 and 1986 to position himself as future Prime Minister. After 1981, Japan put forward more comprehensive proposals that were rebuffed in the UN Secretary General's peace plan. Tokyo did not appear to have a well-developed strategy.
^a The initial Goodwill Committee included the Organization of the Islamic Conference Secretary General and the President of Pakistan. It was later expanded to include Yasser Arafat, the Presidents of Bangladesh, Guinea, and The Gambia, the Prime Minister of Turkey, and the Foreign Ministers of Senegal and Malaysia. The committee was later broken down into panels dealing with establishing a cease-fire, supervising the agreement, and determining responsibility for the war.				
^b The Mediation Committee consisted of the Foreign Ministers of Yugoslavia, India, Pakistan, Cuba, and Zambia and a representative of the Palestine Liberation Organization. Earlier Cuban efforts on behalf of the Nonaligned Movement Chairman Fidel Castro failed.				

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