

NP, NSC, Pres. Trip Files,
Box 479, Folder: Briefing Bk,
Visit of Nixon to Iran, May 172

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Materials Staff

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PA/HO Department of State
E.O. 12958, as amended
June 21, 2006

NATIONAL SECURITY COUNCIL

INFORMATION
4212

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May 17, 1972

MEMORANDUM FOR: DR. KISSINGER
FROM: HAROLD H. SAUNDERS *Has*
SAMUEL M. HOSKINSON
SUBJECT: Background Reading for Iran Visit

One of the Shah's main concerns in talking with the President will be Soviet penetration in the Middle East, the Persian Gulf and India, as well as the situation in neighboring Pakistan. Since he will ask our assessment, we have put together for you a package of recent intelligence studies and memos done here that should provide you with a firm basis for exchanging assessments with the Iranians. This is for your background; the key points are reflected in your briefing memo to the President. Attached you will find the following papers--summarized below--dealing with these topics:

- At Tab A a memo produced at our request by CIA assessing the development of and future Soviet role in the Persian Gulf.
- At Tab B are two papers we have prepared on the situations in (1) Iraq and (2) Syria. The Shah is always concerned about Iraq, and the Syrian role is also of considerable interest to him.
- At Tab C is a short memo produced by CIA at our request summarizing the development of Soviet military involvement in Egypt over the past five years.
- At Tab D is a recently completed National Intelligence Estimate on the short-term problems and prospects of Pakistan.
- At Tab E is a CIA memo that documents how the Soviets increased their supply of arms to India in the months leading up to war and especially in final critical days. It generally confirms our earlier judgments but documents a somewhat higher level of deliveries than we had seen en toto.

You will want to glance through these papers yourself, but just to give you a quick review of what is involved, we have boiled out the main conclusions.

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On the Soviet role in the Persian Gulf, CIA concludes (Tab A) that:

--The Soviets have consistently probed the Persian Gulf seeking, as opportunities arose, to extend their political and military influence into this region of traditional Russian concern.

--Most of the Soviet effort has been concerned with developing governmental ties, and Iran, Iraq and Kuwait have all been responsive to Soviet overtures. Moscow has been particularly successful in using economic openings with Iran and Iraq to foster the growth of friendly policies, although military supply has also been a major instrument. As with Kuwait in the 1960s, the Soviets are now pressing for a presence in the new Gulf States of Bahrain, Qatar and the United Arab Emirates as well as in recently emerged Oman.

--The Soviets are being cautious about encouraging subversive activity in the Persian Gulf area.

--Although greater Soviet involvement in the Gulf area is virtually a foregone conclusion, there are definite limits on Moscow's freedom to maneuver. Most importantly, the Soviets seem to place a fairly high value on their bilateral relationship with Iran and greater Soviet activity in and attention to the Gulf could upset this. In the long run, however, a stronger Soviet political position and a more obtrusive military posture can be expected.

On the situation in Iraq and Syria, our conclusions (Tab B) are:

--Neither Iraq nor Syria behave reliably. They are not sure bets as firm Soviet client states or as protectors of Soviet interests in the area, which would include smooth relations with Egypt.

--Neither Iraq nor Syria will be able to sacrifice its dependence on the Soviets for military and economic assistance or compromise its general political orientation towards the eastern bloc while the Arab/Israeli problem remains important. The Soviets

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will retain leverage and influence on those accounts. This leverage could give the Soviets a new lease on life in the Persian Gulf via Iraq; it could also give them a somewhat stronger bargaining position on the Arab/Israeli problem if Iraq (because of the treaty) and Syria (moving towards a moderate stance) cooperate with Soviet-Egyptian efforts.

--Iraq, more so than Syria, would seem of special interest to the Soviets, though they will have to be careful to protect their relations with Iran whose arch enemy in the area is Iraq. Iraq is the gateway to the Gulf; Soviet naval facilities there or at a minimum an increased Soviet presence in the area would be useful. Iraq also has potentially rich oil fields; Soviet participation in these (now agreed) will help meet the Soviet's long-range oil requirements and provide an extended reason for staying in Iraq. Iraq could be a Soviet foothold independent of the demands of the Arab-Israeli dispute.

--Syria, less strategically of interest and much poorer, would be useful to the Soviets as part of a pattern of client states in the area, demonstrating Soviet influence and furthering the Soviet bargaining position on the Arab/Israeli problem. A friendship treaty (which the Soviets are reported pressing) would formalize this pattern.

--The US has almost no influence at the present with either state. However, the important checks to Soviet advances in either of them have evolved from their strong sensitivities to outside influence or domination. The Soviets will have to proceed cautiously and especially so in the case of Iraq in order to protect Soviet-Iranian relations.

--Overreaction by the Shah to the present situation in Iraq or over-confidence of the Iraqis because of their Soviet treaty could be the causes for instability in the Gulf.

You are already very familiar with the facts on Soviet military supply to Egypt, but the attached CIA memo (Tab D), which includes a useful fold-out chart, may help to refresh your picture of the pattern of Soviet arms deliveries. The study highlights two basic lines of development:

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--The volume of Soviet military deliveries has gone through several high and low points since 1967. But through it all the Egyptians have been built back up to and beyond their pre-war level in terms of equipment, although because of training and manpower problems they still lack the capacity to challenge the Israelis by sustained offensive action. At the same time, the Egyptians now have the capacity to make offensive action and pre-emptive war by the Israelis much more costly.

--There has been a gradual, though substantial, buildup of the Soviets own military position in Egypt, most of it associated with countering the US Sixth Fleet in the Mediterranean.

On the prospects for Pakistan, the NIE (Tab D) concludes that:

--While Pakistan must face pressing challenges and appears unlikely to resolve all of them satisfactorily, it does not necessarily face disaster.

--Given the many variables, it is not possible to estimate with any confidence Bhutto's ability to bring off what is necessary to keep him in power. To a large extent, his future depends on his ability to negotiate with India in a manner that is acceptable to his people, and to deal effectively with Pakistan's social, economic and political problems. If Bhutto falls, a military takeover would be probable, eventually if not immediately. Such a move could be initiated by officers with outlooks similar to those of Nasser's or Qadhafi's in the Arab world, i. e. nationalist radicals.

--For a "brighter future," Pakistan must first achieve an acceptable and amicable settlement with India and a stable political consensus under either Bhutto, another civilian, or a military regime.

--Pakistan does not appear to be facing an immediate economic crisis, and the basic infrastructure which is already sounder than that of many lesser developed countries, is already there to build on. The necessary adjustments caused by the disruptions of the war and the loss of "East Pakistan" are being made, although there undoubtedly will still be some hard days ahead.

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--There are centrifugal forces which threaten the breakup of Pakistan but there are also strong unifying forces. Islam and fear of Hindu domination are important factors and the army is still capable of putting down any tribal revolt or other disturbances.

Concerning Soviet military supply to India, CIA has produced a study (Tab E) documenting the extent of deliveries over the last year. The two main points that emerge are:

--The Soviets, as we know, played a very substantial role in building up India's armed forces in the inter-war period (1965-1971) to the point where the Indo-Pak military balance shifted decisively in India's favor.

--In the nine months from the outbreak of fighting in East Pakistan in March 1971 until the outbreak of war between India and Pakistan in September, the Soviets clearly demonstrated their support for India by making new commitments of arms valued at \$300 million and actual shipments from the USSR and Eastern Europe significantly increased India's inventory of major types of ground force weaponry. As India upped the military and political pressure on Pakistan to the point where war seemed almost inevitable, the Soviets continued to pour in significant ground force equipment.

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