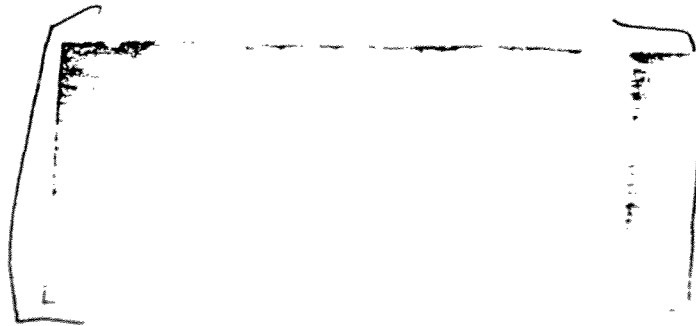


Center

Changes in the Middle East: Moscow's Perceptions and Options (U)

An Intelligence Assessment

*Research for this report was completed
on 29 May 1979.*



126

PA 79-10230
June 1979

Changes in the Middle East: Moscow's Perceptions and Options (U)

Key Judgments

The Soviets must be gratified by the current polarization in the Middle East and their own identification with the overwhelming majority of the Arab states on a major policy issue—opposition to the Egyptian-Israeli peace treaty. On balance, the signing of the treaty has thus far worked to Soviet advantage as has the fall of the Shah of Iran. The Soviets' ability to forge positive gains from these developments is limited, however, by the same basic constraints which have long hampered their advancement in the region.

While unhappy with the demonstrated US ability to arrange a separate agreement and by their own exclusion from the negotiating process, the Soviets are undoubtedly relieved by the widespread opposition to the accord in the Arab world and by the resulting isolation of their main Arab antagonist, Sadat. They certainly hope the treaty will fail to attract broader Arab support and that the unity of the opposition to the accord will be sustained. The Soviets' own ability to accomplish these ends is marginal, but they will try to:

- Obstruct formal implementation and thus acceptance of the treaty by the United Nations in order to undermine US credibility and upgrade their own image as defender of Arab interests.
- Play on differences between the United States and the moderate Arabs.
- Strengthen ties with their Arab colleagues to fortify opposition to the treaty.
- Support Arab measures to isolate Sadat, hoping thereby to help precipitate his downfall.

The departure of the Shah was a windfall for the Soviets because of the setback to US strategic interests. While they have not benefited directly, the new regime's inherent weakness and its withdrawal from a regional security role have created power vacuums both within Iran and in the area generally that they would like to exploit.

Apparent contradictions in the Soviets' tactics in the Gulf region reflect complexities in their objectives. They want to maintain a proper relationship with the Iranian regime to protect both the Tudeh Communist Party and their own assets as well as to encourage a continuing anti-US posture by that government. At the same time, the Soviets would like to see continuing instability within Iran, which will prevent it from reassuming a major role in area politics and might eventually lead to a more pro-Soviet government. Similarly, while they would like to court the traditional Gulf states, particularly Saudi Arabia, the Soviets want to take advantage of the current absence of a restraining power to undermine these same states.

In pursuit of these goals, the Soviets will:

- Seek a stable relationship with the Khomeini-backed government.
- Encourage formation of a united front that would include the Tudeh Party in a broader and more powerful leftist coalition.
- At the same time, back Tudeh's efforts to penetrate the new Iranian regime in order ultimately to subvert it.
- Support efforts by their allies (South Yemen and the Popular Front for the Liberation of Oman) to subvert neighboring governments.

Efforts by the Soviets to advance their interests continue to be inhibited, however, by an impressive list of constraints:

- They want to avoid direct political or military confrontation with the United States in this region.
- They do not have the key to a political solution to the Arab-Israeli conflict.
- They want to prevent a backlash and repression of pro-Soviet elements in the area.
- Their inclination to support dissident and leftist groups, even though indirectly, undermines promotion of bilateral relations with states that feel threatened.
- Virtually all of the Arab nations—even those with close ties to the USSR—are anti-Communist and distrustful of Soviet intentions.
- The West has the hard currency and civilian technology most of these nations want.

These factors leave the Soviets with a limited range of effective tools for advancing their interests. Their primary vehicle will continue to be the supply of arms and related services to build relations with various states; this approach requires the continuation of tension to produce the need. It also contains its own inherent dilemma; building the military capabilities of the Arab confrontation states may increase, rather than simply maintain, the level of tension and raise the risk of war and confrontation that the Soviets want to avoid.

The Soviets' secondary, and thus far less successful, tactic is indirect and rather indiscriminate backing for destabilizing elements in the region—a process they hope will ultimately produce regimes more willing to cooperate with them.

These techniques do not hold out much promise of significant breakthroughs for the Soviets. In the past, the arms supply relationships with Arab states have not earned compensatory long-lasting military or political payoffs, and instability in the region has not produced pro-Soviet regimes, except in South Yemen. Soviet policy, basically negative, requires a continuing state of controlled tension that can be exploited at US expense. US setbacks, on balance, work to Soviet benefit. Nonetheless, the USSR's ability to establish a deep-rooted presence in the region remains severely circumscribed.

The above material is Unclassified.

Changes in the Middle East: Moscow's Perceptions and Options (U)

Soviet Perceptions of the Changing Scene

The Egyptian-Israeli Treaty

The Soviets have long dreaded the possible conclusion of a separate Egyptian-Israeli agreement arranged by the United States and backed by the traditional, pro-Western states of the region; in their worst-case projections the Soviets see the Jordanians, Syrians, and Palestinians joining the peace process, isolating the Soviets with a rejectionist group of Arab states opposed to any negotiated solution. In this scenario, the strongest, richest, and most influential nations in the region would unite in a pro-Western coalition and the Soviets, their ability to exploit Arab-Israeli tensions greatly reduced, would become irrelevant. (U)

The Soviets were certainly not pleased by the Egyptian-Israeli treaty signed in March 1979, although it has obviously not produced the negative consequences they feared. They are unhappy about the demonstrated US ability to push through an Arab-Israeli agreement and frustrated by the continuing US unwillingness to grant them an equal role in the negotiating process. They are outspokenly concerned that the United States will extend its physical presence in the region and build a new regional security alliance. They are probably still worried that, should Egypt appear to benefit socially and economically or should some compromise be negotiated on the West Bank, the treaty will succeed over the long term; in that case the unity of the opposition might erode and the USSR's position be undermined. (U)

Such developments are not imminent, however, and the Soviets are undoubtedly greatly relieved by the political consequences of the treaty to date. The basically Western-oriented Arab states, most importantly Saudi Arabia and Jordan, have opposed the treaty and have moved closer to the rejectionist Arab states. Syria has not been tempted to follow Egypt's lead, and Iran, a tacit friend of Israel under the Shah, has reversed course under Khomeini and proclaimed its support for the Palestinians. The resulting polarization has led to the isolation of Sadat—not the rejectionists. (U)

The Soviets certainly perceive advantages for themselves in the new situation. To the extent that the ties of the traditional Arab states to the United States are weakened by differences over the treaty, the strategic position of the United States is undermined and the Soviets' own relative position improved. Insofar as they are identified with opposition to the treaty, their image as defender of Arab interests is strengthened. They may hope that the new alignment of Arab states will enable them to improve relations with Saudi Arabia and other traditional states and strengthen ties to established clients. They may anticipate earning more hard currency in exchange for arms, boosting their leverage as a result and, eventually, gaining increased access to oil resources in the Gulf. (U)

These advantages are not enough, however, to remove the continuing constraints to Soviet advancement in the region. The USSR does not hold the key to the more generalized Arab-Israeli peace which it demands and which many of the Arab states want; any revival of the Geneva Conference framework appears remote, and there seems little that the Soviets can do to regain a major role in peace negotiations. They know that their intentions are regarded with intense suspicion by most of the Arab states. And they are painfully aware of the fact that the West, not the East, has the hard currency and civilian technology that most of these nations covet. (U)

The probability of dramatic Soviet gains in relations with the Arab states is not high. While they may hope that Saudi frustration with the United States will enable them to make slight inroads—possibly the expansion of trade relations—the Soviets recognize the deep-rooted Saudi antipathy for Communism and active resistance to Soviet interests. They are also aware of the suspicion with which they are regarded by their own associates. Their relations with Syria have long been strained, and they probably know that Iraq's decision to seek reconciliation with Syria was in part motivated by anxiety about Soviet gains in South Yemen, Ethiopia, and Afghanistan. (U)

126

In sum, the Soviets must be gratified that the signing of the Egyptian-Israeli treaty has not produced a more negative situation for them. Rather, by creating a new alignment in the Arab world, it may have opened the way for some incremental gains in their relations with a wide array of Arab states. They continue, however, to be limited to a basically negative policy—trying to hold together elements in opposition to the treaty and prevent successful development of the US-backed initiative. (U)

The Iranian Revolution

The Soviets certainly consider the Shah's fall and the victory of Khomeini's forces a severe setback to the US position and thus a strategic victory for them. At the same time, their ability to capitalize on the new situation is complicated by the anti-Soviet proclivities of the new Iranian regime and by seeming inconsistencies in their own objectives. (U)

The Soviets would like to establish a good working relationship with the Iranian regime to protect their own economic assets, encourage continuation of an anti-Western policy by the Islamic government, and help prevent a crackdown against the Tudeh Communist Party. At the same time, they hope that continuing instability within Iran will, in time, produce a more secular, leftist regime with a pro-Soviet bias. (U)

In the broader Gulf region, the Soviets are clearly gratified by the new regime's decision to end its close military relationship with the United States, withdraw from CENTO, and abandon active involvement in Oman. They undoubtedly also expect Iran to abandon its sponsorship of a Persian Gulf security pact and an Indian Ocean "zone of peace" (which the Soviets have viewed as being directed against them). (U)

The Soviets would undoubtedly like to take advantage of this new power vacuum in the region and the possible vulnerability of established governments. Their support for South Yemen's moves against North Yemen in February, an action they had sought to restrain last fall, suggests both an increased Soviet perception of the area's vulnerability and a willingness to exploit it. (U)

Recent developments in Afghanistan indicate, however, that the new situation in the Gulf also raises problems for the Soviets. Islamic resurgence exemplified in the Iranian revolution is as much anti-Soviet as anti-West. Muslim insurgents are mounting a challenge to the pro-Soviet regime in Afghanistan, and the Soviets have become increasingly involved in efforts to counter this threat. The Soviets have already criticized the Iranian Government because of its sympathy for the Afghan insurgents, and the situation may complicate Soviet-Iranian relations. (U)

The Soviets must also realize that their support for any aggressive activities in the region, even if indirect, increases the concern and vigilance of most of the Arab nations. The concerted Arab effort to halt the Yemeni conflict suggested a strong desire to contain the Soviets in the area. The Soviets are certainly aware that they may provoke counteraction by pursuing a seemingly interventionist policy, whether it be armed intervention to support the Afghan regime or disguised backing of subversion elsewhere. (U)

Current Soviet Policy Options

Response to the Treaty

Limited Diplomatic Options. Despite their current alliance with the overwhelming majority of Arab countries in opposition to the Egyptian-Israeli treaty, the opportunities the Soviets have to seize the diplomatic initiative are severely limited. The momentum in negotiations for a peaceful solution to the region's problems lies, after all, with the United States, and the impetus for unified Arab opposition to these moves lies with the rejectionist Arab states. The Soviets are, therefore, placed in the position of trying to maintain their own status as defender of Arab interests and to encourage continued opposition to the separate treaty. At the same time, however, they remain committed to a negotiated settlement and would like to keep open the possibility of a return to a broad negotiating forum in which they would play a major role. This perceived need to encourage opposition to the separate treaty while continuing to call for a comprehensive settlement further limits the scope of their policy options. (U)