Iran-Iraq War Timeline

[Note: This chronology is intended to provide a detailed, though by no means comprehensive, road map to events relating to the Iran-Iraq war. The entries derive primarily from U.S. media accounts as well as from declassified documents.]

6 March 1975- The Algiers Accords is signed. Saddam Hussein gives partial control of the Shatt al-Arab waterway to a militarily superior Iran. In return, the Shah promises to respect Iraq’s security and stop Iranian aid to Iraqi-based Kurdish rebels.

16 January 1979- The Shah and his family are forced into exile.

1 February 1979- Ayatollah Khomeini returns to Iran following 14 years of exile in Iraq and France.

August 1979- Iraqi authorities invite Mehdi Bazargan, the first Prime Minister of the Islamic Republic of Iran, to visit Baghdad. This meeting is intended to improve bilateral relations between the two countries.

4 November 1979- The U.S. embassy in Tehran is overrun and 66 Americans are taken hostage. The crisis lasts until January 20, 1981, when Iran releases the remaining 52 Americans. Among other outcomes, the event leads to the resignation of Prime Minister Mehdi Bazargan and his government. Bazargan is later accused of plotting the overthrow of the Islamic Republic— with the help of the Iraqi regime.

8 February 1980- Saddam Hussein proposes a pan-Arab charter calling for a “nonaligned” Arab world and opposing the presence of either superpower in the region. Aside from being an attempt to place Iraq at the center of a new Arab coalition, the move is seen as part of Hussein’s determination to resist Soviet expansionism after the invasion of Afghanistan.

April 1980- The Iranian-backed militia group Al-Dawa attempts to assassinate Iraqi Foreign Minister Tariq Aziz. Shortly after this failed assassination attempt, the group tries to kill Latif Nusseif al-Jasim, the Iraq Minister of Culture and Information. Iraq responds by immediately rounding up members and supporters of Al-Dawa in Iraq, and deporting thousands of Iraqi Shiites to Iran.

7 April 1980- Iran puts its armed forces on “full alert,” declaring this is in response to repeated Iraqi attacks on oil and other facilities near the border between the two countries.

8 April 1980- Khomeini broadcasts a speech in which he calls on the Iraqi people to “wake up and topple this corrupt regime in your Islamic country before it is too late.”

*This chronology was prepared by Devin Kennington, Joyce Battle and Malcolm Byrne. Kari Mirkin and Magdalena Klotzbach provided copy-editing assistance.*
article in *The Washington Post* observes that relations appear to be moving “closer to open warfare.” The *Post* article cites intelligence estimates pointing out that Iran’s armed forces are in a vulnerable position, and quotes an unnamed U.S. military analyst as saying, “I’d put my bet on the Iraqis now. Iran is totally shattered.”

**17 April 1980**- In the last of a series of steps designed to block most transactions with Iran since the U.S. embassy seizure in November 1979, President Carter prohibits all financial transactions, imports from and travel to and from Iran. He also impounds all military materiel previously under order from Tehran.

**25 April 1980**- A covert U.S. attempt to rescue hostages in Tehran ends in flames in Tabas, Iran. Some Iranians fear the real purpose of the operation was to overthrow the Islamic regime. Carter Administration officials immediately begin planning a second rescue operation but never carry it out.

**Summer 1980**- Saddam Hussein orders the execution of Al-Dawa leader Ayatollah Sayyid Muhammad Baqir al-Sadr.

**4 September 1980**- Using long-range artillery fire Iran begins shelling Iraqi border towns. Iraq considers this the beginning of the war.

**17 September 1980**- Iraq abrogates the 1975 Algiers Accord signed with Iran.

**22 September 1980**- The Iraqi military launches a two-pronged attack against Iran. A 10,000-man force from Basra invades southern Iran with the goal of laying siege to the Iranian air base at Dezful. Iraq also sends formations of MiG-23s and MiG-21s to attack other Iranian air bases with the goal of preventing an Iranian counter-attack. These attacks largely fail, however, and within hours Iranian F-4 Phantom jets take off from the same bases and proceed to bomb strategic targets within Iraq.

Farther north, a second front is launched from Baghdad straight into the central provinces of Iran by an Iraqi mechanized mountain infantry division. This movement is designed to put immediate pressure on Tehran. Iraq’s initial attack succeeds in capturing several hundred square kilometers of Iranian territory, destroying the oil refinery at Abadan, and laying siege to the Iranian city of Mehran.

**22 September 1980**- The Overseas and Defense Committee of the British cabinet discusses how to enter “Iraq’s lucrative arms market.”

**23 September 1980**- Iran responds to the Iraqi invasion by bombing military and economic targets in Iraq.

**30 September 1980**- Iranian F-4 Phantom jets reportedly bomb the Osirak (Tammuz) nuclear reactor while on a raid targeting a conventional electric power plant near Baghdad. The attack causes minimal damage to the reactor dome, which is still under construction at this time. Iran denies bombing the site.
30 September 1980- During discussions with Italy's foreign minister, Secretary of State Edmund Muskie remarks that the best channel for communications to Iraq, aside from Muslim countries, could be Italy. He indicates that, although the U.S. can reach Iraq, it has to be careful because of the hostages and "Iran's accusation that we favor Iraq."

30 September 1980- During discussions with Italy's foreign minister, Secretary of State Muskie reports that the Soviets turned down an Iraqi request for additional military supplies: "no air or sea response to Iraq's needs has yet been forthcoming."

Late-September 1980- Iranian armed forces begin shelling the Kurdish stronghold of Mahabad killing an estimated 325 Kurdish civilians.

Mid-October 1980- Some Iraqi troops advance towards the strategic oil fields of Abadan while others move towards Ahvaz, the provincial capital and site of a crucial Iranian air base. Backed by long-range artillery fire the Iraqis advance almost eighty kilometers during the first few days of the attack. In the battle for Dezful, an Iranian general requests air support leading President Bani Sadr to release many Iranian pilots still loyal to the Shah from jail. They come to the aid of Iranian ground forces largely curtailing any further Iraqi advances into Iranian territory.

3 November 1980- Iraqi forces finally reach the city of Abadan but once there are beaten back by a small Pasdaran unit. Iraqi troops then surround the city on three sides but are still unable to overcome local resistance.

7 November 1980- Iranian commando units attack Iraqi oil export terminals at Mina al-Bakr and al-Faw.

10 November 1980- Iraq captures Khorramshahr but loses over 6,000 troops while Iranian casualties are even higher. Soon after their costly victory, Iraqi troops begin to dig in and slow their advance into Iranian territory.

2 December 1980- Saddam Hussein accuses the U.S. of supporting "Iran's 'aggression' against Iraq."

26 December 1980- Saddam Hussein says that the Iraqi front-line will be the new military border between the two countries until the war is over. Hussein also rules out a withdrawal until Iran accepts full Iraqi control of the Shatt al-Arab waterway as well as self-rule by the ethnic Arab population in Southwestern Iran.

1981

3 January 1981- Members of the Iranian Majlis accuse President Bani Sadr of inefficiently directing the Iranian war effort and allowing Iran's main oil centers to be crushed by Iraqi forces. Parliament members claim that between 20-30 Iranians are being killed each day in the southern province of Khuzestan by Iraq's around-the-clock shelling of the region.
4 January 1981- Iran alleges that it has destroyed 500 Iraqi oil centers, military bases, airports and other strategic targets since the war began. The country also claims to have "ruined Iraq’s oil industry."

5 January 1981- Iranian President Bani Sadr announces that he has ordered his country to begin a counter offensive against Iraq using both Basji volunteers (The People’s Army) and regular armed forces.

6 January 1981- The war intensifies with Iran claiming they have killed around 550 Iraqis and captured another 1,700 in two battles. Iraq, however, charges that Iranians are retreating, leaving behind 381 dead Iranian soldiers, "a large number of weapons, equipment and tanks, destroyed and in good condition, as well as prisoners."

10 January 1981- Tehran accuses Iraq of using napalm and chemical bombs against the city of Ahyaz in Southern Iran.

10 January 1981- Iraq declares they have crushed a major Iranian offensive in five days of fighting along the southern front, killing 450 Iranians, shooting down three Iranian fighter-bombers, and capturing over 50 of Iran’s U.S.-made M-60 Tanks. This was claimed to have been the largest tank battle in the Middle East since the 1973 War.

16 January 1981- United Nations Special Envoy Olof Palme, a former Swedish prime minister, visits both Tehran and Baghdad in an attempt to bring the conflict to a peaceful conclusion.

18 January 1981- Saddam Hussein alleges that Iran has been getting American arms and spare parts from private markets despite the U.S. embargo. Meanwhile, U.N. Special Envoy Olof Palme warns of potential superpower involvement in what has been, up until this point, a strictly regional conflict.

20 January 1981- After 444 days, the last 52 American hostages depart Iran, on the same day that Ronald Reagan becomes the 40th U.S. president.

26 January 1981- The Kurdish guerilla group Pesh Merga, based in Northwest Iran, reportedly begins attacks on Iranian forces using Soviet-made Kalashnikovs and U.S. designed M16 rifles. Iraq claims they have no role in coordinating the Iranian-based Kurdish resistance.

1 February 1981- A Lebanese newspaper reports that Iraq has received 60 Mirage F1 fighter jets from France despite France’s professed neutrality in the Iran-Iraq conflict. This is to be the first of four French shipments of the jet to Iraqi forces.

3 February 1981- A senior member of Iraq’s Revolutionary Command Council claims the Soviet Union has ceased weapon deliveries to Iraq.
Dear Conference Participants,

We are pleased to present to you this document reader, intended to facilitate the discussions at the upcoming conference “The Origins, Conduct, and Impact of the Iran-Iraq War, 1980-1988,” to be held at the Woodrow Wilson International Center for Scholars in Washington, DC, 19-20 July 2004. The volume consists of declassified US government documents which, we hope, will provide context, shed new light, and stimulate discussion on important issues.

This collection, the product of extensive research by staff at the National Security Archive and the Cold War International History Project, does not attempt to be comprehensive and, in many ways, merely touches the surface. In selecting the documents, the editors have made every effort to include the most significant records that have so far been declassified. Many other crucial documents remain classified.

We would like to thank all those who helped us during the research and editing process by contributing time, effort, and expertise. At the National Security Archive, special acknowledgement goes to Joyce Battle, editor of the Archive’s Iraqgate microfiche collection (Chadwyck-Healey, 1995), and author of many of the Freedom of Information Act requests that produced a number of the documents here. Svetlana Savranskaya provided expertise in Soviet policy and extensive contacts in Moscow. Magdalena Klotzbach carried out a variety of research and editing tasks, including exploring the Polish archives in Warsaw. At the Woodrow Wilson Center, deputy director Michael Van Dusen, Division of International Studies director Robert Litwak, Middle East Program director Haleh Esfandiari, Senior Policy Scholar Ambassador William Miller, Jillian Frumkin, and the CWIHP team—Mircea Munteanu, Martha “Dee” Beutel, and CWIHP research assistant Kari Mirkin—played important roles in securing the necessary funding, organizing the conference, and researching and compiling this reader. CWIHP research assistant Devin Kennington was instrumental in compiling the timeline included at the beginning of the reader.

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Malcolm Byrne
Christian F. Ostermann
3 February 1981 - Iran reports that it has killed over 200 Kurdish insurgents at a battle near the city of Mahabad. Meanwhile, Iran’s Chief of Staff, Valiollah Fallahi, says that the Iranian counter offensive against Iraq forces initiated in early January 1981 has so far pushed the Iraqi forces back 20 miles.

4 February 1981 - Citing unnamed London-based diplomatic sources, *The New York Times* reports that around 100 Soviet-made T-54 and T-55 tanks shipped from Eastern Europe have been unloaded at Saudi ports with the intention of being shipped to Iraq. This comes amid complaints by Iran that Saudi Arabia, Kuwait, Qatar, Bahrain and the UAE are financing the Iraqi war effort.

5 February 1981 - Britain rejects requests from both Iraq and Iran for British military equipment.

9 February 1981 - Both Iran and Iraq agree to a visit by Islamic leaders looking to forge an Islamic peace initiative to end the Iran-Iraq war.

11 February 1981 - The Iranian delegation walks out of the conference of the non-aligned movement as Iraqi Foreign Minister Saadoun Hammadi offers Iran a cease-fire saying that Iraq is ready to end the 5-month-old conflict. Iran had previously been asking the non-aligned movement to call for the expulsion of Iraq.

17 February 1981 - Olof Palme sets out on his third trip to Iran and Iraq carrying specific proposals for a cease-fire and a negotiated settlement of the war.

22 February 1981 - Palme leaves Iran after his attempts at providing a peaceful settlement to the conflict fail. Iranian leaders insist that there will be no cease-fire while Iraqi troops are on Iranian soil.

26 February 1981 - Iraq resumes pumping oil through its 550-mile pipeline that runs from Kirkuk, through Syria, to the Mediterranean. Iraqi oil has been cut off twice since the war began in September 1980.

28 February 1981 - A high-level Islamic peace mission arrives in Tehran in an attempt to end the conflict. Iran, however, will not negotiate an end to the war until Iraqi troops withdraw from Iranian territory.

4 March 1981 - The Islamic peace mission presents a detailed proposal for a cease-fire calling for the disengagement of the opposing troops, the deployment of a joint Islamic military force, and, finally, negotiations. However, the plan is immediately rejected in both Baghdad and Tehran.

4 March 1981 - The Italian government authorizes the export to Iraq of 11 naval vessels and a floating dock worth more than $1.8 billion.
7 March 1981- Iran’s Supreme Defense Council officially rejects the proposals for a cease-fire and negotiated settlement with Iraq. Baghdad responds by immediately stepping up military action against Iran. Iraqi planes begin bombing the town of Ilam killing four people and wounding 70. There are also reports that the Soviet made Frog-7 surface-to-surface missile hit an oil refinery in the province of Khuzestan.

12 March 1981- Representatives of the Islamic mission that had tried to bring an end to the conflict say that it has failed.

14 March 1981- Cuba’s foreign minister, Isidoro Malmierca Peoli, arrives in Beirut leading an attempt by the non-aligned bloc to bring an end to the Iran-Iraq war.

16 March 1981- The Wall Street Journal reports that Iraq is threatening to exploit political rifts within Iran between the country’s fundamentalist clergy and moderate President Bani Sadr in an attempt to “dismember” the Iranian government. In a speech given the previous night, Saddam Hussein warned that unless Iran agrees to a cease-fire, Iraq will provide assistance to dissident Iranians.

18 March 1981- Senator Alan Cranston (D-CA) tells The Christian Science Monitor that Iraq “is making an all out effort to acquire the ability to make nuclear weapons.”

19 March 1981- A massive artillery battle breaks out close to Qasr-I-Shirin, northwest of Gilan in Iran. Iranian forces claim they have recaptured the highest points from the enemy, while Iraq alleges that 124 Iranians and 17 Iraqis were killed in the last 24 hours of fighting.

23 March 1981- The speaker of Iran’s parliament, Ali Akbar Hashemi-Rafsanjani, says that his country will not accept a cease-fire until the government of Saddam Hussein is overthrown.

26 March 1981- The Iranian military claims that it has taken an observation post at Koukalan two and a half miles inside Iraqi territory. The New York Times also reports that there are signs that ethnic minorities inside Iran are close to an open rebellion.

27 March 1981- The Islamic peace movement begins its second attempt to negotiate a peaceful resolution to the Iran-Iraq conflict.

31 March 1981- A State Department cable reports that President Anwar Sadat confirms that Egypt has supplied military equipment to Iraq, after being asked to do so by a "third party."

4-5 April 1981- Iran’s dominant Islamic Republican Party says that it can only hold talks with an Iraqi government “based on the will of the Iraqi people, “not the present treacherous rulers of Baghdad.” Iranian jet fighters also bombed four air bases deep inside Iraqi territory destroying a number of Tupolev bombers.
4 April 1981- In preparation for Deputy Assistant Secretary of State Morris Draper's visit to Baghdad the following week, William Eagleton (head of the U.S. Interests Section in Iraq) states that "we now have a greater convergence of interests with Iraq than at any time since the revolution of 1958 . . . on Iran our views largely converge." In public comments, Draper says that he sees no likelihood the two countries will reestablish relations in the near future.

8 April 1981- In a message to Iraqi Foreign Minister Saadoun Hammadi, delivered by Morris Draper in Baghdad, Secretary of State Alexander Haig declares that the U.S. considers Iraq an important country with influence in the region, and indicates that he hopes to meet with Hammadi personally soon. On April 12, Draper meets with senior Iraqi Foreign Ministry officials, and then with Hammadi in Baghdad.

19 April 1981- Tariq Aziz, a leading member of Iraq's Revolutionary Command Council, says in a U.S. newspaper report that his government favors high-level contacts between the United States and Iraq though he is "not very optimistic" that the Reagan administration will carry out the necessary changes in its Middle East policy to make this possible. Aziz also says that there would have been a major crisis in Soviet-Iraqi relations had Iraq not been able to locate from other countries the arms and spare parts denied to them by the Soviet Union.

19 April 1981- Iranian government officials reportedly acknowledge that $56 million sent recently to France to buy arms has been stolen by Iranian representatives in Paris.

21 April 1981- Kuwait grants an interest-free loan of $2 billion to Baghdad to help reconstruct areas destroyed in the war with Iran. Some estimates claim that Iraq has received between $6 billion and $7 billion in loans from Arab countries since the war began last September.

27 April 1981- French nuclear physicists and technicians arrive in Iraq to work on a nuclear reactor near Baghdad. They had been driven from the country after an Iranian air-attack on the reactor on 30 September the previous year.

May 1981- Iraq reportedly purchases 100 tons of yellow cake from Niger.

4 May 1981- Libya reportedly begins shipping military supplies to Iran, and also offers to train Iranian tank crews.

4 May 1981- Iran says that Iraqi shelling of the oil refinery at Abadan in southwestern Iran has resulted in the death of 22 Iranian citizens. Iraq claims this shelling was in response to Iranian shelling of the oil terminal at Faw on the Iraqi side of the Shatt al-Arab waterway.

5 May 1981- The Washington Post reports that the Soviet Union is indirectly supplying arms to Iraq through its allies in Eastern Europe. The Soviets have also helped to repair a Soviet-built Iraqi power plant recently damaged by Iranian warplanes.
29 May 1981- Iraq reports capturing the town of Dehloran in southwest Iran, killing 96 Iranian soldiers. Iran promptly denies the report.

7 June 1981- The Iraqi military amasses 60,000 troops and 1,000 tanks on the outskirts of the oil-rich Iranian city of Abadan, a city that both Iran and Iraq regard as the key to control of the Shatt al-Arab waterway. An Iraqi offensive is expected to come within days.

7 June 1981- Israeli fighter pilots bomb and destroy the French-built Osirak nuclear facility 12 miles southeast of Baghdad. Iraq says its nuclear technology has not been seriously damaged and vows to continue building its nuclear arsenal. Though the Soviets charge the United States as an accomplice in the act, the U.S. administration immediately moves to suspend the sale of fighter-bombers to Israel.

10 June 1981- The Wall Street Journal reports that at least half a dozen large American firms have either resumed exports to Iran or are considering doing so despite the U.S. embargoes in place since spring 1980.

11 June 1981- Iranian President Bani Sadr is dismissed as chief of Iranian armed forces. Later in the month he flees the country for France.

16 June 1981- Seventeen wounded Iraqis held by Tehran are exchanged for twenty-five Iranian prisoners of war in Iraq under Red Cross supervision at the airport in Larnaca, Cyprus. This is the first prisoner-of-war exchange since the conflict broke out nine months ago.

17 June 1981- Libyan leader Col. Muammar al-Qaddafi announces that he will soon visit both Tehran and Baghdad in an attempt to bring an end to conflict. Until this point, Libya has been supporting Iran in the war against Iraq.

21 June 1981- Olof Palme embarks on his fourth trip to Tehran in order to convince the Iranian government to come to the negotiating table with Iraq. After visiting the leadership in Tehran, Palme will fly to Iraq to begin negotiations with President Hussein.

24 June 1981- Britain signs a trade-pact with Baghdad in the hope of bringing business between the two countries to more than $2 billion annually.

July 1981- Iran rejects an Iraqi call for cease-fire during the holy month of Ramadan.

2 July 1981- A bomb attack in Tehran kills 72 members of Iran's parliament. Supreme leader Ayatollah Khomeini describes the attack as "an American movement against Islam." U.S. officials deny any involvement with the blast.

16 July 1981- Saudi Arabia offers to finance the reconstruction of the French-built Iraqi nuclear reactor destroyed by Israeli armed forces in the 7 June attacks.

6 August 1981- A delegation including members from Cuba, India, Zambia and the Palestine Liberation Organization arrive today in Tehran seeking to bring an end to the nearly year-long conflict with Iraq.

21 August 1981- Deposed Iranian President Bani Sadr announces that, during his term as President of the Islamic Republic, Israel sold his country spare U.S.-made military parts including 250 tires for American made F4 Phantom jets. The transactions occurred while Iran was holding a number of U.S. citizens hostage. Israel immediately denies Bani Sadr’s claim.

26 August 1981- A total of 85 prisoners of war are exchanged between Iran and Iraq at the airport in Larnaca, Cyprus. This is the second prisoner exchange of the war.

3 September 1981- Iraq reports that its troops in Iran have driven back an Iranian offensive killing more than 5,000 Iranians in just three days of battle.

15 September -5 October 1981- During this period, the Reagan administration considers having the CIA undertake an arms trade with Iraq. The United States would offer 24 175-mm guns to Baghdad in return for a Soviet T-72 tank. A congressional investigation later reports that the idea is dropped in January 1982. (In September 1988, Saddam Hussein says that Iraq refused to provide the tank because of its commitment to the Soviet Union.)

27 September 1981- Iran claims that its forces have driven the Iraqi military from the oil-rich city of Abadan, killing over 600 and capturing 1,500 Iraqi troops.

1 October 1981- Kuwait accuses Iran of carrying out three air attacks on Kuwaiti oil installations. Iran denies the charge.

2 October 1981- Iranian fighter planes bomb four Iraqi hydroelectric power stations in response to Iraqi air and ground attacks on “civilian” targets near Abadan.

16 October 1981- *The New York Times* reports that the Iranian government has executed over 1,800 Iranians since June. This brings the total to 3,350 killed since the Shah was deposed in January 1979.

9 November 1981- Jordan’s King Hussein says that Iraq helped his country pay for a $200 million surface-to-air missile system bought from the Soviet Union.

10 November 1981- Iran rejects an Iraqi call for a cease-fire during the holy month of Moharram. The Speaker of Iran’s Parliament, Ali Akbar Hashemi Rafsanjani, says that the Iraqi plea is a sign of the weakness of Iraq’s military.
29 November 1981- The Iranian military launches an attack on Iraqi forces in Khuzestan. Iran claims to have captured 1,300 Iraqi troops and killed 1,000 while regaining control of the border region. Iraq concedes that its troops have lost some positions.

10 December 1981- The Lebanese press reports that the Soviet Union has resumed delivery of heavy arms to Iraq including the transfer of tanks and MIG-25 warplanes. The Soviet Union had discontinued military support to Iraq after the war broke out in September 1980.

12 December 1981- The Reagan Administration rejects an Iranian request to buy spare parts for its fleet of F-14 fighter planes.

15 December 1981- Saddam Hussein says that his country is ready to end the war with Iran if Tehran agrees to recognize Iraq’s borders. Iran rejects Hussein’s plea.

21 December 1981- Kuwait and the U.A.E. agree to loan Iraq another $2 billion to aid in the war against Iran. This brings the total of loans extended to Baghdad by the Gulf Emirates to $16 billion.

29 December 1981- Syria decides to initiate talks with Tehran in an attempt to end the Iran-Iraq war and instead focus Muslim energies on the struggle against Israel.

1982

6 January 1982- Iraqi Kurds join with dissident Ba’athists, breakaway Iraqi military leaders, and Iraqi Shiites, in an attempt to overthrow the Iraqi leadership. The coalition is supported financially by Iran and Syria.

16 January 1982- The Washington Post reports that the Iranian military is turning the tide of the war and winning the battle against Iraq.

22 January 1982- Italian government officials agree to an Iranian plan to swap Italian technology for Iranian oil.

26 January 1982- Both Iran and Iraq agree to reciprocal visits by families of military prisoners seized by both sides.

29 January 1982- Jordan’s King Hussein announces that he will send a contingent of Jordanian troops to Iraq to help in the war against Iran. It is reported that thousands of young Jordanians are eager to volunteer.

6 February 1982- U.S. Secretary of Defense Caspar Weinberger sets off on a tour of three Arab countries in which he will discuss the possibility of U.S. aid to help the six nations in the Gulf Cooperation Council build an arms industry. Weinberger will also
discuss sending American F-14s and U.S.-made anti-aircraft weapons to Jordan though he denies Jordanian requests for the U.S. to outwardly back Iraq in the war with Iran.

24 February 1982- *The Wall Street Journal* reports that “trade between the Soviets and the Iranians is growing,” and that the Soviets have dramatically increased their presence in Iran. *The New York Times* confirms the report writing that Soviet-Iranian relations are “‘Friendly’ and ‘Profitable.’”

27 February 1982- The U.S. State Department removes Iraq from the list of countries that sponsor terrorism.

March 1982- The State and Commerce Departments remove Iraq from the U.S. government’s list of countries supporting international terrorism, without consulting Congress. Subsequently, Commerce is authorized to disallow exports to Iraq for only two reasons: risk of diversion to the Soviet Union, Eastern Europe, or the People's Republic of China; or risk of use for nuclear weapons development.

1 March 1982- Olof Palme says that he has failed for a fifth time to convince Iran and Iraq to call a cease-fire to their now 17-month war.

5 March 1982- It is reported in *The Wall Street Journal* that Iraq has recently expressed interest in buying a range of military hardware from the U.S. and Britain. The U.S. Administration reportedly rejects Iraq’s requests.

8 March 1982- *The New York Times* reports that Iran is receiving military equipment from Israel, North Korea, Syria, Libya, the Soviet Union, and several countries in Western Europe. $100 to $200 million in arms, spare parts and ammunition have reportedly been shipped to Tehran since the war with Iraq began.

16 March 1982- Taha Yassin Ramadan, first deputy prime minister and member of Iraq’s Revolutionary Command Council, says that Iraq is prepared to withdraw from Iranian territory and is ready to accept a cease-fire agreement with Iran.

19 March 1982- President Saddam Hussein sends a special envoy to the nine-member Islamic mediation mission with written proposals for cease-fire and Iraqi withdrawal from Iranian territory.

19 March 1982- Though France had agreed to help rebuild the Iraqi nuclear reactor destroyed by Israeli warplanes in June 1981, French Foreign Minister Claude Cheysson begins to ask the Iraqi leadership to include other nations in the Iraqi nuclear project.

23 March 1982- Iran claims that its military has broken through Iraqi lines and taken back a huge area of territory from Iraqi occupation. Though Iraq acknowledges the battle, they claim that Iraqi forces have been successful in repelling the attack.
24 March 1982- Iranian forces launch a massive attack against Iraqi held territory led by an Iranian armored division just transferred in from the Eastern front on the border with Pakistan. Iran claims to have taken 2,000 Iraqi prisoners-of-war and killed or wounded 10,000 members of the Iraqi armed forces.

25 March 1982- The Iraqi leadership asks the U.S. administration to block the transfer of U.S.-made weapons from Israel to Iran. A State Department spokesman says that although some U.S. weapons may be getting through from Israel to Iran, these weapons would not be subject to U.S. export controls.

26 March 1982- Iraq claims that it has killed over 4,000 Iranians in a new Iraqi offensive in southwestern Iran while an Iranian spokesperson says that Iran has re-captured territory in the same region.

28 March 1982- Iranian armed forces claim that they have killed 8,000 Iraqis, wounded 12,000, and taken more than 14,000 prisoners in the last eight days of combat.

29 March 1982- Saddam Hussein proposes an Iraqi troop withdrawal to pre-war borders. Iranian leaders respond by saying that they will only consider negotiations with Iraq once the government of Saddam Hussein is overthrown.

30 March 1982- Saddam Hussein confirms that his country's forces have been forced to retreat from previously held territory in Southern Iran.

1 April 1982- Saudi Arabian Interior Minister Prince Nayef announces that Iran's ultimate goal is to control the Arab countries of the region by using Shi-ite minorities as "revolutionary spearheads." The oil-rich Arab countries worry that the recent success in the Iranian offensive will soon threaten their ability to maintain hold of their respective countries.

2 April 1982- According to press report, the deputy commander of Iran's armed forces says that the "end of the war with Iraq is very near," unless Iraq brings in outside help to support its army.

12 April 1982- Saddam Hussein announces that he is ready to withdraw troops from Iran provided there will be guarantees that this move will end the war and that Iran will respect Baghdad's border claims.

13 April 1982- The Washington Post reports that Iran, convinced of ultimate victory in the Iran-Iraq war, has begun seeking to expand its influence with the West and pro-western countries of the Middle East. Over the previous winter, Iran dispatched more than 25 missions to Western Europe and has also recently moved to improve ties with Pakistan and Turkey.
14 April 1982- The Reagan administration permits Iraq to purchase six to twelve U.S.-made L100 transport planes. Iraq states that these planes will only be used for civilian transport rather than military purposes.

26 April 1982- The U.S. purchases $53.1 million worth of crude oil from Iran in the first American purchase of Iranian oil since the country took American diplomats hostage in November 1979.

30 April 1982- Iran launches a new offensive against Iraq aimed at finally driving the Iraqis out of Iranian territory.

5 May 1982- Iranian helicopters raid an Iraqi town for the first time in the war.

8 May 1982- Iran announces that its offensive has reached the pre-war Iraqi border.

10-24 May 1982- Iranian forces advance to the port city of Khorramshahr held by Iraq. Iraq then attempts to attack the Iranian forces near the city but the Iraqi military is forced to retreat. Finally, on 24 May, Iran reports that it has captured the oil-rich city of Khorramshahr.

May 24, 1982- Israeli media report that the U.S. is encouraging Egypt to supply Soviet arms to Iraq and that American weapons are being supplied to Egypt for shipment to Iraq, with the goal of establishing a pro-U.S. Arab front comprising Egypt, Saudi Arabia, Jordan, and Iraq. Menachem Begin and Yitzhak Shamir are reported to have decided to launch an "all-out diplomatic campaign against the delivery of American weapons to Jordan and Iraq."

25 May 1982- Officials in the Reagan administration announce that Iran’s defeat of Iraq would create a potentially dangerous situation for Western interests.

28 May 1982- Israeli Defense Minister Ariel Sharon announces that the United States was aware of his country’s sale of American-made weapons to Iran. U.S. officials deny Sharon’s claim.

June 1982- President Reagan reportedly issues a National Security Decision Directive (NSDD) on Iraq. According to a court affidavit by former NSC staff member Howard Teicher, “Reagan decided that the United States would do whatever was necessary and legal to prevent Iraq from losing the war with Iran.” Teicher also claims that “CIA director [William] Casey personally spearheaded the effort to ensure that Iraq had sufficient military weapons, ammunition and vehicles, to avoid losing the Iran/Iraq war.” Teicher also asserts that, beginning this month, Casey and Deputy Director Robert Gates "approved of, and assisted in the sale of non-U.S. origin military weapons, ammunition and vehicles to Iraq."

June 1982- The Soviet Union resumes arms shipments to Iraq, which had been suspended since the beginning of the Iran-Iraq war.
4 June 1982- Tariq Aziz arrives in Moscow seeking Soviet political and military assistance but Soviet officials refuse to meet with him.

10 June 1982- Iraq's Revolutionary Command Council issues a statement announcing that the country is prepared to accept an unconditional cease-fire and withdraw its troops from Iranian territory. Iran rejects the proposal because Saddam Hussein did not sign his name to the declaration.

22 June 1982- Saddam Hussein announces an Iraqi troop withdrawal to be completed in ten days. Iranian Supreme leader Ayatollah Khomeini says that the war with Iraq will not end even if Iraq withdraws its troops. The commander-in-chief of the Iranian army, Col. Sayed Shirazi, says that Iran will continue its war with Iraq until Saddam Hussein is overthrown.

28 June 1982- Saddam Hussein dismisses all the members of Iraq’s Revolutionary Command Council just one day before that country is scheduled to withdraw all troops from Iranian territory.

29 June 1982- Iraq reports that all of its troops have left Iranian territory.

July 1982- Iraq uses tear gas and skin irritants against Iranian forces "quite effectively," according to a State Department report.

14 July 1982- Iranian armed forces announce that they have opened a new offensive against Iraqi territory and expect Iraqi Shi-ites to take up arms for Iran. They are initially reported to have moved ten miles into Iraq in the first day of combat.

31 July 1982- Iraq claims that its military has finally "crushed" the Iranian drive that began earlier in the month.

20 September 1982- The U.S. Interests Section in Baghdad informs the Commerce Department that Iraq's Agricultural Aviation Department is interested in purchasing 12 crop spraying aircraft, including helicopters and fixed-wing planes, and will want to buy more later.

22 September 1982- On the second anniversary of the war, an Iraqi MIG-25 jet tries to bomb the Iranian capital of Tehran.

2 October 1982- Iranian armed forces attack Iraqi units inside Iraq and claim to have recaptured 90 square kilometers of territory including the strategic heights overlooking the highway into Baghdad. Iraq, however, claims that it has beaten back the Iranian offensive.

3 October 1982- Sudan announces that it will send troops to help Iraq in the war with Iran.
4 October 1982- U.S. Secretary of State George Shultz and Soviet Foreign Minister Andrei Gromyko meet in New York to discuss, among other things, the Iran-Iraq war. Both diplomats agree that the conflict should be concluded as soon as possible.

27 October 1982- Iran announces elections will be held in December to choose a successor to leader Ayatollah Khomeini, 83, who is said to be in poor health.

2 November 1982- Iranian armed forces launch an offensive against Iraq’s strategic oil port of Basra. Iran’s president, Ali Khamenei, says the Iranian military will proceed towards Baghdad.

16 November 1982- Saddam Hussein charges that the United States and the Soviet Union have done nothing to help end the conflict.

20 November 1982- Tariq Aziz claims that the United States is allowing American-made weapons to be funneled to Iran. He also says that Soviet-made weapons are being given to Iran through Syria and Libya.

10 December 1982- Iran elects an 83-member committee to choose Ayatollah Khomeini’s successor after his death.

15 December 1982- Hughes Helicopter Inc., a Los Angeles based company, agrees to sell 60 new commercial helicopters to Iraq for $25 million. Iraq promises the helicopters will be used for civilian purposes only.

19 December 1982- U.S. officials discover that Iran has been trading oil for weapons with North Korea. Reportedly, North Korea has supplied Iran with 40% of the approximately $2 million worth of weapons used in the war with Iraq.

31 December 1982- The Senate drops an effort to amend legislation to prohibit all exports of helicopters to Iran and Iraq, and instead asks the State Department to tell Iraq that the U.S. does not want recently purchased Hughes helicopters to be used for military purposes.

1983

7 January 1983- The CIA’s assistant general counsel concludes that there are no legal prohibitions against the CIA’s provision of arms to Iran, although there is a policy to prevent violation of U.S. neutrality in regard to the Iran-Iraq war.

13 January 1983- According to a report, Western diplomats have discovered that China has been supplying Chinese-made weapons to Iraq in return for Iraqi oil. Chinese officials have also been allowing North Korean planes carrying weapons to Iran to stop and refuel in China. Some western officials allege that Chinese planes have been carrying North Korean weapons to Tehran independently. China has also signed a Sino-
Iranian trade pact with Iran allowing $300 million in increased trade between the two countries. Many believe that this package includes Chinese military supplies and civilian equipment that can be converted into military equipment.

8 February 1983- Iran launches an invasion of southeast Iraq in what many analysts call the largest offensive since the war broke out in September 1980.

9 February 1983- Volkswagen Brazil signs a contract with Iraq promising to supply to Baghdad 50,000 automobiles and spare parts in a deal worth $300 million.

14 February 1983- George Shultz meets with Saadoun Hammadi, who asks the U.S. to limit Iran's arms supplies and to expand the U.S.-Iraqi trade relationship by means including "encouraging financing from official and private sources." In describing the meeting, the State Department denies that U.S. policy toward the Iran-Iraq war has changed. Regarding U.S. agricultural credit guarantees for Iraq, State declares that "we attach no political significance to the promotion of U.S. agricultural exports to Iraq."

3 March 1983- Iraq claims that its Navy has destroyed a number of Iranian oil rigs and five ships in the Persian Gulf.

5 March 1983- Soviet Foreign Minister Andrei Gromyko meets with delegates from both Iran and Iraq in a Soviet attempt to mediate the conflict.

14 March 1983- George Shultz is advised to instruct William Eagleton in Baghdad to meet with Iraqi officials to discuss options for U.S. financial programs for Iraq. Assistant Secretary of State Richard McCormack reports that Eximbank discourages inquiries from U.S. exporters about Iraq because of Iraq's payment problems. He indicates that the prohibition of Eximbank financing for any government harboring terrorists could affect funding decisions, but there are no Foreign Assistance Act statutes specifically barring a CCC program for Iraq. McCormack notes that "the Iraqis probably discount disclaimers that the USG [U.S. government] cannot swing loans for Iraq through friends in the private sector" and suggests that the USG "could offer to arrange consultations between Iraqi government financial officials and U.S. government and private international financial experts."

22 March 1983- A Soviet-built Iraqi military helicopter crashes in the Dolomite Mountains of Italy after being covertly flown to that country for installation of advanced electronic equipment. The aircraft was expected to be flown back to Iraq after its time in Italy to be used in the war with Iran.

4 April 1983- Iraq offers to observe a one-day limited cease-fire with Iran in order to clean up a 7,500 square mile oil spill. Iran rejects the offer.

12 April 1983- Iraq in a public statement warns of "new weapons ... [to] be used for the first time in war ... not used in previous attacks because of humanitarian and ethical reasons ... that will destroy any moving creature."
14 April 1983- Iraq claims that it has repelled the recent Iranian offensive killing 9,800 Iranian soldiers and giving up no territory.

17 April 1983- Saddam Hussein invites Ayatollah Khomeini to Baghdad for an Islamic conference already underway on the Iran-Iraq war.

2 May 1983- Iran and Iraq exchange a total of 55 prisoners-of-war in Ankara, Turkey.

13 May 1983- Tariq Aziz visits Paris to ask France to trade arms for oil.

July-August 1983- Iraq reportedly uses lethal chemical agents against Iranian forces, and subsequently against Kurdish insurgents.

6 July 1983- After Tariq Aziz’s July 5 return from Cairo, the State Department reports that Iraq apparently agreed to upgrade its relations with Egypt but not to restore full diplomatic relations, noting that “Baghdad must insure that it has access to a continuing supply of Egyptian munitions at a time when its financial resources are severely limited.”

27 June 1983- France finally agrees to lend Iraq five of its Super Etendard fighter-bombers capable of firing Exocet missiles. Iraq plans on using the planes to bomb oil facilities inside Iranian territory.

20 July 1983- Tariq Aziz says that large quantities of American-made weaponry are pouring into Iran through “neutral countries.”

23 July 1983- Iran launches a new drive against Iraqi forces in the mountains of northeastern Iraq.

27 July 1983- Eight men are arrested in New Jersey in connection with a scheme to sell $2 billion worth of sophisticated weaponry to Iran including attack helicopters, rocket-propelled grenade launchers, tanks and rifles.

5 September 1983- The United Nations tells Iran to conform to international conventions and stop recruiting child soldiers for the war with Iraq.

7 September 1983- Iraqi Foreign Ministry official Ismat Kittani meets with Under Secretary of State Lawrence S. Eagleburger in the first of a series of “candid and welcome contacts” between the U.S. and Iraq. During the meeting, Kittani asks the United States to help end the conflict by exerting more pressure on the government of Ayatollah Khomeini.

20 September 1983- Ayatollah Khomeini threatens to cut off oil supplies to the West by closing the Persian Gulf if Western countries step up military aid to Iraq. He also vows to restrict shipping in the Gulf if Arab states in the region continue to allow their ports to be used by ships delivering weapons to Iraq.
**October 1983**- A U.S. National Security Council (NSC) study reportedly concludes that an Iraqi defeat in the Iran-Iraq war would harm U.S. interests, and indicates that Iraq's primary needs are for economic assistance and improved morale for its officers. In response to the study, the Reagan administration encourages Persian Gulf states to maintain or increase their financial support for Iraq, and increases its efforts to stop third-country arms shipments to Iran.

1 **October 1983**- Under heavy international pressure, France reportedly has decided to delay its shipment of five Super Etendard Jets to Iraq. But one month later, Iraq confirms it has taken delivery of the aircraft.

7 **October 1983**- In response to his request, Lawrence Eagleburger is provided an analysis of the implications of a shift from neutrality toward the Iran-Iraq war to a policy of supporting Iraq. The analysis indicates that "the Iranian strategy of bringing about the Iraqi regime's political collapse through military attrition coupled with financial strangulation seems to be slowly having an effect." It reports obstacles to providing additional financial assistance to Iraq, assesses possible diplomatic and military measures that might be adopted, and notes that a policy of strict neutrality has already been modified, in favor of Iraq, adding "we assume that other actions not discussed here, such as providing tactical intelligence, would continue as necessary."  

8 **October 1983**- France begins delivery of five jets to Iraq. Iraq says the jets will be put into immediate use.

25 **October 1983**- Iran says that Iraqi troops have destroyed the Iraqi city of Penjwin in the Kurdish mountain region of northern Iraq in an attempt to "begin a new propaganda campaign against the Islamic republic" by blaming the destruction of the city on Iranian forces.

31 **October 1983**- The U.N. Security Council calls on both Iran and Iraq to immediately end all hostilities in the Persian Gulf region. Iraq accepts the Security Council mandate while Iran immediately rejects it.

1 **November 1983**- Jonathan Howe of the Bureau of Politico-Military Affairs reports that the State Department has additional information confirming Iraqi chemical weapons use, and indicates that "we also know that Iraq has acquired a CW [chemical weapons] production capability, primarily from Western firms, including possibly a U.S. foreign subsidiary." The issue of Iraq's use of chemical weapons will be added to the agenda for an upcoming NSC meeting, for which the State Department has prepared a discussion paper outlining "a number of measures we might take to assist" that country.

23 **November 1983**- Iraq bombs and sinks a Greek cargo ship off the Iranian port of Bushehr.
12 December 1983- Members of al-Dawa bomb several sites in Kuwait, including the U.S. and French embassies. Iraq retaliates against Iran for the suspected Iranian hand in the attacks by launching surface-to-surface missiles into six Iranian cities, killing 24 and wounding 283. Iran denies involvement in the bombings.

14 December 1983- A background cable prepared by William Eagleton for Donald Rumsfeld's visit to Iraq indicates that "the USG ... would regard any major reversal of Iraq's fortunes as a strategic defeat for the West." The cable also indicates that a lifting of restrictions on military items sent from third parties to Iraq could be discussed by Rumsfeld and Iraqi representatives. Another background paper prepared for Rumsfeld's visit to the Middle East asks, "How can we begin to restore a productive relationship with Iran while at the same time ensuring that the Iraq/Iran war neither spreads nor produces a clear winner or loser?"

19-20 December 1983- Donald Rumsfeld arrives in Baghdad to meet with Saddam Hussein and Tariq Aziz. Rumsfeld immediately informs the Iraqi leaders that the U.S. is prepared to resume official diplomatic relations with Iraq. In his 90-minute long meeting with Hussein, Rumsfeld discusses preventing "Iranian and Syrian expansion." He also assures the Iraqi leader that the U.S is trying to limit third-party weapons shipments to Iran, and that the U.S. is looking into alternative routes for the export of Iraqi oil. According to a State Department cable, Saddam tells Rumsfeld that "Iraq is an independent and non-aligned country and that it was incorrect and unbalanced to have relations with the Soviet Union and not with the U.S." He also notes that he is pleased to open full relations with the U.S.

23 December 1983- Jordan agrees to give Iraq a $125 million credit in order to reaffirm Jordanian support for the Iraqi government under Saddam Hussein.

1984

1 January 1984- An article in The Washington Post reports that the U.S. has informed its Persian Gulf allies that an Iraqi loss to Iran in the Iran-Iraq War would be "contrary to U.S. interests", and has vowed to prevent U.S. weapons and spare parts from reaching Iran.

7 January 1984- Iran claims that it has killed 230 Kurdish rebels and captured 30 villages in a week-long offensive on the Iran-Iraq border.

10 January 1984- A source reports that Iraq's Revolutionary Command Council has approved a project to construct an oil pipeline for Iraq terminating at the port of Aqaba in Jordan, promoted by Donald Rumsfeld during his meetings with Iraqi leaders in December.

20 January 1984- Secretary of State Shultz declares Iran a sponsor of international terrorism. According to the Tower Commission report, "Thereafter, the United States
actively pressured its allies not to ship arms to Iran, both because of its sponsorship of international terrorism and its continuation of the war with Iraq."

30 January 1984- The State Department reviews export policy for Iran and Iraq. It says that "we have discouraged some, but not all, exports of non-licensable militarily useful equipment such as certain light helicopters and airplanes ... the aircraft export approvals constitute precedent for ceasing to discourage any non-controlled exports to Iraq, including those with military implications."

February 1984- George Shultz approves the export to Iraq of 2,000 heavy trucks valued at $224 million. The State Department indicates that the sale will serve U.S. interests while maintaining "a fig leaf of neutrality." On March 2, when a minority staffer from the House Foreign Affairs Committee asks whether the trucks are to be used for military purposes, an official indicates that "I told her we presumed that this was Iraq's intention, and had not asked."

12 February 1984- Iraq launches surface-to-surface missiles and air strikes against Iranian civilians in the city of Dezful near the Iran-Iraq border, killing 5 and wounding over 100. Iraq claims this is in response to earlier Iranian strikes against a number of Iraqi population centers. Iran responds to the Iraqi attacks by shelling at least three Iraqi cities. This marks the first time in the conflict that both sides are intentionally striking at civilian targets.

15 February 1984- According to court papers, Egypt's Ministry of Defense and IFAT Corp., Ltd. of Zug, Switzerland, sign a contract for a joint project by Egypt, Iraq, and Argentina to develop the Condor 2/Badr 2000 missile. Consen S.A.M., based in Monaco, begins recruiting engineers from European companies for the project.

16 February 1984- Iranian forces launch a major offensive drive against Iraqi border fortifications bombing three Iraqi towns and shelling others along the border. Iraq claims it has lost 17 while Iran insists that this drive has resulted in well over 1,200 Iraqi casualties.

18 February 1984- Iran agrees to a United Nations plea for a group to inspect civilian areas of the Persian Gulf damaged by the war but the country said that it would not participate in U.N. sponsored negotiations. Nonetheless, both sides in the conflict agree to end attacks on civilians.

21 February 1984- An Iraqi military spokesman says that Iraq could use chemical weapons in the next Iranian offensive. He is quoted as saying that "'the invaders should know that for every harmful insect there is an insecticide capable of annihilating it whatever their number and Iraq possesses this annihilation insecticide."

23 February 1984- British Prime Minister Margaret Thatcher announces that her country may soon send warships to the Persian Gulf to help protect tankers carrying oil to the
United States and Britain. Meanwhile, President Reagan says that “there’s no way we could allow” Iran to close the Persian Gulf to U.S. shipping.

23 February 1984- While Iraq reports that its military has crushed a recent Iranian offensive, Iran claims that its forces have moved through the Tigris-Euphrates valley. Both sides, however, agree that a total of 7,300 soldiers from both sides have been killed in recent fighting.

27 February 1984- Iraqi warplanes bomb a major Iranian oil terminal at Kharg Island vowing to continue attacks on Iranian oil until Iran agrees to end the war. A spokesman for the Iranian armed forces denies that Iraq has bombed the terminal alleging that the Iraqi claims are “lies” aimed at boosting Iraqi troop moral.

1 March 1984- Tehran Radio announces that United States military presence in the Persian Gulf is “an act of aggression and blackmail” and that the five-mile safety zone the U.S. has declared around four of its ships in the Gulf is a violation of international law and constitutes support for Iraq in the war.

1 March 1984- France agrees to lend Baghdad $500 million claiming that the loan will be used to help Iraq pay French civilian contractors working in that country.

4 March 1984- The New York Times quotes General Fakhri, a senior Iraqi military official, as saying that his country reserves the right to use chemical weapons against Iran because “we will use all possible means to protect our country.” Iran has previously charged that Iraq has used nitrogen mustard gas against Iranian troops though Iraq has denied those claims.

5 March 1984- U.S. officials publicly condemn Iraq for using chemical weapons.

8 March 1984- The United Nations decides to send a mission to Baghdad to investigate claims that Iraq has used chemical weapons.

11 March 1984- A State Department Cable, citing an article in The Observer, says that “the Iraqis now have as many as three 'poison gas' plants,” and it adds that "Iraq is now in a position to use chemical weapons to devastating effect if extreme action against Iran is required. It has already shown that it does not lack the will to do so."

13 March 1984- The U.N. team sent to investigate Iraqi use of chemical weapons arrives in Baghdad today amid new accusations by Iran that Iraq is using mustard gas against Iranian troops on Majnun Island north of the Iraqi city of Basra.

17 March 1984- A Belgian laboratory finds two types of chemical agents in samples taken from Iranian patients wounded in the war with Iraq—mustard gas and “yellow rain” mycotoxins. The Soviet Union has recently been accused of using “yellow rain” in Afghanistan, Laos, and Cambodia.
22 March 1984- The Soviet Union agrees to finance and build a nuclear power plant in Iraq in what is believed to be the first Soviet nuclear reactor sold to the Third World. The plant is to replace the French-built nuclear facility destroyed by Israeli warplanes on 9 June 1981.

26 March 1984- U.S. Special Envoy Donald Rumsfeld stops in Baghdad on a week-long tour of the Middle East to meet with Iraqi Foreign Minister Tariq Aziz. This is the second meeting between the two high-ranking officials. According to Howard Teicher, a former NSC staffer present at the meeting, Rumsfeld presents to Aziz an Israeli offer of assistance to Iraq. Israel at this time, according to Teicher, had perceived Iran to be more dangerous to its existence than Iraq because of Iran’s growing influence in Lebanon. At a meeting in Jerusalem earlier in the year, Israeli Foreign Minister Yitzhak Shamir had asked Rumsfeld to present Israel’s offer of assistance to Iraq. Aziz, however, “refused to even accept the Israeli’s letter to Hussein offering assistance because, Aziz told us, he would be executed on the spot by Hussein if he did so.” In addition to the Israeli letter, Rumsfeld also intends to repair U.S. relations with Iraq because, according to a State Department cable, “bilateral relations were sharply set back by our March 5 condemnation of Iraq for CW use, despite our repeated warnings that this issue would emerge sooner or later.” Finally, Rumsfeld discusses with Aziz the Reagan administration’s hope that it can obtain Export-Import Bank credits for Iraq and the Ababa pipeline.

28 March 1984- U.S. Federal Agents seize a shipment of more than $7 million worth of replacement parts for M-60 Tanks being sold by E&F Marketing Inc. of Plymouth, MN to Tehran.

29 March 1984- U.S. Intelligence officials discover that Iraq has been buying lab equipment to produce chemical weapons from a West German company. However, West German officials in Bonn claim that they believe that the laboratory parts sent to Iraq are not being used to make chemical weapons, though they admit it is possible. Intelligence also indicates that Iraq has five sites—each heavily fortified, and reportedly six stories below ground level—dedicated to the production of chemical weapons.

30 March 1984- A Greek cargo ship traversing the Persian Gulf is hit by an Iraqi missile. Many in the U.S. believe that Iraq has begun bombing oil tankers in the Gulf in order to draw the superpowers into the conflict. In other developments, the U.S. bans the export of five chemicals to Iraq—potassium fluoride, dimethyl-methylphosphonate, methylphosphonyl difluoride, phosphorous oxychloride and thioglycol.

5 April 1984- President Reagan signs NSDD 139, "Measures to Improve U.S. Posture and Readiness to Respond to Developments in the Iran-Iraq War." It states that "measures must be taken now to improve our immediate ability to deter an expansion of the conflict in the Persian Gulf and, if necessary, defend U.S. interests." Its provisions include instructions to the secretary of state to "prepare a plan of action designed to avert an Iraqi collapse."
6 April 1984- The Guardian reports that some British firms have recently sold Iraq some ingredients to make mustard gas, as well as the nerve agent Sarin. The British firms were reportedly under the impression that these chemicals would be used for the manufacture of agricultural pesticides.

17 April 1984- Vice President George Bush presents the Reagan administration’s proposal to ban chemical weapons worldwide to a U.N. Conference on Disarmament. The Soviets immediately reject the plan.

3 May 1984- Former President Richard Nixon writes to Romanian President Nicolae Ceaușescu to express pleasure that Romania’s Ministry of Light Industries is working with former Nixon administration officials John Mitchell and John V. Brennan on a project to produce military uniforms for Iraq.

9 May 1984- A State Department memorandum indicates that a policy review favors export of some dual-use items to Iraqi nuclear entities, and that end-use assurances should not be pursued, since "the Iraqi Government is not disposed to give meaningful assurances."

14 May 1984- A Kuwaiti oil tanker carrying over 80,000 tons of crude oil to Britain is attacked traversing the Persian Gulf by two Iranian jets. This attack inaugurates a new stage in the war which will become known as “The Tanker War” characterized by attacks on Persian Gulf shipping by both Iran and Iraq.

16 May 1984- The United States offers to provide Arab countries on the Gulf with air cover to guard oil tankers leaving gulf ports. No Arab country immediately takes up the U.S. offer though Iranian planes reportedly hit a Saudi tanker- the fifth in three weeks.

20 May 1984- A ship registered in Panama becomes the first commercial carrier sunk in the Persian Gulf after an Iraqi air attack.

21 May 1984- Officials from the State Department blame Iran for the continuation of the war.

23 May 1984- Syrian Vice President Abdul Halim Khaddam and Foreign Minister Farouk Charaa are dispatched to Tehran in an attempt to mediate the conflict. Iranian and Iraqi attacks on commercial oil tankers in the Persian Gulf continue with eight ships destroyed off the Iranian port of Kharg Island.

29 May 1984- Four hundred American-made Stinger anti-aircraft missiles are exported to Saudi Arabia to help the Gulf state defend itself against Iranian air attacks. Iran responds by promising to “resist and fight” any form of U.S. military intervention in the Persian Gulf. In other developments, the U.S. will back a U.N. sponsored resolution condemning Iran for its attacks on Gulf shipping. The resolution does not censure Iraq which has been carrying out similar attacks.
5 June 1984- U.S. Navy warships begin escorting oil tankers through the Persian Gulf. This threatens to raise U.S. involvement in the war because any attack on a tanker escorted by a U.S. warship will provoke U.S. retaliation.

6 June 1984- Saudi Arabia shoots down two Iranian fighter jets over the Persian Gulf using American-made Stinger missiles.

5-7 June 1984- An Iranian delegation led by Sayyid Mohammad Sadr visits Moscow to meet with Soviet Foreign Minister Andrei Gromyko. The trip is intended to improve relations between the two countries and avert American intervention in the Persian Gulf.

7 June 1984- Iraq reportedly receives two new types of Soviet air-to-surface missiles from Moscow designed to be fired from Iraq’s Tu-16 and Tu-22 bombers. Iraq says these missiles will be used to hit the Iranian oil export terminal at Kharg Island.

15 June 1984- United Nations Secretary General Javier Perez de Cuellar brokers an agreement between Iran and Iraq in which both sides agree to halt attacks on civilian targets.

27 June 1984- The Reagan administration agrees to send $75 million worth of air-defense equipment to Kuwait even though the Gulf emirate says it is also going to the Soviets for aid.

9 July 1984- Kuwait signs a $327 million arms deal with the Soviet Union.

August 1984- According to Washington Post reporter Bob Woodward in a December 15, 1986, article, “the CIA stepped up the initiative with Iraq by establishing a direct, top-secret Washington-Baghdad link to provide the Iraqis with better and timelier satellite information. One source with firsthand knowledge said the Iraqis receive the information from satellite photos ‘several hours’ after a bombing raid in order to assess damage and plan the next attack. This source said the intelligence information is "vital" to Iraq’s conduct of the war.”

6 August 1984- Mohsen Rafiq Dust, the Iranian Minister for Revolutionary Guards, vows that Iran will no longer attack oil carrying tankers in the Persian Gulf. The announcement comes after an escalation in the tanker war that saw ships from Greece, Switzerland, Japan, Britain and others downed by both Iranian and Iraqi air-assault.

8 August 1984- Citing unnamed government officials, The Washington Post reports that over the past year the Commerce Department has consented to the sale of over $27 million worth of U.S.-made equipment to Iran. While this equipment is described by the U.S. officials as “non-military” in purpose, the Post reports that it can easily be converted to military use.
8 August 1984- Amid allegations that West German laboratory equipment has been used by Iraq to manufacture chemical and biological weapons, Bonn agrees to restrict the sale of chemical manufacturing equipment to Baghdad.

19 August 1984- Britain agrees to send to the Iranian Navy two 2,500-ton unarmed ships described by the British as “hospital ships designed for disaster relief.” The British government announces that they have received assurances by Tehran that these ships will not be used in the war against Iraq. In other developments, France agrees to a new oil deal with Baghdad totaling a reported 40,000 barrels a day from Iraq to France. Paris has also agreed to refinance $1.4 billion worth of Iraqi debts.

28 August 1984- A Senate Foreign Relations Committee report says that the military balance in the Iran-Iraq war is now “tilting towards Iraq.” It also says that “several key Iranian leaders appear to be reaching the conclusion that the costs of continuing military efforts are becoming too great.” The report attributes Iraqi success to the fact that both the United States and Soviet Union have “tilted” towards Baghdad.

10 September 1984- A group of self-described Iranian monarchists hijack an Iranian airliner and are given asylum in Baghdad after they release the 188 hostages aboard the plane, most of whom are Iranian citizens. The Iraq government says the former hostages, as well as the hostage takers, are free to stay in Iraq or return to Iran.

22 September 1984- The war enters its fifth year with an Iraqi air attack on an Iranian petro-chemical plant located at the head of the Persian Gulf.

27 September 1984- Shintaro Abe, the Japanese foreign minister, presents a cease-fire proposal to U.N. General Assembly designed to bring an end to the Iran-Iraq war. Japanese civilians are currently working to build a petrochemical plant in southern Iran.

8 October 1984- Iraq breaks a three-week cease-fire in the “Tanker War” with an attack on a ship departing from Iran’s Kharg Island killing six including two British officers.

10 October 1984- Tariq Aziz complains to a major U.S. newspaper that “almost all Western European countries are skirting U.S. efforts to dry up (military) supplies” sent to the government of Iran. Aziz says that the supply of Western arms is prolonging his country’s war with the Islamic Republic of Iran.

12 October 1984- In an interview with an Arabic-language newspaper published in Paris, Saddam Hussein says he is ready to reestablish diplomatic relations with the United States.

18 October 1984- The Iraqi government begins negotiations with the Reagan administration to buy 45 helicopters from the United States. These helicopters are intended to be used for civilian purposes only, though U.S. officials note that they could be transformed for military use.
19 October 1984- Iranian armed forces mount a massive attack against Iraq in the mountains northeast of Baghdad in what has become the first major ground campaign of the war in over eight months. Tehran radio soon reports that Iran has retaken 20 square miles of land from Iraq in what it describes as a "spectacular victory."

24 October 1984- The United States Information Service reopens its office in the Iraqi capital of Baghdad. The office has been closed since 1958. Many see this as a prelude to a restoration of relations between Washington and Baghdad.

26 October 1984- Tariq Aziz tells George Shultz that Iraq is now ready to resume full diplomatic relations with the United States after a 17-year hiatus.

October-November- CIA Director William Casey meets with senior Iraqi officials twice in Fall 1984, once in October and again in November, according to Washington Post reporter Bob Woodward. The purpose is "to make sure the new channel was functioning and to encourage more attacks on Iranian installations," sources told Woodward.

3 November 1984- An American government official speaking on the condition of anonymity tells The Washington Post that Iraq has amassed "significant stocks" of chemical weapons for possible use against Iran.

26 November 1984- The United States and Iraq re-establish full diplomatic relations. Earlier in the day, President Reagan and Secretary of State Shultz met at the White House with Tariq Aziz. Despite the renewal of diplomatic relations between the two countries, the U.S. maintains its official stance of "neutrality" in the Iran-Iraq war.

1985

1985- Italy sells "conversion kits to Iraq for Hughes helicopters that Iraq had purchased from the U.S. with assurance of nonmilitary use," according to a 1992 U.S. General Accounting Office (GAO) report.

28 January 1985- An Iraqi military spokesman in Baghdad announces that Iraq has launched a major offensive against Iran on the southern front. Iran, however, claims that this drive has been crushed while Baghdad asserts that Iraqi troops have seized several key Iranian positions in less than two hours of fighting.

20-21 February 1985- U.S. and Soviet officials meet in Vienna to discuss a way to settle the Iran-Iraq war. President Reagan, however, downplays the talks suggesting that "We simply felt it was time to exchange views with one another" stressing that the discussions in Vienna do not signal a new U.S. willingness to cooperate with the Soviets in negotiating a peace settlement. "We don't favor that," says Reagan, "we don't believe there should be that many hands in the pot."

7 March 1985- Both Iran and Iraq abrogate the June 1984 treaty that banned military attacks on civilians, according to reports. Iran complains that Iraqi shelling of the
Southwestern Iranian region of Khorramshahr has killed at least 14 and wounded 123 civilians, while Iraq reports that Iranian artillery fire on the Iraqi city of Basra has killed an unspecified number of Iraqi non-combatants. This initiates an escalation of attacks on civilians by both sides.

11 March 1985- Tehran radio reports that the Iranian air force has struck the Iraqi capital of Baghdad as well as ten other Iraqi cities while Iraq claims that it has attacked seven Iranian cities including Isfahan, Iran's second largest city. Iran says that the Iraqi attacks have resulted in over 100 Iranian deaths.

17 March 1985- Iranian and Iraqi forces battle each other for control of a strategic road in southern Iraq. The New York Times describes this battle as "the fiercest fighting of the war."

18 March 1985- A military communiqué from Baghdad claims that the Iraqi air force has bombed Tehran, "scoring crushing hits."

21 March 1985- A State Department spokesman announces that the U.S. administration believes Iraq has defeated Iran. Edward Djerejian says that "while there is still the possibility of further action which could change the situation, it appears that the Iraqis have blunted, and to a large extent, rolled back the latest Iranian offensive." He also stresses that "we do not provide arms to either side." Appealing to Iran to accept a negotiated settlement, another administration official, who did not wish to be identified, said that "we have to keep trying and hoping that the sheer number of Iranians killed on the battlefield will persuade Khomeini to try another tack."

25 March 1985- U.S. Intelligence agents discover that Iraq has again used toxic chemical weapons to repel the latest Iranian offensive on the southern front. In light of the recent allegations, Secretary of State George Shultz meets unannounced with Iraqi foreign minister Tariq Aziz. When asked if Shultz had confronted him with allegations of chemical weapons use, Aziz responded, "I don't recall." Nonetheless, it is widely believed by the American press that Iraq did indeed use chemical in the most recent battle.

26 March 1985- In an editorial purportedly written by a top Iraqi government official, Iraq threatens to spread the war to "every corner of Iran" unless Iranian officials agree to a comprehensive peace settlement. The editorial, published in Baghdad's Al-Jumhuriya newspaper, also notes that Iraq's only alternative to total peace is "an overall destructive war."

31 March 1985- U.N. Secretary General Javier Perez de Cuellar begins a ten-day tour of the Persian Gulf. While Iraq has formally invited the Secretary General to Baghdad, Iran has still not indicated that it is prepared to discuss "full-scale cessation of hostilities"—a necessary condition if the Secretary General is to visit Tehran.
1 April 1985- The U.N. Secretary General cancels his trip to both Baghdad and Tehran citing Iranian hesitancy to discuss a peaceful and complete resolution to the conflict.

5 April 1985- Iranian Deputy Foreign Minister Hossein Kazempour Ardebili leads a delegation to Moscow to meet with Soviet Foreign Minister Andrei Gromyko. The official Iranian press agency reported that the Iranian delegation "set forth (to the Soviets) the known stand of the Iranian Government on the terms of ending the war"—complete Iraqi surrender. Gromyko told the delegation that the Soviet Union desires the "speediest end to the conflict."

6 April 1985- The U.N. Secretary General Javier Perez de Cuellar announces that he will once again visit both Baghdad and Tehran on his upcoming ten-day tour of the Persian Gulf.

8 April 1985- A day after visiting the Iranian government in Tehran, the U.N. secretary general visits Baghdad. President Hussein reportedly tells him that "Iraq is ready to sincerely and seriously cooperate in discussing practical solutions leading to a halt of the fighting and a comprehensive settlement to the conflict."

9 April 1985- Javier Perez de Cuellar leaves Baghdad saying that the gulf between the two countries is "as wide as ever."

20 April 1985- During a meeting with Ambassador William Eagleton, Tariq Aziz states his strong opposition to congressional efforts to return Iraq to the State Department's terrorism list, which he says would undermine U.S.-Iraqi relations and what Saddam Hussein calls "the beautiful atmosphere between us."

30 April 1985- George Shultz asks Caspar Weinberger to expedite approval of the export of a Sperry 1100/72 computer and other technology to Iraq. The State Department reports that the intelligence community "has no evidence that Iraq has yet embarked on a nuclear weapons program, or intends to do so."

3 May 1985- Citing an unnamed U.S. government official, The New York Times reports that a shipment of Iranian arms containing more than 9,000 Soviet made AK-47s, several million rounds of ammunition, rocket-propelled-grenade-launchers and land mines has arrived at the port of Hungnam, North Korea en route to Nicaragua. The Iranian-Nicaraguan deal is believed to have been the product of Prime Minister Mir Hossein Mussavi's visit Managua, Nicaragua in January 1985. When asked about the transaction, President Reagan responded that it poses a "new danger" to Central America.

18 May 1985- Saudi Foreign Minister Prince Saud al-Faisal meets in Tehran with Iranian Foreign Minister Ali Akbar Velayati. Velayati tells the Saudi official that his country will continue to wage a "just" war against Iraq.

23 June 1985- Ali Reza Afshar, the chief of staff of Iran's Revolutionary Guards, says that the Ayatollah Khomeini has ordered Iranian troops to launch a "defensive" guerilla
war against Iraq and that "the Imam [Khomeini] has issued an overall order for a defensive holy war."

24 June 1985- e. robert wallach [sic] and Bruce Rappaport meet with National Security Advisor Robert McFarlane at the White House to discuss Bechtel Corp.'s project to build a pipeline for Iraq terminating at the port of Aqaba in Jordan. Rappaport is a friend of Israeli Prime Minister Shimon Peres and wallach is a friend of Attorney General Edwin Meese. McFarlane approves the project and tells the Overseas Private Investment Corporation (OPIC) that it is a matter of national security.

25 July 1985- House and Senate conferees accede to a request from the State Department to delete language from amendments to the Export Administration Act of 1979, which would have required the president to return Iraq to the list of countries supporting international terrorism, or to certify within 90 days that Iraq does not support terrorism. George Shultz had assured Representative Howard Berman that Iraq would be returned to the list if any group supported by Iraq committed acts of terrorism.

July 1985- According to a 1992 Los Angeles Times story citing a State Department cable, an official from a Brazilian arms manufacturing concern tells State Department officials that his company unloaded U.S. military equipment, including TOW missiles, at an airport in Iraq around this time.

1 July 1985- A Defense Department official states that his agency has "a number of legitimate national security concerns in regard to high technology exports to Iraq . . . there is a body of evidence indicating that Iraq continues to actively pursue an interest in nuclear weapons . . . In the past, Iraq has been somewhat less than honest in regard to the intended end-use of high technology equipment."

18 July 1985- The chargé at the U.S. Embassy in Baghdad tells an Iraqi official that the Reagan administration "went the extra mile to insure that Iraq was not put on the [terrorist] list and does not expect to be embarrassed by subsequent Iraqi actions."

16 August 1985- The Iraqi government releases a report which says that constant attacks by the Iraqi air force have "demolished" Iran’s oil shipping terminal at Kharg Island and turned the once prosperous oil terminal “into ashes.” U.S. officials, however, doubt the authenticity of Iraq’s claim.

20 August 1985- The first shipment of U.S.-made TOW missiles, comprising the early phase of the Reagan administration’s arms-for-hostages deals, arrives in Tehran. Several other shipments of TOWs, HAWKs and spare parts take place between now and October 1986.

13 September 1985- State Department officials confirm reports that Iraq is to purchase forty-five American-made helicopters for “civilian purposes” in a deal reportedly worth between $225 and $275 million.
27 September 1985- At a speech to the U.N. General Assembly, Jordan’s King Hussein announces that consultation between the two superpowers is “necessary” to bring about an end to the Iran-Iraq war. Also during the General Assembly meeting, Iraqi Foreign Minister Tariq Aziz pointedly blamed Iran for both initiating and extending the conflict. Aziz said that “Iran’s undisguised objective—the toppling of the political and social systems in Iraq and other countries in the region in which the Iranians want to establish their own brand of backwards, barbaric rule,” is the cause of the war. However, Aziz also said that “the first necessary step on the road to peace should be a meeting of the Security Council attended by both parties to the conflict.”

3 October 1985- In response to Tariq Aziz’s speech at the U.N. General Assembly, Iranian Foreign Minister Ali Akbar Velayati delivers a speech at an undisclosed location in which he denounces the United Nations, saying that the international organization is a post-war alliance of victors that “does not represent the shared values of the majority of its members.” He also calls the recent Geneva Summit meeting between the United States and Soviet Union “highly suspicious.”

20 October 1985- In response to recent criticism over the failure to bring a peaceful resolution to the Iran-Iraq conflict, U.N. Secretary General Javier Perez de Cuellar says that the U.N. “simply must be made to succeed.”

7 December 1985- President Reagan discusses the hostages in Lebanon with his top advisers. The extraordinary meeting takes place in the White House residence, and includes the vice president, the secretaries of state and defense, the deputy director of the CIA (Casey is out of town), the White House chief of staff, the national security adviser and his deputy. Weinberger’s notes reveal: “President wants to free hostages … I argued strongly that we have an embargo that makes arms sales to Iran illegal + President couldn't violate it – + that ‘washing’ transaction thru Israel wouldn't make it legal. Shultz, Don Regan agreed.” But Reagan is adamant. Weinberger’s notes go on: “President sd. he could answer charges of illegality but he couldn't answer charge that ‘big strong President Reagan passed up a chance to free hostages’.” Implying that this attitude could land him a prison term, Weinberger retorts, “visiting hours are Thursday.”

8 December 1985- Ali Akbar Velayati visits Prince Saud al-Faisal in Riyadh in an effort to bring an end to the Iran-Iraq war. The official Saudi radio station announces that progress is being made between the two leaders but no further details are given. A day later, however, Prince Saud says that his attempts to convince Iran to stop the war have failed.

12 December 1985- The Iranian delegate to the U.N., Said Rajaie-Khorassani, says that he will attend a Security Council meeting on the Iran-Iraq war if the council were to adopt the positions of the Secretary General Javier Perez de Cuellar—no use of chemical weapons and no strikes on civilian areas. The Iranian delegate says, “I will just greet the president of the Security Council and, if he holds a meeting regarding our issue, I will attend that meeting.” Iran has not previously been willing to cooperate with the United Nations.
31 December 1985- Iraq says that it is stepping up air raids against Iran for the upcoming year with "hundreds of raids" against Iranian troops in retaliation for supposed Iranian air attacks on civilian areas in Iraq.

1986

1986- According to Howard Teicher, "President Reagan sent a secret message to Saddam Hussein telling him that Iraq should step up its air war bombing of Iran." Teicher goes on to say that "this message was delivered by Vice President Bush who communicated it to Egyptian President Mubarak, who in turn passed it to Saddam Hussein."

13 January 1986- The Iranian Navy stops an American merchant vessel in the Persian Gulf in search of military equipment destined for Iraq. While the U.S. admits that the search is legal, the Reagan administration responds by sending two armed Navy warships to the Persian Gulf to escort the tanker, which is reportedly only carrying cotton, to its final destination.

24 January 1986- According to a later Senate report, the CIA provides intelligence regarding the Iran-Iraq war to Iran. Deputy Director for Intelligence Robert Gates is informed that a Presidential Finding has been signed authorizing arms sales to Iran and the sharing of intelligence with that country. Gates reports that he objected, saying that "we were concerned about the Iraqi military situation and that I considered this a very dangerous thing to do." He is subsequently put in charge of preparing the intelligence to be provided to Tehran.

9 February 1986- Soviet First Deputy Foreign Minister Georgi M. Kornienko visits Iran to discuss an improvement in relations between the two countries. Upon the Soviet delegation's departure, Hashemi Rafsanjani, the Speaker of the Iranian Parliament, announces that Kornienko's visit "will have a great effect on our relations with the Soviet Union and the Eastern world... One can be optimistic in fields such as technical, military, economic and possibly political relations." He adds that there is now no such prospects for Iranian relations with the United States.

10 February 1986- Iran launches a massive, three-pronged attack near the southern Iraqi city of Faw capturing the island of Umm al-Rasas in the Shatt al-Arab waterway. While Iraqi radio contends that Iranian forces were "wiped out, and the enemy only gained a shaky foothold in some forward areas," Tehran radio says that Iranian forces seized "serious booty" and that Iraqi troops "sustained serious damage."

12 February 1986- An Iranian military communiqué claims that the most recent Iranian drive has reached the Kuwaiti border. An Iraqi military spokesman, however, described the Iranian claim as "completely baseless." Nonetheless, Chedli Klibi, the Tunisian secretary general of the 22-member Arab League, says that "This is one of the most grave developments since the beginning of the war... it deprives Iraq of access to the gulf, and threatens Kuwait and Saudi Arabia."
19 February 1986- The CIA provides Iran with additional maps depicting Iraq's troop disposition. On the same day, the Reagan administration condemns Iraq's use of chemical weapons during Iran's offensive against the Faw Peninsula.

24 February 1986- The U.N. Security Council passes a resolution calling for an immediate cease-fire in the Iran-Iraq war.

25 February 1986- Iran launches a new offensive in northeastern Iraq in an attempt to threaten Iraq's oilfields near Kirkuk.

14 March 1986- A U.N. mission sent to Baghdad concludes that Iraq has used chemical weapons "on many occasions." In other developments, the Reagan administration warns Iran that if they carry a military offensive into other gulf states, the U.S. would consider it "a major threat to U.S. interests." Likewise, Timothy Renton, British Foreign Office minister of state, says that Britain will aid Kuwait if the Gulf emirate becomes threatened by an Iranian military offensive.

20 March 1986- American Ambassador to the U.N. Donald Lowitz condemns Iraq before the Geneva Convention on Disarmament charging that Iraq has "seriously violated international law" with chemical attacks on Iranian soldiers.

April 1986- The NSC decides to allow additional intelligence about the outcome of military operations to be provided to Iraq.

11 May 1986- Prompted by the nearly 200 reported incidents of attacks on merchant tankers in the Persian Gulf since mid-1984, Iranian President Khamenei says in a meeting with the Libyan oil minister that "We would like to see the Persian Gulf region in complete security." He also tells the Libyan diplomat that he hopes Gulf shipping will "be considered separate from the war zone."

12 May 1986- The U.S. Army Operational Group (of the Army Intelligence and Security Command) produces a report on Chinese-Iraqi contacts concerning construction of a nuclear power plant in Iraq that would be camouflaged from satellite surveillance.

14 May 1986- An American Naval vessel orders an Iranian patrol boat "to stand clear to ensure the freedom of navigation" during a routine stop and search operation of an American merchant vessel in the Gulf of Oman. The Iranians reportedly comply. The incident, despite being described by an American official as "completely businesslike," prompts Ali Akbar Velayati to say on Tehran radio that "The Islamic Republic of Iran, as the strongest power in the Persian Gulf, will not allow any foreign country, American or non-American, to intervene in the region."

22 May 1986- Ambassador to Iraq David Newton visits Eximbank and describes Iraq's deteriorating military situation in the Iran-Iraq war, as well as the adverse effect on its economy of early 1986 declines in oil prices. He expresses hope that Eximbank will
provide medium-term cover. John A. Bohn, Jr., representing Eximbank, responds that his "enthusiasm for doing any new business in Iraq varie[s] from zero to not much." Newton indicates he hopes the bank will "not take any action that would be at odds with current US Government policy toward Iraq."

23 May 1986- An Iranian delegation led by Deputy Prime Minister Ali Reza Moaeri visits Paris to meet with French officials. French Prime Minister Jacques Chirac said at a luncheon after the meeting that France "is ready to normalize relations" with the Islamic Republic, but that he also wishes to continue his country's close ties with Baghdad.

25-28 May 1986- An American delegation led by former National Security Advisor Robert McFarlane secretly visits Tehran to negotiate the release of American hostages held in Lebanon. The delegation fails to meet with senior Iranian officials as they had expected to do, and leaves without achieving a resolution to the situation.

5 June 1986- In an effort to keep chemicals out of Iran that could be used to help that country develop chemical weapons, the United States imposes a ban of the export of eight chemicals to Syria. Syria has supported Iran in the war with Iraq.

15 June 1986- Massoud Rajavi, the leader of the rebel Iranian People's Mujahideen, an Iranian group dedicated to the overthrow of the current government in Tehran, meets with Saddam Hussein.

Summer 1986- On two occasions, CIA staff officers share intelligence with Iraq that may have exceeded the scope of authorized intelligence exchanges, according to a later Senate report.

8 July 1986- Iran again attempts to advance across the border into Iraq. Backed by artillery fire and air assault Iran claims to have killed over 2,000 Iraqi soldiers. Iraq, however, says that they have "annihilated" the invading Iranian force.

15 July 1986- At the Geneva Conference of Disarmament, Timothy Renton, a British Foreign Office Minister, charges that Iraqi use of chemical weapons is responsible for roughly 10,000 casualties, and that Iraq is also increasing it production of a number of chemical gasses.

23 July 1986- Around this date, a briefing memorandum prepared by Richard Murphy states that Iraqi setbacks in the Iran-Iraq war call for consideration of "possible steps the USG might take to bolster the Iraqi will to resist, both psychologically and militarily" and that the situation "raises questions as to whether the U.S. can do more to pressure Iran to wind down -- or end -- the war."

August 1986- According to a 1992 Los Angeles Times report, a State Department cable reports that Saudi Ambassador to the U.S. Bandar bin Sultan has acknowledged that the Saudis transferred "U.S. origin MK-84 bombs to Iraq."
4 August 1986- According to the *Los Angeles Times*, Vice President George Bush, using President Hosni Mubarak as an intermediary, urges Iraq to expand its air attacks against Iran.

13 August 1986- State Department Spokesman Charles Redman says that while Iraq is seeking a negotiated peace settlement, the continuation of the war is the result of the "intransigence of Iran's leaders."

24 August 1986- Iran’s Supreme Leader Ayatollah Khomeini says in a speech that Iran must fight until victory and "finish off" Saddam Hussein. Khomeini also says that "We should neither submit to imposed peace, nor to imposed arbitration" and that "We should continue the war until victory—and it is near."

25 August 1986- Iran announces that it plans to resume the export of natural gas to the Soviet Union. American officials see the move as one designed to put pressure on Iraq because, while officially claiming neutrality in the war, the Soviet Union has been a major supplier of arms to Iraq.

1 September 1986- Iran claims that in its recent offensive Iranian forces have "pushed deep inside Iraq" killing and capturing hundreds of Iraqi combatants. Iraq, however, says that it has inflicted "thousands" of Iranian casualties, destroyed the majority of Iran's attacking force, and knocked out hundreds of Iranian vehicles and weapons inside Iraq.

3 September 1986- Iranian naval forces reportedly stop two Soviet tankers in the Persian Gulf in search of weapons headed to Iraq. This is the first time Iranian patrol boats have stopped Soviet tankers.

23 September 1986- In a speech given to the United Nations General Assembly, Edward Shevardnadze, the Soviet foreign minister, says that the Soviet Union considers both Iran and Iraq "sincere friends" and that the Soviets are "making use of the possibilities available to us to convince the parties to the conflict that they should make peace."

1 October 1986- In a speech given to a group of Arab foreign ministers at the U.N., Secretary of State George Shultz criticizes the Soviets for failing to block the shipments of arms to Iran. Shultz says that "We and Soviets officials agreed that we share a common interest in seeing an end to the Iran-Iraq war. However the Soviets have not acted as forcefully as we in moving to block arms re-supplied to Iran from countries with which they have influence."

2 October 1986- Iranian and French officials meet together at the U.N. for "extensive talks." After the meeting, which contained representatives from both countries, Ali Akbar Velayati says that the new government in Paris is in a position to take more positive steps towards Iran than ever before.

4 November 1986- In a speech marking the seventh anniversary of the takeover of the U.S. embassy in Tehran, Hashemi Rafsanjani announces that Robert McFarlane,
President Reagan's former national security advisor, traveled to Tehran at an undisclosed date “within the last two months” bringing American-made military equipment bound for Iran. He claims the Americans were seized by Iranian authorities and expelled from the country. Although some of the details are wrong, his revelations, echoing a published report the day before in the Lebanese magazine Al-Shiraa, expose the Reagan administration’s arms-for-hostages deals with Iran.

13 November 1986- Although he denies that the United States ever traded arms for hostages, President Reagan says in a nationally televised speech that he did authorize the transfer of what he characterizes as “small amounts of defensive weapons and spare parts” designed to “send a signal that the United States was prepared to replace the animosity between us with a new relationship.”

14 November 1986- Ali Khamenei denies that Iran ever received weapons from the U.S., calling Reagan’s claim “mere lies.”

16 November 1986-Secretary of State George Shultz says that he opposes giving Iran any more American-made weapons. A day later, President Reagan says that he has “absolutely no plans” to send more arms to Iran.

1987

11 January 1987- Reportedly stunned by the discovery of American arms shipments to Iran, the Soviet Union issues its first statement on the affair since it was discovered that the U.S. was sending American made weapons to Iran. In the statement, which was issued in both Moscow and at the United Nations, the Soviets strongly condemn the U.S. The statement reads: “The United States in reality is fanning the flames of the war and provoking further bloodshed between the two neighboring countries. Washington is trying to justify its political machinations and behind-the-scenes arms deals by references to the ‘Soviet threat’ to the Persian Gulf countries.” The statement concludes by saying that “Military methods only make the final settlement more distant and don’t bring it closer” to a peaceful resolution.

18 January 1987- An Iranian military spokesman says that Iranian armed forces have advanced “deep inside enemy lines” and are within 400 yards of the oil refinery at Basra. Iraq, however, is continuing to bomb the Iranian cities of Isfahan, Tabriz, and Dezful claiming that the Iraqi air force has conducted 296 bombings within the last day.

19 January 1987- Iranian warships begin using the Italian-made Sea Killer Missile in night attacks against oil tankers in the Persian Gulf. In other developments, The New York Times, citing a U.S. diplomat, reports that much of the population of Basra—Iraq’s second largest city with over a million residents—has been forced to flee to other areas of the country. One unidentified Asian diplomat says that “This is the most critical point in the war to date... we’re approaching a 50-50 chance Basra will fall.” If Basra were to fall, it is reported that American diplomats will consider sending some military equipment and intelligence to the Iraqi government in Baghdad.
3 February 1987- Unnamed American military analysts tell *The New York Times* that Iraq will not be able to reverse the recent political and military gains by Iran. This is in contrast to American predictions earlier in the war.

10 February 1987- In a speech given at a mosque near Jamaran, Iran, Ayatollah Khomeini vows to continue the “war until victory” and says that Iranian troops are fighting for a “divine cause.” “Almost every day” Khomeini continued, “Iraq is hit and many children, youngsters, old men and ordinary people see their homes fall in on them, but as soon as they clamber from the rubble they speak of the need for us to make war until victory.”

11 February 1987- In a speech at a rally marking the eighth anniversary of the Islamic revolution, Iran’s President Khamenei says that “The aim of this war is to punish the aggressor and root out aggression.”

11 February 1987- In a memo, a NSC staff official notes intelligence reporting a major Bulgarian arms shipment to Iran, and recommends providing such information to Iraq when it becomes available.

19 February 1987- NSC staff official Robert Oakley indicates that the U.S. is attempting to "reassure and strengthen the moderate Arabs in face of the Iranian threat" and that Iraq "is making better use of its weapons superiority. We are examining what more can be done to help them within the limits of our no-arms policy."

14 March 1987- Iran installs the land-based anti-ship HY-2 missile system at two locations on the Iranian side of the Strait of Hormuz. The HY-2 is a Chinese designed missile system that fires Styx warheads which carry over 1,000 pounds of explosives and have a range of 25 to 50 miles. American officials read the Iranian move as an attempt to close off the Persian Gulf to shipping.

23 March 1987- The U.S. Navy offers to escort Kuwaiti ships carrying oil through the Persian Gulf in order to counter any threat to the vessels from Iran. A month earlier, Kuwait became the first Arab country to request outside support (reportedly from both the United States and the Soviet Union) for ships transporting oil through the Persian Gulf. The U.S., however, was the first to take up Kuwait on the offer. According to one State Department official, one reason was that it would send positive “signals” to other pro-Western Arab states. The United States has come under scrutiny form Arab regimes since the revelation that the Reagan administration was covertly funneling military supplies to Iran.

1 April 1987- The Reagan administration turns down an Iraqi request to buy C-130 cargo planes and artillery radar from the U.S.
4 April 1987- Caspar Weinberger tells the U.S. Navy to bolster its forces near the Persian Gulf. This, Weinberger believes, will help to fulfill President Reagan's promise that Arab oil will continue to flow to the Western world.

6 April 1987- After rejecting an earlier American proposal to escort Kuwaiti tankers through the Persian Gulf, Kuwait proposes to register some of its vessels under both U.S. and Soviet flags. The expectation is that Iran will be more hesitant to attack U.S. and Soviet vessels. Kuwaiti ships have been targeted by Iran more than any other nationality. U.S. officials say they are considering what they call a very "serious proposal."

14 April 1987- The Soviet Union announces that it will lease three ships to Kuwait to carry oil through the Persian Gulf. Soviet officials also say that there is a possibility these ships will be escorted through the Gulf by Soviet naval vessels. In a conversation with reporters, Gennadi I. Gerasimov, a Soviet spokesman, says his country reached the decision because the U.S. has been "intimidating the countries of the Persian Gulf to force them to invite the United States to become their protector." State Department officials say that Soviet "warships mean a political presence and the ability to intervene. (The Persian Gulf) is an area we have defined as vital to U.S. interests."

20 April 1987- For the first time in the war, Iraq agrees to let a United Nations team visit and investigate claims that it has used chemical weapons against Iranian soldiers.

21 April 1987- Despite objections from Caspar Weinberger, the Reagan administration agrees to allow the export to Iran of a $900,000 Swiss-made computer system designed for use in an electric power distribution center in Tehran.

4 May 1987- Richard Murphy sets off on a trip to Iraq and six other Arab countries in an attempt to reassure Arab countries in the region that the United States is on their side. There had been considerable debate on that point since it was discovered in November 1986 that the U.S. was covertly supplying Iran with American-made military supplies.

7 May 1987- The United States begins an effort to persuade the United Nations to impose a worldwide arms embargo against Iran. U.S. officials believe this will dry up Iranian arms supplies forcing Tehran to the negotiating table.

8 May 1987- A Soviet freighter is hit at the southern end of the Persian Gulf by an Iranian missile.

13 May 1987- A United Nations team sent to Baghdad to investigate chemical weapons use reports that Iraq has begun using chemical weapons against Iranian civilians. In other developments, Egypt breaks official diplomatic relations with Iran.

17 May 1987- Two French-made Exocet missiles fired from Iraqi jets hit the USS Stark in the Persian Gulf killing thirty-seven American service men. White House spokesman Marlin Fitzwater says that from now on, any Iraqi or Iranian aircraft "flying in a pattern
which indicates hostile intent will be fired upon, unless they provide adequate notification of their intentions.” The Iraqis call the raid a “mistake.”

23 May 1987- American officials agree to let Kuwaiti tankers fly American flags while traversing the Persian Gulf. While Iranian pilots have been careful not to hit American ships in the past, they say that they will not cease attacks on Kuwaiti tankers even if those ships are now flying American flags.

27 May 1987- While attending a meeting of NATO defense ministers, Caspar Weinberger asks his counterparts to join in helping to protect tankers in the Persian Gulf. NATO, however, turns down the request.

29 May 1987- The Reagan administration postpones plans to provide American military protection to Kuwaiti oil tankers in the Persian Gulf in order to give the Joint Chiefs of Staff time to decide what forces will be needed to carry out the mission. Many senior military officers feel that if the U.S. does proceed with plans to put American flags on Kuwaiti tankers, the U.S. may draw itself further into the conflict and possibly into war with Iran. They also feel that, by re-flagging Kuwaiti tankers with American flags, the U.S. will firmly place itself on the side of Iraq giving away its role as a neutral negotiator. In other developments, Iraqi officials refuse to let the U.S. team investigating the bombing of the American Naval vessel on 17 May interview the pilots of the plane that fired the two missiles. Nonetheless, the American team sent to investigate the bombings say that they are pleased with “the spirit of cooperation and forthrightness” offered by the Iraqis. Rear Admiral David N. Rodgers, the head of the nine member American delegation, says also that “We have reached a preliminary agreement… which will automatically reduce the probability of further attacks.”

1 June 1987- The U.N. Security Council fails to agree to a U.S. proposal that would impose an international embargo on selling weapons to Iran. One diplomat, who wishes to remain anonymous, says that he think there would have been more support for the U.S. proposal had the Reagan administration not decided to secretly sell weapons to Iran.

2 June 1987- Iran supplies its Navy with forty Swedish-made Cabin Cruisers. These 42-foot long boats are powered by two diesel engines and can reach speeds of 55 miles per hour. The reported purpose of these new boats is to allow Iranian forces to move swiftly through the waters of the Persian Gulf dropping mines in front of commercial ships and allowing Revolutionary Guardsmen on board to fire rocket-propelled-grenade launchers at large tankers. The Iranian decision to put the boats into military use was prompted by American and Soviet moves to protect Kuwaiti shipping in the gulf. As Foreign Minister Ali Akbar Velayati put it, “Iran will not allow the superpowers or any foreign forces to interfere in the region.”

4 June 1987- President Reagan gives a speech at an economic summit meeting in Venice, Italy in which he threatens both Iran and Iraq with an arms embargo if the two countries refuse negotiations to end the war.
In other developments, Rafsanjani, the Speaker of the Iranian Parliament who has also emerged as the country's chief foreign policy maker, says in a news conference that the Iranian tactic of "human wave" assaults has been wasteful and killed too many Iranian soldiers.

21 June 1987- The U.N. Security Council agrees to a resolution calling for an immediate cease-fire in the Iran-Iraq war.

28 June 1987- The Iranian press reports that Iraq has dropped mustard gas in a predominantly Kurdish region of northwestern Iran killing ten and wounding over 650 Kurds. "Most of the martyred and wounded people were children, old women and men," the official news agency wrote.

29 June 1987- Citing unnamed Reagan administration officials, The New York Times reports that Yuli M. Vorontsov, the Soviet first deputy foreign minister, is visiting Tehran to tell Iranian officials that if they promise not to attack Soviet ships in the Gulf, Moscow will veto a U.S.-led initiative in the U.N. Security Council that would impose an international arms embargo on Iran. Vorontsov also invites the Iranian government to send a representative to Moscow to meet with Iraqi officials in a bid to negotiate an end to the war. Iran, however, rejects the Soviet invitation.

July 1987- The NSC, at the urging of the State Department, directs the Defense Department's Defense Technology Security Administration to be "more forthcoming" regarding license approvals for Iraq.

20 July 1987- The U.N. Security Council unanimously passes another resolution calling for a cease-fire in the Iran-Iraq war. This resolution becomes known as Resolution 598 and initially calls for an international arms embargo against both Iran and Iraq if either side decides not accede to a cease-fire within two months. The Iranian delegate to the U.N., however, rejects the Security Council motion calling it worthless and saying that it would be ignored by his government. In sharp contrast with the Iranian point of view, an Iraqi government spokesman in Baghdad says that "Our primary impression regarding the text of the resolution is positive." George Shultz says that the U.S. "is determined that this mandatory resolution not become an empty effort." The chief of the Soviet delegation to the U.N., Aleksandr M. Belonogov, says that the "concentration of armed forces of third parties in the area continues (with) dangerous consequences of increased foreign military activity and presence in the conflict area." This is an apparent reference to the high number of U.S. naval warships in the Persian Gulf.

22 July 1987- Three U.S. warships escort two American flagged Kuwaiti tankers through the Strait of Hormuz, well within range of being struck by Iranian surface-to-surface missiles pointed at the gulf, without incident. Many in the Reagan administration feared Iran would launch the missiles at the convoy prompting an American military response which would bring the U.S. into a war against Iran.
23 July 1987- Ali Akbar Velayati visits Bonn to meet with West German Chancellor Helmut Kohl. The Iranian foreign minister says later that his talks with the West Germans were “constructive and productive” and he promised to help free two West Germans held by pro-Iranian Islamic militants in Lebanon.

24 July 1987- A Kuwaiti tanker escorted by an American Naval warship hits a mine while traversing through the Strait of Hormuz. Though Iran does not claim responsibility for the attack attributing it to an “invisible hand,” the Iranian press calls the incident “an irreparable blow to America’s political and military prestige.”

27 July 1987- George Shultz meets with Tariq Aziz in Washington and asks the Iraqi government to abstain from any new attacks on Iran. Shultz believes that if Iraq were to halt its attacks on gulf shipping, Iran would follow suit.

4 August 1987- Iran and the Soviet Union reach an agreement in which the two countries would cooperate on the building of oil-pipelines from Iran to the Soviet Union, joint shipping in the Caspian Sea, and, according to the official Iranian news agency, the “expansion of cooperation in the arena of power, steel, and oil refining … [as well as] plans to build a railroad linking the Soviet Union with the Persian Gulf.”

10 August 1987- In spite of Secretary Shultz’s earlier requests, Iraq begins bombing attacks on the Iranian oil-fields at Tabriz. Iran responds by vowing to make the Persian Gulf “a killing field for aggressors.” Shortly thereafter an American-owned oil tanker hits a mine while entering the Gulf of Oman from the Strait of Hormuz. This marks the end of an informal cease-fire agreement that had lasted twenty-five days.

26 August 1987- Nizar Hamdoon says that Iraq will resume air attacks against Iran if the United Nations does not invoke an international arms embargo against the Islamic Republic for not accepting a cease-fire agreement and peace negotiations. Three days later, Iraq attacks two Iranian merchant vessels in the Persian Gulf. An Iranian military spokesman vows “a crushing response to the Iraqi attacks.” Over forty ships in the Gulf will be hit by both sides within the next two weeks.

1 September 1987- The United States asks the U.N. Security Council to impose an international arms embargo on Iran if it does not accept a comprehensive cease-fire agreement by the end of the week. Two days later the U.S. delegation postpones this call for a global arms embargo until U.N. Secretary General Javier Perez de Cuellar returns from his trip to the Persian Gulf region where he will meet with leaders in both Baghdad and Tehran in an attempt to convince both sides to accept a cease-fire.

13 September 1987- While meeting with the U.N. secretary general in Tehran, Rafsanjani says that Iran would accept a cease-fire if Iraq, and Saddam Hussein, were identified as the aggressor by the U.N. Rafsanjani is quoted by the Iranian press as saying that “The only clear and practical way to solve the problem of the Iran-Iraqi war is that the aggressor will be identified. In this framework we are ready to cooperate.”
15 September 1987- While meeting with Iraqi officials in Baghdad, the U.N. secretary general is reportedly told by Saddam Hussein that the United Nations needs to take "punitive measures" against Iran.

22 September 1987- Speaking in front of the U.N. General Assembly, Iranian President Ali Khamenei rejects a U.N. call for a cease-fire with Iraq and calls President Reagan’s earlier speech "a pack of lies."

December 1987- When the staff director of the Senate Select Committee on Intelligence is briefed on U.S. sharing of intelligence with Iraq, it reportedly marks the first time that "the ... Committee ... was made officially aware of the sharing arrangement."

2 December 1987- Sarkis Soghanalian and Hughes Helicopter executives Carl Perry and William Ellis are indicted on charges of conspiracy to violate the Arms Control Export Act by smuggling 103 Hughes combat helicopters equipped with TOW missiles to Iraq.

24 December 1987- All fifteen members of the United Nations Security Council declare themselves ready to accept U.N. Resolution 598 calling for a cease-fire in the war. The Council, however, stops short of agreeing to a U.S. proposal which would impose a global arms embargo on Iran if that country does not accept the U.N. sponsored cease-fire, but all agree that they are willing to take further measures against Iran if the government in Tehran does not comply. Both China and the Soviet Union were previously opposed to Resolution 598. Many Western diplomats believe Chinese opposition to the U.N. proposal stemmed from the fact that Beijing was supplying Iran with Chinese-made weapons. The Soviets, on the other hand, had, until today, said that they would support the proposal only if the U.S. were to pull all of its warships out of the Persian Gulf. Rafsanjani said that the Security Council’s move is the wrong way to end the war and that any measure that would enforce a global arms embargo on Iran “would only serve to make the Iranian nation more impatient to reach final victory.”

1988

6 February 1988- While in Baghdad to meet with Saddam Hussein, Gaibnazar Pallayev, the head of the Soviet delegation in Iraq, announces that the Soviet Union is now prepared to fully accept the American proposal that would impose an arms embargo on Iran if that country fails to accept a U.N. sponsored cease-fire.

23 February 1988- George Shultz meets with Soviet Foreign Minister Eduard Shevardnadze in Moscow to discuss, among other things, U.N. Resolution 598. Shevardnadze informs Shultz that the Soviet Union is ready to impose an arms embargo on Iran if the government in Teheran refuses to comply with the U.N. sponsored cease-fire. While the two leaders agree to impose the embargo on Iran, they decide to delay carrying it out for 30 to 60 days in order to allow Secretary General Javier Perez de Cuellar to make another effort to end the war.
5 March 1988- Citing unnamed State Department officials, The New York Times reports that Mohammad Mahallati, Iran's permanent representative to the United Nations, hands to the Security Council an unsigned statement on paper without letter-head announcing that Iran is ready to accept a U.N. sponsored cease-fire. U.S. officials read the Iranian move as a final attempt to halt the international arms embargo on Iran.

6 March 1988- Iranian rioters attack the Soviet embassy in Tehran and the Soviet consulate in Isfahan after the Iranian press accuses the USSR of supplying Iraq with Soviet-made Scud-B surface-to-surface missiles that were reportedly used in attacks on the Iranian capital. Officials in Moscow deny that they supplied the missiles to Baghdad.

6 March 1988- An American warship in the Persian Gulf fires on what is believed to be Iranian speedboats moving towards one of the U.S. Navy's supply barges. Later that day, an American helicopter on a reconnaissance mission in the Gulf is fired on by Iranian armed forces.

7 March 1988- Aleksandr M. Belonogov, a Soviet delegate to the United Nations, proposes to the Security Council a new measure to end the war. The Soviet proposal includes the appointment of a special representative to negotiate with both sides and a resolution calling for an end to missile attacks on civilians. American officials read the Soviet move as an attempt to prolong the U.N. decision on a global arms embargo on Iran which is expected soon.

8 March 1988- Chinese Foreign Minister Wu Xueqian tells President Reagan that China will support a global arms embargo against Iran.

11 March 1988- In a truce signed in Ankara, Iran and Iraq agree to halt attacks on each other's cities.

21-26 March 1988- Iraq kills over five thousand Iraqi Kurds in chemical weapons attacks. Iraq reportedly used the weapons after the Iranian military captured the northern Iraqi town of Halabja, which is occupied mostly by Iraqi Kurds. While Iraq offers no official comment, the Iraqi ambassador in London says that it was Iran, not Iraq, which used the weapons. Mir Hossein Mussavi, the Iranian Prime Minister, says that the Iraqi attack is "a disgrace for the Middle East." Referring to Saddam Hussein, the Prime Minister continued to say that his country will continue the war against Iraq until "the root of mischief is eliminated from the region."

1 April 1988- According to reports, Iran claims that an additional 75 people are killed and over 100 injured in Iraqi chemical attacks in northern Iraq. Ayatollah Khomeini, Iran's supreme leader, urges his country to continue the war against Iraq despite the threat of chemical attacks because "hesitation today will lead to enslavement tomorrow."

29 April 1988- President Reagan orders the American Navy to use military force to defend "neutral" ships in the Persian Gulf if they come under attack from Iranian
missiles. Until now, only American ships could be protected militarily from Iranian attack.

16 June 1988- France and Iran restore official diplomatic relations.

1 July 1988- Tariq Aziz admits that Iraq has used chemical weapons in the war against Iran but maintains that Iran was the first to use chemical weapons in the war. This is the first such admission by an Iraqi official since allegations of the weapons’ use first surfaced in 1984.

3 July 1988- The USS Vincennes shoots down an Iranian passenger plane, Iran Air 655, in the Persian Gulf, killing all 290 civilians aboard. A U.S. Navy spokesman says that the ship mistook the Iran Air Airbus A300 for a hostile Iranian F-16. Iranian Foreign Minister Ali Akbar Velayati says that “The United States is responsible for the consequences of its barbaric massacre.” Tehran radio reported that Iran “will not leave the crimes of America unanswered” and that “we will resist the plots of the Great Satan and avenge the blood of our martyrs from criminal mercenaries.” Supreme leader Khomeini says that “We must all be prepared for a real war and go to the war fronts and fight against America.” The State Department says that the incident will have “no direct impact” on American escorting of Kuwaiti tankers while President Reagan says it is an “understandable accident.” Like Reagan, Saddam Hussein calls the incident a “regrettable accident.” Iranian officials at the U.N. seek an official condemnation of the United States.


17 July 1988- In a speech marking the 20th anniversary of Ba’ath Party rule, Saddam Hussein announces that Iraq will give up all the land it has captured inside of Iran. Hussein also says that his country “stands at the edge of victory” and that the Iraqi military has inflicted “material and moral” damage on Iran. He nonetheless reiterates Iraq’s conditions for peace, which include “a complete and comprehensive unconditional withdrawal” by both countries and a pledge that both Iran and Iraq will bring “stability and security to the region.”

18 July 1988- A letter from Iranian President Ali Khamenei to U.N. Secretary General Javier Perez de Cuellar announces that Iran is prepared to fully accept an official U.N. sponsored cease-fire. While the Iraqi delegation remains skeptical of the Iranian acceptance, the Reagan administration calls the move a “major breakthrough” and says that it could lead to a reduction in the size of the U.S. force in the Persian Gulf.

20 July 1988- Ayatollah Khomeini says that he personally endorses a cease-fire. The United Nations announces that it will send missions to both Tehran and Baghdad to begin working on a formal cease-fire.
22 July 1988- On the same day that both sides agree to send their foreign ministers to the U.N. for peace negotiations, Iraq launches a new offensive on the border against Iran in what many believe is an attempt to improve Iraq's negotiating position in the U.N. sponsored talks.

25 July 1988- The Commerce Department's Bureau of Export Administration finds 29 export applications for Iraq totaling about $500 million. The Department indicates that there are "seven cases that appear to be of special concern": one involving Iraq's Geological Survey, one for the University of Mosul involving remote sensing equipment, one for the Ministry of Defense involving use of photographic data, an information system for the General Establishment for Survey, one involving "[Excised] cargo trucks" for the Ministry of Defense, another for the Ministry of Industry, and one involving commercial surveillance cameras for the Technical and Scientific Material Division.

30 July 1988- Negotiations begin between representatives from Iran and Iraq at the United Nations.

6-7 August 1988- On 6 August Saddam Hussein announces that he will accept a cease-fire in the war if Iran agrees to direct talks immediately following the truce. A day later Iran accepts Iraq's compromise proposal.

20 August 1988- At 7:00 AM local time in Baghdad an official U.N.-sponsored cease-fire goes into effect. Three hundred and fifty U.N. peace-keepers spread out along the 740-mile border between Iran and Iraq to begin to monitor the agreement.
The Iran-Iraq War, 1980-1988
Reader of Declassified U.S. Documents

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MEMORANDUM

THE WHITE HOUSE
WASHINGTON

December 21, 1979

MEMORANDUM FOR: THE PRESIDENT
FROM: ZBIGNIEW BRZEZINSKI
SUBJECT: NSC Weekly Report #122

1. Opinion

Difficult Choices in Iran. Let me just add the following to our discussions this morning, because I know that this matter is very much on your mind.

(1) It may well be that Khomeini cannot be moved by economic pressures in which case military action, which is merely an extension of economic pressure (blockade or mining), will not move him either. In the meantime such action could provoke widespread international reactions against us and thus be self-defeating.

Because of that, we need to consider military actions which contribute to his downfall, and thus secure the release of hostages as a consequence of attaining the other objective: his downfall. I have set up a very small, tightly held group to see whether we could somehow mesh covert political action designed to create an alternative to Khomeini with a series of military steps which contribute to that end. In other words, our military options would not be primarily either punitive or designed to apply economic leverage but would be more deliberately geared to attaining a political objective.

(2) In that connection, I will think further about some forms of military action which give us more direct bargaining leverage. Khomeini is not entirely immune to military threats, as we already know because he apparently was influenced by our very secret threat of November 23. You felt strongly today that taking the islands would be the wrong course of action, and you may well be right. My only point was that we ought to think of some military steps which have the effect of imposing a
protracted humiliation on Khomeini, which can only be terminated through the release of our hostages. Taking some territory, such as the islands, might have that effect; perhaps mining would also; in any case, as above, I will be seeking to define for you some military options which reinforce our political strategy rather than being either retaliatory or merely an extension of economic pressure.

(3) With regard to Iraq, in addition to the military aspects that we discussed this morning, I have checked with Cy Vance, and he agrees with the notion that it might be useful for Jim Schlesinger to pay a personal visit to Iraq early in 1980 and to engage the Iraqi leaders in a wider discussion. I am so informing Schlesinger.

2. Vance-Brown-Brzezinski Luncheon

Cy, Harold and I reached the following decisions at our weekly luncheon today:

-- DOD Proposals for Improving Covert Action: In response to a proposal from the Department of Defense, we agreed to establish a screening committee to review, expedite and stimulate better covert action proposals. The Committee will meet prior to SCC meetings and will be authorized to return inadequate proposals to CIA for revision if it deems them inadequate for SCC review. The committee will be composed of David Aaron, Robert Komer and Ronald Spiers. (S)

-- Sale of French Computer IRIS-80 to USSR: We agreed that Cy will protest the sale of this advanced computer to the French Ambassador here. Meanwhile, I will be in touch with my counterpart in the Elysee, Jacques Wahl, to indicate that French handling of this matter could affect our attitude on sensitive elements in our relationship -- including certain obvious kinds of cooperation. We noted that a decision on a telephone switching system now pending at COCOM is also part of the problem. (S)

-- IBM Computer Supplies to KAMA River: Also with respect to technology transfer, Harold Brown agreed to look into licenses for IBM computer parts and supplies to the KAMA River plant in light of recent publicity and concern over the military significance of truck production at the plant. (C)

3. National Security Affairs Calendar (attached)

We need to list everything that Khomeini would not want to see occur and which would not invite condemnation of U.S. by other nations.
MEMORANDUM

THE WHITE HOUSE
WASHINGTON

MEMORANDUM FOR: THE PRESIDENT
FROM: ZBIGNIEW BRZEZINSKI
SUBJECT: NSC Weekly Report #156

October 3, 1980

1. Opinion

Long-Term Implications of the Iran-Iraq War. The war is likely to be one of attrition. Iraq has bitten off more than it can chew, not to speak of digesting. Iran will not acquiesce to this. Accordingly, the conflict will be destructive not only to the two protagonists but potentially to the region as a whole. Protracted warfare could generate more tensions and at some point it could involve the other Gulf states. That prospect gives rise to a number of questions:

-- Can Iran live without Khuzistan?

-- Which way will Iran go politically?

-- How will the Soviets exploit the likely feelers from Iran for military help, as well as Iraq's appeals for the replenishment of its military stock?

-- When will the Soviet Union step forward as the peacemaker and how can we prevent it from becoming the "guarantor" of the region's stability?

-- Will Saudi Arabia and the other Gulf states gravitate toward Iraq?

-- Will Shia passions promote increasing unrest in Kuwait, Bahrain, and Saudi Arabia?

-- What will be the effect on all of that on Israel's willingness to compromise?

-- Finally, what will all this do to our position in the region?
In this short memo I do not propose to address all of these questions but I list them to highlight the scope and the gravity of the problem that we now confront. So far, we have responded well, and I think you are entitled to claim greater public credit for this than so far has been given. We have openly committed ourselves to keep the Strait of Hormuz open; we have protected our position in Saudi Arabia; and we have not tilted to either of the protagonists. We have thus avoided a break with the Arabs, while keeping our options open with the Iranians.

The threat to the security of the Gulf gives us also a unique opportunity to consolidate our security position in a manner which even a few weeks ago would have been not possible. The Saudis and the other Gulf states are much more inclined to seek U.S. military presence since they have become very anxious about their longer-term security. While we should not appear over-eager in proffering our military assistance, we would miss a major strategic opportunity if we fail to exploit this. Accordingly, I am very much in favor of expanding our present military role, especially in terms of air defense systems and major presence, along the lines of Harold's recommendations.

Looking beyond these immediate steps regarding the Persian Gulf, we need to initiate both more subtle and more covert initiatives regarding Iran. While reinforcing our position in Saudi Arabia, and while not clashing with Arab aspirations (and thus while not openly opposing Iraq), we should actively seek new contacts with Iran to explore the possibility of helping it just enough to put sufficient pressure on Iraq to pull back from most, if not all, of its current acquisitions. Only by attempting to do this can we make the needed effort to safeguard Iran from Soviet penetration or internal disintegration.

To accomplish this task will not be easy, especially in the current circumstances. The Iranian leadership at the very top is irrational and fanatical. The radicals, moreover, have also a stake in keeping tensions high with the United States. Nonetheless, there must be a great many Iranians, including in the present leadership, who must realize that the present fate of Iran is the by-product of its isolation from the United States. If encouraged, they might either be able to put enough pressure on Khomeini to alter his position or to take action to alter the existing power arrangements in Tehran.

Our present contacts with the Iranians are primarily through the Swiss and the Germans. That may be good enough insofar as the hostage issue is concerned, but I suspect that it will not suffice insofar as the longer-term strategic issue is concerned. I think there are four governments which could be enlisted for the kind of dialogue I feel we need to initiate: Algeria, Turkey, Pakistan, and China. Each, in its own way, has some influence in Tehran, and each has a reason to be sympathetic to our efforts. Certainly
the last three should favor efforts to preserve the strategic line south of the Soviet Union, running from the northern Turkish frontier through the Caspian Sea to Pakistan. Even the Algerians have a stake in an outcome which avoids the fragmentation of Iran (I attach at Tab A an extremely interesting and revealing discussion of this problem by the Algerian Foreign Minister, whom I had gotten to know in the course of my visit to Algiers, and whose judgment I respect). I do not believe efforts to use these governments can be initiated through traditional diplomatic channels. Some genuinely private and secret initiatives are needed, exploiting whatever ties of personal confidence we have at the top levels of these governments. These initiatives need to be orchestrated carefully, and they should be focused on Iran's survival and not directly on the hostage issue, though if successful they could have the effect of being helpful not only on the longer-term strategic matter but on the more immediate problem of the hostages as well. Only you can get this process underway.

2. National Security Affairs Calendar (Tab B)
Weekly Reports to the President, 151-161: 8/80 - 12/80
MEMORANDUM

THE WHITE HOUSE
WASHINGTON

October 10, 1980

MEMORANDUM FOR: THE PRESIDENT
FROM: ZBIGNIEW BRZEZINSKI
SUBJECT: Weekly Report #157

1. Muskie-Brown-Brzezinski Meeting

Ed, Harold and I reached the following decisions at our meeting this week.

-- On Greek reintegration into NATO, Harold will write to the Greek Defense Minister. We will hold a letter from you to Rallis until we hear from General Rogers.

-- We agreed on a message to be sent to the French summarizing recent sensitive cooperation, spelling out our overflight requests and reiterating our position on COCOM.

2. NSC Activities

Reactions to the Iran-Iraq War

The following is a brief summary of where various states stand in their views of the Iran-Iraq conflict:

- Persian Gulf States. The initial wave of pan-Arab support for Iraq has waned as the realities of regional vulnerabilities have set in. The smaller Gulf states have become increasingly concerned with the possibilities of an expanded war and of Iraqi dominance of the Gulf. U.S. military presence -- naval task forces, security agreements, and rapid deployments -- have prevented the spread of the war and have strengthened the Gulf states diplomatically vis-a-vis Iraq.

- Oman. Oman has made out well diplomatically. It has garnered Iraq's favor without actually having to involve itself in the conflict. All Iraqi aircraft which were to strike Bandar Abbas from Oman have been withdrawn. The
The U.S.-Oman access agreement and the accompanying letter on Omani security have given Qaboos the confidence he needs to be able to remain uninvolved. Oman is concerned with Iranian intentions and has asked the U.S. for a statement of our intentions, should Oman become involved in the war. Oman has indicated interest in AWACS coverage.

-- UAE. The emirates have been consistently reluctant to support Iraq in tangible ways. Some unauthorized Iraqi aircraft landed in the UAE enroute to Oman during the first days of the war, but since then, the UAE has not provided any assistance. It is unlikely that any Iraqi patrol boats are in the UAE, as was alleged early in the conflict. The Iranian Navy reports of MIGs in Dubai are unsubstantiated and, according to DIA, are probably not believed even by the Iranians. UAE has expressed interest in AWACS information and has offered to expand its oil production.

-- Qatar. Qatar has been uncooperative with Iraq from the outset, refusing the Iraqis overflight permission enroute to Oman. Qatar has adopted a low profile throughout the conflict.

-- Bahrain. As it has become increasingly apparent that Iran is not succeeding in removing the perennial Iranian threat to Bahrain, the Bahrainis have become restrained in their support for Iraq. Bahrain is constrained by its large and restive Shi'a population. The U.S. Embassy asserts that the presence of the U.S. MIDEASTFOR is a source of great comfort to Bahrain. Bahrain has asked for AWACS information. Saudi Prince Bandar reports that Bahrain is willing to extend its support for MIDEASTFOR in exchange for a security agreement.

-- Kuwait. Kuwaiti support for Iraq has been tempered by historical Iraqi irridentist claims on Kuwait, fear of Iranian reprisals, and a population which generally favors Iran in the conflict. Kuwait has recently and reluctantly allowed some Iraqi aircraft to be stationed in Kuwait. The U.S. Embassy reports that Kuwait fears of an Iranian attack have been greatly lessened by the deployment of AWACS to Saudi Arabia and that, rhetoric notwithstanding, Kuwait expects the U.S. to keep the Gulf open. Kuwait has expanded its oil production in response to the shortfall caused by the interruption of Iraqi oil.

-- Saudi Arabia. After initial messages of support, Saudi Arabia has moved to a far more balanced public posture, calling for both sides to end the conflict. Deployments of Iraqi bomber aircraft to Saudi Arabia have apparently ended. The U.S. Embassy reports that U.S.-Saudi relations are especially close now as a result of the renewed confidence Saudi Arabia has in the U.S. security commitment. Iraqi sources indicate dismay at the rapid shift of Saudi Arabia to the American security umbrella. Saudi Arabia has also expanded oil production.
--- Jordan. Alone among regional states, Jordan has adopted an activist pro-Iraqi profile. Insulated from Iranian retaliation, King Hussein has offered direct Jordanian aid and support for Iraq, including Jordanian troops, although in recent days, Hussein has backed away from the offer of direct Jordanian participation in combat. Aqaba has become a major source of imported goods for Iraq.

--- Extra-regional States. Most have adopted a neutral position, hoping to stay away from the conflict. Austria has refused to entertain Iranian requests for support. Turkey has refused overflight permission for war materiel going to either belligerent, a policy which will be more damaging to Iran. The UK, the FRG, Portugal, and Spain have all voiced concern to varying degree over the use of their territories and airspaces by the U.S. to support the AWACS deployment, although the AWACS decision itself has met with approval.

--- Multi-national Naval Force for the Strait of Hormuz. Those states which have been approached are willing for the most part to cooperate on a navy-to-navy basis but are most reluctant to agree at a political level. The UK, France, Australia, New Zealand, and Italy are all engaged, in one form or another, in navy-to-navy discussions with the U.S. Press coverage shows split opinions in Europe about the advisability and necessity of a multi-national naval force, with the balance seeming to be in the direction of approval of such a force. Assertive U.S. leadership in guaranteeing the Strait has forced at least a modicum of support from the Allies. The presence of a U.S. carrier battlegroup in the Gulf of Oman at the outbreak of hostilities lent substantial credibility to U.S. pronouncements about the Strait.

U.S.-Pakistani Relations after the Zia Visit

In reviewing your meeting with President Zia, several things stand out:

--- A cordial personal relationship was established. This was the main object of the visit.

--- The Pakistanis went away believing that the Indians no longer have a veto over the U.S.-Pakistani relationship. (We would argue that they never did, but Zia clearly thinks that we have turned a significant corner and that you confirmed this to him.)

--- On covert support of the Afghan nationalists, Zia is as cooperative as he thinks he can be on a bilateral basis; the Pakistanis do not, however, want us to get involved in organizing
other countries' support of the insurgents (hence Zia's instruction that the Europeans should approach him directly).

-- The Pakistanis want and probably expect large-scale economic assistance. They put this in terms of debt relief. I have little doubt, however, that they are expecting something pretty significant for FY 82 bilateral assistance to be unveiled after our elections. They did not ask for anything but they made their expectations known.

The net result of all of this would seem to be a relationship in which Pakistan receives no military aid from us; makes routine military purchases, but not of the kind that would heavily affect our Indian concerns; expects substantial economic assistance; pursues its nuclear projects; leaves us to figure out how to deal with the Symington question; pursues its all-azimuths foreign policy, in which we play a significant but not dominant role; within that context continues to support the Afghan resistance; and works on a relationship with us that may win some support against India.

Since the appearance of the Pakistani policy design suits our purposes adequately, we might as well follow it and thereby try to reinforce it. In this context, we should:

-- Maintain the moderate level of rhetoric that we have been following and hope that the Paks do the same. (Zia's statements to the press and subsequent "inspired" Pak press commentary are well within the acceptable range.)

-- Make an effort for something substantial (i.e. much more than the planned $100 million) in the FY 82 assistance budget for Pakistan. If we do not act soon, this situation will be completely out of hand and we will be talking about FY 83. This means that we are going to have to make the decision to go for a repeal or waiver of the Symington and Glenn Amendments. We will, of course, wait until after our elections but must start to lay our plans soon.

3. Alert

Command Arrangements in the Persian Gulf

As might have been predicted, we have yet to coordinate and tie together effectively our AWACS, HAWKS, and DDGs (guided missile frigate) air defense capabilities in Saudi Arabia and the Gulf. The insurmountable problem is the command structure. AWACS is from the U.S. but controlled through EUCOM in Stuttgart. For reasons I have not learned in detail, control over AWACS activities and control over HAWK activities have proven almost impossible to coordinate or tie together. That probably relates to AWACS
coming from a U.S. command and the HAWK activities being tied through USMTM in Riyadh. It is also an Air Force-Army problem. The truly ridiculous problem, however, is that the guided missile frigates with their impressive air defense capability must communicate with AWACS and HAWKS a few miles away by transmissions back through Honolulu-JCS-Stuttgart-Riyadh, e.g. all the way around the world! The same is true for putting the F-14s into the air defense system with AWACS.

4. National Security Affairs Calendar (attached)
Presidential Directive/NSC-63

TO: The Vice President
The Secretary of State
The Secretary of The Treasury
The Secretary of Defense
The Secretary of Commerce
The Secretary of Energy
The Director, Office of Management & Budget
The Chairman, Joint Chiefs of Staff
The Director of Central Intelligence

SUBJECT: Persian Gulf Security Framework (U)

In my State of the Union Address to the Congress in January 1980, I called special attention to our interests in the Southwest Asia and Persian Gulf region. Furthermore, in light of the Soviet invasion of Afghanistan, I declared that:

"An attempt by any outside force to gain control of the Persian Gulf region will be regarded as an assault on the vital interests of the United States. It will be repelled by the use of any means necessary, including military force."

(U)

Subsequently, I have directed action to protect the Strait of Hormuz and strengthen our key friends in the region in the face of risks stemming from the Iran/Iraq war. It is U.S. strategy to meet these commitments and to defend our vital interests in the region as a whole by:

-- making the Soviet Union aware that it will also face a wide range of economic and diplomatic sanctions on a worldwide basis if it intervenes in the region;

-- assisting countries in the region: to deter and diminish internal and external threats to stability; and to
contribute to deterring and resisting Soviet penetration—
political, economic, or military;

— diminishing radical influences in the region and enhancing
US security by working for progress toward a comprehensive
Arab-Israeli peace settlement;

There has been considerable progress in improving our security posture
in the region and in shaping an effective security framework. To
ensure that this trend continues, I direct that the Persian Gulf
Security Framework be pursued as follows: (C)

I. The Military Component

The Department of Defense has principal responsibility for
initiatives in this area consistent with the responsibility of the
Department of State. This component will include greater effort in
the following areas:

II. The Foreign Policy Component

The Department of State has principal responsibility for this
component, which will be carried out in terms of:
A. The Middle East Peace Process in which progress must be achieved as rapidly as feasible. (S)

III. Economic Issues

The Department of the Treasury, State, and Energy will share responsibility in this area. Economic subcomponents are:

A. Oil Policy, to ensure availability of oil at reasonable prices and to reduce Western dependence on Gulf oil. (S)

B. Western Economic Assistance, in which our goal will be to help address economic problems in the region through multilateral and unilateral efforts. (S)

D. Economic Stability which is crucial to both the internal and external security and to the political stability of states in the region. It should be an integral component of the security review process and taken into account in any U.S. decisions concerning military and/or economic assistance. (S)

IV. Intelligence Issues
Resources Considerations

Each agency will be responsible for and will identify the programs in its area which are required for implementing this directive. In addition, each agency will propose appropriate priority for these programs. (C)

The Office of Management and Budget will monitor agency programs in support of this directive, will insure that such programs are identifiable, and will insure that they are receiving an appropriately high priority in all agencies. (C)

Coordination

Interagency coordination for the security framework shall continue to be accomplished by the Special Coordination Committee. (C)

Zbigniew Brzezinski
CONFIDENTIAL

Department of State

243

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O RIGI NAL

To Sec StateWSHC Immediate 9481
Info Gulf War Collective

CONFIDENTIAL

E.O. 12356 Declass
Tags FRA, US, DEF, HOP
Subject Item reacts negatively to US condemnation of CW use

Ref: A1 First at 08339, 12 First at 08332

3. Key Summary: Iraq's senior leadership has reacted swiftly and angrily to the condemnation of Iraq's use of CW in the Gulf War Collective.


5. We later received news reports of Iraqi television and radio statements condemning the United Nations' condemnation of Iraq's use of CW in the Gulf War Collective.

(b)(4)

(b)(4)

(b)(4)
PARTIALLY
TRANSCRIBED COPY FOLLOWS
2. (U) SENIOR IRAQI LEADERS HAVE REACTED SWIFTLY AND ANGRILY TO THE CONDEMNATION OF IRAQI USE OF CW BY DEPT PRESS SPOKESMAN MARCH 5. ON MARCH 6., MINISTER OF DEFENSE ADMAN KHARALLAH AT A PRESS CONFERENCE WITH FOREIGN JOURNALISTS REJECTED OUR CHARGES CALLING THEM "HYPOCRITICAL." THAT SAME EVENING IRAQI TELEVISION AND RADIO NEWS ANNOUNCERS READ VERBATIM TEXT OF FOREIGN MINISTRY STATEMENT UN #621591 IN WHICH AMONG OTHER THINGS OUR STATEMENT WAS AGAIN DECLARED "HYPOCRITICAL" AND CHARACTERIZED AS HAVING BEEN "IMBALANCED" AND OVERLY DIPLOMATIC IN DEALING WITH IRAN'S "AGGRESSION AGAINST IRAQ" THE MINISTER'S STATEMENT WENT ON TO DENOUNCE THE US POSITION AND SAID THAT IT WAS IN LINE WITH PREVIOUS ALLEGED US [ILLEG] INTENTIONS TOWARD IRAQ. THE STATEMENT CONCLUDED BY RECALLING USE OF ATOMIC WEAPONS AGAINST JAPANESE CITIES IN WW II TO SHORTEN THE WAR AND REDUCE CASUALTIES AND SAID THE US IS "THE LAST COUNTRY WITH THE RIGHT TO SPEAK ABOUT THE ETHICS OF WAR."

3. (U) LATER THE SAME EVENING, IRAQI TELEVISION CARRIED THE SPEECH OF PRESIDENT SADDAM HUSSEIN TO THE AREA LABOR CONFERENCE WHICH IS MEETING IN BAGHAD. IN HIS SPEECH, SADDAM NOTED THE US CHARGES AND IMPLIED THAT THE US WAS SUPPORTING IRAN BY REPEATING ALLEGATIONS WHICH WERE USED BY IRAN TO COVER ITS BATTLEFIELD FAILURES. HE ACCUSED THE US OF TRYING TO CURRY FAVOR WITH IRAN IN AN EFFORT TO BUILD BRIDGES TO IT

4. (C) THE IRAQIS APPARENTLY HAVE BEEN STUNNED BY OUR PUBLIC CONDEMNATION.
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PAGE 01

CAIRO 07515 3115342

ACTION PH-09

INFO OCT-01 ADS-00 AID-07 INR-10 SS-15 AF-10 CIAE-00

COMP-01 DODE-00 H-01 NEA-07 NSCE-00 NSAE-00 SSQ-00

HA-06 L-03 TRSE-00 OMB-01 SSM-05 INRE-00 ACDA-12

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E.O. 12065: NA
TAGS: HASS, EG, IZ, XF

SUBJECT: SADAT CONFIRMS EGYPTIAN ARMS SUPPLY TO IRAQ

1. President Sadat today publicly announced that Egypt has supplied Iraq with military equipment in response to Iraq's request. Sadat explained that a "third party" had approached Egypt on Iraq's behalf to request spare parts. Sadat said he told the intermediary to ask Iraq to make the request directly, which Iraq subsequently did. Sadat said Iraq chose "important" (but unspecified) unspecified.

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PAGE 02

CAIRO 07515 3115342

EQUIPMENT FROM THE STOCKS OF THE ARAB ORGANIZATION FOR
UNCLASSIFIED

INDUSTRIALIZATION.

2. EXPLAINING EGYPT'S ACTION, SADAT RECALLED THAT IRAQ PROVIDED EGYPT WITH FREE MILITARY EQUIPMENT IN 1973, INCLUDING "LUNA" SURFACE TO SURFACE MISSILES, AFTER INDIA HAD REFUSED EGYPT'S REQUEST FOR ASSISTANCE. FURTHERMORE, SADAT SAID, IRAQ SENT A SQUADRON OF PLANES TO FIGHT WITH EGYPT DURING THE 1973 WAR. SADAT SAID HE REGRETTED EGYPT COULD NOT PROVIDE CURRENT ASSISTANCE FREE OF CHARGE, AS IRAQ HAD DONE. HE ADDED FINALLY THAT EGYPT TOLD IRAQ THAT EGYPT MAINTAINS A STANCE OF POLITICAL NEUTRALITY IN THE IRAN-IRAQ CONFLICT SINCE IT OPPOSES FIGHTING BETWEEN ISLAMIC SOCIETIES. 

ATHERTON
1. As we discussed before my Middle East trip, I proposed to President Sadat, Prime Minister Begin and Crown Prince Fahd that we establish a private channel for the consideration of particularly sensitive matters of concern to you and to them.

2. Each of the three picked up on the proposal and asked for early meetings. Last week, I sent my counselor, Bud McFarlane to Cairo and Riyadh to open the dialogue with the Saudis and Egyptians. He held extremely useful meetings with both Sadat and Fahd—in fact, Sadat kept Ed Muskie waiting for an hour and a half while he extended the meeting.

3. It is clear that your policies of firmness toward the Soviets has restored Saudi and Egyptian confidence in the leadership of the U.S. Both went much further than ever before in offering to be supportive. Sadat offered to host a forward headquarters for the Rapid Deployment Force (RDF) including a full-time presence of U.S. military personnel. He also elaborated his strategy for putting a major Egyptian force into Libya to interdict Qaddafi's activities in Chad. Frankly, I believe he could easily get overextended in such an undertaking and will try to moderate his ambitions on this score.

4. Fahd was also very enthusiastic toward your policies. As a measure of his good faith, he intends to insist on a common oil policy at a forthcoming meeting with his Arab colleagues which will include a single price and a commitment to no drop in production. Also of importance was Fahd's agreement in principle to fund arms sales to the Pakistanis and
OTHER STATES IN THE AREA.

5. BOTH SADAT AND FAHD PROVIDED OTHER BITS OF USEFUL INTELLIGENCE (E.G. IRAN IS RECEIVING MILITARY SPARES FOR U.S. EQUIPMENT FROM ISRAEL). IT WAS ALSO INTERESTING TO CONFIRM THAT PRESIDENT CARTER GAVE THE IRAQIS A GREEN LIGHT TO LAUNCH THE WAR AGAINST IRAN THROUGH FAHD.

6. THESE CHANNELS PROMISE TO BE EXTREMELY USEFUL IN FORGING COMPATIBLE POLICIES WITH THE SAUDIS AND EGYPTIANS. BOTH MEN VALUE THE "SPECIAL STATUS" YOU HAVE CONFERRED ON THEM AND BOTH VALUE CONFIDENTIALITY.

7. I WILL FOLLOW UP WITH CAP WEINBERGER AND BILL CASEY ON THESE MATTERS.

8. NEXT WEEK I WILL OPEN ANALOGOUS EXCHANGES WITH PRESIDENT ZIA OF PAKISTAN AND BEGIN OF ISRAEL. I WILL KEEP YOU INFORMED.

9. THE LARGER MESSAGE EMERGING FROM THESE EXCHANGES HOWEVER, IS THAT YOUR POLICIES ARE CORRECT AND ARE ALREADY ELICITING THE ENTHUSIASTIC SUPPORT OF IMPORTANT LEADERS ABROAD.
1. (C - ENTIRE TEXT)

2. SUMMARY: IN A MEETING WITH RCC IDEOLOGUE AND FOREIGN POLICY SPOKESMAN TARIQ AZIZ, BOTH SIDES EXPRESSED SUPPORT FOR EFFORTS TO PROMOTE BETTER US-IRAQI RELATIONS. TARIQ AZIZ GAVE THE IMPRESSION IRAQ WOULD MOVE QUICKLY TO RESTORE DIPLOMATIC RELATIONS IF A NEW US MIDDLE EAST POLICY WAS, IN THE IRAQI'S VIEW, MORE BALANCED. HE WELcomed AN INCREASE IN US-IRAQI TRADE AND WIDER CONTACTS IN GOVERNMENT AND PRIVATE SECTORS. HE SUGGESTED CONCENTRATING ON PROMOTING US-IRAQI UNDERSTANDING AS A PRELUDE TO DETAILED DISCUSSIONS OF THORNY ISSUES SUCH AS THE ARAB-ISRAELI CONFLICT. HE SAID USINT'S REQUEST TO OPERATE A TRANSMITTER TO COMMUNICATE WITH THE DEPARTMENT WOULD BE APPROVED. IN CONCLUSION, HE ASKED THAT I CONVEY HIS PERSONAL BEST WISHES TO SECRETARY HAIG ALONG WITH IRAQ'S DESIRE TO IMPROVE RELATIONS. END SUMMARY.

3. HAVING MADE THE REQUEST FOLLOWING MY RETURN FROM CONFIDENTIAL

CONFIDENTIAL

WASHINGTON CONSULTATIONS, ON MAY 28 I HAD A ONE-AND-A-HALF HOUR MEETING WITH RCC MEMBER TARIQ AZIZ. THIS IS HIGHEST LEVEL IN THE IRAQI GOVERNMENT OUR BAGHDAD MISSION HAS MET WITH SINCE THE 1967 BREAK IN RELATIONS. TARIQ AZIZ HAS CONSIDERABLY MOVED CLOSER WITHIN IRAQ'S LEADERSHIP THAN FOREIGN MINISTER HANJDI AND IS THE HIGHEST LEVEL TO DATE OF FOREIGN POLICY AFTER SADDAM HUSSAIN. AS AN IRAQI CHRISTIAN, HE IS NO THREAT TO THE LATTER AS HE COULD NOT ASPIRE TO SUPREME

PAGE NO. 1
DEADERSHIP.

4. AFTER OPENING PLEASANTRIES, TARIQ AZIZ SUGGESTED THAT I BEGIN WITH A DESCRIPTION OF THE ATMOSPHERE IN WASHINGTON. I EXPLAINED IN SOME DETAIL THE APPROACH OF THE NEW ADMINISTRATION, EMPHASIZING CONSTANCY, RELIABILITY AND BALANCE AND A DETERMINATION TO STRENGTHEN U.S. ARMED FORCES AND PLAY AN APPROPRIATE ROLE IN OPPOSING SOVIET DESIGNS, PARTICULARLY IN THE THIRD WORLD. I ALSO DESCRIBED THE CENTRAL POSITION OF THE TERRORISM ISSUE IN U.S. ATTITUDES. I REFERRED TO SECRETARY HAIG'S RECENT VISIT TO THE MIDDLE EAST AND REPEATED SOME OF THE BRIEFING GIVEN FOREIGN MINISTER HAMADI BY DAS DRAFTER. I EXPRESSED THE U.S. GOVERNMENT'S SATISFACTION WITH THE POSITIVE TREND IN U.S.-IRAQI RELATIONS. NOTING THAT WE DID NOT BELIEVE IT WAS NORMAL FOR THESE RELATIONS TO REMAIN SEVERED, I EMPHASIZED THAT WE DID NOT WISH TO PRESSURE THE IRAQI GOVERNMENT ON THIS ISSUE AND THAT MEANWHILE THERE WAS MUCH TO BE DONE WITHIN THE EXISTING FRAMEWORK. I DESCRIBED OUR NEUTRAL POLICY ON THE IRAQ-IRAN CONFLICT, WHICH CAUSED US TO REFRAIN FROM SELLING TO OR LICENSING ARMS FOR EITHER SIDE. I SPECIFICALLY MENTIONED THE IRAQI CONCERN OVER HELICOPTER DELIVERIES FROM ITALY, CONFIDENTIAL.

PAGE 03  BAGHDA 01.446 01 OF 02  261752Z

NOTING THAT THESE LICENSES HAD BEEN OBTAINED AND PAYMENT MADE PRIOR TO THE TAKING OF AMERICAN HOSTAGES AND THE OUTBREAK OF THE IRAQ-IRAN WAR.

5. TARIQ AZIZ REPLIED AT LENGTH, OPENING WITH THE STATEMENT THAT IRAQ WOULD CONTINUE TO PROMOTE BETTER RELATIONS WITH THE U.S. AND HIGHER LEVEL CONTACTS IN WHICH EACH SIDE COULD EXPLAIN ITS VIEWS. AS IF IT WERE UPPERVERSE IN HIS MIND, HE SAID HE HAD HEARD FROM THE HEAD OF THE FIRST INTERNATIONAL DEPARTMENT, AT THE FOREIGN MINISTRY, OF THE UNFORTUNATE CANCELLATION OF A U.S. TRADE MISSION AT THE LAST MOMENT. "WHAT HAPPENED WAS NOT INTENTIONAL." IRAQ WISHED TO INCREASE ITS TRADE WITH THE U.S. AND TRADE MISSIONS WOULD BE WELCOME IN THE FUTURE.

6. TARIQ AZIZ SAID THAT THE NATURE OF THE U.S.-IRAQI RELATIONSHIP NOW SEEMED TO BE UNDERSTOOD ON BOTH SIDES. IRAQ FOR ITS PART SOUGHT A WIDER UNDERSTANDING BASED ON INCREASED CONTACT. IN THE PAST IRAQ HAS BEEN AVAILABLE FOR CONTACTS, FOR EXAMPLE BY THE FOREIGN MINISTER DURING HIS TRIPS TO NEW YORK. IRAQ HOPES ALSO WELCOME U.S. CONGRESSMEN AND OTHER OFFICIALS. NEVERTHELESS CONTACTS HAVE BEEN FEW IN COMPARISON WITH OTHER COUNTRIES. MORE SUCH CONTACTS WOULD BE USEFUL.
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1. (S-ENTIRE TEXT).

2. WE NOTE THAT IN COURSE OF MAY 28 MEETING WITH TARIQ
AZIZ, HE ONCE AGAIN VOICED SUSPICION THAT SOMEHOW U.S.
ARMS AND SPARE PARTS ARE BEING ACQUIRED BY IRANIANS.
WE HAVE NO SPECIFIC INFORMATION IN THIS REGARD. WE WILL
WANT YOU, HOWEVER, TO FIND AN EARLY OCCASION IN CONVERSA-
TION WITH APPROPRIATE IRAQI CONTACT TO WAVE IN THE
FOLLOWING POINTS, STRESSING OUR CONCERN THAT GOI HAVE
ACCURATE UNDERSTANDING OF U.S. GOVERNMENT POLICY ON SALES
AND TRANSFERS OF ARMS TO IRAQ AND IRAN. TO THE EXTENT
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POSSIBLE, YOU SHOULD ASSURE THAT THIS REAFFIRMATION REACHES
AZIZ.

3. — RESTATE U.S. POLICY AND PRACTICE AS EXPLAINED
PREVIOUSLY TO CD, ‘M’ RE‘ENTLT’ IN RESPONSE TO IRAQI
QUERY REGARDING ITALIAN IDEAS (STTE 112538).

— ADD THAT WE RECOGNIZE THAT PRIVATE IDEAS M.L.CHANCE,
INCLUDING POSSIBLY AMERICANS, MIGHT BE ATTRACTED BY
POSSIBLE SALES OPPORTUNITIES GROWING OUT OF CONFLICT SUCH AS THAT BETWEEN IRAQ AND IRAN.

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WE ARE CONCERNED THAT PRIVATE ACTIVITIES NOT FEED HUMORS OF CHANGES IN OR EXCEPTIONS TO THE U.S. POSITION OF PRINCIPLE WITH WHICH THE IRAQIS ARE FAMILIAR. WE ALSO WISH TO MAKE CERTAIN THAT IRAQ NOT PROCEED ON THE BASIS OF ANY MISTAKEN UNDERSTANDING THAT INDIVIDUALS OR FIRMS HAVE APPROVAL OF USG FOR SALES OR TRANSFERS OF U.S.-CONTROLLED MILITARY ITEMS.

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THE U.S. CANNOT CONTROL THE ACTIVITIES OF U.S. CITIZENS OR RESIDENTS Outside THE U.S. WE ARE SIMILARLY UNABLE TO EXERCISE CONTROL OVER MILITARY ITEMS MANUFACTURED ABROAD WHICH ARE NOT SUBJECT TO U.S. CONTROLS REGARDING THIRD-COUNTRY TRANSFERS. WE CAN AND DO ASSURE THE IRAQIS THAT THE U.S. HAS NOT APPROVED OR CONDONED ANY MILITARY SALES TO IRAQ OR IRAN.

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PAGE 01

BAGHDAD 02577 2712512

ACTION HLA-11

INFO OCT-01 ADS-96 AID-97 IMR-10 SS-15 CIA-00 TFK-11

SOG-00 H-01 NSE-06 NSAE-06 HA-96 L-03 TREE-00

PA-01 OMB-01 SSH-03 SAL-01 ACOA-12 SSH-02

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INFO AMBASSAD ARU DHABI

AMBASSAD AHMAD

AMBASSAD BEIRUT

AMBASSAD CAIRO

AMBASSAD DAMASCUS

AMBASSAD JERUSALEM

AMBASSAD JIDDA

AMBASSAD KUWAIT

U.S. RIYADH

AMBASSAD SAHARA

AMBASSAD TEL AVIV

CONFIDENTIAL BAGHDAD 2577

E.O. 12065: GDS 9/27/87 (PILLSBURY, MICHAEL)

TAGS: PEPM, 11, OREP (PIILSBURY, MICHAEL)

SUBJECT: STAFFOEL PILLSBURY'S VISIT TO BAGHDAD

REF: BAGHDAD 2577

1. (CONFIDENTIAL - ENTIRE TEXT).

2. STAFFOEL PILLSBURY PREPARED THE FOLLOWING PRIOR TO

HIS DEPARTURE FROM BAGHDAD SEPTEMBER 24.

3. ON SEPTEMBER 23, DEPUTY SPEAKER OF THE IRAQI PARLIAMENT,

BAHAA AL-DIN AHMED, CHAIRMAN OF THE HEALTH COMMITTEE AND

CONFIDENTIAL CONFIDENTIAL

PAGE 02

BAGHDAD 02577 2712512

THE SECRETARY OF THE COMMITTEE ON INDUSTRIES AND ENERGY,

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RECEIVED STAFFDEL PILLSBURY FOR TWO HOURS IN THE PARLIAMENT BUILDING TO PRESENT THE ACHIEVEMENTS OF THE FIRST YEAR OF THE IRAQI PARLIAMENT. THEY STRESSED THE ROLE OF THE PARLIAMENT IN REVIEWING THE GOVERNMENT'S BUDGET AND ANNUAL PLANS AS WELL AS THE PARLIAMENT'S ROLE IN MEETING WITH FOREIGN DELEGATIONS WHICH IS FACILITATED BY THEIR SEPTEMBER 1980 MEMBERSHIP IN THE INTER-PARLIAMENTARY UNION. IN RESPONSE TO PILLSBURY'S QUESTIONS, THEY VOICED SUPPORT FOR AWACS SALE TO SAUDI ARABIA AND INDICATED AN INTEREST IN VISITING US CONGRESS IN WASHINGTON AT SOME FUTURE UNSPECIFIED DATE. STAFFDEL'S SURPRISE, THEY EXPLAINED THAT ONLY THE ATMOSPHERE WAS PLEASANT AND FRIENDLY, WHILE DESIRE TO IMPROVE US-IRAQI RELATIONS WAS REPEATED. A FAREWELL COMMENT WAS THAT US POLICY TOWARD THE MIDDLE EAST IN THE PAST HAS BEEN "KEEPING THE ISRAELIS HAPPY." ISRAEL HAS DONE WHATEVER IT COULD TO STOP IRAQ'S PROGRESS BECAUSE THEY KNOW THEIR DAYS WILL BE NUMBERED WHEN WE SUCCEED."

4. AT SUGGESTION OF IRAQI OFFICIAL ESCORT, PILLSBURY WAS DRIVEN TO RECENTLY FINISHED PANORAMA DISPLAY BUILDING NEAR CTESIPHON ARCH WHERE BLOODY BATTLE SCENES FROM 637 AD DEMONSTRATE ALLEGORICAL LESSONS FOR HUNDREDS OF VISITORS IN EVIDENCE. ESPECIALLY MALE TEENAGERS IN QUASI-UNIFORM. ELEPHANTS REFERRED TO IN GUIDE TEXT AS "PERSIAN ARMOR CORPS" ARE SHOWN BEING BLINDED BY SPEARS CONFIDENTIAL

CONFIDENTIAL

PAGE 63
BAGHDAD 02577 2712512

WITH THEIR TRUNKS CHAPPED OFF BY THE ARAB FORCES, DR. PILLSBURY COMMENTED THAT IT WAS A TRULY MOVING SCENE. OUTCOME OF BATTLE WAS POINTEDLY EXPLAINED TO BE ARAB VICTORY AND EXECUTION OF PERSIAN COMMANDER AFTER MAJOR REINFORCEMENTS ARRIVED FROM SYRIA. PANORAMA DISPLAY WAS PAINTED BY NORTH KOREAN ARTISTS AFTER SENIOR UNAMED IRAQIS WERE IMPRESSED BY SIMILAR PANORAMA IN MOSCOW SHOWING NAPOLEON'S DEFEAT. 5.
CONFIDENTIAL

AMBASSADOR BONN PRIORITY

CONFIDENTIAL STATE 053009

E.O. 12065: 505 2/27/82 (CONSTABLE, PETER)

TAGS: PINS, EEAT, PMHC, SOPH, 1Z

SUBJECT: DE-DESIGNATION OF IRAQ AS SUPPORTER OF INTERNATIONAL TERRORISM

1. (U) ADDRESSEES WILL NO DOUBT HAVE SEEN MEDIA REPORTS THAT IRAQ IS NOT RPT NOT INCLUDED ON THE CURRENT LIST OF COUNTRIES REPEATEDLY SUPPORTING INTERNATIONAL TERRORISM WHICH THE ADMINISTRATION IS Submitting TO CONGRESS. THIS DECISION IS THE RESULT OF THE ANNUAL REVIEW UNDER THE TERMS OF THE EXPORT ADMINISTRATION ACT (FENWICK AMENDMENT) AND IS INCLUDED IN A PACKAGE OF CHANGES IN EXPORT CONTROLS UNDERTAKEN BY THE ADMINISTRATION. FOLLOWING IS PRESS GUIDANCE PREPARED FEBRUARY 26 DEALING WITH QUESTION OF IRAQ ONLY.

2. (U) BEGIN PRESS GUIDANCE:

Q: WE UNDERSTAND THAT THE DEPARTMENT OF COMMERCE HAS INFORMED THE CONGRESS THAT IRAQ IS NO LONGER DESIGNATED A "SUPPORTER OF INTERNATIONAL TERRORISM" UNDER THE EXPORT ADMINISTRATION ACT (FENWICK AMENDMENT). WHAT DOES THIS MEAN?

A: AS IS REQUIRED BY LAW, AND IN ORDER TO ADMINISTER THE REQUIREMENTS OF THE EXPORT ADMINISTRATION ACT OF 1979, CONFLICTING

CONFIDENTIAL

PAGE 03 STATE 053009

THE SECRETARIES OF STATE AND COMMERCE ANNUALLY REVIEW WHICH FOREIGN COUNTRIES REPEATEDLY PROVIDE SUPPORT FOR INTERNATIONAL TERRORISM. THE MOST RECENT REVIEW DETERMINED THAT IRAQ'S RECORD SINCE THE LAST LIST OF COUNTRIES WAS ISSUED IN DECEMBER 1980 DID NOT WARRANT ITS-CONTINUED INCLUSION ON THE LIST.

Q: WHAT COUNTRIES HAVE BEEN DESIGNATED AS SUPPORTERS OF TERRORISM?

A: THE COUNTRIES SO DESIGNATED ARE: SYRIA, PEOPLE'S

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DEMOCRATIC REPUBLIC OF YEMEN (SOUTH YEMEN), LIBYA, AND CUBA.

Q: DOES IRAQ'S DE-DESIGNATION MEAN THAT WE WILL NOW BE ABLE TO EXPORT SUCH ITEMS AS GENERAL ELECTRIC ENGINES FOR IRAQ'S ITALIAN-BUILT FRIGATES?

A: WE HAVE NO PLANS TO ESTABLISH A MILITARY SUPPLY RELATIONSHIP WITH IRAQ. IT HAS BEEN OUR POLICY SINCE THE BEGINNING OF THE IRAQ-IRAN CONFLICT NOT TO SUPPLY MILITARY EQUIPMENT TO EITHER SIDE. EXPORT LICENSE APPLICATIONS FOR ITEMS SUBJECT TO NATIONAL SECURITY CONTROLS WILL CONTINUE TO BE REVIEWED CONSISTENT WITH OUR PRACTICE THROUGHOUT THE IRAQ-IRAN CONFLICT. IT HAS BEEN OUR PRACTICE TO BLOCK THE EXPORT OF DUAL-USE ITEMS, SUCH AS MARINE ENGINES INTENDED FOR THE IRAQI NAVY, WHICH WOULD CONTRIBUTE TO THE WAR-MAKING POTENTIAL OF EITHER SIDE. THESE ENGINES ARE CLEARLY IN THIS CATEGORY.

Q: WHAT SALES SUBJECT TO THE LICENSING PROCEDURE SET FORTH IN THE PENWICK AMENDMENT ARE CURRENTLY PENDING FOR IRAQ?

A: IT WOULD BE INAPPROPRIATE TO COMMENT ON ANY SPECIFIC SALES THAT ARE CURRENTLY PENDING, HOWEVER, ALL APPLICATIONS FOR LICENSES UNDER NATIONAL SECURITY CONTROLS WILL CONTINUE TO BE REVIEWED ON A CASE-BY-CASE BASIS IN THE LIGHT OF OUR POLICY OF NOT SUPPLYING MILITARY EQUIPMENT TO EITHER PARTY IN THE IRAQ-IRAN CONFLICT. BEFORE APPROVING ANY SHIPMENT OF ITEMS UNDER NATIONAL SECURITY CONTROLS, WE WOULD REQUIRE FIRM ASSURANCES THAT THESE ITEMS WOULD BE USED FOR CIVILIAN PURPOSES ONLY OR WOULD HAVE TO SATISFY OURSELVES THAT THEY WOULD NOT MAKE A SIGNIFICANT CONTRIBUTION TO IRAQ'S WAR-MAKING POTENTIAL.

Q: DOES THE MOVE TO DE-DESIGNATE IRAQ HAVE ANY IMPLICATIONS FOR U.S. POLICY TOWARD THE IRAQ-IRAN CONFLICT?

A: NO, THIS DECISION FALLS STRICTLY WITHIN THE REQUIREMENTS OF THE EXPORT ADMINISTRATION ACT. U.S. POLICY ON THE IRAQ-IRAN CONFLICT IS TO ENCOURAGE AN EARLY END TO THE FIGHTING AND A PEACEFUL RESOLUTION TO THE DISPUTE.

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We have sought to limit the scope of the conflict and prevent a spillover of fighting into neighboring countries. It has been our policy not to sell military equipment to either Iraq or Iran. Iraq's de-designation will not affect these policies, and we will continue to review applications for the export of items subject to national security controls to Iraq to preclude the shipment of items which would significantly enhance its military capability.

End press guidance.

3. (C) BAGHDAD FOR EAGLETON: Decision to remove Iraq from list is, at this point, for thirty day period only. We recognize that there will be questioning, and some disagreement in the Congress with which we will have confidential.

Page 05 STATE 053009

To deal. At the same time, we realize the difficulties that would ensue, including in pursuit of our objective of encouraging further improvement in Iraq's performance in the important question of terrorism, should Iraq be restored to the list at the end of thirty days. We will be working to avoid this development. Until instructed further, you should go no further in any discussion that may arise with Iraqis than to restate our strong opposition to acts of or support for terrorism and draw, as appropriate, on above press guidance in responding to questions about this action and its implications.

4. For BERN: Embassy should ask MFA to pass foregoing to SPP TEHRAN for its information and use with Iranian authorities as appropriate. HAI G

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National Security Study
Directive Number 1-17

US Strategy for the Near East and Southwest Asia

Introduction

This National Security Study Directive establishes the guidelines for a review of US strategy in the Near East and Southwest Asia. Revised policy guidelines are necessary which take into account recent regional, diplomatic, and world oil market developments as well as the negotiations US officials have conducted with Israeli officials since January 1982. These Guidelines should form a foundation not only for specific policy decisions but also for procurement policies, arms transfers, and intelligence plans.

Scope

The NSSD will address at a minimum the following topics:

- US Regional Interests
- US Strategic Objectives to be Integrated with those established by NSSD 1-16, including economic, political, and security goals.
- Priority of US Regional Objectives
- Assessment of the major threats to our interests. Determining how we can meet international sources.
- Economic, strategic and military strategy.
- Overall US strategy, both inside and outside the region, to address the threats, including
  - Economic Strategy
  - Political/Diplomatic strategy
  - Military strategy
  - Intelligence Strategy

Review March 19, 1982

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Priority Initiatives which should be undertaken to support the overall strategy.


Administration

The study shall be conducted in accordance with the following procedures:

1. The study shall be conducted under the direction of the Department of State, Treasury, Defense, Energy, the Director of Central Intelligence and the Joint Chiefs of Staff. The scheduling and management of the study shall be the responsibility of the NSC Staff. All meetings will be held in the White House complex and will be chaired by appropriate agencies according to the subject matter to be considered.
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PAGE 01

ACTION NEA-11

INFO OCT-00 AOS-00 AID-07 INR-10 EUR-12 SS-10 CIAE-00
H-01 IO-15 NSCE-00 NSAE-00 SS5-00 HA-06 L-03
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SSN-02 ICAE-00 SP-02 MCE-00 SPRS-O2 /107 W

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SECDEF WASHOC IMMEDIATE
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AMBASSY BONN PRIORITY
AMBASSY CAIRO IMMEDIATE
AMBASSY DAMASCUS PRIORITY
AMBASSY JERUSALEM IMMEDIATE
AMBASSY JIDDA PRIORITY
AMBASSY KUWAIT PRIORITY
AMBASSY LONDON PRIORITY
AMBASSY PARIS PRIORITY
USL RYADH PRIORITY
USMISSION USUN NEW YORK PRIORITY
USCEUR VIENNA PRIORITY

CONFIDENTIAL SECTION 01 OF 02 TEL AVIV 07718

USCEUR FOR POLAD, NEA FOR AMBASSADOR LEWIS

E.O. 12065: GDS 5/24/88 (BROWN, WILLIAM A) OR-M
TAGS: MASS, PEPR, IS, EG, IZ, IS, US
SUBJECT: REPORTS OF ALLEGED U.S. ARMS SUPPLIES
TO IRAQ VIA EGYPT--POSSIBLE ITEMS ON THE AGENDA
FOR MINDEF SHARON'S VISIT

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PAGE 02

1. (C) THE ISRAELI MEDIA HAVE ONCE AGAIN

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STARTED TO FOCUS ON ALLEGED U.S. SHIPMENT OF ARMS TO IRAQ ACCORDING TO THE FOLLOWING MAY 24 MAARIV REPORT BY ILAN KFIR, "JERUSALEM SOURCES" HAVE LET IT BE KNOWN THAT THE UNITED STATES HAS ACCELERATED ITS ARMS SHIPMENTS TO EGYPT, AND MUCH OF THE "AMERICAN" MILITARY EQUIPMENT IS BEING PASSED ON BY EGYPT DIRECTLY TO IRAQ. THESE SOURCES ALSO REPORTEDLY SAY THAT THE UNITED STATES IS ENCOURAGING EGYPT TO DELIVER SOVIET ARMS, INCLUDING SOVIET-MADE FIGHTER PLANES AND SPARE PARTS, TO IRAQ IN ORDER TO SEVER THE LINK BETWEEN IRAQ AND THE SOVIET UNION AND TO CREATE A PRO-AMERICAN ARAB FRONT COMPRISED OF EGYPT, SAUDI ARABIA, JORDAN AND IRAQ. (FYI: A PROMINENT ISRAEL TELEVISION REPORTER TOLD EMBASSY PRESS ATTACHÉ TODAY THAT THE STORY IS BEING DELIBERATELY PLANTED BY OFFICIALS IN THE MINISTRY OF DEFENSE. END FYI.) FOLLOWING IS AN EMBASSY TRANSLATION OF THE KFIR ARTICLE.

2. (LOU) COMMENCE TEXT:

THE UNITED STATES IS SPEEDING LARGE QUANTITIES OF ARMS TO IRAQ THROUGH THE INTERMEDIARY OF EGYPT. IT WAS LEARNED IN JERUSALEM THAT THE UNITED STATES HAS RECENTLY ACCELERATED ITS ARMS SHIPMENTS TO EGYPT, AND THAT MUCH OF THE AMERICAN MILITARY EQUIPMENT IS BEING PASSED ON BY EGYPT DIRECTLY TO IRAQ.

IT HAS FURTHERMORE BECOME KNOWN IN ISRAEL THAT THE UNITED STATES IS ENCOURAGING EGYPT TO DELIVER ARMS, INCLUDING SOVIET-MADE FIGHTER PLANES AND SPARE PARTS, TO IRAQ.

THE LARGE-SCALE ARMS TRANSACTIONS, VIA EGYPT, BETWEEN THE UNITED STATES AND IRAQ AROUSE CONCERN IN JERUSALEM. PROMINENT POLITICAL SOURCES IN ISRAEL TAKE A GRAVE VIEW OF THE "AMERICAN-EGYPTIAN-IRAQI CONNECTION" AS WELL AS OF THE ADMINISTRATION'S AIM TO CONCLUDE A HAWK MISSILE TRANSACTION WITH JORDAN.

US ARMS DEALS WITH IRAQ AND THE PROGRESSING CONTACTS WITH JORDAN WILL BE RAISED AT DEFENSE MINISTER

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ARIEL SHARON'S TALKS THIS WEEK IN WASHINGTON AND AT BEGIN'S MEETING WITH PRESIDENT REAGAN NEXT MONTH.

IN JERUSALEM IT IS ASSESSED THAT THE UNITED STATES IS ATTEMPTING TO EMPLOY THE IRAQ-IRAN WAR SO AS TO SEVER THE LINK BETWEEN IRAQ AND THE SOVIET UNION AND TO CREATE A PRO-AMERICAN ARAB FRONT, TO COMPARE EGYPT, SAUDI ARABIA, JORDAN AND IRAQ.

PRIME MINISTER MENAHEM BEGIN AND FOREIGN MINISTER YITZHAK SHAMIR HAVE DECIDED TO LAUNCH AN ALL-OUT DIPLOMATIC CAMPAIGN AGAINST THE DELIVERY OF AMERICAN WEAPONS TO JORDAN AND IRAQ.

DEFENSE MINISTER ARIEL SHARON, WHO CONFERRED WITH THE PRIME MINISTER PRIOR TO HIS DEPARTURE FOR WASHINGTON, WILL CLEARLY CONVEY TO THE ADMINISTRATION LEADERS THAT ISRAEL CANNOT ACCEPT THE FACT THAT SOPHISTICATED WEAPON SYSTEMS, PARTICULARLY MOBILE ANTI-AIRCRAFT MISSILES, BE STATIONED AT A DISTANCE OF ONLY TEN OF KILOMETERS FROM ITS MAIN POPULATION CENTERS AND AIRPORTS IN THE HEART OF THE COUNTRY.
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PAGE 01  TEL AV 07718  02 OF 02  241547Z

ACTION MEA-11

INFO OCT-00  ADS-00  AID-07  INR-10  EUR-12  SS-10  CIAE-00
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AHEMBASSY LONDON PRIORITY
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END TEXT.

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ACTION NEA-11

INFO OCT-00 ADS-00 INR-10 EUR-12 SS-10 CIAE-00 H-01
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NEA FOR AMBASSADOR LEWIS

E.O. 12065: N/A
TAGS: PEPR, PNUC, PARM, IS, IZ
SUBJECT: BEGIN CLAIMS IRAQ "HAD PREPARED" A-BOMBS PRIOR
- TO IAF ATTACK ON REACTOR

REF: FBIS TA 251139

I. IN REMARKS AT MAY 25 CORNERSTONE-LAYING
CERENOMY IN WHICH HE STRONGLY REASSERTED THE GOI'S
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PAGE 02  TEL AV 07806  2516252
STANCE ON THE AUTONOMY VENUE ISSUE (SEPTEL), PRIME

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MINISTER BEGIN ALSO REPORTEDLY COMMENTED THAT IRAQ "HAD PREPARED" THREE ATOMIC BOMBS PRIOR TO THE ISRAELI AIRSTRIKE ON ITS NUCLEAR REACTOR LAST YEAR. THEREFOLLOWS RELEVANT EXCERPT OF ISRAEL RADIO REPORT CONVEYED REF FBIS:

COMMENCE EXCERPT: THE PRIME MINISTER REVEALED FOR THE FIRST TIME THAT THE IRAQI LEADER, SADDAM HUSAYN, HAD PREPARED AT THE NUCLEAR REACTOR IN BAGHDAD THREE ATOMIC BOMBS. THE PRIME MINISTER SAID THAT HAD THE IRAQIS USED THESE THREE BOMBS SOME 600,000 PEOPLE IN ISRAEL WOULD HAVE BEEN KILLED OR WOUNDED. THEREFORE, HE ORDERED THE AIR FORCE IN JUNE, ABOUT AG BOMB THE NUCLEAR REACTOR IN BAGHDAD. END EXCERPT.

2. COMMENT. WE NOTE THAT HEBREW VERB BEGIN EMPLOYED IN CONNECTION WITH THE THREE ALLEGED IRAQI ATOMIC BOMBS WAS "HEKHIN." THIS IS MOST COMMONLY TRANSLATED AS "HAD PREPARED," AS RENDERED ABOVE, BUT IS SUFFICIENTLY AMBIGUOUS TO MEAN ALSO "HAD BEEN PREPARING"--WHICH WOULD SEEM TO BE CLOSER TO THE MARK. END COMMENT.
MEMORANDUM FOR: Geoffrey Kemp, Senior Staff
National Security Council

I thought it would be useful to address American interests at stake in the Iran-Iraq war and possible subsequent developments, and therefore wrote the attached note.

Henry S. Rowen
Chairman
National Intelligence Council

Attachment

Date 20 July 82

APPROVED FOR RELEASE
DATE: APR 1982
The Iranian Threat to American Interests in the Persian Gulf

The consolidation of power in Teheran by the Islamic Republican Party and its apparent intent to spread its Islamic revolution to its Arab neighbors could inflict grave damage on American interests and those of its allies. What the IRP seems to intend and may achieve — absent adequate countervailing power — is not only the replacement of Saddam Hussein but also the Baathist regime by a fundamentalist Islamic one. This aim is to be achieved by the defeat of Iraqi forces defending Basra and, if this is not sufficient to bring about the desired change in Baghdad, then military conquest of at least the southern, Shia populated part of Iraq will presumably be sought. It may also be an IRP aim to occupy this region, including the Shia holy cities of Kerbala and Najaf. Further possible aims include arousing the Shia populations of Bahrain, Kuwait, and other Gulf states and the replacement of these regimes with ones more compatible with Teheran. More broadly it appears to seek dominance over the Persian Gulf region.

The importance of the Gulf region to the US resides largely in its oil. It contains about 35% of known world oil reserves, 35% of the non-Communist world's production capacity and 25% of current output. The power to interrupt the supply of this flow entails the power to wreak havoc on the economies of the West. Even given today's oil "glut", the interruption of oil supplies from the Gulf area — allowing for the use of all shut-in production capacity elsewhere in the world — would reduce the non-Communist world oil supply by about 25%. Such an interruption, if prolonged for months, would result in a fall in
worldwide economic output comparable to the Great Depression of the 1930s in the US. More broadly, whoever is in control of the Gulf's 12 million barrels a day of current output (20 million barrels a day of capacity) and 500 billion barrels of reserves is in a position to have a very large political as well as economic influence on the world. Iran's, Iraq's and Kuwait's oil supply alone comprises 10% of current non-Communist world production and 18% of potential production.

Could Iran achieve such a position of influence? In the absence of outside military support for Kuwait and other Gulf states, an Iranian defeat of Iraq would set into motion forces for accommodation with anti-Western goals — whether by overthrow of existing regimes or accommodation by them. It is imaginable that it could help bring into power fundamentalist regimes of such anti-Western animosity, hostility against neighbors, or internal incoherence that oil supplies could be seriously disrupted. For example, the coming to power of the mullahs in Iran followed by the Iran-Iraq war caused combined oil production from Iran and Iraq to decline from 8 MMBD in 1978 to a little over 2 MMBD in 1981. The world economy would have been even more damaged by this decline than it was but for the ability and willingness of Saudi Arabia to increase production by several million barrels a day. But now Saudi Arabia is in the "target zone."

Victory by Iran in Iraq would not only enable its forces easily to take Kuwait and its large oil facilities, again in the absence of outside support, but also to exert influence without an outright invasion of Saudi Arabia. If Iraq's Shias come to life politically in response to Iran's success, there is also likely to be a reaction among Kuwait's minority (250,000 out of a 5.5 million total) Shia.
population. Moreover, the Shia population of Saudi Arabia is concentrated nearby -- in the main oil-producing areas.

Instability might also, or instead, proceed via other paths. Although President Assad's, like Saddam Hussein's, hold on power is sustained through tight internal controls and brutal repression, Assad's power has been threatened by Sunni fundamentalists (the Moslem Brotherhood). Despite the recent brutal crushing of their revolt in Hama, if Saddam Hussein were to fall, and, especially if the Baathist regime in Baghdad were to be thrown out, the example could give heart to those who fervently want to end Assad's and the Syrian Baathists hold on power. In Jordan, King Hussein fears the PLO, Assad and, increasingly, muslim fundamentalism. And in Riyadh, the memory of the attack on Mecca is no doubt being refreshed by the challenge from Khomeini. In short, assuming Iranian success (and perhaps even without it) the next months or several years may see a general overturning of regimes in the Gulf region and beyond, both "radical" and "moderate."

To call attention to these possibilities is not to predict their happening. The Iraqis may hold against the Iranians until they get discouraged and give up -- although they are likely to keep trying for some time to come. The Shias in Iraq and elsewhere may remain in their thousand-plus year passive, largely apolitical state, perhaps because Arab-Persian hostility will dominate over co-religious feelings. The Arab regimes' tenacity of control may withstand all challenges.

However, we cannot be at all sanguine that events will develop in a favorable way to our interests. We may soon be faced with a situation in which a significant proportion of the oil supplies to the West are
heavily influenced by Iran or by political forces hostile to the West or by forces unable or uninterested in maintaining the flow of oil.

In this situation, it is the first instinct of the Gulf Arabs to adopt a low profile, to hope that the threat will recede or, if not, that money will propitiate it. If these means work, then our interests will be served by and large. If not, then the determining factor for us is what we might be able to do to protect them.

Of the two threats that have been described above, military and political, the former is less difficult for us to affect than the latter. However, the threats are not independent. If Iraq were not threatened with Iranian invasion, the possibility of Saddam Hussein's fall or the replacement of the Baathist party by a fundamentalist regime and the politicization of its Shias probably would not be serious possibilities. If Kuwait, Saudi Arabia and the other sheikdoms can obtain military protection, their internal vulnerability is also be likely to be reduced.

These governments do not see it this way — so far. Evidently they believe that the domestic political costs of inviting outside, especially US, military protection exceeds the potential benefits. However, 1) they may soon change their minds if the Iranians win against Iraq;

This protection might not have to be dominantly American at
least on the ground. Perhaps a combination of Jordanian, Egyptian, Pakistani, even Turkish or some European forces, might be palatable. The essential point is the likely need for such protection and possibly very soon.

Finally, consideration needs to be given to possible actions by the Soviets in the event of Iranian successes. They seem to have no good moves available in the region at the moment. Securing a more far-reaching agreement with Assad is one possibility and aiming for renewed cooperation with a post-Saddam Hussein regime in Iraq is another -- but a long-shot. The third possibility suggested by this analysis is that Iran's conflict with the Arabs may cause it to need and to seek military support from the Soviet Union; whatever incentive it has for doing this might be enhanced by the direct involvement of the "Great Satan" on behalf of the Arabs.

Henry S. Rowen
The Director has expressed an interest in purchasing multi-purpose crop-spraying aircraft from U.S. sources. Six helicopters and six fixed-wing aircraft with one ton minimum load capacity are envisioned as the initial purchase.
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DIRECTOR IMPLIED THAT PRICE DIFFERENTIAL BETWEEN HELICOPTER OR FIXED-WING WILL DictATE SALE.

3. THE DEPARTMENT EMPLOYS 80 MECHANICS AND 30 PILOTS. ALTHOUGH 25 PILOTS HAVE COMMERCIAL LICENSES, THEY DO NOT HAVE HELICOPTER LICENSES FOR WHICH THE TRAINING PACKAGE WILL BE PART OF THE DEAL. SOME PILOTS HAVE BEEN FLIGHT TRAINED IN THE STATES.

4. 120 SOVIET DESIGNED, POLISH BUILT, RAGING FOUR-MAN CHOPPERS ARE CURRENTLY DEPLOYED FOR CROP SPRAYING, DUSTING, FERTILIZING AND SEEDING. MAXIMUM LIFE CYCLE 106 HOURS PER CHOPPER IS 1000 HOURS.

IN-SERVICE USE AT ANY ONE TIME IS A MAXIMUM OF 1/3 OF FLEET. LACK OF SPARE PARTS HAS PLAYED HAVOC WITH DOWN TIME. HEAD ENGINEER STATED THAT ALL CHOPPERS OF THIS TYPE ARE ONLY BEING CONSTRUCTED IN POLAND AND, WITH CURRENT PROBLEMS WITHIN POLAND, SPARE PARTS DELIVERIES ARE AT LEAST ONE YEAR BEHIND. ACCORDING TO THE DIRECTOR, SOME PILOTS WHO HAVE BEEN FLYING FOR OVER 20 YEARS ARE EXPERIENCING CHEST PAINS FROM INHALING INSECTICIDE FUMES.

COHATT WAS SHOWN THROUGHOUT CHOPPER BASE AND WITNESSED LACK OF VENTILATION WITHIN HELICOPTERS. DURING THE TOUR THE DIRECTOR PROUDLY POINTED OUT A FIXED-WING CESSNA PONY WHICH HE CONSIDERED AS THE MOST EFFICIENTLY DESIGNED AIRCRAFT TO DATE RECEIVED.

5. THE DIRECTOR STATED THAT HE EXPECTED TO GRADUALLY REPLACE ALL 20 POLISH CHOPPERS WITHIN THREE TO FOUR YEARS. AFTER SOME PROBING, THE DIRECTOR AGREED THAT CURRENT INVENTORY WAS BASED UPON AN AGRICULTURAL PROGRAM THAT HAS BEEN DORMANT WITH NEWLY AWARDED LARGE LAND RECLAMATION PROJECTS, AND ADDITIONAL FUNDING OF AGRICULTURAL SELF-SUFFICIENCY PROGRAMS (PARMS). AIR FLEET IS EXPECTED TO TRIPLE (60 AIRCRAFT) TO ABSORB THE DEMAND FOR PEST CONTROL. AS ONE PILOT REMARKED, UPCOMING MAJOR JOBS WILL

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PAGE 03 BAGHDAD 93175 2007152

INCLUDE TWO CRAFTS IN OPERATION FOR A PERIOD OF 2 AND ONE HALF MONTHS, COVERING A MINIMUM OF 1200 DOUH.

6. ALL ENQUIRIES, INCLUDING CATALOGUES, TECHNICAL AND OPERATING INFO SHOULD BE MAILED/DIRECTED TO: THE DIRECTOR OF THE AGRICULTURAL AVIATION DEPARTMENT, ABU GHRAIB, BAGHDAD, IRAQ. TEL. 555-0801 TELEX: 212222 ZIRA I.K. EAGLETON

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MEMORANDUM FOR THE SECRETARY OF DEFENSE

THROUGH: UNDER SECRETARY OF DEFENSE FOR POLICY

SUBJECT: Sale of Helicopters to Iraq

Reference the sale by Hughes Helicopter of 60 commercial helicopters (30 Hughes 500D and 30 Hughes 300C) to Iraq which was recently reported in the Washington Post (attached). Defense was not consulted on this sale. The helicopters are considered commercial and fall under the export control requirements of the Department of Commerce. The Department of Commerce, in some instances, will send export license requests with foreign policy implications to the Department of State for review. However, Commerce believes it is not required to submit export cases to the DOD for review. Thus, Defense does not have an opportunity to approve such licenses unless State brings them to our attention.

Moreover, because these helicopters weigh less than 10,000 pounds, the sale was made under a general destination export license, and Hughes Helicopter did not have to obtain specific approval for this sale. Under the general destination export license, sales are consummated without case-by-case review. Therefore, no special staffing of this sale occurred within the Department of Commerce or State.

The 500D is a 3,000 pound helicopter used primarily for transportation, agricultural, and construction type efforts. The 300C is a 2,000 pound helicopter used primarily for training and law enforcement activities. The sale is valued at $25 million. Hughes Helicopter has advised us that six helicopters have been delivered and the remaining will be available for shipment upon the conclusion of some financial actions related to the contract.

Prepared by: Mrs Blundell/OPS-C/59760/29Dec82/mp

ACEN/ISA PN/GEN/ISA RAC Gen Gast
MEMORANDUM FOR:  Stanley Sporkin  
General Counsel  
FROM:  W. George Jameson  
Assistant General Counsel  
SUBJECT:  Restrictions on Exports to Iran (S)  

1. At your request, I spoke with James H. Michel, a Deputy Legal Adviser at the Department of State, to determine if there are any legal restrictions on CIA's providing equipment to, or otherwise "trading" with, Iran. Based upon prior research and my conversation with Jim Michel, it is my conclusion that there are no legal prohibitions applicable to CIA. You should be aware that U.S. laws merely restrict the private transfer of defense articles on the U.S. Munitions Control List, although a general policy embargo is in existence to guard against actions that might violate U.S. neutrality in the Iran-Iraq conflict. (S)  

2. The question arose because Agency officials have stated the State Department has legal concerns because of a general embargo on transactions with Iran. Although I did not present any specific facts to Mr. Michel, and spoke of Iran only in general terms, he confirmed our view that the embargo is a matter of policy, and that the restrictions on transfers to Iran are those contained in U.S. export control laws, in particular the Arms Export Control Act. These laws do not prohibit all exports, but establish a licensing scheme for approval of exports by private parties on a case-by-case basis. The executive orders issued during the hostage crisis to prohibit virtually all commercial dealings with Iran have been rescinded. (S)  

3. You may recall that last year the State Department's Legal Adviser addressed CIA's authority to transfer arms. At that time we, State, and the Attorney General concluded that CIA's authorities under the National Security Act of 1947 enable the Agency to transfer arms notwithstanding arms control laws that might preclude such transfers if made by other parties. I did not raise this with Mr. Michel yesterday, but I believe the
point is still valid. CIA is not subject to those legal constraints. (5)

4. Although there is no broad legal provision that would preclude CIA's passing defense articles to Iran in the course of an authorized intelligence activity, furnishing arms despite the U.S. position of neutrality in the Iran-Iraq conflict could be considered a non-neutral act and affect the legal dispute over U.S. refusal to export Iranian-owned military equipment currently in the United States. The U.S. position is that Iran does not meet the criteria for an export license under the Arms Export Control Act, in part because it is a belligerent in an international conflict with respect to which the U.S. has maintained neutrality. Agency dealings with Iran at this time could weaken the U.S. position. (5)

5. In conclusion there are no general legal restrictions that would preclude the CIA from providing equipment to Iran as proposed. Rather, the relevant constraints involve policy considerations that may have to be weighed before undertaking the activity proposed. (5)

W. George Bush
W. George Bush
4. ALSO, WE ARE CONCERNED THAT EFFORTS COULD BE MADE TO PORTRAY A HAMADI VISIT AS EVIDENCE OF A U.S. EMBRACE OF AN ENEMY OF ISRAEL. THIS WOULD ENDANGER HAMADI AND RAISE QUESTIONS ABOUT THE U.S. COMMITMENT TO ISRAEL'S SECURITY THAT IS CRUCIAL TO THE PEACE PROCESS. WE ARE PREPARED TO FACE THIS PROBLEM, BUT WE WOULD HOPE THAT THE HAMADI COULD BE CONSIDERED TO HAVE RESPONSIBILITY TO HELP CONTRIBUTE TO THE POSITIVE ATMOSPHERE OF THE VISIT. WE LEAVE TO YOU HOW TO GET THIS DIFFICULT POINT ACROSS TO THE IRAQIS.

5. A SIGNIFICANT STEP BY THE IRAQIS PRIOR TO THE VISIT TO STOP OPERATIONS OF BLACK JADE AND HURI DASS, OF COURSE, GREATLY IMPROVE THE ATMOSPHERE OF THE VISIT AS WELL AS THE PROSPECTS THAT THE VISIT ITSELF WOULD LEAD TO IMPROVEMENT OF RELATIONS.

6. PLEASE ADVISE AS SOON AS HAMADI PROPOSES ANY TRAVEL PLANS.

7. REFER REPEATED INFO AHMAT, JAMAL, HAMADI. FAYEZ.

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EXDIS REVIEW

Cat A: Caption removed; transferred to O/FADRC
Cat B: Transferred to O/FADRC with additional access controlled by S/S
Cat C: Caption and custody retained by S/S

Reviewed by: [Signature] Date: [Date]

EXDIS

E.O. 22365: DECLASSIFIED
TAGS: FEBR. US, IR
SUBJECT: VISIT OF IRAQI FOREIGN MINISTER

REF: BAGHDAD 4226 DIGITAL

1. [Entire text]

2. YOU SHOULD INFORM DEPUTY PRIME MINISTER AZIZ AND FOREIGN MINISTER HAMADI THAT THE SECRETARY WOULD BE PLEASED TO RECEIVE THE LATTER IN WASHINGTON SHOULD HAMADI BE IN THE US AND BE ABLE TO VISIT WASHINGTON. FTY 1.; GIVEN THE ABSENCE OF RELATIONS AND THE CONTINUING SENSITIVITY OF THE TERRORISM ISSUE, WE PREFER NOT TO OFFER AN ACTUAL INVITATION TO HAMADI. END FTY. THE SECRETARY WILL BE TRAVELING OUT OF THE COUNTRY UNTIL FEBRUARY 10. YOU SHOULD TELL THE IRAQIS THAT IF HAMADI WERE IN THE US AFTER THAT DATE WE WOULD AGREE APPOINTMENTS OR A DATE CONVENIENT TO BOTH THE SECRETARY AND THE FOREIGN MINISTER. FTY: WE UNDERSTAND THE CASSANDRA FOUNDATION WOULD BE INTERESTED IN HAVING DR. HAMADI SPEAK IN ITS "FACE TO FACE" PROGRAM IN WASHINGTON. SUCH AN INVITATION OR SIMILAR ONES FROM OTHER FOREIGN AFFAIRS GROUPS, ENRICHED WITH PERSONAL BUSINESS, COULD CONSTITUTE THE STATED PURPOSE FOR HIS TRIP. YOU SHOULD DECLARE WHETHER AND WHEN TO INTRODUCE THIS IDEA IN YOUR DISCUSSIONS OF A POSSIBLE HAMADI VISIT. END FTY.

3. DR. HAMADI SHOULD BE INFORMED OF THE CONTROVERSY THAT COULD AFFECT HIS VISIT. BY EARLY FEBRUARY, THERE MAY BE SHARP CONGRESSIONAL DEBATE ON THE QUESTION OF IRAQI SUPPORT FOR TERRORISM. UNDERTAKING, SOME WILL CHARGE THAT OUR WELCOMING OF AN IRAQI LEADER AT OR AROUND THAT TIME WOULD SIGNAL A LACK OF SERIOUSNESS ON THE TERRORISM ISSUE. TO PREVENT THIS, WE WOULD LIKE TO USE THE VISIT AS ANOTHER STEP IN OUR DIPLOMATIC EFFORTS ON THIS ISSUE, AS WELL AS AN OPPORTUNITY FOR A BROADER REVIEW OF OUR RELATIONS. THEREFORE, IT WOULD BE ESPECIALLY DESIRABLE FOR THE FOREIGN MINISTER TO SPEAK DIRECTLY TO INTERESTED MEMBERS OF CONGRESS IN ORDER TO APPRECIATE THE SERIOUSNESS WITH WHICH THE CONGRESS, AS WELL AS THE EXECUTIVE BRANCH, VIEWS THE ISSUE OF IRAQI SUPPORT FOR INTERNATIONAL TERRORISM.
February 3, 1983

TO: EB/FPG

FROM: L/EB

SUBJECT: CCC-Blended Credits for Sale of Wheat to Iraq and Syria

At your request, I have attempted to identify statutes which may restrict the authority of the Commodity Credit Corporation to provide financial assistance for certain transactions with Iraq and Syria. This assistance would provide favorable financing by means of the blended credit program for the sale of wheat to these two nations.

My legal research did not include evaluation of the authority to provide blended credits generally. Rather, my search was limited to identifying restrictions which would specifically apply to Iraq and/or Syria. However, I did speak to the U.S.D.A. General Counsel's office to assure myself that they had carefully evaluated the general authority of CCC in this area.

I reviewed the following statutes:

(1) Commodity Credit Corporation Charter Act;

(2) Omnibus Reconciliation Act of 1982;

(3) Export Administration Act of 1979;

(4) Foreign Assistance Act of 1961, as amended;


I also reviewed the index of Legislation on Foreign Relations Through 1981 in an effort to identify other pertinent statutes.
To the best of my knowledge, listed statutes would constitute the sources for any restrictions applicable to transactions with specific nations such as Iraq and Syria. My review indicates that none of the statutes would bar or otherwise restrict the contemplated transactions. They are either totally silent with respect to country-specific restriction (i.e., numbers 1 and 2); dependent on an existing list of countries to whom exports are barred (i.e., number 3); or dependent upon the use of appropriated funds (i.e., numbers 4 and 5). I note that my determination regarding the Foreign Assistance Act of 1961 is based upon the opinion of that Act is inapplicable, with which I concur on the basis of my independent review. I also note that my determination is based upon the indication of that the blended credit program does not involve appropriated funds, but rather draws upon the non-appropriation borrowing authority of CCC.
FROM: EB - Richard McCormack

SUBJECT: US Credit Possibilities for Iraq

ISSUE FOR DECISION

Whether to approve the attached cable (Tab A) outlining the limited possibilities for U.S. financial support for exports to Iraq.

ESSENTIAL FACTORS

In your February 14 meeting with Iraqi Minister of State Hammadi you undertook to provide Iraq information on official U.S. financing possibilities in support of U.S. exports to Iraq.

Iraq's financial position has gradually worsened since the beginning of the war in 1980 and is likely to grow more serious over the next six months. With reduced, although still substantial, aid from the Gulf, Iraq faces a current account short-fall of as much as $10 billion this year. This situation undoubtedly motivated Hammadi to mention to you that the US should consider providing credits, loans and technical cooperation to support U.S. exports to Iraq, which have approached one billion dollars in each of the past two years.

ANALYSIS OF OPTIONS

There are two possibilities for US official credit for Iraq: (a) Eximbank programs; (b) CCC blended credits or guarantees for agricultural exports. Secondarily, the US attitude in the IMF could affect Iraq's ability to obtain access to IMF resources. Finally, although commercial bank financing is beyond USG control, we could take some minor steps in support of Iraq's prospects in private credit markets.

A. Eximbank Programs

Eximbank is discouraging the few inquiries from US exporters regarding Iraq because of the war's effect on Iraq's economy. This decision was based upon the Export-Import Bank Act requirement that there be "a reasonable assurance of repayment." Other official credit agencies have informed us of payment and contract problems.
Equally problematic is section 520 of the Foreign Assistance Appropriations Act of 1979 which prohibits Eximbank funding to any government which harbors terrorists. I have concluded that if an Iraqi government entity were involved in an Eximbank transaction, then the question of whether Iraq was harboring terrorists would have to be decided. However, an area of ambiguity exists with respect to the issuance of FCIA insurance for the benefit of a U.S. exporter or U.S. bank where the importer is a private foreign national.

Section 520 language originated in a 1977 amendment proposed by Senator Heinz. With the Eximbank Act up for renewal this year, a section 520 case, on the heels of a Chaffee Amendment determination for Argentina, could galvanize Congressional support to circumscribe the Administration's flexibility to ensure that Exim loans are consistent with our foreign policy. Because Heinz will be a key Senator on the Eximbank renewal we would hope to avoid a section 520 case. Given legislative requirements and Congressional sensitivity, we have asked Eximbank to refer any applications involving Iraq to State before taking action.

9. CCC Blended Credit Program

Based in part on the opinion of the AID General Counsel's office, I have concluded that there are no FAA or other pertinent statutes which specifically bar a CCC program for Iraq. In December, USDA approved $210 million in CCC credit guarantees for Iraqi imports of U.S. agricultural products. On March 9, USDA announced a CCC blended credit package, totaling $230 million, for a range of U.S. agricultural exports. State successfully opposed a proposal to raise the quantity of wheat in the package (and increase the total package to $250 million),
C. U.S. Vote in the IMF

IMF assistance may be appropriate for Iraq's current balance of payment problems. We could give no blanket commitment to support Iraqi applications, since our decisions are made on the viability of individual loans. Furthermore, legislation requiring that we "work in opposition" to any extension of IMF financial or technical assistance to any country that harbors terrorists would be an additional constraint. For these reasons and because we would not want Iraq to tell the IMF the U.S. in any way suggested it approach the Fund, we have not included this subject in the cable.

C. Commercial Financing:

The Iraqis probably doubt disclaimers that the USG cannot swing loans for Iraq through friends in the private sector. We might remind the Iraqis that the private sector takes into account the state of political relations in making its credit determinations. We could offer to arrange consultations between Iraqi government financial officials and U.S. government and private international financial experts.

RECOMMENDATION:

That you approve the attached cable which instructs US Interest Section Chief Eagleton to inform the Iraqis what we have done on CCC credits, explains the constraints on Eximbank credits to Iraq and reiterates that the U.S. private sector is influenced by the overall state of our relations.
EXDIS CAPTION REMOVED BY S/S (EK), case 9203288

E.O. 12356:DECL:OADR
TAGS: EAIP, IZ
SUBJECT: US CREDIT POSSIBILITIES WITH IRAQ: FOLLOW-UP TO FEBRUARY 14, 1983 SECRETARY-HAMMADI MEETING

1. CONFIDENTIAL - ENTIRE TEXT.
CONFIDENTIAL
CONFIDENTIAL

PAGE 02 STATE 072051

2. IN HIS FEBRUARY 14 MEETING WITH MINISTER OF STATE.
HAMMADI, THE SECRETARY UNDERTOOK TO STUDY OFFICIAL US FINANCING POSSIBILITIES IN SUPPORT OF US EXPORTS TO IRAQ. YOU SHOULD DRAW ON THE FOLLOWING TO BRIEF IRAQI OFFICIALS ON OFFICIAL US FINANCING POSSIBILITIES, MAKING CLEAR THAT YOUR BRIEFING IS THE FOLLOW-UP TO THE FEBRUARY 14 MEETING:

3. COMMODITY CREDIT CORPORATION (CCC) CREDITS:
   -- RECENTLY, TWO USG PROGRAMS HAVE SUPPORTED INCREASED US AGRICULTURAL TRADE WITH IRAQ: CCC CREDIT GUARANTEES (EXTENDED AT MARKET RATES) AND CCC BLENDED CREDITS (WHICH MIX BOTH GUARANTEES AND INTEREST-FREE CREDITS).

   -- WE ARE PLEASED THAT LAST DECEMBER IRAQI AND U.S. AUTHORITIES SUCCESSFULLY NEGOTIATED A $210 MILLION CCC GUARANTEE FOR WHEAT, RICE AND BARLEY.

   -- MORE RECENTLY DEPARTMENT OF AGRICULTURE REPRESENTATIVES AND IRAQI OFFICIALS CONCLUDED DISCUSSIONS FOR A CCC BLENDED CREDIT PACKAGE OF $230 MILLION, $15 MILLION ABOVE THE AMOUNT WE INITIALLY HAD ENVISAGED. THIS PACKAGE INCLUDES NEW US AGRICULTURAL EXPORTS TO IRAQ OF SOYBEAN MEAL, PROTEIN CONCENTRATES AND HYBRID SEED CORN AS WELL AS PRODUCTS TRADITIONALLY EXPORTED. OUR ALLIES ARE CONCERNED THAT SUCH OFFICIAL U.S. FINANCIAL SUPPORT FOR U.S. FOOD EXPORTS TO IRAQ WILL UNDERCUT THEIR POSITIONS IN THE IRAQI MARKET. THUS WE ARE CONCERNED THAT WE FINANCE ONLY FOOD IMPORTS THAT ARE ADDITIONAL TO IRAQ'S USUAL IMPORTS, AND WE DO NOT ENVISION LARGE INCREASES IN THE CCC PROGRAM IN THE NEAR FUTURE.

4. EXIMBANK CREDITS:
   CONFIDENTIAL
   CONFIDENTIAL

PAGE 03 STATE 072051

   -- THERE ARE CONSTRAINTS ON EXIMBANK CREDITS POSED BY SECTION 520 OF THE FOREIGN ASSISTANCE APPROPRIATIONS ACT OF 1979, WHICH PROHIBITS EXIM FINANCING TO ANY COUNTRY WHICH GRANTS SANCTUARY TO INTERNATIONAL TERRORISTS. THIS PROVISION OF U.S. LAW IS SEPARATE FROM THE EXPORT ADMINISTRATION ACT'S ANTI-TERRORISM PROVISIONS, WITH WHICH THE GOI IS FAMILIAR.

   -- THE USG HAS MADE NO DETERMINATION REGARDING IRAQ AND CONFIDENTIAL
THE APPLICABILITY OF SECTION 520. SUCH A DETERMINATION
WOULD HAVE TO BE MADE SHOULD ANY EXIMBANK ASSISTANCE
BE SOUGHT REGARDING A TRANSACTION WHICH INVOLVES AN
IRAQI GOVERNMENT ENTITY.

-- WITH RESPECT TO THE AVAILABILITY OF EXIMBANK
ASSISTANCE FOR TRANSFERS INVOLVING A PRIVATE IRAQI
INDIVIDUAL OR FIRM, THE LEGISLATION ALSO MAY PRECLUDE
SUCH ASSISTANCE. IN ANY CASE, CONGRESSIONAL SENSITIVITY
ON TERRORISM ISSUES MAY NECESSITATE A DETERMINATION AS
TO SECTION 520 APPLICABILITY TO IRAQ.

5. PRIVATE SECTOR CONCERNS:

-- AN IMPORTANT FACTOR IN BOTH EXIMBANK AND PRIVATE
SECTOR CREDIT POSSIBILITIES IS CREDIT ANALYSTS' ASSESS-
MENT OF THE OVERALL STATE OF US-IRAQ RELATIONS, AND THE
EFFECTS OF THE WAR ON THE ECONOMIC SITUATION IN IRAQ.

-- THE US PRIVATE SECTOR MAKES ITS OWN CREDIT ASSESSMENTS
BASED PARTLY ON THE BILATERAL ENVIRONMENT AND THE
OVERALL STATE OF RELATIONS BETWEEN GOVERNMENTS. THE
USG CAN NOT TELL COMMERCIAL BANKS OR PRIVATE BUSINESS
WHAT TO DO. WE DO PUBLISH INFORMATION FOR U.S. BANKERS
AND BUSINESS THAT EMPHASIZES THE FAVORABLE LONG-TERM
ECONOMIC OUTLOOK FOR IRAQ. (NOTE: YOU MAY WISH TO
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PAGE 04 STATE 072051

LEAVE A COPY OF THE 1983 DRAFT FOREIGN ECONOMIC TRENDS.

-- US BANKS HAVE BEEN PLAYING A LEADING ROLE IN CONSORTIA
TO PROVIDE COMMERCIAL FINANCING TO IRAQ. OFFICERS OF
THESE BANKS OCCASIONALLY CONSULT WITH USG EXPERTS, WHO
NEITHER SEEK TO DISCOURAGE LOANS TO IRAQ NOR POSE
POLITICAL OBJECTIONS TO THEIR DEALINGS WITH IRAQ.

-- THERE HAVE NOT BEEN MANY RECENT APPLICATIONS BY US
BUSINESSES OR BANKS TO EXIMBANK. THE WAR, THE OIL
SUPPLY AND PRICE SITUATION, AND THE OVERALL STATE OF
OUR BILATERAL RELATIONS ARE UNDOUBTEDLY FACTORS
INFLUENCING US EXPORTERS AND FINANCIERS WHO OTHERWISE
MIGHT BE INTERESTED IN EXPANDING THEIR DEALINGS WITH
IRAQ.

-- WE WOULD WELCOME DETAILED BRIEFINGS BY IRAQI
CONFIDENTIAL
AUTHORITIES ON IRAQ'S ECONOMIC SITUATION. WE WOULD BE PLEASED TO ARRANGE CONSULTATIONS BETWEEN IRAQI ECONOMIC AND FINANCIAL OFFICIALS AND US GOVERNMENT AND PRIVATE INTERNATIONAL FINANCIAL EXPERTS.

-- WE FAVOR INCREASED CONTACTS BETWEEN U.S. AND IRAQI BUSINESSMEN, FINANCIERS, AND TRADE OFFICIALS. THOUGH OUR LIMITATIONS ON VISITOR VISAS FOR IRAQIS HAVE BEEN BASED ON STRICT RECIPROCITY, RECENTLY WE HAVE UNILATERALLY LIBERALIZED LIMITATIONS ON VISAS TO IRAQI BUSINESSMEN AND OTHER NON-IMMIGRANTS. RECIPROCAL LIBERALIZATION BY IRAQ WOULD FACILITATE BILATERAL CONTACTS AND FURTHER SIGNAL INCREASED GOI INTEREST IN DOING BUSINESS WITH PRIVATE AMERICANS.

6. FYI: WE WILL PROVIDE SEPARATELY FOR USINT'S INFORMATION CONFIDENTIAL

PAGE 05 STATE 072051

TION BACKGROUND ON POSSIBLE CONSTRAINTS WE SEE ON IRAQI BORROWING FROM IBRD AND OR OMF END FYI. SHULTZ
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AMBASSADY DAMASCUS IMMEDIATE
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AMBASSADY IDHA IMMEDIATE

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NODIS DECAPTIONED

E.O. 12333 DECL GADR
TAGS: PRL, FOC, NR, 17, CE, IF, 6
SUBJECT: SECRETARY'S MAY 10 MEETING WITH IRAQI FOREIGN MINISTER TARIQ AZIZ

1. 5-ENTIRE TEXT

2. THE SECRETARY AND IRAQI FOREIGN MINISTER TARIQ AZIZ MET FOR APPROXIMATELY 45 MINUTES IN THE SECRETARY'S SUITE IN PARIS ON THE AFTERNOON OF MAY 10. ALSO PRESENT WERE ASSISTANT SECRETARY VELITES AND THE IRAQI AMBASSADOR TO PARIS. TARIQ AZIZ INITIATED THE DISCUSSION BY EXPRESSING HIS GRATITUDE TO THE SECRETARY FOR MEETING WITH HIM ON SUCH SHORT NOTICE. HE NOTED THAT THE SECRETARY WAS WELL REGARDED BY THE IRAQI GOVERNMENT AND ISSUED AN INVITATION FOR THE SECRETARY TO VISIT BAGHDAD. TARIQ AZIZ CONTINUED BY THANKING THE SECRET SECRET

PAGE 02  SECT0 04216  111638Z

SECRETARY FOR RECEIVING HIM.
SECRET

PREDCESSOR. EARLIER IN THE YEAR, EXPLAINING WHY HE COULDN'T MAKE IT TO WASHINGTON AT THE TIME. HE NOTED, HOWEVER, THAT HE WOULD LOOK FORWARD TO VISITING WASHINGTON. THE SECRETARY ACCEPTED THE INVITATION TO VISIT BAGHDAD AT SOME FUTURE TIME, AND SAID THAT TARIQ AZIZ WOULD BE WELCOME IN WASHINGTON. THE TWO FOREIGN MINISTERS AGREED ON ANY EVENT THAT THEY WOULD MEET IN NEW YORK AT THE GENERAL ASSEMBLY. DURING THE COURSE OF THIS INITIAL DISCUSSION, TARIQ AZIZ EXPRESSED THE DESIRE OF HIS GOVERNMENT AND OF PRESIDENT SADDAH KUSSEIN PERSONALLY FOR BETTER RELATIONS WITH THE U.S. HE NOTED IN THIS RESPECT THAT HE HAD MET OFTEN WITH MR. EAGLETON IN BAGHDAD FOR THOROUGH DISCUSSIONS OF ISSUES.

3. AT THE SECRETARY'S INVITATION TARIQ AZIZ DISCUSSED THE CURRENT STATUS OF THE IRAN-IRAQ WAR. HE EMPHASIZED THAT THERE CAN BE NO NEGOTIATION WITH THE IRANIANS, UNLESS THEY ARE CONVINCED THAT THEY CANNOT CRUSH IRAQ MILITARILY. IN THIS RESPECT THE LAST TWO BATTLES WERE VERY IMPORTANT SINCE THE RESULTS HAVE IN EFFECT BROUGHT MAJOR HOSTILITIES TO AN END. TARIQ AZIZ SAID HE BELIEVES THAT THE IRANIAN MILITARY LEADERSHIP KNOWS THE FACTS OF LIFE, BUT HE IS NOT SURE THAT THE MULLAH/ POLITICIANS ARE YET READY TOrecognize REALITY IN THIS RESPECT. HE SAID THAT THE MULLAHs WILL NEED A COVER, A FACE-SAVER, AND IRAN IS PREPARED TO GO ALONG WITH THIS. HE THEN TURNED TO THE RECENT INITIATIVES BY THE GCC LEADERSHIP WITH THE U.S. AND OTHER MEMBERS OF THE SECURITY COUNCIL CALLING FOR A STRONG SECURITY COUNCIL RESOLUTION WHICH WOULD GIVE THE IRANIANS A FACE-SAVER IN THE SENSE THAT THEY COULD CLAIM THAT THEY WERE "FORCED" BY THE SUPER POWERS TO SECRET
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PAGE 03  SECTO 04216 3116382

STOP FIGHTING. HE NOTED THE NEED FOR "COMPULSORY" PHRASING IN SUCH A RESOLUTION AND CLAIMED THAT HE HAD SPOKEN TO THE SOVIETS, WHO SAID THEY WERE READY TO GO ALONG THESE LINES IN THE SECURITY COUNCIL. AZIZ NOTED THAT THE IRAQI AMBASSADOR TO THE UN WAS IN TOUCH WITH AMBASSADOR KIRKPATRICK WHO EXPRESSED "SYMPATHY FOR AN EFFECTIVE UN MOVE TO END THE WAR." AZIZ ASKED THE SECRETARY TO COMMENT ON SUCH A POSSIBILITY. IN REPLY THE SECRETARY NOTED THAT THE U.S. HAD CONSISTENTLY FAVORED AN END TO THE WAR. WE CONSIDERED IT.
SECRET

DEBILITATING FOR BOTH COUNTRIES, DANGEROUS TO THE
OTHERS IN THE AREA. IN ADDITION, WE ARE NOW
EXPERIENCING AN ENVIRONMENTAL DISASTER BECAUSE OF THE
HOSTILITIES. THEREFORE, FOR HUMANITARIAN
POLITICAL, ECONOMIC, AND ENVIRONMENTAL REASONS IT WAS
LONG PAST TIME TO STOP THIS WAR. THE SECRETARY
MENTIONED OUR POLICY OF NEUTRALITY IN THE CONFLICT IN
THE SENSE OF NOT PROVIDING ARMS TO EITHER SIDE.
NEVERTHELESS, AS AZIZ KNOWS, WE HAD BEEN HELPFUL TO
IRAQ IN VARIOUS WAYS. THE SECRETARY CONCLUDED WITH THE
THOUGHT THAT PERHAPS AT THIS POINT A NEW INITIATIVE
MIGHT SUCCEED AND WE WOULD LOOK FORWARD TO RECEIVING
RECOMMENDATIONS FROM AMBASSADOR KIRKPATRICK.

TARTO AZIZ SHIFTED THE UN FOCUS BY NOTING THAT IRAQ
HAD BEEN INFORMED BY THE UN SECRETARY GENERAL THAT HE
HAD BEEN APPROACHED BY THE IRANIAN UN PERMANENT REP
CONCERNING THE DESIRABILITY OF A UN SPECIAL COMMISSION
TO VISIT THE CITY OF DEZFUL AND OTHER CIVILIAN AREAS IN
IRAQ AND IRAN THAT HAD BEEN HIT BY THE FIGHTING.
PRESUMABLY THIS COMMISSION WOULD THEN REPORT BACK TO
THE UN. AZIZ SAID HE RECOGNIZED THAT THIS COULD BE AN
IRANIAN PROPAGANDA PLOT BUT IT ALSO MIGHT HAVE THE
POTENTIAL FOR BEGINNING THE PROCESS OF TURAN ACCEPTING
A UN ROLE TO STOP THE WAR. HE SAID HE HAD ASKED THE
IRAQI PERM REP IN NEW YORK TO RAISE THIS SUBJECT WITH
SECRET SECRET.

PAGE 04 SECRET 04219 11599

AMBASSADOR KIRKPATRICK IN ORDER TO RECEIVE A U.S.
EVALUATION, IRAQ WOULD BE WILLING TO RUN THE
PROPAGANDA RISKS OF SUCH A VENTURE. IF THERE WAS ANY
CHANGE THAT THIS COULD ACTUALLY BE A STEP ALONG THE
RIGHT PATH, THE SECRETARY PROMISED TO INFORM
AMBASSADOR KIRKPATRICK IMMEDIATELY. OF THIS DISCUSSION
TO REQUEST A REPORT ON HER DISCUSSION WITH HER IRAQI
COLLEAGUE UPON HIS RETURN TO WASHINGTON.

TARTO AZIZ THEN RAISED THE SUBJECT OF LEBANON AND
THE SECRETARY'S RECENT ODYSSEY IN THE AREA. HE THanked
THE SECRETARY FOR THE LETTER HE HAD RECEIVED AFTER THE
ACHIEVEMENT OF THE AGREEMENT BETWEEN ISRAEL AND
LEBANON. HE SAID THAT WE MIGHT DISAGREE ON CERTAIN
DETAILS WITH RESPECT TO LEBANON BUT HE WOULD NOT DWELL
ON THEM. AZIZ THEN SAID HE WANTED THE SECRETARY TO

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KNOW THAT IRAQUS STRONGLY IN FAVOR OF THE WITHDRAWAL OF ALL FOREIGN FORCES FROM LEBANON. HE NOTED THAT THE IRAQI POSITION IS NOT RELATED TO CURRENT RIVALRIES WITH SYRIA BUT REFLECTS OFFICIAL BAGHDAD POLICY CONCERNING THE INADMISSIBILITY OF THE USE OF FORCE BY ONE ARAB COUNTRY AGAINST ANOTHER. THEREFORE IRAQ SUPPORTS THE POSITION THAT SYRIAN AND PLO FORCES MUST WITHDRAW.

4. AZIZ THEN NOTED THAT IRAQ HAD NEVER BEEN IN FAVOR OF ENCOURAGING THE ARMED PALESTINIAN PRESENCE IN LEBANON BECAUSE IRAQ WAS CERTAIN THAT OVER TIME IT WOULD DO MORE HARM THAN GOOD TO THE PALESTINIANS. HE UNDERSTOOD THE PROBLEMS WITH REMOVING THE PALESTINIAN FORCES AND NOTED THAT THIS AGAIN POINTS UP THE NECESSITY OF A SOLUTION TO THE PALESTINIAN PROBLEM. IN ANSWER TO THE SECRETARY'S QUESTION, AZIZ SAID THAT IRAQ WOULD BE WELCOMING TO TAKE SOME OF THE PALESTINIAN FIGHTERS BUT THAT NO ARAB COUNTRY WOULD TAKE THEM ALL.

7. AZIZ THEN TURNED IN A SOMewhat ELliPTICAL MANNER TO THE PEACE PROCESS, POINTING OUT THAT THE AREA HAD SUFFERED TOO MUCH DESTRUCTION AND INSTABILITY THROUGH REPEATED WARS. IRAQ BELIEVES THAT THE TIME HAS COME FOR A CHANGE OF DIRECTION. HE SAID, HOWEVER, THAT IRAQ WOULD NOT ADVOCATE PEACE AT ANY PRICE, IMPLYING THAT THERE WOULD HAVE TO BE AN EQUITABLE SOLUTION TO THE PALESTINE PROBLEM, BUT THE FOCUS WAS ON THE NEED FOR PEACE.

8. THE SECRETARY EXPRESSED APPRECIATION FOR TARIQ AZIZ'S PRESENTATION ON LEBANON AND THE PEACE PROCESS. HE SAID IT WOULD BE VERY HELPFUL TO THE GOVERNMENT OF LEBANON IF AZIZ WOULD STATE PUBLICLY THAT IRAQ SUPPORTS THE WITHDRAWAL OF SYRIAN AND PLO FORCES FROM LEBANON. AZIZ SAID HE AND OTHER IRAQI SPEAKERS HAD ALREADY MADE SUCH STATEMENTS. AZIZ GAVE THE SECRETARY PERMISSION TO TELL THE PRESS AFTER THE MEETING THAT HE WAS TOLD THAT IRAQ'S POSITION IS THAT THE PLO AND SYRIA SHOULD WITHDRAW. SHULTZ
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DEPARTMENT OF STATE

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PAGE 01

STATE: 143370

ORIGIN: NODS-00

INFO: OCT-90, ADS-90, 7000-R

DRAFTED BY: NIA/ARN: FALCONE, BLM
APPROVED BY: THE SECRETARY
NIA/NAVELOTES

NIA/JAPACK

NIA/ARN: AEJONES
NIA/FPEREZ

S/S: CHILL

NIA: DTSCHNEIDER
S/S: WAGARLAN

DESIRED DISTRIBUTION
NIA: MAC/20; S/S: ONLY

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FN: SECSTATE WASH/DC
TO: USINT: BAGHDAD IMMEDIATE
INFO: AMBASSADOR ANNAN IMMEDIATE
AMBASSADOR WODA IMMEDIATE
USEO: RIYADH IMMEDIATE
AMBASSADOR: LONDON IMMEDIATE
AMBASSADOR: BEIRUT IMMEDIATE

S: SECRET; STATE: 143370

NODIS

LONDON FOR ROOPER; BEIRUT FOR HACK

E:0: 12356: DECL: OADR
TAGS: PTER, PREL, US, ZZ

SUBJECT: MESSAGE FROM THE SECRETARY FOR FON MIN TARIQ

AZIZ: IRAQI SUPPORT FOR TERRORISM

REF: (A) SECTOR 4281; (B) BAGHDAD 1204

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PAGE 02

STATE: 143370

1. (S - ENTIRE TEXT).
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2. REF A REPORTED THE SECRETARY'S MAY 10 CONVERSATION IN PARIS WITH FOREIGN MINISTER TARIQ AZIZ. AZIZ WAS VERY HELPFUL IN SUPPORTING THE LEBANON WITHDRAWAL AGREEMENT. THE CONVERSATION DID NOT COVER THE TERRORISM ISSUE, BUT PROVIDED AN OPENING TO GIVE HIGH-LEVEL EMPHASIS TO THE SIGNIFICANCE OF THIS ISSUE FOR THE FUTURE COURSE OF OUR RELATIONS. THEREFORE, YOU SHOULD PRESENT THE PERSONAL MESSAGE BELOW IN WRITING TO TARIQ AZIZ AT THE EARLIEST OPPORTUNITY. SEPTEL WILL PROVIDE ADDITIONAL TALKING POINTS FOR MORE DETAILED FOLLOW-UP DISCUSSION AS YOU MAY FIND APPROPRIATE TO THE CONVERSATION.

3. BEGIN MESSAGE FROM THE SECRETARY FOR THE FOREIGN MINISTER:

DEAR MR. MINISTER;

I WANT TO THANK YOU FOR MEETING WITH ME IN PARIS LAST WEEK. I BELIEVE OUR CONVERSATION MARKED A NEW STAGE IN THE DEVELOPMENT OF BETTER UNDERSTANDING OF OUR VERY IMPORTANT COMMON INTERESTS. THE SUPPORT OF YOUR GOVERNMENT FOR INTERNATIONAL EFFORTS TO RESTORE THE SOVEREIGNTY OF LEBANON AND THE WITHDRAWAL OF ALL FOREIGN FORCES FROM ITS TERRITORY WILL HASTEN THE ACHIEVEMENT OF THIS GOAL WHICH OUR TWO COUNTRIES SHARE WITH SO MANY IN THE REGION. IRAQ'S CONSTRUCTIVE ROLE IS BOTH IMPORTANT AND APPRECIATED.

I ALSO VALUE HIGHLY OUR ABILITY TO DISCUSS OUR DIFFERENCES IN COMPLETE CANDOR. IT IS IN THIS SPIRIT SECRET

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PAGE 03 STATE 143379

THAT I WANT TO POINT OUT WHAT I BELIEVE TO BE A REMEDIABLE IMPEDIMENT TO CONTINUED GROWTH IN OUR RELATIONS. CLEARLY, INTERNATIONAL TERRORISM IS NOT ONLY A PARALLEL MENACE TO OUR TWO COUNTRIES. IT ALSO APPEARS THAT AT LEAST THE INSPIRATION FOR CERTAIN TERRORIST ACTS AGAINST IRAQ AND AGAINST THE U.S. EMANATES AT TIMES FROM THE SAME SOURCES. BY WORKING TOGETHER TO COMBAT TERRORISM, OUR EFFORTS SHOULD BE MORE EFFECTIVE.

IN OBSERVING IRAQI POLICY, IT HAD BEGUN TO APPEAR TO ME THAT IRAQ WAS APPROACHING THE CONCLUSION THAT ITS SECRET
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NATIONAL INTERESTS ARE NEVER SERVED BY INTERNATIONAL TERRORISTS. SEVERAL RECENT EVENTS LEAD ME TO BELIEVE THAT IRAQ HESITATES TO CUT ITS THREADS TO INTERNATIONAL TERRORISTS. I CONTINUE TO BELIEVE, NONETHELESS, THAT YOUR GOVERNMENT RECOGNIZES THE DANGERS, COSTS, AND INHUMANITY OF TERRORISM AS A POLITICAL MEANS. I HAVE THEREFORE ASKED MR. EAGLETON TO DISCUSS THE ISSUE WITH YOU IN GREATER DETAIL.

YOU ARE AWARE, MR. MINISTER, OF MY STRONG INTEREST IN THE U.S. CONGRESS IN SUPPORTING THE PRESIDENT'S EFFORTS TO COMBAT INTERNATIONAL TERRORISM. YOU ARE ALSO AWARE OF SOME OF THE NEGATIVE PERCEPTIONS IN AMERICAN AND WORLD PUBLIC OPINION OF THE IRAQI POSITION ON THIS AND OTHER SUBJECTS. BECAUSE CONGRESS IS IN THE PROCESS OF ADOPTING LEGISLATION THAT WOULD SHAPE THE COURSE OF OUR RELATIONS BASED LARGELY ON THE TERRORISM ISSUE ALONE, ANY NEW EVIDENCE THAT IRAQ HAS DECISIVELY REJECTED INTERNATIONAL TERRORISM AS AN INSTRUMENT OF ITS FOREIGN POLICY WOULD HAVE IMMEDIATE POSITIVE EFFECTS.

MAY I REITERATE TO YOU THE HIGH VALUE I PLACE UPON OUR ABILITY TO DISCUSS OUR MUTUAL INTERESTS IN A CANDID AND COOPERATIVE SPIRIT, AND UPON IRAQ'S INCREASINGLY RESPONSIBLE ROLE IN REGIONAL ISSUES OF BROAD SECRET
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INTERNATIONAL SIGNIFICANCE. I ALSO REAFFIRM MY COMMITMENT TO DO ALL IN OUR POWER TO PROMOTE THE EARLIEST PEACEFUL RESOLUTION OF THE WAR BETWEEN IRAQ AND IRAN THAT WILL LEAVE BOTH COUNTRIES SECURE, STABLE, PROSPEROUS AND FREE OF OUTSIDE DOMINATION.

SINCERELY,
GEORGE P. SHULTZ.

4. BEIRUT MINIMIZE CONSIDERED. SHULTZ
The Iraqi Nuclear Program: Progress Despite Setbacks

An Intelligence Assessment
The Iraqi Nuclear Program: Progress Despite Setbacks

Key Judgments
Information available as of 1 May 1983 was used in this report.

The damaging Israeli airstrike on 7 June 1981 against the Osirak reactor at Iraq's Tuwaitha Nuclear Research Center dealt a significant setback to the Iraqi nuclear program but probably did not change Iraq's long-range nuclear ambitions. The reactor containment vessel and adjacent control room, both above ground, were destroyed, although the many reactor components located underground suffered little or no damage. Iraq's short-range options for acquiring fissile material—either by producing plutonium in the Osirak reactor or by diverting its highly enriched fuel—have been eliminated until rebuilding gets done. But Iraq's longer range program to build a significant and broad-based domestic nuclear capability—and probably an eventual nuclear weapon capability—is still moving forward steadily.

Iraq has been working hard to acquire—primarily from Italy—the necessary fuel cycle (uranium supply, fuel fabrication, reprocessing, and waste treatment) to support a reactor and to extract plutonium. Iraq wants to continue negotiations to purchase a natural-uranium power reactor, which, if acquired, would be the source of much larger quantities of plutonium than could be produced in Osirak.
We still see no identifiable nuclear weapon program in Iraq. But Iraq has made a few moves that could take it in that direction, in addition to serving its broad purpose of eventual nuclear independence. If foreign assistance in vital areas such as the manufacturing and testing of high explosives and the design, fabrication, and testing of nuclear weapons could be obtained, Iraq possibly could have a viable design completed on paper within a few years. Unless they receive significant added foreign help, however, the Iraqis will not be able to produce the material for a nuclear weapon before the 1990s. Attaining that capability, even then, depends critically on the foreign supply of a nuclear reactor—preferably a power reactor—of substantial size fairly soon.
## Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Key Judgments</td>
<td>iii</td>
</tr>
<tr>
<td>Introduction</td>
<td>1</td>
</tr>
<tr>
<td>Status of the Iraqi Nuclear Program Before the Iran-Iraq War</td>
<td>2</td>
</tr>
<tr>
<td>Direction of the Iraqi Nuclear Program After the Iranian Attack</td>
<td>4</td>
</tr>
<tr>
<td>Effects of the Israeli Attack (7 June 1981)</td>
<td>6</td>
</tr>
<tr>
<td>Status of the Iraqi Nuclear Program Beforehand</td>
<td>6</td>
</tr>
<tr>
<td>Physical Effects of the Attack</td>
<td>7</td>
</tr>
<tr>
<td>Effects on the Iraqi Program</td>
<td>7</td>
</tr>
<tr>
<td>Iraqi Reaction</td>
<td>9</td>
</tr>
<tr>
<td>Prospects for Continued Foreign Assistance</td>
<td>10</td>
</tr>
<tr>
<td>Other Countries</td>
<td>11</td>
</tr>
<tr>
<td>Prospects for Iraqi-Developed Nuclear Weapons</td>
<td>12</td>
</tr>
<tr>
<td>Reactors for Plutonium Production</td>
<td>12</td>
</tr>
<tr>
<td>Plutonium Fuel Cycle</td>
<td>13</td>
</tr>
<tr>
<td>Other Possible Acquisition of Fissile Material</td>
<td>14</td>
</tr>
<tr>
<td>Nuclear Weapon Development</td>
<td>14</td>
</tr>
</tbody>
</table>
The Iraqi Nuclear Program: Progress Despite Setbacks

Introduction

Iraq's nuclear R&D program was started with the establishment of the Iraqi Atomic Energy Commission (IAEC) in January 1959. In August of that year, the Soviets agreed to provide Iraq with a thermal research reactor (IRT) rated at 2 megawatts thermal (MWt), a radioisotope production laboratory, and other supporting facilities. The reactor was upgraded in 1978 to 5 MWt, and subsequently to 10 MWt. Subsequently, the IAEC established the Nuclear Research Institute (NRI) near the village of Tuwaitha as the location for the Soviet-built facilities (figure 1). NRI came to be recognized as the most important Iraqi scientific research facility. By way of recognition, Iraq apparently decided that projects and facilities built at the institute would be designated "Tammuz." The Soviet equipment and assistance came earlier than any other foreign aid to NRI and were called simply the Tammuz project.

On 18 November 1975, France agreed to provide Iraq with two nuclear research reactors, hot cells, and supporting facilities. The French assistance has been referred to as the 17 Tammuz project. The 40-70-MWt French-supplied Osirak reactor has been designated by the Iraqis as the Tammuz-1; the smaller, 800-kilowatt-thermal (kWt) French-supplied Isis reactor has been designated Tammuz-2. Each of these reactors was to be fueled with about 12 kilograms (kg) of 93-percent-enriched uranium. Such material is normally referred to as highly enriched uranium (HEU) and could be used in nuclear weapons.

On 5 April 1976, Iraq signed a contract with Italy for a radiochemistry laboratory, which was completed in April 1978. On 8 February 1978, Iraq signed a contract with the Italians for four additional facilities (now completed): a radioisotope production laboratory (RPL), a materials testing laboratory, a chemical engineering laboratory, and a fuel fabrication laboratory (FFL). The FFL has been referred to as the 30 Tammuz project. We do not know whether the other Italian-built facilities are also part of this project, or are designated by their own specific project name and number.

1. The NRI has been referred to successively as the Baghdad Nuclear Research Center, the Iraqi Nuclear Research Center, and now the Tuwaitha Nuclear Research Center.
2. Tammuz: the month (July) of the Iraqi revolution in 1968. (t)
3. Supporting facilities: radioactive-waste treatment and storage; postirradiation examinations facility; "Batimest, Ateliers, Laboratoires" (buildings, workshops, laboratories); and experimental devices—IRENE, BASE, MARINA—
4. The French established a consortium—CERBAG—as the general contractor for the 17 Tammuz project. CERBAG is controlled by the following companies: Technilatias (TA), Societe Generale pour les Techniques Nouvelles (SGN) (formerly Saint Gobain Techniques Nouvelles), Conseil Entreprise (CE), Constructions Navales et Industrielles de la Mediterranee (CNI), and Bouygues Offshore (SY).
5. The Italian organizations involved with constructing the laboratories at Tuwaitha are SNIA-Techis, CNEN (Comitato Nazionale per l'Energia Nucleare), AMN (Antonio Meoceanico Nucleare), and AseaBreda.
One Israeli concern during this time was the potential for storage and accumulation of highly enriched uranium fuel in Iraq. The French, too, exhibited concern early on about the possible diversion of Osirak fuel. The French tried to convince Baghdad to accept a new, low-enriched (7-percent) fuel called "caramel" for future shipments in place of 93-percent-enriched fuel. But the Iraqis refused to accept the change. Therefore, in June 1980 the French shipped a load of highly
enriched uranium (comprising the first core load destined for Osirak). There have been no additional shipments. The French claim that caramel fuel is proliferation resistant, because the process for extracting plutonium from spent caramel fuel is more difficult than extraction from standard reactor fuel.
The Iraqi Atomic Energy Commission, at this time from a Swiss firm for two 500-gram containers of 99.5-percent purity calcium metal. Calcium metal is an excellent reducing agent and would most likely be used to reduce uranium, zirconium, or plutonium halides to uranium, zirconium, or plutonium metal. Calcium metal in such a high-purity form has no other uses than as a reducing agent. Iraq has been interested in obtaining a facility to convert uranium, at least, to the metallic form. Both metallic uranium and metallic plutonium can be used as reactor fuel or in nuclear explosives. Zirconium alloys are used as a cladding for reactor fuel elements.

The IAEC has been trying to upgrade its computer capabilities since 1975. Iraq’s National Computer Center has recently expressed interest in acquiring the Japanese ACOS-900 or ACOS-1000 computers for Baghdad University. We suspect that, if the computers are acquired, they will be used by the IAEC. The Japanese computers are comparable to the IBM 3081 and 3033 computers in performance and price, and they could be useful in nuclear weapon research.

One area in which Iraq has shown a great interest, is the acquisition of lasers and associated equipment. Because of the type of equipment being sought and because of an earlier approach to the Italians for assistance in LIS, we suspect that Iraq is interested in developing an enrichment capability by this means. Even with some...
In addition to the earthen berms and camouflage netting to protect against air attack, there was an intense effort to acquire other security equipment to protect the facility from a possible ground attack. The equipment sought included equipment to detect illegal intrusion, blastproof and airtight doors, metal and explosive detectors, and a perimeter security system. Such activities may have been partially in response to a reported attack on the facility by Muslim extremists, but we have not been able to confirm any such attack.

Iraq's initial response to the Israeli attack was uncharacteristically restrained. Baghdad, negotiating directly with the United States, accepted a compromise UN Security Council resolution that simply condemned Israel and called on Tel Aviv to place its nuclear facilities under international safeguards. Credit for this moderate performance, however, was dissipated soon thereafter when Iraqi President Saddam Husayn appealed for international assistance to help the Arabs acquire nuclear weapons as a deterrent to Israel. Saddam's clumsy attempt to focus world attention on Israel's nuclear capability brought unwanted publicity to Iraq and made its Western collaborators more aware of the proliferation risks of supplying Iraq with nuclear materials and technology.
Prospects for Continued Foreign Assistance

France and Italy are unlikely either to default on current commitments to Iraq or to cut off all future nuclear contacts. Neither country wants to take action that would damage good relations with Iraq, a long-term source of oil and a lucrative market for civilian and military goods. Both countries, however, will probably be more sensitive in the future to proliferation problems and insist on tougher safeguards.

Iraq's leverage with its key nuclear suppliers has been reduced in two ways. The stalemate war with Iran has resulted in sharply reduced oil exports and has undermined Iraq's ability to use the oil weapon against France and/or Italy. A second factor is that world oil surpluses have made other supplier countries more approachable than formerly.
Shortly before the Israeli attack on Tuwaitha, according to State Department reporting, SNIA-Technit and the Iraqis had met to firm up final details of a feasibility study for Italian provision to Iraq of a power reactor rated at about 300 megawatts electric (MWe), equivalent to about 900 MWe. The reactor involved—the Italian CIRENE, which exists only in prototype form—is designed to operate on natural-uranium fuel, although the prototype uses slightly enriched uranium. Because the Iraqis are developing the capability to produce the necessary fuel (dependent upon their obtaining the three “nonsensitive” laboratories), this reactor could give them access to significant quantities of plutonium, starting in nine or 10 years. The Iraqis startled the Italians by asking for a commitment to build the reactor—something the

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* CIRENE: CISE reattore a nobbie (CISE steam reactor). CISE is a research institute in Italy.
Finally, SNIA-Technit has submitted a bid and recently has been selected as one of two final candidates for a power reactor site feasibility study. This would be a rather innocuous and unprovocative contract. Nevertheless, it means that the company continues to pursue nuclear contracts with Iraq (if only selectively). These contracts could lead to a progressively deeper involvement.

In summary, Italy will remain the major supplier of the Iraqi nuclear program. Despite the proliferation risks, Italy probably will continue helping Iraq in numerous areas of nuclear technology, possibly even including reprocessing and plutonium chemistry. Because Italy is a major Iraqi arms supplier, it probably could impose additional safeguards without endangering relations with Iraq.

Other Countries
In addition to continuing its relationships with industrialized Western supplier countries, Iraq probably will put greater emphasis on strengthening nuclear cooperation with other industrialized countries, and with Third World countries in those situations where Western ability to influence nuclear transfers to Iraq is even more limited. Iraq might also make greater efforts to acquire nuclear materials covertly, but we would not expect such efforts to be successful. No other country, we believe, has been successful in acquiring nuclear materials covertly.

Iraq has had nuclear contacts with both Pakistan and Brazil. Iraqi-Pakistani nuclear contacts have taken place from time to time over the past few years, possibly including limited collaboration since the Israeli attack. We do not know the exact nature of the recent contacts, but they appear to have been related to purchases of uranium and nuclear equipment. Iraqi-Brazilian nuclear contacts have increased since the two countries signed a cooperation agreement in

Reactors for Plutonium Production
Iraqi options for acquiring fissile material—HEU or plutonium—for weapons are very much restricted. The only routes that appear to offer any chance of success in the late 1980s to early 1990s are: rebuilding Osirak, building another research reactor, or building a production reactor or a power reactor; all of them sources of plutonium. The clandestine acquisition of HEU or plutonium would be a very uncertain option, at best.

As to an Osirak replacement, Iraq has several options: it may abandon the Osirak project, rebuild Osirak with French assistance, or build an indigenous reactor. As noted earlier, it would probably take from one
to three years for the French to rebuild Osirak; longer if there were additional Israeli interference. Even if the reactor were rebuilt, the French probably would insist on substituting a lower enriched fuel. This step would eliminate the problem of Iraq's diverting fresh HEU fuel for bombmaking. Iraq still could produce plutonium in the reactor either by using the vacant positions in the reactor core or by building a blanket around the core. Loading natural uranium into the vacant core positions would produce only about 1 kg of plutonium per year, even with the reactor operating constantly at full power. Therefore, Iraq would have to operate the reactor for several years to acquire enough plutonium for a single device. Putting a blanket around the core, however, possibly could produce as much as 10 kg of plutonium per year.

In either case, Iraq would have to fabricate a large number of natural-uranium fuel assemblies, irradiate them, and reprocess them. We strongly believe that building a blanket around the core would be very difficult for Iraq to do without being detected by the IAEA or the French. (In addition to IAEA inspection, there would be a French presence at the reactor for many years.) Furthermore, the Iraqis would need an abnormally large amount of French fuel (probably six core loads instead of three or four) to keep the reactor operating steadily at maximum power. The French could not fail to note such abnormally large demands for fresh fuel supply.

Iraq cannot currently construct a reactor itself, but Brazil or Spain might provide assistance. Brazil could probably assist Iraq in building a research reactor, but only in the range of 2 to 5 MW—-and Iraq already has its 5-MWt Soviet-built reactor. The Spanish could help Iraq build a power reactor with a considerably higher power level (300 to 500-MW or 900 to 1,500-MWt range), if that were what Iraq wanted. This reactor probably would be a pressurized water reactor (PWR). Even though it could produce a few hundred kilograms of plutonium per year, it is almost impossible to divert plutonium clandestinely from this type of reactor. An overt diversion would be possible if Iraq were to withdraw from the Non-Proliferation Treaty (NPT) and deny safeguards on the reactor. However, Iraq would still be dependent on foreign enrichment services and hence could not go into overt diversion unless it intended to sacrifice further operation of the reactor.

Iraq might attempt to avoid safeguards by constructing a reactor clandestinely. However, the project would be difficult to carry out clandestinely, especially since Iraq would be dependent on Brazil or Spain to conceal their own participation. With a facility of this size, and large numbers of personnel and materials, it is unlikely that it could be kept secret for long. In any case, it would be very difficult to obtain enriched uranium fuel clandestinely.

It is unlikely that Iraq could complete construction of either a natural-uranium, heavy-water power reactor type (such as the CIRENE) or a PWR before the early 1990s, although one or the other probably would afford the best chance that Iraq has of acquiring enough plutonium for a nuclear device. We do not know the current status of negotiations between Italy and Iraq on the purchase of the CIRENE. It appeared, shortly after the Israeli attack, that Iraq was preparing to purchase a PWR; since then, negotiations for this reactor appear to have stalled. After the attack, Iraq may have reasoned that there was no better time than the present to purchase a power reactor, that a power reactor could provide access to some plutonium, and that Israel would receive much stronger censure if it were to bomb a civilian power reactor.

Plutonium Fuel Cycle
Iraq has been working hard to acquire—primarily from Italy—the necessary fuel cycle (uranium supply, fuel fabrication, reprocessing, and waste treatment) to support a reactor and to extract plutonium. The IAEA confirmed a recent Iraqi request to place the Italian-provided facilities at Tuwaitha under safeguards. Already, Iraq has produced boiling water reactor (BWR) and PWR nuclear fuel pellets at the fuel fabrication laboratory. Iraq also plans to fabricate PWR and BWR fuel rods and test its ability to assemble one
PWR and one BWR fuel element. Iraq could use the uranium that it has clandestinely acquired to fabricate reactor fuel. Iraq still would have to acquire the fuel element fabrication facility that it has discussed with the Italians.

Although Iraq continues to show a great interest in what we believe to be laser isotope separation research, it is unlikely that Iraq could use this emerging technology as a source of weapon-grade material in the foreseeable future.

Nuclear Weapon Development
No active effort to develop nuclear weapons in Iraq is evident, but Iraq has shown an interest in several areas relevant to the development of nuclear weapons. As noted earlier, Iraq has shown a great interest in upgrading its computer capability and acquiring a Japanese computer that is more than adequate for nuclear weapons design. However, it is unclear whether Iraq is acquiring a computer specifically for this purpose. Iraq has also shown interest in another area that is more directly relevant to nuclear weapons—converting uranium to the metallic form. Iraq also has shown an interest in acquiring plutonium. In addition, as noted earlier, Iraq has made attempts to acquire a medium-range ballistic missile, possibly for a nuclear-warhead delivery system. The project now appears to be dormant mainly because of the inability of the prospective suppliers to provide the missile.

Even if Iraq acquired enough fissile material for an explosive device, it still would need to design and fabricate a nuclear explosive. We know of no indigenous program in this area, nor of the existence of any Iraqi nuclear weapon design group. If foreign assistance in vital areas such as the manufacturing and testing of high explosives and the design, fabrication, and testing of nuclear weapons could be obtained, Iraq possibly could have a viable design completed on paper within a few years. There is no indication that a foreign supplier is willing to assist Iraq in these areas. Considering Iraq's past successes with foreign suppliers and its potential oil leverage, however, we would not totally dismiss the possibility of such foreign assistance.

Other Possible Acquisition of Fissile Material
Iraq continues to show a great interest in obtaining fissile material clandestinely—on the black market or elsewhere. For example, in 1979 high-grade uranium was offered to Iraq by swindlers. Whether it was natural, depleted, or highly enriched is not known to us; the proposed price, which is known, suggests highly enriched uranium. It is possible that Iraq has acquired some uranium, but we do not believe that any of it has been weapon usable material. Dissatisfaction with what have probably been hoaxes so far will not be likely to deter Iraq from further attempts.

Multinational Force
Although its future is uncertain, the Persian Gulf region will continue to be a source of military hardware for Iraq. Concerns for the future will be based on the likelihood of new misfortunes, the extent of those misfortunes, and the ability of Iraq to learn from them. Iraq's continuing military development efforts point to a military that is likely to become more capable in the future.
EMBASSY BAGHDAD 1487

E.O. 12356: DECL: OADR
TAGS: PREL, MILI, IZ, KS
SUBJ: MILITARIZATION OF HUGHES HELICOPTERS

1. CONFIDENTIAL ENTIRE TEXT.

2. IN THE COURSE OF A WIDE RANGING DISCUSSION, STATED THAT HIS GOVERNMENT HAS BEEN APPROACHED BY THE IRAQIS TO MILITARIZE THE HUGHES HELICOPTERS SOLD AND DELIVERED HERE EARLIER THIS YEAR. HE STATED THAT THE UPGRADE SPECIFICALLY INCLUDED THE INSTALLATION OF MISSILE LAUNCHERS. THE APPROACH WAS VIA EMBASSY IN WESTERN EUROPE (HE WAS NOT SURE WHICH EMBASSY NOR WAS HE SURE WHICH OF THE TWO HUGHES MODELS WERE TO BE UPGRADED). HE ALSO INDICATED THAT HE TURNED DOWN THE IRAQI REQUEST.

3. COMMENT: CONTACTING VIA EMBASSIES IN THIRD COUNTRIES IS NOT IN AND OF ITSELF UNUSUAL FOR THE IRAQIS. WE UNDERSTAND THAT MILITARY PURCHASING MISSIONS ACTIVELY WORK THE WEST EUROPEAN MARKETS AND AN APPROACH -- THERE WOULD BE POSSIBLE.
CONFIDENTIAL

PAGE 01

ACTION NEA-11

INFO OCT-00 COPY-01 ADS-00 AID-07 INR-10 EUR-12 SS-10
CIAE-00 EB-08 DODE-00 H-01 IO-15 NSC-01 NSAE-00
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AMBASSA Y DOHA
AMBASSA Y JIDDA
AMBASSA Y KUWAIT
AMBASSA Y LONDON
AMBASSA Y MANAMA
AMBASSA Y MUSCAT
USELO RIYADH
AMBASSA Y TEL AVIV

CONFIDENTIAL BAGHDAD 1696

LONDON FOR HOOPER

E.O. 12356: DECL: OADR
TAGS: PREL, MASS, EFIN, 12, EG
SUBJ: VISIT OF TARIQ AZIZ TO CAIRO

1. CONFIDENTIAL ENTIRE TEXT.

2. IRAQI FOREIGN MINISTER TARIQ AZIZ RETURNED FROM
CAIRO ON JULY 5. AS EXPECTED, THE PUBLICITY SUR-
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ROUNDING THE VISIT DOES NOT SUGGEST THAT THE IRAQIS

CONFIDENTIAL
SERIOUSLY CONSIDERED RESTORING RELATIONS WITH EGYPT AT THIS JUNCTURE. NEVERTHELESS, THE VISIT ITSELF INDICATES THAT BAGHDAD HAS AGREED TO FURTHER UPGRADE ITS TIES WITH CAIRO TO INCLUDE JUST ABOUT EVERYTHING SHORT OF FULL DIPLOMATIC RELATIONS.

3. SO SOON AFTER TARIQ AZIZ'S RETURN, WE CAN ONLY SPECULATE AS TO WHAT SADDAM'S REASONS WERE FOR SENDING HIM TO CAIRO. THE IRAQIS AND EGYPTIANS UNDOUBTEDLY REVIEWED REGIONAL ISSUES OF MUTUAL CONCERN SUCH AS SYRIAN ACTIVITIES, BOTH WITH REGARD TO THE QUESTION OF LEBANON AND THE CURRENT STRUGGLE WITHIN THE PLO. HOWEVER, THERE IS A STRONG POSSIBILITY THAT THE DISCUSSIONS IN CAIRO FOCUSED PRIMARILY ON BILATERAL ECONOMIC ISSUES. BAGHDAD MUST INSURE THAT IT HAS ACCESS TO A CONTINUING SUPPLY OF EGYPTIAN MUNITIONS AT A TIME WHEN ITS FINANCIAL RESOURCES ARE SEVERELY LIMITED, PARTICULARLY WITH NEW IRANIAN ATTACKS LOOMING. THE IRAQIS HAVE SPENT MUCH OF THEIR DIPLOMATIC ENERGIES OVER THE PAST NINE MONTHS WORKING WITH OTHER MAJOR MILITARY SUPPLIERS -- THE SOVIETS AND THE FRENCH -- TO SECURE ADDITIONAL MILITARY SUPPLIES ON EASIER CREDIT TERMS. SIMILAR DISCUSSIONS HAVE PROBABLY BEEN HELD WITH THE EGYPTIANS.

4. THE ISSUE OF EGYPTIAN LABORERS IN IRAQ WAS EVIDENTLY A TOPIC OF DISCUSSION, AN INDICATION THAT CAIRO HAS EXPRESSED ITS CONCERN TO THE IRAQIS OVER THE TREATMENT OF THE ONE MILLION OR SO EGYPTIAN WORKERS IN IRAQ, PARTICULARLY, WE IMAGINE, WITH REGARD TO THE AMOUNT OF FOREIGN CURRENCY THEY ARE PERMITTED TO SEND OUT OF THE COUNTRY TO THEIR RELATIVES AT HOME. IN ORDER TO SECURE PROMISES OF CONTINUED EGYPTIAN MILITARY SUPPORT, THE IRAQIS MAY BE COMPelled TO MAKE SOME CONCESSIONS IN FAVOR OF THE EGYPTIAN LABORERS ON THIS ISSUE.

5. BEIRUT MINIMIZE CONSIDERED.

BODINE
MEMORANDUM FOR THE HONORABLE GEORGE BUSH
The Vice President

THE HONORABLE GEORGE P. SHULTZ
The Secretary of State

THE HONORABLE DONALD T. REGAN
The Secretary of the Treasury

THE HONORABLE CASPAR W. WEINBERGER
The Secretary of Defense

THE HONORABLE DONALD P. BODEL
The Secretary of Energy

THE HONORABLE WILLIAM J. CASEY
The Director of Central Intelligence

THE HONORABLE JEANE J. KIRKPATRICK
The United States Representative to the
United Nations

GENERAL JOHN W. VESSEY, JR.
The Chairman, Joint Chiefs of Staff

SUBJECT: National Security Decision Directive on
United States Security Strategy for the Near East
and South Asia (S)

Attached is the Decision Directive pursuant to yesterday's National
Security Council meeting. (U)

William P. Clark

Attachment
NSDD-99

DECLASSIFIED BY AUTHORITY OF
NSC
16 Aug 96 30-F-0081
DATE CASE #

SECRET
COPY 9 OF 9 COPIES
National Security Decision
Directive Number 99

United States Security Strategy for
the Near East and South Asia

The recent National Security Study, NSSD-4/82, reaffirmed the
basic soundness of the purposes and objectives of our National
Security Policy toward the Near East and South Asia. The
derivative and complementary regional security interests,
objectives and strategy outlined in NSSD-4 are approved and
restated herewith: (U)

U.S. Regional Interests

-- to obtain a comprehensive lasting peace between Israel and
her Arab neighbors and the resolution of the Palestinian problem-
based upon the principles outlined by the President on September
1, 1982. (U)

-- to help resolve other regional conflicts that threaten our
interests. (U)

-- to strengthen regional stability by measures to improve
economic conditions and indigenous defense capabilities. (U)
Threats to U.S. Interests and Objectives

Strategic Planning for the Near East and South Asia
the technological, industrial, economic and military strength which the US can bring to bear to assist other countries. (U)

Strategic Concept for Near-Term Planning

Cooperation with Other Countries
COOPERATION WITH ARAB POWERS.

IMPLEMENTATION
Moscow's Tilt Toward Baghdad: The USSR and the War Between Iran and Iraq

An Intelligence Assessment
Moscow's Tilt Toward Baghdad: The USSR and the War Between Iran and Iraq

An Intelligence Assessment

This paper was prepared by [Redacted] of the Office of Soviet Analysis. The statistics were compiled by [Redacted] of the Office of Global Issues. The paper was coordinated with the Director of Operations.

Comments and queries are welcome and may be directed to SOVA.
Moscow's Tilt Toward Baghdad: The USSR and the War Between Iran and Iraq

The USSR has altered its policies toward Iran and Iraq in Baghdad's favor during the past year and a half. In spring 1982 Moscow began a major effort to improve ties with Iraq, emphasizing closer military cooperation—particularly arms sales and deliveries. In 1982, for example, the number of Soviet seaborne arms deliveries to Iraq tripled.

The USSR also has supported Baghdad's call for a negotiated settlement of the war between Iran and Iraq. Relations have improved to the point where Soviet and Iraqi leaders have recently made joint public statements about bilateral ties.

During the same period, Soviet-Iranian relations have steadily deteriorated to their lowest level since the Shah's reign. The most telling indicators of this decline are Tehran's recent abolition of the Tudeh (Iran's Communist party) and expulsion of Soviet officials from Iran and Moscow's counter-expulsion of Iranian officials.

Moscow's tilt toward Baghdad is a marked departure from its policy of trying to maintain stable relations with the two while probing for better ties with Iran. At the outset of the war in September 1980, the Soviets thought they saw an opportunity to make some gains in Tehran. Their embargo of arms deliveries to both countries benefited Iran because Iraq had been receiving considerably more arms. The Kremlin coupled this with a renewed effort to improve political ties with Tehran. When the gambit produced no immediate results, the Soviets in spring 1981 lifted the embargo but refused to conclude any new arms deals.

In the spring of 1982, however, Moscow began to take steps that eventually amounted to a clear tilt toward Baghdad. The Soviet move stemmed from various factors:

- Iran's major battlefield victories in late 1981 and the first half of 1982 temporarily disadvantaged Iraq. The Soviets may have believed at that time that if they did not aid Baghdad, Iraq might decide it had no choice but to accelerate its turn toward Western Europe, China, and even the United States.

- The USSR feared that an Iranian victory would lead to the spread of Khomenei's type of Islamic fundamentalism near its southern border.
* The risk that a Soviet tilt toward Iraq would impel Iran to turn back toward the United States seemed much lower in the spring of 1982 than it had earlier in the revolution. By that time, Khomeini had crushed all major opposition, including the relatively pro-Western Bani-Sadr, and the regime's anti-American rhetoric was as shrill as ever.

* The Soviets had concluded that the prospects for the Iranian revolution swinging to the left were becoming slimmer and that the outlook for good bilateral ties was poor. They apparently believed that as long as Khomeini or his supporters remained in power Soviet influence would be minimal.

There are, however, some important constraints on the improvement in Soviet-Iraqi relations:

* Mutual distrust between Iraqi President Saddam Husayn and Moscow remains great.
* The Soviets do not want to antagonize Syria—their principal ally in the Middle East—by developing too close a relationship with its archenemy, Iraq.
* Most important, we believe the Kremlin, despite the deterioration of its relations with the Khomeini regime, still considers Iran more important geopolitically than Iraq and will want to avoid providing an opening for the United States in Tehran. Although the Soviets are likely during the next year to continue supplying political and military backing to Iraq, they will attempt to avoid a complete break in relations with Iran.

The course of the war will have a major effect on Soviet policies toward the two countries during the next year. A prolongation of the military stalemate—the most likely scenario—probably would strain Moscow's relations with Iran even further and lead to continued improvement in its ties with Iraq.

The Soviets consistently call for an end to the war, even though they realize that cessation of the conflict would yield them liabilities as well as benefits. A peaceful settlement would:

* Reduce the significance of one of the prime irritants in Soviet-Iranian relations—Moscow's weapons sales to Baghdad.
* Probably make the Persian Gulf states less nervous about Iranian expansionism, which would decrease their need and willingness to cooperate militarily with the United States.
- Result in probably greater contributions from Iran and Iraq to the struggle against Israel, thereby strengthening the pro-Soviet radical Arab states.
- Possibly improve the prospects for a rapprochement between Baghdad and Damascus.

The potential liabilities for the Kremlin from an end to the war, however, would be at least as significant:

- Iraq, without an acute need for weaponry, might accelerate its diversification of weapons suppliers and become less dependent on Moscow.
- Iraq would probably improve its relations with the United States.
- Although a dramatic improvement in Iranian ties with Washington is a remote possibility, Moscow might worry that the absence of the unifying factor of the war could weaken the fundamentalist regime to the point that more pragmatic clerics, who are not as averse to dealing with the United States, would gain the upper hand.

But the Soviets have learned to live with the war and can continue to do so as long as neither side gains a decisive military advantage. Although Moscow would significantly enhance its position in the Middle East if it became an honest broker negotiating a settlement, the prospects of that occurring are slim.


## Contents

<table>
<thead>
<tr>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Key Judgments</td>
</tr>
<tr>
<td>Introduction</td>
</tr>
<tr>
<td>Background: Soviet Policy Before the War</td>
</tr>
<tr>
<td>The War: Early Soviet Maneuvering</td>
</tr>
<tr>
<td>Moscow Changes Course: March Through July 1982</td>
</tr>
<tr>
<td>Iraq</td>
</tr>
<tr>
<td>Iran</td>
</tr>
<tr>
<td>Soviet Motivations</td>
</tr>
<tr>
<td>Soviet Bound: Intensification of the Tilt</td>
</tr>
<tr>
<td>The War</td>
</tr>
<tr>
<td>Other Frictions With Iran</td>
</tr>
<tr>
<td>Expanding Military Ties With Iraq</td>
</tr>
<tr>
<td>Limitations in the Soviet-Iraqi Rapprochement</td>
</tr>
<tr>
<td>Outlook</td>
</tr>
<tr>
<td>If the Stalemate Continues</td>
</tr>
<tr>
<td>If the War Ends</td>
</tr>
</tbody>
</table>

## Appendix

<table>
<thead>
<tr>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chronology of Soviet Policy Toward Iran and Iraq, 1980-83</td>
</tr>
</tbody>
</table>
Moscow's Turn Toward Baghdad: The USSR and the War Between Iran and Iraq

Introduction

The USSR's primary aim in the Persian Gulf region since 1979 has been to capitalize on the windfall it received from the elimination of US influence in Iran without jeopardizing its shaky, though important, relationship with Iraq. The war between Iran and Iraq, which began in September 1980, has created a major impediment to the accomplishment of this objective.

We believe that the Soviet Union has seen the war as a balancing, not counterbalancing, factor in its relationship with the West. On the one hand, the conflict has increased Iran's dependence on the West's power in the region, leading to a closer relationship with the United States. On the other hand, the war has also benefited the United States and its allies by distracting the two superpowers from their conflict and diverting Arab and Iranian energies from the confrontation with the Jewish state.

Another of the war's liabilities is that it has led to a US military presence in the region. This is less objectionable to the conservative Persian Gulf states, who are less likely to view a US military presence as a threat. As the Soviets have often lamented, the war has also benefited the United States and its allies by distracting the two superpowers from their conflict and diverting Arab and Iranian energies from the confrontation with the Jewish state.

Although the USSR has maintained an official, non-official policy of neutrality throughout the war, it has taken steps during the conflict to limit its impact on the war. Up until 1982, however, the Soviets refrained from taking a side in the conflict or intervening directly in the fighting. This policy was clearly a major impediment to the accomplishment of this objective.

This paper analyzes why Moscow abandoned its no-war line and adopted a policy that clearly favors Iraq. It briefly examines Soviet interests in each country and the policy the Kremlin followed during the first year of the war. It also points out the factors that will limit Moscow's tilt toward Baghdad—most important of which is Iran's geopolitical significance to the USSR. Finally, the paper discusses different scenarios for the course of the war and how Soviet interests and policies will be affected in each.

Background: Soviet Policy Before the War

Moscow's relations with the Shah's regime after 1962 were relatively friendly despite the Shah's deep-seated anti-Communist and anti-American policies. Moscow had more influence over the Shah than it did in the 1950s and 1960s, and the Soviet Union began to play a more active role in the region. By the time of the Shah's ouster in February 1979, the Soviets had established a foothold in the region and were prepared to provide the new regime with arms and support equipment.

Strains began to reappear in Soviet-Iranian relations after 1973, however, when the Shah started to use his oil wealth to build Iran into the predominant military power in the Persian Gulf region. The Shah's strategy involved a much closer alliance with the United States and a more assertive Iranian policy, which often clashed with Soviet interests in the region. Thus, Moscow, although surprised by the Shah's rapid demise, welcomed it as a major blow to US influence in the area.

The Soviets expended considerable effort after the Shah fell in February 1979 in an attempt to counter the regime of Ayatollah Khomeini. The Islamic government's decision to allow the previously illegal Islamic republic's Communist party to operate openly and its espousal of radical "anti-imperialist" and anti-Israeli views presumably bolstered the Kremlin's hopes. Moscow's invasion of Afghanistan in December 1979.
Soviet officials have complained that the Iraqis did not consult with the USSR, as they were supposed to according to the Soviet-Iraqi treaty before invading.

The Kremlin claimed that the early days of the war severed direct arms shipments to both sides reflected its opposition to the Iraqi invasion as well as its efforts to curry favor in Iran. Iraq bore the brunt of this decision because it had been receiving substantial amounts of Soviet arms, while Iran had been getting far less. From the start, however, Moscow attempted to attenuate the negative effects of the arms embargo, which it never publicized, on both countries. It allowed small amounts of Soviet arms to filter through to them in the first few months of the war and also permitted, and probably encouraged, countries— such as Libya, Syria, North Korea, Bulgaria, and Poland—to ship Soviet-origin weapons to them.

Despite this attempt to soften its impact, Iraq resentted the Soviet embargo. A Soviet official told the author in December 1980 that Saddam was "furious" over the arms cutoff.

I stated that Moscow’s “betrayal” meant bilateral ties could “never again be the same.”

At the same time, we spread the idea that Saddam’s days were numbered, apparently with the aim of eroding confidence in his rule. The Soviets also signed a Friendship and Cooperation Treaty with Syria in early October despite the open hostility between Damascus and Baghdad.

Moscow’s willingness to risk a rupture with Iraq apparently stemmed, in part, from its belief that the Iraqis could not afford to break with the USSR completely and from its displeasure with Saddam personally. In the fall of 1980, the Middle East was.

I attributed the embargo to Moscow’s desire to
teach the "ungrateful" Iraqis a lesson. But I told the government around the same time that the Kremlin considered Saddam "defiant."

Perhaps even more important in the Soviet decision to undertake these anti-Iraqi steps was Moscow's apparent perception of Iraq's invasions as an opportunity to make some gains in Tehran. The Soviets began a new effort to court the Khomeini regime. For instance, Soviet Ambassador Yagoda met with the Prime Minister Rajai and Speaker of the Majlis Rafsahari on separate occasions in October and stressed Moscow's interest in improving relations. Tehran, however, was not receptive, and the effort founded.

Reassessment of Policies: Spring 1981

Through February 1982

In a major tactical shift, the Soviets lifted the arms embargo in spring 1981. Removing the embargo clearly favored Iraq because it bought much more than Iran did from the USSR. We believe the Soviets apparently feared that continuation of the embargo might prompt Iraq to accelerate its arms purchases from China and the West and could turn Baghdad increasingly away from the USSR. Their decision was probably also influenced by worries about the growing rapprochement between Baghdad and moderate Arab states, signs that the United States was seeking to improve relations with Iraq and Moscow's own failure to make immediate headway with Iran.

During the next 12 months, until spring 1982, the Soviets delivered over $200 million of arms to Iraq.

All of these arms apparently were bought under contracts signed before the war. During the same period, Iran, despite its appeals for arms, received from Moscow much smaller quantities of military equipment, including small arms, ammunition, trucks, and spare parts.

Lifting the embargo restored a major irritant in the USSR's relations with Iraq and Sadiq and helped slow Baghdad's shift from Soviet to Western weapons, but it created new problems for Moscow. Both Baghdad and Tehran presumably viewed the move as the "righting of a wrong. The Iranians now had good reason to criticize Moscow for arming their enemy and did so frequently. Baghdad, however, strongly resented Moscow's failure to curb arms shipments made to Iran by Soviet allies and clients.

In addition to the resumption of the arms deliveries, the Kremlin sent us other signals that it was interested in mending fences with Baghdad. In April 1981, Brezhnev—for the first time since 1978—signed the annual gas swap with the Iraq leadership commemorating the signing of the 1972 Friendship and Cooperation Treaty. Shortly thereafter, the Soviets repaired a critical electric-generating facility in Iraq damaged during the war, and they signed a few new economic cooperation agreements.

Nonetheless, Soviet-Iraqi political relations remained chilly throughout the rest of 1981. Although Baghdad sent First Deputy Premier Ramadan to Moscow in June, it remained suspicious of the Soviets. For example,

... despite improved relations with Moscow, the Soviets remained determined to destabilize Iraq. They were instructed to increase efforts to monitor Soviet subversive activities...

claimed that Iraqi officials believed Moscow was using Syria to urge Iraq to continue the war.

Meanwhile, the Kremlin probably was ambivalent about the course of political developments in Iran. It publicly applauded the ouster in June 1981 of Prime Minister Khomeini, whom Moscow considered anti-Soviet and capable of turning Iran back toward the West. At the same time, it feared a takeover of the Islamic Republic by the Mujaheddin-e Khalq—"the Mujaheddin of Khalk"—in the summer and early fall. The Soviets had repeatedly criticized the Mujaheddin for refusing to unite with other leftist forces in Iran and were especially concerned of its attempts to overthrow the Khomeini regime by force.
But some Soviets recognized that the consolidation of clerical control would not necessarily benefit the USSR. For example, the political commentator Aleksandr Bovin warned in an article in June 1981 and on a Moscow television program in July that the fundamentalist clerics who were becoming dominant in Tehran were virulently anti-Soviet.

Whatever reservations it had, however, Moscow continued to court the Khomeini regime. When Iran's new President, Prime Minister, and Foreign Minister took office late in the summer of 1981, they, unlike many of their predecessors, did not speak out publicly against the Soviets. In addition, trade increased in 1981 to slightly above prerevolutionary levels. The two countries exchanged visits of various low-level delegations, and Ambassador Vinogradov was granted a number of meetings with Iranian leaders. This period, however, turned out to be the calm before the storm.

Moscow Changes Course: March Through July 1982

In our judgment, the lifting of the arms embargo in spring 1981 was essentially a damage-limiting move by Moscow. Its previous policy, which had been more favorable to Iran, failed to produce benefits for the Soviets in Tehran and further damaged their already poor standing in Baghdad. Ending the embargo, however, showed but did not reverse the deterioration in Soviet-Iranian ties, partly because the Soviets continued to court Khomeini. It was not until the spring of 1982 that the Kremlin began to move from this policy of equidistance between the belligerents to one of clear support for Iraq.

Iraq. The most important indicator of the Soviet tilt toward Baghdad was the conclusion of a major new arms contract—the first since before the war began.
of high-ranking East European officials and the Chief of the Soviet Foreign Ministry's Near East Department, Oleg Grishinovski—the highest level Soviet official to visit Baghdad since before the war.

In late May Moscow began pressing Iraq's publicly expressed willingness to end the war. Moscow Radio, for example, in a broadcast in Arabic on 21 June, welcomed Saddam's announcement that Iraq would withdraw its troops from all Iranian territory, calling it a "positive step" that could lead to "ending the bloody conflict as soon as possible." The Soviets supported the Iraq-inspired UN Security Council resolution on 12 July calling for an immediate cease-fire and withdrawal of forces to pre-war boundaries. Soviet media commentary on the major Iranian offensive at Basrah that began on 14 July—the first in the war that Iranian forces crossed into Iraq—was implicitly critical of Tehran and supportive of Baghdad.

Iraq, Moscow's frustration with the Khomeini regime's failure to respond to its continual overtures for closer relations and with Tehran's recurrent anti-Soviet gestures was an important factor in the decision to tilt toward Iraq. The Soviets began to voice these frustrations publicly at about the same time this tilt toward Iraq was becoming evident. On 9 March 1983 Pravda published an authoritative article by its senior Third World commentator, Pavel Demchenko, who listed in stark detail Moscow's grievances against Iranian policy toward the USSR. Demchenko charged that there were "extreme right" factions, opposed to improving Soviet-Iranian relations, operating around the Ayatollah. He also warned that criticism of the Soviet presence in Afghanistan was "futile" and that Moscow would not withdraw its troops until outside intervention—including intervention from Iranian "sail"—ended.

Soviet media criticism of Iranian expansion of the Twelver also began to increase. Such complaints, common in broadcasts of the National Voice of Iran (NVl)—the Bahrein-based Soviet radio station purporting to be Iranian—now began appearing more frequently in official Soviet media.

Soviet motivations. Various factors accounted for this clear tilt toward Iraq. In our judgment, probably the most compelling was Moscow's concern over the shift in the war's military balance toward Iran. The shift was occurring at a time when Moscow's own ties with Iran were fraying.

Statements by Soviet officials indicate Moscow was wary of an Iranian victory. Iran's impressive string of triumphs on the battlefield beginning in September 1981 made the threat of overall victory a reality. In our judgment, the Kremlin probably thought an Iranian defeat of Iraq and establishment of a pro-Iranian regime in Baghdad would have undermined Soviet influence in Iran and strengthened the Khomeini regime, making it even less susceptible to Soviet broods. Furthermore, Moscow did not want to see an anti-Soviet Islamic regime, whose Islamic fundamentalism might potentially attract adherents among the USSR's own 40 million Muslims, spread its influence beyond Iranian borders.

Soviet leaders also probably feared that a threatened Iraq would accelerate its turn toward the West, China, and moderate Arabs. If Moscow would not come to its aid, Baghdad might even appeal to Washington. In early May 1982 the CPSU Central Committee Secretariat did a study that concluded the United
to the Secretary of the Department of Defense. The

A critical element in the C2 is the command element of the

Secretary.
Moscow has also protested a series of Iranian efforts to harass and prevent Soviet activities.

The most telling indicators of the depths to which Soviet-Iranian relations have sunk, however, have been Tehran's arrest of the Tudeh's leaders, dissolution of the party, and expulsion of 18 Soviet diplomats in May 1981. Tudeh General Secretary Kianouri and other party members were arrested by the Khomeini government on 6 February on charges of spying for the KGB. Moscow lodged an official protest and called, thus far unsuccessfully, for their release. In late April and early May, Kianouri and other Tudeh leaders "confessed" on Iranian television to being agents of the USSR, intent upon overthrowing the clerical regime. On 4 May the government dissolved the party, a move Khomeini endorsed publicly. The same day Tehran expelled 18 Soviet diplomats—half of the officially accredited Soviet diplomats in Iran—for interfering in Iran's internal affairs.

Moscow's response to the May actions was restrained, limited to private and media protests and the symbolic expulsion of those Iranian diplomats. This restraint reflects the Kremlin's unwillingness to write off Iran totally and possibly a belief that disintegrating the Tudeh had more to do with Iranian internal than with foreign policies. Gromyko, however, in his speech to a session of the Supreme Soviet in mid-June, implicitly warned Tehran that the USSR would respond in kind to any future unfriendly Iranian acts.

Expanding Military Ties With Iran. In contrast to sharply deteriorating relations with Iran, Moscow's relations with Iraq have been continually improving. Bush administration rhetoric has reflected this. Gromyko, during the same mid-June speech in which he criticized Iran, stated that Iraq and the USSR "are linked by relations of friendship." In an early July interview with a French newspaper, Gromyko lauded the Iraqi-Soviet "rapprochement." The most concrete indicators of the rapprochement, however, are the heavy flow of Soviet weapons to Iraq and the conclusion of a major new arms deal.

The Iranian government in late June that Tehran was concerned the Iranian and government in Iraq were fostering the return of Khomeini to Iran in early 1981, since Iranian officials told when the Soviets withdrew their support.
Among the weapons delivered in 1981 are fighter aircraft, helicopters, and hundreds of other modern weapons. Since the war began, Baghdad has purchased from Western countries, and an additional sum from China since the war began. Iraq's purchases from Russia undoubtedly are particularly striking to Westerners.
In February 1983, it was reported in Western press that Iran was increasingly turning to Western technology and that its leaders were at least oriented toward the Western economic system. This is apparently leading Moscow to think that a closer deal with Washington could somewhat normalize relations. A senior Pravda editor, for example, voiced suspicion of alleged US encouragement of South Korean military sales to Iran.

In June, the same theory about military contacts with Iran has been appearing more frequently in Soviet scholarly and media articles. Krasnaya Zvezda, for example, claimed on 8 June that the United States is providing Iran arms via Israel.

Outlook

If the stalemate continues, the course of the war will have a major effect on Soviet policy toward Iran and Iraq over the next year.

A prolongation of the stalemate on the battlefield is the most likely scenario. A major Iranian breakthrough is now only a very slim possibility. Tehran's fundamental disadvantages in material have become obvious as the Iraqis have stabilized the front and bolstered their defensive fortifications. Chances are almost as slim that Iran and Iraq will settle the war at the negotiating table. Despite Iraq's declared willingness to settle the war peacefully and growing weariness of war in Iran, Khomeini's hatred of Saddam impels him to accept nothing less than the Iraqi leader's ouster. Iran's most likely course of action is to fight a war of attrition coupled with increased subversion, hoping thereby to erode Iraqi morale, further strain Iraq's economy, and eventually bring about the overthrow of Saddam.

Although the Soviets did not welcome the war and have persistently called for the conflict's end, both publicly and privately, they have learned to live with it and can continue to do so indefinitely as long as neither side gains a decisive military advantage. The Soviets do not want to write off either Iran or Iraq. For at least the next year, however, Moscow, while probably attempting to stabilize relations with Tehran, is almost certain to continue pursuing a policy more favorable to Baghdad. As long as Khomeini and

[Note: The text continues with further analysis and discussion regarding the role and actions of the Soviet Union in the Iran-Iraq conflict.]

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The Soviets sent Safarshchik, Chief of the Foreign Ministry's Middle East Department, to Tehran on 3 April. He is one of the highest-level Soviet officials to visit Iran since the revolution. The Iranians...

Since his visit, despite the usual epicentre of diplomat, there have been some additional small signs—such as the resumption of Aeroflot flights to Tehran—that the Soviets and Iranians are not interested in a total break in relations.

Moscow also continues to sell limited amounts of military equipment to Iran...
Figure 9
Iran-Iraq War Front, September 1983

Iranian-held area

Iraqi-held area

Iraq

Iran

Regular Army Units

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<tr>
<th>Iraqi</th>
<th>Foreign</th>
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Note: Areas marked with foreign forces are controlled by Iranian forces.
his supporters remain in power, the Soviets stand little chance of increasing their influence in Iran. The Soviets have already improved their relations with Baghdad and may believe that their arms sales will increase Iraqi dependence on the USSR and eventually translate into Soviet leverage.

If the War Ends. Although the Soviets constantly have called for an end to the war, they probably would view its cessation as a mixed blessing.

The Soviets probably would welcome an end to a major and unpredictable war on their border that could redound to the United States' benefit. A peaceful settlement would:

- Reduce the significance of one of the prime irritants in Soviet-Iranian relations—Moscow's weapon sales to Baghdad.
- Probably make the Persian Gulf states less anxious about Iranian expansionism, which would decrease their need and willingness to cooperate militarily with the United States.
- Result in probably greater contributions from Iran and Iraq to the struggle against Israel, thereby strengthening the pro-Soviet radical Arab states.
- Possibly improve the prospects for a rapprochement between Baghdad and Tehran.

An end to the war, however, would also carry potential liabilities for the Kremlin:

- Iraq, without an outlet for weaponry, might accelerate its diversification of weapons suppliers and become less dependent on Moscow. Saddam might then have a freer hand to resume his effort to distance Iraq from the USSR.
- Iraq would probably improve its relations with the United States. Saddam, for example, has stated publicly that full diplomatic relations will be re-established as soon as the war ends.
- Although a dramatic improvement in Iranian ties with Washington is a remote possibility, Moscow might worry that the absence of the unifying factor of the war could weaken the present fundamentalist regime. Moscow may be concerned that in these circumstances more pragmatic clerics, who are not as adverse to dealing with the United States, would gain the upper hand.
- Iran might have a freer hand to increase its aid to Afghan insurgents.

The Soviets think it unlikely that peace negotiations will begin any time soon. A senior Soviet Middle East analyst stated on Soviet television on 30 July that there is "no end to the war yet in sight."

Moscow, however, is likely to probe Iran's position to see if the costs of continued stalemate might move it to agree to negotiations and possibly to Soviet mediation. Although Iranian suspicion of the USSR makes a Soviet role of honest broker unlikely, it would be the most damaging scenario from the US point of view. A role for the USSR in mediation—a role to which it played between India and Pakistan at Tashkent in 1965—would be a substantial boost to its objective of becoming a major player in the Middle East, not to mention its standing with both Iran and Iraq.

Moscow will try to ensure that pro-Soviet Third World states other than US friends, such as Turkey and Pakistan, play central roles in any mediation. Early in the war, for example, the Soviets backed a mediation effort of the Nonaligned Movement led by Cuba.

The war's and almost certainly also would be accompanied by intensified Soviet efforts to improve bilateral ties with both Iran and Iraq, probably through arms sales, economic deals, and increased political contacts. Moscow, in addition, is likely to work through both diplomatic means and active measures to try to sustain Iran's hostility toward the United States and to forestall a significant upturn in US-Iranian relations.
<table>
<thead>
<tr>
<th>Time</th>
<th>Major Events</th>
<th>Iran</th>
<th>Iraq</th>
</tr>
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<tbody>
<tr>
<td>June</td>
<td>Gromyko, addressing audience of Supreme Soviet, criticizes Iran's rejection of Soviet diplomats and states that the USSR's policy toward Iran will be based upon Tehran's actions.</td>
<td></td>
<td>Sudden release of Soviet-Iraqi Communist Party in interview with Italian journalists.</td>
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<td>July</td>
<td>Iran launches attack in the Khorasan area in the northern sector of the border.</td>
<td></td>
<td>Sudden leak: the Soviet-Iraqi &quot;reaffirmation&quot; in interview with French journalist.</td>
</tr>
<tr>
<td>August</td>
<td>The Soviet in Moscow and Kabul allow alleged murder by Soviet or Afghan ija of Iranian villages near the Afghan border.</td>
<td></td>
<td>Soviet and Iraqis refer to each other in their media.</td>
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INFORMATION MEMORANDUM

SECRET/SENSITIVE

TO : P - Mr. Eagleburger
FROM : NEA - Nicholas A. Veliotes
PM - Jonathan Howe

SUBJECT: Iran-Iraq War: Analysis of Possible U.S. Shift from Position of Strict Neutrality

You asked for our views on the present validity of our policy of neutrality in the Iran-Iraq war and the implications of a shift from that position in favor of Iraq. This paper explores the issue of a policy change and reviews ways in which a change could be given practical effect.

THE PRESENT POLICY

When the war began three years ago, our poor relations with both combatants and concern for our security interests in the Gulf led us to reinforce air defenses by the deployment of AWACS to Saudi Arabia and to block the use of air bases in the Arabian Peninsula by Iraqi aircraft to reduce the threat of expansion of the war. Our neutrality policy evolved out of this preventative reaction. Until now, this policy has served our objectives and interests well. It has:

-- avoided direct great power involvement;
-- prevented spread of the war beyond the territory of the combatants to threaten Gulf oil supplies;
-- contributed to the current military stalemate;
-- preserved the possibility of developing a future relationship with Iran while minimizing openings for expansion of Soviet influence.

Two changes in the circumstances surrounding the war now raise the issue of whether this policy continues to best serve our objectives of stability in the Gulf and an eventual negotiated conclusion to the war which return the parties substantially to the status quo ante:
Bilateral relations with Iraq have improved over the last three years while relations with Iran continue to be virtually non-existent;

the Iranian strategy of bringing about the Iraqi regime's political collapse through military attrition coupled with financial strangulation seems to be slowly having an effect.

Iraq appears to have concluded that it must change the strategic situation or risk eventual Iranian success. It has elected to do this by attempting to secure from France the Super Etendard-Exocet system with which to threaten interdiction of Iranian oil exports—thereby hoping to exert irresistible economic pressure for a settlement, perhaps also involving great power intervention. The current delay in French delivery of this system is, we believe, only temporary. While public concern about escalation of the war, and the possibility of its affecting exports from the other oil producers, subsides. Nonetheless, Iraqi Foreign Minister Aziz left no doubt, in the hard line he took when meeting with the Secretary last week, about Iraq's annoyance with these delays and determination to overcome them. The Secretary responded that this Administration does not react well to threats.

The changed circumstances could lead to either of two results which would be seriously adverse to our interests: (a) Iraqi attacks on Iranian oil facilities intended to interdict exports could cause Iran to try to prevent through force all oil exports; (b) sustained Iranian pressure could, over the next year, bring about Iraq's political collapse. It is in this context that a possible tilt toward Iraq should be considered.

A TILT TOWARD IRAQ: WHAT IT MIGHT INCLUDE

There are three areas of possible actions we might take to bolster Iraqi financial, diplomatic and military.

FINANCIAL: Iraq's annual foreign exchange expenditure, at present rates, is estimated to be $12 billion for military and $6 billion for commercial imports. Its foreign exchange earnings from oil exports are running at $6 billion yearly. Financing from Saudi Arabia and the Gulf states has fallen from a rate of about $1 billion monthly during the first half of the
war to less than half of that rate. Iraq has made up the shortfall by nearly exhausting its reserves, deferring payments and by obtaining additional supplier credits, but these measures are only stopgap.

Increasing financial assistance to Iraq does not seem feasible. Following the Secretary's first meeting with Tariq Aziz last winter, we explored what might be done through international financial institutions and found the possibilities to be so meager as not to provide significant relief. Additionally, any support we might give Iraq in securing access to such funds is severely restricted by various legal and policy constraints. U.S. intervention with Iraq's Arab contributors seems likely to be less effective than what Iraq—as the bulwark against Khomeinism—can do for itself as well as likely to detract from the approaches we continue to make, especially to the Saudis, on behalf of other aid recipients.

Supporting Iraq in exporting more oil is more promising. The capacity of its pipeline across Turkey is being expanded by about 25% by work to be completed late next spring. We have told Turkey that we endorse the strong position it has taken with Iran on the security of that line. Iraq is working out arrangements, involving American firms, which will enable it to build a pipeline that will connect to the pipeline across Saudi Arabia to the Red Sea. However, this link cannot be completed before the end of 1984 at the earliest and, therefore, offers no early relief. Promoting a security environment in which Iraq could fairly quickly (six months) restore some oil export capacity (up to 500,000 b/d) from its damaged facilities at the head of the Gulf would provide the most immediate effective relief, although there are difficulties and uncertainties associated with such a project. We have begun work in New York on an approach through the U.N. which would seek to exempt the oil facilities and shipping of both combatants from further attack.

Additionally, we have encouraged the GCC states to try to persuade Syria to reopen the 1.2 million b/d line across its territory.
DIPLOMATIC: The Secretary's meetings with Iraqi Foreign Minister Tariq Aziz have raised the level of visibility of our dialogue with Iraq over the last year. In your recent meeting with MFA Under Secretary Ismat Kittani, you told him directly that Iraq's defeat by Iran would not be in the U.S. interest. Contacts through Turkey have sought to reassure Iraq about the sincerity of our interest in seeing an agreed end to the fighting and our efforts to withhold U.S. military equipment from both sides; this has been only partially successful.

To some extent, our expressions of concern to France and others about the increased risk of escalation from delivery of Super Etendard aircraft is regarded by Iraq as having blocked their being supplied, at least temporarily. This modestly successful effort has caused Iraq to threaten to downgrade our relations again. (There are current unconfirmed press reports that the aircraft have left France for Iraq.)

The initiative we are fostering in the U.N. to discourage further attacks on oil-related facilities in the Gulf aims not only at enabling Iraq to meet its financial needs by increasing oil exports—thereby vitiating Iran's strategy of economic strangulation and reducing the motivation for Iraq to escalate the war—but also at establishing an area of tacit agreement between the parties on which an eventual ceasefire could be built. This approach is subtle and fragile but promising, provided that it offers benefits to Iran (such as enabling the leaking wells to be capped and construction work on a petrochemical complex at Bandar Khomeni to resume) backed by the threat of severe Iraqi retaliation if Iran is the first to attack oil facilities again.

Other actions we could take include:

(a) More explicit statements of support for the territorial integrity of Iraq and the survival of its present government. These would only confirm the Iranian regime's belief that Iraq is an instrument of U.S. policy without having any positive impact. Such statements would probably damage Saddam Hussein's credibility among both internal and external supporters while giving a propaganda opening to Syria.

(b) Intensified efforts to assure that U.S.-controlled military items do not reach:

(1) either combatant: We do not have evidence to support the allegations of significant evasion of U.S. export
controls. But as was recently done in the case of Korea, we could strongly reaffirm to our friends our opposition to provision of any U.S.-controlled equipment. This, we believe, would have limited military effect, but it would demonstrate to Iraq the seriousness of our effort to keep U.S. arms out of the conflict.

(2) Iran only: This approach would reduce the force of our argument while doing little for Iraq, which does not have U.S. arms in its inventory and has ready access to alternative suppliers.

MILITARY: There are other possible actions which could be taken to seek to affect the military balance:

(a) Seek to discourage the supply of critical equipment to Iran. While difficult to carry out because of the sensitive nature of some of the information which might have to be revealed in a determined effort and because we have only moral suasion to counter commercial incentive, such action, if successful, would have some medium-term effect on Iran's attack capabilities. However, we could not influence Iran's main supplier which is North Korea.

(b) Permit U.S.-controlled equipment to reach Iraq through third parties. (This assumes insufficient domestic support to be able to supply U.S. equipment directly.) New sources or types of military equipment are not needed by Iraq. Moreover, the types of equipment we could supply would be restricted by legal requirements, such as the prohibition on supplying arms through a third party which we cannot supply directly. Also, we would expect sharp resistance in Congress to establishment of any kind of arms sale relationship with Iraq. An openly partisan position on arms supply would reduce our ability to provide leadership on initiatives--such as the current UN approach--to try to limit and stop the fighting.

(c) We do not consider the commitment of U.S. forces to defend Iraq a serious possibility and, therefore, raise only the prospect of U.S. participation in multilateral protection of Iraqi oil export operations. (Unilateral U.S. action would encounter so much greater political opposition and risk that we consider it also to be infeasible.) If Iran were to attack Iraqi oil installations in the Gulf again, the U.S.--
conjunction with its friends and allies--could help Iraq defend its oil export operations. The way in which we approach such a commitment would be important in determining whether we were entering into a state of war with Iran— with the domestic and international political burdens that would imply. It would have to be done in the context of keeping the Gulf open for international oil shipments generally rather than characterized as an effort to protect only Iraqi oil exports. Also, before taking any military actions, we would need first to take a number of political and diplomatic steps to establish a firm case that we had taken every possible peaceful measure to help resume the oil flow before we moved on to more serious military options. UN, GCC and US/Allied actions/statements supporting freedom of navigation in the Gulf could help to create a more favorable climate. The US willingness to take firm action would reassure the Gulf states of our support for their security. Such a step should also improve US-Iraqi relations, contribute to a further moderation of Iraqi policies and begin the process of restoring Iraq as a counterweight to Syrian influence.

There are some serious risks, however, associated with such action, many of which would depend on the extent of US involvement:

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Direct U.S. and multinational military support for Iraq could provoke greater escalation by Iran and further defer any improvement in our relations in the post-Khomeini period. (We would be in a position which may make direct attacks on Iran necessary to defend Iraqi facilities.) The more active the tilt, the more predictable the response.

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No matter how we attempt to portray our actions as having the general aim of keeping the Gulf open for oil shipments, they will be seen as specifically supporting Iraq in its war with Iran.

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As a practical matter, it may be very difficult if not impossible, to obtain Allied and Gulf state participation in an active defense, though the French are likely to be willing to provide equipment and advisors. Nonetheless,
protracted defense of Iraqi oil shipments would require staging areas in the northern Gulf and the active assistance and support of Saudi Arabia and the shaikhdoms.

Defense of Iraqi oil facilities, even with active measures, cannot be guaranteed and would be difficult to sustain, militarily and financially, in light of numerous other worldwide military commitments.

Congressional and public support for an overt tilt to Iraq would be difficult to obtain.

Israel and Syria would object strongly to any U.S. military action to assist Iraq.

ASSESSMENT

Our policy of strict neutrality has already been modified, except for arms sales, since Iran's forces crossed into Iraq in the summer of 1982. The steps we have taken toward the conflict since then have progressively favored Iraq. (We assume that other actions not discussed here, such as providing tactical intelligence, would continue as necessary.)

We believe there would be a net advantage to seeking more actively to restrict, so far as possible, all U.S.-controlled equipment transfers to both parties (which would have little or no effect on military capabilities but would strengthen our credibility with the Iraqi regime) and also acting to discourage shipment to Iran of critical equipment from non-communist sources. Other military or quasi-military options have more disadvantages than advantages. Moreover, we need to continue to be cautious about tilting so far toward Iraq that either Iraq is able to force a level of U.S. support we may not wish to provide (such as military protection of transport in the Gulf) or that we become identified with a regime whose longer-term political prospects remain uncertain. Consequently, we propose that you authorize, by further
SECRET/SENSITIVE

In addition, the qualified tilt which we have in fact practiced for over a year—us again being wratched one notch higher through the UN approach we are pursuing to assist Iraq to resume oil exports through the Gulf. It balances our interest in seeing that Iraq is not defeated with our interest in avoiding an escalation which could draw us directly into the conflict—while doing nothing to worsen our position with respect to Iran.

More broadly, we see significant advantage in maintaining an overall posture of neutrality. What we propose here would be within such broad limits. However, this further tilt toward Iraq would, we believe, have the following political effects in the region:

--- further improve our bilateral relations with Iraq and encourage its non-alignment;

--- support our objective of avoiding Iraq's collapse before revolutionary Iran without going so far as to alarm Israel.

This paper only reviews the issue of tilting toward Iraq. An inter-agency working group is currently reviewing U.S. response options should Iran threaten an attempt to close the Gulf and near-term measures which might be taken to deter such events.