

*M Abdul Hafiz*

## AN EMERGING ORDER IN THE GULF

In post-war time a number of important changes within the area of Persian Gulf altered almost beyond recognition the politico-strategic landscape of the region. One such significant change e.g. the British withdrawal from strategic Aden in late 1960s and consequent vulnerabilities of the oil rich Gulf countries led to the emergence of a regional order with Iran at its apex. This was possible largely because of the Gulf states' identical security perceptions, common regime character and similar socio-political milieu. The largest, oldest (as a state) and most populous of the Gulf countries, Iran with its power potentials as well as widest water front with the Persian Gulf had few contenders. She enjoyed uninterrupted ascendancy in her quest for a geopolitical control over a vast territory in the Gulf with a few exception. Iran, on her part, moved in swiftly to fill in the power vacuum in the Gulf—partly in her quest for regional supremacy and also because of her own security compulsion arising out of the Gulf's vulnerabilities in the face of growing external interests in its oil wealth. Not only that Iran's rise to the status of a guardian in the Gulf went virtually unchallenged amidst continuing intra-Arab feuds, also the Gulf countries including Saudi Arabia gradually came to accept Iran's leadership in providing them much-needed security umbrella. Even Iraq, the only potential competitor in the region to gain some leadership role in the Gulf virtually recognized the Iranian dominance over the area by signing Algiers Treaty in 1975, even if grudgingly.



While Iran's military power waned in the wake of the revolution and its aftermath, there was corresponding rise in the military strength of Iraq. Although, even with a combination of Arab financial backing, prudent diplomacy, securing wide international support and a huge military buildup, Iraq's achievement fell short of any decisive victory in the Gulf war, she, however, emerged as the best equipped military power in the Gulf region with the cessation of hostilities. A racial preference did take upperhand during the war but the Gulf countries did not seem prepared to replace Iran's predominance with that of Iraq because Iraqi irredentism and political interference had also troubled the Gulf states in the past. Moreover, a radical Iraq with her Baathist politics was least in conformity with conservative Gulf countries although Iraq toned down her radicalism a lot in seeking Gulf states' help during the war.

Saudi Arabia, third important actor in the region asserted her role for the first time during the Gulf war with her emerging role institutionalized in a regional forum—the GCC created in 1981 with political, economic and security objectives in mind. The GCC officially remained neutral during the Gulf war although individually the member states extended huge financial assistance to Iraq while remaining extremely cautious in avoiding direct hostility with Iran. On the contrary, these countries on occasions courted Iranian friendship and carefully promoted trade and other traditional relationship. Even Saudi Arabia, despite repeated bickerings and strain in relationship extended friendly overture to Iran. For different reasons both Iran and Iraq pose threats to Saudi Arabia. With, her brand of Islamic revolution Iran is perceived as a source of threat to Saudi monarchy although there can be common grounds for cooperation between two countries. Iraq also has been a source of anxiety in the past for her revolutionary and radical Arab politics and even today the monarchical Gulf states will not be comfortable with a powerful Iraq. Given these circumstances Saudi Arabia will not like throwing in her lot with either of these Gulf neighbours. So a third force in the Gulf is obviously in offing. The US seems to



have already chosen Saudi Arabia to serve her interests in the Gulf in preference to a defiant Iran and a socialist Iraq.

With multiple centres of powers now asserting their influence in the Gulf, the key to a future regional order may, to an extent, be held by the smaller Gulf states tilting balance this or that way. It remains to be seen how will they align themselves with the powerful actors of the region and contribute towards a future regional order in the Gulf. Can Iran with all her assets in strategic term restore its pre-revolution leadership in the Gulf? What role will Iraq perform now in the Gulf with her military power? Will Saudi Arabia ever assume the role of Imperial Iran in providing Gulf security as US surrogate? What precise course the countries of the Gulf will adopt—cooperation on confrontation? Before any answer can be attempted to these complex questions the geostrategic setting as well as conflict dynamics of the Gulf will be worth going a little deep into. In this connection some understanding of the politico-strategic developments of the region and the security perspectives of the major actors as well as smaller states of the Gulf is an imperative. Besides, the problems and intricacies of larger Middle East politics need to be addressed in some details to be able to assess their influences on Gulf politics. This approach will hopefully indicate the course a future regional order in the Gulf will be following.

### **The Geostrategy of the Gulf**

The Gulf region is an important component of strategic Middle East—a crossroad of the world commanding the strategic approaches to Asia, Africa and Europe. Indeed, a back water of the world politics prior to 1960s the Gulf gradually came into prominence with the oil discoveries in the area during early half of the century. Some Gulf countries, however, were drawn into the vortex of international politics for political and security reasons. The cold war focused US attention on Iran—an important rimland country sharing long border



with Soviet Union and other states of "Northern Tier."<sup>1</sup> Iraq—another important Gulf country was a member of western-sponsored Baghdad Pact (Later CENTO) together with Iran, Turkey and Pakistan. The strait of Hormuz—an important waterway further adds to the region's politico-strategic clout.

Today in the Western as well as Soviet perception of international security, the "Gulf occupies a position of importance second only to that of the central theatre of the original Cold war-Europe."<sup>2</sup> The Gulf assumes this geostrategic importance primarily because of its enormous oil wealth and its profound impact on the economies of the developed world. About 30% of the oil imported by the US, 60% by west Europe and 76% by Japan come from this region.<sup>3</sup> Thus an access to the oil producing Gulf countries as well as the Gulf itself which is virtually the life line for the flow of this oil to the importing countries is so vital for the US and its allies. The security impact of the Gulf oil has been no less. "It is not merely the economies but also the defense of Europe that require Gulf oil in order to function, so that NATO is a primary beneficiary of, and indeed is dependent, on the supply of oil from Gulf."<sup>4</sup>

Although the Gulf is not the primary theatre for super power rivalry, the manifestations of that rivalry can be clearly observed here. By late sixties Iran already came to be seen as a US surrogate in the Gulf. In order to secure more favourable treatment from the US in arms transfer considerations the Shah of Iran intentionally

1. Mazher A. Hameed, *Saudi Arabia, the West and the Security of the Gulf*, (Croom Helm, London, 1986), p. 3.
2. Mohammed Ayoob, "Perspective from the Gulf : Regime Security or Regional Security", in Donald Hugh McMillen (edd.) *Asian Perspective on International Security*, (The Macmillan Press Ltd., London, 1984), p. 92.
3. Ruben A. Andreasyan, "Oil and Soviet Policy in the Arabian Gulf—Indian Ocean Area", in Abdel Mojid Farid (edd.), *Oil and the Security in Arabian Gulf*, (Croom Helm, London, 1981), p. 58.
4. Mazher A. Hameed, *op. cit.*, p. 24.



portrayed Iraq as a Soviet surrogate and Iraq on her part also did look to Moscow for arms and ultimately even signed a Treaty of Friendship with the Soviet Union. Thus, the East-West rivalry clearly spilled into the Gulf even if indirectly. While the US interests in the region were much more entrenched, the Soviet interests were principally to weaken the Gulf's security relationship with the US by "sowing instability and political turmoil"<sup>5</sup> in otherwise politically underdeveloped countries of the region and gain some foot-holds in the region. In recent times the Gulf countries showed concerns about the potential dangers of a Soviet physical presence in proximate areas like Syria, South Yemen and Ethiopia. To this was added the episode of Afghanistan. Whether the Soviet invasion of Afghanistan is "seen as stepping stones towards the Gulf or whether, instead, they relate much more to other Soviet perceptions and objectives there is no question that they raised alarm in Western capitals and in the Gulf alike."<sup>6</sup>

The region's proximity to Soviet Union further increases its security sensitivity, particularly within the framework of East-West relations. Even if Soviet Union having the largest reservoir of crude oil and natural gas may not need the Gulf oil or be capable of exploiting them, their denial of the same can spell disaster for Western economy and security.

### **The Politico-Strategic Developments**

The Western interests in the Gulf first by the British date back to early nineteenth century, although the involvement of the US in the Gulf is a recent phenomenon. Iraq became a British protectorate after the Ottoman rule ended there. The British established a special relationship with Oman bringing the later almost on the verge of total dependence on Britain while Qatar and Bahrain were British protectorates. Kuwait was under British military protection

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5. *Ibid.*, p. 29.

6. *Ibid.*, p. 30.



till 1961. The UAE, earlier known as Trucial coast remained under British tutelage. Only Saudi Arabia out of the Gulf countries remained relatively free of the British control. During nineteenth and early twentieth century even Iran came under the influence and control, of both Czarist Russia and Britain.<sup>7</sup> Disregarding Iran's neutrality during the war the Soviets and British occupied it in 1941. All these illustrate the extent of British control over the Gulf region. It is evident that for over a century Britain maintained a Pax Britannica in the Gulf. The British were closely associated with and beneficiary of the oil boom that took place in the Gulf during the early days of the oil discoveries. With British decision of military withdrawal from the region at the close of the sixties, for the first time there was a power vacuum in the Gulf. In the meantime, however, the entire Western World developed a big stake in the Gulf oil. The stake became bigger with the oil uncertainties following the failure of project Independence, Arab oil embargo of 1973 and later the Gulf war disrupting the flow of the oil. It was only expected that the US at the helm of the 'free world' would like to ensure the uninterrupted flow of the Gulf oil to which are hinged the economy and security of entire developed world.

By about the time the British left the Gulf, the US President Nixon espoused his Guam doctrine in 1969 envisaging reduced military commitment and instead, transferring prime responsibility of defence to the allies. With bitter experience of Vietnam still fresh in mind the US did not want to replace British in the Gulf. Instead, in keeping with the spirit of Guam Doctrine she helped developing regional influentials to protect US interest in areas of her vital interests. Within the framework of this policy the US, following the decline of the Western security alliances (e.g. CENTO) in the Middle East and growing anti-West Arab nationalism developed special relationship with Iran and Saudi Arabia aimed at creating

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7. George Lenczowski, *The Middle East in the World Affairs*, (Croom Helm, London, 1981), p. 58.



what was then considered the 'twin pillar of security'. Iran with its staunchly pro-Western ruler was obvious choice as an ally. "Its strategic location on the Gulf of Oman with 560 miles of water front, its size (1627,000 sq miles), population of over forty million and large oil deposits"<sup>8</sup> gave Iran distinct pre-eminence in the region. So, the US had reasons to build her up as the policeman of the Gulf. Iran fearful of the communist giant in the North as well as Soviet-supported Iraq in the West, sought her security in a close alliance with the US. For the West, the Iranian perception of security became a convenient handle to get assured oil and protect their interest in the region.<sup>9</sup>

As leader of the moderate Arab camps Saudi Arabia was perpetually haunted by radical Arab politics. Always looking to the West for her own security she persistently pursued a pro-Western foreign policy. The US readily responded to Saudi security needs for understandable reasons. Saudi Arabia with crude production of more than 165 mn barrels per day has the largest proven reserves. So naturally a quid pro quo of oil for arms could be easily developed between the US and Saudi Arabia. While the US and Saudi Arabia did enter into programmatic efforts to upgrade Saudi defensive capabilities, the process was long-term and not without major impediments. It was only in late seventies that the kingdom started showing some ability to absorb greater quantities of sophisticated weapons but still handicapped by small population.

Of the two important allies of the US in the Gulf, Iran was obviously much stronger. It was far and away the super power of the Gulf. The Shah of Iran, "in part because of his country's military superiority, viewed himself as the appropriate successor of the United Kingdom, the new Gulf policeman, and saw the special relationship evolving with the United States as reinforcement of that role".<sup>10</sup>

8. Sreedhar, *The Gulf: Scramble for Security*, (ABC Publishing House, New Delhi, 1983), p. 18.

9. *Ibid.*

10. Mazher A. Hameed, *op. cit.*, p. 5.



The "Twin pillar" security was troubled right from the beginning not only because of huge disparity between the two partners in everything that constitutes power but also conflicting interest on oil policies and also their pricing.

Although only Iran and Saudi Arabia were included into the US security arrangement in the Gulf, the real competition as military power was between Iran and Iraq. Throughout the 1960s they engaged in an arms race, that of course left Iran with an especially impressive arsenal with Iraq towing closely behind it. Saudi Arabia with her marginal security resources hardly fitted into this poorly-conceived 'twin pillar security'. Nevertheless, for the Western interests the arrangement was working alright.

In spite of Western setback here and there the US interests in the Gulf seldom suffered and she enjoyed relative immunity in the area. And the rise of Iran as a 'regional influential' was an important factor contributing towards this. By early seventies Iran had consolidated her position ensuring control over the strait of Hormuz. To this end she annexed the Tumbs and Abu Musa islets in the Gulf. In 1975 through the conclusion of Algiers Treaty, her control over the Gulf was total and few contended her supremacy in the region. Iran was at the peak of her economic prosperity and military strength when the Iranian revolution exploded during the late seventies. Let us now have a look into the salients of the revolution.

### **The Revolution In Iran And its Aftermath**

"The revolution in Iran in 1978-79 was a watershed in the post war politics not only in the Gulf but in entire area of South West Asia".<sup>11</sup> It changed the politics and role of Iran in the region. The whole political and security balance of the area was over turned.

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11. Shahram Chubin, *Iran and Its Neighbours : The Impact of the Gulf War, Conflict Studies*, No. 204, (The Centre for Security and Conflict Studies, London, 1987), p. 1,



At the same time it brought about a profound change in the relationship between regional states including Iran and the West. The revolution approximately coincided with cataclysmic events taking place by about the same period; Camp David accords in 1978, disbanding of CENTO, Kaaba seizure and Soviet invasion of Afghanistan in 1979, Gulf war starting in 1980 and the seizure of US diplomats in Tehran - all contributing towards a qualitative transformation of Middle East politics. Most importantly, it brought about some fundamental changes in the security perspectives of the regional countries. To understand post-revolution Gulf and its total impact on contemporary developments in the region, a dispassionate understanding of the revolution itself is an imperative. Much has been written and talked about the revolution with viewpoints differing widely. Many consider it to be an example of Islamic revival that has been sweeping the Muslim world over the past two decades while it is still an enigma to the Western observers who all along underestimated its potential.

One must, however, realise that the Iranian Revolution was a great social and political event that almost unexpectedly exploded on the world scene leaving in its wake new and heightened aspirations, fears and insecurities<sup>12</sup> both in Iran and throughout the Third World. It is, in fact, unique in the annals of modern history in that it brought to power for the first time in modern times a "traditional clergy armed with mosque pulpits and claiming the divine right to supervise all temporal authorities even the country's highest elected representative".<sup>13</sup> It was a challenge not only to conservative monarchical regimes particularly in the region but also to the powerful West - their whole set of systems, values and standards. It was the first experiment of a Islamic state within the framework of a world order overwhelmingly dominated by Western concepts.

While the assertion and boldness of the Islamic revolution as well as the firm handling of the quickly changing situations by its leaders

12. *The Middle East Journal*, (Vol. 36, No. 1, 1982), p. 22.

13. Reaz Hassan, "Iran's Islamic Revolutionaries: Before and After the Revolution", *Third World Quarterly*, (July 1984), p. 675.



surprised the world, it provided a new source of inspiration for the Muslims all over the world despite the revolution's sectarian connotation. It set in motion a new wave of Islamic resurgence throughout the world. Although assessment as to the extent of Iran's influence over Islamic world as well as revolution's future prospects vary widely, there is, however, no doubt that the revolutionary Islam has thus far not only succeeded in Iran, its consolidation of the revolution, subsequent domestic managements and firm handling of the problems with great powers were rather impressive. Nevertheless, the appeal of a militant and revolutionary brand of Islam in Iran became a source of concern to most Muslim countries with Western links. The Iranian way still, however, remains a model for many Muslims all over the world, although its appeal gradually faded and its constituencies shrank with the growing pronouncement of the revolution's shiite undertones.

The resonance of Iranian revolution will continue to be felt by the international community. In the meantime the world has somewhat adjusted to the reality of a revolutionary Iran and seems prepared to do business with its new leaders more or less showing respect to the ground rules set by them. While the revolution's impact is profound for the people of Iran and their future, its most significant effect has been the emergence of a new strategic equation in the Gulf as well as Middle East politics and the way the Gulf states started perceiving their insecurities. It has totally transformed the security environs of the region bringing in its wake one of the largest arms transfer to the Gulf "constituting almost 30 percent of the total arms imports of the developing countries",<sup>14</sup> an eight years long war fought between Iran and Iraq, a collective security organization-the GCC, formation of central command for RDF and a stagnation in Arab-Israeli conflict. Even the invasion of Afghanistan by the Soviets could have been in all probability motivated by the consequence of the revolution. It

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14. Sreedhar, "Persian Gulf—a Changing Profile", *India International Quarterly Journal*, (Monsoon, 1988), p. 1.



will be pertinent here to go in some details into the changed security perspectives of the regional countries because such perspectives are by and large responsible for a new balance emerging in the Gulf.

### Security Implications in the Gulf

The Iranian revolution practically marked the end of the West's "informal reliance on Iran-Saudi Cooperation in the Gulf (envisaged as the local substitute for Britain's paramountcy after 1971)".<sup>15</sup> For the first time, the US political and military dominance of the Gulf was directly challenged. The period also witnessed a general decline in US influence in the region. The CENTO was disbanded by about this time and the US connection had started to be looked upon as an anathema in the Gulf. The seizure of US diplomats as hostage in Tehran exacerbated the situation further lowering US prestige in the region. The Gulf's oil supply on which West's both economy and security were critically dependent had been seriously threatened. The Soviet efforts were afoot in gaining foothold in areas close either to the Gulf or Red sea. As the US position in the region seemed to be touching an all time low in postwar period, Soviet invasion in Afghanistan added a new dimension to the prevailing scenario. The US concern was distinctly voiced by President Carter in his State of the Union message to the Congress in 1980: "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 of America. And as such an assault will be repelled by any means necessary including military."<sup>16</sup>

A rather desperate situation prompted the US to make some adjustments in her security arrangements in the Gulf. Her first few steps in the direction was to "increase her naval power in the Indian Ocean, create Rapid Deployment Force and work towards a structure of base facilities in or near the region that would be available for use by the US forces".<sup>17</sup> Initially few came forward to provide base to the US

15. Shahram Chubin, *op. cit.*, p. 1.

16. *New York Times*, 24 January 1980.

17. Golam Mostafa, *Iran-Iraq War: Issues Revisited, BIISS Papers*, (No. 6, June 1987), p. 35.



because of apparent US inability to protect her allies in crisis and a US-backed Camp David accord universally condemned by the Arabs. Even Saudi Arabia, one of the twin pillar of US security "started demanding that the United States presence should be 'over the horizon' and not on its soil".<sup>18</sup>

### Changed Security Perspectives

#### Saudi Arabia

"Under the Shah's rule Saudi-Iranian relations were characterized by distrust and some sharp disagreements as well as cautious cooperation on regional security issues".<sup>21</sup> A radical and socialist Iraq in the north and a growing Soviet inroad in that country worried the Saudis. Thus, despite much reservations Shah's Iran was acceptable to Saudi Arabia and the security cooperation between the two started picking up since mid-seventies. The fall of Shah and the establishment of militant Islamic Republic in Iran, however, came as a rude shock to Saudi leadership. Ayatollah Khomeini's repeated warnings of exporting an Islamic revolution genuinely concerned the Saudi ruler who only recently watched with despondency the fall of powerful Shah backed by a superpower under the impact of Islamic revolution in Iran. The Iranian exhortations like one that hereditary kingship and Islam were incompatible was indeed a threatening message for the Saudi monarch. Moreover, Khomeini's claim to speak in the name of world Muslims also disturbed the Saudis because as the custodian of the Kaaba such claim was thought more to be their preserve. Soon after the revolution in Iran there were disturbances by Shiite minority in Saudi Arabia's eastern province and Khomeini's attacks on 'corruption' and 'western link' did strike at the root of Saudi stability. Initially the Iranian propaganda was rather provocative but Saudi Arabia averted any clash by adopting a reserved

18. Sreedhar (1988), *op. cit.*, p. 57.

19. William B. Quandt, *Saudi Arabia in the 1980s: Foreign Policy Security and Oil*, (The Brookings Institution, Washington, 1981), p. 38.



posture. Nevertheless, Saudi fear of Iranian threats could hardly be removed. The Saudis were genuinely concerned at the way the events were developing in quick succession almost in the wake of the revolution in Iran. These events included the seizure of Kaaba in 1979 by radical fundamentalists, the Shia disturbances both in Saudi Arabia and Bahrain as well as bomb explosions in Kuwait. The Saudis were also seriously disturbed by the Iranian threats of closing down the Gulf during Gulf war because Saudi Arabia's economy was primarily dependent on oil export through this waterway. The Saudi fear of revolutionary Iran was clearly demonstrated when with the outbreak of the Gulf war Saudi Arabia discreetly sided with Iraq-till recently the source of Saudi anxiety and suspicion. The Iranian threat was viewed so seriously by Saudi Arabia that for a time the Israeli threat which concerned all Arab countries in the past became subsidiary in her security calculation.

### Iraq

In terms of basic factors like geography and population Iraq was always vulnerable. It lacked strategic depth and barring a narrow access to the Gulf Iraq is virtually a landlocked country. In spite of the disadvantages of Iran in the throes of the revolution and Iraq's own improved military muscle the latter could not escape from its historical sense of insecurity and instability derived from its geographic locations and demographic make up. In retrospect, the relations between these two Gulf countries were always tense and conflictive except for a short period of time during 1950s. However, the revolution in Iraq radically altered that situation and the relations between the two remained strained all throughout. Perpetually haunted, by insecurities emanating from Iran—a powerful neighbour with her formidable military, Iraq also undertook a huge arms procurement programme in the late sixties but seldom matched the Iranian arsenal either in size or quality. The Islamic revolution in Iran changed that balance. In Iran the number of armed forces decreased from 413,000 in 1978 to 242,000 in 1980 and many US trained experienced Generals were



either executed or arrested.<sup>19</sup> Military procurements or projects were either suspended or halted. Iraq, an embittered adversary was tempted to take full advantages of Iran's internal weaknesses. Iraq's sensitivity to her insecurity was further aroused by constant Iranian propaganda against Iraq accusing its (Iraq) regime as "racist and fascist based on atheism." The ideological conflict was compounded with Khomeini's personal antipathy with Iraqi leader Saddam Hussain.<sup>20</sup> An Iran weakened by Islamic revolution and its aftermath naturally lured Iraqi leaders to preempt any Iranian design and destroy the myth of Persian hegemony at the opportune time.

### Smaller Gulf States

The similarity among the five small Gulf Countries i.e. Kuwait, Bahrain, Oman, Qatar and UAE is indeed striking - they all are Muslim, Arab and ruled by monarchical regimes apart from their geographical propinquity. But most importantly, they all shared external threat from the larger Gulf states to the North and East. They had difficulties from both Iran and Iraq in the past. Moreover, in case of most of them the internal dimension of security was more pronounced as these states were still far from secure nation states. All the countries have small population but with diverse origins. Prior to the revolution they all enjoyed security umbrella provided by imperial Iran.

However, Khomeini's clarion call to people of these states to rise against the oppressive rulers shook the foundation of security and stability in these states. The rulers were shocked to observe how a powerful monarch backed by a superpower could be swept away by Islamic revolution. Internally, the Shia population who were actually the main audience of Khomeini's revolutionary call was a source of threat in most of these states. While Bahrain was a Shia majority state, all other except Oman had substantial shiite population. In

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20. Golam Mostafa, *op. cit.*, p. 13.

21. *Ibid.*



Kuwait a large number of Palestinians, well organized and highly politicized had been an especially important political factor. Added to all these was a heavy presence of expatriate labour, often considered security risks in those states.

Viewed in this background the security of these countries which was synonymous with that of ruling elites was indeed fragile. Their feat of radical socialist politics of Bathist Iraq was clearly replaced by militant appeal of revolutionary Iran.

### Iran

While revolutionary Iran was perceived as a common source of insecurity by all other Gulf littorals, it will be interesting to see whether and how did the perception of Iran itself change. The Iranian revolution was, among other things, poised to fight the status quo. So it was only expected that her perception would reverse. Because much of the tirade of revolutionaries was directed against the US, an American retaliation was all the time expected. As long as Shah was alive, the Islamic regime considered the US capable of restoring him to power. The new regime, therefore, justified its anti-Americanism on the basis of valid perception of this threat to its existence.<sup>23</sup> In this context it is interesting to recall an abortive intervention by the US during the hostage crisis. The Soviet Union, on the other hand, was viewed as unwilling, if not incapable, of direct intervention in Iranian affairs for such intervention had to be supported by domestic political forces. Moreover, just as the Soviets would not tolerate a US occupation of Iran, the Islamic Republic was convinced that the United States would not permit a Soviet invasion. However, the Soviet invasion of Afghanistan was the first serious test of the validity of Iran's new threat perception.<sup>24</sup>

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22. Sepehr Zabih, *Iran Since the Revolution*, (Croom Helm, London, 1982), pp. 171-172.

23. *Ibid.*, p. 172.



Now that the main source of threat was considered to be the United States, Iran's attitude toward the region obviously had to be decided by the closeness or remoteness of each country in the region towards the US. Almost from the beginning Iran became entangled in disputes with nearly all its neighbours. Because, under her criterion Saudi Arabia, the Gulf states and even Pakistan and Turkey were considered hostile because of their close ties with the US. In addition to this criterion since the outbreak of Gulf war in 1980 Iran's attitude towards all foreign countries including the regional ones was determined also by their attitude towards the war.

Internally, the military, despite its disintegration, was considered most significant potential threat to the revolutionary regime.<sup>25</sup> Emerging gradually from the throes of the revolution the regime also perceived threats first from the liberal component of post-revolutionary dominant order and then from non-clerical "Islamic-Marxist radicals". Related to Iran's threat perception is the regime's view of its own viability and survival. The concern explains, among others, Iran's reluctance to apply its Pan-Islamic exhortation particularly to its northern neighbor.<sup>26</sup>

While summarizing the perceptions of Gulf countries one must take note of important features of the changes. First, these perspectives are related to, if not product of, invariably concerns about regime security of all the countries. And they inevitably tend to center on issues of the same particularly as perceived by the respective regimes themselves.<sup>27</sup> Secondly, all the littoral countries and their rulers share a feeling of insecurity and are bent upon the survival of the existing order in their respective countries. And at points the regime security becomes indistinguishable from national or regional security. Thirdly, although there had been some commonalities in these perceptions, the approaches to address the problems of security were rather diverse. And in each case the individual country seemed

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24. *Ibid.*, p. 21.

25. *Ibid.*, p. 173

26. Mohammed Ayoob, *op. cit.*, p. 93.



to have been guided primarily by national interest, personal antipathy and individual factors. Lastly, the Gulf politics was cleverly manipulated by the West to be kept out of the mainstream Middle East politics particularly of Arab Israeli conflict. The West was extremely careful to insulate it from the Palestinian problems to which the Arab states are deeply committed. Even then the larger Middle East politics did spill over into the subsequent posture and alignments of the countries in the Gulf but only to the advantage of the US and her allies.

### **Towards A New Order—The Trends**

The perceptions discussed above had already started giving shape to a new order in the Gulf. New adjustments and alignments were taking place among the states ever since the Iranian Revolution. Although a final shape of these development is still not discernible, a pattern has, however, emerged. There will, of course, be continued changes also in that pattern with the unfolding of characteristically unpredictable events in the region. Now with the cessation of the Gulf war, some changes have been brought to a sharp relief. While the contending parties will be busy for a long time in putting forward their interpretation of the clauses of the ceases-fire resolution, the nations in the region particularly the important ones i.e. Saudi Arabia, Iraq and Iran are already poised for their destined role in the Gulf. In securing their rightful place in term of their wealth, geostrategy, military strength etc. they are also being influenced, apart from their perceptions, by a host of factors like internal situations, Middle East regional politics and extra-regional inputs. Let us, in view of these factors, assess the position of these important actors in the region.

### **The Rise of Saudi Arabia: Can It be Sustained?**

As the Gulf politics revolve round the region's oil wealth the Kingdom of Saudi Arabia as the key producer in the Gulf has its rightful place as the most important country in the region. The



Kingdom's proven reserves remain by far the largest in the world and its financial resources have made it one of the World's premier financial powers with the resources to influence not only regional governments, but ironically even more the Western economies. Its importance lies more in its political orientation and economic resources. She is also a key figure in larger Middle East political scenario and Riyadh has in recent years been the most active capital in search of means to dampen the fires of conflict and to reinforce the stability of the moderates and their ability to resist the pressures of extremist groups. By virtue of its old resources, financial strength, its subventions to a number of other countries and from its unique religious stature among Muslim nations as the guardian of the Muslim holy places, it enjoys an enviable position among the nations in the Middle East. Strategically it has adequate depth and access to more than one water ways to ensure its oil export. She also ensured her leadership in the OPEC as well as international oil market by dictating the terms and policies for production and pricing for last about a decade.

Earlier, the Kingdom was considered insignificant in terms of military strength, but its defence build up in the wake of Iranian revolution and the Gulf war has been phenomenal. Saudi defense expenditure increased from less than a billion in 1972 to more than 20 billion dollars in 1980.<sup>27</sup> During the Gulf war Saudi Arabia became the second largest arms importer after Iraq and often surpassed the arms import of even a warring nation like Iran. Saudi Arabia, the richest and an important power in the region, now started projection herself as a dominant power in Persian Gulf politics. She moved quickly and decisively to broaden and strengthen the Gulf security resources while the Gulf war dragged on with 'Iran and Iraq bleeding each other'. The smaller Gulf countries sharing the common security perception with Saudi Arabia readily accepted Saudi security umbrella within the framework of

27. Sreedhar (1988), p. 57.

28. Sreedhar (1983), p. 13.



Gulf Cooperation Council. Heavily dependent on oil revenues they also accepted the Saudi oil policy in terms of their crude oil export. Thus, pre-eminence was established for the Gulf states both for security and oil policy.

Added to these are the security guarantees by the US. The mutuality of interests between the Saudi elites and the West seems to be working splendidly for the time being. And both would like that it continues for period as long as possible. Every US President since Roosevelt has assured Saudi Arabia of American support for its external security and as recently as 1980 the President indicated that the United States would defend "with force, if necessary" the Gulf area. Notwithstanding the experience of Imperial Iran, such assurances are indeed a great asset at the still formative stage of the Kingdom's defence capability.

With Egypt's status as a leading Arab nation steadily declining after controversial Camp David accords, the Arab world today looks towards Saudi Arabia which plays a pivotal role in any inter-Arab issue. The Kingdom played a positive role in eliminating Soviet influence from the region particularly Egypt and Somalia. Her successful mediation in several intra-Arab feuds have been acclaimed. The Saudis were able to put forward a Middle East Peace Plan while others remained locked in endless internal schism. Consequently, her sphere of interests and influence extend to areas far beyond the Gulf. At times her Pan Arab image appears brighter than her prospects for assuming the leadership of the Gulf. In an otherwise volatile Middle East, the stability prevailing in Saudi Arabia creates a great deal of impression to the outsiders. She has been the greatest beneficiary of the Gulf war in securing her present position.

With Saudi Arabia's status still rising, her problems and insecurities are, however, enormous. Just as Saudi oil can be translated into its power and prosperity, it can also serve as a source of many complexities. Her "great wealth is thus accompanied by great



danger"<sup>29</sup>. As a traditional monarchy deriving much of its legitimacy from its strict adherence to Islamic tenets it was already challenged by radical fundamentalists as had been demonstrated through abortive Kaaba seizure in 1979. Endowed with small demographic resources and a long international borders to guard, the Kingdom is physically vulnerable. Such vulnerabilities are enhanced with two powerful neighbours-Iran and Iraq with uncertain intentions, not too far away from Israel and a marxist regime in South Yemen. The vast empty Saudi territory with natural barrier either in the North or in the South complicates her problems with the neighbours. Her oil fields are concentrated at a few places dangerously close to international water. The Kingdom has a history of strained relations, territorial disputes and open conflicts<sup>30</sup> with strategic Yemens with their location along strait of Bab-el-Mandeb. The Saudis have a conflicting requirement of bolstering North Yemen as buffer to marxist South while remaining cautious about the former's designs with its over 6 million population and still unsettled boundary with Saudi Arabia.

Saudi security dilemma is, however, much more acute on the issues of Palestinians. "The Palestinian cause is still the touchstone by which the Arab credential of regimes in the Middle East is judged"<sup>31</sup>. As an oil rich pro-western Arab state the Saudi Arabia has special obligation to the cause. In post war time in Middle East two sets of strategic interests ran parallel to each other; US determination to have unhindered access to Gulf oil while simultaneously supporting the inviolability of Israel. This makes the job of staunchly pro-West Arab State like Saudi Arabia much more difficult. In present politico-strategic juncture much of the Arab world look to the "Saudis as holding key to the Palestinian issue, a misconception perhaps, but one that adds to the Kingdom's sense

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29. William B. Quandt, *op. cit.* p. 3.

30. Sreedhar (1983), p. 22.

31. Mohammed Ayoob, *op. cit.*, p. 99.



that it can not remain aloof from inter-Arab politics".<sup>32</sup> Yet unable to do anything positive with her relations with the US the Saudis are left with the difficult task of containing the Arab discontent while pleading with the US to solve the problem for them. The whole set of events starting from Israeli annexation of Jerusalem invasion of Lebanon and massacre of Sabra and Chatila made Saudi dilemma greatly compounded.

The Saudis are also privately concerned as to the reliability of the American alliance. Given American impotence in meeting internal challenges as has been seen in some contemporary events, the Saudis tend to feel that any reliance on the US security assurance is not only unwise but also counter productive. The worry also stems from the fact of the US commitment to Israel, its weak kneed policy to Israeli expansionism and the presence of a strong zionist lobby in the US. Rather close connection with Washington without deriving much benefit to the advantage of the Arabs is more dangerous for Saudi security. Also the US contingency of taking over of oil fields during crisis points to the possibilities of its securing access only to oilfields ignoring the security either of the Kingdom or its rulers. From the American side, they also have reasons to be discontent with the Saudis on several counts. The US bitterly recalls the Saudi role in the oil embargo of 1973, oil price hike and opposition to US-sponsored Camp David accords. At the same time, there is hardly any Saudi lobby in the US to uphold Saudi rationale and view points on such issues.

Under the circumstances the Saudis are to strike a delicate balance between conflicting politico-strategic requirements. And thus far they have moved very cautiously maintaining their ascendancy in Gulf politics. At home Saudi Arabia continues to expand and modernize their military inventories and has recently also diversified her sources of arms acquisition. Through clever manipulation of events Saudis have been able to bring smaller states in

32. *Ibid.*



the Gulf within her fold. They regard the Gulf Sheikhdoms as within their proper sphere and assert their primacy among these small states.

Saudi attitude towards Iraq is somewhat complex. Once threatened by Iraq's radical politics Saudis are not as yet sure as to the future course of politics in Iraq. In the 1970s Iraq was perhaps the most dangerous threat to Saudi Arabia and Persian Gulf Sheikhdoms and the suspicions remain. During the Gulf war Saudis helped Iraq but Riyadh still views Iraq's large Army as a threat. During the Gulf war Saudis marshalled massive financial help for Iraqi war efforts mainly to counter balance the most immediate threats from revolutionary Iran but they persistently avoided getting entangled in hostility with Iran. The GCC of which Saudi Arabia is the leader carefully excluded Iraq (even though it is an Arab country) from the organisation. Saudi Arabia thus ensured a great deal of caution and balance vis-a-vis both the contending Gulf states and maintained neutrality althroughout the war. In no circumstances were the Saudis prepared to provoke the other potentially dangerous enemies by tilting to much towards either side. After the cease-fire of Gulf war, adequate care has, perhaps, been taken in containing Iraqi threat by signing a non-aggression pact in March 1989 during a visit by King Fahd to Baghdad.

Inspite of some tilt of Saudi Arabia towards Iraq, she seemed eager during war to see the threats from both Iraq and Iran counter balanced by each others. So in early phase of Gulf war "when a quick Iraqi victory resulted there was great nervousness in Riyadh at the prospects of Iraq emerging as powerful battle experienced state with wider Gulf ambitions".<sup>33</sup> As a result both in its individual capacity and as a member of GCC she professed neutrality in the Gulf war. Through most of the war Riyadh explored an accommodation with Tehran even to the point perhaps of endorsing

33. Golam Mostafa, *op. cit* p. 30.



covert arms sale".<sup>34</sup> Saudis still continue to cultivate Iran from time to time with offers even of financing Iran's reconstruction programme. And a war-ravaged Iran appears conciliatory for the moment. Now as the initial revolutionary tirades against the neighbours including Saudi Arabia has receded a great deal in Iran, the threats perceived initially also have disappeared.

Saudi Arabia has serious stake in seeing Iran "a viable state, chastened by not humiliated introspective perhaps but not sullen or vindictive".<sup>35</sup> Perhaps today's Iran after long years of war, is close to such vision as evident in her reduced chauvinism, search for better relations both with the neighbours and international community and growing commitment to domestic reconstruction. Therefore, with the removal of some of the causes of the friction—both real and perceived, it may not be difficult for Saudi Arabia to enter into some meaningful cooperation with a country with whom she already had the tradition and experience of working together.

How long will the new Saudi dominance in the Gulf politics last? The war so long curbed the capacity of both Iran and Iraq to play their role either in Gulf or OPEC politics. Now that they are back on the scene, the Saudis are aware of their limits. Tied down with their massive reconstruction, both are unlikely to assert their roles before long and the Saudis would like to steal a further march towards her regional goal in the meantime. Even then there are other limits. With her armed forces of the modest strength of 65000, she will perhaps never match the formidable forces either of Iraq (1m) or Iran (.6m including Pasdaran Inquilab)<sup>36</sup>, although she has an impressive arsenal of high tech weaponry, (some manned by US personnel). Saudi military build-

34. Laurie Mylroie, "Iraq's Role in the Persian Gulf", *Current History*, p. 91.

35. Shahram Chubin, *op. cit.*, p. 31.

36. *The Military Balance*, (The international Institute for Strategic Studies, London, 1989), pp. 99-102.



up will seldom be any thing of more than deterrence value. So it is in her interest to promote an atmosphere of cooperation and conciliation in the region. It is in this atmosphere the Kingdom has better chances of thriving through their skilful low key diplomacy duly backed by their financial strength in one of the most turbulent areas of the world.

### **Iraq's Return to Status Quo Ante**

Almost a garrison state with its 1 million strong armed forces Iraq has the largest military in the Middle East. With a formidable arsenal of over 5500 battle tanks, nearly 4000 artillery pieces and over 500 combat aircrafts, it is also the best equipped armed forces in the region.<sup>37</sup> It is battle hardened through its long war with Iran and Kurdish insurgents. Experienced also in the use of chemical weapons Iraq is also believed to have a nuclear programme.

Yet for all her military might and experience Iraq apparently did not give a good account of her performance in the Gulf war. During the war launched by herself Iraq, most of the times, remained on the defensive and failed to exploit enormous internal weaknesses of revolutionary Iran. Iraq was at the peak of its military preparedness and her economy was flourishing when she attacked Iran. Even during the war she remained the largest importer of arms in the Gulf with annual defence expenditure rising to the tune of \$ 14 bn dollar. However, she suffered some initial jolts because of her underestimation of likely Iranian resistance. During the whole course of war she could not substantially improve her position. It was only after the recovery of Fao that the military situation tilted in her favour not long before the cease-fire. Had it not been for Iran's growing isolation in international arena, series of setbacks perpetuated by the intransigence of Iranian leadership and massive support by fellow Arabs to Iraqi war efforts it could be difficult for Iraq to extricate

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37. *Ibid.*,



herself from the war in some shape. Iraq is, perhaps, convinced now that in strategic term Iran can hardly be defeated although in a skilful combination of military vigil and active diplomacy it is always possible to keep her at bay.

Iraq, however, has displayed remarkably skilled diplomacy in recent times not only in securing the best out of almost a lost war but realigning herself in a complex setting of Middle East politics to emerge stronger both politically and militarily. Iraq today is not only a military power to reckon with, she through her masterful diplomacy is now poised for a leadership role in the Arab world, if not in the Gulf.

Before the Gulf war Iraq tried to advance its hegemony by bringing the states of the area under its umbrella in a nonaligned posture, hostile to a US influence.<sup>38</sup> The fall of Shah gave Iraq an opportunity to replace Iran as the dominant power in the Gulf. In the wake of Gulf war she skilfully exploited the Arab sentiments and was able to arouse the racial emotions of all other Gulf countries to support her. Gradually her support base expanded to wider area, as of Middle East embracing some powerful Arab neighbours. Iraq moderated its extremism to bring Saudi Arabia under its wing. Fearful of both Khomeini and emerging Baathist behemoth, Saudi Arabia opted to appease Baghdad considering it a lesser evil in emerging scenario. Iraq's new moderation as well as certain compulsions of Gulf war produced a far-reaching alignments for Iraq with moderate Arab states-particularly Jordan and Egypt.

Both substantially helped Iraq during the war. Jordan extended total support to Iraq, provided expertise for planning the war and permitted Iraq to use her port of Aqaba and Magraq air base. Egypt also contributed significantly towards Iraqi war efforts by providing skilled manpower. Initially a 'rejectionist' in her posture toward Arab Israeli problem, Iraq adopted a moderate approach to Palestinian issue distinctly in line with Jordanian king. She also played a vital role in bringing Egypt back to Arab fold.

38. Laurie Mylroie, *op. cit.*, p. 89.



The key changes in Iraq's regional policy precipitated by war has not been reversed even by cease-fire. In line with moderate Arab states, Iraq after cease-fire swiftly moved to deal with radical Arab states which supported Iran during the Gulf war—with some success. Iraq's regional policy seems clear but its exact relationship with Saudi Arabia—a key partner in Arab coalition supporting Iraq—is hard to understand. Aware of Saudi suspicion, Iraq has tried to allay Saudi fear and reassured the Gulf states that it does not seek to change their governments despite her own formal commitment to Baathism. Nevertheless, the newly established understanding between Saudi Arabia and Iraq has not lasted the Gulf war in the mutual interest of both the countries. Under heavy burden of debt amounting to \$64bn Iraq still needs Saudi financial assistance for reconstruction of Iraq's war-ravaged economy and is not just now in a position to assert her role in the Gulf where Riyadh is still protective of her primacy. The recently concluded non-aggression pact between them indicated a phase of relationship to be marked more by cooperation particularly in wider Arab politics. For the moment Iraq also seems prepared to be guided by Saudi dictates in OPEC politics.

As anticipated by Gulf watchers both Iran and Iraq are now tied down with the implementation of the different clauses of the UN resolution 598 especially one relating the Shatt-al-Arab water way. The deadlock around the clause will continue for long and each party will try in the meantime to master all its diplomatic skills for gaining maximum advantage. Meantime, it is more than sure that both the belligerents are busy making up their war losses. The war affected the economy of Iraq seriously and it turned into a great economic liability for the country. Although the war losses were replenished by the Arab allies in various ways, Iraq may also face problems from the donor countries. As regards human losses, the Iraqi losses were high. "Iraq lost more men in the war with Iran than all the Arabs lost in all the wars with Israel".<sup>39</sup>

39. *Ibid.*, p. 91.



With the memory of Ottomans and Safavids fighting each other for nearly four hundred years along the lines that divide Iran and Iraq today, Iraq is conscious of her vulnerabilities in terms of geography and population. The formidable arsenal Iraq acquired during the war, above all its chemical weapons coupled with her newly cultivated ties with Jordan (providing her strategic depth) and Egypt can perhaps change that imbalance. Thus, so long Iran is considered a permanent threat by Iraq, she has to remain on its guard mastering all her military and diplomatic resources all the time. Also internally the question of the security and survival of Iraq is indeed challenging in view of its ethnic and religious division. "A salient feature of the politics of modern Iraq is the inherent instability and violence mainly due to its origins and fragmentation of its society. The country's borders have no historical basis and as a nation state it has failed to evolve into a political community".<sup>40</sup> That partly explains the tension and uncertainty the country is subjected to and a policy of incessant maneuvering that it adopts for its survival.

### Iran in a "Role assigned by History and Geography"

In strategic term Iran's position is unique in the area. With a population of 54 million and a coast line of 635 miles it is the largest country in the Gulf. During pre-revolution period it was the most dominant power in the region. Even today it has one of the two largest armies of the region. Within a year of the revolution Iran had a written constitution and political process introduced in the country. By Middle East standard there is relative openness in Iran's politics and the leadership is broad based. It's leaders, through the revolution's aftermath and war with Iraq held the country together with surprising ability and tenacity. Once a 'pillar of stability' in the turbulent region of the Gulf it is today, however, a war-ravaged country but with a lot of promises and potentials.

Apparently, the ideological rigidity and revolutionary emotions and zeals of the early days of the revolution have now subsided. With

40. *Mohammed Ayoob*, op. cit., p. 107.



the consolidation of the revolution and after having gone through a protracted war a great deal of pragmatism seems to have ushered in without, of course, as yet any fundamental change. With the experience of going through a lot of ups and downs both in domestic and international field, the leadership is today awakened to a number of realities which they seem prepared to face rationally. At home the Iranian leaders are poised to address the problems of the basic needs of the people. At the same time, the massive reconstruction works are undertaken for the war-damaged cities. Along side, the country's defence preparedness has also been given priority. Private sectors are given boost and the imports are liberalised. With almost no debt burden incurred during the war Iran is likely to tide over her economic hardship with relative ease. Measures are also taken to improve Iran's international image and come closer to the mainstream of international system. As a step in that direction, relations have already been resumed with Britain, France, Canada and Kuwait. Even the US, it is reported, is willing to normalise her relation with Iran. On Iran's part she also has been trying to mend fence with every body.

Such developments with regard to Iran's both internal situation and external relations have a number of positive effects on her neighbours who were initially unnerved with Iran's revolutionary messages. As a matter of fact, the Gulf countries at no stage closed their channels with Iran and a number of visits at various levels between Iranian officials and officials from different Gulf countries did take place. In spite of all provocations they were not ready to be directly involved in the war and to antagonise Iran. Moreover, Iran already had traditional relationship with those countries with sizeable Shia population and also some Iranian expatriates. A substantially mellowed revolutionary Iran has certainly been reassuring to them and with its present posture provided incentive for reviving old relationship. Most importantly, the suspicious neighbours like Saudi Arabia and Kuwait have started feeling secure vis-a-vis Iran. Perhaps, there are also growing realis-



ations among the Gulf neighbours that much-vaunted 'export of revolution' is little more than rhetoric and an internal upheaval in any country is generated more by its own dynamics.

Iran with her abundant human and natural resources as well as location bordering Soviet Union and commanding strait of Hormuz is politically and strategically important. Within the framework of East-West relation both the superpowers have great stake in having close relationship with Iran. From the Soviet viewpoint it is the most important country in the Gulf. It is primarily because Iran shares long border with Soviet Union. For years the Soviets tried to improve relations with Shah and, in fact, the two countries did pursue trade relation rather vigorously with little result. Since the advent of Islamic Republic, Soviet-Iranian relation has become anything but good mainly because Iran has been denied to the West. This being minimum, the desirable objectives of the Soviets are to attain an ability to exercise significant influence over the Gulf. And Iran is an inescapable link to that end. Soviets have sensitivity about Iran for another reason; it (Iran) touches the soft underbelly of Soviet Union where Soviet Muslims numbering over fifty millions live. Soviet Union, however, welcomed the revolution in Iran in March 1979 and since then made a series of overtures courting Iranian friendship. At times Moscow-Tehran relations improved with tangible signs of more trade, increased economic and technical cooperation. The Islamic Republic's leaders could, however, easily keep an atheist Soviet Russia at a distance within the framework of their policy of "Neither West nor East". An increasingly isolated Iran, after both cease-fire and Rusdnie fall out, found wisdom in having some understanding with her giant neighbour. President Rafsanjani visited Soviet Union in June '89.

The US interest in Iran had been much more entrenched. In US view it has all the requisite qualifications to protect their interest and ensure stability in the region. In Western perception



Iran mattered most in Gulf affairs. It is with this realisation that they particularly the US built up Iran-their principal ally in the region as a 'pillar of Western security'. Henry Kissinger described it as the Eastern anchor of United States Middle East policy. Even after the US debacle in Iran, its strategic importance to the West was in no way diminished by the change of regime there. This led the US to all attempts to open up a dialogue with Iran as and when an opportunity occurs. The US also made a series of overtures to Iran, all aimed at regaining her foothold in that country. In spite of consistent rebuff from Iran, the US seldom lost interest in its enormous, strategic value.

At the outbreak of Gulf war even with a bitter experience of hostage crisis, the US voiced concerns and warned against any "dismemberment of Iran". The US strongly opposed the seizure of Iran's oil rich province of Khuzestan by Iraq. All these amply illustrate the US continuing interest in Iran because the role assigned to Iran by history and geography could not be set aside. The US considered the cohesion and integration of Iranian nationhood essential for regional peace and stability. During the initial phase of both Soviet invasion in Afghanistan and Gulf war many American scholar advocated for supporting Tehran emphasizing its strategic importance. "If we do not have to love Khomeini we ought to realise that our vital interests are at stake in the continued viability of Iran". Such were notions prevalent in the US after the revolution. As a result, a long search for an accommodation with Iran continued.

Following a period of US rapprochement with Iraq during the mid-eighties the US tilted towards Iran. The alleged US arms supply to Iran in 1986 again proved that the strategic Iran was very vital to the US. In fact the US security perception in the Gulf is predominantly guided by possible Soviet influence in Iran as evident from President Reagan's remark. "America's long standing goals in the region have been to help preserve Iran's independence from Soviet domination". The US was trying to mend fence with Tehran and secret talks were



being held between the two countries as it was revealed in 1986 during the controversial US arms supply to Iran. The US interest in Iran did not stop even after contra-Iran embarrassment. Even off late the US, realising the pre-eminence of Iran in Persian Gulf politics, is keen to win over the Iranian leaders by meeting some of Iran's pressing needs in her present predicaments. The United States is, it is reported, likely to lift arms and trade embargo against Iran shortly and trade has already been resumed through third parties.

The strategic interest of both the superpowers in Iran is her permanent asset. The history and geography of both the region and the country have endowed Iran with this asset. Iran has long history of its existence as a nation state with ethnically assimilated population, huge land mass and rich cultural heritage. It's geographical advantages are much too obvious. So, can Iran with her assets in strategic term restore her prerevolution leadership? Conscious of Iran's potentials in all aspects that constitute power the Iranian leaders are confident of such possibility. This confidence is enhanced by the facts that her breaking away from the US did not in any way threaten her security. Moreover the way the decimated Iranian Army and hurriedly organised paramilitary i.e. Pasdaran fought during the Gulf war adds to Iranian confidence. Iranian intentions are also hardly concealed. Iran is already reorganizing its armed forces with elaborate arms procurement programme. But then Iran may not be expected once again to become the Gulf's policeman as such: neither it is any more Iran's requirement to police the Gulf to secure some other's interest. With many issues unsettled with Iraq, she may justify to be on her guard militarily.

The security and political dynamics of the region has drastically changed. Greater reliance are now out on non-military options although the countries in the region are now more heavily armed. Looking at her resources Iran seems to have far greater economic potentials. It is in the interest of Iran to grow economically with her strategic leverage with great powers. Iran's regional leadership



can be better ensured within a cooperative framework where with all her resources she is to gain the most. An acceptability of Iran's leadership will however greatly depend on the elimination of impediments that still exist. Iran still continues to claim Bahrain and hold the Tumbs and Abu Musa which she annexed from Gulf Emirates in 1971. There are also complaints of traditional 'Persian arrogance' and big power chauvinism. Iran has moved a long way since the revolution and has been able to an extent to restore the neighbour's confidence. To emerge with a leadership role in a changed setting, Iran perhaps has to come out of the stigmas she inherited from a political order now lying in the dustbin of the history.