CHAPTER V
CONCLUSION:
A SYSTEM OF REINFORCED MISTAKES

Introduction

The US-Iranian foreign policy case study demonstrates that the American foreign policy difficulties in Iran were extremely complex in nature. The root causes of the US failure to develop a meaningful and successful relations with post-revolutionary regime were multiple, intertwined, and mutually reinforcing. The US-Iranian relations were open to the manipulations and influences of the various factions in the American foreign policy set up, private individuals with profit motives and even to the interest of the foreign Governments. Therefore the responsibility for the disastrous outcome on the American side rests with no single individual or administration but on all administrations starting from Nixon to Reagan. The basic mistakes with the Carter and the Reagan administrations’ Iran policy was that they blindly followed the basic foreign policy premises of previous administrations without any rethinking or reassessment on the basis of fast changing political development in the Iranian political system. They succumbed to the pressures of the various sections of American foreign policy establishment and external actors. The study proves beyond that US foreign policy failure in Iran was the result of a flawed decision making process of the National Security Council staff and also due to the errors of judgement about Iranian political situation by the successive administrations as a whole.

Entangled Alliance

The analysis of the US-Iranian relations clearly shows that right from the Second World War America’s policy towards Iran was consistently influenced by its perception of Iran’s geo-strategic and economic importance, excessive fear of soviet
threat to its interests in the Persian Gulf and the consideration that Iran had a vital role in defending American and Western interests in the region. This perception and fear shaped US’ Iranian policy in the 1960s as Twin Pillar policy in the Nixon administration. It was aimed to promote a Gulf regional security system under the Iranian leadership by building up Iranian military capabilities to defend the US interests. It ran parallel to the Shah’s own regional ambitions and desire for a huge modern arsenal. In May 1972, President Nixon and National Security Advisor Henry Kissinger agreed for the first time to sell to Iran virtually any conventional weapons that the Shah wanted for his arsenal. In a memorandum signed in July of that Year, Nixon instructed the bureaucracy to put this policy into effect. In March 1975, Secretary of State Kissinger signed a $15 billion accord with the Iranian Government. It fashioned another link in the Iran - American chain. It was the largest agreement of its kind ever signed. This proposal committed Iran to expend $ 15 billion services over the next five years. America by infusing huge military aid into Iran to bolster the anticommunist Pahlavi regime was actually making the military and strategic issue the central piece of US- Iranian relations. It helped the Shah to convert his own national security considerations into US-Iranian policy, by promoting a strong pro-Shah faction in the American foreign policy set up over the years. By relinquishing the responsibility for the US security interests in the region to the Shah and accepting his judgement and demands for arms without a second thought the Nixon administration virtually handed over the control of US. policy to the Shah.

Iran and America were deeply entangled in an alliance of politics, economics and personalities that made it difficult to determine where America ended and Iran began. The Shah, a regular visitor to Washington developed close proteges in America’s

social, political, economic and foreign policy institutions. His huge military and security forces were trained primarily by Americans. In 1976, the Shah admitted publicly that his secret police (SAVAK) were active in the United States itself. The Nixon Doctrine in effect made the Shah America’s ‘deputy - sheriff’ in the Persian Gulf where the Pahlavi navy and air force protected law and order. In 1978, approximately 60,000 Americans were living and working in Iran, and the US embassy in Tehran was one of America’s largest in the world. According to Henry Kissinger: “On all major international issues, the policies of the United States and the policies of Iran have been parallel and therefore, mutually reinforcing.” In Kissinger’s perspective the Shah was a “rarest of leaders, an unconditional ally, and one whose understanding of the world situation enhanced our own.”

Kissinger’s glowing tribute underlines the truth that Nixon administration was using the Shah to serve US policy objectives. This was slowly destroying the credibility of the Shah as he was increasingly viewed as a pliant tool of the Americans. One of the two major foreign policy pillars of the US in the region was thus being gradually undermined. The Shah, by serving American interests with a view to get more and more arms from the US, alienated his own people. Thus the public resentment in Iran against the American involvement in its internal and external affairs was growing rapidly.

The Ford administration also instinctively followed the Nixon administration’s Iranian policy by extending unquestionable military support to the Shah without any policy review or analysis of the Iranian situation. As a result, the US lost its control

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and initiative on its own Iranian policy and began to subscribe to the Shah’s national security and defence policies as the basic concepts for the US policy towards Iran. This then was the background of US’-Iranian policy before 1977.

**Ignorance and Confusion**

The factors which determined the direction of President Jimmy Carter administration’s policy towards Iran were the legacy of his predecessors, especially Nixon and Ford. Like other Presidents, Carter and his advisers were reluctant to commit the US armed forces on foreign lands in pursuit of foreign policy goals. Therefore, he viewed Iran as the peace keeper of the Gulf region, supported by the US. He was also committed to protect America’s special strategic relationship with Iran at all costs. His administration considered Iran as a major military power for stability in the Persian Gulf and a moderating force in the pricing of petroleum.

President Carter’s foreign policy team of the Secretary of State, Cyrus Vance, the National Security Adviser, Zbigniew Brzezinski, and the Defence Secretary, Harold Brown recognized, approved and implemented the approaches inherent in the Nixon doctrine because Carter did not come to the office with fresh ideas on policy towards Iran. No change appeared to them to be on the horizon and a review was not even considered necessary. The policy debate on Iran focused on the international aspects of the United States-Iranian relations and not on Iran’s domestic problem. Strengthening of Shah’s regime also implied predominant position of American interest in the Persian Gulf.

This concept of excessively strong Shah was reflected in the 1977 CIA study. Subsequently, on various occasions in 1977 and 1978, President Carter made statements which encapsulated the CIA’s assessment of the Shah and Iran. He asserted that Iran was an island of stability. On 16 June 1979 when Shah fled from Iran, Carter noted ruefully “I think that the rapid change of affairs in Iran has not been predicted
by anyone so far as I know". The confession only showed that his administration was extremely confused and did not have understanding of the developments taking place in Iran.

President Carter was uninformed and US officials were largely ignorant of Iranian politics. During this time, the administration was overloaded with Camp David negotiations and top policy advisers were reluctant to concentrate on the Iranian crisis. They relegated it to the middle level foreign policy officials. There were a lot of deficiencies at the bureaucratic level. Most of the people who had previously worked in Iran and who had real doubts about the Shah’s capacity were not there anymore. It also included the intelligence staff. In the 1950s and 1960s American intelligence officials in Iran were experts in internal Iranian politics, but by the late 1970s they were moved away from Iran, probably because in the policy context of total support for the Shah, their presence was not required. The new officials who were posted in Tehran were relatively ignorant about the intricacies of the Iranian political scene. Carter’s ambassador to Iran, Sullivan has admitted that he went to Iran with “supreme ignorance of the area”. Instead of foreseeing the changes in Iranian political system, American officials focused on Soviet Union. Thus, virtually Iran was used as the location for looking at outside threats and no attention was paid to Iran’s internal problems. Americans relied more and more on the Shah to tell them what was going on in Iran and what they wanted to know. The Shah used this opportunity to build an image that every revolutionary upsurge in Iran was Communist motivated and a threat to America’s interests.

This misinformation and misjudgment about the Shah resulted in the continuation of arms sales policies towards Iran. In May 1977, Secretary of State Cyrus Vance

4. Quoted in Bill, n. 1, p. 426
visited Tehran to apprise the Shah of US’ full-fledged support. Vance also reassured that Carter administration would honour all existing prior arms sales commitments to Iran and that it was even prepared to offer AWACS weapon system to Iran.

According to Secretary Vance when the Shah demanded more than $10 billion worth of arms for Iran "...most of the military and foreign policy professionals, both in the State Department and NSC staff were strongly opposed to questioning of the Shah’s military equipment requests." The statement of Vance pointed out that within the US foreign policy establishment the Shah built a pro-Pahlavite lobby. The US had positioned itself in such a way that it had become completely dependent on Shah’s national security judgements. In fact, worn down by decades of conflict with the Shah’s regime and the American pro-Pahlavite, the US bureaucracy had been forced to rationalise its acquiescence to Iranian requests in the same inflated terms that the Shah himself had used earlier to justify increased aid to Iran. What had been unacceptable then had been made acceptable by decades of applied leverage, assisted by the Nixon doctrine of unquestionable support. By repeating the same past mistakes the Carter administration lost control over Iranian policy.

Since the Shah had made all the major decisions, no American request stood a chance unless his demands were also met. He demanded that there be no official contacts with Iranian dissidents; both the secular forces and religious radicals, and the US accepted it. The mutual dependency grew over the years and the US became identified with Shah’s misallocation of resources, the corruption and torture of its suspected foes and their execution. For successive American administrations, the Shah’s defensive preoccupation with the communist threat was a major justification for the thirty years of its support for the Shah’s regime. It was at the cost of social and

economic development in Iran. When the 1978 - 1979 revolution did occur, the Carter administration believed that the movement was a Communist inspired one. Even in the post-Pahlavi period there was some inclination among administration officials to see the religious right as Communist and Soviet agents.

Therefore, Carter also followed the same established policy of arms sales to Iran, without any reassessment of the Iranian situation. His own image of Iran was based on the perception he had inherited from his predecessors that the Shah’s regime was extremely stable. The Carter administration’s failure to understand the seriousness of the situation and subsequent developments in Iran triggered foreign policy dispute in American foreign policy establishment.

**Dispute Among Policy Makers**

While Iran was in the midst of revolutionary turmoil the administration’s foreign policy officials were engaged in a heavy infighting for policy preferences. The two major policy set ups, National Security Council and the State Department were pursuing divergent policies. The former constantly championed military action as the only alternative to restore peace and order in Iran. It was also trying to implement the same policy by setting up its own independent channels of communication through NSC staff Gary Sick and military liaison officer in Iran Robert E. Huyser. As against this the State Department was preoccupied with promoting democracy in Iran. Thus throughout 1978, the Shah’s position deteriorated, Washington’s reaction was confused, and bore the imprint of the Vance - Brzezinski division. The State Department viewed that the crisis would be diffused if Shah were prevailed upon to go ahead with reforms. Brzezinski preferred repression. The relationship the between Secretary and National Security Adviser was also developed into personal bitterness over the Iranian policy approach. Vance accused Brzezinski of deliberately falsifying NSC committee summaries produced for the President. Thus the conduct of Iranian
policy became chaotic, and its coherence was badly damaged by the Vance - Brzezinski rift. The conflict affected the response to the crisis in Iran and foreign relations altogether. In such a situation the President was not able to take effective policy decision which would affects events decisively for the better. The NSC staff, small in size, with proximity to the President and focussed on a limited number of high priority issues under the patronizing leadership was able to push its foreign policy agenda over the State Department. These attributes were visible in Brzezinski’s excessive eagerness to use force, exaggerate threats, and escalate conflicts. Therefore he portrayed Vance as “...best when negotiating with decent parties in the world... at his worst in dealing with the thugs of this world [revolutionary radicals.] His deep aversion to the use of force was a most significant limitation on his stewardship in an age in which US power was being threatened on a very broad front.” The Carter administration’s experience seemed to confirm a major structural shift in the US policy system especially with regard to Iran that the Secretary of State’s role as a chief policy spokesman was not working anymore. Subsequent development in Reagan administration established this fact more firmly also. Despite these infighting over Iranian policy, Vance and Brzezinski were in total agreement that the US policy should support the Shah and back him absolutely to the end. They believed that the Shah’s remaining on the throne was in fact the correct outcome and one that US policy should work to achieve. There was no disagreement at all on this.

This unanimous support to the Shah was not only against the advise of the American embassy in Iran. It was against the recommendations of George Ball who was authorised to report on the crisis in December 1978. He argued that the US should not become the prisoner and protector of an impaired leader: the Shah, who

was out of touch with his own people. Even in the State Department, some officials along with the US ambassador William H. Sullivan had concluded that Shah was doomed, and that he was not going to survive the crisis. They suggested the need to look at other alternatives. But their messages were ignored in the State Department and they had no other channel available to carry their argument to the White House. None of Washington's foreign policy makers were able to get these messages right and find out the seriousness of the situation until it was far too late.

Later, when the revolution engulfed Iran, a desperate Shah asked for American directive, but the administration was unprepared to meet the crisis. Instead of providing concrete policy directives, the NSC and the State Department pulled the Shah into different directions. Thus, Washington's response to the crisis was by turn, contrary and contradictory. As a result the Shah left Iran in early January 1979. If the Shah lost the Iranian monarchy, the US lost the central pillar of its Persian Gulf Twin Pillar policy.

**Reliance on Iranian Moderates and Influence of American Pahlaviates**

After the revolution, the State Department came to the conclusion that the US needed an alternative force in Iran to guard its interests. They were looking for the Western educated Iranian leadership who emerged into political prominence. The moderates were well disposed towards the US and enjoyed the cachet of the revolution itself. Thus the Americans started to have contacts with Bazargan government. By November 1979, the US resumed and increased, the economic, diplomatic and military contacts. Government to government contacts; meetings with NSC Adviser Brzezinski and Bazargan, Vance and Yazdi were the best examples. At the same time, the administration admitted the Shah into the US ignoring the warning of the Iran expert both in the State Department and the US' Iranian embassy. It was the result of the political gambling of the American Pahlaviates led by the Mc Cloy Rockefeller-Kissinger-Brzezinski group. Without considering the consequences of the decision,
American Pahlaviate used the misinformation, political bargaining and humanitarian appeal to the administration. Their intervention reached its peak in 1979. According to an analyst:

All this is not to say that Rockefeller interests, whatever they might be, are not legitimate and worth hearing. They were allowed to go to the front of the line, to conduct a private and quite secret dialogue as if the issue was a matter strictly between them and the government-as if it didn’t have anything to do with you, me, and, of course the people in the embassy in Tehran. Somehow we all got excluded. A decision was made, a plane allowed to land, and the Shah of Iran got out. There was something else instead. He had a friend at Chase Manhattan.8

Thus, unofficial and informal groups exerted enormous influence in the shaping of US-Iranian policy. Most powerful among them were businessmen, bankers, high-ranking retired diplomats, intelligence operative etc. This pattern of policy making process was reinforced by the Reagen administration in its Iranian initiative. Carter who had his own political and foreign policy motives succumbed to this pressure. Above all the administration officials miscalculated that the real authority rested with the moderate not with the clerics led by Ayatollah Khomeini. The administration failed to fully comprehend the strength of religious opposition. To destroy any US-moderate alliance and the latter’s succession in Tehran, religious radicals captured the US citizens as hostages. Vance later stated; “we dissipated our potential influence by trying to breath life into imperial constitution rather than seeking to mediate an understanding among the army, the political establishment, and the Khomeini controlled opposition”9

It showed that the administration was complacent and unwilling to envisage on Iran without the Shah. The hostage crisis was thus the result of the misjudgment about the revolutionary Iranian domestic political conditions and political manipulations.

The hostage crisis got embroiled in the raging political battle for political supremacy in Iran and in the electoral politics of the US. The year 1980 was the year of presidential election. Carter’s management of the crisis was intended to derive maximum political benefits from it. His election strategy was wholly centered around the crisis. Instead of dealing with the crisis as a mere foreign policy dispute between two governments which involved a few foreign policy officials, Carter made it a national issue, by refusing to campaign until the hostages were released. Keeping the crisis in the centre stage of 1980 Presidential election helped to emotionally involve all the Americans and the media. It only helped to heighten the popular frustration over the failure of the US attempts to resolve the crisis and limited the administration’s ability to deal with it.

In an attempt to manage the hostage crisis, the administration adopted the two track strategy: (1) negotiation with Iranians and (2) international economic, diplomatic, legal and political pressure. The US was negotiating throughout the crisis with the moderates but none of them either had mass support or the will to act decisively. The administration’s subsequent attempt to pressurise the religious revolutionaries holding the hostages failed. The revolutionaries were not much concerned about international public opinion or Iranian economy but only about the consolidation of the revolution for which the hostages were a valuable asset. Thus the administration was left with only one policy option; a rescue mission. However the decision was greatly influenced by the political consideration of White House staff and NSC that a successful rescue operation would altogether enhance and ensure Carter’s re-election prospects. As a result many military requirements became secondary in the decision making process and many fundamental and technical mistakes of the rescue plan slipped into the mission without any political scrutiny. It ended in the failure of the mission.
Later changes in American political leadership along with the political development in Iran marked by the triumph of the religious radicals over the moderates and their desire to consolidate the revolution against the US economic and diplomatic leverage finally brought the resolution of the crisis on 20 January 1981. Iran realized that holding the hostages in the changed political circumstances could bring unacceptable damage to it.

**Policy Vaccillations**

Meanwhile the outbreak of Iran - Iraq war presented a new foreign policy dilemma to the Carter administration because it involved the protection of major US interests such as (1) the prevention of any disruption of Gulf oil shipments to the West (2) the security of the oil producing Arab governments in the area, (3) prevention of any further expansion of soviet influence in the region as a whole and in Iran and Iraq in particular which would deny an opportunity for the US to build relations with both countries in future.

The US did not have any meaningful influence on either states to influence the course of the fighting. Hence the Carter administration was compelled to adopt a policy of neutrality, by ruling out direct US military intervention except in the event of an attempted Iranian blockade of the Strait of Hormuz. However, within twenty four hours of the administration’s declaration of neutrality the leaders of Saudi Arabia requested US military assistance against possible Iranian attack and the administration dispatched four AWACS. The dispatch was intended as a psychological deterrent to Iran. At the same time the US also hurriedly launched an effort to strengthen its quick reaction Rapid Deployment Force (RDF). Thus by positioning more planes and ships within striking distance of the fighting, the Carter administration was trying to remind Iran that it was determined to prevent the war from shutting off the flow of oil to the
rest of the world. However, when it was thought that Iraq was planning to launch attacks against Iran from Oman and Saudi Arabia, the Carter administration planned to discourage these two countries from becoming militarily involved to contain the conflict.\textsuperscript{10} It was a move in favor of Iran.

The Carter administration took a pro-Iranian policy in the Iran-Iraq war. In expressing this concern, Carter said that Iraqi forces had exceeded the war goal, which was to take control of the Shat al-Arab waterway. According to him "... the carving out of a part of Iran to be separated from the rest would not be in our interest."\textsuperscript{11} It was thought that in such an eventuality Iran would be plunged into a civil war and the Soviet Union would intervene, either directly or indirectly. With these possibilities in mind, the Carter administration was increasingly tempted to abandon the neutrality and supplied Iran with the spare parts desperately needed to operate its American made military arsenal. Carter's advisers like Zbigniew Brzezinski argued that since Iraq was receiving spare parts for her Soviet made equipment, the US should correct the imbalance by supplying the needed spare parts to Iran, which would prevent the collapse of Iran. They believed that Khomeini regime was more anti-Soviet than anti-American. In addition, Carter administration officials perceived that the offer of spare parts in exchange for the hostage's release would ensure Carter's re-election.

Notwithstanding poor US-Iranian relations and the general consensus among the American foreign policy establishment that Iran constituted the greater danger to regional stability, the US was strongly opposed to any dismemberment of Iran. They believed that Iranian disintegration would strengthen Iraq's regional influence and increase the scope of Soviet penetration. However, Carter's hopes were dashed as by this time the war had


\textsuperscript{11} \textit{New York Times} 19 October 1980.
reached a stalemate and Iran appeared to be in less danger. At the same time spare parts were easily available at the international arms markets and also from the third world countries. Above all the Reagan's campaign office secretly struck a deal with the Iranian emissaries to withhold the hostages release until the completion of the presidential election and also promised the supply of spare parts for the same. Thus throughout this period Carter was following contradictory policy towards Iran to re-establish its lost influence by enlisting the revolutionary regime in anti-Soviet bloc and for his political expediency in home by giving scant regard to Iranian political dynamics. At the end Carter administration not only lost Iran but also the White House.

The System Persists: Reagan Follows Predecessors Policies

Eventhough, Reagan administration was highly critical about Carter's policy towards the Shah and the revolutionary regime and advocated sanctions and stern actions during the election campaign, after assuming power in the White House, he followed the preceding Carter administration policies without serious rethinking. By that time the hostage crisis had come to an end, both the countries entered into a complex and tedious process of negotiations regarding the resolutions of the claims of individual Americans against the government of Iran. It soon became evident that both the states were least interested in the negotiations. At the same time Iran's relations with the Soviet Union were hardly close because of antagonism towards the Soviet occupation of Afghan and Afghan refugees numbering a million. Despite the improvement in the Soviet-Iranian trade relations Tehran was unwilling to integrate with the Soviet bloc and looked at Soviet Union with suspicion. Above all with regard to the region, the stalemate in the Iran - Iraq war reduced Iranian threats substantially because the halting and then reversing the momentum of Iraq forces was an all consuming task for the Iranian military to direct its attention else where. Even if Iran's
potential for influencing internal political developments within the Arab states was substantial, Iran lacked a strong institutional base and strategy to spread its version of Islamic Revolution. Thus in the eyes of the Reagan administration, the threat of Iranian Islamic movement to the US interests and also to Arab regimes were moderate. Therefore Reagan continued Carter’s policy of neutrality and accommodation towards Iran.

Reagan who was highly critical about the Carter administration strategy for Gulf security adopted the same policy and contemplated an even more ambitious military plan for Gulf security because it regarded the absence of a powerful American military presence as a tacit invitation to Soviet intervention. The new activist phase of US Gulf policy was the logical extension of the policy defined by President Carter in the wake of a threefold crisis in South-West Asia such as OPEC induced oil price spirals, Iranian revolution and hostage crisis along with Soviet invasion of Afghanistan. Thus the Reagan administration accepted the Carter Doctrine and created a permanent military Command known as the US Central Command for West Asia (CENTCOM) and the RDF was brought under its control. It shows that the administration took more serious view about both the Soviet and Iranian threat and contemplated to contain it directly in the absence of any reliable surrogate power to protect its interest in the region. When it realized that RDF and CENTCOM alone could not contain the political fallout of Iranian revolution and Iran-Iraq war due to the reluctance of its Arab allies to station the US forces in its soil, the administration promoted the formation of GCC as a local deterrent against Iranian aggression and expansionism.

Irrespective of their difference and disagreement towards the US, the GCC states were inherently disposed towards the US because of the pro-Western mentality of the ruling elite in the Gulf and their dependance on US weapon systems for their security. In addition, the diversity of the member states also helped to pursue a double strategy
of giving substantial material aid to Iraq while maintaining channels of communication to Iran in the hope that this would reduce the possibility of military retaliation by it. In the event the local defenses failed to deter Iranian aggression the option of military intervention by the US was always there. It was expected that in such a situation the military intervention would be more popular and acceptable to the Gulf states. In such an event the principal organization responsible for protecting US security interest in the region was USCENTCOM.

**Policy of Convenience: Support to Iraq to Contain Iran**

The successful Iranian military campaigns of 1982 and the subsequent offensives against Iraq moved the Reagan administration to support Iraq to contain an Iranian victory. As a result the US removed Iraq from its list of countries considered supportive of international terrorism in 1982. High level American officials began to visit Baghdad, by late 1983 and the US extended Iraq approximately $2 billion in commodity credits. 1984 onwards Iraq was benefiting from intelligence provided by AWACS aircraft flown by American pilots based in Saudi Arabia. On 26 November 1984, the US restored diplomatic relations with Iraq after seventeen years. When Iraq fired exocet sea skimming missiles struck the American frigate USS stark in the Persian Gulf, the Reagan administration quickly accepted the official Iraqi statement that the attack was accidental. President Reagan afterwards blamed Iran by saying “Iran is the real villain in the piece.” Later the administration issued a series of sharp warnings to Iran. In the May 27, 1987, press conference, the President crudely referred to Iran as a “barbaric country.”

These words and deeds increased Iran’s alienation from America. To Iran’s leaders, the United States was continuing its hostile, counter revolutionary policy and

apparently intended to use every means at its disposal to destroy the Islamic Republic. Iran's leaders often referred to what they considered an obvious American double standard because the US neither condemned Iraq's original attack in 1980 nor it did say a word about the brutally repressive regime of Saddam. On the other hand it consistently criticized Iran's counter offensive and sharply condemned revolutionary Iran's justice. While it pledged to protect shipping in the Gulf from Iranian attacks, the US tolerated the much more frequent Iraqi attacks in the northern Gulf by Iraq.

The Reagan administration also carried out policies that were directed against the revolution. These included financing two paramilitary units of Iranian exiles in eastern Turkey adjacent to Iran and also providing several million dollars a year to Iranian exile groups to work together to set up a radio station to broadcast anti-government information to politically destabilize them. The revolutionary regime that took power from the Shah had been fundamentally anti-American both in its ideology and in its efforts to undermine US interests in the region by spreading its revolutionary influence and threatening friendly regimes of the Gulf Arab states. In these circumstances American interests had dictated the overthrow of the radical regime at any cost or at least contain or weaken it from spreading its revolutionary influence in the region.

Iraq, which had been the only real Soviet client in the Gulf sub region increasingly turned against its former ally USSR. Baghdad complained about insufficient Soviet help, banned the Iraqi Communist party, criticized the Soviet invasion of Afghanistan and turned more and more to the West for weapons and goods. The war made Iraq financially dependent on the GCC and eager to improve relation with Washington. During the course of the war, Iraqi foreign policy exhibited elements of moderation. The US had an interest in encouraging Iraq to have improved relations

with pro-western Arab states including Egypt, better relations with the West, less reliance on the Soviet Union and reduced support for international terrorism and Arab radicalism. It prompted the State Department to adopt more positive attitude towards Iraq and hardened stand against Iran. While the Department of State vigorously followed pro-Iraqi, anti-Iran policy by endorsing the Operation staunch to prevent Iran from acquiring weapons from international arms market, a group of administration officials led by NSC Adviser Robert Mc Farlane were actively pursuing a self contradictory policy of arms sales.

**Fight for Policy Options:Contradictory Policies**

A small group of high ranking NSC officials started to implement their own policy towards Iran with cooperation of CIA Director William Casey. These officials sought to sell Iran badly needed arms and spare parts. In return Iran was expected to assist in the release of American hostages held in Lebanon. All this was done in the guise to improve US-Iranian relations. This program ran directly counter to the administration’s official policy yet it received the formal approval of President Reagan through the 17 January 1986 Presidential finding.

The secret rapproachment was spearheaded initially by National Security Adviser McFarlane through Michael Ledeen a Private citizen and a NSC consultant who maintained close Israeli connections. Israelis - Ledeen nexus prompted the NSC to work with Manucher Ghorbanifar an Iranian citizen and private entrepreneur who had been a former employee of SAVAK. Although had been distrusted and considered unreliable by American and Israeli intelligence communities, yet he continued to represent America’s line to Iran. Part of the reason for his continuation was the confidence of Israel and Ledeen, who described him as a “wonderful man ... almost too good to be true” and “one of those rare individuals who understands not only the
subtleties of his own culture but our as well". However the polygraph report concluded that "Ghorbanifar is clearly a fabricator and wheeler dealer who has under activities prejudicial to US interests." The lack of any credible human intelligence compelled the administration officials to use the individuals of dubious reputation. Therefore the US participants decided to rely on him.

After Mc Farlane’s departure from the NSC his successor John M. Poindexter, entrusted his staff member Oliver North to carry out the plan forward. The key event in the project occurred on 25 May 1986, when North, MC Farlane, then a private citizen, NSC Middle East adviser Howard Teicher, Israeli Amiram Nir, George cave of the CIA and others flew into Teheran to exchange arms for American hostage in Lebanon. With the partial exception of Cave who was brought into the project rather late, Iranian expertise was notably absent. Government’s Iran specialists in the middle echelons of the Department of State had been kept out of the initiative both by Shultz’s adamant opposition to any rapprochement with Iran and by the understanding at the NSC that such individuals would only oppose the project. Thus the plan was cobbled together in an atmosphere of secrecy, arrogance and ignorance. The various participants were involved in the initiative with a number of complex, contradictory and interrelated considerations rather than any major foreign policy objective.

The review of the affair shows that the initiative was pursued primarily for strategic reasons. The US officials especially NSC staff believed that it was imperative for the US to try to improve relations with some of the important factions in Iran. To

explore the chance for an opening they decided to sell arms to Iran. It was based on the same old threat perception that the US and Iran had a common interest in opposing the Soviet expansion. But the US policy makers did not examine the key question that whether the revolutionary Iranian leadership actually felt enough of a common interest to establish a strategic dialogue based on the Soviet invasion of Afghanistan. Instead of raising such critical questions, the US based its search for new relationship entirely on the Soviet threat to its own interests in the region and the critical role of Iran to contain it. For US, Iran was in a strategic position potentially to dominate the world’s largest proven oil reserves and threaten the vulnerable pro-Western states of the Gulf littoral. For the same reason Iran was of critical interest to the Soviet Union which in addition to seeking access to and control of the West’s oil supplies, continued its historic quest for a warm water port. The US recognized these critical and competing interests since the end of the second World war. President Truman had threatened military action against the Soviet Union to withdraw from the areas of Northern Iran, it had occupied during the war. Since then the US maintained a naval presence in the Persian Gulf to defend its interests. It is because Iran dominated the entire eastern shore of the Persian Gulf. It controlled the Strait at Hormuz and could threaten the free flow of oil from the Gulf. In 1987, as part of its effort to disrupt non-Iranian shipping traffic in the Gulf, Iran used anti-ship missiles and other munitions to attack neutral oil tankers and laid mines throughout the Gulf. The US had to deploy the warships to ensure the flow of oil. Although less than six percent of US oil consumption transists through the Gulf, 24 percent of Western Europe’s oil and almost half of Japan’s total oil pass through the Strait of Hormuz. Iran alone supplied only five percent of
Western Europe’s and Japan’s oil. The increased oil production elsewhere in the world, and the opening of new pipelines to take oil through Turkey, Iran and Saudi Arabia had reduced the Gulf’s relative importance. Even so, Iran remained as a serious disruptive force to the Western interests.

It was feared that an aggressive Iran could promote anti-Western Shi’ite fundamentalism throughout the Middle East threatening the key US allies such as Israel, Egypt, Turkey and Saudi Arabia. Therefore any anti-American political developments in Iran raised the strategic stakes in the Persian Gulf region and gave the Soviet Union the chance to expand its influence in the area. The US feared that a Soviet dominated Iran would pose an even greater threat to Western interests than the radical regime.

The Soviet presence in Afghanistan provided an advantageous position to the Soviets to meddle with in the post-Khomeni Iran. Against this background the Reagan Administration officials, especially, Graham Fuller, the CIA’s National intelligence Officer for Near East and South Africa, emphasized the urgent need to befriend Iran. This concern was reinforced by the reports about construction of the possible Soviet intelligence sites, pipeline and railroad through Iran. The main US strategic objectives sought to be achieved through the initiative were: (1) establish a new US relationship with Iran to strengthen the US strategic posture throughout the Persian Gulf, (2) counter Soviet influence in Iran (3) lessen Iran’s dependence on the Soviet Union and other communist nations as arms supplier, (4) wean the Iranian regime away from terrorism, (5) encourage a negotiated settlement of the Iran-Iraq war, (6) protect the northern tier countries - Pakistan, India and their neighbours and encourage their interest in supporting the Afghan resistance forces, (7) protect the southern tier
countries - Saudi Arabia, Kuwait, Jordan, Israel and Egypt, (8) improve US intelligence capabilities in Iran, and (9) discourage Iranian arms exports to Nicaragua. The administration felt was it crucial to make some inroads into Iran to protect these interests before Iran became embroiled in a succession crisis. Therefore it sought to utilize the opportunity offered by Israel.

**Wishful Thinking and Factionalism in Policy Making**

At the meetings with the Iranians at various times the US officials sought consistently to make clear that it was interested in long-term strategic relationship with Iran to contain the Soviet threat. The hostage issue was presented as an obstacle to an enhanced relationship not as the objective of the initiative. North made an extensive presentation to this effect in February 1986. Former NSC Adviser McFarlane also made a similar presentation in Tehran in May the same year. But the Iranian officials, middle men and Israelis were interested only in weapons, and in using the hostages for bargaining leverage. The full extent of the difference between these approaches was finally made obvious to the US at the meeting in Tehran. Ghorbanifar misled both sides in the preparations for that meeting. Thus, initial dealings with the Iranian government were undermined by the unreliability of the intermediary, Ghorbanifar. Since then after completing the transactions already under way the US officials shifted to a second channel arranged by Albert Hakim and his associates. The contact- second Iranian was a representative of speaker Rafsanjani. But he too soley concentrated the entire discussion with the Americans on arms for hostage deal. It generated a domestic faction feud in Iran. The faction led by Ayatollah Montazeri came to know about the secret deals from the estranged US middleman Ghorbanifar.
who nursed grudges against his expulsion from the second channel negotiations. Subsequently the Montazeri faction disclosed the negotiations not only for the exclusion from the discussion which weakened them but also as a retaliation for the arrest of several of its leaders. Consequent factional warfare within Iran and the US public response effectively ended the covert operation. Thus Reagan administration’s attempt to narrow the differences stemming from the Iranian revolution and the intervening years of hostility ended in failure, and marked the beginning of a new era of confrontationist policies.

Both sides confronted sharp internal divisions over the issues of rapprochement. More clearly, the participants had different and conflicting motives. By agreeing and endorsing the use of arms sales as a tactic, the US officials degenerated the initiative as a series of arms for hostage deal. A perusal of the arms transfer to Iran and the illegal activities of the NSC staff in support of the contras were largely the result of the decisions made outside the constraints of orderly process of policy formulation. Established procedures for making national security decisions were ignored. Reviews of the initiative by all the NSC principals were too infrequent. The initiatives were not adequately vetted below the cabinet level. Intelligence resources were underutilized. Applicable legal constructions were not adequately addressed. The whole matter was handled too informally, without adequate written records of what had been considered discussed and decided.

This pattern persisted throughout the implementation of the Iran initiative. The NSC staff assumed direct operational control. The initiative fell within the

traditional jurisdictions of the Departments of State, Defence and CIA. Yet these agencies were largely ignored. Great reliance was placed on a network of private operators and intermediaries with private financial motives and business interest. The initiative that was supposed to chart the course of U.S.-Iranian relations had been put in the hands of private citizens like Ghorbanifar and Albert Hakim who had lived most of their life in Iran, lacked any background in diplomatic negotiations and stood by their own estimate to make millions of dollars from the agreement they were negotiating. Almost all of them were with dubious track records. How the initiative was to be carried out or its progress assessed never received adequate evaluation from the NSC or any other agency or group. The principal players in NSC were secretive and deceptive to avoid the possibility of any disclosure which it feared would bring political reprisals. It was a fundamental mistake from the side of the NSC staff. Thus the initiative became a covert operation directly at odds with the well published policies followed by the Department of State.

Eventhough the main objective was the strategic opening to Iran, almost from the beginning the initiative became a series of arms - for - hostages deals. In July 1985 specific proposal for the sale of 100 TOW to Iran in exchange for Iranian efforts to secure the release of all the hostages had been discussed with the President. All the subsequent shipments especially November shipment was directly tied to the hostage.

It was clearly tempting. The sale of just 100 TOW was to produce the release of all seven hostages. However, it did not produce the hostages as promised but on the other hand the price went up and the arrangements became protracted. A pattern of successive bargained exchanges of arms and hostages was quickly established. It
also created an incentive for further hostage taking. In fact the release of three hostages over a period of an year and a half send a message to the terrorists that American citizens were the currency which US would accept if they wished to purchase weapons. The US had allowed these shipment of arms to Iran and each related to the release of one hostage. During this period three more hostages had been taken. It was in fact a commerce without end. Thus it proved that the sale of arms was not the appropriate vehicle to achieve either better relations or hostage release.

**Sentimentalism and Institutional Failure**

The Iranians, the NSC staff and middlemen exploited the President’s concern about the hostages to achieve their diverse end. They told the President what he wanted to hear and they put it up in geostrategic terms. They did not inform the Secretary of the State and the Defence and all others who had constitutional responsibilities to advise the President. As responsible officials of foreign policy apparatus, NSC staff should have kept the President fully informed and warned him of the legal and constitutional problems created by the actions taken. On the contrary they even did not convey to the President that the intelligence about Iran was obtained from parties with strong interests and biases of their own.

Following the initial hostage release in September 1985, it was after 10 months that another hostage was released. This was despite the recurring promises of the release of all the hostages and four intervening arms shipments. Any of these developments could have served as a useful occasion for a systematic reconsideration of the initiative. One of the schemes contained a provision for reconsideration of the entire
operations if it proved a failure. The reconsideration never took place. It was the responsibility of the National Security Adviser and his staff to call for such a review and to ensure that the President was adequately served. They could have deterred the President from a highly questionable course of action against the officially declared policies of the administration. But they were very much involved in the initiative both as advocates and as implementers which made the review and reconsideration an impossible task.

Thus in the Iran initiative the NSC process of providing comprehensive analysis, alternatives and follow up actions were not utilized. At the same time the President did not even insisted for a performance review. None of the NSC principals called for reexamination of the Iran initiative either by the NSC or by a disinterested group of foreign policy or intelligence experts. The intelligence or legal questions were not addressed. None of them demanded thorough examination of the manner of execution of the initiative. While NSC principals Shultz and Weinberger knew that something was amiss they did not pursue the matter vigorously.

Mc Farlane appeared caught between a President who supported the initiative and the cabinet officers who strongly opposed it. Vice-Admiral Poindexter sought to exclude the NSC principals other than the President from knowledge of the initiatives. On many occasions he misled the Secretary of State Shultz and Secretary of Defence Weinberger. As NSC Adviser, Poindexter failed on the matter of contra diversion. His clear obligation was either to investigate the matter or take it to the President or both. He did neither. CIA Director Casey shared a similar responsibility. He wanted to overcome the restrictions imposed by the Boland Amendments on CIA to engage the contra side of the operations. It provided the
CIA with a plausible deniability of any illegal involvement in Nicaraguan affairs. Since North and his operatives functioned largely outside of the US Government their activities were not subject to the critical reviews of any kind. Therefore, he was entrusted with the task of counter terrorism, contras, the hostages in Lebanon and the strategic opening to Iran with the strong backing of Casey.

Given the importance of the issues and the sharp policy divergence involved, Secretary Shultz and Secretary Weinberger should not have distanced themselves from the initiative. Shultz, while opposing the arms sales did not pressurize the administration to follow the official policy. On the other hand he specifically requested to be informed only as necessary to perform his job. Like Shultz, Weinberger who had access through intelligence details about the operations initially counselled against the initiative yet became progressively implicated in it. He gave up his opposition and made himself an accessory by legalistically preferring one way of getting the missiles to Iran to another he became a hostage to a policy that he detested. Their obligation was to give the President their full support and continued advice with respect to the programme. Instead they simply distanced themselves from the programme to protect their own positions. They were not energetic enough in attempting to protect the President from the consequences of his personal commitment to freeing the hostages. At the same time Shultz maintained silence in some critical moments by hoping for hostage release. He admitted it by saying, “As I returned to the State Department, I felt that I had become the most unpopular man in touch. I was in a quandary, however, because of

Poindexter’s assertion that hostages would be released in a few days. I feared doing anything that might block an imminent release.”

It is clear from his statement that while opposing the Iranian initiative Shultz did not push hard to insist on a policy review. He too was swayed by emotions evoked by the hostage issue. The Iran initiative directly went against operation staunch and other State Department programmes. He had more reason to insist on an active role, and more solid reason than Weinberger to think the initiative might not turn counter to the official positions of Department of State. In fact by distancing at crucial times he virtually presented a free hand to NSC to run the Iranian policy. Thus in this beleaguered infighting in the US foreign policy set up over Iranian policy, the NSC got a freehand with the active support of the President. Shultz later wrote that “President Reagan in his desire to free the hostages had allowed himself to be sold a bill of goods. Poindexter had fabricated a high-toned rationale for a sordid swap, and the president had accepted it. ‘Iran is playing us for sucker’s I said ‘and we are paying extortion money to them.’”

Like his predecessor Carter, President Reagan’s compassion and personal obsession about the safety of the hostages created a sense of urgency that skewed the US negotiating tactics. Therefore Poindexter and Casey not only decided to proceed with the negotiations despite the repeated disappointment but also entrusted lower level officials to carry on the mission who in turn manipulated by arms merchants, middlemen, countries like Israel and finally the adversary, the Iranians itself. Unlike


19. ibid.
the State Department the NSC lacked operation experience, and personnel expertise for a policy judgement. Therefore in the face of the State and the Defense departments opposition it adopted an excessive secret course of action. It feared that any possible leak of operation would undermine the ongoing negotiations and the very life of the hostages. To a great extent, this obsession with secrecy prevented the NSC from notifying the operation to the Congress. In fact it was the same reasoning that led the Carter Administration to the identical decision not to report rescue mission operations during the 1979-1980 hostage crisis. As a result both of them ended in failure and resulted in new crisis.

In Iran initiatives, the administration officials rushed into ill-conceived policies without sufficiently considering how Iran might react. It was born out of the lack of understanding of revolutionary Iran, the historical and cultural forces shaping its foreign policy, and the nature of Iranian attitude towards the US. This lack of forethought and understanding resulted in the high risk policy initiatives without adequate policy discussions among experts. The opinion of the Department of State, Defence, the professional intelligence officials and diplomats with the primary foreign policy making institutions were not ascertained. Therefore, the US misperception of the situation in Iran had not even been consistent. Wildly differing estimates of Iran were given by administration officials during the initiatives. Between 1984 and 1986, it was alternately claimed that Khomeini’s Iran was on the brink of collapse, and that the Islamic Republic was powerful and important enough to merit a partial US-Iranian alliance against the Soviet Union and its forces in Afghanistan.
Cold War Mind Set: Soviet Centric Policies

A tendency to view the Gulf through the cold War mind set produced policies based on a fear psychosis about soviet intentions. It feared that a pro-soviet Iran might attempt to take control of the region and its vital oil export capacities. This concern resulted in more precipitous and ill-conceived actions than in rational planning. Therefore, administration officials tried to scare Iran with false intelligence about Soviet troops massing on their borders. During the Tehran visit, North tried to encourage technical cooperation on intelligence work in Iran to be used against the Soviets. George Cave, CIA Iran specialist who accompanied North and Mc Farlane, took along a large amount of briefing material about the Soviets. The idea was based on cold war vision that a government was either pro-American or pro-Soviet, and not dare to become hostile to both as was Iran. Foreign policy was seen to revolve around efforts to enlist other countries as allies in the US struggle to contain Soviet influence. Thus the administration failed to understand Iran's neither 'East nor West' slogan seriously. It led to the wrong notion that the Iranians would fall in line with the US strategic aims in return for a few shipments of weapons. In fact revolutionary regime was determined to avoid long tern identification with either super power to safeguard its identity. At the same time Iran was willing to enter into temporary tactical agreements with either the Soviets or the Americans if such action was to be in its own interest. Above all Iranians viewed the US as the more aggressive superpower and believed the Soviet Union did not have any intention of invading or attacking them. Accordingly it moved closer to the Soviets than the US. This made the US aims of long term US-Iranian cooperation illusory.
It proved beyond doubt that officials like Mc Farlane and North who argued that there were strategic, anti-Soviet reasons to sell arms appeared to have closed their eyes to the obvious realities that the weapons were going to the Iranian government and army for use in the war against Iraq not on the borders with the Soviet Union. Iranian negotiators, themselves once made it clear to the Americans that any talk on strategic or go-political aspects were premature. However the obsession with the Soviet Union which was, once a constant concern of Carter’s National Security Council was also carried on by Reagan administration.

The negotiations and the Iranian’s demands clearly showed that the participants in the initiative appeared to have held three distinct views. For some, the principal motivation seemed consistently a strategic opening to Iran. For others, the strategic opening become a rationale for using arms sales to obtain the release of the hostages. For still others, the initiative appeared clearly as profiteering through arms. Thus whatever be the intent, almost from the beginning the initiative had become in fact a series of arms - for hostages deal.

The US policymakers had been misled not only by their own anti-Sovietism but also in dealing with the distinct and opposing factors in the Iranian Government particularly the moderates who had adhered to a pro-Western and anti-Soviet orientation. In fact the modifications in foreign policy had occurred without any change in status among the Iranian ruling clique, chiefly Khameini, Parliament Speaker Ali Akbar Hashemi Rafsanjani, President Sayed Ali Khomeini, and Prime Minister Mir Hosain Musavi. For several years, this ruling group had shown a remarkable stability, endured through significant foreign policy shifts. These shifts were based on changed assessment of international situation than with internal power struggles. A prime example of such a foreign policy shift was seen in the 1985 - 1986 dealing with the
U.S. which resulted first in a less aggressive international posture and subsequently in a renewed hard line stance following the revelation of the Iran-contra affair. Therefore it was impossible to judge how much any leader was sincerely 'moderate' anti-Soviet or 'pro-American' Infact none of these labels fitted to any of them. Khomeini was firmly in power and only he had the power to initiate a rapprochement with the US or even to offer such a suggestion for debate. However there were leaders like Rafsanjani who were pragmatic and welcomed improved relations with the US provided they could be achieved without abandoning the fundamental principles of the Iranian revolution. The argument of the US officials that they were dealing only with the moderates for the release of hostages to exert influence on Hizbollah radicals was self deceptionary because only the Iranian extremist had leverage over them.

With the revelation of Iran-Contra affairs, the US reversed its policy of covert action of conciliation into an overt action of confrontation which had hardly been the improvement of Iran policy. On the contrary the lack of reflection and understanding of the local situation demonstrated in the arms for hostages dealings had been reaffirmed, with new cast of characters and a new ideological fix in the Persian Gulf initiative. The determinant of new policy too was anti Sovietism. A State Department pamphlet of July 1987 succinctly highlighted the anti-Soviet motive for the US entry into the Gulf. “American interests in the Persian Gulf have long been readily defined. We have an overriding strategic interest in denying the Soviet Union either direct control or increased influence over the region or any of its states.”20 Renewed preoccupation with Moscow’s regional intentions together with anger against Iran after Iran-contra revelation was aimed to reassure Arab states. It

compelled the US to adopt a policy of confrontation with Iran.

Understanding the US dilemma, Kuwait a de facto ally of Iraq, asked both the US and the Soviet Union to reflag and escort its tankers, which Iran was attacking in retaliation for Iraqi naval attacks. Kuwait, like Iraq had an interest in internationalizing the war by drawing in the two superpowers, which could help to prevent an Iranian victory. The administration’s swift decision to reflag Kuwait ships was intended to counter the Soviet’s positive response to Kuwait’s request.

Kuwait was thus able to manipulate the US alarm about the Soviets to its own ends of reducing or ending Iranian attacks on its ships. US Policy was clearly responding more to a desire to bring back the credibility lost in the Iran - Contra affair than to any thoughtful evaluation of US interests. Then came Iraq’s attack on the US Stark on 17 May 1987, which some thought was deliberately designed to bring US forces into the Gulf. Until the Stark incident, US political leadership had thought the reflagging and escorting could be done without extra ships, but the attack resulted in the dispatch of a huge American armada by escalating tensions between Iran and the US. Iraq and its allies knew well that Irangate would compel the US to go for an uncompromising hard line, anti-Iranian position in the war, especially to please its Arab allies who at the sometime did not want to get drawn them into hostilities with Iran.

Thus, in all sense the United States became an ally of Iraq which had hardly been conducive to regional stability. Violence in the Gulf had increased ever since US sent its forces to the Gulf. There had been numerous Iraqi attacks on Iran bound shipping to which US had done nothing to stop. Despite its own repeated statements that US policies were aimed to halt the tanker war, the US presence facilitated and intensified the Iraqi attacks. Although in late 1987, there were signs that both Iran and the US were avoiding provocations, Iraq could well decide to create an anonymous incident such as terrorist action, or laying mines, that could bring US into direct hostilities with Iran.
Even in strategic terms the US defacto alliance with Iraq was problematic little sense. Iran is a far larger, more popular, and more important country than Iraq. The US policies encouraged only Iran’s increasing ascendancy of hard line policies within the Iranian government. The US compensatory tilt towards Iraq ended up damaging US interests as much as the prior tilt towards Iran. Confusion over goals had been as extreme in the Gulf as in Irangate. According to a report on US Gulf policy produced for the Senate Foreign Relations Committee in October 1987, none of the ostensible rationales of US Gulf policy had worked out. In fact the US had achieved the opposite of what it wanted. The administration offered, three main rationales for its Gulf policy, ensuring the free flow of oil, defending freedom of navigation, and preventing Soviet encroachments. Oil supplies had never been in danger and the world faced a glut, not a shortage of oil. Interference with the flow of oil in the Iran-Iraq war had affected only about one percent oil exports. This did not endanger the US imports, while the US allies whom it could affect had been far more reluctant than the US to send ships to Gulf. A constantly increasing percentage of Gulf produced oil moved by pipline, including all Iraqi and much of Saudi oil, which made the Gulf less crucial to the world’s oil supply than it used to be. The presence of under-utilized sources of oil far from the Gulf area had a similar effect.

With regard to freedom of navigation few of the gulf’s total ships were protected by the U.S. presence. Thus it only had a minimum positive effect on Gulf shipping. On the contrary, it had a negative impact on shipping; since then Iranians became far more active than before and Iraq likewise stepped up its anti-Iranian attacks. Shipping thus became riskier than ever before. Iran’s activity in the Gulf before the US entry was almost entirely in retaliation for Iraqi attacks on tankers bound for Iran. The Iranians were the party most interested in keeping the Gulf open to shipping. It had been Iraq not Iran, that over the years had attacked and disrupted most of the shipping, because Iran depended completely on the Gulf and the Strait of Hormuz to export all
its oil, while Iraq transported its oil through the pipeline. The US could have done far more to pacify the Gulf if that was what it really wanted to do, by persuading Iraq to stop its attacks on Iranian shipping. But Iraqis did not want to do this without a concrete move towards settlement of the war.

The prospects for Soviet advances were limited by the weariness with which most states in the region regarded the Soviets. Nevertheless, US Gulf policy had backfired in that it had clearly increased Soviet influence in Iran. It led to a more frequent conferring between the Soviet and Iranian leaders and especially in the Friday sermons the denunciations of the Soviet’s had been replaced with compliments. Thus it helped only in pushing Iran towards better relations with the Soviets. The US perception of a growing Soviet naval threat in the Gulf was inaccurate. There had in fact, been a very small and stable Soviet naval presence in the Gulf for several years, and the Soviet decision to reflag a few Kuwait tankers did not mark an increase in this presence. Soviet policy was not aimed at increasing naval strength in the Gulf, but rather to improve its relations with Gulf states. The US over looked this political and diplomatic reality and reacted instead to a nonexistent Soviet naval threat. It was yet another example of stereotyped and self defeating anti-Sovietism in developing in its policy towards the region in general and Iran in particular.

**Impact and Implications**

In the end the US policies and involvement in the Gulf was successful in containing Iran and putting an end to a prolonged war. However it had a counter productive effect on the US-Iranian relations. It not only pushed Iran to embrace more hard-line positions against the US but also created another powerful enemy - “rougue state” - in the Gulf, Iraq, which it confronted in 1992 over the question of Kuwait invasion. Since then both US and Iran failed to develop a foreign policy to
understand each others point of view and re-establish their relations. Instead, both
developed a foreign policy of confrontation, hatred, ignorance and emotion. As a
result the impact of the Iranian revolution continued to reverberate throughout the
Middle East and the Islamic world as a source of ever growing tide of Islamic
fundamentalism and anti-Americanism.

This study points out that the US for its part should realize that this period of
stress in dealing with Iran constitutes an invaluable lesson for international relations
of the future. The nations of the world today do not conform to the narrow US foreign
policy mythology of East-West confrontation, especially after the collapse of the
Soviet political order. As world politics becomes more multi centered, it will be
necessary for American foreign policy making institutions to deal with the nations of
the world on one to one basis, taking their cultural sensibilities into account. Labelling
nations and their leaders "criminal", "outlaw" or "crazy" because the cultural
underpinnings of their actions does not help to understand those political systems or
to promote real solutions to political differences thus creates problems in the world
today. In this context an appreciation of US-Iranian relations indicates that the US
cannot hope to regain the position and level of influence it had under the Shah. But
it can certainly build better relations with Iran through diplomatic, economic and
people to people contacts by understanding, accepting and respecting the domestic,
social, political and religious sensitivities of Iranian polity.