Iran is a country with significant resources and potential, including a large population, a sizeable military force, the longest coastline with the Persian Gulf than any other single state in the area and a unique geographical location in strategic terms.

The Gulf figured high on Iran's foreign policy agenda especially in the wake of Britain's announcement to withdraw from the Persian Gulf region by the end of 1971. President Abd al-Nasser's threat to the region and his intrusion into North Yemen awakened all the so-called conservative regimes of the Gulf state to their shared distaste and apprehension for his brand of revolutionary politics. In the mid-1960s Iran and Saudi Arabia increased their limited contacts based on this mutual apprehension. In the aftermath of the Suez crisis of 1956 the British hold around the Gulf region became porous. The revolution in Iraq in 1958, Tehran's rift with Cairo in 1960 and the Kuwaiti incident of 1961, all drew Iran's attention towards the Gulf.

By the end of the decade, with the announcement of the intended British withdrawal from the Gulf and the formulation of the "Nixon Doctrine" in Guam in June 1969, the necessity for transforming the joint security interest of the Saudis and the Iranians into a more systematic coordination, became more apparent. The rise of Iran's influence in the Gulf, beginning in the early 1970s and the dynamics of oil politics in the region as a whole, reinforced its desire to play a more emphatic role in the
region. Despite some difficulties, by the time of Britain’s withdrawal by the end of 1971, Iran reached agreements with its neighbours on the delimitation of the continental shelf, the disposition of various islands, the relinquishment of its claim of Bahrain, the settlement of the islands (Abu Musa and the two Tumbs) issue, and the need for a regional responses to Britain’s withdrawal of military power.

The regime that replaced British paramountcy was neither formal nor particularly resilient but it worked. Between 1971 and 1979 there was a striking development of diplomatic, commercial, and cultural interaction among the Gulf states. What started off as a rather chilly and distrustful encounter between Iran and the Gulf States had evolved into a correct and even business like relationship by the time of the revolution. In the process, Arab distrust of Iran’s pretensions was magnified by the Shah’s alacrity in assisting the Sultan of Oman in quelling rebellion in the Dhofar. At the same time, Arab governments at least were impressed by the Shah’s decisiveness and apparent willingness to act in defence of his own interests. Similarly, the lingering Iran - Iraq rivalry, which led to some minor border clashes during 1974-75, showed an Iran willing to combine military pressure with limited diplomatic goals which, once achieved tended to produce an end to hostilities. Iaq was one country that had understood by 1975 that it could not with impunity indulge in intra-Arab theatrics at Iran’s cost. It had also learnt that rhetoric and bluff could prove costly.
From Iran's point of view, the decade had also been an instructive one. It had become clear that however close Iran's security interest might be to those of the Arab Gulf States, these would never be formally acknowledged by those states and certainly never see tangible expression in a formal Gulf security arrangement. Repeated Iranian offers and suggestions had stimulated no Arab response. Similarly, Arab ambivalence about Iran's size and strength ran deep; they were at once a source of concern and reassurance as to their implication of Arab security. The Gulf states' inclination to seek a "free ride" on Iran's power was rather striking. They condemned Iranian "intervention" in Oman, yet were secretly relieved at Iran's assistance; critical of the Shah's tough line with Iraq, yet secretly delighted. These lessons only reinforced the Shah's belief that Iran should be self-reliant in security matters and should not count on any natural constituency in the Arab world. On the contrary, Iran was to remain a marginal actor in inter-Arab politics and cultivate relations only with those Arab states which were stable and historically secure enough, not to feel endangered by relations with Iran.

The revolution in Iran in 1979 undid what had evolved into a tacit arrangement for assuring regions security. Following the Islamic Revolution and the threat of radicalism emanating from Tehran and its war with Iraq, Iran was virtually isolated in the area. For an entire decade one could see Iran only as a pariah in the region. It withdrew from CENTO and identified its erstwhile benefactor, the
United States, as its principal enemy.

Unnerved by the Iranian threat to export the Revolution, the Gulf states quietly put together the Gulf Cooperation Council (GCC) to confront the revolutionary Iran in a more concerted way. Iraq, on the other hand, irritated by Iran because of its threat to supplant the Ba'ath government in Baghdad with an Islamic one, decided to invade Iran (perceived weak in the wake of large-scale purges in its armed forces) both for preventive reasons and to capitalize on the opportunity to make a mark on the politics of the Gulf. Besides, the prospect of assuming leadership of the Arab world was alluring.

The menacing stand taken by the revolutionary Iran vis-a-vis its immediate neighbours, the sharp Arab polarization in favour of Iraq in its war against Iran, the hostage crisis and the anti-American stand taken by Iran virtually ensured the latter's isolation internationally as well as in the Persian Gulf region. Yet, it never lost its pivotal role in the region.

Iran was much sought after in the midst of the Kuwaiti crisis. It suddenly found itself in a balancing position. Its geographical location, size, resources and Iraq's longest border with it gave it a pivotal position.

The leadership in Terah used the crisis as an opportunity to close gaps not only with its Arab neighbours but also with the West. This was achieved by a policy largely in accord with that of anti-Iraq coalition. Iran
supported all the UN resolutions against Iraq and demanded Iraq's total and unconditional withdrawal from Kuwait. This not only placated the Americans, who, as a significant gesture, released 4.5 million dollars out of the disputed Iranian assets, but also the GCC, which at their foreign ministers' meet in Jeddah in September, expressed gratitude to Iran for cooperating in implementing the UN resolutions which was followed by one way traffic of high level GCC dignitaries to Tehran.

Iran, although opposed to the Iraqi occupation of Kuwait, was wary of the presence of foreign troops in the region. Iraq finding Iranian response as balanced unilaterally accepted Iran's terms for peace, including the principle of Thalweg in the Shall al-Arab. However, Iran made it clear that the question of peace with Iraq was independent of other issues and that Iraq must vacate Kuwait. Its policy was to condemn both Iraqi invasion and the US arms build-up. It insisted on regional solution and stated that Iran would not fight Iraq to protect Western interests in the Persian Gulf. It rather insisted on a peaceful settlement negotiated among all the Gulf states. In such a course, it visualised a prominent, possibly a dominant role, for itself.

The Kuwaiti crisis exposed the impotency of the GCC. In the post-war security environment the GCC welcomed Iran's attitude towards the security of the Persian Gulf.

However, when Tehran failed to secure a formal endorsement by the GCC states of its desire to have a major
say in the regional defence arrangements, it moved towards cultivating closer relations with the Central Asian Republics in order to break its probable isolation and to buttress its bargaining position. It also used the Abu Musa crisis to indicate that there cannot be any security in the region without Iran.

The disintegration of the Soviet Union opened new security threats to Tehran. While the US has emerged as the single dominant power, the vast hinterland of Iran lay exposed to the influence of Turkey which had launched a diplomatic offensive in Central Asian/Caucasian states. By linking itself with the Central Asian republics, Iran stretched the crisis-prone areas. The emergence of the independent Central Asian republics, some of whom had access to nuclear weapons and missiles gave rise to fear of a new wave of Islamic revivalism. Iran's growing fraternization process in the region made the US wary of Iran's intentions and it raised the bogey of Islamic fundamentalism. To curtail the growing influence of Tehran in the Central Asian region, the US encouraged Saudi Arabia and Turkey to accelerate their diplomacy in the region.

Iran, on the other hand, embarked on a massive armaments programme in the wake of GCC states reliances on the United States for security of the region.

For the first time since its revolution, Iran has emerged as an independent actor in the regional and international politics. Despite the differences in the
approach between the pragmatists and dogmatists segment of leadership, Iran has emerged stronger and holds most of the trump cards. It will continue to preserve its national security interests in the area.

In the first chapter effort has been made to analyse Iran's Gulf policy and examine the factors which led to the emergence of Iran as a dominant power in the Persian Gulf region in the aftermath of the British withdrawal from the region.

The second chapter deals with revolutionary Iran's changed perspective in the realm of foreign policy. It also seeks to analyse the impact of Islamic ideology on Iran's political process and examine the response of the Gulf states to the Iran-Iraq war besides analysing the Iranian response to the superpowers politics in the region.

The third chapter deals with the Iran - GCC relations. It also highlights the factors which led to the emergence of the GCC and the role it played in the Iran-Iraq war.

The fourth chapter looks into the post-Khomeini phase wherein the Iranian leadership made persistent effort to repair the damage done by Khomeini's confrontationist foreign policy. Also analysed is the Iranian role in the Kuwaiti crisis and its action in Abu Musa.

In the fifth chapter an attempt is made to study the post-Gulf War II security environment and the Iranian efforts to cope with it and how it has affected Iran-Gulf relations, especially in the wake of Iran's massive
rearmament strategy.

The sixth chapter contains the concluding remarks.