
Reconstruction and
regional diplomacy in the
Persian Gulf

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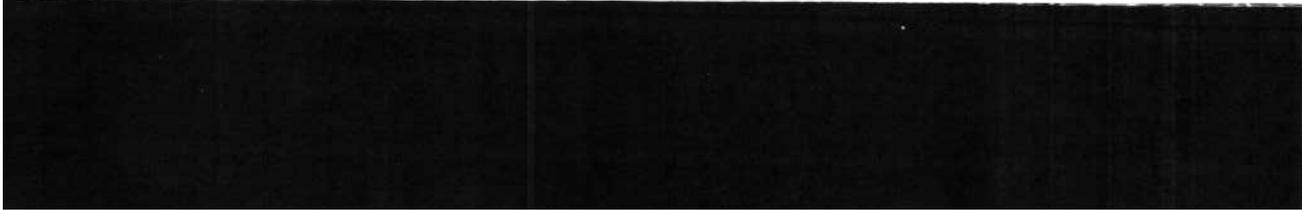
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Part I

Persian Gulf in turmoil:
political and economic
dimensions



Introduction

Hooshang Amirahmadi and Nader Entessar

The Persian Gulf is arguably the most volatile and militarized region in the Third World. The combination of political volatility and militarization has made the Gulf susceptible to outside intervention and regional power plays. The eight-year war between Iran and Iraq, Iraq's invasion and occupation of Kuwait on 2 August 1990 and the US-led war against Iraq in defence of American interests, the Saudi monarchy and the al-Sabah rule in Kuwait are concrete examples of the aforementioned reality.

The crisis in the Persian Gulf generated by Iraqi President Saddam Hussein's gamble on Kuwait has provided the United States with a window of opportunity to establish, in the words of one analyst, 'strategic bridgeheads, secure the Gulf, and ensure that it retains a virtual monopoly on global violence.'¹ US troop deployment in the region under the rubric of Operation Desert Shield, and their successful use against Iraq in Operation Desert Storm, will test the principles of the emerging Bush Doctrine. This doctrine envisions a post-Cold War global arrangement dominated by the United States, with western Europe, Japan and the former Soviet Union acting as junior partners. As stated more bluntly by Michael Vlahos, director of the US State Department's Center for the Study of Foreign Affairs:

If we marched right into Baghdad, brought Saddam Hussein back in a cage and paraded him down Pennsylvania Avenue, the world would take notice. We would have great freedom of action in the world for the next 10 to 20 years, . . . People would truly respect us, and if we said that we didn't like what they did, they'd sit up and take notice.²

Far from creating a world submissive to the will of Washington,

this hegemonic conception of the USA's re-emerging global role could, in the long run, lead to lawlessness, chaos and instability. This is especially true in the volatile region of the Middle East. Therefore, it is imperative that the littoral states of the Persian Gulf take serious steps to form regional security arrangements to guarantee the security and territorial integrity of all states in the area, and to obviate the need for any future outside military intervention which invariably will lead to disastrous consequences for the region.

When President George Bush dispatched US troops to Saudi Arabia in August 1990, he identified four goals for US policy in the region:

- 1 unconditional withdrawal of Iraqi forces from Kuwait
- 2 restoration of the al-Sabah family as the legitimate government of Kuwait
- 3 protection of the lives of American citizens in Kuwait and Iraq
- 4 defence of Saudi Arabia and a commitment to the security and stability of the Persian Gulf region.³

Along with other US officials, he also spoke of Saddam's danger to world peace and 'American way of life'.

It is the Persian Gulf security objective that may have far-reaching and unpredictable implications for regional stability. As President Bush has made it clear, the United States plan to use its military victory in the Persian Gulf to justify establishing a long-term and permanent military presence in the region. Thus, the first among the four objectives he outlined for the post-war Middle East was 'to create shared security arrangements in the region', which in President Bush's word means 'American participation in joint exercises involving both air and ground forces', and 'maintaining a capable US naval presence in the region'. The other three objectives included 'to control the proliferation of weapons of mass destruction and the missiles used to deliver them', 'to create new opportunities for peace and stability in the Middle East by ending the Arab-Israeli conflict and solving the Palestinian problem based on the United Nations Security Council Resolutions 242 and 338 and the principle of territory for peace', and to 'foster economic development for the sake of peace and progress and economic freedom and prosperity for all people of the region'.⁴

Whatever the form and contents of the regional security system, the players in the Persian Gulf will have to include such countries

as Iran, Iraq and the Gulf Co-operation Council (GCC) states. However, the initial proposals for the Persian Gulf security system did not envision any role for Iran or Iraq. While Iraq may not be an important player for the immediate future, Iran has emerged stronger from the crisis as its old nemesis became militarily neutralized. Additionally, Iran is a country with significant resources and potentials, including a large population of 57 million, a sizeable military force, the longest coastline with the Persian Gulf than any single state in the area and a unique geographic position in the strategic Strait of Hormuz. If past experience is of any indication, Iran will continue to preserve its national security interests in the area. Thus, it is likely that Iran will re-emerge as a pivotal country in shaping the contours of regional politics in the twenty-first century. It is for these reasons that this book has an Iran-centred approach to the issues of regional diplomacy and post-war economic recovery.

The book focuses on four major themes: Islam and revolution, economic destruction and reconstruction, Iranian-Arab relations and the superpowers and Iran. The contributors have presented differing perspectives to analyse these issues and indicate possible future developments. The following conclusions emerge: first, influence of the Iranian Revolution has gone well beyond Iran to effect internal developments in other nations in the region; such influence, however, has not produced any significant permanent political-economic change in the region. Second, despite its economic decline in the post-revolutionary period, Iran may emerge as a regional economic power in the near future as it changes its policies toward a more outward-looking strategy. Third, Iranian posture *vis-à-vis* the littoral states of the Persian Gulf has had little consistency in the past; more recently, however, elements of pragmatism have begun to dominate Iranian regional policy. Fourth, the Iranian foreign policy principle of 'Neither East Nor West' had the effect of antagonizing both superpowers, although in practical terms it had a limited application. In short, gaps have existed between the actual performance and the potential in the realm of economics as well as between policy pronouncements and the practice of regional diplomacy in the Islamic Republic. The resulting contradictions have become major causes for the recent changes in Iran toward more pragmatism and conventionalism in both economic and foreign policy arenas.

In Part II of the book, the role of Islam and the significance of

Iran's Islamic Revolution are examined. Nikki Keddie identifies historical reasons for the emergence and continuation of revolutionary thought and action in modern Iran and treats Iranian Revolution in historical perspective. Keddie's chapter also provides a succinct overview of the historical role of the *ulama* (Muslim clerical scholars) in opposing foreign domination of the country. The 1890-2 Tobacco Revolt is illustrative of how the Shi'a clerics led a mass-based rebellion against Nasser ed-din Shah's tobacco concessions to the British. The 1978-9 Islamic Revolution against the Pahlavi monarchy should not be interpreted as an isolated case but as the logical continuation of mass-based revolts against oppression and the foreign domination of Iran for much of the twentieth century.

Among the political *ulama* in contemporary Iran, Ayatollah Khomeini occupies a very special place: he was not only the leader of the Islamic Revolution in Iran but also the ideologue of the Islamic Republic. George Linabury's chapter examines Ayatollah Khomeini's legacy and the impact of his teachings on Islamic resurgence throughout the Middle East. Externally, Khomeini's legacy continues to be felt in the Islamic world through word of mouth, journals and periodicals, and Islamic groups of diverse political make-up and ideological orientation. As Linabury notes, Khomeini's Shi'ism did not diminish the relevance of the Iranian Revolution for the Sunni Arabs. This was so because the significance of Iran's Islamic Revolution did not lie in Khomeini's religious exegesis but in the political message of the Revolution conveyed to the Arab masses: that Islam can be used as an effective tool by the *mostaqim* (the oppressed) against the *mostakbarin* (the oppressors). However, the potency of this message may be diminishing as his successors in Iran move increasingly away from the ideology toward conventional policies and attempt to reintegrate Iran into western capitalism.

A second important legacy of Ayatollah Khomeini has been the institutionalization of *velayat-e faqih* (government of just jurisprudence). This institution, either in its one-man dominant format or in any future collective format, has till now defined the *raison d'être* of the Islamic Republic. Its major effect is to subordinate the wisdom of a whole nation to the wisdom of a single person or a small collective. Even when the Ayatollah was alive, some religious authorities took issue with the institution and questioned its validity in Islam. Even its defenders had at times defined it differently

from the Ayatollah. Whether the institution will survive in its present form for any long period of time remains to be seen; as the government closes its gaps with the west and the secular Iranians, pressure for some kind of modification in the institution has increased.

Perhaps no single Arab country has been more influenced by Ayatollah Khomeini's teaching and the Islamic Revolution than Lebanon. Augustus Richard Norton's chapter analyses the impact of Iran's Islamic revival on the Shi'a community of Lebanon. As Norton argues, the Shi'a community, the single largest group in Lebanon, had been ignored by most western observers of that country until the victory of the Iranian Revolution. The awakening of Lebanon's Shi'a community catapulted its members from an ignored religious and ethnic minority into an object of sensational reporting. In the west, the Shi'a also became synonymous with terrorism. Norton sets out to rebuke a number of myths associated with popular reporting about and perception of the Shi'a in the west. He traces the development of the political ideology of Shi'ism in its Lebanese context. The role of the traditional *zu'ama* (political bosses) and the subsequent decline of their influence among the Shi'a masses paved the way for the establishment of two non-traditional Shi'a political groupings - AMAL and Hizb Allah (Party of God).

Both of these organizations started with Iranian assistance and leadership, but Hizb Allah is today more closely aligned than AMAL with Iran's foreign policy objectives in the Middle East. Although the Iranian Revolution galvanized the Shi'a community, Israel's invasion of Lebanon in 1982 had a great impact on the politicization and radicalization of Lebanese Shi'as. This was particularly true in the case of the Shi'as of Southern Lebanon where their livelihood and communal life were totally disrupted by the Israeli attacks and periodic raids on the Shi'a villages. Despite sacrifices, the Lebanese Shi'as are no better off in the early 1990s than they were back in, say, 1980; as Iran changes its foreign policy direction, they will become increasingly isolated in Lebanon and in the Middle East.

A major consequence of the Islamic Revolution in Iran was the Iran-Iraq War, which left a devastating impact on the Iranian and Iraqi economies. In Part III Iran's economic problems, impact of the Iran-Iraq war, and the country's reconstruction plan are examined. Inclusion of similar chapters on Iraq became undesir-

able as the impact of the subsequent US-led war against Iraq makes the Iraqi losses from the previous war look insignificant. According to a United Nations' report prepared by Martti Ahtisaari, the Under-Secretary-General:

The recent conflict has wrought near apocalyptic results upon the economic infrastructure of what had been, until January 1991, a rather urbanized and mechanized society. Now, most means of modern life support have been destroyed or rendered tenuous. Iraq has, for some time to come, been relegated to a pre-industrial age, but with all the disabilities of post-industrial dependency on an intensive use of energy and technology.³

The Iran-Iraq War was 'demonstrably different from other intra-Third World wars in terms of its destructiveness and its unique alliance formations'.⁴ Iraq, supported by the pro-western Arab states, particularly Saudi Arabia, Egypt and Kuwait, portrayed its war against Iran as a 'historic defense of Arab sovereignty and rights against the marauding Persians'.⁵ Iran, on the other hand, justified the continuation of the war in terms of defending the homeland, punishing the aggressor, and replacing the Ba'athi regime of Saddam Hussein. When the guns finally fell silent, neither country was able to achieve its stated goals. In human terms, more than 600,000 people died or were severely injured and maimed as a result of the war. Millions were also displaced, made homeless or lost their jobs and sources of livelihood. In economic terms, damage to each country's infrastructures, plants, and other means of production have been staggering.⁶

The war, which started with Iraq's simultaneous air and land attacks against Iranian economic and military targets on 22 September 1980, ended on 20 August 1988 with Iran's acceptance of a UN sponsored cease-fire (Security Council Resolution 598). While a formal peace treaty has not been signed between the two countries, tension between them has declined despite a resurgence of hostility at the end of the US-led war against Iraq and the subsequent short-lived Iraqi civil war. They established diplomatic ties in October 1990 following Iraq's acceptance of Iran's principal demands, including the principle of a *thalweg* line for Shatt al-Arab (mid-channel of the river as the boundary demarcation between the two countries). This change in Iraq's position occurred after Saddam invaded and then annexed Kuwait and decided to secure Iraq's borders with Iran.⁹

Hooshang Amirahmadi's chapter on the Iranian economy begins with an analysis of the war destruction which also had far-reaching implications for the country's oil revenue, Iran's economic life blood. The officially estimated total economic damage (direct and indirect) is given at about \$870,000 million (at official exchange rate of RIs 75/US\$; free market rates for most of the post-revolutionary period has been above RIs 1,000/US\$). To compare, over the 1979-89 period, Iran made less than \$145,000 million in oil revenues. Amirahmadi also provides a preliminary assessment of the damage wrecked on the economy by the June 1990 earthquake. In the final part he focuses on eight sets of imbalances from which the economy suffers the most. As Amirahmadi demonstrates, the post-revolutionary Iranian economy has experienced significant turbulence and decline and needs a considerable injection of money and material to return to normal and then start to grow again. In addition to the war, he blames fluctuations in oil revenue, western economic embargoes, the Shah's economic legacy, domestic political factionalism, and erratic economic policies for the performance of the economy.

In Chapter 5 Amirahmadi focuses on the First Five-Year Economic, Social and Cultural Development Plan of the Islamic Republic of Iran (1989-93). The plan intends to stabilize the economy and structurally adjust its imbalances in the hope of normalizing the war economy and then leading it toward a growth path. An account of policy changes in the wake of the Persian Gulf crisis is also given. Initially, the plan had envisioned an import-substitution industrialization based on maximum utilization of the existing capacities and completion of unfinished projects. This was changed into an export-promotion industrialization based on extended co-operation with the west and the states in the region. The chapter is concluded with an assessment of prospects for economic growth in Iran. While Iran is a resource-rich country with proven potential for growth and economic leadership in the Middle East, the success of the pragmatists will depend on a set of conditions in foreign policy, foreign exchange, human capital, domestic politics and structural bottlenecks.

The Islamic Revolution and the Iran-Iraq War also led to a complete restructuring of Iran's regional diplomacy and of its relations with Arab countries.¹⁰ Thus, Part IV focuses on regional diplomacy and explores various security dimensions of Iranian-Arab and inter-Arab regional relations. Anoushiravan Ehteshami's

Chapter 6 details Iran's foreign policy towards the Arab states. As he notes, two major interrelated themes dominated Arab-Iranian relations during the Shah's reign: the Shah's *de facto* recognition of the newly-created state of Israel, and the intense rivalry between the Pahlavi monarch and Egyptian President Gamal Abdul Nasser for influence in the Middle East, in general, and the Persian Gulf, in particular.¹¹ Acrimonious ties between Tehran and Cairo gave way to the development of closer relations between Iran and Egypt after Anwar al-Sadat's accession to power in 1970. Sadat's abandonment of Nasser's policies of pan-Arabism and non-alignment in favour of an American-oriented and accommodationist foreign policy eventually led to the establishment of a Tehran-Cairo-Tel Aviv axis.

The foundation of this western 'pillar of stability' was shattered when the Shah was overthrown in 1979. Notwithstanding the strident rhetoric of the Islamic Republic's foreign policy, post-revolutionary Iranian foreign policy has displayed both pragmatic and ideological dimensions. For example, Iran's accommodationist policies towards Turkey, Pakistan and the lower Gulf states reflect Tehran's pragmatism in dealing with some of its neighbours.¹² However, Iran's opposition to Saudi Arabia and Egypt until recently highlighted the ideological aspects of the Islamic Republic's foreign policy.

The balance between the pragmatic and ideological dimensions of Iran's foreign policy has been attained through the complex interplay of external and internal factors that have shaped political dynamics in post-revolutionary Iran. With the strengthening of President Hashemi Rafsanjani's coalition and the re-establishment of diplomatic relations between Tehran and many of its erstwhile enemies, pragmatism seems to have become a more important factor than ideological considerations in shaping the contours of Iran's emerging foreign policy. The Kuwaiti crisis was without doubt a major turning-point: as Amirahmadi has shown, the leadership in Tehran used the crisis as an opportunity to close gaps not only with its Arab neighbours but also with the west. This was accomplished by a policy largely in accord with that of the anti-Iraq coalition. In particular, Iran supported all UN resolutions against Iraq including the one authorizing the possible use of military force, demanded Iraq's total and unconditional withdrawal from Kuwait and continued to recognize the legitimacy of the al-Sabah family rule in Kuwait. Iran also remained neutral

during the war and rejected the call by the radical Islamic movements for a 'holy war'. At the end of the war, Iran also supported the anti-Saddam uprisings by the Iraqi Shi'as and the Kurds.¹³

M. E. Ahrari's Chapter 7 examines the role of the Gulf Cooperation Council (GCC) in Gulf security. The GCC, which was established in 1981 by the pro-western conservative regimes of Saudi Arabia, Kuwait, the United Arab Emirates, Oman, Bahrain and Qatar, was intended *inter alia* to shield its member states from the spill-over effects of the Iran-Iraq War.¹⁴ Because of the GCC's heavy reliance on the west in general and the United States in particular, the organization was viewed by Tehran as a scheme to isolate and contain the Islamic Republic. The GCC's pro-Iraqi posture throughout the Iran-Iraq War further enhanced Iran's suspicion of the ultimate policy objectives of this organization. From the outset, Saudi Arabia's domination of the GCC and Riyadh's hegemonic ambitions turned this organization into an extension of Saudi Arabia's foreign policy in the region, thereby exacerbating growing tensions between Tehran and Riyadh. The GCC's inability to defend the member states became apparent when Iraq invaded Kuwait. While the organization has survived the crisis because of the Allied intervention on its behalf, its viability as a defensive system is now universally questioned. The GCC now looks on to the west and Iran for a shared security arrangement for the Persian Gulf, a development Iran has widely welcomed.

Nader Entessar's Chapter 8 analyses the destabilizing effects of the military asymmetry between Iran and the Arab countries of the Persian Gulf. He proposes three specific ways through which regional stability can be enhanced:

- 1 building a comprehensive regional common security system
- 2 reducing offensive capabilities of the countries of the region while enhancing their defensive capabilities
- 3 enhancing the peacekeeping role of the United Nations

Clearly, regardless of which form is selected and followed, regional security would have to be ultimately tied to domestic conditions in the states of the region. Often, regional conflicts have been rooted in domestic inadequacies and difficulties of the regimes to cope with them. Intra- and inter-state inequalities and lack of political democracy have often played a major destabilizing role in the Middle East.

Superpowers and external interventions have also played

significant roles in regional conflicts and instability. Part V discusses the policies of the two superpowers towards Iran and examines the impact of these policies on regional stability. Mohsen Milani's Chapter 9 analyses the USA's confrontation with Iran's Islamic Revolution. As Milani contends, active animosity towards revolutions has been one of the most enduring characteristics of US foreign policy in the Third World. Washington's obsession with reversing the course of events in Iran was in line with the anti-revolutionary and status quo orientation of US foreign policy.¹³ Ironically, this policy, Milani indicates, led to institutionalization of radicalism in the country; a different course, he implies, would have been more helpful to the moderates and the liberals.

In a broader sense, Washington's sabre-rattling and confrontational policies towards Iran reflected a 'new mood of alarm and anger' towards Third World revolutionary regimes.¹⁶ The concrete manifestation of this bellicose mood has been the alarming neglect of the art of diplomacy in favour of 'quick fix' military solutions to Third World crises. The USA's combined strategy of military strength and political weakness has led to Washington's 'regular need to resort to violence' when it intervenes in Third World areas.¹⁷ As Milani states, short of military solutions, the USA's foreign policy institutions have yet to develop any coherent mechanisms for dealing with revolutionary societies.

US-Iranian relations continue to be suspended at the start of 1992. Twelve years after the hostage crisis and three years after the 'tankers war' in the Persian Gulf, the two governments continue to suspect each other. The US hostages in Lebanon (eventually released in December 1991) and the Iranian frozen assets in the USA were the remaining sticky issues. On balance, however, and as Amirahmadi writes in Chapter 5 on reconstruction, 'relations improved as the two governments' views converged during the Kuwaiti crisis'. Some Iranian government officials have even called for a 'marriage of convenience' between the two countries.¹⁸ While the USA has remained cool to such invitations, the Bush administration is expected to be more responsive in the future as the leadership in Tehran repudiates many of its past anti-United States policies and develops a free market economy open to the capitalist world market.

In the final chapter, Mohiaddin Mesbahi examines change and continuity in Soviet-Iranian relations within the context of the Soviet Union's diverse interests in the Persian Gulf and the Indian

Ocean. Historically, Soviet-Iranian relations have been influenced by a set of complex factors that have included 'Russian proximity to Iran, great power politics, the state of international politics, and domestic conditions in both Russia and Iran'.¹⁹ Furthermore, Russian foreign policy behaviour towards Iran has displayed two characteristics, the 'maximalist goal of dominating Iran and the minimalist goal of preventing its domination by a rival power, or at least securing a share for itself'.²⁰

Iraq's attack on Iran in September 1980 and the resulting eight-year war between these two countries greatly complicated Soviet policies in the region as reflected in Moscow's shifting behaviour during the Gulf War. As Mesbahi observes, the period 1980-2 was marked by 'strict neutrality' in Soviet behaviour towards the two belligerent states. Moscow had hoped that Iran's success in repelling the Iraqis from Iranian territory would lead to a peaceful political settlement of the conflict. When Iran refused to accept Iraq's peace offers, the Soviet's stance shifted to one of 'active neutrality'. From 1982 to 1986 the Soviet Union urged both sides to terminate hostilities while at the same time Moscow embarked upon a policy of strengthening Iraq's military capabilities to prevent its collapse. From 1986 to 1988 the Soviets tilted heavily towards Iraq as Moscow became convinced that only Iraqi victory on the battlefield would force Iran to accept a cease-fire.²¹

In the post-cease-fire period, the Soviets sought, albeit unsuccessfully, to mediate between Iran and Iraq and offer their good offices. The Soviet Union's policy was predicated on the premise that Iran would help Gorbachev extricate himself from the Afghanistan quagmire. Moreover, Moscow had toyed with the idea of creating a 'common Central Asian home' whereby the Soviet Union would strengthen its political and economic links with the Gulf countries. This idea seems to have been dropped for the time being as Moscow struggles with its myriad of domestic upheavals and as the Gulf region tries to adjust to the vagaries of the Gulf crisis.

The increasing role of Islam and Islamic revivalism, coupled with secessionist movements in Central Asia and the Caucasus also had an unsettling impact on long-range Soviet policies towards the Gulf region. As the uprisings in Soviet Azerbaijan demonstrated, Moscow became extremely uneasy about the prospects of sustained contacts between Soviet and Iranian Azeris. While it was true that both Tehran and Moscow shared common aims in

maintaining stability along their shared borders, the secessionist tendencies among the Soviet Azeris were substantially stronger than they were among their Iranian counterparts. Consequently, the Soviets were reluctant to allow unhindered contacts between the Iranian and Soviet Azeris. After two months of negotiations with Iranian authorities, in November 1990 Moscow signed an agreement allowing the establishment of permanent border openings near Astara city in north-west Iran and permitting visits lasting no more than fifteen days between Iran and Soviet Azerbaijan.²²

Finally, the repercussions of Iraq's invasion of Kuwait, the changing regional balance of power, the presence of US troops so close to Soviet borders, and the still-evolving post-Cold War international order will continue to shape the contours of Moscow's Gulf policies. Although the Soviet Union supported the United States' posture towards Saddam Hussein, many Soviet officials expressed grave concern about the ultimate aim of US military objectives in the region.²³ How the Russians manage to balance their desire to maintain good relations with the United States while maximizing their long-term interests in the Gulf will largely determine Moscow's foreign policy posture in the region.

To sum up, this book demonstrates the complex intricacies of Iran's domestic problems and policies as well as its external relations. The post-revolutionary period in Iran has witnessed an extraordinary turn of events, most of them unfavourable for Iran's long-term development and standing among the community of nations. The Revolution has also had significant impact on the neighbouring states but such influences have not produced any lasting positive results in the region. The move away from ideology and radicalism and towards a more pragmatic and conventional domestic and foreign policy is hoped to reverse these unfavourable results for better. Iran is a resource-rich nation with great prospects for economic growth and potential for political leadership in the Middle East. Whether the nation will be able to fully materialize its potential under the present pragmatist leadership will largely depend on a complex of factors that originate from domestic and international politics and the economic reconstruction plan. Meaningful reforms in both of these areas are preconditions for a better future for Iran and, by extension, its neighbours.

NOTES

- 1 M. Walker, 'The U.S. and the Persian Gulf Crisis', *World Policy Journal* 7 (4) Fall 1990: 796.
- 2 Quoted in *Insight* 24 December 1990-7 January 1991: 14.
- 3 See 'America's Stake in the Persian Gulf', *US Department of State Dispatch* 1 (2) 10 September 1990: 70.
- 4 Quoted in *New York Times*, 7 March 1991: A8.
- 5 *Report to the Secretary-General on Humanitarian Needs in Kuwait and Iraq in the Immediate Post-Crisis Environment by a Mission to the Area led by Mr. Mariti Ahtisaari, Under-Secretary-General for Administration and Management, dated 20 March 1991* (New York: United Nations Security Council S/22366, 20 March 1991).
- 6 N. Entessar, 'External Involvement in the Persian Gulf Conflict', *Conflict Quarterly* 4 (4) Fall 1984: 41.
- 7 G. Sick, 'Trial by Error: Reflections on the Iran-Iraq War', in R. K. Ramazani (ed.) *Iran's Revolution: The Search for Consensus*, (Bloomington, Ind: Indiana University Press, 1990), p. 105.
- 8 See the following publications on the economic impact of the Iran-Iraq War: on Iraq and Iran see A. Al-Nasrawi, 'Economic Consequences of the Iran-Iraq War', *Third World Quarterly* 8 (3) July 1986: 869-94; on Iraq see K. Mofid, 'Economic Reconstruction of Iraq: Financing the Peace', *Third World Quarterly* 12 (1) January 1990: 48-59; on Iran (for earlier damage estimates and experiences with reconstruction) see H. Amirahmadi, 'Economic Reconstruction of Iran: Costing the War Damage', *Third World Quarterly* 12 (1) January 1990: 26-47; H. Amirahmadi, 'Destruction and Reconstruction: A Strategy for the War-Damaged Area of Iran', *Disasters: The International Journal of Disaster Studies and Practice* 11 (2) 1987: 134-47; and H. Amirahmadi, 'War Damage and Reconstruction in the Islamic Republic of Iran', in H. Amirahmadi and M. Parvin (eds) *Post-Revolutionary Iran* (Boulder, Colo: Westview Press, 1988), pp. 126-49.
- 9 H. Amirahmadi, 'Iran and the Persian Gulf Crisis', in H. Amirahmadi and N. Entessar (eds) *Iran and the Arab World* (New York: St Martin's Press, 1992).
- 10 For an analysis of recent trends in Iranian foreign policy, see the excellent collection of articles in N. R. Keddie and M. J. Gasiorowski (eds) *Neither East Nor West: Iran, the Soviet Union, and the United States* (New Haven, Conn: Yale University Press, 1990). See also R. K. Ramazani, 'Iran's Foreign Policy: Contending Orientations', in R. K. Ramazani (ed.) *Iran's Revolution: The Search for Consensus* (Bloomington, Ind: Indiana University Press, 1990), pp. 48-68.
- 11 For a detailed study of Israel's relations with the Shah's regime, see S. Sobhani, *The Pragmatic Entente: Israeli-Iranian Relations, 1948-1988* (New York: Praeger, 1989), pp. 1-139.
- 12 See A. Kapur, 'Relations with Pakistan and India', in M. Rezun (ed.) *Iran at the Crossroads: Global Relations in a Turbulent Decade* (Boulder, Colo: Westview Press, 1990), pp. 71-9; F. Borovani, 'Iran and Turkey:

Permanent Revolution or Islamism in One Country', in Rezaun (ed.), pp. 81-93.

13 H. Amirahmadi, 'Iran and the Persian Gulf Crisis'.

14 For a review of various policy statements of the GCC, see R.K. Ramazani, *The Gulf Cooperation Council: Record and Analysis* (Charlottesville, Va: University Press of Virginia, 1988).

15 H. Amirahmadi, *Revolution and Economic Transition: The Iranian Experience* (Albany, NY: State University of New York Press, 1990), pp. 28-42.

16 F. Halliday, *Beyond Iran: The Reagan Doctrine and the Third World* (Amsterdam: Transnational Institute, 1987), p. 12.

17 N. Chomsky, *The Culture of Terrorism* (Boston, Mass: South End Press, 1988), p. 131.

18 H. Amirahmadi, 'Iran and the Persian Gulf Crisis'.

19 S. T. Hunter, *Iran and the World: Continuity in a Revolutionary Decade* (Bloomington, Ind: Indiana University Press, 1990), p. 79.

20 Ibid.

21 For a succinct review of Gorbachev's policies towards the Gulf War, see R. O. Freedman, 'Gorbachev, Iran, and the Iran-Iraq War', in Keddie and Gasiorowski (eds), pp. 115-41.

22 *Iran Times*, 16 November 1990, p. 16.

23 See, for example, A. Gresh, 'Continuity and Change in Soviet Policy', *Middle East Report* 20 (6) November/December 1990: 5.