

**SMALL ISLANDS,  
BIG POLITICS:**

**THE TONBS AND ABU MUSA  
IN THE PERSIAN GULF**

EDITED BY

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future politics regarding the islands in line with their size and importance. Specifically, I will consider my contribution successful if a future book on the subject were to be entitled *Small Islands, Small Politics*.

This book examines the current political context, historical origin, and legal dimensions of the controversy over the islands. The book adopts a documentary, historical, and analytical approach to the study of the dispute. The authors are scholars and policy analysts with extensive research credentials in their respective subjects and have received their education and training in Iran, Europe, and the United States. This diversity of experience and educational backgrounds has helped provide the book with a sober analysis of the complex issues that surround claims of sovereignty over the islands.

In Chapter 1, I examine the British colonial legacy and the current strategic context of the dispute. I argue that the legal and diplomatic-historical dimensions must be considered in light of British colonialism's anti-Iran policy in the Persian Gulf and the current strained relations between the Islamic Republic of Iran and its antagonists in the Middle East and the West. As in the colonial time, the dispute today is largely motivated by a desire to weaken Iran and reduce its influence in the Persian Gulf. From this perspective, the U.S. policy of dual containment pursued against Iran by the U.S. administration under President Bill Clinton is very much the same as the British colonial policy in the Persian Gulf.

In Chapter 2, Pirouz Mojtahed-Zadeh provides perspectives on various aspects of the territorial history of the three islands as a key to understanding the issues discussed in the subsequent chapters. Among the topics he examines are the islands' geography and economic activity, the emergence and extent of the Iranian state in the Persian Gulf, the evolution of the sheikhdoms from tribal politics into territorially defined entities, the strategic and political reasons underlying the British colonial efforts to grab one Iranian island after another, and the examination of the factors leading to the eventual negotiated settlement of the dispute in 1971. The chapter concludes with the dismissal of the UAE's assertion that the 1971 Anglo-Iranian Memorandum of Understanding over Abu Musa had been obtained by duress. The text of the memorandum and exchange of various notes among the interested parties are reproduced in Appendix 1.

In Chapter 3, Davoud Hermidas Bavand examines the basis for Iran's sovereignty over Abu Musa. In so doing, he reviews the historical origins of Iran's claim to the island. Next, he examines the circumstances that surrounded and the consequences that followed from the Anglo-Sharjah occupation of Abu Musa in 1903-1904, which was in contravention of an

## Preface

This book is about one of the oldest and most persistent and recurring territorial disputes in the Persian Gulf. The object of this dispute consists of the islands of Great Tomb, Little Tomb, and Abu Musa. Although the controversy over the Tonbs and Abu Musa has a long history, no scholarly book has ever focused directly and solely on the subject.

Situated in the middle of the Persian Gulf, Abu Musa has an area of about four square miles and a population of about 700 to 1,000, mostly Iranian. Located near the Iranian coast, Great Tomb is uninhabited on any permanent basis and Little Tomb is even more desolate. Each of the Tonbs has been referred to by many different names. The name *Tomb* used herein has many variations, including Tumb, Tomb, Tanb, Tamb, and Tumb.

From a geopolitical standpoint, the subject of the dispute has been control of the islands overlooking the approaches to the Strait of Hormuz through which pass some 20 percent of the world's oil and tens of billions of dollars in goods. From a legal point of view, the subject of controversy has been the issue of ownership of the islands. Prior to 1971, the parties to the dispute had been the governments of Iran and Great Britain. Presently, the disputants are the United Arab Emirates (UAE) and Iran.

The significance of this book goes beyond the countries involved or the peoples in the Middle East. The West, including the United States, has continued to maintain a strong interest in the dispute. The strategic importance of peace and stability in the Persian Gulf is certainly vital to economic well-being of the major players in the region. Given the increased U.S. military presence in the Persian Gulf, any attempt at changing the status quo concerning the islands will undoubtedly have major repercussions for the American people. From this perspective, it is critical that the public in the West be better informed about the dispute and its possible implications.

The title of this book, *Small Islands, Big Politics*, is supposed to capture the past and the present politics surrounding the dispute. I do not wish to imply that the future politics concerning these small islands will inevitably be big. On the contrary, I have edited this book in the hope of bringing the

agreement between Iran and Great Britain to maintain the status quo relative to the island so that the differences could be sorted out by negotiation. Following a brief enumeration of the parties' actions with respect to the island in the period 1904 to 1971, the chapter concludes with an analysis of the Memorandum of Understanding. Bavand presents a cogent argument demonstrating that Abu Musa belongs to Iran.

In Chapter 4, Guive Mirfendereski examines the legal claims put forth by Iran and Great Britain in support of their respective claims to the Tonbs. The chapter states the arguments and presents the evidence for each claim, evaluates the evidence and weighs the arguments in reference to international legal standards, and determines the ownership of the islands at the time of Iran's repossession of the islands in 1971. Following a probing review of the political history of the Tonbs from ancient times, the chapter shifts its focus to the nature and the extent of cartographical evidence depicting the status of the Tonbs as Iranian territory. The consideration of the Anglo-Qasimi claims<sup>6</sup> based on occupation and adverse possession extends into an extralegal review of the evidence supporting the "common understanding of mankind" as to the Tonbs' appurtenance to Iran. The chapter concludes that the weight of the evidence supports the Iranian claim to the islands.

In editing this volume, the biggest problem I faced was to identify appropriate authors. After some searching I was fortunate to find the contributors to this volume in the United States, England, and Iran. I am grateful to them for being cooperative and prompt. Because their points of view tend to support the Iranian perspective on the islands, I offered Arab scholars from the UAE an opportunity to submit chapters for the book, which unfortunately they did not, although I waited long to receive their contributions.

I have received support and encouragement from many of my students, colleagues and friends. Among them, however, Dr. Guive Mirfendereski, Alidad Mafinezam, and Pooya Alaedimi deserve special mention. Alidad helped in the research and writing of the first chapter, and Pooya assisted in the reviewing of the manuscript. Guive's contribution was especially important as he helped rewrite and edit the chapters, undertook new research, and assisted in the preparation of the bibliography. His role in editing the book was indispensable particularly because of his knowledge of international law and the legal aspects of the dispute. Needless to say, I alone remain accountable for errors and shortcomings of the volume.

Hooshang Amirahmadi

New Brunswick, October 1995

# 1

## The Colonial-Political Dimension of the Iran-UAE Dispute

Hooshang Amirahmadi

The history of the Persian Gulf is replete with rivalries and wars. Ever since Cyrus the Great founded the world's first empire in Iran 26 centuries ago, the Persian Gulf has been a battleground of cultures and soldiers. The arrival of European colonialism in the Persian Gulf in the sixteenth century intensified and expanded the power-play and, consequently, calm and harmony became even more elusive thereafter. Over the past five centuries, Iranians, Arabs, local pirates, the Dutch, the Portuguese, the British, the Germans, the Russians, and most recently the Americans, have competed and clashed for influence in the Persian Gulf. The discovery of vast oil reserves in the Persian Gulf in the early twentieth century sowed the seeds of the gulf's current instability. The two recent wars in the Persian Gulf bear witness to this new, oil-affected turbulence. The Iran-Iraq War and the U.S.-led Desert Storm against Iraq—two of the costliest regional wars in human history—serve as recent reminders that today's Persian Gulf is as unsafe and unpredictable as ever.

Three years after Desert Storm, the countries surrounding the Persian Gulf are more divided than they have ever been.<sup>1</sup> Kuwait and Saudi Arabia are disdainful of Saddam Hussein. Qatar and Saudi Arabia's old border disputes have resurfaced. While Iran and Iraq currently adhere to

the U.N.-brokered ceasefire agreement that ended their eight-year war in 1988, they have yet to sign a comprehensive peace treaty and free all the prisoners captured during their war. Even though the Iranian adventurism abroad has subsided, the Persian Gulf monarchies still feel threatened by their powerful neighbor and the specter of Iranian-inspired Islamic fundamentalism.

Currently, to Iran, Iraq, and Saudi Arabia, the three main powers of the Persian Gulf, lasting peace and regional cooperation seem unattainable. Ideological differences among the three states have played a key role in bringing about the current discord. The *shī'ī* Islamic and republican Iran, the secular but totalitarian Iraq under a *summi* oligarchy, and the feudal, authoritarian Wahhabi monarchy in Saudi Arabia have little in common. The vast differences in their ideology, form of government, and the disparate sources of their regimes' legitimacy prevent meaningful dialogue. Furthermore, distinct from ideology and system of government, the nationalistic and pragmatic concerns, bent on maximizing each state's influence in the region, fuel the distrust.

Meanwhile, Egypt and Israel have fed into this fear by a propaganda campaign that demonizes Iran as a hegemonic terrorist state incapable of peaceful coexistence with its neighbors. This campaign is aimed at convincing the West, the United States in particular, that Egypt and Israel continue to remain a "strategic asset" in the post-Soviet era. The anti-Iran crusade has been supported by the United States which seeks to maintain a presence in the region and sell arms to the oil monarchies. Iran's opposition to the Arab-Israeli peace negotiations and the rise of political Islam in North Africa and Central Asia have provided justifications for supporters of the U.S. administration's dual containment policy to weaken Iran in an attempt to eliminate its historic power and influence in the Persian Gulf.

During the Iran-Iraq War, the United States sold weapons concurrently to both countries. After Desert Storm, Saudi Arabia and other oil-rich monarchies in the Persian Gulf began buying American weapons at unprecedented rates. In the wake of these multibillion dollar arms purchases, the Persian Gulf has become the most militarized region in the world.<sup>2</sup> The region's new level of militarization is all the more menacing because the Persian Gulf's politics today betrays an acute schizophrenia, caused by the multiplicity of colonial powers who have manipulated the locals, arming and pitting them against each other. This schizophrenia turns the Persian Gulf into an arena of rapidly shifting loyalties; today's friends can easily become tomorrow's foes.

This book discusses a territorial dispute in the Persian Gulf. The dispute is between Iran and the United Arab Emirates (UAE) over who should own

and control three small islands overlooking the strategic Strait of Hormuz. Since 1971, the year British colonialism withdrew from the Persian Gulf, Iran has regained its full sovereignty over the Tonbs and has accommodated UAE in the administration of Abu Musa. On that ground and based on past legacies, the Iranian government sees no reason to alter the status quo. Guided by its long-held distaste for the presence of foreign powers in the Persian Gulf, Iran also feels that regional problems need regional solutions. Thus, the Iranian government has extended numerous invitations to the UAE to find a local, diplomatic solution to the impasse. On the contrary, the UAE wishes to take the matter to the International Court of Justice. Confronting the anti-Iran alliance, Iran finds itself isolated once again, reminiscent of its war with Iraq when the Persian Gulf's Arabs and the West categorically supported Saddam Hussein, leaving Iran with a devastating shortage of weaponry and spare parts.

The chapters that follow provide a close reading of the legal and relevant territorial-historical dimensions of Iran-UAE dispute in the Persian Gulf and dissect the intricacies of international law and its application to territorial disputes between the two countries. They show, with objectivity, authority, and confidence, that the islands belong to Iran and that the UAE's claim is unjustified. No attempt at a comprehensive understanding of the dispute can justifiably ignore its colonial legacy and current strategic context. This chapter, thus, focuses on British colonial policy in the Persian Gulf and the current political dimension of the dispute. I will argue that the legal and territorial-historical dimensions must be considered in light of Britain's historical anti-Iran policies in the Persian Gulf and the currently strained relations between Iran and Persian Gulf monarchies and their allies in the West. Similar to the conflicts of the colonial period, the current conflict is basically caused by a desire to weaken Iran and reduce its influence in the Persian Gulf. From this perspective, the U.S. administration's dual containment policy is similar to British colonial policy in the Persian Gulf.<sup>3</sup>

### BRITISH COLONIAL POLICY

Attempting to make sense of the current dispute, we confront a peculiar ontological dilemma: Prior to 1971, it was Great Britain, the guardian of the Persian Gulf sheikhdoms, who controlled the islands. Even though the British flag was not hoisted on the Tonbs and Abu Musa, the islands were under British occupation. When Iran finally got the islands back in 1971, the UAE did not even exist yet. Indeed it was Great Britain, and not the UAE, which agreed to give back the islands to Iran. What complicates the current dispute is that the UAE is now attempting to reclaim islands which it has in fact never owned. Nor has it ever been a legal entity in any previous

arrangement with Iran concerning the islands. It is in this context that the authors in this volume adopt a historical-diplomatic, political, and legal perspective on the current dispute.

Iran exercised sovereignty over the Tonbs and Abu Musa until the Arab invasion of Iran in A.D. 623. Over three centuries later, in A.D. 945, the Buyid dynasty extended Iranian rule to the Persian Gulf and Oman and captured the islands as well. The next time that Iran lost control over the islands was in about 1507 when Portugal dominated the Persian Gulf. Iran regained control of the islands when the Portuguese were expelled in 1622. By this time, however, Great Britain had become increasingly involved in regular shipping and trade in the Persian Gulf and had developed a political and strategic interest in the area. Indeed, a fleet of the English East India Company had assisted Shah Abbas of Persia in expelling the Portuguese from Hormuz and Qishm islands in 1622. Later, in consequence of the consolidation of the British Raj in India and a parallel rise in Britain's commercial interests in Persia and Mesopotamia, the control and security of the Persian Gulf proved all the more essential to the defense of imperial British interests against the Russian threat from the north and French influence from occupied Egypt.

As Britain's power in the Persian Gulf grew, Iran became a progressively weaker state. Iran's age of glory had ended in 1747 with the death of Nadir Shah, the last Persian king to have played a dominant regional role. In the first two decades of the nineteenth century, the English East India Company mounted a series of military expeditions against the maritime tribes of the Pirate Coast in the lower Persian Gulf and imposed upon them a general treaty of peace outlawing acts of piracy and plunder at sea. Subsequently, in the period from 1835 to 1892, the British government established a general maritime truce among the pacified tribes and exacted from the Trucial sheikhs a series of exclusive undertakings whereby the sheikhs undertook to deal with no foreign power other than Britain and not to dispose of or transact any part of their territory without the consent of the British government. By 1892, the entire lower Persian Gulf had become a patchwork of British protectorates designed to thwart the advances of Iran, Russia, Germany, France, and the Ottoman Empire. Iran lost control of the islands in 1903 when Britain occupied them in the name of the Sheikh of Sharjah.

Sandwiched as it was by Tsarist Russia to the north and a British naval fleet to the south, Iran became a victim of colonial plots and territorial expansion. Defeating Iran in two wars in 1813 and 1828, Russia annexed all of Iran's territory in the Caucasus. The British, too, waged war on Iran in 1856-1857, forcing Nasir al-Din Shah Qajar to abandon Herat. During the Anglo-Iranian war, Britain seized Iran's Kharg Island, the port of Bushehr,

and occupied parts of the Iranian southern province of Khuzestan. As Iranian territory shrank in this period, so did the country's political independence and regional influence. In sharp contrast, the power and influence of both Russia and Britain increased in the region.

By the early years of the twentieth century, Tsarist Russia and Great Britain were in fierce competition over influence in the Persian Gulf, and Iran was caught in between. The Persian Gulf waterway led to Britain's prized possessions in the Indian Ocean. As Iranian territory was all that separated Russia from these warm waters, a potential alliance between Russia and Iran was the greatest threat to British interests in the Persian Gulf and beyond.

Naturally, Britain endeavored to reduce Iran's influence in the Persian Gulf. Britain would achieve this by three means. First, in 1907, Britain reached an agreement with Russia to divide Iran into two spheres of influence, with Russia in effective control of Iran's north and Britain of the country's south. As a result of this arrangement, the Persian Gulf became Britain's stronghold. Second, Britain promoted disputes between Iran and its Arab neighbors over a number of islands in the Persian Gulf. The current islands dispute has its roots in the British divide-and-conquer policy in the Persian Gulf that had begun in the nineteenth century. And third, Britain weakened Iran's influence in the Persian Gulf by establishing the so-called Trucial system, where the pirate sheikhs of the Persian Gulf's southern shores were persuaded to sign a truce with Britain during the pearling season.

A key point of contention between Iran and Britain at this time was Bahrain. Britain had become the main power in Bahrain by 1861, adding it to the Trucial system. On numerous occasions, Iran asserted its claim over the island, although it had entrusted Britain with protecting the island from foreign intervention. In the early years of the twentieth century, British power over the Persian Gulf covered the whole of the southern shores. By this time many sheikhdoms had already been added to the Trucial system, including Ras al-Khaimah and Sharjah, two small sheikhdoms now part of the UAE, in whose name the UAE claims sovereignty, respectively, over the Tonbs and Abu Musa.

In 1903, during the heyday of its world dominion, Great Britain took over the Iranian islands of Great Tomb and Abu Musa. At Britain's behest, Iranian flags on the islands, hoisted in June 1904, were taken down and replaced by the flags of Sharjah. When Iran protested, Britain threatened to use naval force. To prevent a sea battle that it had little chance of winning, Iran backed down. As the decades went by, Iran continued to verbally challenge Britain's annexation of its territory. Britain insisted that the islands belonged to the sheikhdoms. This was despite historical legacy and

massive record of documents and map—mostly produced by the British themselves, showing the islands as Iranian territory.

It is striking that during the period between 1904 and 1971, Britain wanted the islands to belong to the sheikhdoms more than the sheikhdoms themselves. For example, in 1934, the Sheikh of Ras al-Khaimah decided to surrender possession of the Tonbs to Iran, as he thought that the islands were legitimate Iranian territory. The British intervened to disallow the move, forcing the sheikhdom to keep its flag on the islands. Naturally, the islands dispute helped worsen relations between Iran and Britain. British policy vis-à-vis the islands once again rested on the premise that Iranian control of the islands may have turned them into a Russian foothold. With the islands under the influence of Britain's Trucial protectorates, Britain exercised more control over them, simultaneously limiting the influence of the Persian Gulf's regional powers headed by Iran.

Allied victory in World War I added immeasurably to British power in the Persian Gulf as it almost eliminated the influence of the Ottomans and the Germans in the area. In 1918, when the war ended, Russia was still in its revolutionary transitional period; also incapable of challenging Britain in the Persian Gulf. Meanwhile, the Constitutional Revolution of 1905-1907 in Iran had caused the Iranian government not to pay enough attention to its provinces, particularly the southern ones adjacent to the Persian Gulf. Britain had made numerous local arrangements with tribal chiefs often with the effect of further undermining the power of Tehran; for example, the British armed tribes in the southern provinces of Khuzestan, Fars, and Baluchestan that had secessionist demands. However, with the dawn of the Soviet threat following the Bolshevik Revolution, Britain saw the need for a strong central government in Tehran, one that would protect British interests in Iran against Communist expansionism.

This change of perspective led the British to welcome the prospect of a Persian Cossack commander by the name of Colonel Reza Khan who would assume power in Tehran through a coup in 1921. The British were impressed by the little-known colonel's disciplined and headstrong character. They also saw in Reza Khan a nationalist and power-hungry leader who could block the Bolshevik advance through British help. Britain's decision to support the coup rested on the premise that only a strong military dictatorship in Tehran could save the country from disintegrating and falling into Bolshevik hands; yet, Britain was not completely comfortable with a strong nationalist government in Tehran. This concern led the British to simultaneously support the mutinous tribal leaders who were opposed to the central government in Tehran. This inconsistency also characterized the way

Britain operated its possessions in the Persian Gulf. On the one hand, Britain wanted to keep the Persian Gulf safe and stable for business, a condition that required a strong Iran. Simultaneously, lest Iran side with another world power, Britain wished to curtail Iran's influence over its protectorates in the area.

British fear of Reza Shah was not without basis. The Shah's distaste for British influence in Iran, coupled with his strong nationalist stance against the possibility of Anglo-Russian military presence in Iran, made him an undesired political entity in the politics of the day. In 1941, while World War II was in progress, the British from the south and the Soviets from the north invaded Iran and forced Reza Shah to abdicate in favor of his son Mohammad Reza, who would be toppled by a revolution in 1979. Reza Shah was accused of having sided with Nazi Germany, an allegation that, no doubt, precipitated his downfall. He left Iran for South Africa and died in exile in 1944.

Oil was discovered in Iran in 1908. As a concession to Britain, in 1911 the Iranian government bestowed exclusive rights to extract and market Iranian oil to the Anglo-Persian Oil Company. In 1933, Reza Shah forced the company to improve the terms and conditions of the concession to allow for a greater Iranian share and influence. In the wake of Reza Shah's request that foreigners refer to the country as Iran—as opposed to Persia—in 1935 the company was renamed Anglo-Iranian Oil Company.

The dispute over the Tonbs and Abu Musa was the main focus of Anglo-Iranian relations in the 1930s. Other disputes involved oil, control of Persian Telegraph, Duzab Railway, Imperial Airways, Imperial Bank of Persia, and the Persian debt. In the Persian Gulf, Tehran and London were at odds over British presence on the Iranian islands of Qishm and Henjam, the presence of the British political resident in the Persian Gulf at the Iranian port city of Bushehr, and the status of Bahrain, the Tonbs, and Abu Musa. The British government adamantly opposed Iran's claim of territorial sovereignty over these islands. Bahrain had fallen out of Iranian control in the previous century and was a British protectorate, while the Tonbs and Abu Musa had been taken over in the years 1903-1904 by the Sheikh of Sharjah upon the encouragement of the British government.

In the aftermath of World War II, Great Britain relinquished its colonial dominion in India. Even though Britain's presence in the Persian Gulf had been an outgrowth of its presence in India, withdrawal from the latter did not imply a retreat from the former. British presence in the Persian Gulf rested on the need for oil, commitment to the local sheikhs, control of the sea lanes of communication between Aden and the East, and holding Soviet expansionism in check.

In 1947-1948, the embattled Anglo-Iranian Oil Company agreed to enter into a supplementary arrangement offering Iran more favorable terms. However, the Iranian legislature rejected the offer, and in 1951 Prime Minister Mohammad Mosaddeq nationalized the Iranian oil industry. Britain responded by imposing a blockade on Iranian oil exports. In 1953, the CIA-engineered Operation Ajax toppled the nationalist Mosaddeq government and returned Mohammad Reza Shah Pahlavi to the throne. In 1954, as an expression of gratitude to his foreign sponsors, the Shah consented to an agreement whereby the exploration and production of Iranian oil was granted to a consortium of eight multinationals; among them was the successor-in-interest of the Anglo-Iranian Oil Company, British Petroleum. Later the composition of the consortium was altered to increase the share of the American multinationals at the expense of British interests. From this period onward, the United States replaced Britain as the main Western influence in Iran. The United States would become increasingly involved in the Persian Gulf following the British withdrawal in 1971.

The intervention of Western powers in Iran's domestic affairs and their opposition to democratic and nationalistic forces in the country was reflected in British and American policy in the Persian Gulf. In 1953, at the time of the coup in Iran, all of the southern shores of the Persian Gulf (apart from Saudi Arabia, which had become a sovereign state in 1932) were under British control. The specter of Iranian-style, anti-colonialist revolutions in the Persian Gulf unnerved Britain and the United States. Britain did not wish the sheikhdoms of the Persian Gulf to follow the Iranian model. The nationalist movement that brought Mosaddeq to power was also anchored in democratic ideals. It was the first of its kind in the region. Almost 25 years later, in 1979, Iran was consumed by another revolution, this time dominated by an Islamic ideology. Much like before, the West did its best to hinder the spread of Iran's revolutionary ideology in the Persian Gulf.

In the years 1953-1954, the British troops withdrew from Egypt, which had fallen to General Muhammad Nagib and Colonel Gamal Abd al-Nasser's Arab nationalism and the Islamic Brotherhood's anti-Western ideology. In 1956, the virulent campaign against Western imperialism culminated in Nasser's decision to nationalize the Suez Canal. The military confrontation that ensued between Egypt and the Western powers—including Israel—forever changed the geopolitical alignment of power in the region. While for two hundred years it had been the British India government that had defined Western interests in the region, after 1956, the single most influential source of defining Western interests in the Middle East and, to a lesser degree, in the Persian Gulf, would become Israel. The Soviet Union, for its

part, would in turn find itself hand-in-glove with the radical Arab governments, especially in Egypt and Syria, opposing the U.S. and Israel. On the other hand, suspicious of Russian motives and at the same time not comfortable with its Western partners, Iran stood strategically ambivalent in the midst of Middle Eastern politics.

In 1960, the British government failed to secure a base in Kenya. Realizing that British interests in the region could not be served from London and Nicosia, the British government turned Aden into a base in 1961. Aden soon proved unsuitable for British purposes in the face of the advancing wave of Arab nationalism across the Red Sea. The Yemeni civil war fueled by the local antagonists, Egypt and Saudi Arabia, eventually led to the independence of Aden in 1967 as the country of South Yemen and to the British withdrawal in the same year. In the meantime, in 1959, Iraq had withdrawn from the anti-Soviet security pact known as the Baghdad Pact and therefore Britain lost the use of its bases there. The next area to break loose from Britain's patrimony was Kuwait, in 1961. By 1962, the British possessions in the Persian Gulf had come to consist of the sheikhdoms of Bahrain, Qatar, Abu Dhabi, Dubai, Sharjah, Ajman, Umm al-Qaiwain, Ras al-Khaimah, and Fujaira (which does not have a coast on the Persian Gulf proper). In 1971, however, Qatar and Bahrain became independent and Britain presided over the creation of the United Arab Emirates (UAE) by uniting the remaining sheikhdoms.

In 1961, as Kuwait became independent, Iraq reasserted its historical claim over the country. British troops were dispatched to assist in the defense of Kuwait's borders. When Qatar became independent, Saudi Arabia claimed that it was part of its territory. Once again, British and American influence forced the Saudis to retract their claim. Kuwait, Qatar, Bahrain, and the UAE may not have emerged as independent states had British and, to a lesser extent, American policy been different. The development of these feudal monarchies into sovereign states was far from a historical inevitability. Even today, decades after their creation, these states do not have enough citizens to man their state bureaucracies and militaries. Less than half of the people living in Kuwait are citizens. In Qatar, foreigners comprise two-thirds of the population. Only one-third of the residents of the UAE are citizens.

The decision by the British government to withdraw from Aden was largely due to London's dwindling financial reserves. Since World War II, Britain had maintained its commitments in the region frugally. Britain's economic decline in 1966-1968 was the main cause of further cuts in its overseas commitments. The announcement in July 1966 to curb expenditures at home and abroad triggered a major reassessment of

British commitments in the areas east of the Suez Canal. In April 1967, Britain decided to reduce the number of its forces stationed in the region; however, following the devaluation of the pound sterling in November of that year, Britain decided to quit Aden altogether. At the time, the British government assured the sheikhdoms in the Persian Gulf of its intention to remain in the area as long as it was necessary to maintain the status quo. However, on January 16, 1968, the Labor government of Harold Wilson announced that Great Britain would withdraw its forces from the Persian Gulf by the end of 1971. The move would end 150 years of British military and political domination of the Persian Gulf. As the time for Britain's final departure approached, the local sheikhs were overwhelmed by the anxiety of independence. The Persian Gulf's sheikhs had little if any experience with statehood, and still less with nationhood. But from the beginning days of their statehood, the Persian Gulf's new states were aware that, relying on their oil reserves as a bargaining chip, they would seek the support of Western powers in their regional maneuvering. That UAE highlighted its dispute with Iran over the islands at a time when the West was attempting to isolate Iran is indicative of this phenomenon.

Britain had two main objectives in the Persian Gulf as its departure drew near: first, to unite seven of the Trucial sheikhdoms to form the UAE; and second, to create the independent states of Bahrain and Qatar. Actualizing these objectives rested on dealing with Iran. Iran asserted that the islands of Abu Musa, Great Tomb and Little Tomb, and also Bahrain were its historical property, unjustly seized by Britain in the past. Britain was well aware that its withdrawal from the Persian Gulf would create a situation in which Iran would recover its territories. Thus, between 1968 and 1971, Britain successfully negotiated a package deal with Iran over its outstanding territorial claims in the Persian Gulf and Britain's own design for the region.<sup>4</sup>

Accordingly: (a) Iran relinquished its claim to Bahrain and recognized it as a sovereign independent state; (b) Iran assented to and recognized the creation and independence of the UAE; (c) Iran recognized the independence of Qatar; (d) Iran repossessed the Tomb Islands; and (e) Iran and Britain, with the consent of Sharjah, entered into the Memorandum of Understanding concerning Abu Musa, which defined and regulated Iran and Sharjah's respective areas of interest and placed Iran in charge of the island's defense and security.<sup>5</sup> Iran also entered into a *modus vivendi* with the Sheikh of Sharjah regarding administration of Abu Musa Island.

Consequently, on November 30, 1971, as British forces watched passively, Iranian troops landed on the Tonbs and took possession of the islands from Ras al-Khaimah. On Abu Musa, Iranian troops were greeted by the deputy ruler of Sharjah and took up their position in the garrison on the

northern side of the island. A few days later, the British ambassador to the United Nations, Sir Colin Crowe, while regretting that no negotiated settlement could be reached between Iran and Ras al-Khaimah over the Tonbs, expressed satisfaction that the independence of Bahrain and Qatar, the emergence of the UAE and the Iran-Sharjah agreement over Abu Musa "represented a reasonable and acceptable basis" for the future of peace and security in the area.<sup>6</sup> In the words of the British negotiator at the time, Sir William Luce, Iran and Britain had at last "sorted out their differences over the islands."<sup>7</sup>

### CURRENT POLITICAL CONTEXT

Traditionally, disagreements over these tiny islands in the Persian Gulf have been the outward manifestation of larger local, regional, and international rivalries and provocations directed at Iran. Not accidentally, these disputes have risen at times when Iran has been isolated or pressured to modify its conduct.<sup>8</sup> In 1979, for example, *The Economist* suggested that the United States occupy the Tonbs and Abu Musa in order to pressure the Iranian government to release the diplomatic and consular staff detained at the U.S. embassy in Tehran and at the same time to increase the security of Western-bound oil tankers in the Persian Gulf waters.<sup>9</sup> In an equally provocative style, a novel published a few years later envisioned in Abu Musa a clandestine base to be used in an aerial attack on Iran to topple the revolutionary government.<sup>10</sup> In understanding the current dispute between Iran and the UAE, grasping the legal complexities and understanding the esoteric historical nuances are indispensable. In addition, a comprehensive understanding of the dispute requires an analysis of its current strategic context. The periodic recurrence of the controversy in recent years has been driven by factors that had determined Britain's previous concern over the islands: oil, commitment to local sheikhs, curbing Iran's influence, security of navigation, and prevention of a rival power from gaining a foothold in the Persian Gulf. No doubt, the geographic location of these islands accords them strategic value. This does not, however, justify the acrimony that has characterized the debate over these islands for more than one hundred years.

In the immediate aftermath of the Kuwait Crisis (1990-1991) and, more recently, the flaring up of the controversy over the islands again has had more to do with the realignment of U.S. interests in the region, Iranian policy in the Middle East and North Africa, the rise of political Islam, and the Persian Gulf monarchs' concern over their internal and external security. More specifically, I propose to show that the dispute between Iran and the UAE does not reflect the importance of the islands; nor does it reflect the UAE's attempt to take them away from Iran. The dispute is about much more than just the islands; it is a reflection—more than it is a cause—of the

strained relations between the Iranian government and those dedicated to containing it. No wonder that the dispute and its presentation in the Western and Arab media has turned into a vehicle for the pro-Western Arab states, Israel, and the United States to further Iran's isolation from the West and the Arab world. The Persian Gulf monarchies feel threatened by the growing Islamic activism in their countries and they fear the specter of Iranian-inspired Islamic radicalism permeating their shores.

With Islamic fundamentalism on the rise in North Africa and the reported military build up in Iran, the United States, its Arab allies, and Israel are set on weakening Iran's regional influence, particularly in the Persian Gulf,<sup>11</sup> even if that means forcing the replacement of the current government in Tehran.<sup>12</sup> A lasting solution to the dispute can only come through improving relations between Iran and all of the states that currently antagonize the Iranian government. From this perspective, the following questions are relevant: How is the dispute related to the current state of Iran-Arab relations? How is it related to Iran-U.S. relations? How have the two recent wars in the Persian Gulf affected the way the dispute is being handled?

The pretext for the current Iran-UAE islands dispute came about when, in April 1992, Iranian authorities expelled from Abu Musa about 100 foreigners working for the UAE government because they did not have Iranian visas. Later that year, in August 1992, the Iranian authorities refused to allow foreigners without Iranian visas to disembark at Abu Musa, forcing the UAE vessel to turn back.<sup>13</sup> Iran's Foreign Minister Ali Akbar Velayati played down the incidents as isolated actions of junior Iranian officials.<sup>14</sup> Iran's subsequent actions have matched the foreign minister's words; apart from the two incidents, Iranian officials have not interfered with the affairs of the Arab residents and visitors.

The incidents in Abu Musa, however, soon led the UAE to demand that Iran relinquish its control of the Tonbs as well. Some Arab countries have tried to use the floor of the United Nations to echo that demand. Thus, the Security Council has received memoranda signed by the Gulf Cooperation Council (GCC) member states, Egypt, and Syria, asking Iran to "end its occupation of Arab islands belonging to the United Arab Emirates," in the Persian Gulf.<sup>15</sup> The GCC and other Arab governments insist on the "Arabness" of the islands and the gulf itself in an attempt to justify their intervention in a bilateral territorial matter between Iran and the UAE.

Already predisposed to anti-Iranian sentiment, Arab and Western media have transformed the narrative such that a quarrel over three small islands<sup>16</sup> has metamorphosed into a first-class strategic struggle for power in the Persian Gulf.<sup>17</sup> At the outset of the controversy, Radio Cairo went so far

as to compare Iran's actions to Iraq's invasion of Kuwait, while the *Washington Post* ran a feature-length article, also likening Iran's actions on Abu Musa to Iraq's occupation of Kuwait.<sup>18</sup> The *New York Times* wrote, "Abu Musa is the largest of the three islands belonging to the Emirates occupied by Iranian troops in 1971,"<sup>19</sup> thereby implying that Iran must vacate all the islands. Lost in the rhetoric was the history of more than twenty years of joint Iran-UAE administration of Abu Musa. By comparing the Iran-UAE dispute to the Iraq-Kuwait war, the Western and Arab media wanted to achieve three aims: first, to revive the GCC fear of Iran by propagating what I call "the Kuwait syndrome"; second, to embolden the UAE in its claims against Iran; and third, to remind the Iranian government of the dire consequences of opposing pro-Western regimes in the Persian Gulf.

The ferocity of the uproar and the extent of media attention given to the dispute paint the islands as indispensable possessions. Much of the commotion, however, is misleading. Abu Musa, the largest and the most resourceful of the three islands—which Iran and the UAE share—has an area of about four square miles. It has three small oil wells and some deposits of red oxide. Its population is about 700 to 1000 people, depending on the season. Great Tonb is sparsely inhabited. It lacks fresh-water wells. The Little Tonb is uninhabited, with no access to drinking water.

The extent to which the islands have any practical importance at all is due to their strategic location at the entrance to the Strait of Hormuz. Thus, apart from their potential use during wartime, the islands offer little benefit to either country. However, this strategic value of the islands must be viewed against the liability of the burden of having to preserve their security; even if the islands were to be given to the UAE, it would not have the necessary means to protect them against a possible Iranian attack in a time of war or political crisis. Therefore, the most practical solution to the dispute, particularly from the perspective of UAE interests, is the maintenance of the status quo within a cooperative regional framework.

The Arab governments' claim that the three islands were Arab islands belonging to the UAE does not withstand close scrutiny. Iran is by far the oldest state in the Persian Gulf, and, as the authors in this book clearly show, its historical claim over the islands long predates any other state's. Besides, when Iran reclaimed the islands in 1971, following an agreement with the departing British, the UAE did not even exist as a country. Nor does the equating of the situation to Iraq's occupation of Kuwait withstand scrutiny. Iran is a vastly different country from Iraq, and, in contrast to Iraq, Iran is not known to have invaded any neighboring country in the last 150 years, while Kuwait—with a full one-tenth of the world's oil—is in no way

similar to three small, largely lifeless islands, with negligible resources. Moreover, Iraq invaded and occupied a sovereign, member state of the United Nations, while Iran is maintaining a U.N.-accepted status quo based on prior written and oral agreements.

While Iran's actions on Abu Musa in April and August of 1992 may have been unjustified, the comparison with the Iraqi invasion of Kuwait is far-fetched at best. The two isolated incidents do not by themselves explain the current opinion that Iran is a war-mongering country bent on territorial expansion. While Iraq invaded both Iran and Kuwait in the span of a decade, Saudi Arabia attacked Qatar in 1992,<sup>20</sup> and Turkey invaded northern Iraq in March 1995. Iran, in contrast, has kept within its borders. Not a single shot was fired during the two incidents on Abu Musa and, since then, life has continued uninterrupted on the island.

The extent of the uproar is neither an indication of the islands' importance, nor a reflection of the measures Iran took during the two incidents. Further, the uproar has no legal or historical basis. Rather, it is indicative of a comprehensive and continuing attempt by the Persian Gulf monarchies, Egypt, Israel, Britain, and the United States to isolate Iran. Indeed, isolating Iran from other Persian Gulf states is the cornerstone of the U.S. administration's dual containment policy. Thus, the island dispute is about much more than the islands; it is the most recent manifestation of the continuing ideological and political rivalry between post-revolutionary Iran and its Arab neighbors and their Western-power supporters.

To appreciate this fact better, one needs to consider the situation at the time of the Shah Mohammad Reza Pahlavi. The UAE was born at the time when travellers with Iranian passports, supposed carriers of plenty of petrodollars, were warmly greeted at Western airports and consulates; when tens of thousands of American military and civilian personnel were working in Iran, implementing the Shah's rapid modernization programs. So when Iran acted on its well-publicized intentions to reassert its sovereignty over the islands in 1971 by taking control of them, there was little uproar in the West; the sheikhdoms and Britain did not protest; the United States and Israel, both Iran's allies, saw Iran's actions as a natural manifestation of its role as the new regional power in the Persian Gulf. The pro-Western and conservative Arab regimes, including the new UAE, were comfortable with a pro-Western and conservative regional power. In 1973, the Shah's forces helped put down a Marxist rebellion in Oman's Dhofar region, an act that met with unequivocal praise from the Persian Gulf's Arab monarchs.

In this milieu, when the cold war was at its peak, Iran kept its sovereignty over the Tonbs and accommodated UAE in the administration of

Abu Musa. The Shah was seen by everyone in the region as the ruler of a buffer zone against the spread of Communism. Imperial Iran was the backbone of the region's status quo. It possessed enough diplomatic savvy and military wherewithal to deter war. Until the end of his reign, the Shah continued pouring much of the country's oil wealth into American arms, purchasing state-of-the-art weaponry. The Shah's shopping spree was costing the country over \$8 billion a year—over five times Iran's expenditure in 1993.<sup>21</sup> With the exception of Israel, Iran was the biggest purchaser of weapons in the world. Yet since the Shah was a friend of the United States, no one in the West talked about Iran's military build-up, nor its potential threat to its neighbors.

The revolution that consumed Iran in 1979 ended the country's pro-Western orientation and changed the strategic balance in the Persian Gulf.<sup>22</sup> The neighboring Arab states and the West were soon to find the shock waves of the Iranian revolution unsettling. The clerics who had suddenly come to rule Iran stepped up their anti-Western rhetoric, calling on neighboring Arabs to establish Iranian-style Islamic republics in their countries and to revolt against Western neocolonialism. Iran was no longer the stable buffer against leftist instability that the West and the Persian Gulf monarchies needed; it was now itself a source of instability, threatening conservative, pro-Western governments in the area. In 1979 Mecca's Grand Mosque was seized by *summi* revolutionaries and the Saudi *shii'i* rebelled later that year and in 1980. The phrase "Islamic republic," whose recipe Iran was trying to export, struck the Arab monarchies as partly good, partly bad. The monarchies were undoubtedly Islamic—in the case of Saudi Arabia, to the point of fundamentalism. What they abhorred was the republican part of the recipe. Monarchs who were—and continue to be—de facto owners of their countries and all their resources and feared that revolutionary fire might engulf the people of their regions too.

Ironically, this was a time when the ruling clergy were striving to unite Muslim Iran with fellow Muslims in Arab countries. They downplayed Iran's pre-Islamic glories in favor of the country's contributions to Islamic culture. They even tried to replace English with Arabic as the second language taught in Iranian schools in an attempt to counteract the *westoxication* of the Iranian society. The Shah had tried to detach Iran from Arabs as best as he could. Glorifying Iran's Aryan and pre-Islamic past was the Shah's main tool for achieving this aim. During his reign, it became fashionable to name newborns after pre-Islamic figures in Iran's history. The Shah even went as far as changing Iran's Perso-Islamic calendar to one beginning with the year of the founding of the Persian Empire by Cyrus the Great in the sixth

century B.C. It is ironic that the pro-Western, secular Shah had friendlier relations with the Persian Gulf monarchies than the Islamic clergy ever could. It was not important that the Shah was touting a secular and nationalist horn. It mattered more that he was set on preserving the Persian Gulf's pro-Western and monarchical character.

While Iranian revolutionaries were unnerving the neighboring Arab states and the West, domestically, they were faced with the challenge of establishing and maintaining authority. Almost immediately after the establishment of the new regime, a bloody power struggle ensued causing further political disorder and economic dislocation. Meanwhile, the episode of American hostages in Tehran was causing a rapid deterioration of U.S.-Iran relations, damaging and crippling the government's image and effectiveness internationally. The developments that weakened the new regime in Tehran, emboldened Saddam Hussein to invade the country in 1980. Counting on the support of the United States and the Arab states, Saddam Hussein had hoped for a quick victory and the imposition of his territorial demands on Iran. The war, however, dragged on, and this caused further anxiety among the ruling sheikhs in the Persian Gulf. About seven months into the Iran-Iraq War, in May 1981, the GCC was formed. It brought together Saudi Arabia, Kuwait, the UAE, Oman, Qatar, and Bahrain under a collective security umbrella. The council was to foster regional cooperation among the six monarchies and intertwine their economies more deeply. It was no secret, however, that the Council's main objective—albeit an implicit one—was to keep Iran's ideological fervor from permeating the members' shores. In early 1981, as the GCC was drafting its statute, Iraq seemed well on its way to a quick and decisive victory over Iran's poorly organized and divided military. But even in the face of Iran's imminent defeat and the imminent toppling of the Islamic Republic that would have followed, the Persian Gulf's monarchs remained on guard. It was not Iran's military might that unnerved them, but its contagious revolutionary ideology. At no time in their histories had the Persian Gulf monarchies' internal stability and the legitimacy of their rulers seemed so fragile.

When Iraqi forces invaded Iran in 1980, they broke the peace that Persians and Arabs had kept for centuries. Eight years later, when the two sides finally put their guns down, they had both lost, what Henry Kissinger said the United States had hoped would happen: close to a million people had died and war damage to Iran's economy alone amounted to over \$600 billion.<sup>23</sup> Iran's religious-nationalist zeal was manifest in the Iranian humanitarian wave tactics. While this worked to counterbalance Iraq's logistical superiority, it also put the count of the war's dead and the maimed dis-

proportionately on Iran. While Iraq received massive military and financial assistance from the United States and the GCC (around \$50 billion), Iran fought the war alone. Iran's isolation and the ensuing difficulty in procuring weapons and spare parts crippled the Iranian war effort and devastated the country.

To a large extent, Iran had only itself to blame. Throughout the war, it delivered conflicting, irreconcilable messages to the GCC. Iran tried to neutralize the GCC's support for Iraq by assuring the monarchs of its peaceful intentions toward them. Yet simultaneously, Iran worked to challenge the legitimacy of the Persian Gulf's rulers, seeking to replace them with Iranian-style Islamic republics. In the meantime, and most crucially, Iran continued its open confrontation with the United States in the Persian Gulf at a time when GCC members took refuge under the U.S. security umbrella. Revolutionary Iran became the Persian Gulf's perceived villain, giving the Arab governments a pretext to unite against it. GCC neutrality would have helped Iran's war efforts immeasurably. But Iran's attempts to export its revolution combined with its anti-American rhetoric compelled the GCC to side with Iraq.

The spilling over of hostilities from the Iraq-Iran War into the Persian Gulf had demonstrated the vulnerability of the sheikhdoms in the lower Persian Gulf. The Iranian rocket attack on the Kuwaiti coast alarmed Kuwait of the devastation that a more determined arsenal could inflict on the tiny sheikhdom. The Iraqi aerial attacks on oil tankers eventually resulted in the reflagging and escorting of Kuwaiti vessels under U.S. naval protection. While an Iraqi aircraft exacted a murderous toll on a U.S. ship, killing over twenty servicemen, the USS *Vincennes* shot down an Iranian civilian jetliner, killing 290 passengers. As the oil platforms near Iranian islands and oil fields in the Persian Gulf became launching pads for Iranian revolutionary guards' speedboats, the U.S. navy blew out of the water one Iranian oil derrick after another.

Construing the Iranian threat solely in terms of Iran's aggressive motives and the sheikhdoms' defensive response can be misleading. As the war dragged on, Iran and Iraq continued to weaken each other. Their oil production, the lifeblood of their economies, suffered substantially. Some of this was good news to Saudi Arabia. First, the kingdom solidified its position as OPEC's swing producer, filling the oil gap created by the parties to war. This brought the Saudis billions in extra revenue and cast them at OPEC's helm like never before, a trend that has continued into the 1990s and shows no signs of abating. The Saudis also used their new-found power within OPEC to cripple Iran's war efforts: in 1986, the Saudis flooded the oil market, causing a drastic drop in oil prices. Iran's projected oil income

of \$15 billion for that year dropped to an actual \$5.8 billion. The second reason the Saudis were benefiting from the war was strategic. With Iran and Iraq at war and the GCC consolidated, Saudi Arabia—could through its leadership role in the GCC—further its influence in the Persian Gulf. The Saudi leadership of OPEC and the GCC would not have come about had Iran remained a pro-West monarchy, an ally of the United States.

In August 1990, Iraq invaded Kuwait to seize Kuwait's oil fields and to gain more access to the Persian Gulf's coastline. In January 1991, the United States at the head of a multinational force attacked, sand-blasted, and expelled Iraq from Kuwait, restoring the Al Sabah family to power.<sup>24</sup> While Iran's protest against the Iraqi invasion of Kuwait helped improve Iran-GCC relations, the mutual animosity and suspicion continue to exist. Iran has not forgotten the GCC's support for the Iraqi aggression on its soil; the GCC countries still fear Iran's destabilizing effect on their regimes. In particular, the small Persian Gulf monarchies consider Iran's rearmament program threatening, though it is nowhere near as extensive as Saudi Arabia's, Kuwait's, or even the UAE's. In this vein, the islands dispute reflects the UAE's fear of Iran's potential threat to its security. To some extent, the UAE's concerns are justified. When a territorial dispute has become embedded in nationalistic fervor between states in the region, a military confrontation has often followed, sometimes years later.

Typical of the UAE's position regarding the Tonbs and Abu Musa is the call on Iran to end its "occupation."<sup>25</sup> In response, the Iranian president Hashemi-Rafsanjani has warned that to reach the islands, the UAE will have to "cross a sea of blood."<sup>26</sup> The metaphor underscores the visceral nature of the Iranian view that these islands are indivisibly part of Iran. The sentiment is not peculiar to present-day Iran, however. The Shah Mohammad Reza Pahlavi believed that these islands belonged to Iran by historical and incontrovertible right. Reminiscent of Winston Churchill's admonition, "we shall defend our island, whatever the cost may be,"<sup>27</sup> the Shah, in September 1971, thundered, "[t]hose islands . . . are ours. We need them. We shall have them. No power on earth will stop us."<sup>28</sup> As he had explained it earlier, "[t]he islands were ours; but some eighty years ago Britain interfered with the exercise of our sovereignty and grabbed them and subsequently claimed them for its wards, Sharjah and Ras al-Khaimah."<sup>29</sup> In Iran today, the islands dispute has indeed become a national issue, making it impossible for the Iranian government to negotiate any concession.

Hypothetical war scenarios aside, Iran is going through a period of introspection, attempting to invigorate its devastated economy. During its first decade, the Islamic Republic used its radical foreign policy to deflect the

Iranian public's attention from the hardships at home. That policy has changed and ideological zeal is now secondary to bread and material well-being. Iranians are increasingly demanding that their government deliver on its promise of prosperity. The revolution's initial fervor has given way to pragmatic concerns. Having learned from the crushing defeat of Iraq in Desert Storm, Iran has no intention to invade any of the GCC countries. If the UAE understands the change in Tehran's approach and the new moderation of Iran's policy in the Persian Gulf, Iran-UAE relations and Iran-Arab relations more generally, could improve dramatically. Such a development would render the island dispute moot.

Iran-Arab relations are deeply influenced by outside powers, chief among them the United States and Israel. The West plays a leading role in orchestrating the dispute. To the liberal Western mind, the theocratic government of Iran is an anachronism, unfit to meet the complex demands of modern statecraft and international commerce. Ever since Iran's clergy took power in 1979, the Western media have continuously berated the Islamic Republic for its arcane and illiberal ideology, its violent suppression of domestic dissent, and its alleged support for anti-Western and anti-Israeli terrorism abroad. The name Iran conjures up in the Western mind images of self-flagellation, public hangings, stoning of moral infractors, and suicide bombings—all in the name of religion and God. In the age of science and information highways, Iran is seen as having reverted to the dark ages.

The United States leads the Western world in propagating this image and in opposing Iran's domestic and international policy,<sup>30</sup> considering it an "international outlaw." Iran and the United States have no formal diplomatic relations. Iran's relations with Germany, France, and Japan, however, continue on a large-scale and unabated. While Iran's clerical government has become more moderate and pragmatic over its sixteen-year history, it is still seen as a pariah in the West. The ideological zeal that characterized Ayatollah Khomeini's rule is no longer the dominant force in the country. Pragmatic and pro-business clergy intent on liberalizing the economy oppose the hard-line factions within the Iranian government. Today, Iran's support for destabilizing and revolutionary ideologies in the Middle East is nowhere near what it was in the early years of the revolution and during the Iran-Iraq War. Iran is changing on the inside; yet its image outside remains unchanged, particularly in the eyes of the West.

Iran-bashing also serves Israel and Egypt, albeit for different reasons. Egypt's propaganda support for UAE's claim is motivated by its desire to reestablish Egypt's leadership in the Arab world. In the post-Cold War era, both Egypt and Israel need to preserve their "strategic" significance for the

United States in order to continue receiving billions of dollars in American aid. With Arab-Israeli peace negotiations in progress, Israelis see their dream for territorial expansion reaching a complete dead end; they are now turning to a new strategy based on economic hegemony in the region. This requires maintaining military superiority and unhindered economic expansion. With Iraq in shambles, Iran remains the only country that can challenge Israel in achieving its new strategic goals. No wonder then that Iran's alleged crash program to build a nuclear bomb, its supposed involvement in terrorism against Israel, and Iran's opposition to the peace process have become the most critical factors in U.S.-Iran relations. Iran's own egomaniacal mind-set and its defiant words have helped its adversaries to characterize it as a rogue state.

In analyzing the current state of U.S.-Iran relations, most Iranians, both within and outside the government, subscribe to a conspiracy theory. This theory rests on the assumption that with the Cold War over, America needs a regional menace like Iran to legitimize the selling of billions of dollars worth of weapons to the Persian Gulf monarchies every year. In the absence of backlash states such as Iran and Iraq, what need would there be in the Persian Gulf for American arms and military personnel? While the United States is interested in the continued large-scale sale of armaments to the oil-rich Persian Gulf states, its problem with Iran today cannot be reduced to money and profit alone. Protecting Israeli security, preserving the Persian Gulf monarchies and other pro-American states, and assuring the flow of oil at a reasonable price continue to top American foreign policy concerns in the Middle East.

In terms of U.S.-Iran relations alone, however, no single occurrence in recent history provided as great an impetus to the United States for a total realignment of forces in the Persian Gulf to Iran's detriment than the picture of blindfolded American diplomats, detained as hostages in Tehran for 444 days. Arguably, not even the fall of the Shah or the rise of Ayatollah Rouhollah Khomeini had by itself as great an impact on the future of U.S.-Iran relations as the hostage crisis, which came, lest it be forgotten, at the time when President Jimmy Carter's administration had resigned itself to a new regime in Tehran and was in the process of restaffing the U.S. Embassy in Tehran and the architects of U.S. foreign policy had begun to toy with the notion of an Islamic version of the *cordón sanitaire* to contain the Soviet influence.

While the rise and fall of governments lend themselves to analytical debate and examination, images are difficult to overcome. Since the hostage crisis, U.S.-Iran relations have been marred by images that have shaped an entire American generation's perception of Iran and Iranians in the same manner that America's arrogance of power, as typified by the Vietnam War, had offered substance to the appellation "the ugly American." The United States finds much of Iranian behavior disconcerting: the rituals of flag burn-

ing; chants of "Death to America and Israel"; the label "Great Satan"; the Iran-Contra scandal; the hostage crisis in Lebanon and suicide bombing of the U.S. marine barracks in that country; the death sentence on Salman Rushdie and the assassination of the Islamic Republic's political foes abroad; opposition to the Arab-Israeli peace process; and the purchase of armaments and strategic civilian goods, including nuclear reactors, from Russia, North Korea and China. These are all linked inexorably into one ball of cause-and-effect of the present state of Iran's image in the United States, providing fodder, as it were, for the double-barrel approach to Iran first under presidents Ronald Reagan and George Bush and later under President Bill Clinton's dual containment policy.<sup>31</sup>

The emotion generated by the hostage crisis shifted completely the longstanding fulcrum of the U.S. policy in the Persian Gulf from the mountainous coast of Iran to the sandy lowlands of the gulf, particularly to Saudi Arabia and the UAE. With the rise of reformist Mikhail Gorbachev to power in the Soviet Union, the security of oil supplies and Israel no longer rested on a strategic cooperation between Tehran, Washington, and Tel Aviv. The brokering of peace between Egypt and Israel in 1977 by President Carter had secured the stability of the border in the Sinai. The Soviet collapse was seemingly further proof that Iran possessed little if any strategic significance for American interests in the region. Yet, the transformations that have followed Desert Storm and the break-up of the Soviet Union have created a new regional order in which Iran again has become the meeting place of the Middle East, Central Asia, and the Caucasus.

During President Bush's administration, Washington showed signs of wanting to improve relations with Tehran. Iran used its influence in Lebanon to free the Western hostages held there. The accession of Ali Akbar Hashemi-Rafsanjani to Iran's presidency in 1989 had strengthened the power of the moderate and comparatively liberal factions within the Iranian government. During the Bush presidency, Rafsanjani purged the Iranian Majlis of many hard-line elements. At this time, American oil companies replaced their Japanese counterparts as the biggest buyers of Iranian oil. About a decade prior to these developments, Republicans in the United States had benefited from the hostage crisis. The crisis had been the greatest single cause of President Carter's defeat by candidate Reagan. The fact that the hostages had been freed on the very eve of Reagan's inauguration, attested to a Democratic-Republican split on the question of Iran. As the Iran-Contra affair demonstrated later, Republican administrations in Washington have adopted a more conciliatory approach toward the Islamic Republic than their Democratic counterparts.

President Clinton's approach to Iran was evident in his choice for secretary of state. Warren Christopher had been Carter's chief envoy to Algiers in 1980. There he had met with Iranian representatives to discuss the fate of the hostages and the possibility of securing their immediate release. The Iranians did not yield; they delayed the release of the hostages until Reagan was inaugurated. The Republicans benefited immeasurably from the delay. In the wake of his perceived impotence to deal with Iran, Carter lost the election. Twelve years later, Warren Christopher became secretary of state. The Clinton administration devised the Dual Containment Policy (DCP) to counter the menace posed by the Persian Gulf's two backslash states—Iran and Iraq. The policy seeks to isolate Iran and Iraq politically and to strangle them economically, leaving them in a permanent state of underdevelopment and reduced military capability so that they no longer pose a threat to their neighbors. While Iraq's economy suffers from United Nations sanctions, the Iranian economy, already subject to a longstanding U.S. embargo, is under additional pressures by new U.S. restrictions on commercial deals with Iran.<sup>32</sup>

The practical application of the DCP belies its stated objectives. The DCP is actually a uni-containment policy, a policy of containing Iran. As far as the U.S. government is concerned, Iran and Iraq pose vastly different threats to American interests in the area. From Washington's perspective, Iran is the more intractable menace, more difficult to contain and discipline. In turning much of Iraq into rubble during Desert Storm and in isolating and strangling it after the war, the United States has enjoyed the support of its Western allies and the Soviet Union—now the Commonwealth of Independent States. Thus, in implementing the DCP toward Iraq, the United States relies on the consensus in the United Nations Security Council, a consensus that legitimizes America's current military presence in the Persian Gulf. The case of Iran is very different. America has had little success in persuading Russia, China, Germany, Japan, France, and Italy to join the effort to economically strangle the Islamic Republic. Large-scale trade between Iran and Western Europe and Japan continues. Much to America's distaste, Iran continues to buy arms from Russia, China, and North Korea, a trend that has already joined Iran and these three countries in military arrangements over which the United States has peripheral influence at best.

While America enjoys a post-Desert Storm carte blanche among the Persian Gulf's monarchies, it has far less influence on the fate of Central Asia. Russia, not the United States, is the main foreign power in that oil-rich and nuclear-armed region. Desert Storm succeeded in just forty days not only because of the Western, Russian, and Arab alliance to eject Iraq

from Kuwait, but also because all the countries surrounding Iraq went along with the American agenda. Iran would make a more challenging enemy for the United States because of its proximity to Central Asia where American influence pales in comparison to Russia's military and political predominance. Russia would not tolerate an all-out confrontation between Iran and the United States because the repercussions may fuel further instability in Central Asia. A united and strong Iran contributes to the stability of Central Asia. After Desert Storm, the United States prevented the imminent dissolution of Iraq with great success. It is unlikely that the United States could wield similar control in a war-ravaged Iran. In addition, given the ideological antipathy of the Islamic Republic toward the United States, if Russia and China—Iran's chief suppliers of arms—wished to oppose U.S. interests in the area, the U.S. might find it difficult to discipline and mold Iran.

Apart from factors that may limit America's future maneuvering room in the Persian Gulf, a military confrontation between Iran and the United States is unlikely because Iran has neither the intention nor the capability to invade any of the oil-rich monarchies to its south. The Islamic Republic is increasingly turning inward, in search of ways to invigorate its devastated economy. Iran's attempts at fomenting trouble in the Persian Gulf are a relic of the past. Iran's revolutionary zeal has progressively given way to pragmatic and economic concerns. The main reason the DCP is ill-conceived is that instead of expediting Iran's transformation from a revolutionary state to a bureaucratic one it is, in fact, delaying the transformation. The economic, political, and military pressure that America exerts on the Islamic Republic only revitalizes the power of the most anti-American and radical factions within the clergy and generates domestic sympathy for them. Thus, the only way America can positively affect the behavior of the Islamic Republic is through increased trade, financial transactions, technological aid, and open dialogue.

What I call the *Kuwait syndrome* is complicating diplomacy in the Middle East today, particularly relations between Iran and the GCC states. Desert Storm displayed the absolute impotence of Iraq once set against the might of the U.S.-led coalition forces. The coalition's quick victory has since given the GCC states the illusion that as long as they serve American interests they do not need to heed the demands of their stronger neighbors. The unjustified demands of the UAE regarding the Tombs and Abu Musa suggest that the sheikhdom suffers from the Kuwait syndrome as well. The perception in Abu Dhabi, much like that in Kuwait City, seems to be that as long as they have oil and are willing to spend their oil proceeds on American arms, the United States will rush to protect them

from perceived or real aggressive neighbors. This perception is faulty on two grounds. First, in a confrontation with Iran, the United States may not be able to muster the same level of international support it enjoyed during Desert Storm, in which Russian cooperation was essential (and by some accounts purchased in cash). And second, such regional diplomacy and cooperation gives rise to a perpetual state of distrust and instability in the Persian Gulf, a condition that benefits none of the local states. If the UAE continues to capitalize on Iran's current troubles with the United States, Iran-UAE relations will suffer substantially.

The prevailing animosity between the United States and Iran fuels the Iran-Arab rancor. The United States is party to bilateral security agreements with the Persian Gulf monarchies, who view the United States as their sole protector against the suspected ambitions of Iran. American and Arab attempts at isolating Iran only fuel Iran's adventurism abroad, negatively affecting Iran's relations with the Persian Gulf monarchies. Conflict in the Persian Gulf serves none of the states in the region, only the purveyors of arms and reconstruction services.

In the long run, the dispute over the islands needs a diplomatic and regional solution, a solution worked out between the parties and in reference to all relevant factors and circumstances, including geography, history, economics, and law. Once Iran and its Arab neighbors find a collective security arrangement that protects their territorial integrity, domestic stability, and national interest, the islands will lose their strategic value. From this perspective, the solution to the dispute rests on improving relations between Iran and the Arab world. This will require improving relations between Iran and the United States, which is largely influenced by Iranian-Israeli antagonism. If the larger issues that underlie and drive the current dispute are not addressed, the relations between Iran and the UAE will stay the same.

The politics of exclusion pursued by Iran and the United States highlight the differences between the two and at the same time obscures their common interest in peace and stability in the Persian Gulf, Central Asia, the Eastern Mediterranean, and the Balkans. Moreover, while Iran is slow to learn the value of good public relations and good will, U.S. foreign policy has been even slower in applying the lessons of its time-honored approach to resolving seemingly unyielding ideological challenges by means of constructive or positive engagement—that is, influence through constructive engagement (even though some may want to give the credit to sanctions). Continuation of trade relations with Beijing is more apt to further the cause of human rights in China than mindless and arrogant chest-beating. The fall of the Berlin Wall and the demise of the “evil empire” of the Soviet Union, too,

were brought about through a persistent level of engagement of the adversary. There is no legitimate, systemic impediment to Washington's adoption of a constructive engagement policy with respect to Iran other than Iran's tarnished image internationally. While the United States reaps the windfall of Desert Storm, it remains practically ineffective with respect to Russia, the Central Asian theater, and China. The key to a successful U.S. policy with Russia and beyond is in pursuing a constructive policy with respect to Iran in the Persian Gulf.

## NOTES

1. On Desert Storm, its background and regional consequences see Amirahmadi, Hooshang, ed., *The United States and the Middle East: A Search for New Perspectives* (Albany: State University of New York Press, 1993); and Ismael, Tareq Y., and Ismael, Jacqueline S., eds., *The Gulf War and the New World Order: International Relations of the Middle East* (Gainesville, FL: University Press of Florida, 1994).
2. See *SIPRI Yearbook 1994, World Armaments and Disarmament* (Oxford: Oxford University Press, 1994); and Amirahmadi, Hooshang, “The Spiraling Gulf Arms Race,” *Middle East Insight*, X (2) (January-February, 1994).
3. On dual containment policy see, Martin Indyk's speech at the Washington Institute for Near East Policy, published in that organization's bulletin, *Policywatch* (84) (May 21, 1993); and Drake, Laura, “Still Fighting the Last War. Dual Containment: A Cold War Policy for a Postwar Middle East,” in *Middle East Insight*, X (6) (September-October, 1994), pp. 38-43. In a nutshell, the policy advocates weakening Iran as a means of changing its behavior in such areas as development of nuclear technology, international terrorism, and opposition to the Middle East peace process.
4. Interestingly, as early as the period between 1928 and 1933, Iran and Britain had considered dealing with these issues in the context of a comprehensive treaty providing for a settlement of all their disputes in the Persian Gulf. Thus, the package deal of 1971 was by no means a new formula through which Iran and Britain attempted to settle their differences in the Persian Gulf.
5. The history of negotiations which produced the above results, points to a series of micro give-and-takes, which some have referred to as a package deal, implying that the unraveling of one part of the deal may give rise to grounds for rescission of other parts of the deal. See *The Economist*, November 6, 1992 (letter to the editor). In their book, *The Foreign Relations of Iran* (Los Angeles: University of California Press, 1974), Shabram Chubin and Sepehr Zabih describe Iran's efforts to effect linkage among the various issues and to seek a package deal, but to no avail (p. 222). A similar view is held by Rouhollah Ramazani in *Iran's Foreign Policy: 1943-1973* (Charlottesville: University of Virginia Press, 1975), p. 424, and Muhammad Morsy Abdullah

in *The United Arab Emirates* (London: Croom Helm, 1978), p. 282. On the other hand, past and present Iranian officials and certain observers in the West believe in the existence of an explicit agreement. James D. McMunn in *Great Britain's Withdrawal from the Persian Gulf: An Analysis of Policy and the Process* (Master's thesis, Georgetown University, Washington, D.C., 1974), states that the fate of Bahrain, Abu Musa, and the Tonbs was decided in a bargain (p. 60). According to McMunn, a similar view has been held by R. M. Burrell (p. 60). Joseph J. Malone in *The Arab Lands of Western Asia* (Englewood Cliffs: Prentice Hall, 1973) maintains a similar conclusion (p. 239). In *The Persian Gulf: In the Light of International Rivalries & Provocations* (text of a speech at the Rotary Club of Iran on July 17, 1972), p. 3, Abbas Massoudi the Iranian senator and publisher, with an intimate knowledge of the Persian Gulf, acknowledged the existence of an explicit Anglo-Iranian agreement over the return of Abu Musa and the Tonbs to Iran. Later, in *Khalije Fars dar Doran-e Sarbolandi va Shokouh* (Tehran: Ertela'at Publications, 1973), p. 88, he wrote: "After long negotiations on the restoration of these islands to Iran, finally the matter was resolved by an agreement between and to the satisfaction of Iran and Britain." According to the Shah Mohammad Reza Pahlavi's court minister and closest adviser, Amir Assadollah Alam, Iran had been endeavoring to connect the two issues of sovereignty over Bahrain and the three islands as early as 1969. An entry from his diary for Sunday, March 23, 1969, read in part: "The British Ambassador called. I told him we can reach no settlement in respect to Bahrain until we know the fate of Tomb and Abu Musa. In that case, he declared we have all been wasting our time. 'So be it,' I said." Alikhani, Alinaghi, ed. *The Shah and I: Confidential Diary of the Royal Court of Iran by Amir Assadollah Alam* (London: I. B. Tauris, 1991), Amir Khosro Afshar, a negotiator for Iran on the islands, is quoted in this book, in an interview with Dr. Mojtabeh-Zadeh (Chapter 2), as having said that "[i]f there was no trade-off deal with the British during our negotiations on separate issues of Bahrain and the three islands of the Strait of Hormuz." It must, however, be noted that he probably meant there was no written agreement, which apparently does not exist. Besides, he might be hesitant to acknowledge a possible deal, being concerned about his patriotic credibility. British officials, such as Sir William Luce, who negotiated the British withdrawal from the Persian Gulf; Sir Geoffrey Arthur, undersecretary for commonwealth affairs; and Anthony Reeve, the Trucial desk officer at the foreign office, have also denied the existence of a package deal over the islands (McMunn, *ibid.*, pp. 60-61).

6. U.N. Security Council, *Official Records*, 26th year, 1610th meeting, 9 December, 1971, pars. 228-230.
7. *Times* (London), November 18, 1971.
8. See, Mirfendereski, G. and Meshkati, N. "America's Undertow, Iran's Achilles' Heel in the Persian Gulf," in *US-Iran Review* 6 (Commentary) (April, 1993).
9. *The Economist*, November 24, 1979. See also *The Economist*, December 22, 1979, p. 4 (letter to editor pointing out the possible tactical and strategic issues attendant upon the U.S. occupation of the islands).

10. Swift, Rebecca, *Project Norouz* (New York: Tower Books, 1982), p. 269 et seq. According to *Books in Print Supplement 1981-1982*, the original authorship of this book is attributed to Marion Swift and Rebecca Ross. Apparently, due to its controversial subject matter and defamatory allusions, the book seems to have been suppressed and pulled from circulation.
11. See "Iran Military Build-up Spurs US to Consider Escalating Sanctions," *Boston Globe*, April 6, 1995; "Christopher Urges Action Against Iran," *Boston Globe*, April 3, 1995; Oliphant, Thomas, "The Next Step in Mideast," *Boston Globe*, March 19, 1995.
12. See "Gingrich Speaks on Iran," on *ClariNet Electronic News Service*, February 9, 1995 (Associated Press reporting on the newly elected speaker of the U.S. House of Representatives addressing a conference of military and intelligence officers in Washington, where he stated that in dealing with Islamic terrorism, the United States should pursue an overall strategy that, among other things, "ultimately is designed to force the replacement of the current regime in Iran").
13. See, for example, "Iran Silent on Expulsions," *New York Times*, April 16, 1992, p. A5 (reporting from foreign diplomatic sources in Iran that Iran had expelled UAE officials, Iran had suggested to the Arab residents of Abu Musa to apply for Iranian identity cards, and the Iranian president had visited Abu Musa in February); Hedges, Chris, "Iran Is Riling Its Gulf Neighbors, Pressing Claim to Disputed Isles," *New York Times*, September 13, 1992, p. A22 (reporting on Iran's emergence as the region's dominant power after the Persian Gulf War, Iran's backing of Islamic opposition groups in the Middle East and North Africa, Iran's expulsion in the spring of certain UAE citizens from Abu Musa for reasons of visa/permit and security, and the U.S. view that Iran may be seeking to gain control of the islands to counter military cooperation between the United States and the Persian Gulf nations and also expand her navy).
14. *Iran Focus*, November 1992.
15. See U.N.Doc. A/47/516: Resolution 5223/98/3, September 13, 1992. Similarly, at the close of the thirteenth summit of the Gulf Cooperation Council, Abu Dhabi called on Iran to "terminate its occupation of Greater and Lesser Tunb islands, which belong to the United Arab Emirates." *BBC Summary of World Broadcasts: The Middle East*, ME/1573/A/7, 29 December 1992.
16. See, for example, Ibrahim, Youssef M., "Iran Is Said to Expel Arabs From Gulf Island," *New York Times*, April 16, 1992, p. A5 (reporting on Iran's expulsion of Arab nationals from Abu Musa and seizure of property, including a desalination plant, and the direction by the Saudi, UAE, and Kuwaiti media to give the matter prominent attention); "Iran Silent on Expulsions," *New York Times*, April 16, 1992, p. A5; Hedges, Chris "Iran Is Riling Its Gulf Neighbors, Pressing Claim to Disputed Isles," *New York Times*, September 13, 1992, p. A22; "Iran Says Critics Are U.S. Plotters," *New York Times*, September 17, 1992 (International), p. A12 (reporting on mounting tensions

in the aftermath of Iran preventing, in August, the passengers of a UAE ship from disembarking on Abu Musa, on the Iranian view that the dispute over the three islands was a U.S. shield to mask a big military build-up and presence, the U.S.-backed denunciation of Iran, and Iran's view that the dispute has been manufactured by the United States in conspiracy with the UAE to justify the U.S. presence in the Persian Gulf; "Syria Offers to Settle Iran's Claim to Islands," *New York Times*, September 20, 1992, p. A10 (reporting on the Syrian offer to resolve the dispute over the Tonbs and Abu Musa peacefully and in accordance with international law); "Talks Break Down on Disputed Gulf Islands," *Boston Globe*, September 29, 1992, p. 28 (Reuters reporting on the failure of bilateral Iran-UAE negotiations regarding the differences over Abu Musa in part because Iran would not negotiate the ownership of the Tonbs); "Egyptian Sees Syria-Israel Pact, Threat From Iran," *Boston Globe*, October 1, 1992, p. 10 (Associated Press reporting on the Egyptian foreign minister's remarks about the escalation of tensions in the Persian Gulf due to Iran's claim to the small islands near the Strait of Hormuz, one of which is claimed by the UAE and about which the UAE is taking the matter to the United Nations Security Council); "Iran Asserts Claims to 3 Disputed Islands in Gulf," *New York Times*, December 27, 1992, p. 8 (reporting on the Iranian denunciation of the UAE claim to the Tonbs and Abu Musa).

17. See, for example, "GCC Targets UAE-Iran Dispute," on *ClariNet Electronic News Service*, September 18, 1994 (Associated Press reporting on the Gulf Cooperation Council urging Iran to submit the islands dispute to the World Court); "Iran still Claiming Islands," on *ClariNet Electronic News Service*, September 19, 1994 (Associated Press reporting on Iran's rejection of a statement by the Gulf Cooperation Council that the Tonbs and Abu Musa belong to the UAE and Iran's position that the only solution to Iran-UAE difficulties and misunderstandings is through continued discussions without any preconditions); "Iran puts desalination plant on disputed island," on *ClariNet Electronic News Service*, October 1, 1994 (Reuters reporting that Iran has set up a desalination plant on Abu Musa and has launched scheduled flights to Abu Musa); "Saudi Arabia wants world court to rule on islands," on *ClariNet Electronic News Service*, October 4, 1994 (Reuters reporting that the Gulf Cooperation Council is seeking a peaceful solution to the dispute, including referral to the International Court of Justice, whereas Iran is accusing the UAE and its Arab supporters of trying to internationalize the dispute); "UAE to take Iranian dispute to international court," on *ClariNet Electronic News Service*, December 5, 1994 (Reuters reporting that in the aftermath of Iran's announcement to establish a court on Abu Musa, the UAE intends to refer its dispute with Iran over the Tonbs and Abu Musa to the International Court of Justice while Iran, rejecting the notion of adjudication, seeks to settle the dispute by dialogue); "US general says Iran island defenses pose risk," on *ClariNet Electronic News Service*, February 14, 1995 (Reuters reporting on statement by General Binford Peay, commander of U.S. forces in the Middle East, to the U.S. Senate Armed Services Committee that Iran has moved sophisticated air

defenses onto Tonbs and Abu Musa); "US closely watching Iranian moves in gulf," *Boston Globe*, March 1, 1995, p. 9 (Associated Press reporting on the U.S. chairman of the Joint Chiefs of Staff stating that Iran has deployed artillery and anti-aircraft missiles on islands at the mouth of the Persian Gulf); "Perry seeking US access in Gulf," *Boston Globe*, March 3, 1995, p. 12 (Reuters reporting on the U.S. seeking guarantees of U.S. access to ports and air bases in the Persian Gulf to counter potential threats from Iraq and Iran); "Iran building up navy," *Perry is told*, " *Boston Globe*, March 22, 1995, p. 15 (Reuters quoting U.S. officials stating concern about the threat posed by Iran to shipping in the Strait of Hormuz and Defense Secretary Perry urging the Persian Gulf sheikhs to increase their defense capability); "Iran said to deploy poison arms," *Boston Globe*, March 23, 1995, p. 2 (Associated Press reporting on U.S. defense secretary stating that Iran's military buildup at the mouth of the Persian Gulf could cripple the flow of oil while the deployment of chemical weapons, including on Abu Musa, could be used to defend the three islands jointly claimed by Iran and the UAE).

18. *Washington Post*, September 25, 1992.

19. *New York Times*, April 16, 1992.

20. See, for example, "Saudis, Qataris clash at border; accounts, death toll are at odds," *Boston Globe*, October 1, 1992, p. 10 (Associated Press reporting on the Saudis attacking a Qatari border post).

21. See Amirahmadi, Hooshang, *Revolution and Economic Transition: The Iranian Experience* (Albany: State University of New York Press, 1990), pp. 17-18.

22. For a comprehensive analysis of the revolution see Amirahmadi, *Revolution and Economic Transition: The Iranian Experience*; and Milani, Mohsen M., *The Making of Iran's Islamic Revolution: From Monarchy to Islamic Republic*, 2nd ed. (Boulder, CO: Westview Press, 1994).

23. Amirahmadi, Hooshang, "Economic Reconstruction of Iran: Costing the war Damage," in *Third World Quarterly*, 12 (1) (January, 1990), pp. 26-47; and Amirahmadi, Hooshang "Economic destruction and imbalances in post-revolutionary Iran," in Hooshang Amirahmadi and Nader Entessar, eds., *Reconstruction and Regional Diplomacy in the Persian Gulf* (London: Routledge, 1992), pp. 65-108.

24. See Amirahmadi, Hooshang, "Global Restructuring, the Persian Gulf War, and the U.S. Quest for World Leadership," in Hooshang Amirahmadi, *The United States and the Middle East: A search for New Perspectives* (Albany: State University of New York Press, 1993), pp. 363-429.

25. *Ibid.*, note 15.

26. "Iran Asserts Claims to 3 Disputed Islands in Gulf," *New York Times*, December 27, 1992 (International), p. 8.

27. Speech on Dunkirk, House of Commons, June 4, 1940.

28. Interview with the London daily *Guardian* (28 September 1971), reported in *Arab Report & Record* (London): 16-30 September 1971, p. 291.
29. Interview with the editor of *Blitz* (New Delhi), 24 June 1971, reprinted in *Kayhan International* (Tehran): 26 June 1971 (English Edition).
30. On U.S.-Iran relations in the post-revolutionary period, see Amirahmadi, Hooshang, and Bill, James A., *The Clinton Administration and the Future of U.S.-Iran Relations*, Policy Report No. 3 (Washington, D.C.: *Middle East Insight*, 1993); Amirahmadi, Hooshang, and Hooglund, Eric, *US-Iran Relations: Areas of Tension and Mutual Interest* (Washington, D.C.: The Middle East Institute, 1994); and Cottam, Richard W., *Iran and the United States: A Cold War Case Study* (Pittsburgh: University of Pittsburgh Press, 1988).
31. See Amirahmadi and Bill, *The Clinton Administration and the Future of U.S.-Iran Relations*; Amirahmadi and Hooglund, *U.S.-Iran Relations: Areas of Tension and Mutual Interest*; and Cottam, *Iran and the United States: A Cold War Case Study*.
32. The cancellation of the Iran-Chinook petroleum development project in the Persian Gulf is a manifestation of the workings of the dual containment policy. In this particular episode, the continuing Iranian involvement with groups opposed to the Arab-Israeli peace process in part served to scuttle the deal by virtue of a presidential order. See "Iran is said to give oil contract to US firm," *Boston Globe*, March 7, 1995, p. 9; Hunt, Terence, "Clinton to kill Chinook-Iran deal," *Boston Globe*, March 15, 1995 (Business), p. 45. The backdrop to the cancellation was painted in the months prior to the announcement of the deal by a number of stinging articles and editorials condemning Iran's role in the spread of mayhem and terror. See, for example, Jacoby, Jeff, "Iran's high octane blood money," *Boston Globe*, March 2, 1995, p. 11; Power, Jonathan, "How dangerous is Iran?," *Boston Globe*, March 6, 1995, p. 11; Oliphant, Thomas, "How American companies subvert US policy in Iran," *Boston Globe*, March 14, 1995, p. 13.

## 2

## Perspectives on the Territorial History of the Tonb and Abu Musa Islands

Pirouz Mojtahed-Zadeh

This chapter consists of perspectives on various aspects of the territorial history of the strategic islands of Great Tonb, Little Tonb, and Abu Musa at the entrance to the Persian Gulf: Prior to the 1971 withdrawal of Great Britain from the region, the status of these islands had been the subject of a protracted controversy between Iran and Great Britain. Iran claimed these islands by right based on historical title, as evidenced by official documentation of British, Iranian, and third-party origin. Motivated by strategic considerations, in 1903-1904, the British government instructed the Sheikh of Sharjah to raise his flag on Abu Musa and Great Tonb. To justify this action, the British government now came to hold the view that the islands had not been a part of any country's territory. Despite Iran's repeated letters and acts of protest, the islands remained respectively in the possession of the sheikhdoms of Sharjah and Ras al-Khaimah until the end of November 1971.

The 1968 announcement of Great Britain's impending withdrawal from the Persian Gulf was followed by three years of negotiations between Iran and Britain, which resulted in the independence of Bahrain (which had been claimed by Iran) and Qatar, the establishment of the United Arab Emirates (consisting of seven sheikhdoms including Sharjah and Ras al-Khaimah),