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**NONREGIONAL IMPACTS  
OF SOUTHWEST ASIAN POLICY:  
THE US-SOVIET-OECD TRIANGLE**



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**STRATEGIC ISSUES RESEARCH MEMORANDUM**

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ISSN 0275-2872

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US ARMY WAR COLLEGE  
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**NONREGIONAL IMPACTS OF SOUTHWEST ASIAN  
POLICY: THE US-SOVIET-OECD TRIANGLE**

by

**George E. Hudson**

**28 December 1981**



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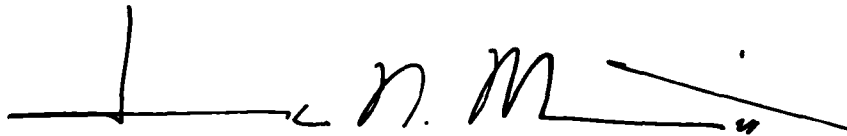
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## FOREWORD

This memorandum evolved from the Military Policy Symposium on "US Strategic Interests in Southwest Asia: A Long-Term Commitment?" which was sponsored by the Strategic Studies Institute in October 1981. During the Symposium, academic and government experts discussed a number of issues concerning this area which will have a continuing impact on US strategy. This memorandum examines the impact of emerging US policy in Southwest Asia upon the Soviet Union and the OECD nations.

The Strategic Issues Research Memoranda program of the Strategic Studies Institute, US Army War College, provides a means for timely dissemination of analytical papers which are not constrained by format or conformity with institutional policy. These memoranda are prepared on subjects of current importance in areas related to the author's professional work.

This memorandum was prepared as a contribution to the field of national security research and study. As such, it does not reflect the official view of the College, the Department of the Army, or the Department of Defense.

A handwritten signature in black ink, appearing to read "J. N. Merritt", is written over a horizontal line. The signature is stylized and cursive.

JACK N. MERRITT  
Major General, USA  
Commandant

### **BIOGRAPHICAL SKETCH OF THE AUTHOR**

DR. GEORGE E. HUDSON is Associate Professor of Political Science at Wittenburg University. In addition, he is an associate in the Program for International Security and Military Affairs, Mershon Center, Ohio State University and a consultant for System Planning Corporation. Dr. Hudson holds a bachelor's degree in Russian and a master's degree in political science from the University of Colorado, and a doctorate in political science from Indiana University. He is a contributor to *The Gun Merchants: Politics and Policies of the Major Arms Suppliers* (1980) and to *Soviet Naval Developments: Capability and Context* (1973), and his articles have appeared in professional journals.

## SUMMARY

This memorandum examines the impact of emerging US policy in Southwest Asia upon two important actors in the Southwest Asian area: the USSR and the OECD nations. After analyzing US, Soviet and OECD interests in Southwest Asia the author concludes that emerging US policy in the region appears to generate more tensions with US allies than with the Soviet Union. Differences in interests and perspectives have led to this situation. Unless interests and perspectives change, US policy in Southwest Asia is likely to continue to make Europe and Japan nervous and is not likely to generate conflict in the US-Soviet relationship. The memorandum concludes with policy suggestions which would help to lessen US-allied tensions but which likely would not heighten US-Soviet strains.

## **NONREGIONAL IMPACTS OF SOUTHWEST ASIAN POLICY: THE US-SOVIET-OECD TRIANGLE**

When assessing the nonregional impact of US Southwest Asian policy, we encounter the definitional problem of what constitutes the Southwest Asian area. There does not appear to be a commonly accepted notion, except that most observers include Pakistan, Afghanistan, Iran, Iraq, the nations south of Iraq on the Arabian Peninsula, and the Persian Gulf. Some, as exemplified in the Defense Department's *Annual Report* for fiscal year 1982, extend the area even further south to include Ethiopia, Kenya, and Somalia. Whether the analyst uses a broad or narrow definition, two observations about Southwest Asia can be made immediately. First, all the nations in one way or another are related to two main objectives of US policy: to keep oil flowing from the Persian Gulf to the Organization for Economic Cooperation and Development (OECD) nations (termed the "alliance" here) and to restrict Soviet influence in the Southwest Asian countries. Second, the definitions exclude important contiguous nations which have an impact on the region, namely India and Israel. Depending on how exclusive one's definition is, Ethiopia and Somalia also may be removed. US policy toward the nations immediately "outside" the region has a regional impact and may have great influence upon other distant

nations which have interests in Southwest Asia. Thus, US policy toward the contiguous states is really a part of US Southwest Asian policy and cannot be excluded from the analysis of nonregional impacts.

This essay will address the impact of US policy upon two key nonregional actors in Southwest Asia: the members of the OECD alliance and the USSR. We should keep in mind that alliance-Soviet relations also figure into the US impact. In part the impact of US policy is moderated and changed by the state of relations between members of the OECD (most important here, Western Europe) and the USSR. The author shall keep the broad definition of Southwest Asia in mind when he addresses US policy and the policies of the other interested parties.

The complexities of the region, the US-Soviet-Alliance triangle of interest, and domestic politics of the interested nations all come to play in US-Southwest Asian policy, baffling the efforts of the analyst to emerge with a clear picture of what US policy is and ought to be. As an acquaintance recently put it, the area may be characterized as "murky" to the formulator of US strategy. Any effort by the policymaker or analyst to emerge with a definitive judgment about OECD "views" or the impact of US policy upon such a diverse group of nations as these is bound to contain numerous distortions.

The present US administration is endeavoring to formulate a policy toward Southwest Asia which apparently is based upon the twin objectives mentioned previously: to keep the oil flowing and to prevent the Soviets from exercising influence in the area. These objectives are not new for the United States; it has pursued them since the end of World War II, in part under the guise of containment policy implemented through multilateral and bilateral military and economic agreements. Indeed, Afghanistan is the only nation along the South and Southwestern borders of the Soviet Union *not* to have been included in a security pact. What makes the current situation so unique and dangerous is the poor status of US-Soviet relations and US relations with major members of the alliance.<sup>2</sup> Thus any US-Southwest Asian policy which generates tensions with the USSR and OECD will add to the existing problems, enhancing the probability of nuclear war or the disintegration of NATO. The achievement of a policy that takes realistic account of the interests and policies of other important

countries in Southwest Asia will serve to lessen the likelihood of these extreme and unpleasant consequences. In the case of a joint US-alliance approach to Southwest Asia, the alliance could actually be strengthened and Soviet leverage against it weakened. The last section of this work will comment more on the directions of US policy.

Will the USSR attempt to enhance its influence in Southwest Asia to gain control of the oil flow? How will Western Europe and Japan react? Can the USSR begin to exercise leverage on the alliance? Will the USSR start to purchase Persian Gulf oil for itself and Eastern Europe? What should the US response to such a Soviet move be? Will the alliance be broken up by separate approaches to the oil problem? How does US-Israeli policy enter into emerging US-Southwest Asian policy? What impact will this policy have on the OECD and the USSR? The questions are endless. President Reagan's Administration has begun to answer them with a series of statements and some actions which are discussed below. However "murky" US policy appears to be, one element of agreement is that the military is being used as the major instrument of US policy in Southwest Asia. How the United States uses the military is, therefore, an important focus for studying nonregional impacts.

## THE IMPACT ON THE ALLIANCE

Part of the problem of Southwest Asia in US-OECD relations is the differing vulnerabilities of the alliance members to a halt in oil shipments. Most non-US OECD members are more vulnerable than the United States. The following chart helps to demonstrate this fact.

The oil factor is important to the policies of all OECD nations, affecting the Japanese perhaps more than any. It helps to explain why the Japanese Government in 1981 extended the Libyans greetings on the occasion of the twelfth anniversary of their revolution, why the Europeans were reticent to grant landing flight rights to US aircraft during the 1973 Arab-Israeli conflict, and why many European nations were not more forthcoming in support of the United States during the Iranian hostage crisis. The much greater oil vulnerability of non-US OECD nations has helped create a policy that is much more cautious in dealing with Arab nations in Southwest Asia. It has helped to generate a much stronger stand in

DEPENDENCE ON IMPORTED OIL<sup>3</sup>

SELECTED OECD NATIONS  
(1978)

	<u>Oil as % of Total Energy Use</u>	<u>% Oil Imported</u>	<u>% of Imported Oil From OPEC</u>	<u>% of Imported Oil From Persian Gulf</u>
US	48.6	32.7	72.2	27.5
W. Germany	53.5	87.6	76.7	38.0
France	60.2	99.0	81.9	67.7
UK	44.4	0.0	92.2	81.7
Italy	67.2	99.0	85.1	64.8
Japan	71.9	99.0	83.8	66.1

	<u>Imported Oil as % of Total Energy Use</u>	<u>OPEC Oil as % of Total Energy Use</u>	<u>Persian Gulf Oil as % of Total Energy Use</u>
US	16.0	11.5	4.4
W. Germany	46.9	36.0	17.8
France	60.0	49.1	40.6
UK	24.7	22.8	20.2
Italy	67.0	57.0	43.4
Japan	71.0	59.5	46.9

SOURCE: Timothy D. King and Kenneth H. Watman, "U.S. Synthetic Fuel Developments: National Security Implications and Incentives," (unpublished).

favor of Palestinian rights and in opposition to Israel than the United States would desire.

European sensitivities also are evinced when their views on American oil consumption are discussed.<sup>4</sup> Whereas Europeans feel that they are conserving energy, they see the United States engaged in an oil orgy. Although the United States contains only 6 percent of the world's population, it consumes 28 percent of all energy produced and 23 percent of all internationally traded oil. Europeans do not perceive an overall US energy policy to try to stem the overconsumption. This, the Europeans think, has generated an unnecessary demand for Persian Gulf oil in the United States that could deny much needed oil from the Europeans during a future oil crisis. They also see US oil imports increasing since 1973, rather than decreasing. On its part, the United States criticizes the OECD countries for not diversifying their sources of supply and for remaining far too vulnerable to an oil cutoff from the Persian Gulf.

Closely related to the oil vulnerability/lack of energy policy dispute between the United States and the OECD is each nation's

stand on the question of the Palestinian Arabs which, of course, affects their policies toward each of the states in the Southwest Asian region. The United States has not, according to one analyst, adequately included the Palestinians in a solution to the Arab-Israeli crisis. This is particularly the case of the Diaspora Palestinians whose cause is championed by the Palestine Liberation Organization (PLO) and other Arab nations.<sup>5</sup> In opposition to the United States, at least by implication, is the policy of other nations, such as France and Japan, to receive PLO representatives—even if not as members of an official state delegation. Francois Mitterand has recently conducted a Middle East tour, visiting an Arab nation (Saudi Arabia) before visiting Israel. Mitterand's tour contradicts his former pro-Israeli stance and underlines the pressures from within France championing Arab nations at Israel's expense. It appears to be in the interest of most European states and Japan to maintain their views that favor the establishment of a Palestinian state with security guarantees for Israel. The United States remains reticent about founding a Palestinian nation in the Middle East.

Receiving a PLO representative or making a trip to an Arab state before going to Israel may appear to be merely symbolic gestures, not particularly indicative of future behavior during a time of crisis. But the United States does not appear to discount them. They may mirror intentions, especially given past European behavior during the 1973 Arab-Israeli war or at the time of the Afghanistan invasion. The policy initiatives of the Reagan Administration appear at present to be equally full of symbols, which, from the OECD point of view, may be portentous for the future but at least present a mixed view of US policy.

In the recent past no symbol has been mightier than the AWACS, able to fly faster than a speeding bullet, more powerful than 15 radars, and able to detect tens of aircraft at a single bound. This supposed superplane (which some have debunked) has become Reagan's symbol for support of Saudi Arabia and other moderate Arab nations. Most OECD nations are likely to approve of the sale since AWACS can help to protect Saudi oil fields. By implication, the sale could be a step down the path to US dealings with the PLO, as it could symbolize support for Saudi Arabian solutions to the Palestinian issue.

Another symbol of US intentions, but one which can generate conflict in the alliance, is the highly touted Rapid Deployment Joint Task Force (RDJTF). Although in the abstract the OECD

may approve of its formation to protect Western and Japanese interests in oil, its mere existence generates fears among Western Europeans that the United States is out to use its military instrument at the expense of seeking diplomatic solutions (e.g., recognition of the PLO) to problems endemic to Southwest Asia. In other words, the United States could blunder into a war which would destroy the oil fields. Additionally, the Europeans ask, where would the RDJTF forces come from? From NATO, already strained in its manpower? Europeans have answered these concerns in part by shouldering more of the NATO military burden in Europe and Asia. Germany has increased its manpower support in Central Europe and the French have stationed more naval vessels in the Indian Ocean area. The question of the burden, then, is partly answered, but nagging doubts about the applicability of a military instrument still crop up. European and Japanese policy in Southwest Asia seems as murky as US policy appears to be at present.

Another symbol of US commitment to Southwest Asia is embedded in the offer, presented in 1981, of \$3.2 billion worth of military and economic aid to Pakistan. Over half of this is military aid. If the deal is consummated, it would begin in 1983 and would result in deliveries until 1988. This is an obvious reversal of US policy toward Pakistan (which resulted in a suspension of aid in 1979) and so far symbolizes President Reagan's emphasis on military instruments to influence events in Southwest Asia. The present administration views Pakistan as a strategically crucial nation for fending off Soviet power, for establishing a good political relationship with a Moslem nation, and, because of its ties with the People's Republic of China, for supporting a Chinese friend. What administration officials do not talk about, however, is that it could be used as a US staging area in case of a Persian Gulf war. This would depend, naturally, upon the Pakistanis accepting US basing facilities on their soil and allowing the United States to use them in a war. The first step is by far the most difficult, as the Pakistani Government currently stresses its nonalignment and independence of the United States.

Within this so far symbolic area is the subsymbolic issue of the F-16 fighter aircraft that Pakistani President Zia wants delivered as quickly as possible to close the "window of vulnerability" he sees from Soviet activities in Afghanistan. The F-16 has become a symbol of US commitment to Pakistan and by itself may determine

the warmth of the US relationship with Pakistan. The United States has promised to deliver 6 of 40 US-made jets by late 1982. It is receiving NATO assistance in the coproduction of aircraft to replace the ones delivered to Pakistan from the US force. Many NATO members, including the Netherlands, Belgium, Denmark, and Norway have expressed public support for US-Pakistani policy. Nevertheless, the European nations still want to give the impression that it is only the United States that is supporting Pakistan militarily, and make the distinction that there is a political difference between supplying F-16's directly and coproducing ones to replace those that have been supplied. Thus, there is only a glimmer of NATO cooperation and support for US-Southwest Asian policy.<sup>6</sup>

US pledges, of course, make the Indian Government—itsself a recent recipient of a huge \$1.6 billion arms sale from the Soviet Union—very nervous. The Indo-Pakistani conflict in the eastern part of Southwest Asia is a complicating factor in US policy. The United States does not want to see further armed hostilities between the two nations, nor does it appear to want to drive the Indians farther into Soviet hands (although the amount of Soviet “influence” in India is questionable.)<sup>7</sup> The destabilizing effect of renewed Indo-Pakistani hostilities also could generate problems in the alliance, as the perceived “overuse” of the military instrument in US policy can be viewed as causing instability in the region rather than curing it.

It is easy to criticize some of the above analysis as being too hypothetical. “Mays” and “coulds” do not, certainly, mean “wills.” But if the past is a guide, there is evidence that alliance members tend to shrink (for understandable reasons, given their relatively greater vulnerability to oil cutoffs) from action that has any likelihood of generating military conflict in Southwest Asia. The response to the Soviet invasion of Afghanistan is a case in point. When presented with the possibility of a Soviet invasion into the Southwest Asian area, the United States responded with an Olympic boycott and a cutoff in extra supplies of wheat to the Soviet Union. Western European nations hardly responded in kind. Although some refused to send Olympic teams, economic intercourse was not reduced. The West Germans, for instance, continued to negotiate with the USSR for a trade deal that would result in increased Soviet gas supplies to Western Europe in

exchange for West German pipeline. European detente policy continued unabated in spite of US protests that Southwest Asia was threatened by the USSR now more than ever before.

The Afghanistan issue helps to draw attention to the differing US and OECD interpretations about Soviet intentions in Southwest Asia. Although Soviet policy toward the region will be discussed in the next section of the paper, it is worth mentioning some general differences between the US and European views of the USSR. These differences help to divide the United States and its allies even more and amplify differences over policy in many parts of the globe.

The United States and the OECD nations find a basic divergence of interest concerning the issue of relations with the Soviet Union. On the one hand, the OECD, and the European nations in particular, desire to continue trade with the USSR and Eastern Europe. This trade had its roots long before the days of Willie Brandt's *ostpolitik*. Today, West Europe-East Europe trade is greatly significant to all parties concerned. Approximately 300,000 jobs in West Germany, for instance, depend on the trading relationship between the FRG and USSR. In turn, the FRG supplies one-third of all high-technology imports to the USSR. The OECD has a total trade turnover with the USSR (exports plus imports) over ten times that of the United States (in 1978, \$53.7 billion compared to \$5.2 billion).<sup>8</sup> Besides the trading interests, many West Europeans have strong interests in East-West cultural and personal contacts. This is evident in the European support for maintenance of the Helsinki Accords' provisions for the freer flow of persons and ideas between East and West.

The European nations of the OECD have a different perspective on competition with the Soviet Union. They are less interested than the United States in competing globally with the USSR and are more interested in developing trading relationships. They are less likely than the United States to see a Soviet hand behind instabilities in Southwest Asia and are not likely to interpret Soviet activities in the Third World as a challenge to European power. Many Europeans, for instance, viewed the US reaction to the Soviet invasion of Afghanistan as an overreaction; they did not see a drive to the Persian Gulf resulting from it.

The differing interpretations of Soviet behavior do not reflect some naive European attitude about the "real" nature of Soviet intentions. They reflect different interests and different

perspectives. This is why the US "Soviet threat" argument is not very credible in Western Europe. The threat, if this term may be used at all, is relevant to Western Europe only if Europeans perceive Soviet activities as challenging European interests. In part, these interests are defined in terms of direct Soviet threats to Western European territory (e.g., *via* an invasion of Poland, rather than Afghanistan) or to the energy lifeblood of Western Europe (e.g., if the USSR were to exercise great influence over the oil flow from Southwest Asia). As of now, the Europeans do not perceive these threats, although the Americans appear to. The USSR has not yet invaded Poland and has been trying to enter into agreements with the Western Europeans and Japanese to provide them with more energy, thus diversifying their sources of supply and helping to make them less dependent on the Persian Gulf. The writer would like to caution that generalizations like these have evident exceptions. The OECD contains a large number of nations, each of which views the world differently from the others. Britain and Japan, for different reasons, see the USSR more in the terms of the United States; Germany and France do not.

#### THE IMPACT ON US-SOVIET RELATIONS

As with the US-OECD relationship, apparent differences in national interests between the USSR and United States can lead to differences in policies and possible conflict. The US perception of Soviet interests has been predicated upon assumed Soviet desires to use an oil weapon against the West or to obtain oil from Southwest Asia for Soviet consumption. This view derives partly from an analysis of historical Russian or Soviet interests in the area (the Russians have occupied northern Iran twice during this century), from the invasion of Afghanistan, from Soviet arms shipments to Iraq and the PDRY, and from Soviet support of the PLO.<sup>9</sup> Will US and Soviet interests collide in Southwest Asia? Over the next several years, the answer is probably not.

In the first place, US and Soviet oil interests differ greatly. The United States, as we have seen, receives nearly 30 percent of its imported oil from the Gulf. The Soviet Union, aside from small imports of oil from Iraq and natural gas from Iran, has little or no energy needs from the area. Indeed, the Soviet Union continues to be a net oil exporter and its total energy supply continues to grow at the rate of about 1 to 2 percent per year. The Soviet Union is

currently in far more need of wheat from the United States than oil from Southwest Asia. The East European nations are dependent on outside suppliers of energy. According to one report, the nations of East Europe "as a whole are dependent on external sources for approximately 25% of their energy requirements, but most import 80% of their petroleum and 40% of their natural gas consumption."<sup>10</sup> The Soviets supply most East European needs. Given the longstanding Soviet need for stability in Eastern Europe, the USSR may need to seek outside sources for Eastern European oil if its own oil production dwindles in the future. At the moment East European energy affairs seem to be in control, especially as the USSR helps to develop the sharing of electric power generated from nuclear power plants within COMECON countries.

In the second place, a Soviet interest in Southwest Asia appears to be to limit US presence in the area rather than to exercise its own influence. So far, the Soviets have contained themselves to naval presence in the Indian Ocean as a counterbalance to US and allied forces and have proposed the creation of a "zone of peace" in the Persian Gulf. The latter proposal, suggested by Leonid Brezhnev in a December 1980 speech before the Indian Parliament and repeated at the 26th Party Congress in February 1981, would help to neutralize Southwest Asia and aid in achieving the limited goal mentioned above. Soviet participation in an all-European energy consumers' conference would help to ensure that energy decisions relevant to the Persian Gulf would take Soviet views into account and would not reflect only US attitudes.

Some might argue that this is a very benign view of Soviet intentions in Southwest Asia, that the Soviet goal is to dominate the area somehow. The author thinks this is not an immediate Soviet goal. It is this writer's view that the Soviets have learned a hard lesson from Afghanistan: the price of intervention in a nation that is willing to resist may be too high. If a Soviet invasion of Afghanistan has caused the USSR problems, imagine what an invasion of Iran, with a much more difficult terrain and a larger population, would be like! Influence, if it can be gained, will come over a long period of time as the so-called "correlation of forces" changes. In the short term, limiting the United States is enough. Very often, US activity by itself generates enough opposition to the United States without any Soviet help at all—witness the attempted rescue of the hostages held in Iran and the awkwardness of the

AWACS sale to Saudi Arabia. Thirteen years ago, Adam Ulam pointed to the above characteristic of US relations with the Middle East: US policy generates nationalistic counterreactions, diminishing US influence and perhaps yielding Soviet gains.<sup>11</sup>

In the author's opinion, over the next 5 or so years Soviet policy in Southwest Asia will retain its goal of limiting US influence, while, of course, taking advantage of unopposed opportunities to establish influence. The implication for the United States is that if the goals of US policy are to limit Soviet influence and keep oil flowing to Western Europe, Japan, and the United States, those goals will be met with only little resistance from the Soviet Union in the near term. What is essential to US-Soviet relations in the next 5 years is the Soviet assessment of how militarized US policy will become in Southwest Asia and whether the US military presence will threaten the Soviet Union more than it does now.

#### CONCLUSIONS AND DIRECTIONS FOR US POLICY

Soviet analyses suggest a difference of focus and concern between the Soviet Union and the OECD nations. Whereas the European nations and Japan are concerned that US policy in the region will affect their basic oil concerns, the Soviet Union is plainly worried about the influence of US policy upon the global balance of military power. The OECD focus tends to be regional and economically-oriented; the USSR, more global and military.

As the OECD nations know, any interruptions in the supply of oil to Western Europe or Japan will create near immediate economic and social impacts in their nations. Thus, short-term policy actions by the Reagan Administration could appear to be very threatening because their outcomes may be unknown and potentially disastrous; anti-West hostilities, for instance, could be fueled very easily in Southwest Asia. This creates conservatism and caution in many OECD capitals, producing objections to US policy initiatives. Europeans appear to be content with the *status quo* in the region or tend to seek safe policy lines, such as repeating support for Arab causes. The perspective is bound to create nervousness and tension about US policies. The Soviet view, on the other hand, is different. Because it focuses upon the growths of military power in Southwest Asia as a part of a global balance, US activity is viewed in its long-term implications and does not

produce the immediate reactions and tensions between the USSR and United States that typify the US-OECD relationship. When one adds the Soviet belief that the inexorable march of history will eventually create a favorable change in the semimystical "correlation of forces," Soviet-US relations acquire a more relaxed and less threatening aura.

The manner in which the Europeans and the Soviet Union assess the commitment of the United States to Southwest Asia varies greatly and significantly, as well. To put it bluntly, the rhetoric of US policy in Southwest Asia is far more frightening to the Europeans, and thus more tension-producing, than it is to the Soviet Union. The OECD countries appear not to be able to discriminate between declaratory US policy and US behavior in the area, or between symbols of US policy—like the AWACS to Saudi Arabia and F-16's to Pakistan—and the establishment of a firm policy line and behavior in the region. In a sense, these nations have been taken in by the symbols and words that the United States is using as a substitute for decisive behavior. The United States has not delivered an AWACS or F-16 yet, it has not established a Rapid Deployment Joint Task Force in the area, and it has not yet built the "basing facilities" it intends to establish in Kenya, Oman, and Somalia. Instead, the United States "seeks" to do these things, "states" that both Israel and Saudi Arabia are important to US interests, and "scolds" Begin for trying to influence US policy. Meanwhile the political situation in Southwest Asia remains much the same: continuing instability. But the oil continues to flow and the Soviets do not have undue or damaging influence.

The Soviet view is based much more upon an understanding of the rhetorical and symbolic nature of current US policy and a keen recognition that Southwest Asia is at present more important to the United States and the OECD countries than it is to the Soviet Union. The Soviets are cautious in the area because they know that a policy directly threatening oil supplies to the United States and Europe creates a large probability for a world war. Soviet "activity" includes their being mired down in Afghanistan and engaging in counterrhetoric with the Reagan Administration—such as suggestions for a regional zone of peace and an oil consumers' conference. The USSR continues to supply the PDRY and Iraq with weapons, however, and would certainly try to take advantage of an opportunity to exercise influence that might arise in the area.

But this is far different from challenging the United States and its allies directly.

Why US and Soviet policies have been satisfied with the *status quo* and have not moved decisively in one way or another is an interesting subject to comment on briefly. Other than a mutual desire to avoid nuclear war, there are several important reasons why superpower policy has evolved this way. First, the United States probably has learned a lesson from the overthrow of the Shah: overreliance on a country in this unstable region to protect US interests is not an appropriate way to pursue US policy. The United States appears much more reticent than previously to supply large amounts of sophisticated weapons to Southwest Asian countries, which helps to explain a reliance upon rhetoric and symbol rather than an effort to establish another Iran.<sup>12</sup> Second, the Soviets have learned that military involvement in Southwest Asia (and perhaps elsewhere in the Third World, too) cannot likely lead to large payoffs and, as in Afghanistan, can lead to an extended involvement and frustration. This probably means that the USSR would likely rule as infeasible an invasion of the much larger and more geographically complex Iran. Soviet policy instruments will likely be more subtle and will be directed toward long-term solutions. Third, and most important, the nations of the area have placed important limitations upon the exercise of superpower influence. Pakistan affirms its neutrality and produces weapons-grade plutonium in opposition to US desires; Saudi Arabia refuses to buy an AWACS system that is US-controlled for fear of identifying too closely with the United States; the Afghani rebels keep the mighty Soviet Army tied down and prevent a Soviet takeover of Afghanistan; the Iranian Government condemns and executes suspected US and Soviet sympathizers.

Emerging US policy in Southwest Asia appears to generate more tension with US allies than with US foes. Differences in interests and perspectives have led to this ironic situation. Unless interests and perspectives change, US policy in Southwest Asia is likely to continue to make Europe and Japan nervous and is not likely to generate conflict in the US-Soviet relationship. Is it possible to at least limit the tensions that Southwest Asia has helped to cause between the United States and the OECD nations, while keeping the region from becoming a source of tension between the superpowers and ensuring that local instabilities do not threaten

Western interests? The answer is yes. It involves a low level of US military activity, but somewhat higher than it is at present, and the more active participation of France and Britain in helping to ensure that allied interests are not endangered by local conflicts. Stationing more naval vessels in the Indian Ocean to keep naval "presence" in the Southwest Asia area will likely help. Using France's ties with Djibouti and coordinating a low-level allied military activity can help to assure the allies that their interests are being considered and that the United States will not proceed on its own approach. If the military presence is sufficient to protect allied interests, but not too great, it will provide the kind of "preemptive deterrence" to the Soviet Union—"to protect assets vital to American interests and to dissuade the Soviet Union from attempting to seize these same assets"—that Michael Nacht has suggested in a recent issue of *Daedalus*.<sup>13</sup> It is very important that the military presence is not so large as to cause great protest from local governments, but it has to be large enough to protect allied interests against local instabilities.

Naturally this scheme needs to be accompanied by improved political contacts with as many regional governments as possible and perhaps by heightened economic assistance and trade. For the long-term US policy objective should not be militarization of Southwest Asia, as this would likely yield a Soviet military response in Asia or elsewhere, but the achievement of political solutions that would help to cure regional instability. If the region is kept more peaceful, it is likely that the oil would continue to flow to the OECD nations and that the countries of Southwest Asia would become less vulnerable to Soviet influence. A resolution of the Palestinian issue more along the lines of what the Europeans want, certainly with adequate security guarantees for Israel, appears to be one of the fundamental roads to peace in the area. Perhaps Egypt can help to convince Israel of the wisdom of such a dramatic change. This will not be easy by any means, and it is not enough to guarantee stability in Southwest Asia.

Further political actions could help to deal with the causes of conflict between other countries. A law of the sea regime has the possibility of producing more peaceful conflict resolution between Iran and Iraq by dealing with disputed territories in the Persian Gulf. Some moves toward better US relations with India, as well as Pakistan, could also help to prevent outbreaks of hostilities

between India and Pakistan which could be based on a misreading of US intentions in the area. It is possible, for instance, for the Indians to interpret the US-Pakistani arms deal as directed against India, or for the Pakistanis to feel that US arms would give them license to pressure India. A clear and strong US stance on the policy in this case, combined with good US relations with both parties, could lower the probability of conflict, as the United States could make it clear that its arms in the area are not intended to fuel a conflict. The United States, in fact, could use its good services to reduce tensions.

Such political initiatives, especially if they would involve OECD participation, could yield greater stability in Southwest Asia, could eliminate conflict between the United States and the alliance, and could help to restrict Soviet influence. Because they are mainly political rather than military in nature, the policies likely would not threaten basic Soviet interests nor yield a Soviet military response. They also promise to produce a more permanent change in Southwest Asia, as they deal with some of the real causes of conflict, which are political. The cultural/religious factors in the area, which have caused problems for centuries, are likely to remain as causes for instability and appear to be matters with which no outside power can deal effectively.

## ENDNOTES

1. "Alliance" is a shorthand term used to connote the close economic and political ties among these countries and does not imply that they have a common, formal military relationship. Of course, the NATO countries—part of the OECD—do have military ties, too. The Organization for Economic Cooperation and Development includes the following 24 countries: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Iceland, Ireland, Italy, Japan, Luxembourg, Netherlands, New Zealand, Norway, Portugal, Spain, Sweden, Switzerland, Turkey, United Kingdom, and United States.

2. For recent articles on US relations with the alliance, see Thomas L. Hughes, "Up From Reaganism," *Foreign Policy*, No. 44, Fall 1981, pp. 3-23; and the following articles in *Daedalus*, Vol. 110, No. 1, Winter 1981: George H. Quester, "The Superpowers and the Atlantic Alliance," pp. 23-40; William G. Hyland, "The Atlantic Crisis," pp. 41-52; and Robert R. Bowie, "The Atlantic Alliance," pp. 53-70.

3. From Timothy D. King and Kenneth H. Watman, "U.S. Synthetic Fuel Developments: National Security Implications and Incentives," paper presented at the Midwest Universities Consortium Coal Workshop, Conference on Liquid Fuels and Biomass, October 5-6, 1981, Columbus, Ohio, p. 12. King's and Watman's sources include the November 1980 DOE *Monthly Energy Review*, the CIA *International Energy Statistical Review*, January 27, 1981, and *Energy Balances of the OECD Countries, 1974-1978*. Column two reflects net oil imports. Although some recent, incomplete data indicate that OECD Persian Gulf and other oil imports have dropped, the relative dependencies of US and non-US OECD nations remains the same. It is an assumption of this paper that imports from the Gulf will not diminish further between 1981 and 1986 and that the relative dependencies on Persian Gulf oil will remain the same. If Gulf oil imports to OECD nations drop significantly during that time, the Gulf may lose some of its strategic importance to many OECD countries, including the United States. US policy could change in that case and could produce effects on the USSR and OECD different from the ones suggested herein.

4. This paragraph is drawn largely from Tyrus W. Cobb, "Energy and East-West Relations," paper presented at the 1981 NATO Colloquium, Brussels, April 1981, pp. 33-37. For a good discussion of general problems of US-European relations, see Karl Kaiser, *et al.*, *Western Security: What Has Changed? What Should Be Done?*, New York: Council on Foreign Relations, 1981.

5. See the article by the former US Ambassador to Saudi Arabia, Hermann F. Eilts, "Security Considerations in the Persian Gulf," *International Security*, Vol. 5, No. 2, Fall 1980, p. 87.

6. For an article discussing the F-16 arms deal see Bradley Graham, "F-16 Agreement Seen as Relief From NATO Infighting," *The Washington Post*, September 30, 1981, p. A28.

7. See Robert C. Horn, "Security and Influence: Soviet Policy in South Asia and the Indian Ocean," paper presented at the American Association for the Advancement of Slavic Studies, Monterey, California, September 20-23, 1981.

8. Cobb, pp. 50, 20, 18b.

9. Two excellent discussions of Soviet relations with the Persian Gulf can be found in Sharam Chubin, "Soviet Policy Towards Iran and the Gulf," *Adelphi*

*Paper No. 157*, London: Eastern Press, Spring 1980, and Dennis Ross, "Considering Soviet Threats to the Persian Gulf," paper presented to the Conference on Energy and National Security, National Defense University, Washington, November 1980.

10. Cobb, p. 6.

11. Adam Ulam, *Expansion and Coexistence: The History of Soviet Foreign Policy, 1917-67*, New York: Praeger, 1968, p. 615.

12. Pakistan will receive considerably less military aid during the 1983-88 period than Iran received between 1977 and 1980.

13. Michael Nacht, "Toward an American Conception of Regional Security," *Daedalus*, Vol. 110, No. 1, Winter 1981, p. 18.

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SECURITY CLASSIFICATION OF THIS PAGE (When Data Entered)

REPORT DOCUMENTATION PAGE		READ INSTRUCTIONS BEFORE COMPLETING FORM
1. REPORT NUMBER ACN 81068	2. GOVT ACCESSION NO.	3. RECIPIENT'S CATALOG NUMBER
4. TITLE (and Subtitle) NONREGIONAL IMPACTS OF SOUTHWEST ASIAN POLICY: THE US-SOVIET-OECD TRIANGLE		5. TYPE OF REPORT & PERIOD COVERED Strategic Issues Research Memorandum
		6. PERFORMING ORG. REPORT NUMBER
7. AUTHOR(s) Dr. George E. Hudson		8. CONTRACT OR GRANT NUMBER(s)
9. PERFORMING ORGANIZATION NAME AND ADDRESS Strategic Studies Institute US Army War College Carlisle Barracks, PA 17013		10. PROGRAM ELEMENT, PROJECT, TASK AREA & WORK UNIT NUMBERS
11. CONTROLLING OFFICE NAME AND ADDRESS		12. REPORT DATE 28 December 1981
		13. NUMBER OF PAGES 22
14. MONITORING AGENCY NAME & ADDRESS (if different from Controlling Office)		15. SECURITY CLASS. (of this report) UNCLASSIFIED
		15a. DECLASSIFICATION/DOWNGRADING SCHEDULE
16. DISTRIBUTION STATEMENT (of this Report)  Approved for public release; distribution unlimited.		
17. DISTRIBUTION STATEMENT (of the abstract entered in Block 20, if different from Report)		
18. SUPPLEMENTARY NOTES		
19. KEY WORDS (Continue on reverse side if necessary and identify by block number) Southwest Asia; OECD; US policy; US-Soviet relations.		
20. ABSTRACT (Continue on reverse side if necessary and identify by block number) This memorandum examines the impact of emerging US policy in Southwest Asia upon two important actors in the Southwest Asian area: the USSR and the OECD nations. After analyzing US, Soviet and OECD interests in Southwest Asia, the author concludes that emerging US policy in the region appears to generate more tensions with US allies than with the Soviet Union. Differences in interests and perspectives have led to this situation. Unless interests and perspectives change, US policy in Southwest Asia is likely to continue to make Europe and Japan nervous and is not likely to generate conflict in the		

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US-Soviet relationship. The memorandum concludes with policy suggestions which would help to lessen US-allied tensions but which not heighten US-Soviet strains.

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