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COPY NO./EXEMPLAIRE NO.:  
96

18/88 10/08/88

SPECIAL  
INTELLIGENCE  
REPORT

BULLETIN  
SPÉCIAL DE  
RENSEIGNEMENTS

IRAN/IRAQ: PROSPECTS FOR PEACE  
(As of 1100 hours)

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**CE DOCUMENT PEUT FAIRE L'OBJET D'UNE EXCEPTION OBLIGATOIRE EN VERTU DES LOIS SUR L'ACCÈS À L'INFORMATION ET SUR LA PROTECTION DES RENSEIGNEMENTS PERSONNELS. AUCUNE DÉCISION RELATIVE À UNE REQUÊTE DE COMMUNICATION NE POURRA ÊTRE PRISE SANS LA CONSULTATION PRÉALABLE DU SECRÉTAIRE ADMINISTRATIF DU COMITÉ CONSULTATIF DES RENSEIGNEMENTS.**

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**IRAN/IRAQ: PROSPECTS FOR PEACE**

**HIGHLIGHTS**

- The announcement of an August 20 ceasefire in the Iran-Iraq war indicates that both sides appear to desire peace. UN Resolution 598 was accepted by Iraq a year ago. Iran has now also agreed to accept 598 due to a series of Iraqi military victories this spring, foreign naval intervention in the Persian Gulf (notably that of the United States), and serious internal economic and political problems. (C)
- We expect that the ceasefire will hold firm but peace negotiations will be difficult and protracted. Over the longer term, it is our assessment that there will be a prolonged cold war with the potential for occasional hot flashes of intense but local battles. (C)
- Members of the UN Observer Group will confront the dangers of unexploded chemical weapons, unrecorded minefields, and the crossfire of potential border skirmishes. (C)
- Canada's contribution to the Observer Group should involve minimal direct financial cost and it could result in considerable political benefits. (C)

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**CEASEFIRE**

1. On August 8, UN Secretary General Perez de Cuellar announced that a ceasefire in the Iran-Iraq war would commence on August 20. On August 9, Hashemi Rafsanjani, acting Commander of Iran's Armed Forces and the Speaker of the Iranian Parliament, announced that a unilateral ceasefire would begin immediately. He noted, however, that Iran would not hesitate to respond to any Iraqi provocations. Iraq has yet to respond in kind, although we anticipate that it will follow suit. (C)

2. The ceasefire follows Iran's decision finally to accept UN Resolution 598, something which Iraq did a year ago. That resolution proposed an immediate ceasefire, the discontinuance of all military actions on land, sea, and air, and the withdrawal of all forces to internationally recognized boundaries. Iran was brought to this decision by a series of Iraqi military victories this spring, foreign naval intervention in the Persian Gulf (notably that of the United States), and serious internal economic and political problems. (C)

3. The military advantage lies completely on Iraq's side. Since April, Iraq has managed to recapture virtually all territory formerly occupied by Iran. Iraq has achieved these victories at minimal cost to itself and maximum cost to the Iranians. The Iraqi army is well-positioned, well-equipped, and confident. Iran is in a state of military disarray, and is attempting to recover from both the physical and psychological effects of a series of military defeats. (C)

**PROSPECTS FOR THE PEACEMAKERS**

4. Formal peace negotiations are scheduled to commence in Geneva on August 25. Iraq has long wanted to negotiate for peace. Given the military, economic, and political problems now facing Iran, Iraq's willingness to negotiate now appears all the more genuine. We expect that these discussions will take place at the ministerial level, thus permitting the UN Secretary General de Cuellar to participate. Major issues include the establishment of agreed borders (including rights of navigation in the Shatt al Arab waterway), exchange of prisoners, and a decision on who was responsible for starting the war itself. Resolution of these, and other less important issues such as war reparations, could provide the framework for a formal peace agreement. (C)

5. Details of the composition and responsibilities of the UN Iran-Iraq Military Observer Group (UNIIMOG) are still unclear. The group will probably include approximately 350-400 soldiers from a variety of countries, distributed along both sides of the border in a series of fixed observation posts and mobile patrols. The problems confronting UNIIMOG are formidable. Unexploded chemical weapons, unrecorded minefields, and the crossfire of border skirmishes threaten to inflict serious injuries, and possibly deaths, on the unarmed observers. It will take time,

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administratively and logistically, to establish a United Nations field service organization capable of providing the necessary level of support to allow the observers to function effectively.  
(C)

**IMPLICATIONS FOR CANADA**

6. Canada has offered to provide a contingent, comprised of a communications unit of approximately 500 persons with its own administrative support plus 15 observers and 3 senior officers for headquarters staff positions. The communications unit, which is distinct from the Observer Group itself, has been committed for up to one year's service, contingent upon the UN establishing its own signals capability within that timeframe. The observers and staff officers will remain as part of the Observer Group for the duration of the mandate. (C)

7. The direct cost to Canada is expected to be minimal. Canada could benefit from the good will generated in the region, especially in the case of Iran, with which Canada has recently re-established formal diplomatic relations. In the UN context, Canada could also benefit. We believe that Canada's bid for a seat on the Security Council will be enhanced. (C)

**OUTLOOK**

8. Consent to a ceasefire undoubtedly proved bitter to Ayatollah Khomeini, and was a setback to those Iranian leaders, especially among the Revolutionary Guards, who were still anxious to prosecute the war. While Khomeini is still alive, those dissidents to the ceasefire decision will be held in check. Once the Ayatollah dies, much will depend on the transition, particularly on how quickly Rafsanjani, who has pushed strongly for an end to the war, can establish his authority. In the short term, therefore, i.e. during the next year, we believe that the ceasefire will hold firm but that peace negotiations will prove difficult and protracted. In the more distant future, it is our assessment that there will be a prolonged cold war with the potential for occasional hot flashes of intense but local battles.  
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