

# Adding fuel to the fire

Iran and Iraq are celebrating the fourth anniversary of their stalemated war by threatening to touch off a truly epic crisis — not the kind that you read about in some faraway place that really doesn't matter, but a blowup that could well effect our own personal lives.

The scenario is simple enough. Since neither side can win a military victory over the other, both Iran and Iraq have resorted to economic warfare by trying to prevent each other from exporting the oil that finances their war efforts.

Thanks to geography, Iran is fast winning this war of attrition. Iraq has been so far unable to knock out Iran's oil terminals at Kharg Island and further down the Persian Gulf. Iranian petroleum exports are rising rapidly, providing ample finance for the war. Iraq is in serious trouble.

Her main oil-export complex on the Shatt al-Arab has been closed by Iranian artillery. Syria, a bitter enemy of Iraq, has closed the pipeline that carried a large portion of Iraq's production to the Mediterranean. Only one pipeline through Turkey now carries dwindling Iraqi oil exports.

## Iran eyes pipeline

No one doubts that Iran will try mightily to destroy the Turkish-Iraqi pipeline. This could be done by air attacks, commando raids, or sabotage. When this pipeline is severed, Iraq, already nearing insolvency, will become bankrupt. Iraq's principal financial backers in the war, France, Saudi Arabia, Kuwait and the Gulf Emirates, are rapidly running out of money for the Baghdad regime which already owes them about \$30 billion.

France, Iraq's principal arms supplier, is desperate to avoid the collapse of the Baghdad government, in debt to Paris for \$5 billion. Acceding to Iraq's pleas, France is now delivering five Super Etendard naval strike fighters equipped with Exocet missiles. These aircraft, the same as the ones used so effectively by the Argentines in the Falklands war, were taken directly from the French Navy, a sure indication of Paris' concern.

Iraq is determined to prevent Iran from exporting oil. The Etendards, which have sufficient range to reach all of Iran's oil ports, will likely be used to sink outbound tankers loaded with Iranian petroleum. Even the threat of such attacks would cause most ships to avoid Iranian ports. If this happened, Iran would find itself in the same financial straits as Iraq.



## ERIC MARGOLIS



The Iranians have responded with fury. France has now joined the U.S. as another "Great Satan." The Imam Khomeini has announced that if Iran's oil exports are cut off by Iraqi attacks, he will close the Strait of Hormuz. "The West will not see the color of oil," thundered the Imam. This is a very serious threat indeed.

Most of the oil exports of Iran and Arabia pass through the narrow Hormuz passage between Oman and southern Iran. This vital strait, called the "world's jugular vein," could be easily closed by mining, air and naval attack. Iran still has a powerful navy and sufficient aircraft to interdict the Strait of Hormuz. Equally alarming, many military experts believe that Iran may also launch air and commando attacks upon Ras Tanura, Saudi Arabia's giant oil complex. Some reports indicate that Iran has a special squadron of F-4 Phantoms held in reserve specifically for this mission.

Iran's threat to block the Gulf and destroy Arab oil installations is being taken very seriously. The U.S. State Department tells us they are "extremely worried" by this "very real threat." The Reagan administration has vowed to reopen the Gulf by military force if Iran dares to close it. Senior Iranian diplomats confirmed to us that "Iran will fight back against the U.S. and anyone else who tries to lift the blockade."

## Oil exports in danger

If oil exports from the Gulf are stopped or even interrupted for any length of time, the industries and transportation networks of North America, Europe and Japan would be severely damaged. Even worse, a halt in the flow of petrodollars out of the Gulf could cause a panic on the international financial markets and the possible collapse of a number of leading banks.

Besides the evident threat to Western industry and finance, a fracas in the Gulf might bring the U.S. and Russia into a direct confrontation. Soviet aircraft and ground units in southern Afghanistan are now within striking range of the Gulf; Russia would like nothing better than to come to Iran's rescue. The U.S., already stretched dangerously thin by its military displays off Central America and Lebanon, has no ships to spare for sustained operations in the Gulf.

It seems that we must hope that the Iraqis continue to display the same high level of military ineffectiveness that they have shown so far. If they fail to block all of Iran's oil exports, then this crisis will not occur. But if the Etendards and their deadly Exocet missiles do effectively cut the flow of oil out of Iran, then we had better prepare for a long, cold winter filled with some very frightening events.

*(Eric Margolis is a member of the Canadian Institute of Strategic Studies)*