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COUNTRY: (U) TURKEY (TU); IRAN (IR); IRAQ (IZ); SWITZERLAND (SZ); BRAZIL (BR); CHINA (CH); DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA (KN); SOUTH AFRICA (SF); ISRAEL (IS); UNITED KINGDOM (UK); INDONESIA (ID); FRANCE (FR); FEDERAL REPUBLIC OF GERMANY (GE); ARGENTINA (AR).

SUBJ: $IIR^{(b)(3):10 \text{ USC } 424}$ IRAN - A LOOK INSIDE, PART 1 (U).

(b)(1),(b)(3):10 USC 424,1.4 (c)

DOI: (U) 890619 ~ 890725

REQS(U)

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SOURCE: A.

SUMMARY: (C/NF) INFLATION HAS RISEN 100 PERCENT OVER PAST TWO MONTHS WHILE HOME BREWED LIQUOR APPEARS AS A SIGN OF THE TIMES. IRAN CONTINUES ITS WORLDWIDE SEARCH FOR ARMAMENTS USING SOUTH AFRICA AS THIRD PARTY CUTOUT. NEW ELECTRIC RAILROAD OPERATING FROM TABRIZ TO THE SOVIET BORDER.

(6)(1),1.4 (c) TRAVELED THROUGH IRAN TEXT: 1. BY PRIVATE AUTOMOBILE, ENTERING AND EXITING AT A CROSSING POINT SOUTHEAST OF DOGUBAYAZIT, TURKEY ON THE TURCO/IRANIAN BORDER //GEO COORD ((b)(3):10 USC 424 . (b)(1), 1.4 (c)ENCOUNTERED CONTROL POINTS FREQUENTLY DURING HIS TRAVELS WHICH WERE FIXED OR MOBILE. THE FIXED CONTROL POINTS WERE USUALLY FOUND AT BRIDGES AND MAJOR ROAD JUNCTIONS. APPARENTLY THERE WAS NO PATTERN TO THE MOBILE CONTROL POINTS. ALL CONTROL POINTS, HOWEVER, WERE IN SETS OF THREE SEPARATE STATIONS WITH EACH STATION MANNED BY EITHER REVOLUTIONARY GUARDS (IN GREEN UNIFORMS), IRANIAN NATIONAL POLICE (IN BLUE UNIFORMS), OR JANDARMA TROOPS (IN BEIGE COLORED UNIFORMS WITH A 2-3 CM WIDE RED STRIPE ON THE SIDE OF THE TROUSERS). THE ORDER OF MANNING OF THE THREE PART CONTROL POINTS VARIED BUT SOURCE EMPHASIZED THAT AT NO TIME DO THE THREE GROUPS MAN THE SAME STATION OF A CONTROL POINT, AND THAT EACH GROUP APPEARED TO HAVE ITS OWN SYSTEM FOR DOCUMENTATION CHECKS (NFI).

2. (C/NF) ON THE INITIAL LEG OF THE TRIP (b)(1), 1.4 (c)NOTED THAT MORE THAN 85 PERCENT OF THE PEOPLE SPOKE TURKISH, INCLUDING THOSE HE MEET IN THE CITY OF TABRIZ //GEO COORD (b)(3):10 USC 424 /. HOWEVER, ONCE PAST TABRIZ THIS PERCENTAGE DROPPED DRAMATICALLY TO APPROXIMATELY 10 PERCENT. FROM TABRIZ (b)(1), 1.4 (c) TO FRENCH TO COMMUNICATE. (b)(1), 1.4 (c) IN IRAN DURING THE

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MOURNING PERIOD FOR KHOMENI BUT REPORTED LITTLE OUTWARD (b)(1),1.4 (c) EVIDENCE OF MOURNING WEST OF TABRIZ. HOWEVER, AS APPROACHED TEHRAN, BLACK FLAGS WERE READILY EVIDENT IN THE VILLAGES ALONG THE ROAD. 3. (C/NF) ONCE IN TEHRAN WAS PROVIDED WITH A GUIDE (SIC). INTERPLAY WITH THE GUIDE THE INITIAL THREE DAYS WAS VERY BUSINESS LIKE, BUT THAT WITH A LITTLE PERSISTENCE ON HIS PART THE GUIDE BEGAN TO RELAX AND TALK FREELY. FROM THAT POINT ONWARD THE GUIDE TALKED OPENLY ABOUT HIS FAMILY, THE ECONOMIC SITUATION, ETC. HOWEVER, HE REFRAINED FROM DISCUSSING THE LOCAL POLITICAL SITUATION AND DID NOT DISCUSS OR CRITICIZE TRAQ. NOR WAS THERE ANY CRITICISM TOWARD IRAQ FORTHCOMING IN DISCUSSIONS WITH IRANIAN GOVERNMENT OFFICIALS (IN REGULAR ARMY AND MILITARY PROTOCOL). 4. (C/NF) THIS WAS IN SHARP CONTRAST TO WHAT HAD EXPERIENCED THE PREVIOUS MONTH WHEN HE VISITED BAGHDAD, IRAO, IN BAGHDAD THE GUIDE HAD MAINTAINED A FORMAL COMPORTMENT AND BOTH WITH THE GUIDE AND IN MEETINGS WITH GOVERNMENT OFFICIALS THE CONVERSATIONS WERE FREQUENTLY PUNCTUATED WITH CRITICISM (NF1) OF IRAN. IN CONTRAST, ______ THAT IN TEHRAN, EVEN WITH HIS GUIDE PRESENT, HE WAS PERMITTED ACCESS TO A WIDE RANGE OF PEOPLE. THAT HE TRAVELED OVER 700 KM IN THE CITY OF TEHRAN ALONE. (C/NF) CONCERNING THE STATE OF THE ECONOMY, THE 5. GUIDE TOLD INFLATION IS CONTINUING TO RISE. THE PRICE OF STAPLES IN THE MARKET PLACE INCREASED OVER 100 PERCENT DURING MAY AND JUNE 1989. THE OFFICIAL RATE FOR THE IRANIAN RIAL IS SEVENTY TO ONE USD. ON THE BLACK MARKET, HOWEVER, IT IS TWENTY TIMES HIGHER WITH A RATE OF 1300 RIALS TO THE DOLLAR AT THE BEGINNING OF JULY. IT IS NOT UNCOMMON TO SEE A BLACK MARKET MONEY CHANGER, IN FULL SIGHT OF A POLICEMAN, SITTING ON A SMALL STOOL BEHIND A LOW TABLE WITH MONEY PRECARIOUSLY STACKED ABOUT HIM. EXPECTED THAT IN THE SMALLER TOWNS AND VILLAGES CASH WOULD BE REQUIRED BUT WAS SURPRISED WHEN HIS HOTEL IN TEHRAN INFORMED HIM CREDIT THEY WANTED ONLY CASH AND CARDS WERE NOT ACCEPTED. DEMANDED PAYMENT IN USD. CHECKED OTHER HOTELS IN TEHRAN AND FOUND THE SAME TO BE TRUE. NOTED THAT MANY WOMEN APPEARED ON THE 6. $\frac{(G/NF)}{(C/NF)}$ STREET WITH THEIR FACES FULLY EXPOSED, HAIR SHOWING AT THE FOREHEAD AND EVIDENCE OF THE USE OF MAKEUP, LIP (b)(1).1.4 (c) ROUGE, EYE SHADOW AND NAIL POLISH. AT DAWN WATCHED FROM THE HOTEL WINDOW YOUNG PEOPLE JOGGING IN

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THE PARK AND PLAYING TENNIS AT THIS EARLY HOUR. HE

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CONTRASTED THIS SCENE WITH FREQUENT SIGHTINGS OF YOUNG PEOPLE DRUNK IN PUBLIC AND PERSISTENT RUMORS OF EXTENSIVE DRUG USE (HASHISH AND HEROIN ~ ^{(b)(3):10 USC 424} ^{(b)(3):10 USC 424} THE GUIDE TOLD^{(b)(1),1.4 (c)} THAT THE CONSUMPTION OF LIQUOR HAD INCREASED DRAMATICALLY AND THAT THE YOUNG PEOPLE ARE NOW BREWING BEER AND MAKING HARD LIQUOR IN THE FAMILY BATHTUB. THE GUIDE OPINED THAT THIS IS DUE TO THE LOSS OF EXPECTATIONS IN THE CURRENT ECONOMY.

7. (C/NF) CONCERNING THE ARMED FORCES IN GENERAL (b)(1),1.4 (c) THAT BEFORE THE CEASEFIRE THERE HAD BEEN TWO MINISTRIES OF DEFENSE AND TWO GENERAL STAFFS, NOW THERE IS TO BE ONE WITH ONE COMMANDER - ((RAFSANJANI)) AND THAT THE DISCIPLINE AND MORALE OF THE REGULAR ARMED FORCES WAS LOW, WHILE BOTH THE MORALE AND DISCIPLINE OF THE REVOLUTION GUARD FORCES APPEARED HIGH IN ALL THREE SERVICES. WAS TOLD THAT IN THE PAST SEVERAL MONTHS THE LEADERSHIP OF THE REVOLUTIONARY GUARDS HAS IMPROVED SHARPLY BY THE TRANSFER OF "GOOD RELIGIOUS OFFICERS FROM THE REGULAR ARMED FORCES".

8 (C/NF) THE AIR FORCE, HAS THE LOWEST MORALE AND THE WORST DISCIPLINE WHICH ATTRIBUTES TO LOW PAY AND LACK OF OPERATIONAL AIRCRAFT. IRANIAN PILOTS INFORMED THAT THERE ARE ONLY 70 COMBAT PLANES (F-4, F-5 AND F-14) OPERATIONAL IN THE ENTIRE REGULAR AIR FORCE AND THAT THE PILOTS ARE AVERAGING ONLY 10 TO 15 HOURS OF FLIGHT TIME ANNUALLY. LACK OF SPARE PARTS CONTINUES TO PLAGUE THE AIR FORCE BUT WAS TOLD THAT AN AMERICAN FIRM (NFI) HAS AGREED TO SUPPLY THE IAF WITH PARTS BY USING SOUTH AFRICA AS A THIRD PARTY CUTOUT.

9, (C/NF) DISCIPLINE IN THE REGULAR ARMY MARGINALLY IS BETTER THAN THE AIR FORCE FOR THE SAME REASONS, LOW PAY AND AS THE PUT IT, "ZERO EQUIPMENT". THE SIZE OF THE REGULAR ARMY IS NOW 16 DIVISIONS AND 3 INDEPENDENT BRIGADES (70-80 PERCENT INFANTRY). OF THE 16 DIVISIONS, TWO ARE MECH, ONE IS ARMOR AND ONE IS A "SPECIAL DIVISION" (COMPOSED OF A COMMANDO BRIGADE, A MOUNTAIN INFANTRY BRIGADE AND AN AIRBORNE BRIGADE). THE REVOLUTIONARY GUARD ARMY IS COMPOSED OF 35-36 DIVISIONS OF WHICH FOUR ARE MECH, TWO ARE ARMOR AND THREE OR FOUR ARE SPECIAL DIVISIONS. PRIOR TO THE CEASE FIRE, THE REVOLUTIONARY GUARD HAD 50-75 SEPARATE BRIGADES. THAT IS NOW DOWN TO 15-20 FIGURE. WAS TOLD THAT 80 PERCENT OF THE BRIGADES. IRANIAN FORCES POSITIONED ACROSS FROM IRAQI CITY OF BASRAH (FISH LAKE REGION) ARE COMPOSED OF REVOLUTIONARY GUARD FORCES, WHILE A SIMILAR PERCENTAGE OF REGULAR ARMY COMPRISE THE IRANIAN FORCES OPPOSITE BAGHDAD. 10. (C/NF) WHILE THE IRANIAN NAVY IS SMALL (TOTAL OF (b)(1),1.4 (c) 35 SHIPS), BELIEVES THAT THEY HAVE THE HIGHEST

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MORALE, EXCELLENT DISCIPLINE AND A SOUND TRAINING PROGRAM. THAT THE NAVY IS DIVIDED INTO (b)(1).1.4 (c) FOUR GEOGRAPHIC COMMANDS: THE STRAIT OF HORMUZ COMMAND; STRAIT OF HORMUZ TO SHATT AL ARAB COMMAND; THE SHATT AL ARAB COMMAND; AND THE CASPIAN SEA COMMAND. THE REVOLUTIONARY GUARD NAVY, IS NOW CONCENTRATED IN THE STRAIT OF HORMUZ AND OPERATES PRIMARILY FAST PATROL BOATS AND HOVERCRAFT. ITS PRINCIPLE MISSION IS TO CLOSE THE STRAIT OF HORMUZ WHEN SO ORDERED AND ITS PRIMARY WEAPON REMAINS THE SILKWORM MISSILE. (C/NF) BELIEVED, PRIOR TO THIS LATEST TRIP 11. TO IRAN, THAT THE REVOLUTIONARY GUARD FORCE WAS ON THE DECLINE. HOWEVER, NOW BELIEVES THAT THE REGULAR ARMED FORCES ARE VIEWED WITH SUSPICION BY THOSE IN A POSITION OF AUTHORITY. WAS OFFERED A VIGNETTE BY ONE OFFICIAL TO SUPPORT THIS ATTITUDE. WAS TOLD THAT IN THE CLOSING DAYS OF THE WAR WITH IRAQ THE MUJAHEDIN-E KHALQ (IRAQI SPONSORED IRANIAN EXPATRIATE ARMY) PENETRATED SEVERAL KILOMETERS INTO IRANIAN TERRITORY DURING AN OPERATION TITLED "EXTERNAL LIGHT". OPPOSING THEM, SOME 40 KM AWAY, WERE THREE IRANIAN REGULAR ARMY DIVISIONS. KUOMENI HOWEVER, ORDERED THREE OR FOUR REVOLUTIONARY GUARD DIVISIONS LOCATED 150 KM FROM THE SCENE OF BATTLE TO REPULSE THE OFFENSIVE. 1T WAS CLAIMED THAT HIS RATIONAL FOR THIS DECISION WAS BASED ON HIS DISTRUST OF THE REGULAR ARMY FORCES. THE MINISTRY OF DEFENSE OFFICIAL TOLD THAT THIS DISTRUST REMAINS AND FOR THIS REASON THERE WILL ALWAYS BE TWO ARMIES AND THAT RAFSANJANI DOES NOT HAVE THE POWER TO ELIMINATE THE THE REVOLUTIONARY GUARD OR COMBINE THE FORCES. 12. (G/NF)IRAN CONTINUES IN ITS

WORLDWIDE SEARCH FOR ARMAMENTS. THE AIR FORCE HAS SIGNED A CONTRACT WITH CHINA FOR 100 F-7 FIGHTER AIRCRAFT. IRANIAN PILOTS DID NOT JUDGE THE F-7 RADAR TO BE ADEQUATE, THEREFORE THE PLANES WILL BE DELIVERED WITHOUT INTERNAL RADAR. THE LAF IS NOW TRYING (b)(1),1.4 (c) TO OBTAIN FROM MARCONI OF GREAT BRITAIN A SUITABLE RADAR FOR THESE AIRCRAFT. ALSO LEARNED THAT IRANIAN PILOTS ARE NOW IN SHANGHAI, CHINA, FOR TRANSITION TRAINING ON THE F-7. THE REVOLUTIONARY GUARD AIR FORCE IS FLYING HELICOPTERS AND LIGHT PLANES. THEY HAVE 40 PILATUS PC-7 (SWISS) AIRCRAFT AND HAVE A CONTRACT FOR 80 EMB-312 TUCANO (BRAZIL) AIRCRAFT. 40 ARE ON HAND AND PILOT TRAINING IS BEING CONDUCTED IN BRAZIL. THEY ALSO HAVE A HELICOPTER CONTRACT WITH INDONESIA FOR 60 SUPER PUMAS FROM AN INDONESIAN PLANT CO-OPERATED WITH THE FRENCH FIRM, AEROSPATIALE. THE ARMY HAS A CONTACT WITH NORTH KOREA FOR 200 OF THE NORTH KOREAN VERSION OF THE T-72 TANK. AN UNKNOWN NUMBER HAVE BEEN DELIVERED

(NFI). THE ARMY IS ALSO USING A SOUTH AFRICAN FIRM IN AN ATTEMPT TO ACQUIRE THE ISRAELI JERRICO MISSILE. SOURCE HAD NO INFORMATION ON NAVAL ACQUISITIONS.

12. $(G/NF)^{(b)(1),1.4 (c)}$ WAS TOLD THAT DURING THE IRAN/IRAQ WAR AN ATTEMPT WAS MADE BY IRAQI AIR FORCE TO DESTROY A NUCLEAR POWER PLANT UNDER CONSTRUCTION AT BUSHEHR. THE MAIN PLANT FACILITY WAS DESTROYED, BUT THE REACTOR HAD NOT BEEN INSTALLED AND WAS IN STORAGE IN ANOTHER BUILDING THAT SURVIVED THE BOMBING RAID UNHARMED. THIS SPRING A GERMAN ENGINEER FROM SEIMENS COMPLETED A SURVEY FOR THE RECONSTRUCTION OF THE PLANT. BY 1990 CONSTRUCTION WILL BEGIN USING GERMAN TECHNOLOGY BY WAY OF ARGENTINA (SEE IIR $^{(b)(3):10 \text{ USC } 424}$ TO REBUILD THE PLANT. FUEL FOR THE REACTOR IS TO BE PURCHASED FROM SOUTH AFRICA.

13. (C/NF) ON HIS RETURN TO TURKEY, (b)(1),1.4 (c) ATTEMPTED TO TRAVEL VIA ORUMIYEH (ALSO KNOWN AS REZALYEH) //GEO COORD (b)(3):10 USC 424 AND TO ENTER TURKEY AT THE CROSSING POINT WEST OF YUKSEKOVA AT //GEO COORD (b)(3):10 USC 424 1. HOWEVER, HE WAS PREVENTED FROM ENTERING THE TRI-BORDER REGION BY MEMBERS OF THE 64TH DIVISION WHO HE LEARNED ARE RESPONSIBLE FOR THE CONTROL OF THE TURCO/IRANIAN BORDER. FORCED TO SWING BACK UP THE EAST SIDE OF ORUMIYEH LAKE (b)(1),1.4 (c) RETURNED TO TABRIZ. ON THIS SECOND VISIT TO TABRIZ NOTED A NEW RAIL LINE (ELECTRIC) RUNNING FROM TABRIZ TO THE RUSSIAN BORDER AT DZHULFI (b)(3):10 USC 424 (b)(1).1.4 (c) COMMENTED THAT THIS RAIL LINE HAD NEW TRACK AND NEW OVERHEAD ELECTRICAL LINES. IT CONTRASTED SHARPLY WITH THE OLD RAIL LINE RUNNING FROM TABRIZ TO THE TURKISH BORDER. (b)(3):10 USC 424 1

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