The Reagan Administration
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- U.S. relations with Iran during the Reagan administration went through four stages—indifference, hostility, cooperation and finally confrontation that even included some limited combat.

- U.S. policy was shaped largely by three events: The 1980-1988 Iran-Iraq War, the 1982 Israeli invasion of Lebanon, and the abduction of American hostages in Beirut.

- A scandal in the mid-1980s—involving secret arms sales to Iran in exchange for release of American hostages held by Iran's allies in Lebanon—nearly destroyed the Reagan presidency.

- By 1988, U.S. support for Iraq and its military operations against Iran contributed to the end of the Iran-Iraq War and a de facto defeat for the Islamic Republic.

Overview

Ronald Reagan was sworn into office on January 20, 1981, just as Iran released 52 Americans held hostage at the U.S. Embassy in Tehran for 444 days. The timing was deliberate. The young revolutionary regime did not want the hostages freed until after Jimmy Carter, who had supported the shah and allowed him into the United States, left office. At the same time, Tehran wanted to clear the slate in the face of a new Republican administration that had vowed to take a tougher stand on terrorism and hostage-taking. But Iran also had bigger problems. Four months earlier, on September 20, 1980, Iraq had invaded, and Iran was embroiled in a life-or-death struggle. For the first 18 months of the war, virtually all the fighting took place on Iranian territory.

As one of the last Cold War presidents, President Reagan was also preoccupied with the Soviet Union, especially its military threats and its ties to radical states like Libya and Syria. In the Middle East, the White House focus was on advancing the 1978 peace pact between Israel and Egypt. Before the 1979 revolution, Iran had been pivotal to U.S. interests. It was a frontline state sharing a 1,200-mile border with the Soviet Union; it served as a listening post for the CIA. And it was one of the few Muslim countries to recognize Israel—and sell it oil. After the revolution, however, Iran became peripheral to these U.S. priorities.

Over the next eight years, U.S. and Iranian interests would both intersect and conflict violently. The Reagan administration produced unorthodox diplomatic contacts between Washington and Tehran. But it also witnessed the first military confrontation. The 1980s generally marked the most volatile period in relations between the United
States and Iran during the revolution's first three decades. The White House faced four major challenges.

**Israel's 1982 invasion of Lebanon**

The first turning point was Israel's 1982 invasion of Lebanon, which triggered a series of events that played out over the rest of the Reagan presidency. Israel invaded to push Palestine Liberation Organization (PLO) guerillas away from its borders. The Israelis were initially embraced as liberators by the predominately Shiite population in southern Lebanon, where the Palestinians had alienated the local population. But the welcome was short-lived. The heavy-handed Israelis were soon regarded as occupiers.

The summer-long war, symbolized by the siege of Beirut, was complicated by the intervention of foreign forces. Shortly after the invasion, Iran dispatched more than 1,000 Revolutionary Guards to Lebanon in a sign of support. The Iranians never directly engaged the Israelis, but they fostered the birth of Hezbollah, a Shiite resistance movement, and armed its new members. Over time, Hezbollah became a far more potent enemy than the Palestinians.

To help end hostilities, U.S. mediation produced a deal for the withdrawal of Palestinian guerrillas in exchange for an end to the Israeli siege of Beirut. A multinational force of U.S., French and Italian troops was dispatched to oversee the PLO pullout. The Western coalition was forced to deploy in Beirut a second time for an open-ended stint due to violence among the Lebanese. For the next 18 months, Iran and the United States both had troops in tiny Lebanon.

Armed and aided by Iran, Hezbollah was responsible for the first suicide bombings against American targets in 1983 and 1984 on two U.S. Embassies in Beirut and the U.S. Marine peacekeepers barracks. The Marines suffered 241 dead, the highest loss of U.S. military personnel in a single incident since Iwo Jima during World War II. In 1984, the Marines first redeployed to ships offshore and a few months later sailed home. Lebanon's civil war raged on for 11 years. Israeli troops remained in Lebanon for another 16 years. Iran's Revolutionary Guards were the last to close down their base in the Bekaa Valley.

In 1982, Hezbollah also began abducting Americans and other Westerners, in another attempt to force the United States to end its political and military involvement in Lebanon. Among the hostages was CIA station chief William Buckley, who was picked up in 1984, and eventually tortured and killed. Between 1982 and 1991, at least 96 hostages from 21 nations were kidnapped.

**The Iran-Iraq War 1980-1988**

The second challenge was the Gulf War. Iran liberated its territory and repelled Iraqi forces in 1982. But Tehran was loathe to let Saddam Hussein remain in power in
Baghdad. So the theocrats pushed the war across the Shatt-al-Arab waterway into Iraq. The war's shifting tide led the United States to rethink its neutrality, for fear Iran might threaten the weak oil-producing Gulf sheikhdoms, Jordan and even Israel. Reagan opted to tilt in favor of Iraq. Washington provided critical tactical intelligence to Iraq to hold off Iran's offensive.

In early 1983, the United States also orchestrated Operation Staunch, a worldwide effort to block arms supplies to Iran, including U.S. spare military parts for a military that had been trained and armed by the United States during the monarchy. Iran was running out of spare parts and missiles in the midst of an offensive that required a significant amount of new weaponry.

**The Iran-Contra scandal**

During its second term, the Reagan administration made secret contacts with Iran. The outreach was based on the erroneous belief that Iran's regime included some "moderate" politicians who were prepared to do a deal with the United States – at a time when other Iranians were pushing for an alliance with the Soviet Union.

In 1985, Reagan signed a secret finding authorizing a covert program to provide weapons, funneled initially through Israel, to Iranian forces squeezed by Operation Staunch. Washington hoped the Iranians would in turn help free American hostages held in Lebanon by Hezbollah. (In a twist, unbeknownst to Reagan, money generated by the arms sales to Iran was secretly deposited in Swiss banks to fund the Contras, an anti-communist group fighting the Nicaraguan government). Details of the covert Iran-Contra affair were revealed in 1986 and nearly brought down the Reagan presidency. And in the end, the effort failed. Three American hostages were released in exchange for several shipments of TOW and HAWK missiles. But then Hezbollah simply abducted three more Americans in Beirut.

**U.S. forces in the Gulf**

The final challenge was ensuring free passage for oil from the Gulf. The Iran-Iraq War spawned deepening instability that spilled over into Gulf shipping lanes. At the end of Reagan's first term, the so-called Tanker War erupted when Iraq attacked Iranian oil tankers and its oil terminal at Kharg Island. Iran retaliated against tankers carrying Iraqi oil.

In mid-1987, the Reagan administration launched Operation Earnest Will to protect Kuwaiti ships carrying oil from Iranian attack. Since American law prevented the U.S. Navy from escorting foreign ships, the Kuwaiti ships were re-registered under the American flag. On October 16, 1987, the re-flagged tanker *Sea Isle City* was struck at anchor in Kuwaiti waters by an Iranian silkworm missile, wounding 18 people.
In 1988, in retaliation for a minor attack against the USS Samuel B. Roberts in April 1988, the United States launched Operation Praying Mantis. U.S. warships sunk an Iranian frigate and shelled two Iranian oil platforms near the Strait of Hormuz. The military encounters climaxed on July 3, 1988, when the USS Vincennes accidentally shot down Iran Air flight 655, a commercial jet carrying 290 passengers and crew. All perished. The warship mistook the plane for a fighter. Operation Praying Mantis, combined with the Iran Air tragedy, pressured the regime to reluctantly agree to the terms of a U.N. ceasefire with Iraq on August 20, 1988. Ayatollah Khomeini said accepting the ceasefire was comparable to drinking poison.

The aftermath

- U.S. aid to Iraq in the name of defeating Iran backfired somewhat. Tehran was weakened, but Iraq emerged stronger and more belligerent than anticipated. Two years after its war with Iran ended, Saddam Hussein invaded Kuwait – precipitating a major war with a U.S.-led coalition.

- Reagan left office with several Americans still in captivity in Beirut. Iran still had hundreds of Revolutionary Guards deployed in Lebanon. And Israeli forces in Lebanon were under growing pressure from Hezbollah.

- Reagan’s legacy was shaped most by the dramatic change in relations with the Soviet Union, including a friendship between Reagan and Mikhail Gorbachev. This rapprochement led to the break-up of the Warsaw Pact in 1989, and the collapse of the Soviet Union in 1991. But the Cold War’s end also had some benefits for Iran. It removed one longstanding threat, dating back to Soviet occupation of Iran during and after World War II. And it opened up diplomatic and economic access to a new bloc of Muslim countries that had been Soviet republics.

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