According to Iranian Navy (IIN) Soviet Task Force (Submarine, LST and Mine Sweeper) which entered Gulf end of December (Ref: A) proceeded Jan 5 to Umm Qasr (IRAQ: Port where Soviets developing naval facilities) (Ref: B) according to press report, Task Force commanded by Soviet Admiral Karonadonov and visit to Umm Qasr may be connected with port commissioning ceremonies there.

It will be recalled that no RPT no Russian naval vessel visited Persian Gulf from 1905 (when Admiral Togo destroyed Russian Imperial Fleet in battle of Japan Sea) until 1968. However, current visit by Soviet vessels is, by our count,
SIXTH TO OCCUR SINCE MID-1968 (SEVENTH, IF WE INCLUDE VISIT TO BANDAR ABBAS IN DECEMBER 1970 BY SOV RESEARCH VESSEL CARRYING HELICOPTER, VISIT WHICH WE HAVE JUST LEARNED OF FROM IIN). IT DEMONSTRATES ONCE AGAIN SOVIET DETERMINATION TO INCREASE ITS NAVAL PRESENCE IN VITALLY IMPORTANT PERSIAN GULF ON WHICH JAPAN AND EUROPE NATO DEPEND SO VERY HEAVILY FOR THEIR ENERGY REQUIREMENTS. IT ALSO IS FURTHER PROOF OF SOVIET DECISION (WHICH WE HAVE REPORTED FOR SOME MONTHS) TO DEVELOP NAVAL FACILITY AT UMM QASR, NOMINALLY FOR IRAQ BUT ALSO FOR SOVIET NAVY IN ORDER TO SUPPORT A STEADILY EXPANDING SOVIET PRESENCE NOT ONLY IN INDIAN OCEAN AND ARABIAN SEA, BUT ALSO IN GULF.

3. SUCH A SOVIET NAVAL PRESENCE IN GULF COULD, OF COURSE, BE VERY IMPORTANT POLITICALLY AND PSYCHOLOGICALLY TO RADICAL ARAB STATES (PARTICULARLY IRAQ, SOUTHERN YEMEN, AND SYRIA) WHEN THEY LAUNCH THEIR MAJOR "NATIONAL LIBERATION FRONT" OFFENSIVES AGAINST MODERATE ARAB GULF STATES. QUALIFIED OBSERVERS HERE BELIEVE THIS OFFENSIVE WILL CERTAINLY OCCUR SOMETIME IN 1972, FOLLOWING WITHDRAWAL OF MOST OF BRITAIN'S PRESENT MILITARY ESTABLISHMENT IN GULF, SO SOVIET EFFORTS TO COMPLETE AND COMMISSION UMM QASR ARE UNDERSTANDABLE.

GP=3
MACARTHUR