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LIMITING ARMS SALES AND THE IRANIAN AWACS PROPOSAL

INTRODUCTION

The proposed sale of AWACS* to Iran has focused attention on the new policy of President Carter's limiting the sales of American arms overseas. While some critics charge that the sale destroys the credibility of the President's entire policy, others contend that it simply acknowledges the complications involved in implementing the policy, while still others believe the sale reveals a basic lack of realism inherent in any attempt to unilaterally reduce overseas arms sales. This paper examines the various conflicting contentions that have arisen in conjunction with the proposed AWACS deal and how they relate to the broader questions of arms sales and the role of the United States in maintaining peace and stability through a balance of power and viable alliances.

*AWACS is the acronym for Airborne Warning and Control System and is the name given to modified Boeing 707 airplanes equipped with elaborate radar and communications equipment. The plane is distinguished by a large mushroom-shaped rotating dome and a "look down capability" that no other radar possesses that can both detect enemy aircraft at great distances and direct friendly warplanes engaged in combat.

BACKGROUND

On July 6, 1977, the Carter Administration announced the proposed sale to Iran of seven AWACS planes for \$1.2 billion. Under the provision of the 1973 Foreign Aid Authorization Act, all arms sales in excess of \$25 million could be blocked by the Congress through the adoption of a concurrent resolution passed within 30 days of the date of notification by the President to Congress of the proposed sale. As the 30-day period passed in July, opposition to the sale mounted culminating in a 19-17 vote in favor of a disapproval resolution by the House International Relations Committee on July 28. This action, coupled with more substantial prospective opposition in the Senate, led the President to withdraw his notification of the sale immediately after the adverse House vote.

As the Congress returned following the August recess, the President resubmitted his proposed sale of AWACS on September 7th accompanied by letters to 70 Members of Congress soliciting support. During the recess the Administration attempted to consider many of the objections raised in Congress to the sale. Nonetheless most of the arguments posed consisted of such fundamental objections that the debate will largely resume where it ended in July.

RESTRAINING THE SALES OF ARMS

In his campaign for the Presidency, Jimmy Carter asserted that "We cannot be both the world's leading champion of peace and the world's leading supplier of weapons for war." Nearly half of the value of all weapons sold in the decade from 1966 to 1976 came from the United States, \$34.9 billion out of \$70.3 billion.

Thus on May 19, 1977, President Carter announced that new principles would govern the sales of weapons abroad. He proclaimed that

the United States will henceforth view arms transfers as an exceptional foreign policy implement, to be used only in instances where it can be clearly demonstrated that the transfer contributes to our national security interests.

Moreover, he promised not to introduce into a region weapons systems creating "a new or significantly higher combat capability." Finally, he contended that "The burden of persuasion will be on those who favor a particular arms sale, rather than those who oppose it."

In order to reduce the level of sales, the President promised that in each succeeding year sales would henceforth be lower than the year before. In fiscal year 1977, which ends on September 30th, total U.S. sales abroad will amount to \$9.9 billion. With the addition of a sale of \$1.2 billion to Iran, this would rise to a record of \$11.1 billion.

ARMS LIMITATION POLICY AND AWACS

With the prospective record sales of arms in the first year of the Carter Administration, critics contended that, coupled with other reasons examined below, the sale of AWACS constituted the proper place to draw the line against increasing American sales overseas. Also, of the \$9.9 billion in sales already agreed to in the fiscal year 1977, Iran alone accounted for over half or \$5.5 billion.

President Carter justified the sale as "compatible" with his earlier policy because it grew out of "long standing commitments by our government to those nations which are allies and friends." Moreover, despite the seemingly impressive size of the sale, it actually constituted a reduction according to the President because previously the Iranians "were contemplating a radar detection system using ground-based and air-launched mechanisms that would have been about twice as expensive."

However, Congressional committees received a letter from Elmer B. Staats, the Comptroller General, on July 14 which estimated a partly ground-based system as costing only \$2.6 billion. He contended, and nearly everyone agrees, that the total value of the AWACS sale to Iran will surpass \$3 billion when support facilities are included.

The background history of attempts by Iran to build a sophisticated radar system sharply contradicts Mr. Staats. At one time the Iranian government began work on Project Seek Sentry which would consist of 41 mountaintop installations that could pick up planes flying as low as 500 feet. But with a prospective cost estimate of \$32 billion, including opening up enormous tracts of sparsely populated areas, the project was abandoned in favor of a combination of 12 to 16 radar installations and 7 to 9 AWACS.

The emphasis given to the cost figures of alternative radar systems for Iran has largely ignored or casually dealt with the needs of the country. The mountainous terrain of Iran invariably creates holes in any ground-based radar system and their 1,200 mile border with the Soviet Union should receive further consideration in judging the potential desirability of

using the AWACS mode of air defense. Weighing these considerations, the Iranians have sought the AWACS system as best fulfilling their needs.

U.S. - IRANIAN RELATIONS

Many of the questions raised in the United States about Iranian needs have invariably affected U.S.-Iranian relations. Much of the criticism of the AWACS sale dovetails with criticisms of Iran. Senator Eagleton has testified against the sale of AWACS because "logic dictates our taking a skeptical look at the proposal to transfer this technology to a semi-literate country which does not have the resources to absorb it." Similarly others have contended that the AWACS considerably transcends the defense needs of Iran. Senator Culver has asked whether "we are already hostages to Iran's insatiable appetite for sophisticated weaponry."

On the other hand, Former Secretary of State Kissinger maintained that substantial arms sales are "not a favor we do for Iran" but are "in the national interest of the United States." Similarly, immediately following the House Committee vote against the sale, Secretary of State Vance asserted that "The Administration believes very deeply that we should go forward with the AWACS sale to bring stability to the region."

The failure to move expeditiously on the sale once promised has undoubtedly harmed American-Iranian relations and lessened the credibility of the Carter Administration in dealing with all nations. At the same time the Administration failed to place the sale into the larger context of regional relations and East-West relations. Quite possibly the enunciated principles on the sale of arms have foreclosed the possibility of making a convincing case for the sale of military equipment in a case such as Iran.

U.S.-Iranian relations have been deteriorating for some time preceding the problems with the AWACS sale. In previous purchases amounting to nearly \$15 billion in the past six years, the Iranians have had numerous difficulties with inflated prices for spare parts and service costs, program overruns, and delays on deliveries. The Carter Administration earlier this year disapproved of a sale of 250 Northrop/McDonnell Douglas F-18L planes. Iran has also attempted to purchase up to eight nuclear power stations worth about \$10 billion and found terms and negotiations much more difficult than those posed by potential European suppliers. Thus, on September 12 Iran signed a \$3 billion contract with France to construct two nuclear power plants.

In light of this record, Secretary Vance protested the failure to move expeditiously on the AWACS sale as demonstrating "a lack of constancy in following a course of action we believe is necessary and proper." Actually, not only influential Members of Congress, but also the Administration has exhibited considerable reluctance to accede to numerous requests for purchases by Iran. Consequently, the failure of the Congress to move expeditiously on one request approved by the Administration should not be misinterpreted to mean that the Congress should be held completely responsible for any prospective deterioration of relations between Iran and the United States.

Iran quite simply has not been accorded the same treatment as other American allies in the sales of armaments. While virtually no reluctance has been exhibited to the transfer of arms to NATO allies and, with some delays and few exceptions, Israel. Other nations such as Iran have become the principal sources of discussion in limiting arms sales.

The large volume of sales to Iran to some extent distorts the nature of military developments because NATO nations produce their own arms and consequently only rely upon the United States for some sophisticated equipment, such as the AWACS. But more importantly, the sales to Iran reflect a common concern of both countries with the potential threat of Soviet power in the oil rich Persian Gulf area. A major advantage to the United States of the sale consists in the ability of Iranian AWACS to monitor military developments along their 1,200-mile common border with the U.S.S.R. The technological capabilities of the planes beyond Iranian needs will directly benefit American intelligence gathering. But instead of such a prospective cooperative endeavor strengthening U.S.-Iranian relations, the AWACS discussion thus far has precipitated tension with concerns expressed about potential security leaks to the Soviets.

SOVIET ESPIONAGE AND AWACS

One of the principal objections raised against the sale of AWACS to Iran has centered on the alleged possibility of one of the planes falling into the hands of the Soviet Union. Some have contended that the technology involved in the AWACS equipment surpasses that currently possessed by the Soviet Union by ten years; consequently, the Soviets would make an extraordinary effort to entice an Iranian crew to defect with one of the planes and achieve a technological coup.

This question arose most prominently in a report on the AWACS sale by the General Accounting Office. The initially

secret report appeared publicly in a heavily censored form at the request of Senator Culver. The report referred to the danger to U.S. security posed by the possibility of the sophisticated equipment being acquired by the Soviet Union. The original report included a letter from CIA Director Stansfield Turner which stated that an AWACS plane with an Iranian crew "poses a target for induced defection that goes beyond any opportunity or temptation we have previously exposed to the Soviet Union." He concluded that "the likelihood of such an Iranian defection is subject to many uncertainties but the possibility of such occurring should not be dismissed out of hand."

This led Senator Culver to conclude that "The risks this sale poses to U.S. national security are undeniably real and unacceptable." This potential problem later assumed great importance in the House International Relations Committee deliberations and constituted much of the concern expressed in a letter by Senator Humphrey to President Carter on problems raised by the proposed sale.

Many of the contentions involved in the threat of Soviet acquisition of the equipment have been challenged by others in the intelligence community, and even more so the basic premise of the risks involved. Rather than a ten-year lead, others assert that the American edge at present is only four to seven years over the Soviet Union and thus, since the first plane will not be delivered until 1981, the technological lead will have substantially been overcome by then. Moreover, CIA Director Turner has agreed that even the acquisition of an AWACS and its equipment intact would not mean that they could then produce the equipment itself. Deputy Defense Secretary Charles W. Duncan, Jr., is quoted as stating to the House International Relations Committee that "the risk of technology transfer lies mainly in knowledge of the AWACS's sophisticated manufacturing techniques rather than in possession of the equipment itself." Only through enormous expense and effort can one engage in reverse engineering.

Finally, much of the sophisticated equipment often associated with the American AWACS will not be included in the Iranian version. Thus, Erich von Marbod, the acting director of the Defense Security Assistance Agency, charged that the General Accounting Office report was both "inaccurate and misleading." He pointed out that certain highly sensitive material, including cryptographic devices, special digital data links, and anti-jamming equipment would not be installed on the Iranian AWACS. In the resubmission of his proposal to Congress, President Carter has emphasized this same point.

But the questions raised about Iranian security have perhaps been the most controversial aspect of the entire AWACS dispute.

Opponents of the sale have forcefully argued that the Iranians could not be trusted with sophisticated American equipment and do not have the capability of operating it. Senator Eagleton has maintained quite simply that "it would be the height of folly to place within the Soviet Union's easy reach the largest airborne military computer ever flown."

The extraordinary concern expressed by Senators Eagleton and Culver about the possible loss of such valuable equipment contrasts strikingly with their previous opposition to the development of the American AWACS. During the 1975 debate on the Senate floor, Senator Eagleton acknowledged the alleged sophistication of the radar equipment "but the only trouble with it, Mr. President, is that it does not work." He concluded his case during the debate by asserting that "This plane serves no useful military purpose." Nonetheless, this useless plane whose radar does not work now allegedly poses grave security risks if obtained by the Soviet Union.

Beyond the apparent contradictory positions of the principal critics of the sale remains the question of the viability of the security system of Iran. Von Marbod testified to the Senate that in the three decades in which the United States has been supplying equipment to Iran there "has been no compromise of technology--no 'defections.'" The United States has supplied the \$25 million F-14 which includes much advanced fighter technology and no problems have arisen concerning possible losses to the Soviets. In fact, some contend that only through the use of the AWACS can the advanced weaponry already acquired by Iran be effectively coordinated and used.

The United States continues to press for the sale of possibly 27 AWACS to NATO. Yet, CIA Director Turner has said "the risk to AWACS arising from espionage is probably no greater in Iran than it would be in Europe." In fact, the record indicates far greater losses of intelligence to the Soviets through European allies than Iran. Moreover, with the prospective role of communist parties in the governments of Europe, concern about security breaches in an adamantly anti-communist government such as Iran seem somewhat misplaced. This caused syndicated columnist Carl Rowan to write that "in Iranian eyes the ugly specter of racism is a potent factor in the debate over whether the U.S. ought to go ahead with the sale."

The problem of potential security breaches occurs whenever sophisticated equipment is deployed. But with Americans working closely with Iranian crews in the initial stages of the program and the excellent past record of Iran in protecting sensitive equipment, no serious risks appear of losing such equipment to the Soviet Union. In fact, only by deploying the planes in such forward areas as Iran and Western Europe can the AWACS function with maximum effectiveness.

AWACS, ARMS SALES AND AMERICAN ALLIES

Discussion of the problems arising out of the AWACS sale to Iran invariably involves much larger questions of the broader context of arms sales in general and the future of the relationship between the United States and her allies.

1. If the United States intends to foreswear the role of policeman of the world, then quite clearly some alternative power arrangements must be established. The British have withdrawn their forces from the Persian Gulf area, and quite clearly the United States has no intentions of establishing bases in the region (enough difficulties already exist with maintaining bases in Turkey). As an alternative to direct American power, some other allied powers, such as Iran or Saudia Arabia, must be provided the wherewithal to partly offset potential Soviet power in the region; otherwise the complexion of the politics and direction of oil flow and prices may well be dictated by adversaries of the United States.
2. Limiting arms sales must have a correlation with political reality. Arbitrarily imposed limitations on the sales of arms may only adversely affect the relations the United States has with other countries rather than diminishing arms purchases. In Latin America, for example, the United States once dominated the arms market, but attempted to curtail purchases in the 1960s. European firms now account for 70% of all arms sales in this area. President Carter has acknowledged this problem in his report to Congress on arms sales: "The prospect that other countries will voluntarily and spontaneously follow our model of restraint is unlikely." Nonetheless, he still appears wedded to an eventual reduction of sales if even it involves unilateral initiatives by the United States. In the case of Iran, the British have already sold over \$2 billion dollars in weapons and have entered into competition with the United States in Europe with their own Nimrod AWACS planes.
3. The cost effectiveness of major American weapons programs must be related to overseas arms sales. Only through the sale of AWACS to NATO allies and Iran can the enormous research and development of costs already invested in the plane be broadly shared. Secretary of Defense Brown has recommended that current production of three planes per year be raised to six per year so assembly costs can

be more efficient. Delays imposed on the program have already substantially raised the cost so that the sale to NATO of 27 planes now may be in jeopardy. Arbitrarily refusing to sell AWACS, as well as other weapons to Iran and similar countries, will only raise defense expenditures in the United States.

4. Limiting arms sales may also limit America's allies and foreign policy options. As indicated above the nature of political reality indicates that most nations will acquire weapons from alternative sources when denied by Washington. America's influence and reliance upon other nations often coincides with arms sales. In 1973 with the imposition of an Arab oil embargo, the Shah of Iran responded to a plea for assistance by asserting, "The U.S. and Iran are allies. The 7th Fleet will have all the oil it needs. Just tell me where to deliver it." Those who would alienate Iran through arms limitation must consider the broader consequences such a policy may entail.

CONCLUSION

The arbitrary limitation on the sales of arms by the United States can have enormous repercussions that have not as yet been thoroughly considered by either the President or Congress. The AWACS case examined here only reveals some of the adverse consequences that may flow from a policy of incremental deescalation of arms sales. Although the Carter Administration supports this particular sale, the policy of limiting arms sales in general prevents the President from providing compelling arguments in favor of the AWACS deal. It would appear that a policy of limiting sales will increase the unit cost of production in the United States of weapons, raise unemployment in defense related industries, and increase substantially America's balance of payments deficit. But perhaps most importantly, the policy will probably alienate potentially powerful allies and narrow considerably the range of options available to the United States in various crisis and conflicts around the globe. Rather than a model for emulation in the world, limiting arms sales appears thus far as an unrealistic and perhaps dangerous attempt to transform moralistic theoretical principles into concrete policy.

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