

21
~~CONFIDENTIAL~~
BACKGROUND

Iran enjoys a privileged status among the friends and allies of the U.S. in the Middle East, a status that is commensurate with the important role it assumes in our diplomatic, economic and military policies in the region. Iran's special position is evident from Dr. Kissinger's memorandum of July 25, 1972, which states: "The President also reiterated that, in general, decisions on the acquisition of military equipment should be left primarily to the government of Iran. If the government of Iran has decided to buy certain equipment, the purchase of U.S. equipment should be encouraged tactfully where appropriate, and technical advice on the capabilities of the equipment in question should be provided."

In the absence of some overriding national policy consideration, therefore, this Presidential decision on U.S. arms transfer policy regarding Iran would clearly entitle Iran to the data which it has requested on the Redeye missile and to the missile itself if the GOI so decides. In view of the strong Iranian interest in Redeye, refusal to release the weapon unless supported by a persuasive justification, would be likely to lead the Shah to raise the question directly with the President during his visit here in July.

US-USSR Relations

One such possible overriding consideration is the potential effect of the transfer of Redeye to Iran on US-USSR relations. The USSR's involvement in this issue dates from November 1972. At the suggestion of Secretary of Defense Laird (in a letter to Secretary Rogers), a Department official called in the Counselor of the Soviet Embassy in Washington on November 9, 1972, and expressed U.S. "concern over the possibility that a portable anti-aircraft missile of the Redeye type might fall into terrorist hands and be used against civilian aircraft". In transmitting this message to the Soviet Counselor, the U.S. official added that the U.S. had "refrained from transferring the Redeye to governments in the Near East area" and suggested the Soviets reciprocate this restraint.

The USSR official responded on November 16, 1972 that "the Soviet Government has taken and continues to take every step to insure that (Soviet weapons comparable to Redeye) do not fall into the hands of irresponsible persons".

DEE 12-5-77

~~CONFIDENTIAL~~
- 2 -

In the weeks that followed, reports were received (initially from Israeli sources) that the SA-7 was in Syrian hands. We have now received confirmation of this transfer. While we also received reports beginning early this year that the USSR has "provided" the SA-7 to Iraq, confirmation of these reports is still lacking.

The net effect of (a) the ambiguous Soviet reply of November 16, and (b) confirmation of the SA-7 in Syria, has been to erode earlier arguments against making Redeye available to Iran. The DOD, whose concern for the safety of commercial aviation prompted the Department's demarche of November 9, has altered its position and no longer opposes approval of Redeye for Iran. Both DOD and State would propose to make known our continuing concern about the dangers of the weapon, should it be approved for Iran, by emphasizing in writing to the GOI the indiscriminate nature of the weapon and by urging the GOI to institute its most stringent security controls and safeguards to insure that Redeye does not fall into hands of terrorists. We would hope that these same controls and safeguards could be exercised to maximize the delay in the information that Iran has Redeye from becoming known to such countries as Pakistan, Turkey, and Israel with which Iran has frequent and close intelligence exchanges. Otherwise pressures would increase from these and other countries in the region which wish to acquire Redeye.

It is also proposed that we brief the Shah fully in presenting technical data on Redeye, including a full presentation of its drawbacks, and leave the decision on acquisition to him.

In the light of the situation, described above, we further conclude that the U.S. decision to approve Redeye for Iran could not, by any reasonable interpretation, be construed by the USSR as violating the "Text of Basic Principles" signed in Moscow on May 29, 1972.

U.S. Security Interests

Continued denial of Redeye to Iran might be justified, however, if there were a real and present danger that the missile might fall into the hands of terrorists and/or be used against civilian aircraft, U.S. personnel or property. In response

~~SECRET~~
- 3 -

to the Department's review of these security concerns, Embassy Tehran replied on May 12, vouching for Iranian security practices as "more than adequate to protect Redeye hardware and technical data".

Meanwhile, plans are underway to update the 1967 field survey of Iranian security. The Department has received a request that a survey team visit Tehran this fall but has asked that the visit be postponed in the expectation that the "General Security of Information Agreement" will be signed prior to the survey. The proposed Agreement, which has the Shah's approval in principle, has been held up because of communications problems between the Iranian Ministries of Foreign Affairs and Defense.

Weapons Proliferation

Because of the terrorist movement and the special danger for civilian aircraft posed by the Redeye missile, the U.S. has refrained from making it available to countries in the Middle East. The possibility that acquisition of Redeye by Iran would stimulate demands for the missile from Middle Eastern countries, or precipitate a decision by the USSR to give its SA-7 to Iraq, justifies a review of the danger of proliferation of this weapon in that area.

Egypt and Syria

INR has affirmed that two countries in the Middle East, Egypt and Syria, have received SA-7 missiles from the USSR, missiles which are under the control of Syrians and Egyptians.

Iraq

There is an unconfirmed report that Iraq has received the SA-7. INR concludes that the appearance of the SA-7 in Iraq "would not be surprising...given Soviet efforts over the last year to improve Iraqi air defense capabilities".

Lebanon

In 1963, Lebanon requested Redeye missile by diplomatic note. Its request was turned down because the weapon was still at the stage of research and development (R&D). In 1972, the

~~SECRET/NOFORN~~

- 4 -

Government of Lebanon by diplomatic note renewed its request for technical data. The Department has not replied to the note and Lebanon's request is still considered to be pending. Because Lebanon has not included Redeye on recent lists of urgently desired military equipment or raised the matter in discussion with American officials, there is no reason to believe that Lebanon has a pressing interest in acquiring this weapon.

Israel

Israel has twice been denied information on Standard Redeye. A renewed Israeli request for Standard Redeye submitted to DOD in 1972 is still outstanding. The Israelis have not been pressing the matter, but would likely begin to do so should they believe we intended to release Redeye to any Arab state. Furthermore, Israel may well be developing the simple technology for itself.

Saudi Arabia

Saudi Arabia communicated its interest in Redeye prior to Prince Sultan's visit to Washington in June 1972. Briefing papers at that time recommended that the Saudis be discouraged from procuring the weapon on grounds (a) that it could be used indiscriminately and (b) we were not selling it elsewhere in the Middle East. As far as we know, the Saudis have not pursued the matter further.

Turkey

General Dynamics Corporation, manufacturer of Redeye, has submitted two requests to the United States Government, for approval of the export of technical data (a) one on Standard Redeye, and (b) one on Naval Redeye to Turkey. Both these requests are pending. Unless the Government of Turkey submits an official request, there is no intention to grant approval of either of the above requests. However, if the GOT submits an official request for technical data and/or the weapon itself, such a request would be approved because Turkey is a NATO member.

Summary

The Soviet introduction of its SA-7 into the Middle East, i.e. to Egypt and Syria, coupled with its ambiguous reply to our demarche last November, means that there is no serious possibility of excluding this type of weapon from the area. If,

~~SECRET/NOFORN~~
- 5 -

despite our objective presentation to the Shah, Iran decides to acquire the Redeye, and if as a result Saudi Arabia should renew interest in it, there would clearly be added pressure on us to let the Saudis acquire it. However, such a request, and any others that might be received in the area, should be considered on their merits and in the light of our national interest.

Arms Control Policy

From an arms control standpoint there appear to be no compelling reasons to disapprove Iran's request for technical data on Redeye, or the missile itself, provided that the USG receives satisfactory assurances from Iran with respect to the safeguard of this system.

On the basis of the indications noted above, it is likely that the approval of Redeye for Iran may lead in the future to a renewal of interest on the part of some countries in the Middle East to acquire that missile. ACDA recommends that such requests be subject to a case-by-case review, including an assessment of the capabilities of prospective recipient countries to safeguard against the possible capture or other devious acquisition of the missile by terrorist groups operating in those countries.