

U.S. Arms Sales to Saudi Arabia

[The following is reprinted from *GIST*, October 1987. *GIST* is a quick reference aid on U.S. foreign relations published by the Bureau of Public Affairs, U.S. Department of State.]

BACKGROUND

The U.S. and Saudi Arabia have maintained close ties for more than 40 years. These ties have been deepened by the profound threat to regional security caused by the Iran-Iraq war and further strengthened by our continuing efforts to bring about a cease-fire and withdrawal; by our common interest--and action--in keeping the gulf open to the flow of oil despite Iranian intimidation; and by our mutual interest in countering Soviet efforts to expand its military presence and diplomatic influence in the gulf. In meeting these and other long-term threats, the Saudis must continue to modernize their modest defense forces. After careful consultation with Congress, the Administration proposes to sell the following: F-15 aircraft to replace losses from the Saudi force of 60; upgraded electronics and avionics for existing Saudi F-15s; modernization of Saudi M-60A1 tanks; and ammunition support vehicles for Saudi artillery. Saudi Arabia's interests coincide with many of our own; in strengthening its ability to defend itself, we assist a country that cooperates with the U.S. in meeting regional threats, including that from Iran.

U.S.-SAUDI RELATIONSHIP

The U.S.-Saudi relationship is based in part on a common interest in promoting the stability and orderly development of the gulf region and the Middle East as a whole. The Saudi Government frames its policies with a global perspective; traditionally it has been the most moderate member of the Organization of Petroleum Exporting Countries (OPEC), consistently showing concern for the health of the world economy. On occasion it has maintained oil production at high levels to offset shortages and has priced Saudi crude well below OPEC levels to preserve price stability in the world oil market. Saudi Arabia also has been a force for moderation in the Arab and Islamic world. It devotes nearly 4% of its GNP to foreign assistance for such moderate Arab and Islamic states as Morocco, Turkey, Pakistan, Sudan, Oman, Jordan, and Bahrain, often complementing U.S. efforts. Never a direct participant in the Arab-Israeli dispute, Saudi Arabia has played a quiet but effective role in urging other Arab states to accept negotiations. The Fahd plan, proposed by Crown Prince (now King) Fahd to the Islamic summit in 1982 and adopted unanimously, was a major breakthrough in moving Arab states away from confrontation with Israel and toward acceptance of a negotiated Arab-Israeli settlement.

COUNTERING SOVIET EFFORTS

The Saudis have been a principal force in countering Soviet efforts to increase their influence in the region. They led the Arab world in condemning the Soviet invasion of Afghanistan and have assured that this subject receives priority treatment in Arab and Islamic councils. The Saudis also make significant material contributions to the Afghan resistance.

IMPORTANCE OF OIL

Saudi Arabia is the world's key oil producer and will remain so well into the future. The Persian Gulf produces 22% of world oil consumption, with Saudi Arabia accounting for 36.5% of gulf exports. A disruption in overall gulf oil production would have an immediate, harmful impact on the world economy, including the U.S..

SAUDI SECURITY

Traditionally, Saudi Arabia has relied for security on diplomacy and its unique position as guardian of the holiest shrines of Islam. However, the emergence of an expansionist Iran, the continuation of the war between Iran and Iraq and its spread into the gulf, and the growth of Soviet influence in the region have greatly altered Saudi Arabia's security environment. Saudi Arabia is now actively supporting U.S. naval operations in the gulf. Saudi AWACS aircraft provide critical air defense data to our forces; Saudi F-15s protect both Saudi and U.S. AWACS; and Saudi minesweepers hunt mines in Saudi waters and international sealanes. When we have asked for logistical and other support as well as emergency assistance, the Saudi Government has responded positively.

Saudi activism and support for U.S. objectives carry a risk. The Saudi Government needs a modern military establishment to offset its relative lack of manpower and to protect its borders, oilfields, and ability to ship oil. During four decades of U.S.-Saudi military cooperation, we have supported the development of a Saudi capability for individual and regional self-defense by providing appropriate defense systems. We also have helped build the bases, housing, and supply and maintenance facilities needed to support a defense capability. The Saudi need is greater now than in the past. Iran has tried to undermine Saudi stability through military pressure, subversion, and propoganda, and will remain a military threat in the future. Moreover, the Saudis understand that a power vacuum in the Persian Gulf could invite unwanted interference from outside powers, particularly the Soviet Union, and must not be permitted.

U.S.. SECURITY INTERESTS

The proposed sales will serve U.S. security interests in several important ways:

- By continuing to provide the Saudis with the means to defend themselves, we help build a deterrent force that a potential adversary will be less inclined to challenge.
- We will bolster U.S. credibility as a reliable security partner, essential if the Saudis and other gulf states are to believe that the benefits of supporting our regional strategy outweigh the political costs and increased security risks.
- By assisting Saudi Arabia now, we reduce the potential for future U.S. military deployment to the area. If, however, U.S. forces are required to be sent in a crisis, they will find Saudi Arabia a cooperative partner equipped with compatible, U.S.-origin defense systems.

ISRAELI SECURITY

The proposed sale poses no threat to Israel and will not change the overall military balance in the region. Israel's security is a paramount U.S. interest. In part due to generous U.S. aid, Israel has increased its margin of superiority over its adversaries since the 1973 war. Sales to Saudi Arabia and other regional states are carefully measured to maintain Israel's qualitative and strategic edge.

Strategic Technology Export Controls

By

President Ronald Reagan

[The following is a reprint of a White House Statement of 18 September 1987 which was published in the *Department of State Bulletin*, November 1987, p. 33.]

The U.S. Government welcomes recent measures taken by the Japanese Government, and those soon to be enacted in Norway, to strengthen export controls. Diversions of strategic technology by Toshiba Machinery and the Norwegian firm Kongsberg Vappenfabrik have undermined our common security and demonstrated the inadequacy of existing national laws and procedures. Japanese legislative and administrative actions increase criminal penalties and statutes of limitations, mandate new and stricter licensing procedures, provide for tight export control procedures by companies, and for close governmental monitoring of these. The Norwegian Government will this month introduce a new comprehensive export control law in the Parliament, or *Storting*, that will strengthen Norway's national laws and procedures along these same lines.

The Paris-based Coordinating Committee [for Multilateral Security Export Controls] (COCOM), which is composed of 16 allies, including the United States, serves the common security of its member nations by preventing militarily useful technologies from reaching the Soviet Union. COCOM reflects the principle that the security of the West and of Japan is based on the qualitative technology edge that we are able to maintain in our weapons systems. COCOM exists to protect that critical advantage. The serious diversion of nine-axis milling machines and numerical controllers for use in the Soviet program to quiet submarines serves as an unfortunate, yet graphic, example of the damage which can be done to our collective security.

The Congress has offered a number of bills and amendments that would punish Toshiba and Kongsberg through mandatory sanctions and compensation. But the technology diversion problem is broader than the specific violations of the firms that are currently the targets of legislation. The real problem lies in the shortcomings of national export control systems, and responsibility rests with allied governments to make and enforce the necessary changes. Therefore, the Administration opposes these bills and amendments.

It is now essential that all COCOM partners strengthen their national export controls to prevent further diversions. High technology products in the 1980s are produced worldwide, and the Soviet Union targets its acquisition programs wherever the technology can be found. The Administration has begun an aggressive and unprecedented effort to urge that all COCOM partners take steps to prevent further diversions and strengthen national export control systems. The Administration plans to consult with the Congress on the progress made as well as on next steps to prevent and deter attempts at future diversions.