

INSS Insight No. 1387, October 11, 2020

Lifting the Embargo on Arms Sales to Iran

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The embargo imposed by the UN Security Council on the sale of weapons to Iran will expire on October 18, 2020. At that time, Iran will be permitted to purchase the weapon systems that it sought unsuccessfully to obtain in the past. Iran will likely prefer to buy weapons mainly from Russia, which since the 1990s has been its principal arms supplier, and its shopping list will probably include the Sukhoi S-30 aircraft and the S-400 advanced air defense systems. However, over the last two decades, even before the embargo was imposed, there were only a few large arms deals between Iran and Russia – primarily due to Iran’s economic difficulties. Since Iran’s financial situation has continued to decline in recent years, and the US administration could well impose sanctions on suppliers of weapons to Iran, Tehran’s options for arms purchases might be limited.

In August 2020 the UN Security Council rejected a United States proposal to extend the embargo on the supply of weapons to Iran, which will expire on October 18, 2020. This article examines the implications of the removal of restrictions on arms sales to Iran.

Since the Islamic Revolution erupted in February 1979, Iran’s efforts to acquire high quality weapons from the superpowers have met with considerable difficulties. The US market – Iran’s main source of arms under the Shah – was closed to it immediately following the revolution, and European governments likewise did not supply Iran with high quality weapons. Even the Soviet Union/Russia was not a guaranteed supplier. In the 1980s, while Iran was at war with Iraq, the Soviet Union supplied only limited amounts of arms to Iran: at that time the Soviets were Iraq’s largest arms supplier, and at the same time, the Iranian regime was suspicious of Moscow, which it perceived as a historical threat. Iran’s main arms providers during that period were China and North Korea.

However, since 1989, after the end of the Iran-Iraq War, Tehran has changed its attitude towards Russia. The Communist regime collapsed and the threat it represented for Iran diminished, and Iran needed high quality weapons to replace what it lost in the war, and there was no substitute for Soviet arms. Thus, from the 1990s onwards, Russia has become the main weapons supplier to Iran in a broad range of fields, from warplanes to submarines. Nevertheless, the supply of weapons was obstructed for two reasons. First, Russia was

under US pressure not to supply Iran with strategic weapons, lest they endanger American targets in the Middle East. Second, Russia is no longer prepared as it once was to supply its clients – for political reasons – with arms on long term credit, which sometimes became a grant. Since the 1990s, if a client was unable to pay with hard currency, the deal was delayed or even canceled, and Iran's economic situation hindered its ability to finance large deals.

As a result, the main arms deals agreed between Russia and Iran were signed in the years 1989-1995. Since the mid-1990s additional sales agreements were signed, but their quality and scope declined. Thus, for example, Iran has made an effort to acquire advanced air defense systems from Russia. Iran began to show interest in the S-300 system in 1989, but the deal was only signed in 2007, and the system supplied in 2016. At the same time, Iran began to look into acquiring a more advanced system, the S-400, but so far it is not known whether a deal has been finalized.

Moreover, in November 2016, Iran's Defense Minister visited Moscow to discuss a large weapons transaction, which was reported to be worth some \$8 billion, and would include SU-30 aircraft and T-90 tanks, plus Russian assistance in the repair of submarines and MIG-29 and SU-24 aircraft – apparently some of the 115 warplanes that were transferred to Iran by Iraq in 1991 during the Gulf War, due to Iraqi fears of an attack by the United States; to this day Iran has refused to return them. Four years since the visit, there is no information about any deal that was signed or implemented, perhaps due to the embargo imposed by the Security Council on weapons sales to Iran.

The impending removal of the embargo is expected to open the gates to the flow of high quality arms to Iran. The first priority for Iran will probably be aircraft and advanced air defense systems. Iran's air force is currently built on outdated American planes that were purchased under the shah, Chinese planes that were supplied during and after the Iran-Iraq War, and Russian planes supplied mainly in the early 1990s. The Iranian air force also has some warplanes – of uncertain quality – made by the Iranian domestic industry. An air force that relies on planes from 25-40 years ago is obviously significantly inferior to those of its enemies – the United States, Israel, and Saudi Arabia. This inferiority apparently explains why the Iranian air force has not appeared in the Syrian arena since Iran began to intervene there, and did not try to challenge the Israeli air force or deter it from continuing attacks. Iran needs the improved air defense systems in order to defend strategic targets, such as its nuclear sites, and also to hinder the frequent attacks by the Israeli air force in Syria and Iraq, for which Iran has so far lacked a suitable response.

However, in spite of Iran's interest in upgrading some of its weapon systems, it is expected to encounter some difficulties. The main problem is its financial distress. Over the last two

decades Iran has had to abandon or postpone many of its purchasing plans because it was unable to pay for new systems. Today Iran's economic position is even worse, due to the sanctions imposed by the Trump administration, its investments in consolidating its intervention in Syria, and the severe damage caused to its economy by the coronavirus pandemic.

Iran also recognizes that the United States will exert financial pressure to prevent the supply of strategic arms to Iran, including threats of imposing sanctions on countries and companies that do so. The US administration fears that weapons of this kind in Iran's hands could damage US targets in the Middle East, attack US allies, above all Israel and Saudi Arabia, or be used to disrupt shipping in the Gulf. This pressure could deter Russia or China from supplying problematic weapons to Iran. This also applies to European countries, which since the Islamic Revolution have followed the United States lead and avoided supplying Iran with significant quantities of sophisticated weapons.

Moreover, since the 1990s, Iran has given top priority to the huge and varied array of missiles it began constructing during the Iraq-Iran War, and which today includes not only ground-to-ground missiles with a 2,000 km range, but also anti-cruise missiles and unmanned aircraft. The impressive Iranian attack on the Saudi oil facilities in September 2019 with cruise missiles and drones demonstrated Iran's offensive capabilities, despite its lack of an advanced air force. In the eyes of the Iranian leadership, these various missiles give it advantages and deterrent power even against strong rivals. On the other hand, the fact that over the last 25 years Iran has refrained from investing serious resources in building a high quality air force, and that the Iranian air force is reluctant to appear in the Syrian arena, indicates that as Iran sees it, against the United States and Israel a large array of long range precision missiles is preferable to attack aircraft. However, if it emerges after the embargo is lifted that Iran wishes to purchase advanced planes like the Sukhoi SU-30, for example, this could reflect a change in Iranian thinking, in favor of building a modern air force alongside its array of missiles.

Recent years have seen tension between Iran and Russia, against a background of their military and financial involvement in Syria, and their interest in extending their influence there – obviously, each at the expense of the other. Iran is also dissatisfied with the high level talks between Russia and Israel. Nevertheless these tensions will presumably not prevent a serious arms deal between Iran and Russia, if Iran can raise the necessary finances to foot the bill.

China or North Korea, as well as Russia, could potentially supply weapons to Iran. Both Beijing and Pyongyang were important arms suppliers to Iran during the Iran-Iraq War, and to a lesser extent, in the following decade. China was an important supplier of aircraft,

ships, and missiles, while North Korea supplied missiles. Their importance as weapons suppliers subsequently declined, partly because they were replaced by Russia, but also because Iran improved its own military industry in many areas, thus limiting its need for China and North Korea. Therefore the possibility that China will supply Iran with weapons does not seem very likely at present, although the option of joint development of weapons within the framework of a strategic cooperation agreement is currently on the agenda. The likelihood of supplies from North Korea also seems low.

A large arms deal between Iran and Russia, and perhaps also China, would have significant implications. One of the most important principles of the Iranian security concept is the push for self-reliance. In view of its bitter experience in the Iraq-Iran War, Iran's goal is to manufacture its own weapon systems and avoid dependence on external suppliers. This concept has led to the development of a large security industry in Iran, which makes most types of weapons, above all various types of missiles, as well as fighter planes, tanks, and maritime vessels. Some of the systems made in Iran are copies – whether authorized or not – of systems made in other countries. From this perspective, a large arms deal could help promote Iran's own weapons industry. In early September 2020, Iranian Defense Minister Amir Hatami said that Iran was manufacturing 90 percent of the weapons it used, and that when the arms embargo expires, it could become an exporter of weapons and military equipment.

The export of arms from Iran is expected to join a further development of concern to Israel, as Iran is the main supplier of weapons to Hezbollah, Hamas, and Islamic Jihad. The flow of new weapon systems to Iran will enable it to increase the scope and standard of the arms reaching these organizations.

In conclusion, the lifting of the embargo on weapons sales to Iran could open the gate for it to purchase systems that it has tried to obtain previously, though without success. Iran will probably prefer to buy from the Russian market. At the same time, its economic situation, which has continued to deteriorate in recent years, is expected to limit its purchasing ability. Over the last two decades, even before the weapons embargo was imposed, Iran had made very few weapons deals with Russia: the S-300 air defense system was only supplied 17 years after the Iranian request, and so far the request of four years ago to purchase the more advanced S-400 system has not been answered.