

Office of the Secretary of Defense

Chief, RDD, ESD, WHS

Date: 23 Dec 2014 Authority: EO 13526 SECRETARY OF DEFENSE

Declassify: X Deny in Full: WASHINGTON, D.C. 20301

Reason:

MDR: 15-M-0287

Doc #85

Iran

-AWACS

15 APR 1977

(7)

MEMORANDUM FOR: Assistant to the President for National Security Affairs

SUBJECT: AWACS (E-3) for Iran (C)

(C) You asked our views on the impact of providing Iran a number of AWACS over some period of time.

(C) The details of our assessment are contained in the attached background paper. To summarize, we found that the minimum number of AWACS which would allow Iran to reduce the scope of SEEK SENTRY, an elaborate system of air defense ground radars, is seven. The minimum number of AWACS which would allow Iran to provide air defense radar coverage of a single border (Iraq) during high threat conditions, is five. The impact of spacing, by annual increments, the approval of deliveries of AWACS is to delay providing Iran an air defense capability and increasing significantly the AWACS costs to the U.S., Iran and NATO.

(C) In addition, we expect, based on comments made by the Shah as a result of the State-approved briefing to him on the ARMISH MAAG Iranian Air Defense Improvement Study, an Iranian request for at least nine AWACS. Also, we understand that Secretary Vance, during his upcoming trip to Iran, will be approached by the Shah on Iran's need for a minimum of nine AWACS.

(C) Therefore, though I believe it is appropriate to limit the initial sale to five AWACS aircraft, I believe we should be prepared to expand the buy to seven to nine later on.

Harold Brown

Attachment a/s

Copy to: Secretary of State

DECLASSIFIED IN FULL Authority: EO 13526 Chief, Records & Declass Div, WHS Date: DEC 23 2014

DECLASSIFIED Authority: EO 13526 Date: 20 February 2002 Chief, Declass. Div. & Rec. WHS

330-80-0017, box 69, Iran 413.77 (Jan-Jul) 1977

Classified by: SUBJECT TO GENERAL DECLASSIFICATION SCHEDULE OF EXECUTIVE ORDER 11652. AT TWO YEAR INTERVALS. DECLASSIFIED ON

15-m-0287

SEC DEF CONTR No. X-1099

15 APR 77

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BACKGROUND PAPER

AWACS (E-3) FOR IRAN (S)

(S) Summary: The minimum number of AWACS to allow a reduction in the scope of SEEK SENTRY is seven. The minimum number of AWACS to allow an Iranian military requirement for increased radar coverage of a high threat border (Iraq) is five. Spacing approvals/deliveries would increase substantially costs to Iran, U.S. and NATO should they buy the system and complicate procurement decisions.

(S) Background: In January 1975, the Government of Iran (GOI) indicated a firm intent to purchase AWACS, subject to USG approval. The system was briefed in Iran by a DOD team in March 1975, and the Shah participated in a demonstration flight in the U.S. on 16 May 1975. GOI desires ranged initially from two or three to five or six while presumably Iranian officials groped with a concept for its command and control employment. Finally in May 1976, the GOI requested a Letter of Offer and Acceptance for seven E-3s. We understand that the GOI may shortly formally request an increase in this number to nine E-3s.

(S) Concurrent with the GOI's growing interest in AWACS was the development of the USG approved ground radar air defense system known as SEEK SENTRY. This is an ambitious FMS program which will be in development for at least 10 years and could cost \$10-15 billion at completion (1976 dollars). It calls for, among other things, competitive development of a long-range ground radar which can avoid clutter by "seeing" through the thick Persian Gulf weather inversion. The GOI selected three of seven contractors and was to choose two or all three as finalists to compete for the development and potential contract for the ultimate installation of 32 to 41 radars. ✓

(S) The GOI then became interested in the possibility of using AWACS to replace part or all of the SEEK SENTRY ground radars as a means of reducing costs. ✓

(S) AWACS/SEEK SENTRY TRADE OFF: In September 1976, the GOI requested ARMISH MAAG to conduct the Iranian Air Defense Improvement Study, now completed. The study presents no conclusions and recommends no single option. It is significant, however, that a strong argument is made that seven to nine E-3s with 12, 18 or 21 ground radars (vice 32-41) can provide Iran with a credible air defense system in just six to eight years after go-ahead at a cost of \$1.9-2.8 billion (1976 dollars), including 10 years worth of operation and support. This study has been released to Iran with State Department approval.

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EXECUTIVE ORDER 11652. AUTOMATICALLY DOWNGRADED  
AT TWO YEAR INTERVALS. DECLASSIFIED ON 31DEC83.

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(D) IMPACT OF OFFERING LESS THAN SEVEN: The impact of offering less than seven AWACS to Iran could be the elimination of the GOI option to reduce the scope of SEEK SENTRY. The Shah probably would react negatively to a lesser number in that it would represent a missed opportunity to acquire a credible air defense system sooner, and one which would be: (1) less costly by several billions of dollars; (2) more survivable than a total ground radar system; and (3) one which is effective against the Persian Gulf inversion-caused clutter.

(C) Development of special radars to correct the clutter problem has been the major underlying thrust behind the SEEK SENTRY program from its inception. Previous attempts to resolve the problem through major modifications of existing ground radars have failed and the prototyping competition under SEEK SENTRY may also fail to correct the clutter problem. AWACS, because of its "lookdown," relatively clutter-free capability, would represent a probable, practical solution to the clutter problem. ✓

(D) IMPACT OF OFFERING LESS THAN FIVE: The impact of offering less than five AWACS could be the elimination of the initial GOI concept of augmenting a full SEEK SENTRY system (32-41 radars) with continuous radar coverage of a single border during a high threat condition. Iraq, the most probable threat, has a common border with Iran, the length of which requires two AWACS, each simultaneously flying a race track pattern. These patterns would allow sufficient air defense radar coverage even if the vulnerable ground radar stations along the Iraq/Iran border were to be destroyed. For this mission, DOD has estimated that five AWACS was the minimum quantity to provide adequate coverage considering aircraft down time for maintenance, servicing, and time required to replace aircraft on station.

(F) IMPACT OF SPACED APPROVALS/DELIVERIES: Spacing the approval process for the number of AWACS for Iran by annual increments, i.e., a series of Letters of Offer and Acceptance (LOAs) each subject to annual review and approval by the Executive Branch and the Congress, would spread the total program costs over several years. However, there are penalties. It would leave undecided the ultimate quantity of AWACS for Iran which would delay development of SEEK SENTRY. It would also delay providing Iran with a token air defense capability against a single border (Iraq). Difficult procurement decisions would be required because Iranian commitments for long-lead-time parts, supplies and support equipment would be required for follow-on aircraft which may not be approved. The USG would, therefore, be subject to cancellation costs and absorbing the produced long-lead items should those follow-on aircraft not be approved. Moreover, significant economies of scale for the USG, GOI and NATO would be eliminated by attempting to spread deliveries too thin over a prolonged period. For example, when U.S. annual production of the E-3 was cut from six to three for FYs 78, 79, and 80, procurement costs increased from six at \$380.1 million or \$63.4 million each to three at \$248.5 million or \$82.8 million each. This represents a unit cost increase of almost \$20 million. In addition, we could incur Congressional criticism for presenting piecemeal rather than a whole program to Congress for review.

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