

MEMORANDUM

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NATIONAL SECURITY COUNCIL

0403

ACTION

February 17, 1981

MEMORANDUM FOR: RICHARD V. ALLEN  
FROM: ROBERT M. KIMMITT *Rh*  
SUBJECT: F-15 Enhancement Package for Saudi Arabia

At Tab A is the Haig-Weinberger memorandum recommending sale of F-15 enhancement items to Saudi Arabia, balanced by additional security assistance to Israel. OMB's comments, which support the Secretaries' proposal but seek additional analysis of the Israeli portion, are at Tab B. We just received OMB's memorandum after a week's wait; in the future, you may have to call Bill Schneider directly to accelerate their response time. *ok*

At Tab I is a proposed memorandum from you to the President, styled as a brief for tomorrow's NSC discussion of the F-15 issue. It recommends that the President approve the Secretaries' proposal in principle, but that he hold final approval pending further analysis of the Israeli portion of the package.

During the years of considering the Saudi F-15 question, there was little discussion or analysis of providing the Israelis with compensating support. This oversight led to a very hurried review of ways to respond to Israel's needs; the result is a proposal that has yet to be fully analyzed in program, budget, or political terms.

For example, Israel already consumes almost forty percent of the FMS budget, and increases in its program invariably lead to additional requests by Egypt, which garners over twenty percent of the budget. We should therefore examine closely any increases in these two programs, since they very often come at the expense of other important programs, especially in Latin America and Africa. Also, assisting Israel in selling its Kfir aircraft, as the Secretaries suggest, will almost certainly cause a major row with General Dynamics, Northrop, and other aerospace companies currently competing with Israel for advanced aircraft sales in the Third World. Thus, before subjecting the overall package to public and congressional scrutiny, I believe it better to conduct a quick, but thorough, analysis of the Israeli component of the package. (OMB has begun work on this analysis with State and Defense.)

RECOMMENDATION:

That you sign the memorandum at Tab I.

Robert Schweitzer and Gary *JS* Sick concur.

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Review on February 17, 1987

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NLRR M121A #717477

BY RW NARA DATE 1/21/10

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MEMORANDUM

0403

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THE WHITE HOUSE

WASHINGTON

ACTION

MEMORANDUM FOR: THE PRESIDENT

FROM: RICHARD V. ALLEN

SUBJECT: F-15 Enhancement Package for  
Saudi Arabia

DECLASSIFIED

NLRR M1264 717475

BY RW NARA DATE 7/24/00

At Tab A is the Haig-Weinberger memorandum recommending sale of F-15 enhancement items to Saudi Arabia, balanced by a series of actions favorable to Israel. OMB's comments, which recommend more scrutiny of the Israeli portion of the package, are at Tab B. This topic will be discussed at today's NSC meeting.

I agree with the Secretaries' recommendation to proceed with the sale of F-15 enhancement items, since it is the linchpin to maintaining and improving our special relationship with Saudi Arabia. A strong, secure, and stable Saudi government is of vital importance to the United States for security and economic reasons, and we should demonstrate that belief by approving this sale.

At the same time, no country in the Middle East is more important to the United States than Israel, and our arms transfer decisions in that region must never threaten Israel's security. Thus, I agree with the Secretaries' assessment that we should balance the sale to Saudi Arabia with additional support to Israel. However, I also agree with OMB's belief that we need to study the Israeli portion of the package with more care. As OMB notes, there are significant budget consequences in providing Israel with additional F-15s and corresponding FMS credits. Also, a more forthcoming attitude on Kfir sales means that we will be enhancing Israeli marketing efforts in countries where US aerospace companies also are competing. I believe that we need further analysis of these and other factors before you give final approval to the Israeli portion of this package.

At today's NSC meeting, therefore, I recommend that you take the following approach:

- Indicate your support for selling F-15 enhancement items to Saudi Arabia and balancing the sale with increased assistance to Israel.
- Because of budget and other consequences, however, ask the Secretaries to provide further analysis of the Israeli program, in coordination with OMB.
- To avoid charges of favoritism, the final decisions on both the Saudi and Israeli programs will be held until the additional analysis is received.

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Review on February 17, 1987

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Although these requests affect our own domestic politics and the Middle East peace process, we believe they should principally be seen in the wider context of US efforts to strengthen our overall security position in the region. Over time, as we succeed in developing a solid military position and a coherent strategy in the region, we hope to escape the situation where countries require particular arms as evidence of our overall commitment.

We have reviewed the Saudi requests carefully and recommend that you approve the following response:

- We agree to move forward now with Congressional notification to sell the conformal fuel tanks and AIM-9L missiles, and indicate to the Saudis our agreement in principle to provide AWACS once we have determined together the type and number of aircraft they wish to buy. We will make clear to the Saudis that we want these sales to lead to broader US-Saudi cooperation across a range of security issues.

- We are prepared to be forthcoming about Saudi air refueling requirements (tankers) and will work with the Saudis to determine the most cost-effective means for the defense of Saudi Arabia.

- We will consider the Saudi requests for bomb racks, but defer a decision until after we have had an opportunity with the Saudis to study their air-to-ground requirements. (The Saudis have indicated that this would be satisfactory for now.)

After informing the Saudis of these decisions, we can then decide the timing and approach we should take in detailing to them the concrete measures that must be taken so that Saudi Arabia can make use of the outside help--from the US or other friends--that alone can provide security against threats that are much too big for Saudi Arabia to handle by itself.

While two of these decisions (fuel tanks and bomb racks) would go back on commitments that the previous Administration made to Congress in 1978, we believe that this decision can be justified on the basis of the enormous increase in the threat to the security of the region that has come about as a result of the fall of the Shah and the Soviet invasion of Afghanistan.

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Israel's reaction to this sale will affect our future dealings with that country, as well as the Congressional and public attitudes. We expect the Israelis to complain about the decision, but we have received informal indications that they may be prepared to accept our decision, if we are prepared to do certain things for them. Therefore, we also recommend that specific steps be taken to demonstrate that we are sympathetic to Israeli security concerns:

- We would assure them that they have a role in our broader strategy for the region.

- We also would be prepared to offer Israel an additional squadron of F-15s and to provide credits (after FY 1982) to pay for them.

- In addition, we would in general take a more forthcoming attitude towards Israeli exports of their KFIR fighter aircraft (which contains US technology). The previous Administration had approved KFIR marketing to Taiwan, Mexico, Venezuela and Columbia, but not to a number of other countries. I have recently informed the Israeli Ambassador that we would look sympathetically on their request to sell KFIR to Ecuador that had previously been turned down. I also indicated a general willingness to be forthcoming on this issue, since it is in the US interest for Israel to have a strong defense industry.

We would also be departing from the approach that the Carter Administration took during the earlier debate on the F-15s themselves, when it treated as negligible the potential problems for Israel. We, on the contrary, would be in a position to argue that any problems created would be more than made up by the offsetting actions that we propose to take with Israel.

Even if we are fully successful in reassuring the Israelis, we will still have a problem on Capitol Hill. Our posture in public and with the Congress would emphasize (1) that we are sympathetic to Israeli security concerns, and (2) that these sales are not isolated actions, but instead fit into our overall security strategy for Southwest Asia. To ensure that our reasons for the sale are given a fair hearing, we must consult closely and extensively with the Congress.

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We would personally carry out most of the discussions , but recommend that you be prepared to talk with certain leaders (e.g., Senators Baker and Byrd). If you approve this approach, we will recommend an appropriate time and we will provide you our suggested points to make on the subject.

Recommendation

That you approve the concept outlined above for responding to the Saudi requests, meeting Israeli concerns, and consulting with the Congress.

Approve \_\_\_\_\_

Disapprove \_\_\_\_\_

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Background on Saudi Arabia's F-15 Request

During the 1978 Congressional debate over the sale of F-15s to Saudi Arabia, the Carter Administration stressed that the F-15 was primarily an air superiority fighter that would not threaten Israel. To underscore that assurance, Secretary Brown told Congress that we would not sell the Saudis multiple ejection bomb racks or conformal fuel tanks that would enhance the F-15's ground attack capabilities that existing Saudi air refueling tankers were not compatible with the F-15, and that there were no plans at the time to sell the Saudis the AIM-9L air-to-air missile or AWACS air surveillance radar aircraft. Congressional acceptance of the Saudi F-15 sales was premised on these assurances.

In early 1980, spurred by the fall of the Shah and the Soviet invasion of Afghanistan, the Saudis requested all five items. A January 28 letter from Prince Sultan to Secretary Weinberger makes clear that the Saudis are expecting a rapid and responsive answer.

The Carter Administration stated publicly that it would take no decision on F-15 enhancement items without consulting Congress. In late November, the Carter Administration also indicated to the Saudis it was favorably disposed to sell the fuel tanks, the AIM-9L, and AWACS (for 1985 delivery), before finally informing the Saudis that the matter was being turned over to the new Administration for decision.

The Saudis have insisted that they will not accept a negative answer, but there have recently been some indications that they would be willing to accept a delay in the decision on aerial refueling, and to consider alternatives to bomb racks for enhancing their air force's ground attack capability. The Saudis also are also prepared to participate in technical studies on alternative aerial tankers and air-to-ground requirements.

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NLRR M1269 #717473

BY RW NARA DATE 7/21/00

MEMORANDUM :

NATIONAL SECURITY COUNCIL

SECRET  
INFORMATION

February 18, 1981

DECLASSIFIED

NLRR 11/26/9 #717469

BY RW NARA DATE 7/21/00

MEMORANDUM FOR: RICHARD V. ALLEN  
FROM: ROBERT SCHWEITZER  
SUBJECT: F-15's for Saudi Arabia

You have my "concurrence with exception" additions of 17 February to the Kimmitt memo, this subject, of 17 February.

There is one additional point. The last time we offered F-15's to Saudi Arabia in 1978, Erich von Marbod (OSD/DSAA) drafted the attached letter of assurances for Congress (Tab A). He also negotiated these assurances with the Saudis.

While the promise of negotiations and new assurances is implicit in SecState Haig's memo we should make the need explicit. It may well turn out that Ambassador Same Lewis, Ambassador John West or Ambassador Pellatreau (OSD/ISA) have tidied this up, but we need to verify and accomplish if not done. For example, there is a Saudi Arabia base at Tabuk which the Saudis probably would not use, but if they wanted to do so the Israelis would oppose.

All of this shows we are some distance from an immediate decision.

NB

VP is aware and may raise -  
Certain members on the Hill would  
like to teach the new administration  
"a lesson in humility" And  
would do so if we fail to  
fill in this square - - carefully

RLS



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MEMORANDUM.

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THE WHITE HOUSE  
WASHINGTON

INFORMATION

MEMORANDUM FOR: THE PRESIDENT  
FROM: RICHARD V. ALLEN  
SUBJECT: F-15 Enhancement Package for  
Saudi Arabia (S)

The NSC Staff is reviewing, and coordinating with OMB, a recommendation from Secretaries Haig and Weinberger to provide an F-15 enhancement package to Saudi Arabia. The Secretaries propose to sell fuel tanks and AIM-9L air-to-air missiles, and to inform the Saudis that we are also prepared to be forthcoming on AWACS aircraft and to consider further the Saudi request for F-15 bomb racks. (S)

Because of Israeli sensitivity on this issue, the Secretaries also propose a series of actions to assuage Israeli security concerns. Specifically, they propose to sell an additional F-15 squadron to Israel, and to provide additional FMS credits to cover the cost of the purchase. Also, the Secretaries believe we should be more forthcoming in our attitude toward Israeli exports of its Kfir aircraft. (S)

While I believe the Secretaries' proposals have considerable merit, I would like to receive OMB's comments on the budgetary aspects of the proposals and then analyze more carefully the important regional and political issues involved. A coordinated package will be sent to you early next week. (C)

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Review on February 13, 1987

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NLRR M1219 #717465

BY RW NARA DATE 7/21/00

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February 12, 1981

INFORMATION

MEMORANDUM FOR: RICHARD V. ALLEN  
FROM: ROBERT M. KIMMITT *Bob*  
SUBJECT: F-15 Enhancement Package for  
Saudi Arabia (S)

We have received a memorandum from Secretaries Haig and Weinberger recommending the approval of an F-15 enhancement package for Saudi Arabia. I am coordinating this action with OMB and appropriate members of the NSC Staff, and will forward it for your review once their comments are received. Because of the importance of this package, however, I thought you should know that it has been received by the NSC, in the event that you receive questions concerning it. (S)

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Review on February 12, 1987

DECLASSIFIED

NLRR M121A #717463

BY RW NARA DATE 7/21/10

## MEMORANDUM

## NATIONAL SECURITY COUNCIL

SECRET/SENSITIVEACTION

March 27, 1981

MEMORANDUM FOR RICHARD V. ALLEN

FROM: GEOFFREY KEMP *gk*

SUBJECT: Proposed SecDef Letter to  
the Saudis on the AWACS, etc.

I hope you can put an immediate HOLD on SecDef's letter for the time being. This is a political time bomb. At the NSC meeting on February 27 which considered the F-15 package, the President agreed to the proposal outlined in the Haig-Weinberger memorandum of February 6. In this memorandum, Haig and Weinberger recommended "our agreement in principle to provide AWACS once we have determined together the type and number of aircraft they wish to buy." As I read it, at that meeting the President did not agree to provide the Saudis with the E-3s as distinct from the E-2 aircraft, both of which can be considered AWACS, though I may be wrong on this since I was not there and the minutes and recommendation are not explicit. Defense's suggestion that we "lease the current E-3 aircraft in Saudi Arabia to the Saudis" poses obvious problems -- the first raised by the Under Secretary himself, namely that we can't lease aircraft that are needed by the U.S. armed forces. The idea to get around this by having joint operations has obvious military appeal, but it will be assumed by the Israelis that we had already made a choice in favor of the E-3 without detailed examination of all the Saudi needs, including the political ramifications.

A second problem relates directly to the first, namely we are dealing here with a firestorm as I said to you in a couple of Weekly Reports (including this week's which has gone to the printers). The Israeli Embassy will go the wall on the E-3 question and I don't think we have thought through all the political implications of selling this particular system (the E-3). I'm getting this over to you as part of my "instant analysis" and will follow-up with more details tomorrow.

P.S. I have just talked to Bob Kimmitt on the phone. He agrees with the above and adds that if we push the E-3 on the Congress now it may jeopardize the current package of fuel tanks and air-to-air missiles. Also, if they find out we are trying to use "joint operation" or "leasing" options to get the sale through, it could hurt our overall efforts to rationalize our arms transfer policies.

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SECRET/SENSITIVE

Review March 27, 1987

NLRR MD3-1272 #9

BY *RL* NARA DATE *7/7/00*

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NSC Meeting -- April 1, 1981

Except as noted, the meeting attendees unanimously endorsed the recommendations below:

(1) That the Saudis be informed, in a Weinberger to Sultan letter, that we will move forward on four of the five items they requested: conformal fuel tanks, AIM-9L missiles, AWACS aerial surveillance aircraft, and aerial refueling tankers. Congress would be notified on or about April 20, after the Haig trip and the congressional recess.

APPROVE \_\_\_\_\_

DISAPPROVE \_\_\_\_\_

(2) That the study on bomb racks be stretched out until the end of the year, to avoid interference with congressional consideration of the first four items.

APPROVE \_\_\_\_\_

DISAPPROVE \_\_\_\_\_

(3) That the Saudis be asked to assist in developing a strategy to obtain congressional approval of the AWACS and other items, as they did in 1978 during congressional consideration of the initial F-15 sale.

APPROVE \_\_\_\_\_

DISAPPROVE \_\_\_\_\_

(4) 

APPROVE \_\_\_\_\_

DISAPPROVE \_\_\_\_\_

(5) That we agree to Israel's request to have the Defense Department, using already approved funds, purchase up to \$250 million in Israeli-produced defense articles.

APPROVE \_\_\_\_\_

DISAPPROVE \_\_\_\_\_

(6) That we defer a decision on additional aid to Israel until after Secretary Haig's trip.

APPROVE \_\_\_\_\_

DISAPPROVE \_\_\_\_\_

Alternatively, Secretary Haig recommends that we agree now to provide additional financial assistance to Israel, by converting from loans to outright grants the \$600 million in additional military assistance programmed for FY 83 and FY 84.

APPROVE \_\_\_\_\_

DISAPPROVE \_\_\_\_\_

E.O. 12958  
As Amended  
Sec. 3.3 (b)(6)

DECLASSIFIED IN PART

NLRR MD3-1272#3

BY  NARA DATE 7-27-00