

The Iran Nuclear Agreement and Conventional Arms Transfers in the Gulf

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Much of the criticism of the proposed nuclear agreement with Iran has focused on the fact that it would allow conventional arms transfers to Iran in five years if Iran fully complies with all other aspects of the agreement. In practice, this does not obligate any country to sell arms to Iran, nor does it affect U.S. and European constraints on arms sales.

It could, however, lead to significant arms sales on the part of Russia and China, and potentially other states. Iran badly needs to modernize its aging air force, surface-to-air missile defenses, and many other elements of its weapons systems – as well as acquire the technology for a wide range of new sensors, intelligence, surveillance, reconnaissance and other improvement in its war fighting capabilities.

It is important, however, to keep such risks in perspective. Iran is already able to exploit a large network of purchasing offices and cover organizations to buy critical technology, parts, and other military equipment. It takes time to absorb arms transfers even when they come, and Iran faces a massive backlog of obsolescence, worn systems, patchwork improvements, and awkward efforts at systems integration.

In the real world, Iran is anything but the hegemon of the region – as a new CSIS study of the Gulf military balance shows. This study is entitled [**The Arab-U.S. Strategic Partnership and the Changing Security Balance in the Gulf.**](#)

Chapters II and III of this study compare the size of Iranian and Arab Gulf military expenditures and arms transfers. The following chapters analyze the limits to Iran's conventional forces and the growing strength of Gulf Arab forces. Chapter XII analyzes the scope of the U.S. strategic partnership with the individual Gulf states and the Gulf Arab states as a whole.

The report shows that the Arab Gulf states already have a massive lead over Iran in virtually every aspect of conventional arms, except total military manpower. It also shows that the U.S. strategic partnership has delivered some of the most modern weapons in the world to the Arab Gulf states, and that equally massive new transfers are underway. (See pages 543-597).

It also draws on U.S. government estimates, and work by the IISS, SIPRI, and IHS Jane's to provide a broad picture of just how far the Arab Gulf state lead Iran in military spending and arms transfers:

- In broad terms, the Arab Gulf states in the Gulf Cooperation Council (GCC) have spent at least six times as much on conventional military forces since 1997, and the Arab Gulf lead has steadily widened. Estimates for 2014 are uncertain, but the GCC states seem to have spent some \$114 billion on defense to roughly \$16 billion for Iran.
- Saudi Arabia alone spent about 5.5 times more than Iran on its military and the United Arab Emirates spent almost twice as much as Iran during this period. And, as a whole, the GCC combined spent just over 9 times more than Iran on its military.
- The U.S. Congressional Research Service (CRS) estimates that Iran received \$3.4 billion in new arms deliveries during 2004-2007 and \$800 million in 2008-2011, and generally did not have access to advanced modern arms. The Arab Gulf states received \$22.6 billion in new arms deliveries during 2004-2007 and \$15.9 billion in 2008-2011.
- If one looks at the totals for 2004-2011, Iran received \$4.2 billion in arms transfers and the Arab Gulf states received \$38.5 billion – over nine times more, and they had access to some of the most advanced arms available.
- The U.S. Congressional Research Service also estimates that Iran spent \$2.1 billion on new arms orders during 2004-2007 and \$300 million in 2008-2011, and again generally did not have access to purchases of advanced modern arms. The Arab Gulf states spent \$30.5 billion on new arms orders during 2004-2007 and \$75.6 billion in 2008-2011.
- If one looks at the totals for 2004-2011, Iran placed \$2.4 billion in new arms orders and the Arab Gulf states spent \$106.1 billion, and again, the Arab lead grew strikingly during 2008-2011. The Arab total is well over 40 times that of Iran.

These figures ignore the upgrading of U.S. forces in the Gulf region, and massive U.S. investment in space-based and other sensors, as well as the U.S. monopoly on key systems like stealth fighters. They scarcely mean that future arms transfer to Iran will not be important but they do show that the Arab Gulf states can easily afford to keep a decisive lead and technological edge over Iran.

They also show the sheer scale of the U.S. strategic commitment to the Gulf states, and that the U.S. has no intention of turning to Iran at the expense of the Arab states. The U.S. delivered \$7.3 billion worth of the \$22.6 billion in arms delivered to the Arab Gulf states during 2004-2007, and \$9.4 billion worth of the \$15.9 billion in arms delivered to the GCC states during 2008-2011.

The U.S. role is even more important in the new arms orders that will shape the Gulf military balance in the future. The U.S. sold \$7.9 billion worth of the \$30.5 billion in new arms orders by the Arab states during 2004-2007, and \$64.5 billion worth of the \$75.6 billion in arms delivered to the GCC states during 2008-2011. An updated CRS analysis of U.S. arms transfers to Saudi Arabia alone during October 2010 to October 2014 totals \$90.435 billion.

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