

British role in Iranian arms deals angers US

by Mark Hosenball and John Witherow

BRITAIN has become a centre for traffic in American arms to Iran, according to officials in the US Customs and Justice Departments. The Americans say their attempts to curtail this trade have been hindered by poor co-operation from the British authorities. The dispute between the two governments, which has been simmering for several years, now looks set to intensify.

In the past two years, American officials - who take a tougher line on arms exports to Iran than Britain does - say they have broken up at least five weapons-exporting groups using London as a shipping and financial centre. US Customs have even alleged that one British firm, a winner of the Queen's export award, has been involved in military equipment deals with both Iran and Iraq during the Gulf war.

American military equip-

ment sent to Iran via London includes the "most sophisticated combat weaponry known to the free world," according to an American prosecutor. Some of the items obtained by the Iranians through Britain have allegedly been stolen from American aircraft carriers and naval bases.

American agents have seized documents indicating that arms traders using London as a base have dealt directly with the Iranian armed services in London and the country's defence headquarters in Tehran. Officials in London now acknowledge that orders for Iranian arms are sent from the National Iranian Oil Company, near New Scotland Yard, in a building that also houses offices of the Iranian air force and navy.

Angered by London's central role, American authorities are claiming that the British government is permitting the shipment of American military spare parts to Iran and that Whitehall has ordered British customs to reduce its assistance to American agents in certain investigations.

This was described as "poppycock" by British officials yesterday. One well-placed source commented: "The Americans are just paranoid about Iran and are becoming heavy-handed in their dealings with us."

Disagreements between Washington and London stem from a different attitude towards the arms embargo on Iran. While the United States banned all exports after the hostage crisis five years ago,

British policy on weapons exports has varied. At present the Department of Trade and Industry, which grants export licences, is blocking only "lethal" weapons or parts that could prolong the war with Iraq. As a result, Britain has permitted the export of items that would have been stopped by the Americans.

Furthermore, the Iranians have found ways of obtaining spare parts for American weapons originally bought by the Shah. As a result of deals in America - with the items sometimes shipped through Britain - the Iranian air force now has more than 20 F-14 Tomcat fighters in operation (about eight more than last year) and large numbers of spare parts for F-4s.

This success has led to a renewed American crackdown

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How arms were shipped through London to Iran

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on exports. The British claim that US Customs agents have been over-zealous in pursuing their investigations in Britain and have also denied British companies certain American goods because they suspect them of exporting parts to Iran.

The Americans have now detailed a number of cases in an attempt to prove that Britain is a centre for the arms trade.

According to a US Customs statement filed in an American court, a British company, Lovaux Ltd, of Bracknell, Berkshire, had ordered parts from a New York firm for export via Heathrow to Iran. The American company pleaded guilty to falsifying an export declaration.

A US Customs affidavit alleges that the parts were re-exported from England to Iran via Iranian Airways. Sources close to British Customs say the parts were re-exported legitimately because they were deemed to be for civilian use.

US Customs claims it has invoices from Lovaux ordering parts for the Iranian air force and a company called "Iran Helicopter". Lovaux yesterday denied it had sold or exported anything to the Iranians.

The company, which received the Queen's export award in 1983, said it had never been contacted by American authorities about the allegations. But American investigators claim that refusal by the British government to supply the United States with docu-

ments relating to the case forced prosecutors to discontinue investigations into other alleged participants in the scheme.

More seriously, over the past 13 months American authorities have broken up what they claim were several Iranian weapons-smuggling rings trading through Britain.

● Last summer, two Iranian brothers, Cyrus and Djamshid Hashemi, and two London-based companies, were charged with conspiring to ship "defence-related items" from America to Iran during and after the 1980 hostage crisis. The American government was so anxious to prosecute the Hashemis that it set up a secret "sting" operation to lure them from their homes in Europe.

The sting was only partially successful. Another brother fell into the trap and was arrested at Kennedy airport. Arrest warrants have now been issued for the other two Hashemis.

● Last October, the American authorities announced the indictment of three Britons and two Chicago businessmen on charges of exporting via London parts for fighter aircraft, missiles and night-vision goggles to the Iranian air force and navy.

The British businessmen facing charges are David Sofar and Howard Freckleton, of a company called Lyon and Brandfield Ltd, and Gerald McDevitt, who runs an aircraft spares company, Transaero Components and Supplies. All three men have denied any involvement with arms exports to Iran.

● Earlier this summer, an Iranian businessman named Amir Motamedi, who had offices in London and Los Angeles, was sentenced to three months in prison after pleading guilty to two charges of illegally exporting military aircraft spares to Iran. The Sunday Times has a copy of an invoice from the London office of Motamedi's Boustan Corporation billing the Iranians in London for nearly \$40,000 for aircraft parts for forwarding to Iran.

● In what could eventually prove to be the most sensational Iranian arms case, the American authorities last month indicted three American businessmen, two American sailors and an Iranian living in London on charges of illegally shipping such items as missile guidance systems and aircraft radars to Iran via London.

The indictment said the equipment was stolen from American bases in the Philippines and California and from aboard several American carriers, including the Ranger and Kitty Hawk. The Iranian businessman was arrested by British authorities and is on bail awaiting trial.

Phil Halpern, a Justice Department prosecutor in San Diego, said: "It is absolutely essential for the successful prosecution of these cases that the British make available the equipment they have seized, some of which is American government property."

Britain is now promising help, but only after British justice is seen to be done.