THE WHITE HOUSE

1982 MAY 23 AM 9: 56 May 21, 1982

Dear Senator Tsongas:

On behalf of the President, I am responding to your letter expressing concern with the removal of Iraq from the list of countries supporting terrorism and your opposition to the proposed export of L-100 aircraft to Iraqi Airways.

Iraq's prior inclusion on the list of countries which "repeatedly provided support for acts of international terrorism" and, therefore, were subject to export controls under section 6(i) of the Export Administration Act of 1979, was based on Iraq's record of support during the 1970's for various groups and individuals employing terrorism. Over the past few years, however, Iraq has significantly reduced its support for terrorism; a trend which continued in 1981.

The removal of Iraq from the list of countries supporting international terrorism is intended both to recognize Iraq's improved record and to offer an incentive to continue this positive trend. It does not indicate a shift from our commitment against international terrorism, which remains firm. We have publicly stated that, if future events warrant, we will reimpose controls on Iraq.

In relation to the proposed sale of civil aircraft to Iraqi Airways, the Administration looked carefully at Iraq's record in civil aviation. We found that Iraq is a signatory to three international conventions dealing with the safety of international aviation, including the Hague convention, and has not allowed airline hijackers to use its airports. The Iraqi Airways fleet presently includes a number of American civil aircraft, including several which were sold to Iraq last year.

In reviewing the license application for the sale of L-100 aircraft to Iraqi Airways, we considered the possibility that they could be converted to military use. Iraqi Airways has given us explicit assurances against the use of these aircraft in military operations. Iraq has lived up to its past assurances to us on the end use of its U.S.-supplied civil aircraft, even during the conflict with Iran.

Iraq's record on end-use assurances is reinforced by the fact that the proposed sale of L-100 aircraft to Iraq will fulfill a legitimate need for cargo and passenger aircraft within Iraq. The Iraqi Airways fleet currently contains a few cargo aircraft. The demand for such planes is expected to increase as large development projects proceed in Iraq, including construction of a dam on the Tigris River, a water duct designed to supply Baghdad and other Iraqi cities, and oil field expansion. These aircraft could also help meet projected increases in Iraq's requirements for domestic and regional passenger aircraft.

Approval of the license for the proposed sale of L-100 civil aircraft, which will not be delivered for another year, does not contravene our policy of neutrality in the Iraq-Iran conflict. We are not approving the sale of defense articles and services to either side in the conflict, nor do we intend to approve the sale of dual-use items which would significantly enhance the military capability of the combatants.

We fully encourage, however, the development of normal commercial relations with that country. The sale of civil aircraft has been, and we hope will continue to be, an important component of U.S.-Iraqi trade. Based on the foregoing, the Department of Commerce intends to issue the license for the L-100 civil aircraft in the near future. We appreciate this opportunity to offer you our views on this decision.

With best wishes,

Sincerely,

Ker J.

Kenneth M. Duberstein Assistant to the President

The Honorable Paul E. Tsongas United States Senate Washington, D.C. 20510