



# **MEI OCCASIONAL PAPER**

**No. 14**

**Monday, 9 August 2010**

## **The Evolving China-Iran Military Ties**

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China has been cultivating Iran as a major partner in the Persian Gulf since the early 1990s. Gaining greater access to Iran's oil and gas resources may be the underlying reason for this growing relationship. For a while, China was caught in a dilemma<sup>1</sup> – how to avoid a conflict with the US over Iran. However, the dilemma appears to be fading and the Iran-China relations are likely to be strengthened in the coming years.

While China may agree with the US that a nuclear Iran may contribute to regional instability, it does not want to hamper its own goals vis-à-vis Iran or other countries in the Middle East per se. These goals are: Iran's oil and gas resources; gaining access to Central Asia; and ensuring the emergence of an anti-Western regional power in the Middle East. In the coming years, China would like, as Richard Fisher noted, to emerge as Iran's 'most important economic and strategic partner,'<sup>2</sup> with the relationship going beyond co-operation in energy resources to an enhanced strategic and military partnership. Given these potential benefits, China seems to be solidifying the

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<sup>1</sup> On China's 'Persian Gulf Dilemma,' see John Garver, Flynt Leverett and Hillary Mann Leverett, 'Moving (Slightly) Closer to Iran: China's Shifting Calculus for Managing Its 'Persian Gulf Dilemma',' *Asia-Pacific Policy Paper Series*, The Edwin O Reischauer Center, Johns Hopkins University, Washington DC, 2009.

<sup>2</sup> Richard Fisher, Jr., 'China's Alliance with Iran Grows Contrary to US Hopes,' *Articles*, International Assessment and Strategy Center, Washington DC, May 20, 2006, available at: [http://www.strategycenter.net/printVersion/print\\_pub.asp?pubID=109](http://www.strategycenter.net/printVersion/print_pub.asp?pubID=109)

relationship with Iran. As far as Iran is concerned, three major drivers appear to be pushing its ties with China – becoming self-reliant, attaining regional power status and establishing strong deterrence against any attacks.<sup>3</sup> These objectives are complimentary to each other to a great extent. Therefore, we are likely to see an enhanced partnership between China and Iran in the coming years. This paper deals with an important aspect of this burgeoning relationship—military ties.

### China-Iran: Military Ties<sup>4</sup>

**A**lthough the China-Iran relationship started at a slow pace in the late 1970s, it was the arms sales between the two countries that cemented it. The importance of this relationship did not diminish in China's strategic calculus despite the ouster of the Shah of Iran, Mohammad Reza Pahlavi, in 1979. Since early 1980s, Chinese arms sales to Iran have been growing and spanning beyond conventional weapons to include assistance in the nuclear and chemical arena as well. It is believed that China's arms transaction with Iran was more 'quantitatively and qualitatively comprehensive and sustained' than with any other country other than North Korea and Pakistan.<sup>5</sup> The arms trade involved the sale of tanks, armoured personnel carriers, artillery pieces, surface-to-air and air-to-air cruise and ballistic missiles, anti-tank missiles, fighter aircrafts and small warships. It is also believed that China had provided assistance in terms of ballistic and cruise missile production capabilities. However, most significant was the Chinese assistance in terms of strengthening the indigenous production base, by providing 'scientific expertise, technical cooperation, technology transfers, production technologies, blueprints, and dual-use transfers.'<sup>6</sup> Assistance in terms of scientific expertise and blueprints become difficult to quantify or track, and therefore it is difficult to impose sanctions on them. China appears to have taken advantage of such situations while strengthening and deepening the China-Iran military engagements for decades.

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<sup>3</sup> US Office of Naval Intelligence, 'Iran's Naval Forces: From Guerrilla Warfare to A Modern Naval Strategy,' Fall 2009, available at: <http://www.fas.org/irp/agency/oni/iran-navy.pdf>

<sup>4</sup> The listing of arms transactions in the following sections is, by no means, comprehensive but illustrates the nature and seriousness of the relationship, thereby able to draw some useful conclusions.

<sup>5</sup> Bates Gill, 'Chinese Arms Exports to Iran,' *MERIA Journal*, vol. 2, no. 2, May 1998, available at: <http://meria.idc.ac.il/journal/1998/issue2/jv2n2a7.html>

<sup>6</sup> *Ibid.*,

## Anti-ship Cruise Missiles

China's sale of anti-ship cruise missiles to Iran created major furore not only in the US but also in Iranian neighbourhood. During the peak of the Iran-Iraq war, China supplied Iran the HY-2 anti-ship missiles, famously known as 'Silkworm'. The first of these shipments reached Iran in mid-1986.<sup>7</sup> In February 1987 Iran test-fired its own Silkworm missile. The US vulnerability to these missiles was not overstated as the USS Stark came under attack from an Iraqi Exocet missile in May and October 1987, Silkworm missiles hit a US-owned tanker under Liberian flag and a Kuwaiti tanker under the US flag. Despite repeated criticism from the US president Ronald Reagan's administration (1981-89), China continued with these sales, calling allegations of such sales as 'baseless'.<sup>8</sup> By the early 1990s, in light of the Reagan government's freezing of technology sales, China stopped direct sale and instead started providing assistance for enhancing Iran's indigenous production capabilities, particularly its Isfahan facility.<sup>9</sup> Reports had also suggested that China had assisted Iran in upgrading its North Korean-sourced Scud missiles along with also giving technical assistance for the development for a range of missile indigenously – Iran-130, Iran-700, NP-110 and Zelzal-3.<sup>10</sup> In 1997, General J.H. Binford Peay, Commander of US Central Command, stated that China had transferred 20 patrol boats to Iran, 15 of which were fitted with Silkworm missiles.<sup>11</sup> By the

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<sup>7</sup> PLA-controlled Chinese company Poly Group sold these missiles worth more than US\$ 1 billion. See *Newsweek*, July 04, 1998, cited in Parris H Chang, 'China's Policy Toward Iran and the Middle East,' The Jewish Institute for National Security Affairs, 24 November 2009, available at: [www.jinsa.org/node/1221](http://www.jinsa.org/node/1221)

<sup>8</sup> Upon clear evidence from the US that China had supplied anti-ship missiles to Iran, Beijing stated that these may have been sold by North Korea, which may have been true because China had supplied the HY-2 technology to Pyongyang in the 1970s. However, the US insisted that they had evidence of China supplying these missiles directly to Tehran. For details, see Bates Gill, 'Chinese Arms Exports to Iran,' *MERIA Journal*, vol. 2, no. 2, May 1998, available at: <http://meria.idc.ac.il/journal/1998/issue2/jv2n2a7.html>. In 2000, there were reports that Iran and North Korea were making advanced version of HY-2 missiles. See, 'N. Korea, Iran Jointly Develop Missile: Report,' *Korea Times*, 17 February 2000, cited in 'C-802/YJ-2/Ying Ji-802/CSS-C-9/SACCADE C-8xx/YJ-22/YJ-82,' GlobalSecurity, available at: <http://www.globalsecurity.org/military/world/china/c-802.htm>

<sup>9</sup> Gordon Jacobs and Tim McCarthy, 'China's Missile Sales – Few Changes for the Future,' *Jane's Intelligence Review*, December 1992, p. 560, cited in 'China's Missile Exports and Assistance to Iran,' Nuclear Threat Initiative, updated 25 September 2003, available at: [www.nti.org/db/china/miranpos.htm](http://www.nti.org/db/china/miranpos.htm).

<sup>10</sup> 'China's Missile Exports and Assistance to Iran,' Nuclear Threat Initiative, updated 25 September 2003, available at: [www.nti.org/db/china/miranpos.htm](http://www.nti.org/db/china/miranpos.htm)

<sup>11</sup> *The Washington Times*, 29 January 1997, cited in 'C-802/YJ-2/Ying Ji-802/CSS-C-9/SACCADE C-8xx/YJ-22/YJ-82,' GlobalSecurity, available at: <http://www.globalsecurity.org/military/world/china/c-802.htm>

middle of 1997, Iran had 60 Silkworm missiles. Other reports suggested that Iran had fitted approximately 100 Silkworm missiles on some 10 mobile missile launchers near the Strait of Hormuz. The vulnerability of US vessels, including commercial ones, cannot be underestimated, given the location of these missiles on the coastal islands close to the Strait of Hormuz.

Additionally, China had supplied different and advanced variants of the HY-2 anti-ship missiles in the 1980s. It is reported that they had supplied to Iran the C-801 missiles during the Iran-Iraq War (1980-88). The figures vary from sources – ranging from 100 to 200 C-801s. Thereafter, it was reported that China transferred to Iran the more advanced version of the anti-ship cruise missile – C-802 missiles – in the early 1990s (Iran is believed to have more than 100 C-802s in their inventory).<sup>12</sup> The sale came under the US scanner immediately, with the US Arms Control and Disarmament Agency (ACDA) Director John Holum seeking sanctions on China for the violation of the 1992 Iran-Iraq Arms Non-Proliferation Act. However, US president Bill Clinton's government (1993-2001) decided that sanctions could not be imposed as the weapons transferred (in terms of the number of the type of missile) were not 'destabilizing' in nature, which was a clause in the Act.

The C-801/802 are believed to be more advanced missiles, with better accuracy, lower cruising altitude and a faster set-up time than the Silkworm missiles. As in the case of HY-2 missiles, China had also provided assistance in terms of indigenizing the production of these missiles. By now, Iran was in a position to produce indigenously both C-801/802s and was reportedly also producing a long-range coastal defence anti-ship cruise missile, developed essentially from the C-801/802 platforms. Iran thereafter developed a similar version called the Tondar missiles and shorter-range missiles such as the C-701 that can be deployed in 'narrow geographic zones'.<sup>13</sup> In 1997, Iran also test-fired the Chinese-built C-801 and air-launched cruise missiles from an F-4 Phantom fighter – the first time that Iran had such a capability. There were also reports in 1996 which stated that China had signed a US\$11 million contract to upgrade Iran's FL-10 anti-ship missile,<sup>14</sup> which was an upgraded version of the Chinese FL-7. Additionally, in the mid-2000s,

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<sup>12</sup> Kenneth Katzman, 'Iran: Arms and Technology Acquisitions,' *CRS Report for Congress*, updated 22 June 1998, available at: <http://www.bits.de/public/documents/iran/CRS-iranarms220698.pdf>

<sup>13</sup> Lt. General Ronald L Burgess, Jr., Statement before the US Senate Committee on Armed Services, 'Iran's Military Power,' 14 April 2010 and Bates Gill, 'Chinese Arms Exports to Iran,' *MERIA Journal*, vol. 2, no. 2, May 1998, available at: <http://meria.idc.ac.il/journal/1998/issue2/jv2n2a7.html>. The Strait of Hormuz, 90 nautical miles long and about 22 nautical miles wide fits into this category of narrow zone and this is the most vulnerable region as far as the West is concerned. The threat of energy flow disruption itself was a major tool for Iran.

<sup>14</sup> 'China Helping Iranian Missile Developments,' *Jane's Defense Weekly*, 17 July 1996, p. 13, cited in <http://www.nti.org/db/china/miranpos.htm>; and 'FL-7 Feilong-7,' Federation of American Scientists, available at: <http://www.fas.org/man/dod-101/sys/missile/row/fl-7.htm>

China is reported to have sold Iran the technology for developing the longer-range (120 kilometres) Noor. It is unclear if this is a replica or an upgraded version of the C-802 missile. Iran is now believed to have upgraded the Noor with greater manoeuvrability than the original land- and ship-launched missile, and developed it into an air-launched version that can be fitted onto Mi-17 helicopters, Su-24 fighter aircrafts and other combat jets.<sup>15</sup> They are reportedly developing a longer-range, triple the current range of 60 kilometres.<sup>16</sup>

In 1997, following severe criticism over China's alleged violation of the Missile Technology Control Regime (MTCR) norms, the Chinese government offered repeated assurances to the US secretary of state and secretary of defence that sale of missiles – which was 'jeopardizing American ships in the [Persian] Gulf' – will not continue in the future.<sup>17</sup> Furthermore, China established its export control mechanism, along the MTCR guidelines in 2002. However, even in 1998, after the repeated pledges, China sold 1,000 tons of specialty steel for the manufacturing of Iran's missiles.<sup>18</sup> There were similar reports of China supplying guidance technology such as gyroscopes and accelerometers, and special steel for missile fabrication as well as missiles equipment, potentially for Iran's Shahab missile programmes in 1996 and 2001.<sup>19</sup> A *Washington Times* story, citing unnamed US officials, noted that the Chinese firm Norinco had supplied to

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<sup>15</sup> Tom Cooper and Liam F Devlin, 'Iran: A Formidable Opponent?,' *Air Combat*, May 2006, pp. 28-35, cited in Richard Fisher, Jr., 'China's Alliance with Iran Grows Contrary to US Hopes,' *Articles*, International Assessment and Strategy Center, Washington DC, 20 May 2006, available at: [http://www.strategycenter.net/printVersion/print\\_pub.asp?pubID=109](http://www.strategycenter.net/printVersion/print_pub.asp?pubID=109); and 'Chinese Missile Plant in Iran Complicates Matters,' *Military Strategy*, 24 April 2010, available at: <http://militarystrat.wordpress.com/2010/04/24/chinese-missile-plant-in-iran-complicates-matters/> The C-802, powered by a turbojet with paraffin-based fuel, is also better in terms of the range, increased from 42 to 120 kilometres. The hit probability of C-802 is as high as 89 per cent.

<sup>16</sup> 'Iran's Link to China Includes Nukes, Missiles,' *ChinaDefense*, 17 March 2010, available at: <http://www.china-defense-mashup.com/?p=5880>

<sup>17</sup> John Mintz, 'Track Arms' A Study in Smoke,' *The Washington Post*, 3 April 1999, p. 3, cited in 'China's Missile Exports and Assistance to Iran,' Nuclear Threat Initiative, updated 25 September 2003, available at: [www.nti.org/db/china/miranpos.htm](http://www.nti.org/db/china/miranpos.htm)

<sup>18</sup> Bill Gertz, 'China Assists Iran, Libya on Missiles,' *The Washington Times*, 16 June 1998, cited in Kenneth Katzman, 'Iran: Arms and Technology Acquisitions,' *CRS Report for Congress*, updated 22 June 1998, available at: <http://www.bits.de/public/documents/iran/CRS-iranarms220698.pdf>. CIA report released in 2000 had suggested that China was failing on its pledges. See Tabassum Zakaria, 'CIA Suggests China Failing to Keep Iran Nuke Pledge,' *Yahoo News*, 23 February 2001, available at: <http://www.nci.org/iran/iran-prc-reuters22301.htm>

<sup>19</sup> Kenneth Katzman, 'Iran: Arms and Weapons of Mass Destruction Suppliers,' *CRS Report for Congress*, updated 3 January 2003, available at: <http://www.fas.org/sgp/crs/nuke/RL30551.pdf>

Iran's Shahid (Martyr Bakeri Industrial Group), which is involved in Iran's missile programmes, specialised metals and chemicals for their missiles.<sup>20</sup>

Over the past few years, China has become sufficiently bold as to not pay attention to any international concern. In March 2010, China inaugurated a missile manufacturing plant in Iran, essentially for assembling and producing Iran's Nasr-1/Victory 1 anti-ship missiles, similar to China's C-704s.<sup>21</sup> Nasr has already entered service and Iran's Aerospace Industries Organisation has already started a production line; upgraded air-launched versions of Nasr are also being worked on currently.

Missile	Popular Name	NATO code	Range (in Kilometres)	Warhead (in kilograms)
C-802	Noor	Saccade	120	165
C-802A	Noor	Saccade	180	165
C-701T	Kosar		20	29
C-201R	Kosar		25	29
TL-10A	Kosar		15	30
TL-10B	Kosar		15	30
HY-2	Silkworm	Seersucker	95	315

**Source:** Information taken from "China's Missile Exports and Assistance to Iran," Nuclear Threat Initiative, available at <http://www.nti.org/db/china/miranpos.htm#Scope%20of%20Activities> ; "Missiles: Overview," Federation of American Scientists, available at <http://www.fas.org/nuke/guide/iran/missile/>

## Ballistic Missiles

Similar to the sale of cruise missiles, Chinese transfer of ballistic missiles also raised concerns around the Western world, particularly in the US. The transfer of ballistic missiles raised concerns that some of the land-based locations, including US military bases, or even that of their allies like Israel, could become the potential targets. However, China's transactions with Iran were not restricted to the transfer of missile units alone. Rather, its assistance was more critical as it helped to build the infrastructural capabilities of Iran in

<sup>20</sup> Bill Gertz, 'Beijing Using Front Companies to Grab US Arms Technology,' *The Washington Times*, 26 January 2001, cited in Kenneth Katzman, 'Iran: Arms and Weapons of Mass Destruction Suppliers,' *CRS Report for Congress*, updated 3 January 2003, available at: <http://www.fas.org/sgp/crs/nuke/RL30551.pdf>

<sup>21</sup> 'Chinese Missile Plant in Iran Complicates Matters,' *Military Strategy*, 24 April 2010, available at: <http://militarystrat.wordpress.com/2010/04/24/chinese-missile-plant-in-iran-complicates-matters/>

providing the designs, building and thereafter testing their missiles. A 2009 Central Intelligence Agency (CIA) Report asserted that China and Russia have assisted Iran to such an extent in which Iran has become quite self-sufficient as far as the production of ballistic missiles are concerned.<sup>22</sup> According to the Defense Intelligence Agency (DIA) Director Lt. General R.L. Burgess, Jr., Iran has ‘the largest deployed ballistic missile force in the Middle East’.<sup>23</sup>

Chinese assistance to Iran’s ballistic missile programmes has been constant since 1997 when the US intelligence community started issuing the proliferation reports on Iran (in compliance with Section 721 of the FY 1997 Intelligence Authorisation Act). The CIA Report of 1997, for instance, noted that ‘the Chinese provided a tremendous variety of assistance to both Iran’s and Pakistan’s ballistic missile programs’ in 1996.<sup>24</sup> While some of the technical assistance came from North Korea, there has been evidence to prove direct Chinese assistance as well. It is widely believed that China provided the technology and technical assistance to Iran for the development of Iranian versions of the M-9/M-11 missiles.<sup>25</sup> Similarly, some of the more recent Iranian missiles, particularly the Shahab series with solid fuel missile technologies, have had significant Chinese help. Iran’s Shahab-3 with a range of 1,500 kilometres is reported to have used Chinese guidance technology, though it was aided also by North Korea’s No Dong missile,

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<sup>22</sup> Bill Gertz, ‘Inside the Ring,’ *The Washington Times*, 7 May 2009, available at: <http://www.washingtontimes.com/news/2009/may/07/inside-the-ring-98368565/>

<sup>23</sup> Lt. General Ronald L Burgess, Jr., Statement before the US Senate Committee on Armed Services, ‘Iran’s Military Power,’ 14 April 2010.

<sup>24</sup> Tim Weiner, ‘China is Top Supplier to Nations Seeking Powerful, Banned Arms,’ *New York Times*, 3 July 1997, available at: <http://www.nytimes.com/1997/07/03/world/china-is-top-supplier-to-nations-seeking-powerful-banned-arms.html>. Even the 2000 Report talked about Chinese transactions with Iran, Pakistan among others. See Central Intelligence Agency, *Unclassified Report to Congress on the Acquisition of Technology Related to Weapons of Mass Destruction and Advanced Conventional Munitions: 1 July Through 31 December 2000*, available at: [https://www.cia.gov/library/reports/archived-reports-1/july\\_dec2000.htm#3](https://www.cia.gov/library/reports/archived-reports-1/july_dec2000.htm#3)

<sup>25</sup> Beijing had developed specifically for export purposes SRBMs (short range ballistic missiles) – M-9 and M-11 solid-fuelled missiles (range of 300 to 600 kilometres) for sale to the Middle East and South Asia. After coming in for major criticism from the US and other western powers, China stopped export of these short-range missiles and inducted them in to the PLA’s Second Artillery in 1994, under new designations of *Dongfeng*-11 and 15, popularly known as DF-11 and DF-15. A *New York Times* story of 22 June 1995, citing CIA reports said that China had ‘delivered dozens, perhaps hundreds of missile guidance systems and computerized machine tools to Iran,’ which in a way suggests that they did not transfer actual missile units but only components and technology. See Kenneth Katzman, ‘Iran: Arms and Technology Acquisitions,’ *CRS Report for Congress*, updated 22 June 1998, available at: <http://www.bits.de/public/documents/iran/CRS-iranarms220698.pdf>

which was developed with Chinese assistance.<sup>26</sup> Iranian missiles have improved significantly in terms of accuracy as well as new sub-munition payloads. Even the short-range ballistic missiles have been improved. They have improved survivability by using solid-propellant as also by employing anti-missile defence tactics.<sup>27</sup>

Iran's ballistic missile programme is also reported to have benefitted from its co-operation with China on the space sector. For instance, in 2005, Iran joined the China-led Asia-Pacific Space Cooperation Organization that focuses on satellites and space technologies. Iran has developed several satellites, including communication satellites, with the help of China. In fact, it is believed that Chinese assistance in terms of satellite mapping for space launch vehicles and launch vehicle staging could be of great value, as it will have a direct bearing on Iran's plan to develop the Inter-Continental Ballistic Missile (ICBM) series.

### Assistance in Fighter Aircrafts and Warships

China has extended significant assistance to Iran in combat aircraft and warships too. Sale of fighter aircrafts and small midget submarines is a case in point. It is estimated that Iranians have reached a state of self-sufficiency in the area of aircrafts by learning reverse engineering from the Chinese who have been the best in the field. The manner in which Iran has been able to modify the single-seater F-5A fighters to twin-seater F-5B Simorgh supersonic trainers is a testimony to the maturing sophisticated capabilities that Iran is beginning to possess. Furthermore, they developed two entirely new versions of the F-5E called the Owj Saegheh and Azarakhsh. Later in the 2004 Zhuhai Air show, there was a display of two new tactical missiles for anti-ship or precision ground-attack missions, developed by Iran and China's Hongdu – the 35-kilometres range radar-guided Nasr (JJ-TL-6B) and the 18-kilometres range optically guided Kosar (JJ-TL-10A).<sup>28</sup> Hongdu-Iran co-operation was a significant development as it gives Iran the technological boost by which they could potentially make longer-range

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<sup>26</sup> *The Washington Times*, in a report on 11 September 1997 stated that Iran had received 'guidance, and Solid propellant motor technology as well as general missile testing technology. The Shahab-3 and 4 programs appear to be getting considerable assistance from China and Russia' from China's Great Wall Industries Corporation. Thereafter, a 16 June 1998 *The Washington Times* report noted that Iran had procured 'telemetry equipment' for missile test monitoring for the Shahab-3 and Shahab-4 missiles. See Bill Gertz, 'Missiles In Iran of Concern To State,' *The Washington Times*, 11 September 1997; and Bill Gertz, 'China Assists Iran, Libya on Missiles,' *The Washington Times*, 16 June 1998, cited in 'Shahab-3/Zelzal-3,' *Military Analysis Network*, Federation of American Scientists, available at: <http://www.fas.org/programs/ssp/man/militarysumfolder/shahab-3.html>

<sup>27</sup> Lt. General Ronald L Burgess, Jr., Statement before the US Senate Committee on Armed Services, 'Iran's Military Power,' 14 April 2010.

<sup>28</sup> Richard Fisher, Jr., 'Report on the 5<sup>th</sup> Air Show China, Zhuhai, PRC, 1-7 November 2004,' 13 December 2004, available at: [http://www.strategycenter.net/research/pubID.54/pub\\_detail.asp](http://www.strategycenter.net/research/pubID.54/pub_detail.asp)

tactical missiles. In October 2007, China and Iran signed an agreement for the sale of two squadrons of J-10 fighter planes and the delivery is scheduled for 2008-10, though China had denied any such agreement.<sup>29</sup> The sale included 20 single-seater J-10A fighters, 4 J-10S twin-seater fighters, 120 SD-10A medium-range self-guided air-to-air missiles and 120 PL-9C short-range air-to-air missiles.<sup>30</sup>

Iran's fighting ship inventory is almost entirely made up of Chinese, French and a few Iranian-made vessels, which have had critical Chinese assistance. For instance, during the March 2006 Holy Prophet Iranian naval and air exercises, Iran displayed a radar-guided version of the Chinese C-701, capable of arming the 19-ton 'China Cat' fast attack missile ships (Catamaran), illustrating the extent of Chinese help in this regard.<sup>31</sup> Several Iranian ships, earlier fitted with US Harpoons, were replaced with the Chinese C-802 missile in the 1990s, thus keeping them operational against the backdrop of arms sale restrictions from the West. Moreover, China supplied Houdong fast patrol boats fitted with C-802s in 1996. Similarly, Iran's Thondar class missile boats have been procured from China in the mid-1990s; and the MIG-G-0900 Boghammars high speed attack boats are fitted with rocket launchers (MRLS) and missiles. The locally-produced Haseb MRLS used in these are believed to have been derived from the Chinese-designed Type-73 that's has an effective range of 8.5 kilometres and has a HE-fragmentation warhead.<sup>32</sup> There have also been reports of China selling fast boats to Iran; Iran is estimated to have 1,000 low-tech speed boats, three frigates and 20 fast attack crafts, including the Houdong boats supplied by China.<sup>33</sup> Similarly, China is believed to have supplied small

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<sup>29</sup> China uses Russian engines (AL-31FN turbofan jet engine, which is a high performance engine; Russia originally developed AL-31 engines for their Su-27, Su-30MK and Su-33 fighters and the Su-34 bombers) in its J-10 fighters and the sale of J-10 to Iran created tension in Sino-Russian ties. Russia is not only losing out a market in Iran but if continued it will lose its edge in Iran and the wider Middle East, given the simultaneously cooperative and competitive nature of Sino-Russian relations.

<sup>30</sup> Richard Fisher Jr., 'China to Sell J-10 Fighter Jets to Iran,' Accuracy in Media, 2 November 2007, available at: <http://www.aim.org/guest-column/china-to-sell-j-10-fighter-jets-to-iran/>. Procurement of J-10 fighters would also enable Iran to relieve the 20-odd old Chengdu F-7M fighters that Iran had bought in 1987. It should also be noted that China had benefitted significantly from Israel (from its Lavi (Young Lion) programme for greater stability and manoeuvrability, which in turn had critical US assistance) in the J-10 programme.

<sup>31</sup> Tehran ordered 10 C-14 missile fitted Catamarans from China in 2002, with local production clauses. These ships have been fitted with either TL-10 anti-ship missiles or the C-701, although both have similar specifications, the difference being in design alone. These are considered excellent littoral combat ships.

<sup>32</sup> 'Iran Navy 2007,' Iran Defence Forum, 14 May 2007, available at: <http://www.irandefence.net/showthread.php?t=15261>

<sup>33</sup> Parris Chang, 'China's Policy toward Iran: Arms for Oil?,' *China Brief*, vol. 8, issue 21, 18 November 2008, available at:

midget submarines such as the Yono-class and Nahang-class boats which are still in service.<sup>34</sup> These are deterrent measures against a potential attack by the US in the future.

## Assistance in Procuring Spare Parts

China has also provided significant assistance in terms of spare parts for the systems that Iran had procured from the US during the Shah's regime. Iran is believed to have even upgraded the Grumman F-14A Tomcat and the McDonnell Douglas F-4D/E Phantom fighters supplied by the US. Accordingly, it is estimated that Iran has in operation 44 of the 79 F-14As.<sup>35</sup> Iran is also believed to be operating a good number of 200-kilometres range AIM-54 Phoenix air-to-air missiles (AAM), which are still considered excellent given that they are capable of locating and destroying multiple targets simultaneously from a range of 80 kilometres or more. Besides Chinese and Russian assistance, the Iranian government also operated a large number of spies to steal parts to maintain and upgrade these systems. A 2000 report indicated that a significant 30 per cent of the stolen spare parts is believed to have come from the US.<sup>36</sup> China, through its middlemen and front companies, is reported to have provided most assistance to Iran in maintaining the US-supplied weaponry.<sup>37</sup> For instance, in a 1996-97 operation, the US

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[http://www.jamestown.org/programs/chinabrief/single/?tx\\_ttnews\[tt\\_news\]=34141&tx\\_ttnews\[backPid\]=168&no\\_cache=1](http://www.jamestown.org/programs/chinabrief/single/?tx_ttnews[tt_news]=34141&tx_ttnews[backPid]=168&no_cache=1)

<sup>34</sup> US Office of Naval Intelligence, 'Iran's Naval Forces: From Guerrilla Warfare to A Modern Naval Strategy,' Fall 2009, available at: <http://www.fas.org/irp/agency/oni/iran-navy.pdf>; and Jahangir Arasli, *Obsolete Weapons, Unconventional Tactics, and Martyrdom Zeal: How Iran would apply its Asymmetric Naval Warfare Doctrine in a Future Conflict*, (George C. Marshall European Center for Security Studies, Occasional Paper No. 10, April 2007), pp. 21, 23; 'Submarines, Iran,' Jane's Underwater Warfare Systems, 17 March 2008, available at: [www.janes.com](http://www.janes.com); 'Iran Hails New Domestically Manufactured Submarine,' *Al-Manar TV*, 28 November 2007, cited in 'Iran: Submarine Proliferation – Current Capabilities,' Nuclear Threat Initiative, updated January 2010, available at: <http://www.nti.org/db/submarines/iran/index.html#fn17>

<sup>35</sup> There are varying estimates on the number of F-14s in operation. GlobalSecurity for instance estimates that only 10 of the 79 are operational, whereas Cooper and Devlin put the number slightly high. See Tom Cooper and Liam F Devlin, 'Iran: A Formidable Opponent?,' *Air Combat*, May 2006, pp. 28-35, cited in Richard Fisher, Jr., 'China's Alliance with Iran Grows Contrary to US Hopes,' *Articles*, International Assessment and Strategy Center, Washington DC, 20 May 2006, available at: [http://www.strategycenter.net/printVersion/print\\_pub.asp?pubID=109](http://www.strategycenter.net/printVersion/print_pub.asp?pubID=109); and 'Iran Air Force,' GlobalSecurity, available at: <http://www.globalsecurity.org/military/world/iran/airforce.htm>

<sup>36</sup> Andrew Coch, 'US Customs Arrests Suspected Iranian Agents,' *Jane's Defence Weekly*, 20 December 2000, cited in Richard Fisher, Jr., 'China's Alliance with Iran Grows Contrary to US Hopes,' *Articles*, International Assessment and Strategy Center, Washington DC, 20 May 2006, available at: [http://www.strategycenter.net/printVersion/print\\_pub.asp?pubID=109](http://www.strategycenter.net/printVersion/print_pub.asp?pubID=109)

<sup>37</sup> China has also been using Taiwanese companies to do arms transactions with Iran. Even as recently as in June 2010, China had a Taiwanese firm procure sensitive components with nuclear uses and transport

Customs Service seized items worth US\$36 million, which included 500 electron tubes used in the US F-14 fighter and this is suspected to have been sold to Iran at a later date.<sup>38</sup> Some items in the shipment were meant for Iran's AN/AWG-9 radar. There were cases later in 2003 as well where Jinghua Zhuang and Xiuwen Liang of Maytone International were seeking parts for the F-14, AIM-9 Sidewinder AAM, HAWK surface-to-air missiles as well as the TOW anti-tank missiles.<sup>39</sup> While it was not clear whether these were meant for Iran, the country has been on the lookout for these parts for their military, procured from the US during the Shah's regime.

## Analysis

**A**chieving self sufficiency in defence matters has been critical to Iran given their experience during the Iran-Iraq war when they were denied spare parts or even other weapon platforms, making several of their systems non-operational in the process. Accordingly, it has been a deliberate decision to indigenize as much as possible without relying on outside powers, especially the United States and generally the West. Thus, while avoiding western suppliers, Iran has increased its reliance on China, Russia and North Korea for a sizeable chunk of their military needs. Of the three, China has been most critical in meeting Iranian needs given that there is a close convergence of their long-term objectives.

What has been most critical in Iran-China military ties is not the actual transfer of weapon units and other systems as much as the Chinese assistance in setting up and aiding their indigenous production capabilities. While these may be difficult to monitor and track, they have been more useful to Iran than simple transfer of units and have created a dangerous situation wherein the country can develop these systems on its own without any outside help. The kind of self-sufficiency that Iran has been able to achieve in a few decades, mostly due to the Chinese

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them to Iran. For details, see Debby Wu, 'Taiwan Firm: China Got Iran Part with Nuke Uses,' *The Associated Press*, 8 June 2010, available at: <http://abcnews.go.com/International/wireStory?id=9510306>

<sup>38</sup> It is alleged that Chinese companies, in addition to stealing some of these high-end technologies, have also been 'purchasing advanced technology, in the form of machine tools and production equipment from decommissioned US defence factories, through industrial actions,' for which purpose they had floated Chinese companies with 'American-sounding' names so as to escape being caught. Thus, the Chinese have avoided the tricky export control mechanism as also being cost efficient. For instance, the multi-axis machine tool profiler, for building wing spans for the US F-14 fighter, originally costs over US\$ 3 million but the Chinese companies managed to pick it up at a cost as less as US\$ 25,000. For details, see *Report of the Select Committee on US National Security and Military/Commercial Concerns with the People's Republic of China*, submitted by Christopher Cox, Chapter I (Washington, USGPO, 1999), p.43, available at: <http://www.house.gov/coxreport/pdf/ch1.pdf>

<sup>39</sup> Richard Fisher, Jr., 'China's Alliance with Iran Grows Contrary to US Hopes,' *Articles*, International Assessment and Strategy Center, Washington DC, 20 May 2006, available at: [http://www.strategycenter.net/printVersion/print\\_pub.asp?pubID=109](http://www.strategycenter.net/printVersion/print_pub.asp?pubID=109)

assistance, is significant. Latest instance is the indigenous production of Jamaran destroyer – a frigate class ship – and a second one is to follow in 2012 – a clear indication of the sophisticated facilities that Iran has put in place.<sup>40</sup>

In the aftermath of Shah's ouster and arms embargo following the Iran-Iraq war, Iran was in search of arms suppliers. China at the same time was on the lookout for partners around the world, particularly in the Middle East, given China's hunger for energy resources. However, it must be noted that Iran is also more sceptical of China compared to the other countries that the latter has been co-operating with. Therefore, despite the past and continuing military ties, it is unlikely that Iran will kow-tow China or tie its strategic autonomy to China unlike, for instance, Pakistan.<sup>41</sup> This is due to the fact that Iran considers itself as a major civilizational power, a major regional power centre, which could potentially come into conflicts of interest with China in the future. Nevertheless, for the near-term, one is likely to witness an intensifying relationship between Iran and China given the changing geopolitics in Asia. Iran clearly wants to complicate the geopolitics in the Middle East making it difficult for the US to continue as the dominating power in the region. Iran's consideration of a military base for China in one of its islands or one of the Persian Gulf ports is significant and would serve the interests of both China and Iran.<sup>42</sup> Such a move, however, would not be positive for Iran in the long-run. There are several issues here. China may not be keen on such a step as it would entail a potential blockade of the Strait of Hormuz and disruption of oil traffic, which will hurt the Chinese more than the rest. Second, China may not have the wherewithal to set up a naval base in an Iranian port given that it would need entire paraphernalia to sustain such a base, including tankers, convoys, large number of ships and so on. China is developing a force capable of doing that, although it is not there as yet. Lastly, while this move may yield some benefits for Iran in the short-run in the sense that it complicates matters for the United States in the region, it is unlikely that it will accrue the same benefits in the long-term. First of all, the geopolitical competition for 'space' will increase significantly if China is provided a naval facility, which can lead to a period sustained conflict and regional instability. This does not augur well for Iran. Second, if Iran is unable to foster a stable neighbourhood, transshipment of its energy resources would be seriously hampered, and in turn hurt its economy. Iran looks upon itself as a major historical power and feels capable to achieve this status in the future given its huge oil and gas resources, its geopolitical location at

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<sup>40</sup> The 1420-ton destroyer, made locally for the first time, is fitted with a variety of anti-ship and surface-to-air missiles.

<sup>41</sup> The US may be making a wrong conclusion when it suggests that Tehran because it has never been occupied or invaded by China, do 'not fear China's long-term ambitions as Iran might fear those of Russia.' See, Kenneth Katzman, 'Iran: Arms and Weapons of Mass Destruction Suppliers,' *CRS Report for Congress*, updated 3 January 2003, available at: <http://www.fas.org/sgp/crs/nuke/RL30551.pdf>.

<sup>42</sup> Kaveh L Afrasiabi, 'A China Base in Iran?,' *Asia Times*, 29 January 2008, available at: [http://www.atimes.com/atimes/Middle\\_East/JA29Ak03.html](http://www.atimes.com/atimes/Middle_East/JA29Ak03.html)

the core of an enormously important region and the young and energetic population mix, when several countries are disadvantaged severely on that account. Furthermore, the self-sufficiency attained in the field of techno-military issues gives that additional impetus to Iran towards the status of a major power. China could be less than pleased to ‘molly-coddle’ such a powerful Iran in the future.

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**Editor, MEI Occasional Paper: P R Kumaraswamy**