



Israeli defense industry exports under scrutiny

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TEL AVIV, Israel, July 19 (UPI) -- TEL AVIV, Israel, July 19 (UPI) -- Israeli defense exports, a major revenue generator, are under scrutiny after the state comptroller reported serious flaws in the supervision of exports, suggesting some could have been suspect.

The report, citing poor enforcement, follows the tightening in May of regulations on defense exports that could limit foreign sales, and an order this week by Tel Aviv District Court that the Defense Ministry disclose the identities of some of the nearly 7,000 arms dealers, a staggering number, it has authorized.

The report by State Comptroller Joseph Shapira, published Wednesday, said there is legislation that standardizes military exports in accordance with international norms, but the ministry's Defense Export Controls Agency, known as DECA, was "failing to use the full extent" of its authority "to ensure proper enforcement."

The report, as published, did not cite any specific instances in which export restrictions may have been violated. However, Israeli arms dealers, overwhelmingly former military men, certified by the Defense Ministry have been found to engage in some murky operations over the years, under which unsavory regimes, mainly in Africa and Latin America, as well as criminal organizations like cocaine cartels, received Israeli-made or Israeli-supplied weapons.

A British government report in June said Israeli arms were exported to several Muslim countries -- Pakistan, Egypt, Algeria, the United Arab Emirates and Morocco -- in 2008-12.

Only Egypt, which signed a 1979 peace treaty with Israel, has diplomatic relations with the Jewish state.

The British report covered the sale of defense systems that contained British-made components. It specified, for instance, British-made nuts were used in Israeli-manufactured cockpit displays and electronic warfare systems for Lockheed Martin F-16 combat jets sold to Pakistan in 2010.

Israel denied allowing the sale of any weapons technology to Pakistan, traditional foe of Israeli ally India and a major buyer of Israeli arms.

There have been persistent reports of discreet diplomatic and intelligence contacts between Israel and Pakistan, as well as Arab states like the Emirates and Saudi Arabia who like the Jewish state are foes of Iran.

Yiftah Shapir, an Israeli security expert, observed at the time that Israel is working on joining a defense alliance with several Western-leaning Muslim states -- Turkey, Jordan, Saudi Arabia and the Emirates -- to create a "moderate crescent" against Iran.

"These reports don't surprise me," he said. "No one talks about it, but there's now much more direct-sale activity between Israel and the gulf states as we now see ourselves being on the same side against Iran."

In response to the criticism by Israel's state comptroller, the Defense Ministry said DECA was moving to improve its operations and would carry out "aggressive inspections of the facilities of exporters," a review of approved defense contracts and surprise inspections at the companies involved in such deals.

The ministry said it plans to seek out companies involved in defense deals that "do not appear" on DECA's registry. It did not elaborate.

It was not clear whether the issues raised by the comptroller were linked to the Tel Aviv court's demand for public disclosure of the identity of the 6,784 arms dealers the Defense Ministry acknowledged in connection with a Freedom of Information request by Israeli attorney Eitay Mack.

It's not known why Mack seeks the data, but the revelation that there are nearly 7,000 arms dealers linked to the ministry was remarkable in itself.

So was the ministry's disclosure that at the end of 2012, there were 6,684 individuals dealing with security exports in 1,006 companies and 312 "independent businesses." The difference was not explained.

On top of that, it said DECA issued 1,900 marketing permits and 8,716 export licenses that year.

The ministry refused to identify any of the dealers, or the arms contracts with which they were linked, "due to the need to protect the security of the state and its foreign relations."

Security analyst Yossi Melman, who has written extensively on intelligence and defense issues, has observed that several Israelis who ended behind bars in other countries in recent years were all licensed by the Defense Ministry and "driven by pure greed."

All were former members of the armed forces, some holding senior rank, he said, and all "were familiar faces in the corridors of the defense establishment."

It remains to be seen how forthcoming the ministry will be.

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