

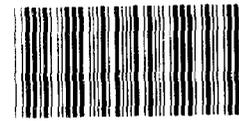
GAO

Report to the Congress

June 1988

EXPORT CONTROLS

Assessment of Commerce Department's Reports on Controls on Certain Exports to Iran



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**Comptroller General
of the United States**

B-222992

June 2, 1988

To the President of the Senate and the
Speaker of the House of Representatives

As required by the Export Administration Amendments Act of 1985, we are providing our assessment of the Secretary of Commerce's reports to Congress covering the two sets of foreign policy controls imposed on September 25, 1987, and October 16, 1987, on certain exports to Iran.

The September controls were imposed on exports of scuba gear and related equipment. The October controls were imposed on exports to Iran of 14 broad categories of products with potential military application. The purpose stated for these controls was to (1) distance the United States from Iran and its policies and other acts aimed at U.S. strategic interests and (2) demonstrate the resolve of the United States not to provide direct or indirect military support for the Iranian war effort. The reports' statements of U.S. policy with respect to Iran focused on the period immediately preceding the imposition of controls and following U.S. participation in the covert supply of weapons to Iran.

We assessed the Secretary's reports on these two sets of controls for compliance with the statutory reporting requirements of the 1985 Act and found both reports to be in compliance with the specific requirements. Like the Secretary's previous reports to Congress on foreign policy export controls, each report addresses the subjects specified in the law and reflects the information Commerce had developed internally and from the U.S. business community. These subjects are: (1) the control's purpose, (2) probability that the control will achieve the intended purpose, (3) compatibility of the control with U.S. foreign policy objectives, (4) reaction of other countries to the control, (5) economic impact of the control, (6) ability of the United States to enforce the control, (7) alternative means for achieving the control's purpose, and (8) foreign availability of the controlled items.

Our review was performed in accordance with generally accepted government auditing standards.

We are providing copies of this report to appropriate House and Senate Committees; the Secretaries of Commerce and State; the Director, Office of Management and Budget; and other interested parties.



fw Charles A. Bowsher
Comptroller General
of the United States

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