
Fiscal Year 1992 Security Assistance Budget Request

By

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International Security Affairs**

[The following is a reprint of a statement presented by Mr. Bartholomew in testimony before the Subcommittee on International Economic Policy of the Senate Foreign Relations Committee on March 13, 1991, in Washington DC.]

The events of the past few weeks have been gratifying for all Americans. Our military has conducted a professional and effective military campaign with our coalition partners that is virtually unparalleled in the swiftness and totality of its success. Our military and our coalition partners simply did a tremendous job—and we all owe them a debt of gratitude.

Even though the immediate crisis in the Persian Gulf region is over, it is clear that we have more work to do. The international coalition waged war against Iraq to expel Iraq from Kuwait, to restore the legitimate government of Kuwait, and to ensure the stability and security of this critical region. The first two objectives have been accomplished; the last objective remains to be assured. Secretary Baker is now consulting with our friends and allies on how best to ensure stability and security in the Persian Gulf region, and he will be in a position to assess those prospects after his return from that region.

Beyond the Gulf, the major changes elsewhere in the world also require our attention.

In Eastern Europe, authoritarian regimes have given way to new democratic governments struggling to reform their economies and make democracy work.

There is more hope in Africa, where our policies have done much to support an independent Namibia, the spread of market-based economies, new attempts to institutionalize democratic values, and some positive change in South Africa.

In Latin America, there is an opportunity to assist governments to consolidate democracy and economic freedom. And in the Philippines, Haiti, and elsewhere, fragile democracies struggle against internal extremists of the left and the right.

OBJECTIVES

Our effort to advance U.S. foreign policy interests will be guided by the five objectives that Secretary Baker has laid down for our international cooperation programs. Specifically we seek to:

- Promote and consolidate democratic values, including free and fair elections and respect for human rights;
- Promote free market principles and strengthen U.S. competitiveness;

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- Promote peace by helping defuse regional conflicts, strengthening the security of regional partners and our cooperation with them, and pursuing arms control and non-proliferation efforts:
 - Protect against transnational threats, especially to the environment and from narcotics and terrorism; and
 - Meet urgent humanitarian needs.

Our international security programs advance these foreign policy interests. These programs—and the relationships that they have helped to develop—served us extraordinarily well during the past months. Key recipients of U.S. security assistance—Egypt, Israel, Turkey, Greece, Portugal and the Philippines—played important roles in the successful outcome in the Gulf.

Indeed, the system of international security relationships that we have forged over time is fundamentally sound and supportive of vital U.S. interests. We need now to build on this success. Let me suggest two vehicles: our proposed military and economic assistance programs for FY 92; and a new draft foreign assistance authorization bill that the Administration expects to send up within the next few weeks.

FY 92 REQUEST

Our FY 92 security assistance request is a key vehicle for advancing our security interests. It is a blend of continuing priorities and new initiatives.

My remarks today will focus primarily on our two main security assistance programs: Foreign Military Financing (FMF) and the Economic Support Fund (ESF). In FMF, we are requesting \$4.65 billion in Budget Authority to enable us to support a program level of \$4.92 billion. In ESF, we are requesting \$3.24 billion in Budget Authority, supporting a program of the same size. These request levels are smaller—both in absolute terms and as a percentage of the budget and GNP—than request levels from previous years. [The figures in parenthesis below reflect total FMFP and ESF funding requests per region/country.]

Near East and South Asia (\$5.51 billion). In the Near East and South Asia, it is especially clear that our security assistance programs contributed to the results of DESERT STORM.

Israel pursued a policy of restraint based on strength—military strength, and the strength derived from strong U.S.-Israeli security relations. We remain unshakably committed to Israel's security—a commitment that we demonstrated with the deployment of U.S. Patriot missile systems and U.S. crews in the recent crisis. We are also committed to ensuring that Israel maintains its qualitative edge, built upon superiority in advanced weapons, as well as in command, control, communications and intelligence systems. Most recently, our commitment to Israel was reflected in our support for a \$650 million emergency supplemental appropriation that will enable Israel to recover some of the costs it suffered in the recent crisis.

Egypt played a central role in mobilizing and maintaining support for the coalition. Over two divisions of Egyptian troops fought hard and participated valiantly in the liberation of Kuwait. We expect that a moderate, stable Egypt with firm links to the West, and strengthened ties to the Gulf states, will continue to be a key partner in the region as we work to achieve a broader Arab-Israeli peace and to bolster moderate forces in the volatile Middle East.

We are requesting security assistance for several other friends in the region whose help was critical to the success of DESERT STORM—and whom we expect to be positive forces for stability in the post-crisis environment. In particular, I cite Morocco (\$52 million), whose forces deployed to Saudi Arabia along with our own; and Oman (\$20 million), where a decade-old relationship proved its value.

As a result of developments associated with the Persian Gulf crisis, as well as our own budgetary limitations, we have reduced our requests for Jordan (\$55 million) and Tunisia (\$13 million). We also request \$213 million for Pakistan. Aid to Pakistan has been suspended, but we hope that Pakistan will meet the requirements for certification under the Pressler [nuclear non-proliferation] Amendment [Sec. 620E(d), FAA/1961], enabling us to renew an assistance relationship with this very important friend.

Europe (\$1.21 billion). The successful conclusion of DESERT STORM also reminds us forcefully of the importance of our southern flank NATO allies—Greece, Portugal and Turkey. The vital role of the alliance in support of coalition efforts in the Gulf has not been a focal point of public attention but was extremely important to assuring a successful outcome. It was NATO's infrastructure—bases, communications facilities, and command and control systems—which was so important in sustaining U.S. forces in the Gulf; moreover, NATO political and security consultations ensured unanimity in support of war aims. But, most of all, it was these individual NATO allies that made substantial contributions to DESERT STORM—which continue to need and warrant our assistance.

The Gulf crisis again underscored the long-term, strategic importance of Turkey. Throughout, Turkey was extremely cooperative with the coalition. It pinned down ten Iraqi divisions. It provided key northern bases to permit attacks on Iraqi military facilities. These and other supportive Turkish actions saved American lives.

But these were not easy steps for a nation living in Turkey's neighborhood, and there can be no doubt that, by their courageous actions, the Turks incurred additional short and long-term military risks. At the same time, Turkey estimates that its support in enforcing the sanctions regime will cost it roughly \$6 billion, and the costs of deploying over 100,000 troops to the border have been put by Turkey at \$300 million for FY 1990 alone. Our security assistance effort (\$700 million) is designed to assist the Turks in continuing the multi-year program to modernize their air defense forces, and also in offsetting part of their military costs and economic losses, thereby deepening our relationship with this key partner for regional stability.

Programs in Greece (\$350 million) and Portugal (\$165 million) are quite important as well. We have a continuing interest in assisting Greece with the modernization of its military to support fulfillment of its NATO roles. Greece is also a democratic state which can serve as a force for stability in the Balkans. Our program in Portugal supports that country's multi-year force modernization effort which focuses on air/sea defense of the North Atlantic sea lanes and on access to the Mediterranean Sea. Both of these countries made important contributions during the Gulf crisis. Greece accepted the deployment of logistics aircraft and furnished other assistance which greatly facilitated our operation. Portuguese permission to use Lajes Air Base during DESERT STORM proved to be crucial.

American Republics (\$980 million). There are two major programs in the American Republics: support for the President's Andean counter-narcotics strategy; and support for peace and economic development in Central America.

As the President said in his State of the Union address, the war on drugs remains a high priority. To that end, in addition to a request for \$171.5 million for the Bureau of International

Narcotics Matters, we are requesting \$412 million in FMF and ESF for Colombia, Bolivia, and Peru to help these democracies confront narcotics trafficking and develop their fragile economies. Our efforts to date have borne fruit—there have been significant improvements in counter-narcotics cooperation; coca cultivation has declined; trafficking organizations have seen their operations disrupted; and we have seen a corresponding drop in domestic cocaine use.

In Central America, much of our effort remains focused on war-torn El Salvador (\$205 million), where the reliability of our aid continues to be the element most likely to bring the conflict to a negotiated solution. Our economic assistance remains critical to the development of a comprehensive economic program to reform interest rates, narrow fiscal deficits, provide incentives for investment, and provide balance-of-payment support—just as it is in Nicaragua, Honduras, Guatemala, and Costa Rica.

These assistance programs complement the President's Enterprise for the Americas Initiative, and its key trade, investment, and debt proposals.

Africa (\$52 million). In Africa, our security assistance is requested for countries that have been our close partners and to support considerable movement toward democracy. For the Development Assistance Fund for Africa, our principal vehicle for overall assistance, we seek [an additional] \$800 million to promote broad and sustainable economic growth. I want to highlight a new regional economic support program which would provide flexibility in assisting African countries in making the transition to democracy. We also seek to expand our regional approach to military assistance to enable timely assistance in resolving Africa's devastating internal conflicts.

East Asia and Pacific (\$343 million). Our clear emphasis in the East Asia and Pacific region is the Philippines (\$320 million). A stable, democratic and prosperous Philippines with friendly ties to, and continued close security cooperation with, the United States is essential to the peace and stability of Southeast Asia, as well as to broad U.S. strategic interests in Asia. Here again, our access provided important support for DESERT SHIELD and DESERT STORM. As you know, negotiations continue with regard to the continued use of facilities at Clark Air Base and Subic Naval Base. We anticipate a successful conclusion. Assuring access to these facilities is just one aspect of a very important relationship.

IMET (\$52.5 million). Last but not least, let me add a word about the International Military Education and Training (IMET) program. IMET is a low-cost foreign policy and national security instrument that is recognized as one of the most effective components of U.S. security assistance. It provides valuable training for individual participants from foreign countries, and it promotes a greater understanding of the U.S. military—and civilian control thereof—American culture and values, and respect for individual freedoms. It is a bargain at the \$52.5 million that we have requested for FY 92, and should not be underestimated in its value as a very important element of our security assistance program.

NEW FOREIGN ASSISTANCE BILL

With that outline of our FY 92 security assistance requests, let me turn to the new Foreign Assistance Bill which we expect to propose to the Congress in the coming weeks.

The security assistance provisions of this proposed legislation are based on the solid foundation established during the 101st Congress. I cannot provide the details of the legislation since it is still being discussed within the Administration, but I can mention a number of its elements in general terms.

First, the policy embodied in the bill would reflect the five major themes of our foreign assistance program that the Secretary has been stressing in testimony before Congress, and that I recounted for you earlier.

Second, we would make major changes in the Arms Export Control Act, shifting the military assistance program to the FAA to consolidate assistance. The AECA would be amended and streamlined, and would encompass both government-to-government and commercial arms sales.

Third, and perhaps the key element, is the provision of greater flexibility in providing assistance. Our government must be able to meet urgent and unanticipated foreign policy and national security demands so that foreign aid can be a timely, efficient instrument of our government's goals.

Mr. Chairman, we look forward to consulting fully with you and the members of this subcommittee when we send this legislation to the Hill. Thank you.