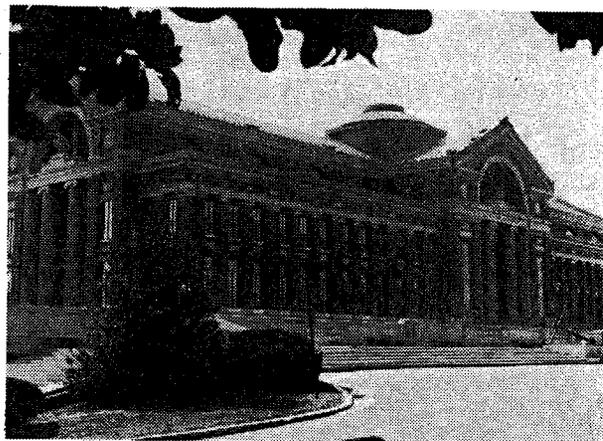


DISAM HAPPENINGS

news in security
assistance education

THE 1980 DEFENSE SECURITY ASSISTANCE MANAGEMENT SEMINAR

The 15th and 16th of October marked the dates of the third Defense Security Assistance Management Seminar. This annual event is designed for purchasing/recipient country representatives assigned to embassies/missions in the United States who are involved in the management of their security assistance programs. For the third time, the fine facilities of the National Defense University, Fort McNair, Washington, DC were made available for the conduct of the seminar.



Attendees

The successful two-day seminar was attended by 86 representatives of 34 foreign countries currently engaged in security assistance programs with the United States. Countries represented were:

Argentina	Guatemala	New Zealand
Australia	India	Norway
Austria	Indonesia	Peru
Belgium	Israel	Spain
Brazil	Italy	Sudan
Cameroon	Japan	Sweden
Canada	Jordan	Switzerland
Colombia	Kenya	Thailand
Ecuador	Malaysia	Turkey
Finland	Mexico	Venezuela
Germany	Netherlands	Yugoslavia
Greece		

Additionally, there were 66 U.S. personnel registered for a total of 152 attendees. U.S. activities represented at the seminar were:

Office of the Secretary of Defense (Manpower, Reserve Affairs
and Logistics)

Office of the Secretary of Defense (Comptroller)

U.S. Army

- HQ Department of the Army/Office of the Deputy Chief
of Staff for Operations and Office of the Deputy Chief
of Staff for Logistics
- U.S. Army Materiel Development and Readiness Command
- U.S. Army Security Assistance Center
- Office of the Comptroller of the Army

U.S. Navy

- Chief of Naval Operations (OP-63)
- Office of Judge Advocate General (International Law)
- Naval Material Command
- Naval Air Systems Command
- Naval Sea Systems' Command
- Naval Supply Systems Command
- Navy International Logistics Control Office

U.S. Air Force

- HQ U.S. Air Force/Directorate of International Programs
- Office of General Counsel
- Air Force Logistics Command
- Air Force Systems Command
- Foreign Military Training Affairs Group

Defense Logistics Agency

- HQ, Cameron Station VA
- Battle Creek MI
- Dayton OH

Schools

- Air Command and Staff College
- Air War College
- Defense Institute of Security Assistance Management
- Defense Systems Management College
- Industrial College of the Armed Forces

U.S. Office of Defense Cooperation (Bellux)

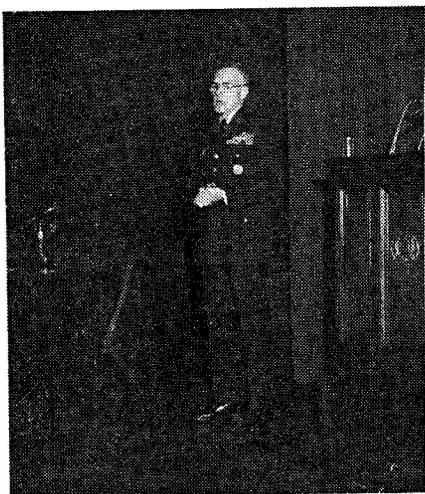
Welcoming/Opening Remarks

Lieutenant General R. G. Gard, USA, President of the National Defense University (NDU), welcomed registrants to the seminar. A response of appreciation for the use of the NDU facilities was provided by Major General Stuart H. Sherman, Jr., USAF, Commandant, Defense Institute of Security Assistance Management (DISAM). Presiding over the first major DISAM function since his recent assumption of duty as Commandant, General Sherman encouraged all attendees to actively participate during the seminar and reminded the audience that the Department of Defense Total Force Concept includes those friendly foreign forces provided for under security assistance programs. The seminar is but one means of drawing the various components together to discuss important interrelationships with the goal of collective security and economic well being.

The 1980 Security Assistance Management Seminar was officially opened by Mr. Charles Groover, Deputy Assistant Secretary of Defense (Requirements, Resources and Analysis), Office of the Assistant Secretary of Defense (Manpower, Reserve Affairs and Logistics). He cited this seminar as a forum to continue the exchange of information in the manner of the past two seminars, and noted that the design of this year's session was predicated on the constructive comments the participants submitted at the end of last year's seminar.

Mr. Groover further emphasized the point that it was the participants' seminar and encouraged the attendees to take an active part and thereby assist in the transfer of information in the area of security assistance management.

Keynote Address



Lieutenant General Ernest Graves, USA, Director, Defense Security Assistance Agency, provided the keynote address. The theme of his address centered around the importance of the conduct and management of security assistance programs in which the seminar participants were all engaged. General Graves stated, in part:

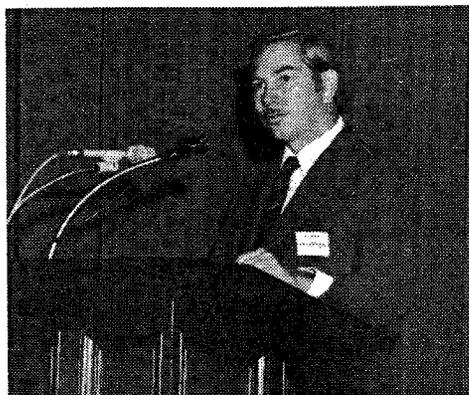
-- Security assistance is the single tread that runs through the collective security arrangements between the United States and its allies and friends. With the continuing threat in the world today, it is generally recognized that no nation can stand alone. Rather, all need some degree of collective security arrangements.

-- Given the importance of security assistance, we all must set as a goal the optimization of management of the programs. The complexity and sheer magnitude of the security assistance business in acquiring, delivering, and training personnel to operate and maintain the modern weapons systems is at times overwhelming.

-- Conferences such as this provide forums to determine the problems and to provide a better insight into how existing procedures effect the overall program management. Each country has its own needs as does the United States and it is not easy to meet all these conflicting needs, but this is driven in our minds by the importance of a strong collective security arrangement.

Department of State Comments

Mr. James Farber, Director of the Office of Security Assistance and Sales, Bureau of Politico-Military Affairs, Department of State, discussed the arms transfer policy and what it has and has not accomplished. He noted that:



-- The momentum for the global arms transfer policy came to the Carter Administration from the Congress via the Arms Export Control Act and a variety of Congressional directives. The Congress' objective was to get a better handle on the arms transfer process and make it relate more closely to U.S. interests and to examine the issue of conventional arms transfer restraint.

-- Presidential Decision (PD) No. 13 (issued in a public statement format on May 19, 1977) became the Presidential expression of the policy. The central theme of PD 13 was that arms transfers are a significant instrument of foreign policy. This foreign policy initiative was aimed at reducing arms transfers throughout the world and lessening, where possible, the reliance on military force as a primary instrument of foreign policy. The quantitative restrictions of PD 13 had the objective of a more structured, objective, and hard-minded look at each sale as it developed.

-- It was recognized that the ultimate success of this policy would in the end depend on whether the multilateral cooperation of major arms suppliers would be achieved. Here, we must recognize the hard fact that little has been achieved in that particular arena.

-- The policy did achieve certain objectives. For one, the established quantitative controls over the transfer process has provided

explicit and comprehensive guidelines. The emphasis is still on the national security issue, but we now know on a day-to-day basis what we are exporting and why we are doing it.

-- Because of the U.S. political system, no one can say what the policy will or will not be with certainty in succeeding administrations. But it is likely that some of the qualitative controls will remain in some form since they have redeeming value. Others may be modified significantly or discarded. However, those which are incorporated as a part of U.S. laws will continue until the laws are changed.

Overview Panel

Chairman: Mr. Ben Havilland
FMS Policy and Procedures Specialist
Policy and Management Division
International Programs Directorate
Headquarters, U.S. Air Force

Members: Mr. Robert Vandergrift
Logistics Policy Officer
Policy and Management Division
International Programs Directorate
Headquarters, U.S. Air Force

Mr. Harry Miller
Deputy Head, Middle East Branch
Security Assistance Division
Office of the Chief of Naval Operations

Mr. C. B. Henderson
Team Chief, Southern Europe Division
European Directorate
U.S. Army Security Assistance Center

LTC Alfred Wilhelm, USA
Chief, Congressional Relations
Defense Security Assistance Agency

Dr. George R. Crossman
Chief, Management Division
Defense Security Assistance Agency

Summation of Comments:

-- Foreign Military Sales (FMS) Letter of Offer and Acceptance: The normal time required for processing a Letter of Offer and some of the problems encountered which prevent achievement of these normal times was presented. In addition, the proper channels of submission for a Letter of

Request was addressed. To aid in the explanation of the submission channels, tables A-1 and A-2 from Part III of the Military Assistance and Sales Manual (MASM) were provided as a handout.

-- Commercial Availability: This presentation dealt with provisions of what must be purchased under FMS, what should normally be provided through commercial purchases, and some of the gray areas in between. The United States Government policy with respect to commercial availability states that the USG cannot enter into competition with U.S. industry for foreign sales. The Department of Defense policy, within the objectives and limitations of the Arms Export Control Act, as amended, encourages the use of U.S. commercial sources by customer countries. Still, between two-thirds and three-fourths of all Munitions List export transactions are conducted on a government-to-government basis.

-- Case Closure: The subject of case closure is certainly a topic of high interest. The responsibility of the military departments and the Security Assistance Accounting Center (SAAC) were emphasized during this presentation. The military departments must issue a supply/services completion report to the purchaser and a Certificate of Closure to SAAC. SAAC completes the process by issuing a Final Billing Statement to the purchaser. Once the Certificate of Closure is issued by the military department, SAAC processes any future financial actions directly with the purchaser. The final step is the actual closure of the case.

-- Congress and Security Assistance: The authority for security assistance is expressed in the Foreign Assistance Act of 1961, as amended, and the Arms Export Control Act, as amended. A flow diagram of security assistance legislation showing appropriations, authorizations, and the budget process was presented. In addition, a summary of the legislative initiatives for FY 81 were shown. Since the FY 81 authorization and appropriation acts have not been approved, the DOD is operating under continuing resolution authority which is in most instances less than the requested FY 81 security assistance budget authority.

-- Total Program Concept: As a philosophy and a goal we all believe in the Total Program Concept (TPC). When it comes to FMS management implementation practices, the TPC is many times lost. The loss of visibility of the TPC is not the result of any intentional or deliberate action but is the result of the many detailed actions required from many small and highly technical offices both within the US Government and the customer's organizations. Part of the "disconnect" has also been the omission of the USG and customer in not joining together in a broad TPC.

The TPC is applicable to all systems and major end items. Systems and major end items require logistical articles and services, training, facilities and customer manpower.

Initial activation dates must consider the "Pacing Factor" involved with the system/end item for the specific customer involved. The "Pacing Factor" is the latest availability of the elements of the Total Program.

It will not help anyone to deliver a destroyer to a customer if there are no dock facilities or no trained crew members. A tank without ammunition has little military operational value.

The multitude of actions required for initial activation many times clouds the progress of the TPC by omission of timely follow-on support (articles and services). Lead time for follow-on support may be 5-22 months prior to availability. Follow-on support must be an essential part of any program plan.

The customer's contribution of such elements as facilities and manpower may thwart the best of USG plans for a program because the facilities and the manpower are the most important Pacing Factors.

The following are common Pacing Factors frequently omitted from Planning for the TPC:

1. Support equipment required for in-country training (e.g., test set required for OJT).

2. Language training plus courses and OJT that exceed desired end item delivery.

3. Critical support equipment with longer lead time than end item.

4. Follow-on support request not made until delivery of end item.

5. Runway extension not programmed for completion until after aircraft are received.

6. Conversion of electrical power required (e.g., 220v lines will "blow" a 110v capacity test set).

The TPC will work if:

1. We do not ignore the problems of other functional areas. Broad visibility is needed.

2. Planning is on a broad basis.

3. Joint management is used.

We must always think and act: Total Program.

Training Panel

Chairman: Mr. Stephen J. Lesley
Foreign Training Officer
Security Assistance Division
Office of the Deputy Chief of Staff for Operations and Plans
Headquarters, U.S. Army

Members: Mr. Robert Rampy
Chief, Foreign Training Section
Security Assistance Division
Office of the Chief of Naval Operations

Mrs. Yolanda P. Fark
Training Policy Staff Officer
Policy and Management Division
International Programs Directorate
Headquarters, U.S. Air Force

Colonel Willys E. Davis, USA
Director, Security Assistance Training Directorate
Office of the Deputy Chief of Staff, Training
Headquarters, U.S. Army Training and Doctrine Command

Colonel Don E. Kosovac, USAF
Commandant
Defense Language Institute
English Language Center

Colonel Roger H. C. Donlon, USA
Director of Allied Personnel
U.S. Army Command and General Staff College

Lt Col Jerry T. Bailey, USAF
Chief, Implementation Division
Foreign Military Training Affairs Group
U.S. Air Force

Lt Col Norman L. Custard, USA
Chief, Security Assistance Team Management Division
Security Assistance Training Management Office
U.S. Army

LTC Luis O. Rodriguez, USA
Section Chief, Asian and Western Hemisphere Security
Assistance Training Directorate
Office of the Deputy Chief of Staff, Training
U.S. Army Training and Doctrine Command

Capt Walter C. Bansley, III, USMC
Foreign Training Officer
Headquarters, U.S. Marine Corps

Summation of Comments:

-- Defense English Language Program: The numerous aspects of both the resident and non-resident English language programs were discussed. Of significant interest were the new initiatives on the part of the Defense Language Institute (DLI) concerning English Comprehension Level (ECL) qualification in-country, specialized English terminology at DLIELC, and ECL testing for direct entry trainees.

-- Invitational Travel Orders: Following a discussion of the basic and special informational content of the ITO, the importance of the document as used to convey all pertinent information on a given training line to the service training establishments was emphasized.

-- Student Administration: Emphasis was placed on the role that the Foreign Training Officer at our training installations plays in the successful completion of a foreign student's training. Many of the concerns that affect the foreign student during his stay in the United States were also discussed.

-- DOD Informational Program: The importance of this program as it helps the foreign student to gain a "balanced understanding of United States society, institutions, and ideals" was stressed.

-- Use of Security Assistance Teams: The importance of timely identification of the requirement for an Mobile Training Team (MTT) to give the military department concerned time to field a quality team was emphasized.

Logistics Panel

Chairman: Mr. C. R. Moomey
Logistics Analyst
Naval Material Command

Members: Mr. Fred Brott
Director for Plans and Systems Analysis
U.S. Army Security Assistance Center

LCDR Lawrence C. Gustafson, SC, USN
Logistics Management Staff Officer
Defense Logistics Agency

Mr. Roger E. Reynolds
Director, Security Assistance Management and Policy
International Logistics Center, AFLC

Summation of Comments:

-- FMS Life Cycle Support: The presentation on life cycle support stressed the importance of a well planned initial support package and the need to begin planning for follow-on support well in advance of the system activation date. Emphasis was given to the support options available when DOD decides to discontinue operating a system, but some countries decide not to phase it out of their inventories.

-- Life-of-Type Buy: The life-of-type buy may be one option. Problems associated with life-of-type buys for systems and also for individual repair parts were presented. Rapid changes in technology was given as the primary cause for short suspense, life-of-type buys for repair parts. Inability to determine end item application was identified as a major problem area in life-of-type buy situations.

-- DLA's FMS Program for DOD/MAP Generated Excess Property: DLA's FMS program for excess property may provide an additional source for purchasing equipment or repair parts in addition to procurement from the military services. Property that may be available under this program includes items which our military services have declared excess to their requirements and property that has become obsolete as a result of technological advancements. The types of excess property that could be available includes all federal supply group commodities and span from major items to maintenance support items.

-- Reports of Discrepancies (RODs): The final presentation by the panel was on RODs. It included definitions of the different types of RODs and the general procedures under which the reports are processed.

Executive Panel



Members of the Executive Panel are shown above. Left to right: Major General R.V. Secord, USAF, Director, International Programs Directorate, Headquarters U.S. Air Force; Rear Admiral David M. Altwegg, USN, Director, Security Assistance Division (OP-63), Office of the Chief of Naval Operations; Major General Jere W. Sharp, USA, Assistant Deputy Chief of Staff for Logistics, Headquarters U.S. Army; Mr. Glenn A. Rudd, Director for Operations, Defense Security Assistance Agency (Panel Moderator).

-- Mr. Glenn A. Rudd, in his opening remarks, observed that the Seminar offered a unique opportunity to assemble at one time the directors of military assistance and sales of the U.S. Army, U.S. Navy, and U.S. Air Force.

-- Rear Admiral David M. Altwegg, USN presented the U.S. Navy's goals for improving security assistance program management. The Management Information System for International Logistics (MISIL), which produces financial and various logistics management tracking reports, is operative and being further refined for the Navy. Admiral Altwegg also presented and discussed various statistics and goals for Letter of Offer and Acceptance (LOA) preparation, responses to Planning and Review (P&R) data requests, Report of Discrepancy (ROD) processing, and the Bills Suspended File. The avenue for obtaining equipment through the Excess Program was highlighted.

-- Major General Jere W. Sharp, USA began by pointing out that the Army does not anticipate any phasing down of security assistance programs. He discussed coproduction requests in general and the reasons for disapproval of certain coproduction requests. General Sharp closed by saying that the U.S. Army has a positive approach to security assistance, however, the program must be closely monitored to ensure such assistance and sales do not negatively impact the U.S. Army Forces' readiness.

-- Major General R. V. Secord, USAF discussed the scope of Air Force security assistance programs and the organization of security assistance within the USAF. He discussed the Air Force's efforts in developing an automated Security Assistance Management Information System which extends beyond anything available today; such a system should be fully developed in about eighteen months. General Secord closed by stating that the USAF is seeking improved techniques and methods to handle coproduction projects.

Closing Remarks

Colonel Ronald A. Shackleton, USA, DISAM Deputy Commandant, closed the seminar by thanking the Military Department and DOD organizations for conducting the various panels. He noted that DISAM has been assigned the role of providing security assistance education, research, and consultation services, and that the sponsorship of seminars of this type are hopefully of benefit to both the foreign purchaser and USG security assistance communities.

LIEUTENANT GENERAL MARSH VISITS DISAM

Lieutenant General Robert T. Marsh, USAF, Commander, Electronic Systems Division (ESD) of the Air Force Systems Command (AFSC), received a DISAM briefing and tour on 12 December. Lieutenant General Marsh, a four-star General selectee, will be the Commander of AFSC in the near future.