
The following is a reprint of a speech by Mr. Noel C. Koch to the House of Representatives on the subject of the Soviet Union's participation in Third World affairs. [Extracted from the Congressional Record, Volume 129, No. 160 - Part II, 17 November 1983.]

HONORABLE G. WILLIAM WHITEHURST
of Virginia
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MR. WHITEHURST. Mr. Speaker, my attention has been called to the speech delivered by Noel C. Koch, Principal Deputy Assistant Secretary of Defense, International Security Affairs. Mr. Koch is a distinguished scholar and brings considerable insight into this most complex area of our foreign and military policy. I believe it is a very clear statement of this country's security assistance policy toward Third World nations. My colleagues should know that this speech contains some startling statistics about the size of the Soviet presence in the Third World as compared to U.S. presence as well as the manner in which the Soviet Union uses security assistance in order to control Third World nations. The speech follows:

Speech by Noel C. Koch

I appreciate this opportunity to discuss with you a matter which is frequently the subject of demagoguery from both extremes of the political spectrum, and one which deserves more of the sort of attention which you bring to this occasion.

Let me go first to that failure of understanding which seems centered chiefly in the Congress, and finds its way from there to opinion-makers in the media, and from there to the American public at large.

Each year the Executive Branch goes to the Congress with a foreign assistance budget request. That request is one of the battlegrounds upon which the nation's priorities are thrashed out.

Part of that budget goes to foreign aid, and some of that aid is just that. Out of the pockets of the taxpayer it goes to nations which need and want our help, and it is given freely in the sense that the recipient doesn't have to pay it back.

That part of the total budget comes to about two percent of federal expenditures in any given year, and reflects the singular political fact, often stated in Washington, that "There is no constituency for foreign aid." Providing money, food or technical assistance to a developing country doesn't produce the votes that a clover-leaf or a dam or a defense contract back home produces. I don't say that cynically; it's a simple fact of our democratic process.

There are other mechanisms that provide assistance in one form or other -- The International Monetary Fund, the World Bank and others are instrumentalities in which we also play a role, though that role is much more convoluted than it is in the assistance we provide directly.

One major component of foreign aid is security assistance. I think it is fair to say that the most benign perception of security assistance is that it goes to help others defend themselves. A less generous and more suspicious view is that it enables its recipients to make war on others -- both outside and within their own borders.

Part of this notion has it that beneath this umbrella of security assistance "America, the munitions merchant" goes about arming the world -- seeking, by its own lights, to make the world safe for democracy, and succeeding only in making it unsafe for humanity. And doing all this with the taxpayers' dollars -- dollars which, by the way, could be far better spent on cloverleaves and dams and housing projects.

There is a programmatic misunderstanding here, to begin with. The next time you hear a Senator or Congressman inveighing against security assistance and how much money it costs, you should know that most of the money involved is off-budget. It goes to recipients not in the form of grant aid, but largely as loans. More than half of the Administration's security assistance request currently before the Congress is on a loan basis. These loans are made at the prevailing interest rate, with a few notable exceptions, and they must be repaid -- and, I might note, again with a few notable exceptions, they are repaid.

So, in other words, the term "security assistance" is in large part a misnomer. It is no more assistance than that which the bank provides when it gives you a mortgage. The bank benefits. So do we. Security assistance, far from being a drain on the taxpayer, is a revenue-producer. We charge a three percent surcharge to defray our management costs, and virtually without exception all goods and services are procured from the U.S. This creates jobs throughout the country -- in Iowa, in my home state of Pennsylvania and here in Minnesota. This is also true of Foreign Military Cash Sales which are a straight buy, without credit.

There are various kinds of security assistance. The largest is Foreign Military Sales Credits, or FMSCR, which reflect most of the features I have been discussing.

There are also three forms of security assistance that are provided largely or totally as a grant. The first of these is the Economic Support Fund or ESF. In fiscal year 1984 we are requesting almost \$3 billion in ESF, about 85 percent of which would be grant. ESF, which is administered by the Agency for International Development, provides balance of payments assistance, project aid or commodity import assistance and other improvements to a

country's civilian infrastructure. Although ESF is an important element of the overall security assistance program, I should like to emphasize that ESF funds may not be used to buy military goods and services.

The second of these is International Military Education and Training, or IMET. All IMET is grant aid. This is just what the name implies. We teach military personnel from other countries various skills. Some of this is done abroad, but most of it is done here. Along with the training, it allows us to inculcate certain values of democratic consequence -- such as the subordination of the military to the common good of the nation. It also allows us to form friendly personal relationships which often pay off as the student goes home and ascends through the ranks of his own military structure.

And there is the Military Assistance Program, or MAP, which this Administration revived in fiscal year 1982 to assist economically hard pressed countries meet their debt burdens. Until recently, these funds were used only for spare parts and supplies for major equipment provided in the past, but funds to cover new purchases are once more being appropriated by Congress.

Before moving on, there are two points that need to be made.

The first is that there are constraints on our assistance. There are types of assistance that we do not provide at all. For example, I was approached recently to provide silencers for weapons. We don't do it; we are not allowed to do it. Nor do we provide aid under security assistance for civilian law enforcement entities.

Recipients of materiel under security assistance are not permitted to transfer that materiel -- even though, technically, they own it -- to third parties without the express permission of the United States Government or to use it for aggressive purposes.

Finally, the Administration does not unilaterally decide the level and contents of country programs. Congress must appropriate all program resources, and must be notified in advance of proposed major weapons systems sales (over \$14 million). Congress exerts a strong hand and makes its views known in detail. For example, Congress generally votes more money for Israel and Egypt than the Administration requests, while slashing other programs. Indeed, about half of all our security assistance goes to just those two countries.

But there are larger questions, and I believe these are what most engage your interest.

Should we have a security assistance program at all; does it work, or might it be counter-productive and, if so, what do we do about it?

The temptation always is to try to explain all this in Manichean terms, as a struggle between the forces of light and the forces of dark, with only one, conclusive outcome possible.

It is surprising how difficult it is to step back from what may seem at first glance a compulsion. One says, I'm a reasonable person; I'm talking to reasonable people; the Manichean proposition is not reasonable; therefore. * * *

Therefore, the terms of reference become highly problematical, and the resulting argument may tend to become specious.

You either accept or you do not accept the view that the Soviet Union is an expansionist power. You accept or reject the contention that the projection of Soviet power is a threat to Western nations and their shared values and is intended to be. And you acknowledge or you don't that the position of the West is fundamentally reactive and defensive in the face of all this. The alternative is, it seems to me, that we are ourselves an expansionist, aggressive power; in which case, how to explain our lack of success, of territorial aggrandizement, or domination over the societies and economies of other nations.

I know it is considered gauche to call attention to differences of gender in public discourse today, but I think a difference needs to be recognized. Long ago I read my *Lysistrata*, and more recently I have read enough private campaign polls to know that a constant in the difference between men and women is that women don't like war. Or, at least, of the two sexes, they're the ones least afraid to acknowledge that they don't like it. Close behind them in this attribute are men who have actually engaged in it.

The point being that all this talk about the Soviets being an expansionist power is often met by women with a resounding "So what!" I'm never sure what is the proper response to that. "What" usually seems to be self-evident, and so if it doesn't seem evident to others, the exchange seems to break down.

We do, however, have some fairly contemporary evidence, and some not so contemporary, to suggest that aggression feeds on itself, and that when it's been fed sufficiently it frequently visits itself upon people who thought they could avoid it by ignoring it.

In a nutshell, and expressing the proposition purely in terms of self-interest, if we can thwart the appetite of aggression by providing others the means to defend themselves, rather than by going to war ourselves, then we think that's a pretty good investment.

It seems to me that argument makes sense when we single out countries such as Thailand which face a threat from Vietnam, which occupied Laos and Kampuchea, in spite of the peace-loving intentions ascribed to Hanoi by some in America in the late 1960's and

early 1970's after we'd been led into a war there in the very early 1960's.

Or when we single out El Salvador or Honduras facing a country like Nicaragua, which has far and away the largest military force in all of Latin America, for reasons which remain obscure if we believe Nicaragua has no ambition but to be a peaceful, independent, pluralistic nation.

But the issues become more complicated, and thus more interesting, when we look at a place like Africa.

Here the question of the efficacy of security assistance needs to be carefully considered.

Africa is a continent in turmoil. It has still to emerge from the problems of colonialism, and post-colonialism -- which are not the same, and not even always related.

Africa has terrific economic difficulties. Nations which had inched themselves toward that mystical posture which Barbara Ward called "the economic take-off point" were virtually destroyed economically by the Arab oil embargo of 1973, and subsequent oil price increases, and the concomitant collapse of markets for Africa's resources.

It has its full share of Soviet adventurism with which to contend. But, is it fair to single out the Soviets for their activities in Africa and not to consider what the United States is doing? I think it is. I think we have to, because there is a body of thought in the United States which has it that we are striving somehow to make Africa a new cockpit of great power rivalry.

I want to put the alleged "striving" in perspective. As of today, Soviet and Soviet surrogate forces, Cuban and Eastern bloc forces, in Africa total in excess of 40,000 people. These are chiefly combat and combat-advisory forces. At any given time, the number of American military personnel in Sub-Saharan Africa, exclusive of embassy Marine guards, runs to maybe one hundred fifty, usually less, and these are a fluctuating population composed in part of temporary training teams. One hundred fifty as opposed to 40,000. I might also note that our offices of military cooperation are limited by statute to no more than six people; in all of Sub-Saharan Africa, Congress has so far refused to authorize an exception to that limitation.

In terms of money for what we call security assistance, the numbers look like this: Since the mid-1950's both Soviet agreements to provide equipment and actual deliveries have outstripped the U.S. by a factor of ten. In that period we offered to provide about \$750 million in equipment and delivered about \$500 million while the Soviets have promised close to \$8 billion of which they have already delivered almost \$6 billion.

Having said all this, I should tell you that I am not content as I assess the utility of our security assistance programs in a place like Africa.

One always approaches different cultures, different political constraints, with a sense of trepidation. Having traveled to every continent except Antarctica, one has a sense of being part of a minority -- and a small minority, at that -- which cherishes values that, having evolved over centuries, and having been fought and died for, and having produced wealth and choice and liberty, seem preferred almost by nature in a kind of natural political selection. And yet, we are a minority for all that. Which leads one to ponder this question of preference.

If we're right, why don't others acknowledge it by adopting our conventions? I don't know; I only know they mostly do not.

So we see nations which apparently choose to maintain themselves outside the communist orbit, yet not within our own. And we fall into a cultural, political and economic crack between communism and the free world. Here we have a dilemma.

The primary purpose of security assistance is to help friendly governments challenged by external threats. Frequently, however, internal pressures stemming from domestic tensions -- ethnic, religious, regional, racial -- also threaten these governments. And these internal problems are not helped by purchasing expensive weapons or otherwise burdening fragile economies with defense expenditures. Such situations are further aggravated when the ruling group feels it necessary to reward or appease the military with excessive salaries or extravagant military purchases not truly required by the threat to national security, and which drain off scarce resources which could be used for development. Thus, we need to avoid a process of circular causation in which the effort to provide security ironically produces economic problems which contribute to greater instability.

Our challenge is to tailor our security assistance so that it is sufficient to the requirements of any real external threat, and yet conducive to a peaceful and productive amelioration of internal instabilities. We are looking at a number of ways to meet this challenge.

By the end of the Carter Administration, there were no MAP funds for Africa. Our fiscal year 1984 request is more than four-fifths MAP. We have sharply reduced, and plan to eliminate entirely, FMS credit for countries, such as those in Africa, which cannot afford it. We seek legitimate needs through the Military Assistance Program.

There are proposals being readied to move security assistance on-budget and thus to inflict the discipline of the budget on ourselves, rather than creating credit card armies that are an unaffordable luxury to those who purchase them.

In the Pentagon, we are looking very closely at how we can direct security assistance toward civic action: nation-building by the military elements of our assistance recipients. This would mean less emphasis on lethal systems and more on the hardware and the skills that can build roads, dig wells, clear land for planting, rebuild ports and harbors and generally contribute to the economic infrastructure of the nation, all within the service of its real security. Out of this should come skills transferable to civilian employment. Out of it should come a new sense of the relationship between the military and the people -- so they are seen truly as protectors and contributors rather than as privileged parasites.

I discussed this recently with our Ambassadors to Africa, and there was immediate, universal enthusiasm.

We are looking for ways to help our friends take the equipment they have and restore it, rather than buying new equipment. This increasingly finds us in the seemingly fantastic situation of saying, why don't we see if we can fix those East German trucks you bought when you were cozy with the Soviets, rather than buying nice, shiny new, expensive American trucks. They don't believe what they are hearing. Some of our defense contractors probably wouldn't believe it either.

But the point is we do not fit the stereo-typed image of the arms merchant, and we are trying to help our friends defend themselves and not to help them destroy themselves.

We must, all of the above notwithstanding, acknowledge that many nations are threatened and, being threatened, deserve and ought to have the means to defend themselves.

So the real issue is how those means are provided. We believe, in spite of the criticism -- much of which is well-founded, and all of which is well-intentioned -- that on balance our record, America's record, in this arena is a good one.

To put that record in perspective, we must see that we are dealing with nations that most frequently want genuinely to remain non-aligned, nations which are understandably touchy about matters of sovereignty and nations which are not always well equipped to manage all those elements of a security assistance relationship which they would like to have.

Many see a modern, heavily-equipped military not merely as a defense requirement, but as a symbol of nationhood -- like a national airline, for example, and just as costly. To argue against acquiring such a symbol is often seen as an argument against the country's very right to nationhood, and in the third world this is a delicate thing.

One of the standard arguments we hear in favor of providing security assistance, where objective considerations seem to mitigate against it, is that if we don't provide it, the nation will go to the

Soviets for help. I'm frequently skeptical of this argument and its implicit threat, but taking it at face value, and looking at the matter outside the parameters of East-West competition, looking at it in terms of the interests of the aid recipient, we can ask why is it better for us to provide assistance than to abandon the ground to the Soviets.

There are distinct differences in the objectives of the two powers, and the way they run their assistance programs. Those differences go to the heart of the question of non-alignment, or neutrality.

The Soviet objective is to create through security assistance a profound degree of dependence on the part of the aid recipient. This is accomplished in several ways. One is by not teaching the recipients how to maintain the equipment provided to them. Thus, maintenance can only be carried out by Soviet technicians, and this in turn requires that a large number of technicians be permitted into the country. These come with the hidden mission of exerting their influence throughout the recipient's military, political, and social affairs, and by sheer force of numbers, they frequently succeed.

Another method of maintaining dependence is to stock in country only the most limited supplies of spare parts and repair items. Major maintenance requires requisitioning on a case-by-case, as-needed basis, or returning the equipment to the Soviet Union or Eastern bloc nations. The result of this approach is that should the relationship be broken, the departing Soviets leave behind them a military force whose equipment is almost immediately useless. Africa is a virtual junkyard of Soviet equipment resulting from this doctrine. So while the host government may become disenchanted with their relationship with the Soviets, it takes a considerable measure of courage to get them to leave. It means going back and beginning again the effort to build their forces.

Finally, I noted earlier that the U.S. usually requires payment for its hardware and other assistance. So do the Soviets, but their approach is insidious. They often offer long grace periods with seemingly low rates of interest. But in, say, eight or ten years when the bills come due for equipment that often by then is obsolete or obsolescent (and may have been when it was initially transferred), the Soviets demand cash on the barrel head. Unlike Western nations which will roll over debts or provide bridging loans, the Soviets demand hard currency or *quid pro quos* such as recasting the debtor's governmental system along the Soviet model, access to natural resources, fishing rights, disadvantageous trade arrangements, or allowing the establishment or expansion of Soviet military bases. The relationship rapidly becomes analagous to that which obtains between migrant workers and the company store. The end result is *de facto* slavery.

Let me briefly describe the plight of Ethiopia and Angola, two of the major beneficiaries of Soviet assistance. Both nations are

plagued by civil wars that scream out for diplomatic resolution. Were the U.S. the benefactor of these nations, I can assure you we would be limiting military aid while pushing hard for meaningful negotiations were the opposition willing. We do this routinely; indeed, it is what we did in the 1960's and 1970's when Haile Selassie ruled Ethiopia.

The Soviets, on the other hand, have turned the military aid spigot wide open, leading their clients in Luanda and Addis Ababa to seek spectral military victories. In point of fact, the military situation is steadily worsening in both countries.

The Angolans pay for this equipment and the well-fed Cubans who accompany it with much of their oil revenues while normal municipal services are becoming a thing of the past and people literally fight for scraps of food in the street. Ethiopia is not blessed with oil; it is saddled with an ever-growing debt to the Soviets that will take generations to pay off. However, this is a burden that many Ethiopian children will never have to bear since dozens of them starve to death every day.

Meanwhile, the Soviets are ensconced along the Red Sea and in the South Atlantic, the two main routes for Persian Gulf oil to flow to Western Europe and the United States. And should Angolan or Ethiopian leaders decide that the price isn't worth the candle and try to oust the Soviets as Sadat and Nimieri courageously did in the past? Well, they will look around them and see thousands upon thousands of Cuban combat troops and remember the fate of Maurice Bishop.

The United States doctrine is almost a reverse mirror image of the Soviets. We have no interest in dictating a country's governmental system nor in replacing its religious beliefs with an alien ideology.

We have no difficulty with the concept of non-alignment or neutrality, noting that there are many neutral countries in the free world; there are none in the communist world. So we are interested not in creating dependence among those who turn to us for assistance, but rather in fostering independence.

The lion's share of our assistance goes to teaching aid recipients how to function independently. We place the highest emphasis on training in maintenance, on providing equipment that is easily maintained so as not to overload local capabilities. We emphasize the importance of logistics, so that equipment and uses are properly supported. We emphasize commonality and interoperability of systems to keep support and maintenance as uncomplicated as possible. We teach such things as how to inventory parts and to run supply systems -- which is the unglamorous backbone of every military, as it is of virtually any other organization. And we provide adequate spare parts and back-up systems so that the desired self reliance can be achieved and sustained.

As we compare the overall results and consequences of our approach to that of the Soviets, I think it is defensible, creditable, and consistent with those very values which raise legitimate questions about our security assistance programs. I hope I have been able to answer some of those questions today.
