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JOINT FORCES STAFF COLLEGE
NATIONAL DEFENSE UNIVERSITY

Shaping Education to Build Partnership Capacity

THE DISAM JOURNAL OF INTERNATIONAL SECURITY ASSISTANCE MANAGEMENT

I saw a comment on an end of course survey from a recent DISAM class asking DISAM to continue (actually do better) spreading the word about various security cooperation activities to the workforce. We view the DISAM Journal as a key part of the effort. This edition touches on a variety of security cooperation issues in numerous programs either already a formal part of the environment or issues that bear on those programs. I do not have to tell you that the activity level is high in each of these organizations!

Major General Byron Bagby (USA), the Commandant of the Joint Forces Staff College, provides the introduction to our feature article. He served as the Chief, Office of Military Cooperation-Egypt prior to coming to Joint Forces Staff College. His insights, combined with additional dialogue contributed by various program coordinators and managers provide a focus on how viable the Joint Forces Staff College activities are in the security cooperation community.

Policy issues covering export licensing, clearing landmines, trafficking of small arms, and human trafficking receive attention in this issue. In addition, we have included key articles dealing with regional issues in Europe. A strategic partnership with the United States, Turkey, and Azerbaijan is discussed. And the annual update provided by Richard Grimmett discusses the "Conventional Arms Transfers to Developing Foreign Nations".

You can read about some of the special challenges the security assistance community is facing as the United States Africa Command takes up its mantle. We also included in this addition perspectives on Middle East cross-cultural considerations. Issues concerning Australia and the United States Defense Trade Control are discussed.

Education and training are always hot topics with a variety of scenarios. Learn about how the U.S. Air Force leadership recognized the need for a single, easy to use tool that would serve as a Knowledgebase repository to track all the Air Force's Security Cooperation and Assistance activities. A synopsis of the "Security Cooperation Information Portal End-Use Monitoring Report Tutorial" is included in this issue. The "Western Hemisphere Institute for Security Cooperation Adds Ethics to the Human Rights Program" describes how they are adding a new block of education to an already outstanding program.

The Journal provides a quick and very small snapshot of all the security cooperation activity going on in the world. As always, I thank you for your support of DISAM and the DISAM Journal. The articles you submit help to inform others of what is happening in the security cooperation community – keep submitting the articles!

RONALD H. REYNOLDS
Commandant

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FEATURE ARTICLES

The Joint Forces Staff College

By
Major General Byron S. Bagby, USA
Commandant Joint Forces Staff College

For sixty-one years, the Joint Forces Staff College (JFSC) has educated officers from all military services in the art and profession of warfighting. JFSC is the Norfolk, Virginia component of the National Defense University, our nation's premier joint professional military education (JPME) institution. For most of its history, JFSC offered one course of instruction primarily for intermediate level officers. Today, there are nine different courses, some targeting senior U.S. military officers and others incorporating interagency and international officer participation. The affective learning process practiced at JFSC sets the conditions to prepare graduates to effectively apply joint doctrine and succeed in a joint environment. They are equipped to lead the joint planning, operations, and coordination efforts that are accomplished by a wide variety of U.S. and international military services and agencies. The comprehensive and diverse curricula taught in an affective learning environment is relevant, timely, and particularly rooted in an ever changing global context. Additionally, JFSC emphasizes international security within all of its programs, focusing efforts on developing even greater responsiveness to the complex and dynamic contemporary operating environment. It is with great pride and pleasure that I provide the following overview of our programs of study to the readers of the *DISAM Journal*.

Why Joint Forces Staff College?

The Chairman of the Joint Chiefs of Staff, the Service Chiefs, Combatant Commanders (COCOMs), and various other governmental organizations require staff officers who are knowledgeable and proficient in joint planning, and are able to efficiently and effectively resolve joint challenges. JFSC prepares its graduates to do just that. It is the JFSC mission to educate national security leaders in joint, multinational, and interagency operational-level planning and warfighting, to instill a primary commitment to joint, multinational, and interagency teamwork, attitudes, and perspectives.

How We Do Business

The JFSC offers the following resident and non-resident programs of study:

- Joint Advanced Warfighting School: envisioned to populate the Joint Staff and COCOMs with senior officers who are expert in joint campaign planning and strategy. Graduates are awarded a Master of Science in Joint Campaign Planning and Strategy.
- Joint and Combined Warfighting School: the legacy course, Phase II JPME educates students in joint planning and operations, and prepares them for the challenges that Joint Qualified Officers can expect in a joint duty assignment.
- Joint Command, Control, and Information Operations School: designed to prepare students for joint duty in the command, control, communications, and computers (C4I) and Information Operations communities.

- Joint Continuing and Distance Education School: conducts the Advanced Joint Professional Military Education Program that provides Reserve Component officers with the means to achieve JPME requirements. This program is based on a blended learning approach where students conduct 37 weeks online via Blackboard and three weeks in residence.

Responding to emergent issues facing the military and various government agencies, JFSC developed short duration programs such as: the Joint, Interagency, and Multinational Planners Course; Homeland Security Planners Course; Russian-United States Colonels Program; and Pakistan-United States Senior Officers Program. These programs are offered throughout the academic year and are well attended by government entities with which the military cooperates in humanitarian and peacekeeping operations throughout the world.

As JFSC's Commandant, I have focused on increasing the representation of international officers as well as members of the interagency community in our diverse curricula. I am pleased that our programs have been able to accommodate the educational requirements and expectations of our many international students. In the past year alone, our international student population has included representatives from Australia, Austria, Bahrain, Brazil, Bulgaria, Chile, Croatia, Denmark, Dominican Republic, Finland, Germany, Italy, Japan, Kenya, Korea, Kuwait, Lithuania, Malaysia, Mexico, Morocco, New Zealand, Nigeria, Pakistan, Philippines, Poland, Romania, Russia, Saudi Arabia, Singapore, Sri Lanka, Taiwan, Tanzania, Thailand, Tonga, Turkey, United Kingdom, and Zambia. We offer these students the opportunity to join U.S. active duty and reserve component officers, and members of interagency communities in a collaborative partnership. Partnerships initiated at JFSC continue throughout the years and contribute significantly to successful multinational efforts across the full spectrum of operations. Our goal is to continue to forge a truly joint, multinational, and interagency educational environment that reaches beyond U.S. uniformed services.

JFSC is an accredited and certified institution. Since its inception in 1946, JFSC has graduated over 75,000 students, including more than 1,400 students from the international community. This is a legacy that continues to grow and pay dividends in the relevance and complexity of joint professional military education. In a global environment where unpredictability trumps the expected and where multinational and interagency cooperation are mandated, I am especially proud of the capability of the JFSC faculty and staff to ensure JFSC graduates are educated and prepared to lead in the joint operations and planning environment. Collectively, we directly influence and positively enrich joint, interagency and multinational cooperation efforts around the world.

Byron S. Bagby
Major General, U.S. Army
Commandant

About the Author

Major General Byron S. Bagby, USA, October 2006 became the Commandant of the Joint Forces Staff College. He is a native of Fulton, Montana, and was commissioned through the Army ROTC Program at Westminster College in 1978. He has earned a Master's in Education Administration from the University of North Carolina at Chapel Hill.

History of Joint Forces Staff College

In the 1930s, few officers were qualified, either by training or experience, to engage in joint operations. The demands of World War II brought out the urgent need for joint action by ground, sea, and air forces. To alleviate the friction and misunderstanding resulting from lack of joint experience, the Joint Chiefs of Staff established an Army and Navy Staff College (ANSCOL) in 1943. ANSCOL conducted a four-month course that was successful in training officers for joint command and staff duties.

After the war, educational requirements for the armed forces were fully examined. Although thorough contingency planning was recognized as essential for waging war on a joint and combined scale, ANSCOL, which had been established to meet the immediate needs of war, was discontinued. A joint committee was appointed to prepare a directive for a new school. This directive, which was approved by the Joint Chiefs of Staff on 28 June 1946, established the Joint Forces Staff College (JFSC). Responsibility for the operation and maintenance of its facilities was charged to the Chief of Naval Operations.

Following a temporary residence in Washington, D.C., JFSC was established in Norfolk, Virginia, on 13 August 1946. The site, formerly a U.S. Naval Receiving Station, was selected by the Secretaries of War and Navy because of its immediate availability and its proximity to varied high-level military activities. There were 150 students from all Services in the first class.

They assembled in converted administration buildings on 3 February 1947 to be greeted by the first commandant, Air Force Lieutenant General Delos C. Emmons. The faculty officers came from joint assignments in all theaters of World War II. With the construction of Normandy Hall in 1962, JFSC completed its transition from a temporary to a permanent institution. JFSC was assigned to the National Defense University on 12 August 1981. In the summer of 1990, JFSC changed from an intermediate joint professional military education school to a temporary duty (TDY) institution where Phase II of the Chairman's Program for Joint Education is taught.

In the last three years, JFSC has added the Joint Advanced Warfighting School, a single phase JPME advanced program; the Advanced Joint Professional Military Education program, a distance learning program targeting the Reserve Component; and several other specialized educational programs. Today's JFSC has eleven different programs serving the Joint, Interagency and Multinational education community.

Joint Advanced Warfighting School

Having now graduated its first two classes, the Joint Advanced Warfighting School (JAWS) experienced growth in its third year. In 2006, JAWS added a third seminar that brought its student capacity to 36, with potential for expansion. This past year also saw the school's first Coast Guard, Reserve Component (RC), and international students in addition to an already joint and interagency class composition. To accommodate the JAWS growth, a new high technology "generation III" seminar collaborative learning platform (classroom) was recently constructed.

Feedback from the first class of JAWS graduates was exceptionally positive; it validated much of the course curriculum while also prompting change for selected portions of the overall program. Graduates and their supervisors alike confirmed that the first JAWS class was producing the world-class campaign planners envisioned in the CJCS's original program concept. Of the 54 JAWS graduates, well over half are filling critical planning billets in the combatant commands (COCOMs) and on the Joint Staff while others are contributing as planners in their Services.

With ten highly qualified faculty members, the rigorous eleven month JAWS program confers a fully accredited Master of Science degree in Joint Campaign Planning and Strategy while providing Joint Professional Military Education Phase I and II credit. With well over 1000 scheduled classroom hours, the curriculum concentrates on military history, warfighting theory, strategy formulation, operational art, information operations, counterinsurgency planning, campaign design and joint operations planning processes. Students hone their campaigning skills through critical discussion, systems thinking, strategic analysis and refinement of joint warfighting expertise.

In today's highly complex operational environment, innovative and resourceful planners play a greater role than ever before. The fast-paced and challenging adaptive planning arena demands planners that are competent in applying all elements of national power at the nexus of the operational and strategic levels of war. JAWS is working to provide those planners.

Joint and Combined Warfighting School

The Joint and Combined Warfighting School (JCWS) educates military officers and national security leaders in operational level planning with a focus on joint, multinational, and interagency issues. The 10-week curriculum, implemented in 2005, has at its core the new Joint Operational Planning Process. The curriculum incorporates emerging joint doctrine and reflects the realities of the modern security environment with a significant emphasis on irregular warfare, stability operations, homeland defense, and consequence management. It has been re-designed to address the increasingly complex security environment found most notably in dealing with the multifarious political and religious aspects of the worldwide radical Islam movement. The incorporation of a systems perspective of the battlespace provides students the tools to analyze complex global security challenges and synthesize plans that are exercised in a series of advanced war-games.

Enhancing the educational experience, classes consist of small seminars that reflect the diversity of background, skill, and experience of the student body. Led by joint teaching teams and supplemented with an extensive array of guest speakers that add depth and breadth, the seminar is the incubator for student driven discussions. Increasing participation by non-Department of Defense (DoD) government officials and international officers provides students a solid foundation in the challenges of synchronizing efforts across multinational government and non-government agencies.

The College's close partnership with the COCOMs and governmental agencies allows students to examine experimental concepts and emerging U.S. Joint Doctrine in an academic environment. Prominent security experts, including current and former military, civilian and international leaders, round out the students' education, offering a broad perspective on the global security environment. The College's senior fellow program, utilizing former ambassadors and senior military leaders, allows students the opportunity to discuss timeless decision-making principles and the most exigent issues of our day in a non-attribution small group setting. The end result is a JCWS graduate who is strategically-minded, well versed in our nation's current security challenges, and who understands how to bring all instruments of national power to bear in achieving national objectives.

The Joint Continuing and Distance Education School

The Joint Continuing and Distance Education School comprises the Reserve Component Joint Professional Military Education, the Senior Enlisted Joint Professional Military Education, the Joint Planning Orientation Course, the Flag and General Officer Seminar, and the Joint Transition Course.

Advanced Joint Professional Military Education

Advanced Joint Professional Military Education (AJPME) is patterned on the same Officer Professional Military Education Policy objectives as the JCWS curriculum and educates RC officers in the deployment, employment, synchronization, and support of joint and multinational forces.

Particular emphasis is placed on areas identified as vital to planning successful joint force operations. The AJPME forty-week curriculum blends Advanced Distributed Learning online instruction with traditional face-to-face classroom instruction.

Joint Planning Orientation Course and the Flag and General Officer Seminar

The Joint Planning Orientation Course (JPOC) and the Flag and General Officer Seminar (FGOS) program provides a synopsis to current members of the Joint Planning and Execution Community which include:

- National Security Strategy
- National Defense Strategy
- Joint Strategic Planning Systems
- Planning, Programming, Budgeting, and Execution
- Joint Operational Planning and Execution System

Joint Transition Course

The Joint Transition Course (JTC) is a JCWS preparatory course for DoD and interagency civilians, international officers and those who have not completed JPME Phase I.

Senior Noncommissioned Officers Joint Professional Military Education

The Senior Noncommissioned Officers Joint Professional Military Education (SNCO JPME) course is an e-learning course offered via the internet. It is designed to educate and prepare senior enlisted leaders (SELs) assigned to or slated to serve in a joint organization. It provides the necessary information required to improve an enlisted member's performance as a member of a joint staff. The goal is to produce confident and competent SELs who are more fully prepared to quickly assimilate and effectively contribute in joint assignments and mentor junior enlisted leaders.

The Joint Command, Control, and Information Operations School

The Joint Command, Control, and Information Operations School (JC2IOS) is comprised of two divisions:

- The Information Operations (IO) Division
- The Joint Command, Control, Communications and Intelligence (C4I) Division

The school offers a variety of courses that educate U.S. operational level planners, civilian equivalents and select allied officers. Our main emphasis is on individuals assigned or en route to IO or C4I positions on joint and combatant command (COCOM) staffs.

The primary course offering from the IO Division is the Joint Information Operations Planning Course. This four-week resident course has been validated by the DoD as the primary qualification course for joint IO planners. The IO Division also conducts a one-week Joint Information Operations Orientation Course that can be delivered via resident course attendance, Mobile Training Team (MTT), or online study.

The C4I Division conducts the Joint C4I Staff and Operations Course. The course is designed to train joint C4I decision makers on C4I concepts in joint, coalition, and interagency environments, how DoD supports the C4I process, and the management and operation of current strategic and theater/tactical C4I systems. While separate and distinct from the other schools in the College, JC2IOS also

lends extensive support to the Joint Professional Military Education by providing subject matter expertise, curriculum development, and instructor support to the other schools in the College. By giving all students a solid understanding of critical IO and C4I concepts and skills, JC2IOS advances the DoD goal of fully integrating C4I and IO throughout the operational planning, execution, and assessment process.

Interview with Colonel Fred Kienle, Dean, Joint Advanced Warfighting School. What are some of the future plans for Joint Advanced Warfighting School?

Joint Advanced Warfighting School (JAWS) has grown from 25 students during our first year (2004) to the 41 students currently in the 2007-2008 class. We envision continued growth to approximately 48 students in four seminars. We continue to increase the amount of support, throughout the academic year, to real world planners and our participation in research for national decision makers has also increased. In our first three years, we have gone from a pure multi-service student population to a true multi-service, multinational, inter-agency mix. We continue to stay in touch with our graduates, who provide an ongoing list of recommendations and updates to insure the course stays relevant and "cutting edge." JAWS continues to thrive.

What is the real-world application for this course?

Real world applications are most evident when you see the assignments our graduates get! For example, JAWS graduates are leading planning efforts across the COCOMs, on the Joint Staff, and in a variety of agencies. Our "world class" campaign planners are very successfully applying the competencies developed and honed in JAWS.

Why should international officers apply to be Joint Advanced Warfighting School students?

JAWS is mutually beneficial to both U.S. and international officers. For the U.S. students, receiving an "other than U.S." view on a broad range of issues allows them to widen their apertures. Likewise, the international officers get a view of how U.S. officers really approach both warfighting and decision making and they become steeped in proven planning processes. For all students, they have an opportunity to challenge diverse, varied, and multicultural ideas.

If you were trying to convince an international forum to send students to JFSC, what would your "pitch" be?

We are going to fight and respond to crises in coalitions! We must have strong working relationships and understanding to achieve mutual success around our globe. The global environment precludes the thought that any one nation can go it alone. No one nation's military or agencies can respond in isolation. Our officers need to know how to work on an Interagency/Multinational team, beginning in the classroom.

What would you like the Defense Institute of Security Assistance Management (DISAM) audience to know about the JAWS course and its students?

JAWS endeavors to be the leader among courses that produce world-class campaign planners. JAWS benefits from support received from the entire JFSC and National Defense University community, the professional military education community at large, U.S. Joint Forces Command and a host of others interested in improving national security capabilities. What was once only a vision of Congressman Ike Skelton is now a vibrant, thriving reality at JFSC.

To paraphrase General Douglas MacArthur:

> In the classrooms of spirited discussion between multinational partners are sown the seeds that in other days and other fields will bear the fruits of victory.

On the fields of friendly strife are sown the seeds that on other days and other fields will bear the fruits of victory.

In JAWS, we are creating the conditions around our seminar tables for future campaign planning. We rely on our partners to give us their candid, frank, unvarnished views when responding to conflict. To enable JAWS to achieve its potential of providing a core of "world class" campaign planners, we need a diverse and multinational student population – and our multinational graduates wholeheartedly agree that they benefited as well.

Interview with Captain David DiOrio, Dean, Joint and Combined Warfighting School: Why should International Officers be in the JCWS program?

International Officers bring an international perspective to each seminar. An International Officer (IO) provides the JCWS seminar with an intense flavor of culture and a huge helping of regional perspective. IO presence provides a balanced view point and enhances effective cooperation in a Combined Planning Group (CPG).

What does JCWS offer to International Officers?

JCWS offers a world class joint military education and a great investment of time and money to international offers. The course of instruction focuses on joint, interagency, and multinational operations by offering a ten-week graduate level course teaching military officers how to plan for complex contingencies and operate as joint and multinational warfighters.

International officers enter a rigorous residential academic environment where they join with officers from all U.S. branches of the military, other international officers and other national security leaders in a seminar environment that encourages open classroom dialogue and facilitates collaborative work during practical exercises.

International officers gain valuable insight of the inter-working of the U.S. military and government. They participate in a venue that provides a framework of international contacts to enhance joint teamwork, attitudes and perspectives – strategies that will serve them well in the coming years.

What is the real world application of JCWS?

JCWS educates military officers in joint planning that builds a team of international planners to handle complex real world international contingency operations.

What are your future plans for JCWS?

To increase the participation of IOs and non-DoD agencies, i.e., Department of State, United States Agency for International Development, Department of Transportation, Department of Homeland Security, Department of Justice in the school and in the capstone exercises.

Why do you do what you do?

On a professional level, I take pride in leading a team of military and civilian faculty to teach a quality program for our professional military cadre of officers. I know that the efforts in joint planning education here at the Joint and Combined Warfighting School will pay big dividends during real world operations when excellence in planning really matters.

Interview with Captain John McCabe, Dean, Joint, Joint Command, Control and Information Operations School about JFSC's Joint Information Operations Course (JIOC).

Why should international officers be in the JIOC program?

International officers participation in the JIOC enhances cooperation among coalition partners through familiarization with U.S. doctrine and capabilities as well as U.S. planning methodology. In a broader view, the nature of influence operations and the ability to influence a target audience is often more effectively conducted through coalition partners who, through previous interaction and/or geographic proximity to a target audience, are more favorably situated to effectively influence that audience.

What does JIOC offer to international officers?

JIOC offers a two week in residence course in Joint Information Operations that familiarizes allied students with U.S. IO doctrine and the U.S. military joint planning process. This course provides the student with the necessary tools to coordinate planning efforts in a multinational coalition environment.

What is the real world application of JIOC?

The integration of IOs into larger operational plans has moved to the forefront of concerns for combatant commanders in pursuing the Global War on Terrorism (GWOT). Our graduates provide their leaders with planners capable of conceiving operational plans that include the integration of IOs into the larger operational plans. The course also familiarizes the student with *U.S. Information Operations* doctrine and organization in order to facilitate coordination of coalition and allied information operations efforts.

What are your future plans for JIOC?

We are currently exploring avenues for expanding the number of participating countries in our JIOC either by opening the existing course to additional countries or offering additional courses.

Why do you do what you do?

U.S. and Coalition leaders understand that winning the GWOT will require prevailing in the arena of strategic communications. Military information operations is an element of strategic communications along with public diplomacy and public affairs. The Information Operations Division of the Joint Command, Control and Information Operations School is tasked through the DoD IO Roadmap to conduct Joint IO courses, including a course for international officers.

Interview with Colonel Jon Stull, USMC-RET, Coordinator, Joint, Interagency, and Multinational Planner's Course (JIMPC)

What countries have attended the JIMPC course, to date?

Korea, Bulgaria, Australia, the Netherlands, and Canada. The course has been taught eight times, to date. It was taught five times during fiscal year (FY) 2007, and three times in FY 2006.

What are some of the future plans for JIMPC?

We have four courses scheduled for FY 2008. Please see http://www.fjsc.ndu.edu/schools_programs/jimpc/default.asp for additional information. In addition, we are looking to create a three-day MTT version.

What is the real-world application for this course?

Based on the hurdles found in Afghanistan and Iraq, reconstructing infrastructure to enable civil authorities to conduct successful stabilization, and answering the complex nature of human assistance

and disaster relief operations, it is necessary that all members of the international community learn how to work together effectively. I find it exciting, because we are actually investigating new concepts on how to operationalize civilian strategic guidance. We are trying to find the intersection of policy implementation and operational design. We are breaking ground! We are seeking new concepts with the awareness of doctrine, but as importantly, with the vitality of new perspectives.

Why should international officers apply to be JIMPC students?

If we do not want complex contingencies to have a unilateral remedy, then we all have to participate together. International officers should be involved so their perspectives on resolution are identified early on, and become part of the solution. The JIMPC course will assist the international officer in understanding U.S. organization and process and more importantly, give U.S. officers an opportunity to appreciate the international perspective.

If you were trying to convince an international forum to send students to JFSC, what would your "pitch" be?

Our national strategy asks us to operate, when possible, in a multi-national environment, and asks that we champion human dignity. Because of the fragile nature of many countries (infrastructure, national disasters, etc.) they seek international assistance. Whether it is a United Nations or a U.S.-led multinational effort, we are working to overcome these complex contingencies. Even in the event that it is a U.S.-unilateral action, often we find that we are not the only ones on the scene. Accordingly, all international players have to be able to coordinate the capabilities of many entities, including militaries, host-nation capacity, intergovernmental agencies, and non-governmental organizations.

Hurricanes, earthquakes, volcanic eruptions, famine, typhoons, floods – these are monthly occurrences, and we have to do better to respond to the overwhelming needs resulting from these natural disasters. JIMPC can play a small part in helping people understand the environment. Our students learn new concepts to apply to plausible, present-day contingencies, and brief experienced senior leaders on possible solutions.

Interview with JFSC's Program Coordinator for the Pakistan and United States Senior Officers Program, Dr. David Winterford.

What are some of the future plans for JFSC's Pakistan and United States Senior Officers program?

A proposal has been made to hold the next iteration of the program in Pakistan. Pakistan is a key partner in the GWOT. Our goal is to provide a forum for an open and frank discussion of the mutual threat that terrorism poses to Pakistan, the U.S., and the global community, and to explore ways of countering this threat in a collaborative manner. During the program, instructors present and explore American ideas on defense policy and planning and new operational concepts while exposing American participants to the ways Pakistan conducts military planning. Similarly, and equally important, the program affords the Central Command (CENTCOM) officer participants the opportunity to talk with their Pakistani counterparts, in a low-risk, friendly environment. Program participants are mid-career and higher level officers, on both sides, so this gives them an excellent opportunity for open, friendly, and frank discussions.

We found during the first program last year and during this year's program that it can take awhile for the "barriers" to come down and for participants to feel comfortable in sharing their views in a free and open exchange. The lecture sessions, which all program participants attend, seminars, each with 15-20 students, with a mix of both services and nationalities, and a culminating exercise offer an environment that is conducive to information sharing.

What is the real-world application for this program?

The program, which was first held from in June 2006, on the Norfolk, Virginia campus of JFSC, targets U.S. officers at the Lieutenant Colonel and Colonel levels, and Pakistani officers at the Lieutenant Colonel, Colonel, and Brigadier General levels. The program is designed to improve U.S.-Pakistani interoperability and cooperation in a joint and coalition environment. Prior to the beginning of the program, JFSC coordinators send specific materials to students, such as the *National Military Strategy*, the *National Defense Strategy*, the *National Security Strategy*, *Joint Pub 3-0* and *Joint Pub 5-0* because course lessons and discussions are built around these documents. Students want to know what the American Joint Operational Planning process involves. The program covers new constructs and processes, including elements of operational design, and the new six-phase planning construct, with significant emphasis on Phase Four – Stabilization.

What would you like the DISAM audience to know about this program?

The United States and Pakistan Senior Officers Program is an effort to provide a forum for an open and frank discussion of the mutual threat that terrorism poses to Pakistan, the U.S., and the global community, and to explore ways of countering this threat in a collaborative manner. In a culminating exercise, two different Course of Action teams, both bi-national, one headed by a Pakistani officer, the other by a U.S. officer, focus on the same crisis scenario. We use an exercise centered on Nigeria to stimulate discussion and alternatives, and to articulate both Pakistani and U.S. national goals and interests. Two senior mentors, one from each country, help facilitate the program. A senior JFSC faculty member, Lieutenant General Charles Cunningham, USAF-Ret, was this year's U.S. mentor. The senior mentor from Pakistan was Lieutenant General Ghazi from the Pakistan Army. Lieutenant General Ghazi was recently Defense Secretary for Pakistan. The mentors are each attached to one of the seminars, but they also work with the larger group. We tap into the expertise of JFSC faculty members to present various lectures and to act as significant military equipment (SMEs) for the participants. To facilitate intermingling, all participants are billeted at the same location. Social activities are also critical to the program's success. During the most recent program, a tour of the National Mall, presentations on the role of Congress in a democracy, a tour of the National Air and Space Museum's Steven F. Udvar-Hazy Center at Dulles International Airport and the new National Museum of the Marine Corps and Heritage Center were essential and well-received inclusions.

How does this program benefit the United States and its strategic partners?

By the end of the program, participants have a better understanding of the U.S. drivers of policy and planning, of Pakistan national interests and contributions to the GWOT, and of each other. The personal relationships that are formed during these programs are exceptionally helpful in facilitating understanding and in facilitating coalition operations. During the most recent program, the Pakistan participants were also introduced to the State Partnership Program with the U.S. National Guard. Pakistani officers were able to meet and work with National Guard officers. This is quite important, as our Guard assists in humanitarian efforts as well as a range of other vital missions in the GWOT. The CENTCOM desk officer for Pakistan and the U.S. Embassy in Islamabad were critical to the program's success.

Interview with Dr. Keith Dickson, Director of the Joint Forces Staff College's Russian Colonels Program.

This program started in 2004. Dr. Keith Dickson, who is also a professor in the Joint and Combined Warfighting School, developed the program with guidance from the DoD and the National Defense University. Its origins were in the Russian Generals Program at Harvard, which began in 1991.

The academic model that Dr. Dickson developed has since been adopted by the European Command (EUCOM) and also focuses on Russian and U.S. colonels. That program has now been running for two years. Dr. Dickson hopes that the Russians will host the program at their Staff College in the near future. "That will be a measure of the growth and viability of the program."

What is the real-world application for this program?

What we find is that some of the Russian officers participate in the EUCOM Shared Response exercise and provide guidance for their colleagues during the process of working through the American planning process. You will now encounter the officers who have come through our Russian Colonels Program on the Russian General Staff. The program benefits participants from the U.S. as well. Some of the U.S. participants go on to positions in EUCOM. We have found both tangible and intangible enduring benefits, because the program is a true approach to partnership. Bonds of respect are created and are durable. I have had the opportunity to work with Russian generals and senior Russian officers and this has been very gratifying and professionally rewarding.

What would you like the DISAM audience to know about this program?

The program provides a unique opportunity for both U.S. and Russian colonels to come together, gain trust and confidence in working together, and understand how each other's military planning system works. The knowledge and confidence gained has enormous benefits for both the United States and Russia. The participants discover that their counterparts are well spoken, professional, and capable. They also learn that the two planning systems are not that different. Once they discover this fact, cooperation and coordination among the Russian and American staff officers is enhanced.

This is a program that has established close United States and Russian cooperation over the last several years. There are both professional and personal benefits to the participants, not the least of which are mutual trust, respect, learning together, working out problems together. The formula we use has been tested and is successful and the program continues to be funded and continues to thrive.

How does this program benefit the U.S. and its strategic partners?

Two recurring themes that arise when the President and the Secretary of Defense meet with their Russian counterparts are efforts to improve military interoperability and cooperation. Despite the ups and downs of recent United States and Russian relations, the United States and Russian Colonels Program endures. Thus, the larger strategic goals of both nations are served, even at this modest level. At JFSC, we are pursuing these mutual goals and building good relationships. It is conceivable that, in a possible future crisis situation where both United States and Russian interests are at stake, a core of Russian and United States officers who have participated in this program could form a coalition staff and plan effectively together. The program has allowed us to recognize that Russian and United States officers share the same professional standards and have a similar approach to military planning. I am confident that the program will continue to provide benefits to both nations.

LEGISLATION AND POLICY

Landon Lecture at Kansas State University

By
Robert M. Gates
United States Secretary of Defense

[The following are excerpts of the speech delivered at the Kansas State University, 26 November 2007.]

Looking around the world today, optimism and idealism would not seem to have much of a place at the table. There is no shortage of anxiety about where our nation is headed and what its role will be in the 21st century.

I can remember clearly other times in my life when such dark sentiments were prevalent. In 1957, when I was at Wichita High School East, the Soviet Union launched Sputnik, and Americans feared being left behind in the space race and, even more worrisome, the missile race.

In 1968, the first full year I lived in Washington, was the same year as the Tet Offensive in Vietnam, where American troop levels and casualties were at their height. Across the nation, protests and violence over Vietnam engulfed America's cities and campuses. On my second day of work as a Central Intelligence Agency (CIA) analyst, the Soviet Union invaded Czechoslovakia. And then came the 1970s, when it seemed that everything that could go wrong for America did.

Yet, through it all, there was another story line, one not then apparent. During those same years, the elements were in place and forces were at work that would eventually lead to victory in the Cold War; a victory achieved not by any one party or any single president, but by a series of decisions, choices, and institutions that bridged decades, generations, and administrations.

- The first brave stand taken by Harry Truman with the doctrine of containment
- The Helsinki Accords under Gerald Ford
- The elevation of human rights under Jimmy Carter
- The muscular words and deeds of Ronald Reagan
- The masterful endgame diplomacy of George H. W. Bush

All contributed to bring an Evil Empire crashing down not with a bang but with a whimper. And virtually without a shot being fired.

In this great effort, institutions, as much as people and policies, played a key role. Many of those key organizations were created sixty years ago this year with the *National Security Act of 1947* - a single act of legislation which established the CIA, the National Security Council (NSC), the United States Air Force, and what is now known as the Department of Defense (DoD). I mention all this because that legislation and those instruments of national power were designed at the dawn of a new era in international relations for the United States - an era dominated by the Cold War.

The end of the Cold War, and the attacks of September 11, 2001, marked the dawn of another new era in international relations an era whose challenges may be unprecedented in complexity and scope.

In important respects, the great struggles of the 20th century, World War I, World War II and the Cold War, covered over conflicts that had boiled seethed, provoked war and instability for centuries before 1914: ethnic strife, religious wars, independence movements, and, especially in the last quarter of the 19th century, terrorism. The First World War was, itself, sparked by a terrorist assassination motivated by an ethnic group seeking independence.

These old hatreds and conflicts were buried alive during and after the Great War. But, like monsters in science fiction, they have returned from the grave to threaten peace and stability around the world. Think of the slaughter in the Balkans as Yugoslavia broke up in the 1990s. Even now, we worry about the implications of Kosovo's independence in the next few weeks for Europe, Serbia, and Russia. That cast of characters sounds disturbingly familiar even at a century's remove.

The long years of religious warfare in Europe between Protestant and Catholic Christians find eerie contemporary echoes in the growing Sunni versus Shia contest for Islamic hearts and minds in the Middle East, the Persian Gulf, and Southwest Asia. We also have forgotten that between Abraham Lincoln and John F. Kennedy, two American presidents and one presidential candidate were assassinated or attacked by terrorists, as were various tsars, empresses, princes, and, on a fateful day in June 1914, an archduke. Other acts of terrorism were commonplace in Europe and Russia in the latter part of the 19th century.

So, history was not dead at the end of the Cold War. Instead, it was reawakening with a vengeance. And, the revived monsters of the past have returned far stronger and more dangerous than before because of modern technology, both for communication and for destruction and to a world that is far more closely connected and interdependent than the world of 1914.

Unfortunately, the dangers and challenges of old have been joined by new forces of instability and conflict, among them:

- A new and more malignant form of global terrorism rooted in extremist and violent jihadism
- New manifestations of ethnic, tribal, and sectarian conflict all over the world
- The proliferation of weapons of mass destruction
- Failed and failing states
- States enriched with oil profits and discontented with the current international order
- Centrifugal forces in other countries that threaten national unity, stability, and internal peace but also with implications for regional and global security

Worldwide, there are authoritarian regimes facing increasingly restive populations seeking political freedom as well as a better standard of living. And finally, we see both emergent and resurgent great powers whose future path is still unclear.

One of my favorite lines is that experience is the ability to recognize a mistake when you make it again. Four times in the last century the United States has come to the end of a war, concluded that the nature of man and the world had changed for the better, and turned inward, unilaterally disarming and dismantling institutions important to our national security in the process, giving ourselves a so-called "peace" dividend. Four times we chose to forget history.

Isaac Barrow once wrote:

> How like a paradise the world would be, flourishing in joy and rest, if men would cheerfully conspire in affection and helpfully contribute to each other's content: and how like a savage wilderness now it is, when, like wild beasts, they vex and persecute, worry and devour each other.

He wrote that in the late 1600s. Listen to the words of Sir William Stephenson, author of *A Man Called Intrepid* and a key figure in the Allied victory in World War II. He wrote:

> Perhaps a day will dawn when tyrants can no longer threaten the liberty of any people, when the function of all nations, however varied their ideologies, will be to enhance life, not to control it. If such a condition is possible it is in a future too far distant to foresee.

After September 11, 2001 the United States re-armed and again strengthened our intelligence capabilities. It will be critically important to sustain those capabilities in the future - it will be important not to make the same mistake a fifth time.

But, my message today is not about the defense budget or military power. My message is that if we are to meet the myriad challenges around the world in the coming decades, this country must strengthen other important elements of national power both institutionally and financially, and create the capability to integrate and apply all of the elements of national power to problems and challenges abroad. In short, based on my experience serving seven presidents, as a former Director of the CIA and now as Secretary of Defense, I am here to make the case for strengthening our capacity to use "soft" power and for better integrating it with "hard" power.

One of the most important lessons of the wars in Iraq and Afghanistan is that military success is not sufficient to win: economic development, institution-building and the rule of law, promoting internal reconciliation, good governance, providing basic services to the people, training and equipping indigenous military and police forces, strategic communications, and more - these, along with security, are essential ingredients for long-term success. Accomplishing all of these tasks will be necessary to meet the diverse challenges I have described.

So, we must urgently devote time, energy, and thought to how we better organize ourselves to meet the international challenges of the present and the future - the world you students will inherit and lead.

I spoke a few moments ago about the landmark *National Security Act of 1947* and the institutions created to fight the Cold War. In light of the challenges I have just discussed, I would like to pose a question: if there were to be a *National Security Act of 2007*, looking beyond the crush of day-to-day headlines, what problems must it address, what capabilities ought it create or improve, where should it lead our government as we look to the future? What new institutions do we need for this post Cold War world?

As an old Cold Warrior with a doctorate in history, I hope you will indulge me as I take a step back in time. Because context is important, as many of the goals, successes, and failures from the Cold War are instructive in considering how we might better focus energies and resources - especially the ways in which our nation can influence the rest of the world to help protect our security and advance our interests and values.

What we consider today to be the key elements and instruments of national power trace their beginnings to the mid-1940s, to a time when the government was digesting lessons learned during World War II. Looking back, people often forget that the war effort - though victorious - was hampered and hamstrung by divisions and dysfunction. Franklin Roosevelt quipped that trying to get the Navy,

which was its own cabinet department at the time, to change was akin to hitting a featherbed: "You punch it with your right and you punch it with your left until you are finally exhausted," he said, "and then you find the damn bed just as it was before." And Harry Truman noted that if the Navy and Army had fought as hard against the Germans as they had fought against each other, the war would have been over much sooner.

This record drove the thinking behind the *1947 National Security Act*, which attempted to fix the systemic failures that had plagued the government and military during World War II - while reviving capabilities and setting the stage for a struggle against the Soviet Union that seemed more inevitable each passing day.

The 1947 Act acknowledged that we had been over-zealous in our desire to shut down capabilities that had been so valuable during the war – most of America's intelligence and information assets disappeared as soon as the guns fell silent. The Office of Strategic Services, the war intelligence agency, was axed, as was the Office of War Information. In 1947, OSS returned as CIA, but it would be years before we restored our communications capabilities by creating the United States Information Agency.

There is in many quarters the tendency to see that period as the pinnacle of wise governance and savvy statecraft. As I wrote a number of years ago, "Looking back, it all seem[ed] so easy, so painless, so inevitable." It was anything but.

Consider that the creation of the National Military Establishment in 1947 - the Department of Defense - was meant to improve unity among the military services. A mere two years later the Congress had to pass another law because the Joint Chiefs of Staff were anything but joint. And there was no chairman to referee the constant disputes.

At the beginning, the Secretary of Defense had little real power - despite an exalted title. The law forbad him from having a military staff and limited him to three civilian assistants. These days, it takes that many to sort my mail.

Throughout the long, twilight struggle of the Cold War, the various parts of the government did not communicate or coordinate very well with each other. There were military, intelligence, and diplomatic failures in Korea, Vietnam, Iran, Grenada, and many other places. Getting the military services to work together was a recurring battle that had to be addressed time and again, and was only really resolved by legislation in 1986.

But despite the problems, we realized, as we had during World War II, that the nature of the conflict required us to develop key capabilities and institutions - many of them non-military. The Marshall Plan and later the United States Agency for International Development (USAID) acknowledged the role of economics in the world; the CIA the role of intelligence; and the United States Information Agency the fact that the conflict would play out as much in hearts and minds as it would on any battlefield.

The key, over time, was to devote the necessary resources - people and money - and get enough things right while maintaining the ability to recover from mistakes along the way. Ultimately, our endurance paid off and the Soviet Union crumbled, and the decades-long Cold War ended.

However, during the 1990s, with the complicity of both the Congress and the White House, key instruments of America's national power once again were allowed to wither or were abandoned. Most people are familiar with cutbacks in the military and intelligence - including sweeping reductions in manpower, nearly 40 percent in the active army, 30 percent in CIA's clandestine service and spies.

What is not as well-known, and arguably even more shortsighted, was the gutting of America's ability to engage, assist, and communicate with other parts of the world - the "soft power," which had been so important throughout the Cold War. The Department of State (DoS) froze the hiring of new Foreign Service officers for a period of time. The United States Agency for International Development saw deep staff cuts - its permanent staff dropping from a high of 15,000 during Vietnam to about 3,000 in the 1990s. And the U.S. Information Agency was abolished as an independent entity, split into pieces, and many of its capabilities folded into a small corner of the DoS.

Even as we throttled back, the world became more unstable, turbulent, and unpredictable than during the Cold War years. And then came the attacks of September 11, 2001, one of those rare life-changing dates, a shock so great that it appears to have shifted the tectonic plates of history. That day abruptly ended the false peace of the 1990s as well as our "holiday from history."

As is often the case after such momentous events, it has taken some years for the contour lines of the international arena to become clear. What we do know is that the threats and challenges we will face abroad in the first decades of the 21st century will extend well beyond the traditional domain of any single government agency.

The real challenges we have seen emerge since the end of the Cold War from Somalia to the Balkans, Iraq, Afghanistan, and elsewhere, make clear we in defense need to change our priorities to be better able to deal with the prevalence of what is called "asymmetric warfare." As I told an Army gathering last month, it is hard to conceive of any country challenging the United States directly in conventional military terms - at least for some years to come. Indeed, history shows us that smaller, irregular forces - insurgents, guerrillas, terrorists - have for centuries found ways to harass and frustrate larger, regular armies and sow chaos.

We can expect that asymmetric warfare will be the mainstay of the contemporary battlefield for some time. These conflicts will be fundamentally political in nature, and require the application of all elements of national power. Success will be less a matter of imposing one's will and more a function of shaping behavior - of friends, adversaries, and most importantly, the people in between.

Arguably the most important military component in the War on Terror is not the fighting we do ourselves, but how well we enable and empower our partners to defend and govern themselves. The standing up and mentoring of indigenous army and police - once the province of Special Forces - is now a key mission for the military as a whole.

But these new threats also require our government to operate as a whole differently - to act with unity, agility, and creativity. And they will require considerably more resources devoted to America's non-military instruments of power.

So, what are the capabilities, institutions, and priorities our nation must collectively address - through both the executive and legislative branches, as well as the people they serve?

I would like to start with an observation. Governments of all stripes seem to have great difficulty summoning the will and the resources to deal even with threats that are obvious and likely inevitable, much less threats that are more complex or over the horizon. There is, however, no inherent flaw in human nature or democratic government that keeps us from preparing for potential challenges and dangers by taking far-sighted actions with long-term benefits. As individuals, we do it all the time. The Congress did it in 1947. As a nation, today, as in 1947, the key is wise and focused bipartisan leadership - and political will.

I mentioned a moment ago that one of the most important lessons from our experience in Iraq, Afghanistan, and elsewhere has been the decisive role reconstruction, development, and governance plays in any meaningful, long-term success.

The DoD has taken on many of these burdens that might have been assumed by civilian agencies in the past, although new resources have permitted the DoS to begin taking on a larger role in recent months. Still, forced by circumstances, our brave men and women in uniform have stepped up to the task, with field artillerymen and tankers building schools and mentoring city councils usually in a language they don't speak. They have done an admirable job. And as I have said before, the Armed Forces will need to institutionalize and retain these non-traditional capabilities something the Reserve Officer Training Corps (ROTC) cadets in this audience can anticipate. But it is no replacement for the real thing civilian involvement and expertise. A few examples are useful here, as microcosms of what our overall government effort should look like one historical and a few contemporary ones.

However uncomfortable it may be to raise Vietnam all these years later, the history of that conflict is instructive. After first pursuing a strategy based on conventional military firepower, the United States shifted course and began a comprehensive, integrated program of pacification, civic action, and economic development. The Civil Operations in Rural Development Support (CORDS) program, as it was known, involved more than a thousand civilian employees from USAID and other organizations, and brought the multiple agencies into a joint effort. It had the effect of, in the words of General Creighton Abrams, putting "all of us on one side and the enemy on the other." By the time U.S. troops were pulled out, the CORDS program had helped pacify most of the hamlets in South Vietnam.

The importance of deploying civilian expertise has been relearned the hard way - rough the effort to staff Provincial Reconstruction Teams (PRTs), first in Afghanistan and more recently in Iraq. The PRTs were designed to bring in civilians experienced in agriculture, governance, and other aspects of development to work with and alongside the military to improve the lives of the local population, a key tenet of any counterinsurgency effort. Where they are on the ground, even in small numbers we have seen tangible and often dramatic changes. An Army brigade commander in Baghdad recently said that an embedded PRT was "pivotal" in getting Iraqis in his sector to better manage their affairs. We also have increased our effectiveness by joining with organizations and people outside the government untapped resources with tremendous potential. For example, in Afghanistan the military has recently brought in professional anthropologists as advisors. *The New York Times* reported on the work of one of them, who said, "I'm frequently accused of militarizing anthropology. But we are really anthropologizing the military."

And it is having a very real impact. The same story told of a village that had just been cleared of the Taliban. The anthropologist pointed out to the military officers that there were more widows than usual, and that the sons would feel compelled to take care of them possibly by joining the insurgency, where many of the fighters are paid. So American officers began a job training program for the widows.

Similarly, our land-grant universities have provided valuable expertise on agricultural and other issues. Texas A&M has had faculty on the ground in Afghanistan and Iraq since 2003. And Kansas State is lending its expertise to help revitalize universities in Kabul and Mazar-e-Sharif, and working to improve the agricultural sector and veterinary care across Afghanistan. These efforts do not go unnoticed by either Afghan citizens or our men and women in uniform. I have been heartened by the works of individuals and groups like these. But I am concerned that we need even more civilians involved in the effort and that our efforts must be better integrated. And I remain concerned that we have yet to create any permanent capability or institutions to rapidly create and deploy these kinds of skills in the future. The examples I mentioned have, by and large, been created ad hoc - on the fly in a climate of crisis. As a nation, we need to figure out how to institutionalize programs and relationships such as these. And we need to find more untapped resources - places where it's not necessarily how much you spend, but how you spend it.

The way to institutionalize these capabilities is probably not to recreate or repopulate institutions of the past such as the Agency for International Development (AID) or United States Information Agency (USIA). On the other hand, just adding more people to existing government departments such as Agriculture, Treasury, Commerce, Justice and so on is not a sufficient answer either - even if they were to be more deployable overseas. New institutions are needed for the 21st century, new organizations with a 21st century mind-set.

For example, public relations was invented in the United States, yet we are miserable at communicating to the rest of the world what we are about as a society and a culture, about freedom and democracy, about our policies and our goals. It is just plain embarrassing that al Qaeda is better at communicating its message on the internet than America. As one foreign diplomat asked a couple of years ago, "How has one man in a cave managed to out-communicate the world's greatest communication society?" Speed, agility, and cultural relevance are not terms that come readily to mind when discussing U.S. strategic communications.

Similarly, we need to develop a permanent, sizeable cadre of immediately deployable experts with disparate skills, a need which president bush called for in his 2007 state of the union address, and which the DoS is now working on with its initiative to build a civilian response corps. Both the President and Secretary of State have asked for full funding for this initiative. But we also need new thinking about how to integrate our government's capabilities in these areas, and then how to integrate government capabilities with those in the private sector, in universities, in other non-governmental organizations, with the capabilities of our allies and friends - and with the nascent capabilities of those we are trying to help.

Which brings me to a fundamental point. Despite the improvements of recent years, despite the potential innovative ideas hold for the future, sometimes there is no substitute for resources for money. Funding for non-military foreign-affairs programs has increased since 2001, but it remains disproportionately small relative to what we spend on the military and to the importance of such capabilities. Consider that this year's budget for the DoD - not counting operations in Iraq and Afghanistan - is nearly half a trillion dollars. The total foreign affairs budget request for the DoS is $36 billion - less than what the Pentagon spends on health care alone. Secretary Rice has asked for a budget increase for the DoS and an expansion of the Foreign Service. The need is real.

Despite new hires, there are only about 6,600 professional Foreign Service officers less than the manning for one aircraft carrier strike group. And personnel challenges loom on the horizon. By one estimate, 30 percent of USAID's Foreign Service officers are eligible for retirement this year-valuable experience that cannot be contracted out.

Overall, our current military spending amounts to about 4 percent of gross domestic product (GDP), below the historic norm and well below previous wartime periods. Nonetheless, we use this benchmark as a rough floor of how much we should spend on defense. We lack a similar benchmark for other departments and institutions. What is clear to me is that there is a need for a dramatic increase in spending on the civilian instruments of national security - diplomacy, strategic communications, foreign assistance, civic action, and economic reconstruction and development. Secretary Rice addressed this need in a speech at Georgetown University nearly two years ago. We must focus our energies beyond the guns and steel of the military, beyond just our brave soldiers, sailors, Marines, and airmen. We must also focus our energies on the other elements of national power that will be so crucial in the coming years.

Now, I am well aware that having a sitting Secretary of Defense travel halfway across the country to make a pitch to increase the budget of other agencies might fit into the category of "man bites dog" - or for some back in the Pentagon, "blasphemy." It is certainly not an easy sell politically. And do not get me wrong, I will be asking for yet more money for Defense next year.

Still, I hear all the time from the senior leadership of our Armed Forces about how important these civilian capabilities are. In fact, when Chairman of the Joint Chiefs of Staff Admiral Mike Mullen was Chief of Naval Operations, he once said he would hand a part of his budget to the DoS "in a heartbeat," assuming it was spent in the right place.

After all, civilian participation is both necessary to making military operations successful and to relieving stress on the men and women of our armed services who have endured so much these last few years, and done so with such unflagging bravery and devotion. Indeed, having robust civilian capabilities available could make it less likely that military force will have to be used in the first place, as local problems might be dealt with before they become crises.

A last point. Repeatedly over the last century Americans averted their eyes in the belief that remote events elsewhere in the world need not engage this country. How could an assassination of an Austrian archduke in unknown Bosnia-Herzegovina effect us? Or the annexation of a little patch of ground called Sudetenland? Or a French defeat at a place called Dien Bien Phu? Or the return of an obscure cleric to Tehran? Or the radicalization of an Arab construction tycoon's son?

What seems to work best in world affairs, historian Donald Kagan wrote in his book *On the Origins of War*,

> Is the possession by those states who wish to preserve the peace of the preponderant power and of the will to accept the burdens and responsibilities required to achieve that purpose.

In an address at Harvard in 1943, Winston Churchill said,

> The price of greatness is responsibility . . . The people of the United States cannot escape world responsibility.

And, in a speech at Princeton in 1947, Secretary of State and retired Army general George Marshall told the students:

> The development of a sense of responsibility for world order and security, the development of a sense of overwhelming importance of this country's acts, and failures to act, in relation to world order and security - these, in my opinion, are great musts for your generation.

Our country has now for many decades taken upon itself great burdens and great responsibilities - all in an effort to defeat despotism in its many forms or to preserve the peace so that other nations, and other peoples, could pursue their dreams. For many decades, the tender shoots of freedom all around the world have been nourished with American blood. Today, across the globe, there are more people than ever seeking economic and political freedom seeking hope even as oppressive regimes and mass murderers sow chaos in their midst seeking always to shake free from the bonds of tyranny.

For all of those brave men and women struggling for a better life, there is and must be no stronger ally or advocate than the United States of America. Let us never forget that our nation remains a beacon of light for those in dark places. And that our responsibilities to the world to freedom, to liberty, to the oppressed everywhere - are not a burden on the people or the soul of this nation. They are, rather, a blessing.

I will close with a message for students in the audience. The message is from Theodore Roosevelt, whose words ring as true today as when he delivered them in 1901. He said,

> . . . as keen-eyed, we gaze into the coming years, duties, new and old, rise thick and fast to confront us from within and from without. The U.S. should face these duties with a sober appreciation alike of their importance and of their difficulty. But there is also

every reason for facing them with high-hearted resolution and eager and confident faith in our capacity to do them aright. A great work lies ready to the hand of this generation; it should count itself happy indeed that to it is given the privilege of doing such a work.

Government Accountability Office: United States Export Licenses Take Too Long

By
William Matthews
Writer for the *DefenseNews*

[The editor of the *DISAM Journal* would like to thank the *DefenseNews* for allowing us to reprint the following article. *DefenseNews* can be accessed through the following web site: http://www.defense-news.com.]

A U.S. government study confirms what the defense industry has been complaining about for years. It takes too long for companies to get government-issued weapon-export licenses. Between 2003 and 2006, the wait for arms export licenses nearly doubled, stretching on average from 14 days to 26 days, according to the Government Accountability Office (GAO). During that same period, the number of export license applications increased about 20 percent, from 55,000 a year to 65,000 a year. But the number of licensing officers assigned to process licenses at the State Department's Directorate of Defense Trade Controls (DDTC) actually decreased during two of the four years studied. And a computerized system intended to speed license applications proved barely more efficient than processing applications on paper, the GAO reported.

The findings "are consistent with our experience. The GAO identified many of the same problems that industry has been talking about for a long time," said Jeremiah Gertler, assistant vice president for defense policy at the Aerospace Industries Association.

But GAO statistics tell only part of the story, he said. The average wait of twenty-six days means many licenses take much longer. That is not good.

"It is wartime," Gertler said, and license delays hamper defense companies trying to deliver war supplies to U.S. allies. Bombarded by complaints from industry officials and U.S. allies, the Bush administration is attempting a two-pronged solution. It is considering procedural reforms recommended by industry representatives to speed up the licensing process. But those reforms have not yet been put in place.

The administration has also negotiated defense trade treaties with Britain and Australia that would exempt those countries from many license requirements. But implementing arrangements for the treaties are still being negotiated.

The GAO, meanwhile, calls for a "systematic analysis" of the licensing process to find out where it bogs down and how to fix it.

Fixing the licensing system is preferable to approving treaties that create paths to avoid it, said Matthew Schroeder, who heads the Arms Sales Monitoring Project for the Federation of American Scientists.

Exempting "a large chunk of exports from the licensing process, which the treaties would do, should be a last resort and pursued only after all other options have been exhausted," Schroeder said.

The GAO called the licensing process "a key component of the U.S. export control system to help ensure arms do not fall into the wrong hands." Schroeder said repairs to DDTC might begin with full staffing. The GAO said there were 35 licensing officers in 2003 to handle 55,000 cases. The number of licensing officers fell to 31 in 2004 and 2005, then increased to 35 again in 2006 to handle 65,000 cases, then fell to 34 in 2007.

"In the summer of 2006, about one-half of licensing officers had less than a year of experience, and many did not have the signature authority needed to take final action" on license applications, the GAO reported.

In addition, in 2003 Congress required that ten military officers be continuously detailed to DDTC. But during the period the GAO studied, the number of military officers ranged from three to eight.

As for the automated system, which is called D-Trade, "processing times show no significant difference" from cases submitted on paper applications, the GAO reported.

"DDTC has relied on an information technology solution without re-engineering the underlying processes or without developing tools to facilitate the licensing officer's job," the GAO said.

Automated systems designed "to do the same work the same way but only faster typically fail or reach only a fraction of their potential," the GAO report says.

In a letter to the GAO, Bradford Higgins, assistant secretary of state, said he generally agrees with the GAO's findings, but noted that the GAO report "does not capture the full impact of licensing guidance and procedural changes that were implemented after March 2007."

Higgins said the State Department has begun a review to better structure its work force, made staffing changes to two licensing teams and "committed to pursuing technological solutions" to improve the licensing process.

United States Leadership in Clearing Landmines and Saving Lives

Fact Sheet
United States Department of State Office of the Spokesman
Washington, D.C., November 13, 2007

The 10th Anniversary of the U.S. Department of State's Public-Private Partnership Program to Reinforce Humanitarian Mine Action occurred last month. Next month marks the 9th anniversary of the entry into force of Amended Protocol II to the Convention on Certain Conventional Weapons (CCW), the world's first landmine treaty, and to which the United States is a party. Next week the 8th meeting of states parties to an anti-personnel mine ban treaty, commonly known as the Ottawa Convention, will take place. We take this opportunity to reiterate United States landmine policy and actions.

Policy

The military capabilities provided by landmines remain necessary for the United States to protect its armed forces and ensure the success of their mission. The United States is also committed to eliminating the humanitarian risks posed by all landmines - both anti-personnel and anti-vehicle. It stands with those who seek to protect innocent civilians from these weapons. However, the United States has not signed the Ottawa Convention because it fails to balance legitimate military requirements with humanitarian concerns.

Actions

In 1992 the United States banned the export of its anti-personnel mines. In 1999 it removed its last minefield, which protected its base in Guantanamo Bay, Cuba, and ratified Amended Protocol II. In 2004 the United States committed to never employ a "persistent" (long-lived) landmine after 2010, relying instead only on short-duration, self-destructing/self-deactivating mines that cease to be a threat within hours or days after combat. In 2005, the United States banned the use of non-detectable mines, both anti-personnel and anti-vehicle, surpassing the requirements of both landmine treaties. In 2006, the United States, joined by 24 other states, issued a declaration at the Third Review Conference of the CCW, committing each government to make anti-vehicle mines used outside of perimeter-marked areas detectable, not to use such mines outside a perimeter-marked area if they are not self-destructing or self-neutralizing, to prevent the transfer of such mines that do not meet these criteria, and then only to transfer such mines to states accepting this policy.

Since 1993, the United States has spent over $1.2 billion dollars in nearly 50 mine-affected countries and regions for: clearance of mines and explosive remnants of war (most of which are of foreign origin); mine risk education; survivors assistance; landmine surveys; research and development on better ways to detect and clear mines; training foreign deminers and mine action managers; and destroying at-risk stocks of arms and munitions. Thanks in part to United States' help, the annual landmine casualty rate has dropped from over 26,000 four years ago to around 5,000 today, and Costa Rica, Djibouti, El Salvador, Guatemala, Honduras, Kosovo, Macedonia, Namibia, and Suriname have achieved mine "impact-free" status. Nicaragua should follow suit in 2008. Learn more about United States mine action at www.state.gove/t/pm/wra, www.humanitarian-demining.org/, and www.ussaid.gov/our_work/humanitarian_assistance/the_funds/lwvf/. For an overview of this global issue, visit the Mine Action Information Center at: http://maic.jmu.edu/.

Caribbean Community and the United States Initiative to Combat Illicit Trafficking in Small Arms and Light Weapons

Fact Sheet
United States Department of State Office of the Spokesman
Washington, D.C., December 3, 2007

Today, the U.S. and Caribbean Community (CARICOM) countries pledged to enhance regional cooperation to prevent, combat, and eradicate the illicit trafficking in small arms and light weapons in the region. Illicit trafficking in small arms and light weapons poses a serious threat to the security of the Western Hemisphere because this thriving black market provides weapons to terrorist groups, drug traffickers, gangs, and other criminal organizations.

The initiative responds to the agreement between the CARICOM Foreign Ministers and Secretary of State Condoleezza Rice on March 22, 2006 calling for a partnership against the illicit trafficking in small arms and light weapons and reaffirmed during the U.S. and CARICOM Summit during the June 2007 Conference on the Caribbean in Washington. The United States and CARICOM member states issued a regional initiative outlining concrete and practical measures they will undertake to address the illicit trafficking in small arms and light weapons throughout the region. The United States and CARICOM Member States urge other states in the hemisphere to join this effort.

Text of the Caribbean Community and United States Initiative

The Members States of the Caribbean Community (CARICOM) and the United States of America express their concern over the growing gray and black arms market in the hemisphere which has the potential to increase access by terrorist groups, drug traffickers, gangs, and other criminal organizations to these weapons. CARICOM Member States do not produce small arms, light weapons and ammunition, nor are they large scale importers of them.

As nations committed to the values of freedom, democracy, and peace, CARICOM Member States and the U.S. are extremely concerned about the illicit trafficking in small arms, light weapons and ammunition in the region which threatens the security of CARICOM Member States and impairs their economic and social development.

In light of their common values and concerns, CARICOM Member States and the U.S. declare their resolve to prevent, combat, and eradicate the illicit trade in small arms, light weapons and ammunition in the region. Building on their shared desire to protect their citizens and improve their ability to enjoy the benefits of democracy, security and development, CARICOM Member States and the U.S. resolve:

- To combat illicit arms trafficking relentlessly. They welcome the active and vigorous cooperation between CARICOM Member States and the U.S. to eradicate this problem and support enhanced efforts in this area.
- To support each others efforts as well as those of other states to combat this threat and where possible, to provide technical and other assistance to this end. They also pledge to exchange information and experiences so that they can benefit from each other's expertise in addressing this pressing security challenge. CARICOM Member States and the U.S. recognize that enhanced multilateral cooperation is essential because the arms trafficking threat transcends borders and affects all nations.

The Member States of the Caribbean Community reiterate their firm support of international treaties and instruments aimed at combating the illicit trade in small arms, light weapons, and

ammunition. In this regard they view the implementation of the *2001 United Nations Programme of Action to Prevent, Combat, and Eradicate the Illicit Trade of Small Arms and Light Weapons in All Its Aspects* as an important first step towards efforts to combat this deadly trade.

Drawing on their mutual vision of Inter-American security, and their joint objectives as democracies, CARICOM Member States and the U.S. agree to:

- Enhance import and export controls consistent with common international practices and standards
- Improve information sharing on entities and individuals involved in illicit trafficking and the routes they use to traffic arms
- Promote the tracing of firearms recovered in connection with illicit activities in order to provide investigative leads
- Deepen law enforcement and customs cooperation
- Enhance national stockpile control, management, and security practices
- Encourage destruction of at risk, obsolete, or excess national stockpiles
- Promote implementation of the OAS Guidelines on the control and security of man-portable air defense system (MANPADS)
- Provide technical and other assistance, as appropriate, to affected states to support their efforts to combat this threat
- Promote programs aimed at reducing the availability and use of illicit firearms

CARICOM Member States and the U.S. encourage states in the hemisphere to join in this effort to combat the illicit trafficking in small arms, light weapons and ammunition.

Merida Initiative

By
Thomas A. Shannon
Assistant Secretary of State for Western Hemisphere Affairs

[The following are excerpts of the testimony presented to the Committee on Foreign Affairs U.S. House of Representatives, Washington, D.C., November 14, 2007.]

The President has asked for $550 million for the Merida Initiative in the supplemental budget request; $500 million of that funding would go to Mexico as the first tranche of what we hope will be a $1.4 billion multi-year security cooperation package, and $50 million would target Central America.

This is an important moment in the fight against transnational drug-trafficking and organized crime; and one that requires urgent action on the part of all nations involved. President Bush recognized that the United States has an unprecedented opportunity to reduce the economic and human toll in our cities and towns emanating from cross-border organized crime. The governments and citizens of Mexico and Central America have recognized the threat to their own stability and prosperity. They are taking courageous steps to confront these criminal elements, and are now seeking U.S. support to ensure a comprehensive and integrated regional effort.

Over the past decade, drug trafficking and other criminal organizations have grown in size and strength, aggressively seeking to undermine and intimidate government institutions in Mexico and Central America, compromising municipal and state law enforcement entities, and substantially weakening these governments' ability to maintain public security and expand the rule of law. This proliferation has generated a surge in crime and violence throughout the region, including in the United States.

We have seen the emergence of gangs as major social actors, the corruption of the police, judiciary, and prison systems, and a growing popular demand for governments to respond to the threat posed by these criminal organizations. The effects of this growing problem are also readily apparent in the United States in the form of gang violence, crime, and higher rates of trafficking in persons and illegal drugs, all of which threaten our own national security and impose mounting economic costs.

None of what I have described above will come as a surprise to our partners in the region these leaders have used some of the same language to describe and acknowledge the challenges they are facing. And they are acting on it: the leaders of these nations are already working to beat back violence and crime for their citizens and they have turned to us to join them, as partners.

In Mexico, President Calderon has acted decisively, using the most effective tools at his disposal. He is reorganizing the federal police, putting new and additional resources in the hands of his security services, deploying military units to support police operations, rooting out corrupt officials, attacking impunity, arresting major crime figures, and extraditing a record number of drug kingpins and other criminals to the United States. The determination and commitment shown by the Calderon Administration is historic; and the early results impressive. In the course of one month, two seizures alone have netted over thirty tons of cocaine destined for Mexico and/or the United States, shattering all previous records for drug seizures in Mexico. In fact, our understanding is that Mexico has confiscated more cocaine in the first year of the Calderon Administration than any other since they began keeping records.

However, President Calderon has recognized that leadership and political will are not enough; he needs greater institutional and material resources to ensure both near-term success and long-term institutional change. In an unprecedented step, he has asked the United States to launch a new partnership

with Mexico and to help him strengthen Mexican law enforcement, public safety, and border security to defeat the drug and criminal organizations. This is not a "traditional" foreign assistance request. It is, as our joint declaration called it, "a new paradigm for security cooperation."

At the same time, the nations of Central America have committed to collective action to address these common security concerns. Through the Central American Integration System (SICA), the governments have expressed the political resolve to join forces to strengthen regional security; however they lack sufficient tools and capacity to execute such will. Despite these challenges, national authorities remain committed to the fight; using their own limited resources and equipment to interdict narcotics, arrest drug cartel members, and extradite high-profile drug traffickers to the United States for prosecution. The countries of Central America are also committed to working among themselves as well as with the United States. In March, the Government of Panama, working with Drug Enforcement Agency (DEA) and Coast Guard, seized a record seventeen metric tons of cocaine. And just last week, in a combined operation involving U.S. law enforcement and the National Police of both Nicaragua and Costa Rica, 250 kilograms of cocaine were confiscated in Nicaragua. These examples demonstrate that in Central America, as in Mexico, there are courageous partners with whom we can work cooperatively.

The impetus for the Merida Initiative came out of the President's March trip to the region; particularly his visits to Guatemala and Mexico, where security concerns dominated the conversations with President Berger and President Calderon. In the course of these discussions and the follow-on consultations with both Mexico and Central America, we have been able to develop the framework of a new regional security partnership.

Throughout this process, we have tried to shape the Merida Initiative to be comprehensive, balanced, and timely. The initiative is comprehensive in that it deals with security in all its components and builds on of a variety of initiatives that are taking place now in the United States, Mexico, and Central America. Combined with the push we have made against drug trafficking and the flow of other illicit goods elsewhere in the region, the Merida Initiative represents an effort to integrate security programs from the Andes, through the isthmus of Central America and into Mexico, up to the Southwest border of the United States. This is a hemispheric assault to cripple drug trafficking and criminal organizations, disrupt and dismantle their networks, and help fortify state institutions to ensure these groups can no longer operate effectively.

The initiative is balanced because it involves a range of security institutions in Mexico and Central America, with a particular focus on building capacity and capability in civilian sectors. The entire Central America portion of the supplemental request and nearly sixty percent of the Mexico portion is going to civilian agencies in those countries. Our goal in balancing the package is to assist Mexico and Central America in their immediate fight against organized crime, to improve connectivity and communications among the various law enforcement agencies, and to support the institutional reform necessary to fortify the state institutions of justice and rule of law that are essential for the long-term protection of civil and human rights.

Finally, the Merida Initiative is timely because it responds to a real-time threat, as organized crime attempts to overwhelm the stability and well-being of democratic states in Mexico and in Central America. Our allies in this region have already begun to act and have called on us to assist them as quickly as possible. The urgency of their appeal is palpable, and we should not miss the opportunity to capitalize on the successes we have witnessed so far, as well as to forge a stronger alliance with willing partners.

Just as our partners in the region acknowledge the extent of the threat, President Bush has accepted that the U.S. shares responsibility and is prepared to step up to do our part. This request reflects how the United States would like to work with the Governments of Mexico and Central America through the use of foreign assistance funds. And I have already spoken to the increased efforts by which these governments have begun the fight themselves. What is not captured in this supplemental request is what the United States is doing domestically to contribute to this partnership.

While I defer to U.S. domestic law enforcement agencies to provide you details, I can tell you that the Merida Initiative was designed to complement what the United States has been doing on our side of the border to address issues such as arms and bulk cash trafficking, gangs, and demand for drugs. Through a number of domestic strategies and programs listed below:

- The Southwest Border Counter-Narcotics Strategy
- The National Drug Control Strategy
- The U.S. Strategy for Combating Criminal Gangs from Central America and Mexico

We are working domestically to enhance our efforts against the trafficking of drugs, arms, money, and humans, as well as to reduce the demand for drugs within the United States.

However, each nation working on its own is not enough. As President Bush has stated, regional problems require regional solutions. The Merida Initiative is where each nation's domestic efforts are combined with regional cooperation and collaboration to multiply the effects of our actions. It clearly shows we realize that drug trafficking and criminal organizations do not respect political boundaries and that we must synchronize our tactics and confront the problem together.

This new paradigm is not without its challenges, but we believe they are challenges that can be overcome. Oversight and accountability are essential in this process and we have structured the package in such as way as to assure this. We also plan to build on the efforts of the Governments of Mexico and Central America in protecting human rights and rooting out corruption; all participants agree that these are indispensable components of any security cooperation partnership.

Having visited Mexico with Deputy Secretary Negroponte in November 2007, and having led the U.S. delegation to the first U.S. and SICA Dialogue on Security in Guatemala in July 2007, I can tell you that I am struck by the immediacy of the threat. Equally, I have been impressed by the commitment of the governments involved to work together to finally put an end to the growing violence and crime.

The President's vision for this hemisphere is rooted in partnership; the type of partnership that the Merida Initiative represents. He has stressed that all in the region, including the United States, have a shared responsibility for combating this crime and violence that so gravely affect our citizens. We have far-reaching geographic, economic, and demographic links to Mexico and Central America and a compelling national security interest in helping the governments of this region succeed in the battle against crime and insecurity. We believe the Merida Initiative represents the best hope for tackling the problem in a thorough manner with our willing partners.

United States and Turkey and Azerbaijan: A Strategic Partnership

By
Daniel Fried
Assistant Secretary of State for European and Eurasian Affairs

[The following are excerpts of the remarks presented to the Center for Eurasian Policy conference, at the Mayflower Hotel, Washington, D.C., December 10, 2007.]

I am told that the name Azerbaijan comes from the Old Persian for Land of Fire, a reference supposedly to Azerbaijan's famous petroleum deposits. The link between the nation and energy does neatly capture the way many look at Azerbaijan. But there is another theory that the name refers to bonfires lit by the Zoroastrian high priests of this ancient country. I prefer that theory of the origin of the name Azerbaijan, because it roots the nation in ancient culture, and it is culture, not resources, that makes civilizations.

Nations need resources, but traditions and values are deeper ingredients of successful nationhood. America looks at Azerbaijan in the deeper sense. The United States and Europe are of course large consumers of foreign energy, and we are interested in a free and open market for all commodities, especially strategic ones, and I will speak to that. But U.S. interests in partnership with Azerbaijan are broader. We have a stake in the spread of the rule of law and democracy, the stability that results over time from their consolidation, and an open-trading system. And our relations with Turkey are similarly broad.

The three of us, Azerbaijan, Turkey, and the United States, can forge a strategic partnership that will benefit us all, and in turn benefit the region. Turkey's example as a secular democracy with a Muslim-majority population can inspire reformers in the Caucasus, Central Asia, and broader Middle East who seek the same political freedom, prosperity, and stability that Turkish citizens increasingly enjoy.

The United States' grand strategy for post-communist Europe since 1989 has rested on a deceptively simple principle: America's interests are best served when the countries which liberated themselves from Soviet control are free and empowered to fulfill their own destiny by pursuing their own reforms. The United States does not view the countries in the South Caucasus and Central Asia instrumentally. Rather, we are convinced that Azerbaijan's success as a nation free and at peace at home, at peace in its region is in our long-term interest.

I would like to make three points to illustrate how we apply this overall approach to Azerbaijan in particular and what Turkish, Azerbaijani, and the U.S. strategic partnership means.

- First, by succeeding as a democracy over time and building modern national institutions, again over time, Azerbaijan can be a stronger nation and more important strategic partner
- The second point concerns the Turkish, Azerbaijan, and the U.S. energy partnership
  - Through this partnership, we hope Azerbaijan can find resources for building its state at home and peace and security in its region
- The third point includes the impact we hope Turkey, Azerbaijan, and the U.S. strategic cooperation will have on the region that stretches from the Black Sea to China

Azerbaijan's Democracy and Nationhood

Let us acknowledge and applaud what Azerbaijan has achieved since regaining its independence in 1991. It managed the immediate post-Soviet transition successfully. It stabilized itself and developed cooperative relations with Russia. Today, it is helping Iraqis and Afghans retain their freedom, in partnership with the United States.

Nagorno-Karabakh remains an unresolved and dangerous problem. But even given this, we should affirm that President Heydar Aliyev achieved a great deal in successfully creating a viable and sovereign state. The question now is what kind of state Azerbaijan will become. And the that question is not yet answered.

Will Azerbaijan continue a successful path of national development? It can do so only if it creates 21st century institutions essential for a modern state. These include:

- Independent legislature
- Independent banking system
- Impartial judiciary free of political control
- Independent, functioning markets
- Independent media

This is the challenge of President Ilham Aliyev. Notice the operative word: independent. Checks and balances are necessary if a government is going to the correct course. And checks and balances only exist when institutions act without fear of retribution.

Freedom in this sense is not a luxury that one looks to achieve as an afterthought. Democracy is not simply the holding of elections. The 21st century faces many challenges terrorism and ideological radicalization, the proliferation of unconventional weapons, and weak and corrupt governance among them. The response to these problems will be found through the rule of law, through governments that rule justly and accountably, through free markets and the institutions that keep them honest. And Azerbaijan's achievements in this context are mixed. The opposition has been marginalized, and while I know there are outstanding individuals in parliament one with us today, the legislature needs to play its role in governing the country and not be simply a transition belt for the government. Courts, too, need to function as courts.

More importantly, we are deeply disturbed by the continued and recently growing pressure on media, including the arrests of journalists. I was dismayed to learn of the arrest of a Radio Free Europe/Radio Liberty (RFE/RL) correspondent Nasibov, in Azerbaijan late last week under charges of "criminal libel." I understand that the Nakhichivan prosecutor has dropped the most severe charges. If true, I welcome it. But I also understand that Mr. Nasibov has been given a years probation for what appears to be no more than him doing his job. Moreover, this latest arrest follows a disturbing pattern of pressure on independent journalists. I regret to say that we appear to be witnessing a deterioration of media freedom in Azerbaijan. This is not good news for Azerbaijan or our relations.

We all witnessed the difficulties Georgia encountered when it closed a major television station. Our message to our Georgian friends was the same as my message to you: if the media are not free, neither is the nation. Strong countries have free media. The media has a responsibility to maintain professional standards, but arrests are not the way to improve media. These blunt words may not meet with an enthusiastic reaction from some here. They are not intended to elicit one. But let me add that America is far from perfect, and we do not hold ourselves above criticism. Nor does Azerbaijan need to look to the U.S. as the sole available democratic model. There are other examples.

Turkey is itself deepening its democracy and gradually developing the practices and institutions of secular democracy with a Muslim-majority population. Turkish democracy has faced setbacks in the past and faced a test this past spring and summer, but there is no doubt that the main trend in Turkey over the past generation has been profoundly democratic, and this year Turkish democracy demonstrated its strength through the last elections that provided a fair chance for the nation's will to make itself known and respected.

Azerbaijan could follow Turkey's example, even as Turkey conducts its own debates about improving journalistic freedoms and eliminating taboos that have no place in a confident, modern nation. Again, strong nations do not arrest their journalists and silence their critics. Azerbaijan might consider that U.S.-Turkish relations are based on shared values as much as shared interests.

By succeeding as a secular democracy, Azerbaijan can similarly elevate its strategic importance, as Turkey has done. This process, to be realistic, takes time. If Azerbaijan over time opens itself up, deepens its institutions, opens its economy, the rest of its democracy will follow and its independence and sovereignty will have stronger foundations, as will our partnership.

Energy Partnership

The longer term impact of energy development will also be a factor in Azerbaijan's success in developing independent institutions. Azerbaijan needs to make its oil and gas deposits become a blessing and national asset, and not a source of fast wealth and long-term instability. We all know of petro-dictatorships abound in the world. Theories why also abound, and they usually revolve around how oil and gas revenues free leaders from checks and balances. Sudden wealth unchecked by strong, honest institutions to handle it can fatten a small group of well-placed leaders rather than strengthen a nation. In such cases, massive amounts of petro-money lead to corruption, misgovernance, economic distortions and, ultimately, political and social instability.

The answer lies in transparent institutions and open markets, independent of monopolies and the distortions they bring. Azerbaijan has taken some of the right steps already. In 1994, President Haydar Aliyev made a bold decision to open Azerbaijan's energy sector in the Caspian Sea to international investors. This opening, coupled with the Baku-Supsa and Baku-Tbilisi-Ceyhan oil pipelines and the Baku-Tbilisi-Erzurum gas pipeline, aimed to cement Azerbaijan's place in Europe, in close cooperation with Turkey and the United States.

This vision was then shared and amplified by then-President Demirel of Turkey. Working with Azerbaijani President Aliyev, Azebaijani Energy Minister Natiq Aliyev, Azerbaijani Vice Speaker Aleskherov, and Turkish Energy Minister Guler, these plans have gone forward to establish a new generation of energy infrastructure in a Southern Corridor that will help Europe diversify its energy supplies by relying on Azerbaijani, and Caspian energy more generally, eventually delivered via Turkey. It is hardly surprising that all these men are either here or are addressing this conference via video. I also want to note the success of the State Oil Fund of Azerbaijan as a success. The establishment and functioning of this fund show that Azerbaijan leadership is aware of and addressing the pitfalls of the Oil Trap.

Azerbaijan has a strategic importance as an alternative supplier of natural gas to Europe. It is emerging as a giant producer of natural gas, in addition to the oil that fills the landmark Baku-Tbilisi-Ceyhan (BTC) pipeline. Azerbaijan's gas reserves should be sufficient to launch and perhaps complete a new generation of natural gas pipelines that will link Southern and Central Europe with the Caspian Basin via Turkey, providing several of our European Allies with a viable alternative to a monopoly transport system and a closed investment climate.

The opening of energy development and end to closed, monopolistic transport systems will tend to reduce corruption, if matched by development of institutions to see to it that energy wealth benefits the nation:

- Independent, well-regulated and un-politicized banks
- Accountability for the energy resources

United States, Turkey, and Azerbaijan Cooperation in the Region

Azerbaijan's successful development at home and support for open energy markets should go hand-in-hand. The three countries at this conference know that our tripartite relationship is a major strategic factor for the region. Turkey is an old friend and ally of ours, and we have been through many a crisis together. Our friendship transcends the state-to-state, government-to-government levels and includes individuals. I have friends at this conference, and they have a friend in me.

Let me say how pleased I am that, at long last, our cooperation against the Kurdish Workers' Party (PKK) terrorist organization is at a new phase and yielding concrete results. But aside from our interests in each other, we three can also do a lot together externally, impacting not just the South Caucasus but also the vast land that stretches on the other side of the Caspian. The title of your conference is *The Azerbaijan-Turkey-U.S. Relationship and Its Importance to Eurasia*. The three of us should do all we can to help this region expand its strategic horizons and its political and economic freedoms. Achieving this would raise our tripartite relationship to a higher strategic level.

The South Caucasus and Central Asia emerged from the Soviet Union, but have yet to find their place in the wider world. A Turkey and Azerbaijan as it goes in the right direction will lead these countries to a destination of peace and prosperity, and I agree with Ambassador Sensoy about Turkey's soft power. We want a Central Asia open to and engaged the world as a subject in its own right, not an object. In saying this, let me add that the United States does not regard itself in a zero-sum game against any other country. To be blunt and specific: Russia will be a major factor in this region; it is neither wise nor possible for the United States to pit itself against Russia as an objective of our policies. Rather, in our vision of an open region, there is room for all nations to develop relations with Central Asia and the South Caucasus, as this region finds its own way in the world in its new independence and sovereignty. We will defend and advance this vision vigorously.

One huge benefit for the region, and a huge achievement for the U.S., Azerbaijan, and Turkey partnership, is the physical and economic manifestation of the development of a Southern Corridor to Europe for natural gas. This will require the U.S., Azerbaijan, and Turkey to work together to attract gas from Turkmenistan and Kazakhstan. The result would be a far stronger basis of long-term strategic openness for the region and its connection to the west.

Our partnership can have a tremendous impact beyond the former Soviet empire. A democratic, developing, prosperous, and stable Azerbaijan will provide an example to inspire aspiring reformers in Iran, whose 17 million ethnic Azeris comprise one-quarter of Iran's population. In order for this vision, an important one, to materialize, Azerbaijan is going to need to enact the political reforms I referred to. It will also need to resolve its outstanding issue with Armenia.

The South Caucasus cannot achieve its full potential in the absence of a Nagorno-Karabakh settlement. As long as Armenia remains isolated in its region, a common vision of prosperity and freedom, and therefore stability, will not be attainable. It is time to wrap up agreement on the Basic Principles of a Nagorno-Karabakh settlement. To succeed, Azerbaijan will have to:

- Deepen its institutions as a secular democracy, something that will only elevate Azerbaijan's strategic importance

- Do all it can to ensure transparency in its energy markets

If it does make reforms in these areas, the U.S., Turkey, and Azerbaijan relationship can help shape the strategic evolution of the vast region from the Black Sea to China and to advance its sovereign and independent place in the wider world. Azerbaijan's future will be as bright as it makes it. Turkey, given its geographic position and the North Atlantic Treaty Organization (NATO) membership, is a natural gateway for Azerbaijan to the Euro-Atlantic family. Just as Turkey is deepening its democratic reforms to sustain its European Union (E.U.) accession ambitions, so must Azerbaijan advance democratic reform to bolster its ties with Euro-Atlantic institutions.

Those bright lights that caught the eyes of ancient Persians should not be allowed to die down.

Twenty-First Century Security in the Organization for Security and Cooperation in the European Region

By
David J. Kramer
Deputy Assistant Secretary of State for European and Eurasian Affairs

[The following are excerpts of the testimony presented to the Commission on Security and Cooperation in Europe, Washington, D.C., November 5, 2007.]

I will discuss key security challenges that confront the Organization for Security and Cooperation in Europe (OSCE) region. These challenges cover a range of issues related to Russia, including the Conventional Forces in Europe (CFE) Treaty and related 1999 Organization for Security and Cooperation in Europe (OSCE), Istanbul Summit commitments, our work with the North Atlantic Treaty Organization (NATO), and Russia on missile defense, and a number of other OSCE security issues.

Working with Russia: the "2+2" Talks

Let me begin with an update on recent developments affecting our dialogue with Russia on security issues. Since the meeting between Presidents Bush and Putin in Kennebunkport in July, we have had three rounds of expert-level meetings on missile defense and three on CFE issues. We have also continued to meet with Allies and partners, including Georgia and Moldova, in parallel. These exchanges provided important background for the "2+2" talks that took place October 12, 2007 between Secretaries Rice and Gates, and their Russian counterparts, Foreign Minister Lavrov and Defense Minister Serdyukov. Those talks included a strategic dialogue on a full range of security issues: missile defense, CFE, post-START arrangements, and arms transfers. Russian officials also discussed their views on the Intermediate-Range Nuclear Forces (INF) Treaty. The U.S. side came prepared to make progress and offered creative ideas on the major agenda items. I should say that the meetings were more constructive than most press reports suggested. The Secretaries plan to meet again in six months, this time in the U.S., to continue the dialogue.

Missile Defense and Russia

Secretary Fata and I were in Moscow with Secretaries Rice and Gates in October 2007. I had the opportunity to participate in the experts' meeting led by Acting Under Secretary of State Rood, along with Under Secretary of Defense Eric Edelman, and Russian Deputy Foreign Minister Sergey Kisylak two days before the arrival of our principals. This marked the third round of U.S. and Russian bilateral discussions on missile defense. Both the U.S. and Russian sides believe the talks were productive. The U.S. presented Russia with a number of ideas and proposals in order to work through our differences; the Russians expressed appreciation for our proposals. Additionally, we agreed to continue expert-level meetings to fill in some of the details and narrow our differences before the next "2+2" meetings.

One U.S. proposal discussed during our meetings is the possible development of a regional missile defense architecture that would integrate U.S. and Russian defensive assets, including radars. This would enhance our ability to monitor emerging threats from the Middle East and could also include the use of assets from NATO Allies. Secretaries Rice and Gates also proposed the idea of a phased operations approach. This idea, which is still under development, proposes that the construction of the sites in Poland and the Czech Republic would be completed, while activation of the sites, turning the switch, so to speak, would be tied to specific threat indicators. Although the U.S. and Russia would cooperate to monitor jointly the Iranian missile program, the U.S. would make decisions on

how to make our European missile defense (MD) elements operational in response to how we see the threat evolve. The assertion that Washington and Moscow would have to agree jointly whether a sufficient threat exists from a third country (such as Iran) prior to activating any U.S. European-based MD system is incorrect. There is no such agreement or understanding with Russia.

These are forward-leaning proposals, and our Russian counterparts have shown interest in them. Although the Russians have not immediately embraced these proposals, they have said both publicly and privately that they find our proposals interesting and have indicated that they would study them. We believe it is useful and important to continue this missile defense dialogue with Russia. Despite our differences, it is in our mutual interest to address ballistic missile threats together. Missile threats from the Middle East, particularly Iran, pose a threat to Russia as well as to the U.S. and our European Allies. Cooperation between the U.S. and Russia in this domain can enhance the security for both countries and all of Europe, as well as improve overall U.S. and Russian and U.S. and European relations.

The Conventional Forces in Europe Treaty and the Istanbul Commitments

Let me now turn to the CFE Treaty and the Istanbul commitments, which were a major point of discussion in Moscow, and will continue to be a major issue following the "2+2" meeting. I know that this set of issues is a major concern of the Helsinki Commission, too.

The CFE Treaty has been responsible for the verified destruction of over sixty thousand pieces of military equipment and countless on-site inspections, advancements which have changed the face of European security. Openness and transparency regarding all the major armies in Europe have replaced mistrust and lack of information. The United States and our NATO Allies continue to believe that the CFE Treaty is a cornerstone of European security.

The updated, or Adapted CFE Treaty was signed at the OSCE Summit in Istanbul in 1999 to take account of changes that had occurred in Europe since 1990, but has not yet entered into force. The U.S. and NATO Allies, as well as Russia and other CFE states, look forward to its entry into force. Russia says it wants that Treaty to enter into force right away, to replace the current Treaty, which they feel, and we agree, is outdated.

At the time the adapted treaty was signed at the 1999 OSCE Summit in Istanbul, however, Russia made a number of commitments related to withdrawal of forces and facilities in Georgia and Moldova, in accordance with the core principle of host-country consent to the stationing of foreign forces. Russia also committed to reduce its holding of Treaty-limited equipment to the levels it accepted in the adapted treaty for the CFE "flank" region. Russia has made important progress on many of those commitments, particularly in Georgia. While three of Russia's four major bases in Georgia have been closed, or are nearly closed two under a 2005 agreement dealing with Akhalkalaki and Batumi a small number of Russian personnel and supplies remain at the Gudauta base, in the separatist Abkhazia region of Georgia. We are working on a way forward with our Russian and Georgian colleagues, in consultation with Allies, which could resolve this last, remaining issue concerning Georgia.

Russian forces also remain in the Transnistrian region of Moldova, some as peacekeepers under a 1992 ceasefire agreement, and others as guards at a large storage depot, where significant amounts of Soviet-era light arms munitions remain. Moldova wants the ammunition withdrawn or destroyed, and all Russian forces, including the peacekeepers, withdrawn, and replaced by an international presence, though not necessarily a military one; in fact, a civilian force replacement is an idea we are seriously exploring. There has been no progress on Russian withdrawal from Moldova since early 2004, but we are hoping to change that.

Our challenge has revolved around Russian authorities' claims that they have fulfilled all those Istanbul commitments they consider to be related to the CFE Treaty. Russian authorities stress that they do not accept NATO's linkage between the ratification of the Adapted Treaty and the Istanbul commitments. Neither the United States nor our Allies shares that view.

All of the pledges we refer to as the Istanbul commitments were reflected in the CFE Final Act, a political document agreed by the CFE member states at the time the Adapted Treaty was signed at the Summit. There never were two classes of commitments, some related to CFE, and some not.

We are interested in preserving the CFE regime and finding a way forward. Russian authorities, including President Putin, have cited their frustration with NATO's lack of movement on ratification, combined with Allies' insistence that Russia complete the Istanbul commitments, as the reasons behind Russia's intent to suspend implementation of the current CFE Treaty. Russia has also expressed a number of other concerns about the Treaty's impact on its own security.

The United States and our Allies have responded clearly that we do not agree that those stated concerns, which relate primarily to NATO enlargement and its consequences, constitute a sufficient basis to suspend implementation of this major Treaty. We have held firmly on the issue of flanks. However, we are working to try to bridge what currently divides us. Russia's threat to suspend implementation of the current CFE Treaty is a matter of serious concern to the United States and to our NATO Allies. We have said that publicly and we have certainly conveyed that message in our bilateral meetings.

With Assistant Secretary for European and Eurasian Affairs Dan Fried in the lead, we have met with our Russian counterparts again since the "2+2" meetings in Moscow to try to find a way to keep Russia from suspending while maintaining Allies and partners' equities. We plan to hold another meeting in Europe in 2007. Working with NATO Allies, the United States has developed a set of ideas for moving forward together with Russia on parallel tracks, as a way to make progress on remaining Istanbul commitments and to move forward on ratification of Adapted CFE. If Russia is prepared to commit to move on its remaining Istanbul commitments, some NATO Allies are open to beginning the ratification process while Russia is still in the process of completing them.

Our Allies believe that this would send an important signal of NATO's continued support for CFE. I want to stress that, in developing these ideas, the United States and NATO Allies have worked hand-in-glove. We also have been consulting closely with the Georgian and Moldovan governments. I personally traveled to Chisinau after the "2+2" meeting to consult with President Voronin and his government, and separately met with Georgian Foreign Minister Bezhuashvili to elicit his views as well. Assistant Secretary Fried was just in Tbilisi for further consultations. A transparent, consultative process is key to maintaining Allied unity and effectiveness.

Indeed, we have been brainstorming with Allies, and with Moldova and Georgia, to develop creative ideas to help us move forward. Georgian officials have made clear that they consider CFE and the Istanbul commitments to have been responsible for the withdrawal of nearly all of Russia's military bases and equipment from Georgian territory. They consider this a major success and they, like we, support the Treaty and the Adapted Treaty. They recognize the difficulty of handling the Gudauta question, the facility is located in Abkhazia and Russia claims it is a support facility for its peacekeepers in the region. The Georgians have encouraged the United States to try to facilitate a resolution of this issue with Russia. And that was a major focus in our latest discussions with Russian officials two weeks ago in Berlin.

Similarly, with President Voronin and his team, I discussed ideas for moving forward on withdrawal of Russian munitions at Colbasna; demilitarization of the current Russian-dominated peacekeeping presence; and energizing the Transnistrian political settlements talks. Russia's military

withdrawal commitment is not conditioned on a Transnistrian political settlement, but the issues are unquestionably closely related. We hope that hard work and creative ideas will enable us to develop a package of steps that makes it possible for the Russian Federation to rescind its plan to suspend implementation of CFE on December 12, 2007 and creates the conditions for fulfillment of remaining Istanbul commitments and ratification of Adapted CFE by NATO Allies.

We were rather encouraged by progress we made in our Berlin meeting with Russian officials two weeks ago. We plan further discussions to try to narrow our differences this week. Should we not succeed, it will not be for lack of serious effort. If we do succeed, we can be comforted by the continued security, stability, and predictability CFE provides. Secretary Rice has three goals regarding this issue:

- To maintain a common NATO approach
- To identify ways forward to achieve fulfillment of remaining Istanbul commitments
- To establish conditions that will make it possible for Russia to continue full implementation of the current CFE Treaty

This will allow NATO Allies, including the United States, to move forward to seek ratification of the Adapted CFE Treaty.

On the issue of ratification, I should make clear that the Administration is not seeking to prejudge either the calendar for Senate action on CFE, or the outcome, though we know this Treaty has long enjoyed broad bipartisan support. We would, however, consult with the Senate about ratification if we and Russia are able to reach a deal that prevents Russia from suspending and moves the ball forward on the Istanbul commitments. Our goal is to capitalize on the range of Allies' ratification processes to send a constructive signal to Moscow that NATO stands by this Treaty.

Working with the OSCE on Additional Security Components

Now I would like to address the effectiveness of the OSCE's interrelated efforts to combat terrorism, enhance border security and monitor weapons trade in the region, issues, I know, are of interest to this Commission.

The OSCE is at the forefront of counterterrorism efforts in the region and we are encouraged by the results we have seen, both as a security multiplier and in terms of cooperation among countries from the Balkans to the Baltics. The OSCE has proven responsive and effective in coordinating with other international organizations to help train authorities in the region to implement tougher security and counterterrorism practices in areas such as law enforcement, shipping, and document issuance.

One way we are supporting the OSCE's counterterrorism efforts is by exploring ways for governments to cooperate closely with the private sector and civil society to combat terrorism. The United States and Russia worked together on the Public-Private Partnership Conference held earlier this year under OSCE auspices in Vienna. We are examining concrete proposals to follow up this successful conference, such as an experts' meeting to highlight critical infrastructure protection "best practices" in 2008. The United States and Russia are also working together on a decision within the OSCE's Forum for Security Cooperation (FSC) in support of the Global Initiative to Combat Nuclear Terrorism. We tabled this draft on October 31, 2007, and when agreed, it will provide an endorsement by all OSCE participating States for further cooperative action to combat the threat of nuclear terrorism.

In the area of border security, the OSCE plays an important role, particularly in Central Asia. The OSCE is currently examining a potential role in helping to train Afghanistan border authorities. The goal of the training would be to increase Afghan capacity to interdict narcotics and other contraband,

thus helping stem the flow of goods used to finance insurgency and terrorist operations within the country. In cooperation with the OSCE, the Government of Tajikistan has developed a set of projects, including developing a border security strategy, training border guards and improving immigration controls. Similar projects are being developed and conceptualized for other Central Asian states as well.

Confidence-and security-building measures remain a vital element in the long-term security of the OSCE region, and we continue to work with the OSCE to enhance these measures further. Last year, the U.S. sponsored a special meeting focused on energizing participating States to begin national implementation of the provisions of United Nations Security Council Resolution 1540, resulting in a Ministerial Decision that endorsed full implementation of 1540 by participating States. In doing so, the OSCE, as a regional organization, has played a key role in supporting the Resolution, and facilitating broader implementation of this key resolution aimed at preventing the spread of weapons of mass destruction. This spring, the Forum for Security Cooperation (FSC) agreed to our proposal to prepare Best Practice Guides for national implementation, and the first U.S. draft guide is under review now.

To better monitor weapons trade in recent years, the FSC has adopted Documents aimed at controlling stockpiles of Small Arms and Light Weapons (SALW), and conventional ammunition. The U.S. has provided funding for a number of SALW destruction projects in Tajikistan, and manage rocket fuel conversion in Armenia and Georgia. The U.S. also serves as Coordinator for the FSC Editorial Board charged with preparing Best Practice Guides for safeguarding SALW and Ammunition stocks.

The U.S. is committed to furthering security for the people of Europe and Eurasia. Our main goals in this area, as I have explained today, are to work constructively with Russia where we can, though we may at times, of course, have to agree to disagree; to continue to press towards entry into force of the Adapted CFE treaty and complete fulfillment of Russia's Istanbul commitments. We are also committed to ensuring the success of OSCE efforts to foster and enhance security throughout the region.

Human Trafficking in China

By
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[The following are excerpts of the speech presented to the Congressional Human Rights Caucus Briefing, Washington, D.C., October 31, 2007.]

Although Chinese law prohibits forced and compulsory labor, including by children, serious problems of forced labor exist. For this reason, the People's Republic of China (PRC), a source, transit and destination country, has sustained a Tier 2 Watch List ranking for three consecutive years. Though Chinese men and women are trafficked abroad for forced labor and sexual exploitation, the majority of trafficking in China is internal.

Early this summer reports emerged of over one thousand farmers, teenagers and children, including some who were mentally handicapped, forced to work for little or no pay in scorching brick kilns, enduring beatings and confinement in worse than prison-like conditions. This was a form of modern day slavery that shocked not only the international community, but prompted an outcry among Chinese citizens and a forceful reaction from the authorities.

In response, the Chinese government organized a joint task force to investigate and punish forced labor practices. By mid-August, the joint task force reported that it had inspected 277,000 brick kilns and other small-scale enterprises nationwide, and had rescued 1,340 workers from forced labor conditions, including 367 mentally handicapped workers and an undisclosed number of children. In connection with the crackdown, Chinese authorities arrested 147 individuals for such crimes as using child labor and physically assaulting workers, with sentences of up to five years in prison. At least four county-level government officials were charged with dereliction of duty, and at least one brick kiln foreman was sentenced to death, one trafficker sentenced to life in prison, and one brick kiln owner sentenced to nine years in prison.

The trade of women and girls for sexual exploitation is another clear trafficking challenge for the Chinese government. Although prostitution is illegal, the burgeoning illicit sex industry creates a vulnerability for sex trafficking. Women and children are trafficked into the country from North Korea, Vietnam, Burma, Mongolia, and Thailand. Chinese women are also trafficked abroad for sexual exploitation. The government's main challenges in this area include their punishment of victims, poor victim protection services, and lack of transparency in criminal law enforcement by not fully disclosing what the government is doing to enforce laws against trafficking in people.

The All-China Women's Federation (ACWF) and non-governmental organizations have a number of ongoing prevention and education projects in affected provinces. In the past five years, China has established transfer, training and recovery centers for trafficking victims in four provinces, and has assisted more than 1,000 trafficked women and children. ACWF works closely with law enforcement agencies and border officials to raise their awareness of the problem of trafficking.

In addition, the International Labor Organization (ILO) has recently begun a new project to work closely with the China Enterprise Confederation to educate entrepreneurs, owners, and managers of various enterprises that in the past have been linked to trafficking, such as hotels, karaoke bars, restaurants, bars, and massage parlors.

North Korean women crossing the border are generally most vulnerable to trafficking given their illegal status in China and their inability to return home. Conditions in the Demoncratic Peoples

Republic of Korea (DPRK) drive many North Koreans to seek a way out of the country, putting them at risk of becoming trafficking victims. The trend of North Korean women trafficked into and within China for forced marriage is well-documented by non-government organizations and international organizations. A potential factor, among others, in the trafficking of brides is the gender imbalance caused by China's one-child policy. All agree that neither the PRC nor the DPRK is doing enough to prevent or punish the practice of forced marriage. Non-government organizations and international organizations find it difficult to work independently in the PRC, so little assistance reaches this vulnerable group.

A core principle of an effective anti-trafficking strategy is the protection of victims. Unfortunately, China classifies North Korean refugees as "economic migrants" and forcibly returns them to the DPRK where, in all likelihood, they will be severely punished or even executed for escaping. The PRC stands by this policy, and has shown no resolve in treating North Korean victims in line with international agreements to which it is a signatory. China's poor transparency and the political sensitivity of the issue hamper our efforts to effectively advocate for change on this issue.

Nevertheless, China has engaged with the U.S. government and international and non-governmental organizations to work on other anti-trafficking initiatives, and has made some progress. China recently hosted a Children's Forum in Beijing, a joint project sponsored by the ILO and organized by the ACWF that brought child representatives from across the country to discuss measures to prevent vulnerable youth from being trafficked and to increase protection and prevention. They drafted a document of recommendations that were presented at the COMMIT Second Ministerial in Beijing in December 2007. COMMIT, a regional anti-trafficking initiative, has been given positive assessments from the United Nations Interagency Project on Human Trafficking (UNIAP)'s regional technical leadership. Prior to the Second Ministerial, the anti-trafficking unit of China's Ministry of Public Security is expected to release a long-awaited National Action Plan on Trafficking.

Ultimately, however, China's persistent challenges with human trafficking are intimately related to overall questions of rule of law and good governance. A vibrant and healthy democracy affords full dignity and rights for women, prostituted people, and foreign migrants. A free society recognizes the critical role of civil society cooperation with government. We have seen here at home that non-government organizations are critical in our efforts to identify victims of trafficking and ultimately to assist them. Governments must hold exploiters including recruiters, pimps, employers, and complicit officials to fullest account, most notably with harsh sentencing.

As the world takes an increasingly close look at China's human rights record, we should remember to keep issues of forced labor and sexual exploitation in mind as part of the equation.

Integrating 21st Century Development and Security Assistance

By
Center for Strategic and International Studies

[The following are excerpts of the final report of the Task Force on Non-Traditional Security Assistance, December 2007. The complete report can be viewed at the following web site: www.csis.org.]

About the Center for Strategic and International Studies

In an era of ever-changing global opportunities and challenges, the Center for Strategic and International Studies (CSIS) provides strategic insights and practical policy solutions to decision makers. CSIS conducts research and analysis and develops policy initiatives that look into the future and anticipate change.

Founded by David M. Abshire and Admiral Arleigh Burke at the height of the Cold War, CSIS was dedicated to the simple but urgent goal of finding ways for America to survive as a nation and prosper as a people. Since 1962, CSIS has grown to become one of the world's preeminent public policy institutions.

Today, CSIS is a bipartisan, nonprofit organization headquartered in Washington, D.C. More than 220 full-time staff and a large network of affiliated scholars focus their expertise on defense and security; on the world's regions and the unique challenges inherent to them; and on the issues that know no boundary in an increasingly connected world.

Former U.S. senator Sam Nunn became chairman of the CSIS Board of Trustees in 1999, and John J. Hamre has led CSIS as its president and chief executive officer since 2000.

Preface

In early 2007, CSIS launched an expert task force to examine the growing involvement of the Department of Defense (DoD) as a direct provider of non-traditional security assistance, concentrated in counterterrorism, capacity building, stabilization and reconstruction, and humanitarian relief. The Task Force set out to shed light on what drives this trend, including the new global threat environment; assess what was happening at the same time in the diplomatic and developmental realms; evaluate DoD performance in conducting its expanded missions; and consider the impact of the Pentagon's enlarged role on broader U.S. national security, foreign policy and development interests. From the outset, the Task Force sought to generate concrete, practical recommendations to Congress and the White House on reforms and legislation that will create a better and more sustainable balance between military and civilian tools.

We have been very fortunate that Representative Robert Andrews (D-NJ) of the House Armed Services Committee and Representative Mark Kirk (R-IL) of the House Subcommittee on State, Foreign Operations, and Related Programs agreed to serve as the Task Force cochairs. Both are intellectual leaders in Congress and eloquent spokesmen for a robust and balanced U.S. national security policy. We are grateful for their guidance and commitment.

In populating the Task Force, we consciously sought to bring to the table the divergent perspectives spanning the defense, diplomatic and development communities. All needed to be present for the Task Force to succeed, and for it to be different. Seldom, it seems, do all three deliberate together

on shared emerging challenges and pragmatic options for moving forward. We succeeded in achieving this essential goal. The Task Force's thirteen members are all prominent individuals, with extensive experience in the executive and legislative branches, the U.S. military, Department of Defense, Department of State (DoS), the U.S. Agency for International Development (USAID), non-governmental organizations, the private sector, and major think tanks. We thank the Task Force members for clearing their busy schedules to participate in several meetings, and for their generous intellectual input and feedback on drafts. Both the analysis and recommendations of this report reflect a strong majority consensus among the Task Force members endorsing its policy thrust and judgments, though not necessarily every finding and recommendation.

The Task Force is grateful to the project's gifted core contributors. Through their extensive personal contributions, Jim Schear of National Defense University, independent consultant Mark Wong, and Stewart Patrick of the Center for Global Development spearheaded analysis of disaster relief, counterterrorism, and post-conflict reconstruction, respectively. We wish to single out Stewart Patrick for special praise in light of the exceptional skill and care he invested in bringing the full report together.

The Task Force is indebted to Elizabeth Sullivan and Eric Ridge of CSIS, who ably managed its multiple activities and the final report's publication. Finally, we wish to thank the William and Flora Hewlett Foundation for supporting this experiment, financially and intellectually. Linda Frey and Smita Singh were active partners, at all times flexible, engaged and accessible. Their support made it possible to test whether diplomatic, development and security experts could engage successfully in a focused, constructive dialogue on the balance of approaches needed in this new era.

Executive Summary

Since the terrorist attacks of September 11, 2001, the U.S. concept and approach to global security have changed fundamentally. Weak and failing states, long neglected, have risen dramatically as a priority focus. We understand that threats to U.S. interests can emanate from within states with which the United States is not at war and that persistent poverty can be a significant contributor to those threats. There is now a strategic imperative to devise multi-decade, integrated approaches that are preventative in nature. Foundational to this preventative approach are sustainable overseas partnerships that build capacity for good governance and security, foster economic prosperity and social well-being, and more effectively promote community-level development. Accordingly, we now place a very explicit, and far higher premium, on the unity of effort of our foreign and national security policy instruments, especially defense, diplomacy, and development.

In just a few short years, the Pentagon's role as a direct provider of foreign assistance has surged. The DoD has assumed an expanding role in counterterrorism, capacity building, post-conflict operations, and humanitarian assistance. Beyond implementing traditional military-to-military programs supported by DoS funds, DoD has been granted temporary authorities by Congress to use directly appropriated funds both for prevention and post-conflict response, concentrated in conflict-ridden, non-permissive environments where civilian actors have difficulty operating or where civilian capacities are weak or absent. DoD has also provided billions of reimbursement dollars to coalition members, such as Pakistan and Jordan, outside of the formal DoS–run Economic Support Funds process.[1]

1. To date, insufficient tracking of these funds has hampered DoD's ability to justify them on the grounds of reimbursement for coalition expenses. It is also questionable whether DoD, rather than the DoS should have authority over disbursement of coalition funds. As recent events in Pakistan have highlighted, this is a significant and potentially worrisome issue area that warrants further study.

From 2002 to 2005, DoD's share of U.S. official development assistance increased from 5.6 percent to 21.7 percent. The Bush Administration has recently submitted to Congress a proposal, in the form of the Building Global Partnerships Act that would give the Pentagon with additional and permanent authorities to provide such non-traditional security assistance. Some of these authorities are used in Afghanistan and Iraq and DoD would now like to make them permanent and global. At the same time, the United States has consistently under-resourced the diplomatic and development instruments of its national power. The staffing, programs, and operational capacities of the USAID and the DoS have continued to stagnate at the very moment in history when diplomatic and development agencies should be better, not less well positioned to advance the United States' new, evolving global agenda.

The CSIS Task Force on Non-Traditional Security Assistance was constituted to identify the main drivers behind these asymmetric trends; to assess Pentagon performance in several non-traditional areas; to examine what is happening at the same time in the diplomatic and development spheres; to evaluate the implications of DoD's enlarged role for U.S. national security, foreign policy and development objectives; and to offer concrete recommendations to foster a better balanced and more sustainable division of responsibilities between the Pentagon and U.S. civilian agencies. This document summarizes the Task Force's findings and recommendations based on a series of meetings and expert consultations held between March 2007 and October 2007. It proposes policy, institutional and legislative changes for consideration by the current and future Executive Branch and Congress.

Focus of Inquiry

The Task Force focused on three areas of DoD non-traditional security assistance:

- Counterterrorism (CT) Capacity Building Assistance to help partner countries police and control their territories, so that these territories do not become havens for terrorists, criminals, and insurgents. Relevant initiatives include the Trans-Saharan Counter-Terrorism Partnership (TSCTP), East Africa Counter-Terrorism Initiative (EACTI), the Combined Joint Task Force-Horn of Africa (CJTF-HOA), and Section 1206 authority to train and equip foreign security forces for CT and stability operations.
- Post-Conflict Stabilization and Reconstruction efforts to shore up weak states, and prevent their deterioration and consolidate peace following major combat operations including the establishment of Provincial Reconstruction Teams (PRTs) as a vehicle to promote military-civilian collaboration in the field, and the creation of new funding mechanisms, notably the Commander's Emergency Response Program (CERP).
- Humanitarian Assistance in response to major natural disasters (e.g., the Indian Ocean Tsunami and the Pakistan earthquake), failed states and prolonged irregular warfare.

The Task Force also examined the newly-launched U.S. Africa Command (AFRICOM) with a view to how the military might pursue its coordination with the diplomatic and development communities most effectively to achieve success in the above three areas.

The Main Drivers Behind These Trends

The Task Force attributes DoD's growing assistance role to three main factors:

- Urgent operational requirements of the Global War on Terrorism, including building up the capacities of partners and responding quickly and flexibly to emerging opportunities.
- The relative incapacity of USG civilian agencies. In both diplomatic and development spheres, underinvestment in personnel and programs, and institutional culture limit the

ability of these civilian agencies to maintain, mobilize and rapidly deploy sufficient resources and numbers of skilled personnel for state-building, particularly in conflict zones.

- A mismatch between authorities and resources within the Executive Branch, whereby DoS has legal authorities but very limited resources while the reverse is true for DoD. This disconnect skews incentives in favor of an ever-higher operational reliance upon DoD and the extension of DoD's authorities to compensate for weak civilian performance.

Key Questions and Policy Dilemmas

These recent trends pose formidable policy dilemmas. In charting a way forward, the Executive Branch and Congress need answers to the following questions:

- Are recent trends exceptional or are they part of a long-term trajectory of ever greater reliance upon DoD to provide non-traditional assistance? U.S. national interests will continue to require effective development assistance, including in support of defense and diplomatic objectives as well as for traditional poverty reduction goals. Absent a concerted major effort to ensure significant improvements in diplomatic and developmental capacities, the Task Force believes DoD will inexorably shoulder an increasing share of the burden in building the capacities of weak and failing states and rebuilding war-torn countries.

- Is the DoD the right agency to be playing this role? Other than in armed conflicts or similar discrete operations, it is inadvisable to yield leadership for humanitarian assistance, counterterrorism, and post-conflict reconstruction to the military. Nevertheless, there is an ongoing need for effective military contributions to overall U.S. security assistance, and the operational exigencies of semi and non-permissive environments at times necessitate military leadership in these areas.

- What impact do recent trends have on U.S. foreign policy? DoD non-traditional security assistance can be indispensable in responding to urgent U.S. security challenges and strategic needs. At the same time, care must be taken to avoid undermining DoS leadership in international affairs, and indeed to strengthen it. Similarly, DoD programs must bolster broader U.S. foreign policy objectives to achieve enduring stability, economic prosperity, and community development. Smart, agile concurrence procedures can help better align DoD aid programs with the broader U.S. foreign policy agenda.

- What impact do recent trends have on U.S. development objectives? The short-term security imperatives of winning hearts and minds will sometimes trump longer-term development considerations in the design and delivery of DoD assistance, particularly in situations of active insurgency. As a rule, however, DoD aid programs should be nested within broader U.S. efforts to build effective, accountable, and sustainable local institutions. The Pentagon whenever possible should defer to indeed be active advocates of civilian agencies, international organizations and non-governmental organizations in the design and implementation of development and humanitarian projects.

- What balance should the United States seek between DoD and civilian capabilities? The Bush administration and its successor should work with Congress to build more robust capacities within U.S. civilian agencies to help meet public security, good

governance, and development challenges in unstable and post-conflict countries, and to reduce reliance on DoD for these tasks. A high priority should be augmenting and building up the capacities of civilian agencies. Not only will this allow stand-alone civilian capacity, it will also create the necessary civilian capacity to liaise with and integrate into defense organizations. In the interim, the authorities granted DoD to build the capacities of partner countries should largely remain temporary and limited to named contingency operations, rather than be made global and permanent as the Bush administration has requested.

- How realistic is it to expect that robust civilian capacities will actually emerge and be funded? A business-as-usual approach to these pressing issues is simply unacceptable and antithetical to U.S. long-term national interests. Meeting the security challenges of the twenty-first century requires the United States to marshal the full range of instruments of national power and influence. Creating a whole-of-government approach and requiring the Executive Branch to explain how its budgets support a unified national security and foreign aid strategy will substantially improve the nation's ability to address the structural roots of poor governance, instability, and extremism in the developing world.

Key Findings and Recommendations - The Big Picture

The United States stands at a crossroads in defining the contours of its national security policy. Despite rhetorical emphasis on the challenges of weak, failing and post-conflict states, and the need to build up civilian capacities for transformational diplomacy, there is continued neglect of critical non-military components of national power and influence. The DoD's growing provision of non-traditional security assistance and the Pentagon's request to expand and make some new assistance authorities permanent–reflect an understandable effort to work around this asymmetry to respond to urgent contingencies. The Pentagon's entry into new forms of security assistance does bring distinct short-term benefits in insecure environments, particularly in countries deemed critical to winning the Global War on Terrorism, where DoD conducts diverse missions such as helping improve the effectiveness of security forces, restoring systems of governance, and providing essential services.

By defaulting to reliance on the military, however, the U.S. aggravates existing institutional imbalances. The authority, responsibilities, and resources of the U.S. military continue to grow as U.S. civilian diplomatic and developmental capacities further erode. Moreover, recent trends risk over-extending the already stretched U.S. armed forces. Although there are compelling reasons to give DoD flexibility to provide foreign assistance in specific, circumscribed crisis situations, granting more permanent, global authorities does not address the larger structural problems and must be handled carefully to avoid undermining both sustainable capacity building and broader U.S. foreign policy interests.

To advance U.S. national interests into the future, it will be critical to re-balance the military and non-military components of U.S. global engagement. This will entail systematically correcting the imbalance between civilian and military resources and authorities. Equally important, it requires building up relevant civilian expertise within DoS and USAID, so that they are in a position to deliver stability-creating assistance in difficult environments.[2]

The Task Force acknowledges the many shortcomings in the outdated *Foreign Assistance Act of 1961* (FAA). Although many Task Force members believed the FAA and its implementation

2. Restoring USAID's once-vaunted technical expertise would be a good place to start. Notwithstanding specialized units like the Office of Transition Initiatives (OIT), USAID has only modest standing, deployable technical expertise. There is only one person within USAID, for example, engaged full time in the security sector reform (SSR).

procedures require revision, the Task Force chose to focus its efforts on identifying smart, actionable steps that can attract broad bipartisan support and bring quick results. This more narrow focus also recognized that other recent reports have attended to the need for fundamental changes in the FAA, which many on the Task Force endorse.[3]

To unify the U.S. government's approach to national security, the Task Force recommends, first, the Executive Branch provide increased budget transparency to Congress in the form of an integrated resource picture for U.S. foreign, national, and homeland security policy. Wholesale revision of the existing congressional authorization and appropriations structure would require bold leadership and near unanimous support in Congress–conditions that will not be obtained in the near term. Nevertheless, the Office of Management and Budget (OMB) and the National Security Council (NSC) should be required to document more systematically how the foreign assistance streams for USAID, DoS, DoD and other relevant U.S. agencies fit together. Such transparency would help provide an accurate portrait to Congress of what the U.S. is actually spending across agencies to meet its most pressing national security challenges, as well as facilitate the creation of benchmarks to assess progress in meeting these objectives through various instruments of national power.

Second, Congress should take steps to ensure more effective and comprehensive oversight over foreign and security assistance programs across existing committee jurisdictions. One potential solution would be the creation of a Select Committee on U.S. National Security in both the Senate and the House, comprised of bipartisan leadership from all relevant communities. Simply improving coordination processes across committees could also bear fruit.

Third, both Congress and the Executive Branch need to elevate the priority attached to development, placing it on an equal footing with defense and diplomacy in U.S. foreign and national security policy. To this end, the Task Force calls for a significant increase in U.S. official development assistance (ODA), and for better integration of the multiple streams of development aid.

What are the critical next steps to create a new balance between the civilian and military domains? To improve the performance of civilian agencies in conflict prevention and post-conflict response, the Task Force recommends the next administration appoint an NSC Senior Director for Conflict Prevention and Response to serve as a locus of interagency coordination on these issues in the White House, in close concert with OMB. The Senior Director should also occupy the contingency planning role envisioned in Presidential Decision Directive 56 (PDD-56), *Managing Complex Contingency Operations*. At the same time, the State Department Office of the Coordinator for Reconstruction and Stabilization (S/CRS) should be empowered with a larger multi-year funding stream, so that it may lead contingency planning for the DoS and USAID. The DoS should create and Congress provide budget support for the standing Civilian Reserve Corps proposed by President Bush in his January 2007 State of the Union address. Congress and the White House should also expand the expeditionary capabilities of civilian agencies, particularly within the U.S. Agency for International Development.

Counterterrorism Capacity Building

The Task Force welcomes DoD's commitment to building the capacities of vulnerable developing countries to secure their borders and territories and to mitigate the underlying sources of support for terrorism. A review of regional CT programs in Africa suggests that unity of effort remains elusive at the strategic, organizational, and resource levels. There is a lack of coherent strategic vision and authoritative plans to guide identification of critical U.S. government CT capabilities, to rationalize resources across agency boundaries, and to integrate activities in target countries. At the organizational level, there is a persistent structural misalignment between regionally-based COCOMs

3. See, for example, Security by Other Means: Foreign Assistance, Global Poverty, and American Leadership, ed. Lael Brainard, Brookings Institution, 2006 p. 1-361.

and DoS country-based approaches, complicating the use of either instrument as an interagency platform. Finally, at the resource level, a failure to invest in the civilian CT capabilities required to improve governance and the rule of law, promote economic and social development, and advance public education, results in an overreliance on military instruments in the GWOT. To promote a more integrated U.S. approach to counterterrorism, the Task Force endorses stronger DoS and DoD joint strategic planning and coordination at the regional level and recommends that DoD, DoS and USAID present relevant congressional committees with a joint CT security assistance budget, part of the more comprehensive effort requiring increased Executive Branch budget rationalization and transparency. To overcome organizational obstacles to unity of effort, the Task Force calls for more robust cross-staffing at COCOMs, the DoS, and USAID; the creation of interagency CT task forces in U.S. embassies; and additional funding and professional incentives for cross-agency counterterrorism training and exercises. To redress funding gaps, the Task Force recommends interagency formulation of country-specific assistance strategies, the establishment of flexible CT accounts for use by U.S. ambassadors, and increased funding for USAID's Office of Transition Initiatives.

The issue of 1206 funding authority was the most contentious facing the Task Force. Some members questioned DOD's competence in conducting non-military security training (as proposed by the administration) and worried about the potential militarization of U.S. foreign assistance. They argued that Section 1206 authority should be repealed and more emphasis placed on reforming the FAA to provide more flexible tools to the DoS for such training purposes. Other members disagreed, arguing that Section 1206 represents exactly the kind of innovative and agile mechanisms required to conduct the Global War on Terrorism. They also noted the historical inability of other agencies to operate in non-permissive environments. These members generally supported the Bush administration's request to make 1206 authorities permanent and global, to allow DoD training of non-military counterterrorism elements under the provision, and to create a higher resource ceiling for the program.

The Task Force ultimately concluded that Section 1206 does provide a valuable, flexible instrument to meet unanticipated contingencies and opportunities in the struggle against terrorism. The use of such funds, however, has wider foreign policy implications. Accordingly, 1206 authority should be restricted to time-sensitive, emerging threats, require robust DoS concurrence and joint formulation of projects, and be subject to close Congressional oversight. To maximize the effectiveness of the 1206 authority, which currently requires annual reauthorization, Congress should extend 1206 authority over five years to foster program stability (rather than making it permanent and global) and allow DoD to carry over unspent funds across fiscal years. It should also permit DoD to use such monies in combat zones or other insecure environments to work with non-military internal security forces that typically fall under the Ministry of the Interior (such as constabulary, border police, counterterrorism forces, and coast guards), subject to explicit agreement from the Secretary of State and intense legislative oversight. Over time, Section 1206 authority should be phased out, replaced by a substantial, flexible cross-government contingency fund (notionally within foreign military financing (FMF)) to support current 1206 activities.

Post-Conflict Operations

The Task Force welcomes DoD's adoption of security, stabilization, transition and reconstruction (SSTR) operations as a core mission of the U.S. military and its acknowledgement of the need to devote resources and personnel to this undertaking. Anecdotal evidence suggests that Provincial Reconstruction Teams and the Commander's Emergency Response Program can be helpful in delivering assistance rapidly in war-torn settings. At the same time, both initiatives have serious shortcomings and almost no documentation. PRT effectiveness has sometimes been hampered by ambiguous mandates, the absence of interagency doctrine, the lack of metrics for success, inadequate baseline assessments and strategic planning, insufficient civilian agency personnel and resources,

minimal pre-deployment training and uneven coordination with other agencies notably USAID. To correct these shortcomings, the National Security Council should initiate a government-wide process to clarify PRT mandate and doctrine, including agency roles; DoD and its civilian partners should commit to joint planning, assessments, and training and commence more robust monitoring and evaluation of PRT impacts; and USAID should streamline processes for delivering assistance in post-conflict settings.

The Task Force likewise recognizes that CERP has the potential to be an agile, short-term national security instrument to leverage support of local leaders and populations. There should be continued use of CERP in Iraq and Afghanistan. Further, CERP should be made global, but limited to named operations, and, like Section 1206, be authorized over five years to foster program stability and to allow DoD to carry over unspent funds across fiscal years. CERP also has several potential weaknesses that should be corrected without undermining its fundamental flexibility. These include balancing the highly decentralized nature of the program, which is essential to success, with the need to make CERP less vulnerable to waste and abuse; developing CERP doctrine to make CERP less dependent on the judgment of individual commanders; increasing coordination and inputs on CERP uses from governance and development professionals within DoS, USAID, and other agencies; and conducting a comprehensive assessment of the uses and impacts of CERP for security, political stability, and economic recovery. To promote more effective and accountable use of CERP funds, without compromising their operational agility and flexibility, DoD should compile lessons learned and institutionalize training for field commanders in use of CERP; DoD should develop stronger financial controls and improved approval processes and promote standing arrangements (memoranda of understanding (MOUs) between COCOMs and Chiefs of Mission (CoMs) on the use of such funds; and DoS and USAID personnel should be deployed to brigade or battalion level, as the embedded PRT (ePRT) concept currently provides.

Humanitarian Assistance

The Task Force finds that U.S. civil-military procedures for coordinating humanitarian assistance work reasonably well during both forced entry international operations and major natural disasters (such as Hurricane Mitch or the Indian Ocean tsunami). Such coordination becomes more problematic and controversial in contingencies involving chronic rather than immediate human needs, as in protracted complex emergencies, stability operations, and situations of irregular warfare. Among other shortcomings, military and civilian collaboration is often complicated by: conflicting or contradictory signals of what is expected of DoD in the provision of humanitarian relief; uneven synchronization of needs assessments and joint humanitarian assistance planning by USAID and DoD; the breakdown of information sharing in non-permissive settings; lack of timely USAID input on quick impact projects; and shrinking humanitarian space non-government organizations aid providers in non-permissive environments.

The Task Force proposes several reforms to strengthen civilian and military performance in humanitarian operations. These include drafting a new National Security Presidential Directive (NSPD) on interagency support for humanitarian assistance; supporting full USAID staffing of Senior Development Advisor positions (SDAs) at COCOMs, including individuals with expertise in emergency relief; ensuring timely USAID review of all DoD humanitarian assistance projects; increasing USAID Foreign Disaster Assistance (OFDA) funds available for immediate disaster needs; keeping humanitarian-related information collected by the U.S. military in unclassified channels to the extent feasible; and continuing a regular dialogue with humanitarian non-government organizations on their needs in non-permissive environments. With regard to DoD's Overseas Humanitarian Disaster and Civic Aid (OHDACA) account, there should be expanded use of such funds for stabilization missions only where the Chief of Mission and COCOM jointly determine such efforts are in U.S.

national security interests and there is insufficient civilian capacity. Such a change would require action by congress.

African Command

An effective U.S. approach to Africa will marry the best elements of development, diplomacy, and defense. It will take full account of the U.S. complex, rising stakes in Africa: comprised of humanitarian interests; poverty alleviation; good governance and human rights; energy security; resolution of chronic wars and internal conflicts, concentrated in weak or failing states; counterterrorism; and rising trade and investment competition with China and other Asian powers. The newly launched U.S. Africa Command, AFRICOM, is a DoD platform that for the first time seeks to unify U.S. military assistance programs for the region under a single roof. Its new leadership has also been eager, acting in parallel with the experimental approach of the SOUTHCOM and elsewhere, to seek new means to integrate civilian agencies into its work in non-traditional ways. If successful, AFRICOM will bring greater unity and cost-effectiveness to U.S. security programs and begin soon to demonstrate concrete results. There is much more that the U.S. can contribute to building African peacekeeping capacities, and strengthening control by African partner states of borders, ports, weakly governed remote territory and rich maritime environs. Much more can be done through expanded military-to-military partnerships to strengthen democratic norms, respect for human rights, effective planning and civilian oversight within Africa's security sector, and public health programs, especially with respect to HIV/AIDS. But to be successful, AFRICOM's mandate and mission will need also to be conspicuously embedded in (and subordinate to) a broader, U.S. government-wide effort, led by the DoS, to set and oversee U.S. foreign policy towards Africa. It will need to operate as a complement to USAID, and not a rival or threat.

AFRICOM has been launched amid controversy. The U.S. has been actively engaged in support of Ethiopian military interventions inside Somalia, on counter-terrorism grounds. The creation of a unified U.S. military approach, with the possibility of a significant headquarters' presence on the continent, has stirred considerable opposition in Africa and elsewhere, and made more conspicuous the chronic weakness of U.S. diplomatic capacities in Africa. Until the U.S. enhances the quality and strength of its diplomatic corps in Africa, its policy approach will not be balanced and effective, and a unified AFRICOM will continue to appear threatening.

AFRICOM's success will also depend on the Pentagon's ability to address several outstanding challenges in its delicate first year. Any decision for basing AFRICOM's headquarters in Africa should follow from U.S. strategic objectives in the region. The DoD will need to clarify the new Command's mandate and concept of operations, as well as its relationship to civilian U.S. departments, the National Security Council, and U.S. missions in host countries. Proposed Regional Integration Teams (RITs) need far better explanation, and interagency consensus, if they are to become reality. For all of these reasons, basing decisions should either be postponed to a much later point or suspended altogether.

In a similar vein, AFRICOM's leadership will need to explain more persuasively the value of the new Command for African countries and populations, while better managing expectations about what it can accomplish in the near-term. AFRICOM will need quickly to bolster the relevant regional expertise of its military staff and persuade civilian agencies to commit adequate numbers of personnel to the Command's headquarters. In its dialogue with Congress, the Pentagon will need to ensure an adequate funding base to meet AFRICOM's requirements and convey to African partners that the U.S. is indeed serious about expanding its security partnerships in Africa. Finally, the Command must find the right balance between long-term preventive action and short-term crisis response in U.S. engagement on the continent.

Conventional Arms Transfers to Developing Nations, 1999-2006

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[The following are excerpts of the Conventional Arms Transfers to Developing Nations, 1999-2006, the complete report including all supporting charts and graphics are available at the following web site: http://openers.com/document/RL34187/2007-09-26%2000:00:00.]

Introduction and Overview

This report provides Congress with official, unclassified, background data from U.S. government sources on transfers of conventional arms to developing nations by major suppliers for the period 1999 through 2006. It also includes some data on worldwide supplier transactions. It updates and revises the Congressional Research Service (CRS) Report RL33696, *Conventional Arms Transfers to Developing Nations, 1998-2005*.

For most of recent American history, maintaining regional stability, and ensuring the security of U.S. allies and friendly nations throughout the world, have been important elements of U.S. foreign policy. Knowing the degree to which individual arms suppliers are making arms transfers to individual nations or regions provides Congress with a context for evaluating policy questions it may confront. Such policy questions may include, for example, whether or not to support specific U.S. arms sales to given countries or regions or to support or oppose such arms transfers by other nations.

The data in this report may also assist Congress in evaluating whether multilateral arms control arrangements or other U.S. foreign policy initiatives are being supported or undermined by the actions of arms suppliers. The principal focus of this report is the level of arms transfers by major weapons suppliers to nations in the developing world, where most of the potential for the outbreak of regional military conflicts currently exists. For decades, during the height of the Cold War, providing conventional weapons to friendly states was an instrument of foreign policy utilized by the U.S. and its allies. This was equally true for the Soviet Union and its allies. The underlying rationale for U.S. arms transfer policy then was to help ensure that friendly states were not placed at risk through a military disadvantage created by arms transfers by the Soviet Union or its allies.

The data in this report illustrate how global patterns of conventional arms transfers have changed in the post-Cold War and post-Persian Gulf War years. Relationships between arms suppliers and recipients continue to evolve in response to changing political, military, and economic circumstances. Where before the principal motivation for arms sales by foreign suppliers might have been to support a foreign policy objective, today that motivation may be based as much on economic considerations as those of foreign or national security policy.

In this context, the developing world continues to be the primary focus of foreign arms sales activity by conventional weapons suppliers. During the period of this report, 1999-2006, conventional arms transfer agreements (which represent orders for future delivery) to developing nations comprised 66.4 percent of the value of all international arms transfer agreements. The portion of agreements with developing countries constituted 65.7 percent of all agreements globally from 2003-2006. In 2006, arms transfer agreements with developing countries accounted for 71.5 percent of the value of all such agreements globally. Deliveries of conventional arms to developing nations, from 2003-2006, constituted 73.3 percent of all international arms deliveries. In 2006, arms deliveries to developing nations constituted 73.6 percent of the value of all such arms deliveries worldwide. The data in this

new report supersede all data published in previous editions. Since these new data for 1999-2006 reflect potentially significant updates to and revisions in the underlying databases utilized for this report, only the data in this most recent edition should be used. The data are expressed in U.S. dollars for the calendar years indicated, and adjusted for inflation. U.S. commercially licensed arms export delivery values are excluded. Also excluded are arms transfers by any supplier to subnational groups.

Calendar Year Data Used

All arms transfer and arms delivery data in this report are for the *calendar* year or *calendar* year period given. This applies to U.S. and foreign data alike. United States government departments and agencies publish data on U.S. arms transfers and deliveries but generally use the U.S. fiscal year as the computational time period for these data. As a consequence, there are likely to be distinct differences noted in those published totals using a fiscal year basis and those provided in this report which use a calendar year basis.

Arms Transfer Values

The values of arms transfer agreements (or deliveries) in this report refer to the total values of conventional arms orders (or deliveries as the case may be) which include all categories of weapons and ammunition, military spare parts, military construction, military assistance and training programs, and all associated services.

Definition of Developing Nations and Regions

As used in this report, the developing nations category includes all countries *except* the United States, Russia, European nations, Canada, Japan, Australia, and New Zealand. A listing of countries located in the regions defined for the purpose of this analysis Asia, Near East, Latin America, and Africa is provided at the end of the report.

Constant 2006 Dollars

Throughout this report values of arms transfer agreements and values of arms deliveries for all suppliers are expressed in U.S. dollars. Values for any given year generally reflect the exchange rates that prevailed during that specific year. The report converts these dollar amounts (current dollars) into constant 2006 dollars. Although this helps to eliminate the distorting effects of U.S. inflation to permit a more accurate comparison of various dollar levels over time, the effects of fluctuating exchange rates are not neutralized. The exceptions to this rule are all regional data tables that are composed of four-year aggregate dollar totals (1999-2002 and 2003-2006). These tables are expressed in current dollar terms. And where tables rank leading arms suppliers to developing nations or leading developing nation recipients using four-year aggregate dollar totals, these values are expressed in current dollars.

Major Findings
General Trends in Arms Transfers Worldwide

The value of all arms transfer agreements worldwide (to both developed and developing nations) in 2006 was $40.3 billion. This was a decrease in arms agreements values over 2005, a decline of nearly 13 percent.

In 2006, the U.S. led in arms transfer agreements worldwide, making agreements valued at $16.9 billion (41.9 percent of all such agreements) up from $13.5 billion in 2005. Russia ranked second with $8.7 billion in agreements (21.6 percent of these agreements globally) up from $7.5 billion in 2005. The United Kingdom ranked third, its arms transfer agreements worldwide standing at $3.1 billion in 2006, up from $2.9 billion in 2005. The United States, Russia, and the United Kingdom

collectively made agreements in 2006 valued at $28.7 billion, 71.2 percent of all international arms transfer agreements made by all suppliers.

For the period 2003-2006, the total value of all international arms transfer agreements ($160 billion) was higher than the worldwide value during 1999-2002 ($156.7 billion), an increase of 2.1 percent. During the period 1999-2002, developing world nations accounted for 67.1 percent of the value of all arms transfer agreements made worldwide. During 2003-2006, developing world nations accounted for 65.7 percent of all arms transfer agreements made globally. In 2006, developing nations accounted for 71.5 percent of all arms transfer agreements made worldwide

In 2006, the United States ranked first in the value of all arms deliveries worldwide, making $14 billion in such deliveries or 51.9 percent. This is the eighth year in a row that the U.S. has led in global arms deliveries. Russia ranked second in worldwide arms deliveries in 2006, making $5.8 billion in such deliveries. The United Kingdom ranked third in 2006, making $3.3 billion in such deliveries. These top three suppliers of arms in 2006 collectively delivered nearly $23.1 billion, 85.6 percent of all arms delivered worldwide by all suppliers in that year.

The value of all international arms deliveries in 2006 was $27 billion. This is a increase in the total value of arms deliveries from the previous year (a rise from $26.2 billion), but still the second lowest deliveries total for the 1999-2006 period. Moreover, the total value of such arms deliveries worldwide in 2003-2006 ($120.7 billion) was substantially lower in the value of arms deliveries by all suppliers worldwide from 1999-2002 ($144.8 billion, a decline of over $24 billion).

Developing nations from 2003-2006 accounted for 73.3 percent of the value of all international arms deliveries. In the earlier period, 1999-2002, developing nations accounted for 71.7 percent of the value of all arms deliveries worldwide. In 2006, developing nations collectively accounted for 73.6 percent of the value of all international arms deliveries.

Worldwide weapons orders declined in 2006. The total of $40.3 billion, fell from $46.3 billion in 2005, a decline of nearly 13 percent. Global arms agreement values for the years other than 2006 ranged from $46.3 billion in 2005 to $31.7 billion in 2003. Of the major arms orders secured in 2006 most were made by the traditional major suppliers. In some instances these orders represented significant new acquisitions by the purchasing country. In others they reflected the continuation of a longer term weapons acquisition program.

A decline in new weapons sales can also be explained, in part, by the practical need for some purchasing nations to absorb and integrate major weapons systems they have already purchased into their force structures. The need to do this may, at the same time, increase the number of arms contracts related to training and support services, even as it reduces the number of large and costly orders for new military equipment.

An intensely competitive weapons marketplace continues to lead several producing countries to focus sales efforts on prospective clients in nations and regions where individual suppliers have had competitive advantages resulting from well established military support relationships. Within Europe, arms sales to new North Atlantic Treaty Organization (NATO) member nations to support their military modernization programs have created new business for arms suppliers, while allowing these NATO states to sell some of their older generation military equipment, in refurbished form, to other less developed countries. While there are inherent limitations on these European sales due to the smaller defense budgets of many of the purchasing countries, creative seller financing options, as well as the use of co-assembly, co-production, and counter-trade agreements to offset costs to the buyers, have continued to facilitate new arms agreements. The United States and European countries or consortia seem likely to compete vigorously for prospective arms contracts within the European region in the foreseeable future. Such sales seem particularly important to European suppliers, as they can potentially compensate, in part,

for lost weapons deals elsewhere in the developing world that result from reduced demand for new weapons.

Efforts also continue among developed nations to protect important elements of their national military industrial bases by limiting arms purchases from other developed nations. Nevertheless, several key arms suppliers have placed additional emphasis on joint production of various weapons systems with other developed nations as a more effective way to preserve a domestic weapons production capability, while sharing the costs of new weapons development. The consolidation of certain sectors of the domestic defense industries of key weapons producing nations continues, in the face of intense foreign competition. At the same time, some supplying nations have chosen to manufacture items for niche weapons categories where their specialized production capabilities give them important advantages in the evolving international arms marketplace.

Some developing nations have reduced their weapons purchases in recent years primarily due to their limited financial resources to pay for such equipment. Other prospective arms purchasers in the developing world with significant financial assets have exercised caution in launching new and costly weapons procurement programs. Increases in the price of oil, while an advantage for major oil producing states in funding their arms purchases, has, simultaneously, caused economic difficulties for many oil consuming states, contributing to their decisions to defer or curtail new weapons purchases. The state of the world economy has induced a number of developing nations to choose to upgrade existing weapons systems in their inventories, while reducing their purchases of new ones. This approach may curtail sales of new weapons systems for a time, but the weapons upgrade market can be very lucrative for some arms producers, and partially mitigate the effect of losing major new sales.

Although, overall, there appear to be fewer large weapons purchases being made by developing nations in the Near East and in Asia, when contrasted with arms sales activity over a decade ago, major purchases continue to be made by a select few developing nations in these regions. These purchases have been made principally by China and India in Asia, and Saudi Arabia in the Near East. Even though these tendencies are subject to abrupt change based on the strength of either the regional or international economies, or the threat assessments of individual states, the strength of individual economies of a wide range of nations in the developing world continues to be a significant factor in the timing of many of their arms purchasing decisions.

Latin America, and, to a much lesser extent, Africa, are regions where some nations continue to express interest in modernizing important sectors of their military forces. Some large arms orders (by regional standards) have been placed by a few states in these two regions within the last decade. But in Latin America and Africa, as with most nations in the developing world, nations are constrained in their weapons purchases by their existing financial resources. So long as there is limited availability of seller-supplied credit and financing for weapons purchases, and national budgets for military purchases remain relatively low, it seems likely that major arms sales to these two regions of the developing world will remain sporadic in nature.

General Trends in Arms Transfers to Developing Nations

The value of all arms transfer *agreements* with developing nations in 2006 was nearly $28.8 billion, a decrease from the $31.8 billion total in 2005. In 2006, the value of all arms *deliveries* to developing nations ($19.9 billion) was lower than the value of 2005 deliveries (over $20.3 billion), and the lowest total for the 1999-2006 period.

Recently, from 2003-2006, the United States and Russia have dominated the arms market in the developing world. The United States ranked first for three out of four years during this period, while Russia ranked second for 3 out of 4 of these years in the value of arms transfer *agreements*. From

2003-2006, the United States made $34.1 billion in arms transfer agreements with developing nations, 32.4 percent of all such agreements. Russia, the second leading supplier during this period, made $25.8 billion in arms transfer agreements or 24.5 percent. The United Kingdom, the third leading supplier, from 2003-2006 made $10.5 billion or 10 percent of all such agreements with developing nations during these years. In the earlier period (1999-2002) the U.S. ranked first with $45.4 billion in arms transfer agreements with developing nations or 43.1 percent; Russia made $25.4 billion in arms transfer agreements during this period or 24.1 percent. France made $5.5 billion in agreements or 5.2 percent.

From 1999-2006, most arms transfers to developing nations were made by two to three major suppliers in any given year. The United States has ranked first among these suppliers for seven of the last eight years during this period, falling to third place in 2005. Russia has been a continuing strong competitor for the lead in arms transfer agreements with developing nations, ranking second every year from 1999 through 2004, and first in 2005. Despite its lack of the larger traditional client base for armaments held by the United States and the major West European suppliers, Russia's recent successes in concluding new arms orders suggests that Russia is likely to continue to be, for the short term at least, a significant leader in arms agreements with developing nations. Russia's most significant high value arms transfer agreements continue to be with China and India, Russia has had some success in concluding arms agreements with clients beyond its principal two. Russia continues to seek to expand its prospects in North Africa, the Middle East, and Southeast Asia.

Most recently Russia has increased sales efforts in Latin America, despite having essentially abandoned major arms sales efforts there following the Cold War's end. Venezuela has become a significant new arms client gained by Russia in this region. The Russian government has further stated that it has adopted more flexible payment arrangements for its prospective customers in the developing world, including a willingness in specific cases to forgive outstanding debts owed to it by a prospective client in order to secure new arms purchases. Furthermore, Russia continues its efforts to enhance the quality of its follow-on support services to make Russian products more attractive and competitive, and to assure its potential clients that it can effectively provide timely service for weapons systems it exports.

Major West European arms suppliers, such as France and the United Kingdom, have concluded large orders with developing countries over the last eight years, based on either long-term supply relationships or their having specialized weapons systems they can readily provide. Germany has been a key source of naval systems for developing nations. Despite increased competition between the U.S. and the other major arms suppliers, the U.S. appears likely to hold its position as the principal supplier to key developing world nations, especially those able to afford major new weapons. Because the United States has developed such a wide base of arms equipment clients globally it is able to conclude a notable number of agreements annually to provide upgrades, ordnance and support services for the large variety of weapons systems it has sold to its clients for decades. Thus, even when the U.S. does not conclude major new arms agreements in a given year, it can still register significant arms agreement values based on transactions in these other categories.

The wealthier developing countries continue as the focus for new arms sales by the principal supplying nations. Arms transfers to the less affluent developing nations also continue to be constrained by the scarcity of funds in their defense budgets, and the unsettled state of the international economy. The overall decline in the level of the arms agreements with developing nations that began in 2001 and continued until 2004, appears to have halted. There was a rise in arms agreements with the developing world in 2004 and again in 2005. Although there was a decline in arms agreements with the developing world in 2006, the overall level of arms agreements with such nations from 2004-2006 has been on the increase.

China, other European, and non-European suppliers, such as Sweden and Israel, appear to have increased their participation in the arms trade with the developing world in recent years, albeit at a much lower levels, and with uneven results, than those of the major suppliers. Nevertheless, these non-major arms suppliers have proven capable, on occasion, of making arms deals of consequence. Most of their annual arms transfer agreement values during 1999-2006 have been comparatively low, although larger when they are aggregated together as a group. In various cases they have been successful in selling older generation equipment, even while they procure newer weaponry to update their own military forces. These arms suppliers also are more likely to be sources of small arms and light weapons, and associated ordnance, rather than routine sellers of major military equipment. Most of these arms suppliers are not likely to consistently rank with the traditional major suppliers of advanced weaponry in the value of their arms agreements and deliveries.

United States

The total value in real terms of U.S. arms transfer agreements with developing nations rose from $6.5 billion in 2005 to $10.3 billion in 2006. The U.S. share of the value of all such agreements was 35.8 percent in 2006, up from a 20.4 percent share in 2005.

In 2006, the total value of U.S. arms transfer agreements with developing nations was attributable to a couple of major deals with clients in Asia, particularly with Pakistan, and in the Near East. A substantial number of smaller valued purchases by a wide number of traditional U.S. arms clients throughout the Near East and Asia contributed notably to the overall U.S. agreements total. The arms agreement total of the United States in 2006 illustrates the continuing U.S. advantage of having well established defense support arrangements with weapons purchasers worldwide, based upon the existing variety of U.S. weapons systems their militaries utilize. U.S. agreements with all of its clients in 2006 include not only sales of major weapons systems, but also the upgrading of systems previously provided. The U.S. totals also include agreements for a wide variety of spare parts, ammunition, ordnance, training, and support services which, in the aggregate, have significant value.

Among the larger valued arms transfer agreements the U.S. concluded in 2006 with developing nations were: with Pakistan for the purchase of 36 F-16C/D Block 50/52 fighter aircraft for $1.4 billion; a variety of missiles and bombs to be utilized on the F-16 C/D fighter aircraft for over $640 million; the purchase of Mid- Life Update Modification Kits to upgrade Pakistan's F-16A/B aircraft for $890 million for 115 M109A5 155mm Self-propelled howitzers for $52 million. Other U.S. arms agreements in 2006 were with Saudi Arabia for re-manufacturing and upgrading its AH-64A APACHE helicopters to the AH-64D model, together with associated equipment for $340 million; for 165 LINK MIDS/LVT communications terminals and associated equipment for $134 million; with the United Arab Emirates for Evolved Seasparrow Ship to Air missiles for $106 million; with Singapore for a variety of missiles, bombs and associated support for its F-15 fighter aircraft for $191 million, as well as for pilot training and support its F-16s for $104 million; and with South Korea for 58 Harpoon Block II missiles for $114 million.

Russia

The total value of Russia's arms transfer agreements with developing nations in 2006 was $8.1 billion, a increase from $7.2 billion in 2005, placing Russia second in such agreements with the developing world. Russia's share of all developing world arms transfer agreements increased, rose from 22.6 percent in 2005 to 28.1 percent in 2006.

Russian arms transfer agreement totals with developing nations have been notable during the last four years. During the 2003-2006 period, Russia ranked second among all suppliers to developing countries, making $25.8 billion in agreements (in current 2006 dollars). Russia's status as a leading supplier of arms to developing nations stems from an increasingly successful effort to overcome

the significant economic and political problems associated with the dissolution of the former Soviet Union. The traditional arms clients of the former Soviet Union were generally less wealthy developing countries valued as much for their political support in the Cold War, as for their desire for Soviet weaponry. Many of these Soviet-era client states received substantial military aid grants and significant discounts on their arms purchases. After 1991 Russia consistently placed a premium on obtaining hard currency for the weapons it sold. Faced with stiff competition from Western arms suppliers in the 1990s and the early part of this decade, Russia gradually adapted its selling practices in an effort to regain and sustain an important share of the developing world arms market.

Russian leaders, in recent years, have made significant efforts to provide more creative financing and payment options for prospective arms clients. They have also agreed to engage in counter-trade, offsets, debt-swapping, and, in key cases, to make significant licensed production agreements in order to sell its weapons. The willingness to license production has been a central element in several cases involving Russia's principal arms clients, China and India. Russia's efforts to expand its arms customer base have met with mixed results. Russia's arms sales efforts, beyond those with China and India, have been primarily focused on Southeast Asia. It has had some success in securing arms agreements with Malaysia, Vietnam and Indonesia, even though recurring financial problems of some clients in this region have hampered significant growth in Russian sales there. Most recently it has concluded major arms deals with Venezuela and with Algeria. Elsewhere in the developing world Russian military equipment is competitive because it ranges from the most basic to the highly advanced, and can be less expensive than similar arms available from other major suppliers.

Sale of military aircraft and missiles continues to be a significant portion of Russia's arms exports. Yet the absence of major new research and development efforts in this and other military equipment areas may jeopardize long-term Russian foreign arms sales prospects. While military weapons research and development (R&D) programs exist in Russia, other major arms suppliers in the West are currently well advanced in the process of developing and producing weaponry that is much more advanced than that in existing Russian R&D programs.

In spite of these potential difficulties, Russia continues to have important arms development and sales programs involving China and India, which should provide it with sustained business throughout this decade. Through agreements concluded in the mid-1990s, Russia has sold major combat fighter aircraft, and main battle tanks to India, and has provided other major weapons systems through lease or licensed production. It continues to provide support services and items for these various weapon systems. In 2006, Russia's largest arms agreement with India was for the sale of 3 Talwar-class frigates for an estimated $1.3-1.6 billion.

Sales of advanced weaponry in South Asia by Russia have been a matter of ongoing concern to the U.S., because of long-standing tensions between India and Pakistan. The acquisition of a new weapon system by India has usually led Pakistan to seek comparable weapons or those with offsetting capabilities. Keeping a potentially destabilizing arms race in this region within check is a U.S. policy objective.[1]

Russia's other key arms client in Asia has been China, especially for advanced aircraft and naval systems. Since 1996, Russia has sold China Su-27 fighter aircraft and agreed to licensed production of them. It has sold the Chinese quantities of Su-30 multi-role fighter aircraft, Sovremenny-class destroyers equipped with Sunburn anti-ship missiles, and Kilo-class Project 636 submarines. Russia

1. For detailed background see CRS Report RL33515, *Combat Aircraft Sales to South Asia: Potential Implications*, by Christopher Bolkcom, Richard F. Grimmett, and K. Alan Kronstadt; CRS Report RL32115, *Missile Proliferation and the Strategic Balance in South Asia*, by Andrew Feickert and K. Alan Kronstadt; and CRS Report RL30427, *Missile Survey: Ballistic and Cruise Missiles of Selected Foreign Countries*, by Andrew Feickert.

has also sold the Chinese a variety of other weapons systems and missiles. In 2005, Russia agreed to sell China 30 IL-76TD military transport aircraft and 8 IL-78M aerial refueling tanker aircraft for more than $1 billion. Russia also signed new arms transfer agreements with China for a number of AL-31F military aircraft engines for $1 billion, and agreed to sell jet engines for China's FC-1 fighter aircraft at a cost in excess of $250 million. Chinese arms acquisitions are apparently aimed at enhancing its military projection capabilities in Asia, and its ability to influence events throughout the region. These acquisitions continue to be monitored by U.S. policy makers. The U.S. policy interest is, among other things, ensuring that it provides appropriate military equipment to U.S. allies and friendly states in Asia to help offset any prospective threat China may pose to such nations, while keeping the U.S. military aware of any threat it may face in any confrontation with China.[2] In 2006 there were no especially large Chinese arms agreements with Russia, possibly because the Chinese military is focused on absorbing and integrating previous arms purchases from Russia into its force structure.

Among the most significant arms transfer deals Russia made in 2006, was with Algeria. This package of agreements included the sale of 28 Su-30MKA fighter aircraft, 36 Mig-29SMT fighter aircraft, 16 Yak-130 advanced training aircraft; 8 battalions of S-300 PMU-2 SAM systems, a number of Pantsir-S1 (SA-22) air defense missile systems, and a number of T-90S Main Battle Tanks. The total cost of all of these weapons and associated equipment is estimated at $7.5 billion. However, about $4.7 billion of this total is being paid through forgiveness of Algerian debt to Russia, thus lowering the overall value of the sales package.

In 2006, Russia also made substantial new arms sales to Venezuela. Venezuela has major oil reserves. It, therefore, has the means to pay for advanced, and expensive, military equipment, making it a very attractive customer for Russia. During 2006 Russia reached a significant agreement with Venezuela for the sale of a package of military aircraft. Key elements of this agreement included the sale of 24 Su-30MK2V fighter aircraft for an amount in excess of $1 billion, together with the purchase of a number of attack and transport helicopters, including Mi-17, Mi-26, and Mi-35 models, collectively costing in excess of $700. Russia also sold Venezuela a substantial number of AK-103 assault rifles, and agreed to establish a factory in Venezuela for the production of both AK-103 assault rifles and the production of 7.62mm ammunition at a cost in excess of $500 million. Venezuela's populist President, Hugo Chavez, has taken a hostile approach to relations with the United States in recent years. Thus his decision to seek advanced military equipment from Russia is a matter of U.S. concern. Chavez appears embarked on a effort to make Venezuela an important military force in Latin America. And since he has made clear that he plans to obtain additional advanced weapons systems from Russia, there is concern that such purchases could stimulate other states in the region to seek comparable weapons systems as a counterweight to Chavez's military buildup.[3]

China

In the 1980s the Iran-Iraq war provided the opportunity for China to become an important supplier of less expensive weapons to certain developing nations. During that conflict China demonstrated that it was willing to provide arms to both combatants in the war, in quantity and without conditions.

2. For detailed background see CRS Report RL30700, *China's Foreign Conventional Arms Acquisitions: Background and Analysis*, by Shirley Kan, Christopher Bolkcom, and Ronald O'Rourk; and CRS Report RL33153, *China Naval Modernization: Implications for U.S. Navy Capabilities — Background and Issues for Congress*, by Ronald O'Rourke. in the mid-1990s, Russia has sold major combat fighter aircraft, and main battle tanks to India, and has provided other major weapons systems though lease or licensed production. It continues to provide support services and items for these various weapons systems. In 2006, Russia largest arms agreement with India was for the sale of 3 Talwar-class frigates for an estimated $1.3-1.6 billion.

3. For detailed background on Chavez's policy initiatives in Venezuela, and U.S. concerns see CRS Report RL32488, *Venezuela: Political Conditions and U.S. Policy*, by Mark P. Sullivan and Nelson Olhero.

From 2003-2006, the value of China's arms transfer agreements with developing nations averaged about $1.3 billion annually, a figure skewed by a very large agreements total of $2.6 billion in 2005. During the period of this report, the value of China's arms transfer agreements with developing nations peaked in 1999 at $2.8 billion. China's sales figures that year, and in 2005, generally resulted from several smaller valued weapons deals in Asia, Africa, and the Near East, rather than one or two especially large agreements for major weapons systems. Similar arms deals with small scale purchasers in these regions are continuing. In 2006, China's arms transfer agreements total was $800 million, a figure reflecting a variety of smaller sales to a range of established customers.

Few nations with significant financial resources have sought to purchase Chinese military equipment during the eight year period of this report, because most Chinese weapons for export are less advanced and sophisticated than weaponry available from Western suppliers or Russia. China, consequently, does not appear likely to be a major supplier of conventional weapons in the international arms market in the foreseeable future. Its most likely clients are states in Asia and Africa seeking quantities of small arms and light weapons, rather than major combat systems. At the same time, China has been an important source of missiles in the developing world arms market. China supplied Silkworm anti-ship missiles to Iran. Credible reports persist in various publications that China has sold surface-to-surface missiles to Pakistan, a long-standing and important client. Iran and North Korea have also reportedly received Chinese missile technology, which has increased their capabilities to threaten other countries in their respective neighborhoods. The continued reporting of such activities by credible sources raise important questions about China's stated commitment to the restrictions on missile transfers set out in the Missile Technology Control Regime (MTCR), including its pledge not to assist others in building missiles that could deliver nuclear weapons. Since China has some military products — particularly missiles — that some developing countries would like to acquire, it can present an obstacle to efforts to stem proliferation of advanced missile systems to some areas of the developing world where political and military tensions are significant, and where some nations are seeking to develop asymmetric military capabilities.[4]

China, among others, has been a key source of a variety of small arms and light weapons transferred to African states. Although the prospects for significant revenue earnings from these arms sales are limited, China views such sales as one means of enhancing its status as an international political power, and increasing its ability to obtain access to significant natural resources, especially oil. Controlling the sales of small arms and light weapons to regions of conflict, in particular to some African nations, has been a matter of concern to the United States. The United Nations also has undertaken an examination of this issue in an effort to achieve consensus on a path to address it.[5]

Major West European Suppliers

Beyond the United States and Russia, the four major West European arms suppliers France, the United Kingdom, Germany, and Italy are the nations that can supply a wide variety of more highly sophisticated weapons to would-be purchasers. They can serve as alternative sources of armaments that the United States chooses not to supply for policy reasons. The United Kingdom sold major combat fighter aircraft to Saudi Arabia in the mid-1980s, when the U.S. chose not to sell a comparable

4. For detailed background on the MTCR and proliferation control regimes and related policy issues see CRS Report RL31559, *Proliferation Control Regimes: Background and Status*, coordinated by Sharon Squassoni, and CRS Report RL31848, *Missile Technology Control Regime (MTCR) and International Code of Conduct Against Ballistic Missile Proliferation (ICOC): Background and Issues for Congress*, by Andrew Feickert.

5. For background on China's actions and motivations for increased activities in Africa see CRS Report RL33055, *China and Sub-Saharan Africa*, by Raymond W. Copson, Kerry Dumbaugh, and Michelle Lau. For background on U.S. policy concerns regarding small arms and light weapons transfers see CRS Report RS20958, *International Small Arms and Light Weapons Transfers: U.S. Policy*, by Richard F. Grimmett.

aircraft for policy reasons. These four NATO nations have been allies of the United States especially during the Cold War. Yet in the post-Cold War era, their national defense export policies have not been fully coordinated with the United States as likely would have been the case at the Cold War's height.

These European arms supplying states, particularly France, view arms sales foremost as a matter for national decision. France has also frequently used foreign military sales as an important means for underwriting development and procurement of weapons systems for its own military forces. So the potential exists for policy differences between the United States and major West European supplying states over conventional weapons transfers to specific countries. Such a conflict resulted from an effort led by France and Germany to lift the arms embargo on arms sales to China currently adhered to by members of the European Union. The United States viewed this as a misguided effort, and vigorously opposed it. The proposal to lift the embargo was ultimately not adopted, but it proved to be a source of significant tension between the U.S. and the European Union. Thus, arms sales activities of major European suppliers continue to be of interest to U.S. policy makers, given their capability to make sales of advanced military equipment to countries of concern to U.S. national security policy.[6]

The four major West European suppliers, France, the United Kingdom, Germany, and Italy, as a group, registered a decline in their collective share of all arms transfer agreements with developing nations between 2005 and 2006. This group's share fell from 34.4 percent in 2005 to 19.1 percent in 2006. The collective value of this group's arms transfer agreements with developing nations in 2006 was $5.5 billion compared with a total of $10.9 billion in 2005. Of these four nations, the United Kingdom was the leading supplier with $3.1 billion in agreements in 2006, an increase from $2.9 billion in agreements in 2005. A substantial portion of the United Kingdom's $3.1 billion agreement total in 2006 was attributable to orders placed under the Al Yamamah military procurement arrangement with Saudi Arabia. Germany's $1.8 billion in arms agreements in 2006 resulted from an agreement with Brazil for licensed production of a Type ILK 214 submarine and the upgrading of five existing Type 209 submarines, and from an Israeli order for two Type 800 Dolphin class submarines.

The four major West European suppliers collectively held a 19.1 percent share of all arms transfer agreements with developing nations during 2006. For four years after 1999, the major West European suppliers continued to lose their relative share of arms transfer agreements. In 2004 and 2005 this decline was dramatically halted, with the 2005 market share of arms agreements with developing nations 34.4 percent being the highest share the four major West European suppliers have held since 1999. During the 2003-2006 period, they collectively held 23 percent of all arms transfer agreements with developing nations $24.2 billion. Individual suppliers within the major West European group have had notable years for arms agreements, especially France in 2000 and 2005 ($2.6 billion and $6.7 billion respectively). The United Kingdom also had large agreement years in 2004 ($4.4 billion), in 2005 ($2.9 billion), and $3.1 billion in 2006. Germany concluded arms agreements totaling nearly $2 billion in 1999, and $1.8 billion in 2006. In the case of each of these three European nations, large agreement totals in one year have usually reflected the conclusion of very large arms contracts with one or more major purchasers in that particular year.

Major West European suppliers have had their competitive position in weapons exports strengthened over the years through strong government marketing support for their foreign arms sales. As they all

6. For detailed background see CRS Report RL32870, *European Union's Arms Embargo on China: Implications and Options for U.S. Policy*, by Kristin Archick, Richard F. Grimmett, and Shirley Kan. It should be noted that members of the European Union, and others, have agreed to a common effort to attempt some degree of control on the transfer of certain weapons systems, but the principal vehicle for this cooperation — the Wassenaar Arrangement — lacks a mechanism to enforce its rules. For detailed background see CRS Report RS20517, *Military Technology and Conventional Weapons Exports Controls: The Wassenaar Arrangement*, by Richard F. Grimmett.

can produce both advanced and basic air, ground, and naval weapons systems, the four major West European suppliers have competed successfully for arms sales contracts with developing nations against both the United States, which has tended to sell to several of the same clients, and with Russia, which has sold to nations not traditional customers of either the West Europeans or the United States. However, the demand for U.S. weapons in the global arms marketplace, from a large established client base, has created a more difficult environment for individual West European suppliers to secure large new contracts with developing nations on a sustained basis.

Continuing strong demand for U.S. defense equipment as well as concern for maintaining their market share of the arms trade has led European Union (E.U.) member states to adopt a new code of conduct for defense procurement practices. This code was agreed to on November 21, 2005 at the European Defense Agency's (EA) steering board meeting. Currently voluntary, the E.U. hopes it will become mandatory, and through its mechanisms foster greater competition within the European defense equipment sector in the awarding of contracts for defense items. A larger hope is that by fostering greater intra-European cooperation and collaboration in defense contracting, and the resulting programs, that the defense industrial bases of individual E.U. states will be preserved, and the ability of European defense firms to compete for arms sales in the international arms marketplace will be substantially enhanced.

Some European arms suppliers have begun to phase out production of certain types of weapons systems. Such suppliers have increasingly engaged in joint production ventures with other key European weapons suppliers or even client countries in an effort to sustain major sectors of their individual defense industrial bases — even if a substantial portion of the weapons produced are for their own armed forces. The Eurofighter project is one example; the Eurocopter is another. Other European suppliers have also adopted the strategy of cooperating in defense production ventures with the United States such as the Joint Strike Fighter (JSF), rather than attempting to compete directly, thereby meeting their own requirements for advanced combat aircraft, while positioning themselves to share in profits resulting from future sales of this new fighter aircraft.[7]

Regional Arms Transfer Agreements

The markets for arms in regions of the developing world have traditionally been dominated by the Near East and by Asia. Nations in the Latin America and Africa regions, by contrast, have not been major purchasers of weapons, except on rare occasions. The regional arms agreement data tables in this report demonstrate this. United States policy makers have placed emphasis on helping to maintain stability throughout the regions of the developing world. Thus, the U.S. has made and supported arms sales and transfers it has believed would advance that goal, while discouraging significant sales by other suppliers to states and regions where military threats to nations in the area are minimal. Other arms suppliers do not necessarily share the U.S. perspective on what constitutes an appropriate arms sale. For in some instances the financial benefit of the sale to the supplier trumps other considerations. The regional and country specific arms transfer data in this report provide an indication of where various arms suppliers are focusing their attention, and who their principal clients are. By reviewing these data, policy makers can identify potential developments which may be of concern, and use this information to assist their review of options they may choose to consider given the circumstances. What follows below is a review of data on arms transfer agreement activities in the two regions that lead in arms acquisitions, the Near East and Asia. This is followed, in turn, by a review of data regarding the leading arms purchasers in the developing world.

7. For detailed background on issues relating to the Joint Strike Fighter program see CRS Report RL30563, *F-35 Joint Strike Fighter (JSF) Program: Background, Status, and Issues*, by Christopher Bolkcom.

Near East[8]

The principal catalyst for new weapons procurements in the Near East region in the last decade was the Persian Gulf crisis of August 1990-February 1991. This crisis, culminating in a war to expel Iraq from Kuwait, created new demands by key purchasers such as Saudi Arabia, Kuwait, the United Arab Emirates, and other members of the Gulf Cooperation Council (GCC), for a variety of advanced weapons systems. Egypt and Israel continued their modernization and increased their weapons purchases from the U.S. The Gulf states' arms purchase demands were not only a response to Iraq's aggression against Kuwait, but a reflection of concerns regarding perceived threats from a potentially hostile Iran. Since the fall of Saddam Hussein, for many, the conventional ground threat from Iraq has diminished and the perceived threat from Iran has increased. This has led the GCC states to emphasize acquisition of air and naval defense capabilities over major ground combat systems.[9]

Most recently, the position of Saudi Arabia as principal arms purchaser in the Persian Gulf region has been re-established. In the period from 1999-2002, Saudi Arabia's total arms agreements were valued at $4 billion (in current dollars), less than the levels of the U.A.E., Egypt and Israel. For the period from 2003-2006, Saudi Arabia's total arms agreements were $12.4 billion (in current dollars), making it the leading Near East purchaser once again.

The Near East has generally been the largest arms market in the developing world. However, in 1999-2002, it accounted for 36.5 percent of the total value of all developing nations arms transfer agreements ($29.7 billion in current dollars), ranking it second behind Asia which was first with 47.6 percent of these agreements. But, during 2003-2006, the Near East region accounted for 46.6 percent of all such agreements ($46.7 billion in current dollars), again placing it first in arms agreements with the developing world. The Asia region ranked second in 2003-2006 with $38.8 billion in agreements or 38.7 percent.

The United States dominated arms transfer agreements with the Near East during the 1999-2002 period with 68.4 percent of their total value ($20.3 billion in current dollars). Russia was second during these years with 8.1 percent ($2.4 billion in current dollars). Recently, from 2003-2006, the United States accounted for 48.9 percent of arms agreements with this region ($22.8 billion in current dollars), while the United Kingdom accounted for 16.5 percent of the region's agreements ($7.7 billion in current dollars). Russia accounted for 13.7 percent of the region's agreements in the most recent period ($6.4 billion in current dollars).

Asia

Efforts in several developing nations in Asia have been focused on upgrading and modernizing defense forces, and this has led to new conventional weapons sales in that region. Since the mid-1990s, Russia has become the principal supplier of advanced conventional weaponry to China — selling fighters, submarines, destroyers, and missiles, while maintaining its position as principal arms supplier to India. Russian arms sales to these two countries have been primarily responsible for the increase in Asia's overall share of the arms market in the developing world. Russia has expanded its client base in Asia, receiving aircraft orders from Malaysia, Vietnam, and Indonesia. India has also expanded its weapons supplier base, purchasing the Phalcon early warning defense system aircraft in 2004 from Israel for $1.1 billion, and numerous items from France in 2005, in particular 6 Scorpene

8. In this report the Near East region includes the following nations: Algeria, Bahrain, Egypt, Iran, Iraq, Israel, Jordan, Kuwait, Lebanon, Libya, Morocco, Oman, Qatar, Saudi Arabia, Syria, Tunisia, United Arab Emirates, and Yemen. The countries included in the other geographic regions are listed at the end of the report.

9. For detailed background see CRS Report RL31533, *The Persian Gulf States: Issues for U.S. Policy, 2006*, by Kenneth Katzman.

diesel attack submarines for $3.5 billion. A multi-billion dollar sale in 2006 by the United States to Pakistan of new F-16 fighter aircraft, weapons, and aircraft upgrades, together with Sweden's sale to it of a SAAB-2000 based AWACS airborne radar system for over a billion dollars has placed Pakistan in the forefront of recent Asian buyers. The data on regional arms transfer agreements from 1999- 2006 continue to reflect that Near East and Asian nations are the primary sources of orders for conventional weaponry in the developing world.

Asia has traditionally been the second largest developing world arms market. In 2003-2006, Asia ranked second, accounting for 38.7 percent of the total value of all arms transfer agreements with developing nations ($38.8 billion in current dollars). Yet in the earlier period, 1999-2002, the region ranked first, accounting for 47.6 percent of all such agreements ($38.8 billion in current dollars).

In the earlier period (1999-2002), Russia ranked first in the value of arms transfer agreements with Asia with 45.4 percent ($17.6 billion in current dollars). The United States ranked second with 24.4 percent ($9.5 billion in current dollars). The major West European suppliers, as a group, made 12.6 percent of this region's agreements in 1999-2002. In the later period (2003-2006), Russia ranked first in Asian agreements with 37.1 percent ($14.4 billion in current dollars), primarily due to major combat aircraft, and naval system sales to India and China. The United States ranked second with 18.6 percent ($7.2 billion in current dollars). The major West European suppliers, as a group, made 19.3 percent of this region's agreements in 2003-2006.

Leading Developing Nations Arms Purchasers

India was the leading developing world arms purchaser from 1999-2006, making arms transfer agreements totaling $22.4 billion during these years (in current dollars). In the 1999-2002 period, China ranked first in arms transfer agreements at $11 billion (in current dollars). In 2003-2006 India ranked first in arms transfer agreements, with a large increase to $14.9 billion from $7.5 billion in the earlier 1999-2002 period (in current dollars). This increase reflects the continuation of a military modernization effort by India, underway since the 1990s, based primarily on major arms agreements with Russia. The total value of all arms transfer agreements with developing nations from 1999-2006 was $188.9 billion in current dollars. Thus India alone accounted for 11.9 percent of all developing world arms transfer agreements during these eight years. In the most recent period, 2003-2006, India made $14.9 billion in arms transfer agreements (in current dollars). This total constituted 14.4 percent of all arm transfer agreements with developing nations during these four years ($100.3 billion in current dollars). China ranked second in arms transfer agreements during 2003-2006 with $12.4 billion (in current dollars), or 12.4% of the value of all developing world arms transfer agreements.

During 1999-2002, the top ten recipients collectively accounted for 69.8 percent of all developing world arms transfer agreements. During 2003-2006, the top ten recipients collectively accounted for 64.4 percent of all such agreements. Arms transfer agreements with the top ten developing world recipients, as a group, totaled $22.2 billion in 2006 or 77.1 percent of all arms transfer agreements with developing nations in that year. These percentages reflect the continued concentration of major arms purchases by developing nations among a few countries.

Pakistan ranked first among all developing world recipients in the value of arms transfer agreements in 2006, concluding $5.1 billion in such agreements. India ranked second in agreements at $3.5 billion. Saudi Arabia ranked third with $3.2 billion in agreements. Four of the top ten recipients were in the Near East region; four were in the Asian region; two were in the Latin American region.[10]

10. For countries included in the Asia region and the Latin American region see the listings of nations by regions given at the end of this report.

Saudi Arabia was the leading recipient of arms deliveries among developing world recipients in 2006, receiving $4.1 billion in such deliveries. China ranked second in arms deliveries in 2006 with $2.9 billion. Israel ranked third with $1.5 billion.

Arms deliveries to the top ten developing nation recipients, as a group, were valued at $14.3 billion, or 71.9 percent of all arms deliveries to developing nations in 2006. Six of these top ten recipients were in Asia; three were in the Near East; one was in Latin America.

Weapons Types Recently Delivered to Near East Nations

Regional weapons delivery data reflect the diverse sources of supply and type of conventional weaponry actually transferred to developing nations. Even though the United States, Russia, and the four major West European suppliers dominate in the delivery of the fourteen classes of weapons examined. It is also evident that the other European suppliers and some non-European suppliers, including China, are capable of being leading suppliers of selected types of conventional armaments to developing nations.

Weapons deliveries to the Near East, historically the largest purchasing region in the developing world, reflect the quantities and types delivered by both major and lesser suppliers. The following is an illustrative summary of weapons deliveries to this region for the period **2003-2006.**

United States

- 349 tanks and self-propelled guns
- 715 APCs and armored cars
- 2 major surface combatants
- 5 minor surface combatants
- 71 supersonic combat aircraft
- 66 helicopters
- 465 surface-to-air missiles
- 87 anti-ship missiles

Russia

- 120 APCs and armored cars
- 20 supersonic combat aircraft
- 30 helicopters
- 1,240 surface-to-air missiles

China

- 20 artillery pieces
- 50 anti-ship missiles

Major West European Suppliers

- 120 tanks and self-propelled guns
- 60 APCs and armored cars
- 4 major surface combatants
- 46 minor surface combatants
- 10 guided missile boats
- 30 supersonic combat aircraft
- 20 helicopters
- 40 anti-ship missiles

All Other European Suppliers.

- 300 tanks and self-propelled guns
- 1,250 APCs and armored cars
- 20 minor surface combatants
- 2 guided missile boats
- 10 supersonic combat aircraft
- 10 helicopters
- 320 surface-to-air missiles
- 10 anti-ship missiles

All Other Suppliers

- 640 APCs and armored cars
- 98 minor surface combatants
- 30 helicopters
- 40 surface-to-surface missiles
- 10 anti-ship missiles

Large numbers of major combat systems were delivered to the Near East region from 2003-2006, specifically, tanks and self-propelled guns, armored vehicles, major and minor surface combatants, supersonic combat aircraft, helicopters, air defense and anti-ship missiles. The United States and Russia made deliveries of supersonic combat aircraft to the region. The United States, China, and the European suppliers delivered many anti-ship missiles. The United States, Russia, and European suppliers in general were principal suppliers of tanks and self-propelled guns, APCs and armored cars, surface-to-air missiles, as well as helicopters. Three of these weapons categories — supersonic combat aircraft, helicopters, and tanks and self propelled guns — are especially costly and are a large portion of the dollar values of arms deliveries by the United States, Russia, and European suppliers to the Near East region during the 2003-2006 period.

The cost of naval combatants is also generally high, and the suppliers of such systems during this period had their delivery value totals notably increased due to these transfers. Some of the less expensive weapons systems delivered to the Near East are, nonetheless, deadly and can create important security threats within the region. In particular, from 2003-2006, the United States delivered 87 anti-ship missiles to the Near East region, China delivered 50, and the four major West European suppliers delivered 40. The United States delivered two major surface combatants and five minor surface combatants to the Near East, while the major West European suppliers collectively delivered four major surface combatants, 46 minor surface combatants and 10 guided missile boats. The non-major West European suppliers collectively delivered 10 anti-ship missiles. Other non-European suppliers collectively delivered 640 APCs and armored cars, 98 minor surface combatants, as well as 40 surface-to-surface missiles, a weapons category not delivered by any of the other major weapons suppliers during this period to any region.

United States Commercial Arms Exports

United States *commercially licensed arms deliveries* data are not included in this report. The United States is the only major arms supplier that has two distinct systems for the export of weapons: the government-to-government Foreign Military Sales (FMS) system, and the licensed commercial export system. It should be noted that data maintained on U.S. *commercial* sales agreements and deliveries are incomplete, and are not collected or revised on an on-going basis, making them significantly less precise than those for the U.S. FMS program — which accounts for the overwhelming portion of

U.S. conventional arms transfer agreements and deliveries involving weapons systems. There are no official compilations of *commercial agreement* data comparable to that for the FMS program maintained on an annual basis. Once an exporter receives from the State Department a *commercial license authorization* to sell — valid for four years — there is no current requirement that the exporter provide to the State Department, on a systematic and on-going basis, comprehensive details regarding any *sales contract* that results from the license authorization, including if any such contract is reduced in scope or cancelled. Nor is the exporter required to report that no contract with the prospective buyer resulted.

Annual *commercially licensed arms deliveries* data are obtained from shipper's export documents and completed licenses from ports of exit by the U.S. Customs and Border Protection Agency which are then provided to the U.S. Census Bureau. The Census Bureau takes these arms export data, and, following a minimal review of them, submits them to the Directorate of Defense Trade Controls in the Political-Military Bureau (PM/DDTC) of the State Department, which makes the final compilation of such data — details of which are not publicly available. Once compiled by the Directorate of Defense Trade Controls at the State Department, these *commercially licensed* arms *deliveries* data are not revised. By contrast, the U.S. Foreign Military Sales (FMS) program data, for *both* agreements and deliveries, maintained by the Defense Department, are systematically collected, reviewed for accuracy on an on-going basis, and are revised from year-to-year as needed to reflect any changes or to correct any errors in the information. This report includes all FMS deliveries data. By excluding U.S. commercial licensed arms deliveries data, the U.S. arms *delivery* totals will be understated.

Some have suggested that a systematic data collection and reporting system for commercial licensed exports, comparable to the one which exists now in the Department of Defense, should be established by the Department of State. Having current and comprehensive agreement and delivery data on commercially licensed exports would provide a more complete picture of the U.S. arms export trade, in this view, and thus facilitate Congressional oversight of this sector of U.S. exports.

PERSPECTIVES

The United States Africa Command Initiative Is Not Welcome In Africa

By
Noviosti Commentator Dina Lyakhovich

[The following is an excerpt of an article located at the following web site: Supermodel of Russia 2007: New Standards of Beauty 2007-10-09 01:31, http://www.thought-criminal.org/2007/10/08/american-africom-initiative-is-not-welcome-in-africa. This article reflects the view of the author and does not reflect the views of the Editor of the *DISAM Journal* or the United States Government. We are providing this article to the international community as an example of how other nations and news agencies may view the United States international activities.]

Moscow. (RIA Noviosti commentator Diana Lyakhovich) - American troops attract terrorists like magnet attracts metal. African and Asian countries have made this conclusion four and a half years after the Iraqi campaign began.

U.S. Africa Command (AFRICOM) started functioning as the Pentagon's newest regionally focused headquarters in Stuttgart, Germany, because Liberia was the only country to offer its territory for AFRICOM's headquarters.

President George W. Bush set the goal of establishing the command last February [2007]. AFRICOM is projected to become a fully operational unified command by October 2008, and expects its headquarters in Germany, opened on October 1, 2007, to be temporary.

The new command has extensive, even if a bit vague, tasks, such as promoting stability and civic development, improving living standards and preventing the spread of terrorism, training African servicemen and supplying weapons, and bringing medical aid to Africa.

It all sounds good and noble, but why then have the majority of African states, which hardly ever refuse humanitarian, economic and military aid, said "no" to the Americans? Washington was taken aback. The explanation is simple: African nations fear that AFRICOM and its headquarters will attract the attention of terrorists and other enemies of the United States.

Magazine Jeune Afrique wrote in September [2007] that locating AFRICOM's headquarters in Africa would create a situation similar to that in the Middle East, to which the United States brought fire and bloodshed, allegedly in a desire to spread democracy. Instead of protecting the continent from terrorism, AFRICOM will attract terrorists to Africa like a magnet attracts metal, the same as the invasion of Iraq by the Anglo-American armies attracted terrorists to Mesopotamia, the magazine writes.

There are solid reasons behind that comparison with the Middle East. The proclaimed goals of the new U.S. regional command sound very much like Washington's plans to spread democracy to the Broader Middle East. The relevant examples of that policy are Afghanistan, Iraq and Lebanon, where human suffering has not abated.

In the past, Arab countries worked jointly with European and Russian diplomats to formalize the spread of democracy in the Partnership for Progress and a Common Future with the governments and peoples of the Broader Middle East and North Africa, approved by the G8 leaders in 2004. It clearly stipulated the kinds of aid and the timeframes, with assistance to be provided only by agreement with the leaders of the given country and with due respect for its national specifics. In short, partnership is the key word here.

Nobody knows how AFRICOM would work. Given the United States' grim experience in Somalia in the early 1990s and the more recent inability of the West to stabilize the situation there or solve Sudan's Darfur problem, we can assume that the American view of African problems will differ from that of the locals.

Although the proclaimed goal of AFRICOM is to find common language with African nations, nobody can guarantee that it will do better there than it did in Iraq or Afghanistan. I am referring not only to stabilization and the spread of democracy - after all, opinions of these goals can differ - but also, and mainly, to trying to understand the locals and their requirements, to become accepted in a foreign land.

African leaders know that this will not happen. They are ready to sign partnership agreements with the United States and to cooperate with it in many spheres, from trade to security. But they are not ready to allow it into Africa, especially because they know that Washington's intentions are not as lily-white as it claims.

In fact, what the United States wants in Africa is oil, which will soon account for 25% of American oil imports. It needs to protect and guarantee future deliveries, because competition is growing in Africa at breakneck speed. Apart from traditional rivals - France and Britain - it may have to compete with Russia, which is trying to return to Africa.

But America's biggest enemy there is China, which has won quite a few African contracts in many economic sectors. Nobody can rival the rising Asian Tiger, especially because it does not wrap cooperation in fine words about democracy and human rights. This suits African leaders, who fear that AFRICOM may tie their hands.

Even if this is not so and Washington's intentions in Africa are perfectly noble, the African leaders are not convinced. The reason is the tarnished reputation of the American diplomacy and army. Washington will have to work very hard to change it in Asia and Africa.

Rolling Up Sleeves at the United States Africa Command: Tips for Starting a New Job in African Security Assistance

By
Lieutenant Colonel James Toomey, USA
Defense Institute of Security Assistance Management

On October 1, 2007, a new sub-unified command devoted solely to Africa was established with the official stand-up of the U.S. Africa Command (AFRICOM) at Kelley Barracks in Stuttgart, Germany. While the creation of a new regionally-based, major command, centered on Africa, was, in itself, a key, historic event for the Department of Defense (DoD); what may eventually prove to be more significant is the mission and design of this new command, which will be focused not so much on traditional warfighting and combat force projection, but on the prevention of military conflicts and other crises before they begin. AFRICOM intends to do this mainly with "soft power" - helping DoD to coordinate with other U.S. government agencies, while simultaneously partnering with international elements, both individual nations and international organizations to deliver security cooperation contributions to Africa, including professional education, training, equipment, and humanitarian assistance. The objective:

> To further build African capacity to prevent or respond to internal security issues and various man-made or natural disaster

As AFRICOM becomes a fully independent unified command, sometime before September 30, 2008, and continues to grow and mature into its mission, many U.S. military personnel from all of the services, and from a broad variety of backgrounds and occupational specialties within their respective services, will be melded into its structure. For many of these personnel, AFRICOM will likely be their first assignment working at the strategic, international level in security cooperation; for many more, it will likely be their first time working on issues related to Africa, often in jobs involving close working relationships with African governments/militaries.

With this in mind, I thought that it might be a good moment in time for someone to write an article for those beginning their careers in African security cooperation. The focus of this short piece is where to go quickly to get the information needed to do these jobs, to include positions as J-3 and J-5 desk officers, command logisticians, security assistance officers, defense attaches, etc. My intent is not so much to provide a comprehensive "how-to" guide for doing specific jobs or even to offer advanced, wisdom-laden advice for carrying out U.S. security policy. My goal is simply to pass on some very basic tips to novice security cooperation specialists working African issues, based on what I have learned from my own experience and education as an African foreign area officer (FAO) and what I have learned through the benevolence of others.

The first piece of advice I would give is learn about the region. Africa is truly unique in many aspects, and a far different operating environment than what many are familiar with in Europe, the Pacific, the Middle East, or even Latin America. For example, beyond the capital areas of most countries, modern infrastructure may be unavailable:

- No paved or even all-season/all-weather roads
- No hard-line telephone systems or universal cellular phone coverage
- No water or electrical delivery systems, beyond a village hand-pump or local clinic 35 KVA generator

Day-to-day business is often carried out primarily through personal relationships as opposed to formal bureaucracies or public regulations, and done at a pace that may be frustratingly slow, but culturally and politically necessary. Corruption may be much less subtle and much more pervasive than imagined. And, the basics needed to receive even free security assistance, fundamentals like secure warehouses, safe munitions storage areas, fully functioning ports or airfields, literate officer corps, or noncommissioned officers with basic technical skills, cannot be assumed.

Fortunately, there are many sources available on-line and elsewhere to learn about the specific countries or regions in Africa. For profiles and background notes on specific countries:

- The Library of Congress http://www.locc.gov/rr/international/protals.html
- The DoS Bureau of Political-Military Affairs http://www.state.gov/t/pm
- The Central Intelligence Agency (CIA) World Factbook https://www.cia.gov/library/publications/the-world-factbook/index.html

The above are handy sources, offering data on everything from the ethnic composition and infant mortality rate of a nation to the types and lengths of roadways and train tracks. Other information, particularly broader information on sub-regions, can be obtained:

- Through the African Union (AU) http://www.africa-union.org
- Through the United Nations (U.N.) http://www.un.org

The U.N. site, under its section on "peace and security," provides mission reports and other statistics on past and ongoing U.N. peacekeeping operations in Africa. More specific or by-subject information can be found at other web sites:

- The Centers for Disease Control (CDC) http://www.cdc.gov
- The Joint United Nations Programme on HIV/AIDS http://www.unaaids.org/en publishes statistics, descriptions, and the effects of endemic African diseases that may be useful for developing humanitarian assistance programs
- The U.S. Agency for International Development (USAID) http://www.usaid.gov lists country program data linked to security assistance provided under the Economic Support Fund (ESF)
- The Department of Commerce http://www.commerce.gov posts information on existing and pending foreign trade agreements, guides on how to conduct business transactions in various countries, and economic statistics and forecasts on both countries and regions.

Since DoD operations are closely governed in many aspects by the President, the DoS, and Congress, other useful on-line resources regarding relevant Africa-specific U.S. foreign policy issues, include:

- The White House Africa page http://www.whitehouse.gov/infocus/africa
- The DoS Bureau of African Affairs http://www.state.gov/p/af
- DoS also provides policy background information and current figures and trends on foreign military financing (FMF) and international military education and training (IMET) accounts by region and country at www.state.gov/s/d/rm/rls/cbj

Naturally, there also a number of books and other hard publications available that are filled with invaluable country and regional information; perhaps the most useful of these are the *Lonely Planet* guides, usually published annually, which are available for both the entire continent and on specific

sub-regions (i.e., the West Africa Guide) and which feature cultural and language tips, information on local/seasonal weather patterns, brief country histories, hotel recommendations (good for lodging DoD visitors), useful country and city maps, and a wide range of other information. Another important reference I would recommend is the *Michelin* series road maps, which often provide the most detailed information on African road networks in many areas.

Beyond these public sources of information, there is a wealth of information available within the command, or from each of the combatant commands (COCOMs) which formerly dealt with distinct portions of Africa i.e., U.S. European Command, U.S. Pacific Command, and U.S. Central Command. These COCOMs each publish a *Theater Security Cooperation Strategy* (TSCS), which may be further broken down into regional or even country campaign plans, describing DoD objectives and priorities in Africa and the COCOM plans, to include specific program elements and timelines, for executing these strategies. The COCOMs also maintain copies of country-specific Combined Education and Training Program Plans (CETPPs), compiled annually by each country's Security Assistance Office (SAO) or Defense Attaché Office (DAO) to outline education and training activities with the host country. In addition, these commands should have copies of the DoS Mission Strategic Plans (MSPs), which are statements on U.S. government national interests, planned activities, and goals regarding our relations with each country, produced by local U.S. embassies in Africa. All of this information is located within the J-4 or J-5 of the COCOM. In addition, the COCOM J-3, J-4, J-5, and other staff elements should be able to provide copies of the status of forces agreements (SOFAs), acquisition and cross-servicing agreements (ACSAs), and non-combatant evacuation plans on particular countries. These documents offer insight on these countries relationships with the U.S. as well as details on country infrastructure, economies, military/security organizations, and legal systems.

The second piece of advice I would give is learn the basics on how the U.S. government conducts security cooperation. There are numerous U.S. laws and DoD regulations that strictly define and limit how security cooperation may be conducted, and specific procedures and systems that must be used to plan and execute security cooperation activities. Some of the best sources for information on-line would include the Defense Security Cooperation Agency (DSCA) http://www.dsca.mil and the Defense Institute of Security Assistance Management (DISAM) http://www.disam.dsca.mil, which provide guidance and education on all aspects of security cooperation, including very detailed information about pertinent U.S. policy and legislation, the U.S. foreign military sales (FMS) process, end use monitoring requirements, excess defense articles, and many other topics. DISAM also posts links to other sources of knowledge regarding security assistance on its web site, such as the on-line DoD 5105.38-M. *Security Assistance Management Manual* (SAMM) and available on-line courses on a variety of subjects related to security cooperation/assistance.

For more in-depth knowledge on both African regional topics and security cooperation, formal resident course training is also available through a number of sources. DISAM, in particular, offers a ten to fifteen day Security Cooperation Management Overseas Course (SCM-O) at Wright-Patterson Air Force Base, Ohio, specifically tailored for SAO, DAO, regional COCOM, and service component command personnel, that provides practical knowledge on security cooperation policies and procedures and includes a regional studies program addressing regional and country-specific political, military, economic, geographic, and cultural considerations, and discussing historic and current relationships between the United States and Africa. The Department of State's Foreign Service Institute (FSI), located in Arlington, Virginia, also offers a wide variety of resident courses designed to enhance the professional skills of foreign affairs specialists. FSI's educational programs feature instruction on foreign languages, regional cultures and issues, DoS operations, and U.S. foreign policy. Yet another good source for resident education is the United States Air Force Special Operations School (USAFSOS) at Eglin Air Force Base, Florida. USAFSOS conducts a one-week regional and cultural

awareness course which orients its students to the social, historical, political, economic, and security issues affecting Sub-Saharan Africa, as well as other regions of the world.

Security cooperation in Africa still remains a relatively new frontier for the U.S., and is likely to be a permanent and growing area of interest for DoD and our country for years to come. If you are one of the new officers or noncommissioned officers embarking on your first job in this area, good luck and enjoy it. You will undoubtedly find it a very professionally and personally rewarding experience.

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Lieutenant Colonel James Toomey is currently an instructor at the Defense Institute of Security Assistance Management. He has worked as a Sub-Saharan African (48J) Foreign Area Officer (FAO) for the U.S. Army for over nine years, with tours of duty at three U.S. embassies abroad including service as a Defense Attaché in Haiti and Liberia, and an assignment as the Chief, Central Africa Branch at the U.S. European Command. He possesses four degrees related to international business/political affairs, including Master's degrees from Columbus State University and the University of Florida, where he also obtained a certificate in African studies.

The Defense Threat Reduction Agency: Combating the Threat of Small Arms and Light Weapons Overseas

By
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The problem of unsecured and uncontrolled small arms and light weapons (SALW) throughout the world, but particularly in lesser developed regions like Africa, has been recognized for years. Since the 1970s, at least forty civilian aircraft have been hit by man-portable air defense systems (MANPADS)[1], with several of these attacks linked to rebel groups fighting in the Congo (DR) and Angola, and as suspected by many, involved in the downing of an aircraft carrying the presidents of both Rwanda and Burundi in 1994[2], an incident which triggered the subsequent massacre of more than 800,000 Tutsis and moderate Hutus in Rwanda. In terms of more common, day-to-day threats, although there are very few comprehensive statistics available on small arms use, the United Nations has estimated that over 500,000 people are killed every year by conventional firearms alone around the globe, with the bulk of these deaths occurring in conflict zones in developing regions, like Africa.[3] In addition, landmines, often classified as small arms, are a prevalent threat today in many parts of Africa, with hundreds of thousands of landmines remaining, unseen and uncharted, in countries across the continent.

In response to this problem, and the particular threat of possible terrorist attacks using SALW against U.S. interests, the Defense Threat Reduction Agency (DTRA) began providing the Department of State, starting in 2001, with technical assistance in various efforts aimed at safeguarding and reducing foreign national stockpiles of these weapons and munitions. These efforts gradually evolved into a formal SALW program, which provides technical assessments of stockpiles and offers educational seminars on best practices for physical security and management. With a small staff and budget, the SALW program team has, to date, made a tremendous difference through its missions in thirty-four countries around the globe, including ten African countries.

In Africa, the program has already provided numerous inspections of storage sites, sponsored technical and executive management seminars for audiences ranging from ordnance disposal non-commissioned officers (NCOs) to senior ministry of defense officials, and supported the State Department's Office of Weapons Removal and Abatement (WRA) in assisting countries with identifying items for destruction, prioritizing physical security upgrades, and verifying SALW destruction activities. One specific, recent success story in the region are the program visits to the Republic of the Congo in 2007, which led to the disablement of 57 MANPADS and 14 surface-to-air missiles (SAMS) and will soon facilitate the U.S.-supported destruction of 184 tons of ammunition and explosives and 9,400 additional SALWs. Another recent major accomplishment occurred last year in Burundi, where the SALW team assisted in the disablement of 327 MANPADS and helped arrange the future destruction of 14,300 other weapons and 114 tons of ammunition and explosives.

1. "Combating the Threat of Small Arms and Light Weapons (SALW)," Defense Threat Reduction Agency (DTRA) Small Arms and Light Weapons Brochure, 2007.

2. Hunter, Thomas, "The Proliferation of MANPADS," *Janes*, http://www.janes.com/security/international_security/news/jir/jir021128_1_n.shtml, November 28, 2002.

3, Haddad, Musue N., "Arms Proliferation Increases Repression," *The Perspective*, http://www.theperspective.org/smallarms.html, July 20, 2001.

For security cooperation managers in AFRICOM and security assistance officers (SAOs) in the field, the SALW program can be a significant, untapped source for supporting country security cooperation efforts. At no cost to the SAO's funds, DTRA's SALW program can send a team to a country to perform site surveys and assessments, conduct physical security and stockpile management seminars (PSSMs), and encourage and support follow on Department of State efforts to create destruction or demining programs. The net results can include greater access to host nation officials and military facilities, improved mil-to-mil relations, free manpower for ongoing SAO operations, and additional funding for the host nation, through the Department of State, for destruction activities as well as military construction, education, and training in conjunction with these activities. For example, as a result of the mission in Burundi, the Department of State is providing approximately $520,000 to the country to accomplish security upgrades to storage facilities used for weapons and munitions. Moreover, it's a relatively easy source to tap: an SALW program mission can be initiated by an e-mail from the SAO or host country to DTRA, accompanied by informal endorsements by the country team, the Department of State, the Combatant Command, the Joint Staff, and the Office of the Secretary of Defense. For more information on starting this type of engagement in your country, contact the SALW program personnel at (703) 767-2789 or salw@dtra.mil.

DTRA's SALW program is a win-win security cooperation activity, and when applied in a region like Africa, where security cooperation budgets remain tight and SALW proliferation and control issues remain critical concerns, it can be a great way to extend and improve U.S. relationships while keeping dangerous weapons and munitions out of the hands of criminals and terrorists.

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United States Security Cooperation in the Middle East Cross-Cultural Considerations and Customer Relations

By
Major Hank Kron, USA
Defense Institute of Security Assistance Management

Key points in establishing and nurturing an effective "relationship" with Middle Eastern military representatives

All people are the same; it is only their habits that are different.
Confucius

In a practical sense, cultural adjustment to different habits suggests adjustment not to culture but to behavior. Culture is an abstraction that can be appreciated intellectually, but behavior is the key manifestation of culture that we encounter, experience, and deal with.[1] In this ongoing series of articles on cross-cultural communications in the Middle East context,[2] we will offer succinct guidance to become more effective in nurturing a professional relationship with Middle Eastern representatives.

The United States Department of Defense professionals who engage with our Middle Eastern partners are generally well prepared to deal with the obvious cultural differences. U.S. service members and particularly those involved in implementing security cooperation activities in the Middle East receive effective "cultural awareness" training, but the scope and depth is primarily to avoid embarrassing social offenses. U.S. security cooperation implementers are sensitized to Islamic practices and traditional Middle East norms. The aim is to demonstrate our respect for fundamental values in the region so that we can establish credible relationships that support our mutual interests. American personnel in the region generally know about: inappropriate use of the left hand, are sensitive to avoid compromising situations among mixed genders, adjust well to the enhanced restrictions during Ramadan, and understand what is going on when hearing the calls to prayer five times per day, etc.

In working to improve our knowledge, skills and abilities to better understand the various nuanced meanings in Middle Eastern cultural contexts, we first need to become more attuned to what is meant, rather than just what is said. Progress towards improved cross-cultural communications, requires factoring in new considerations while interpreting meaning in interpersonal engagements. We also need to realize that it takes ongoing practice and experience to improve cross-cultural communication skills.

The following bullet statements are offered for guidance in defining meaning and establishing expectations of behavior of Middle Eastern representatives:

- Recognize that, what for Americans seems to be extraordinary hospitality and politeness from host nation (HN) counterparts – are standard obligations, not indicators of "hitting it off".
- Present a calm, patient, even tempered persona. Avoid expressing classic type A traits. Expect to eventually reach your objectives by effective "influence" upon your Middle Eastern counterpart. Influence by demonstration on your part is more effective than lectures. Influence will be accomplished by first gaining respect and trust. This takes

1. Storti, Craig, *The Art of Crossing Cultures*, (Yarmouth, Main:Nicholas Brealey Publishing, 1989), p. 14.
2. Kron, Hank, "Cross Cultural Considerations for U.S. Security Cooperation in the Middle East", *The DISAM Journal*, Vol. 29, No. 1, pp. 74-87.

time and effort – meaning investing in frequent encounters – even if there is no particular outcome expected other than a pleasant time with a colleague/friend.

- Initial relationships will be characterized by discussions involving the pertinent work issues at hand preceded, interspersed, and concluded with considerable chats on personal, non-work related subjects – including politics and religion. Family (children), sports, travel, and cuisine are safe subjects to use as vehicles to get to know one another.

- Eventually, politics and religion will be addressed however obliquely or subtly, and one must be sensitive to those opportunities. Revealing personal attributes about oneself is key to advancing the relationship towards increased effectiveness on the job. Belief in God, no matter what faith or denomination is considered a positive aspect of one's upbringing and moral character. No need to be shy about expressing one's religiosity provided it is a part of the Abrahamic faiths (Judeo-Christian). Avoid theological debates aimed at countering, disputing, or arguing. Allow the HN counterpart to "present" Islam, and politely listen with interest. There are no expectation to convert to Islam.

- Inevitable chats on contemporary politics and regional history will afford opportunities to appear as a professional service member carrying out assigned duties. Be sympathetic to morally based grievances. Avoid argumentative discussions. One can "win" the debate but alienate your Middle Eastern counterpart and thereby sour the relationship or diminish what could be accomplished together.

- Think of the Middle East as the western edge of Asian civilization. Subtlety, indirectness, politeness to avoid direct confrontation, using intermediaries as conflict resolvers, values towards seniority, group imperatives over the individual, are all in play. Gain awareness of what is not said, which can indicate important communication. A basic example is previous levels of hospitality, or responsiveness to favors, now reduced, may indicate a problem - even though the actual hospitality is still excessive by American standards.

- Indicators of a deepening inter-personal relationship are: touching a Middle Eastern counterpart hand or arm holding, off hours rendezvous [both work related and/or social]. At this stage, expect Middle Eastern counterpart requests for favors, typically involving in some kind of shortcutting the system. The good news is you too are expected to call in favors. Use your cards judiciously.

- Be cautious to what you pledge to do. It looks better to subtly indicate you will work on it, and then deliver rather than state you will do it and fall short.

- Conversation is a vehicle to establish, nurture and enjoy the relationship. So, prolonging positive topics of discussion, exaggerating positive aspects, portraying the future as vaguely positive, is a communication style that is not expected to be held to one's word after the encounter as it would be by honorable men in the "West". One has to learn to discern what is said for the pleasure of the moment among friends, versus what is really meant to be acted upon afterwards. Many Westerners misunderstand this type of communication as "lying", if not misleading. If you gain insights into why conversation is the way it is in the Middle East, then you are on the way towards enhanced effectiveness and reduced frustration.

Cultural adjustment and gaining enhanced cross-cultural communication skills is a more elusive effort than we might initially consider. Effective cross-cultural engagement requires a focused and raised comprehension of foreign and nuanced communications, coupled with practical experience

over time. If approached as an ongoing effort to enhance our cross-cultural communication abilities, we can expect to increase our understandings of why, increase our ability to predict when, and thereby improve our management of important mutual expectations that emerge in the unique interactive and personally driven field of security cooperation activities.

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Allies at Sixes and Sevens: Sticky Issues in Australian and the United States Defence Trade Controls

By
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[Editor's Note: Subsequent to the publication of this article, the United States and Australia signed a treaty of Defense Trade Cooperation. As of this writing, the treaty has not been ratified by the U.S. Senate. However, a summary of this treaty is included in a report by the Congressional Research Science which follows this article. The following article was first published in the *Security Challenges Journal,* Volume 3 No. 2. The views expressed in this article are solely those of the authors, and should not be attributed to the United States Military Academy, the U.S. Department of Defense or the U.S. Government. To view this article and more please go to the following web site: http://www.securitychallenges.org.au/SC%20Vol%203%20No%202/vol3no2Trope%20and%witt.html.]

The following article explains the rationale of *United States' International Traffic in Arms Regulations* (ITAR). It argues that the current Australian effort to procure waivers or relaxations of ITAR requirements is misplaced. The best way to facilitate Australian access to advanced U.S. military technology is for Australia to tighten its regulatory and contractual measures to reduce the perceived risk of unauthorized intangible transfers of sensitive data.

Australia is one of the U.S. most dependable and capable allies. Hence, any significant regulatory obstacle to interoperability of Australian and U.S. forces does not serve the interests of either party. But there is a spectrum of defence export control issues that currently impede the full military and strategic cooperation of Australia and the U.S. This article aims to help the U.S. and Australia achieve their joint strategic goals by explaining the rationale for the U.S. controls, illustrating how they work in practice, and suggesting steps Australia might take to facilitate access to U.S. technology within this framework.

International Traffic in Arms Regulations

The defence export approval process is complex, detailed, and time-intensive. When approvals are granted they are often more limited in scope than Australia requested. Such incomplete grants become particularly significant when a decision to purchase U.S. equipment is predicated on the belief that a particular weapon platform (and onboard system) enjoys a technological advantage. Such a technological edge can be wholly dependent on software/hardware or protocol compatibility, on specialized training in the use of such equipment, on delivery of the full range of equipment, or simply on access to a system's software codes. If the delivered equipment does not contain the full complement of capabilities, the anticipated technological advantage may prove illusory.

Moreover, if such equipment does not include U.S. approvals for full access to technical data, this could prevent the Australian purchaser from modifying and/or updating software to optimize it for Australian operational use (or prevent it from doing so without violating the conditions of its licensed export). It could also limit the purchaser's ability to maintain and repair the equipment. Australia's

1. The views expressed in this article are solely those of the authors, and should not be attributed to the United States Military Academy, the U.S. Department of Defense or the United States Government.

decisions not to purchase the F-22, and instead to allocate its resources to the Joint Strike Fighter (JSF) illustrates the high stakes involved. As Australia's Minister of Defence, the Hon. Dr. Brendan Nelson observed:

> The reason we are not asking for the F-22 is because, whilst it is a brilliant air-to-air combat fighter, Australia needs 100 aircraft. We need a great all- rounder [the JSF]; it can bat and it can bowl, it can do air-to-air combat and strike capability. . . . It is the five percent of this aircraft's capability that is classified to which I have had privileged access, and that's the five percent that really counts. And that is why this is the correct aircraft for us . . . [2]

Consider the difficulties that would be created if restrictions on tech transfers related to the JSF limited or impeded the use of that crucial 5 percent. Australia might have serious misgivings. Even if these transfers were ultimately authorized, it is clear that time considerations are paramount in the purchase and deployment of military equipment, particularly for aircraft that must be phased in before aging aircraft are retired.[3] Such delays are detrimental not only to Australia (in obtaining aircraft suited to its needs), but also to the U.S. (which counts on Australia's combat readiness). Clearly, while maximizing its access to essential U.S. technical data Australia must recognize the very real security concerns of protecting highly sensitive military technology that underlie the applicable U.S. defence trade control regulations ITAR. A better understanding of ITAR will improve the likelihood that Australia receives the tech transfers essential to its operational readiness.

Recent efforts by Australia (and Canada) have led to some concessions on ITAR prohibitions regarding access to technical data by foreign nationals. However, such concessions will not ensure that Australia receives the full complement of a requested tech transfer. The U.S. government remains highly (and justifiably) concerned that unauthorized access to, and unauthorized releases of, sensitive technical data could seriously jeopardize its national security. And such concerns have intensified in response to recent security breaches by U.S. defence contractors.[4]

In the post September 11, 2001 environment, substantial contracts have been awarded for urgently needed equipment and for research and development to increase the U.S. technological edge. However, this has put much sensitive, advanced military technology in the hand of civilian contractors, creating a more porous security environment.[5] While private sector profit motives encourage development of cutting-edge technology, this occurs at the expense of full control of the dissemination of, and access to, such technology. This is the risk that ITAR addresses.

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2. Transcript of 60 Minutes Program, "Dogfight," 18 March 2007, http://sixtyminutes.ninemsn.com.au/article.aspx?id=259495 [Accessed 6 June 2007].

3. For example, the need to avert a gap in Australia's air combat capability, between retirement of its fleet of F-111's and the delivery of sufficient quantities of Joint Strike Fighter reportedly motivated Australia's recent decision to purchase 24 F/A-18F Block II Super Hornet. See The Hon. Dr. Brendan Nelson, Minister for Defence, Media Release, $6 Billion to Maintain Australian Regional Air Superiority, March 6, 2007, http://www.minister.defence.gov.au/NelsonMintpl.cfm?CurrentId=6437 [Accessed 6 June 2007].

4. Examples from cases concluded in 2006 and 2007 include the Boeing Company's alleged unauthorized exports of QRS-11 quartz rate sensors to the People's Republic of China (settlement of such charges included a US$15 million penalty, see In the Matter of The Boeing Security Challenges Volume 3 Number 2 (June 2007) - 75 -Company, Consent Agreement, 28 March 2006, http://www.pmddtc.state.gov/Consent%20 Agreements/2006/The%20Boeing%20Company/Consent%20Agreement.pdf [Accessed 6 June 2007]) and the ITT Corporation's unauthorized exports of night vision technology discussed below.

5. Andrew Chutter, 'Report: Export Rules Don't Stop Tech Spread,' DefenseNews, 24 April 2006, p. 6, noting that a joint body convened by the Pentagon's Defense Science Board and Britain's Defence Scientific Advisory Council, delivered in March 2006 had observed that commercial off-the-shelf technologies place "very effective and militarily significant tools at the disposal of our adversaries" and gave as examples, WiFi, Bluetooth wireless networking technologies, public-key encryption, the Internet, hand-held GPS receivers and satellite imagery that enable terrorists and rogue states to set up robust, global command-and-control networks at insignificant costs, and that such advances will continue to become available at lower costs to such adversaries.

U.S. security concerns have increasingly focused on the ease with which breaches can occur through downloads to portable, digital media, and uploads and transfers through the Internet – so-called "intangible transfers." Increasingly, digital communication protocols, and the efficiencies that these create, make it easier to breach export controls or to render such controls ineffectual. Given the increasing need to protect U.S. defence technology, and the increasing risk of inadvertent transfer to prohibited destinations, we believe that Australian defence contractors will improve their chances of receiving needed technology and related data by enhancing their own internal controls on dissemination of sensitive data. By either mirroring the level of security required by the U.S., or demonstrating an understanding of the policy concerns involved in ITAR, Australia will be more successful in pursuing its own defence agenda.

Currently, an extended, multi-tiered process is required for Australian entities to obtain U.S. export licenses for transfers of defence articles. Although the U.S. State Department's Directorate of Defense Trade Controls (the "Directorate") strives to reduce the review periods, its efforts do not address the learning curves, documentation, negotiations and administrative burdens required in seeking Directorate approval. These burdens not only interfere with Australia's access to needed technology, but risk causing unnecessary delay in Australia's response to U.S. requests for support. Rapid deployment has become essential in the context of increasingly asymmetric and widely dispersed conflicts, where short notice is the trend. Allies cannot integrate their forces unless such forces are properly equipped for interoperation.

Unfortunately, regulations are often drafted without a full appreciation of the military exigencies. As noted by Air Chief Marshall Angus Houston, "The brevity of warning time almost ensures that we will join the fight with a 'come as you are' force."[6]

Australia's *Defence Capability Plan* suggests significant dependence on offshore procurement. A significant portion of this is expressly earmarked for U.S. technology.[7] The difficulty with all offshore procurement from the U.S. is that it must contend with ITAR and with other applicable U.S. export control regulations. To the extent that misunderstandings of ITAR exist in the Australian defence community, ITAR compliance obligations will become a significant obstacle to effective Australian and U.S. military interoperation. And to the extent the U.S. perceives that Australian export controls fall short of ITAR, the U.S., in order to limit the risk of losing control of the end-uses of U.S. military technology[8], will resist requests for tech transfers, deny requests for access to the most advanced and sensitive data, or include onerous restrictions in those approved.

This will create substantial and costly compliance burdens for Australian recipients. As a first step in explaining how Australia might minimize such burdens, we now address some common misunderstandings of ITAR.

Fundamental Difficulties Concerning International Traffic in Arms Regulations

6. Air Chief Marshall Angus Houston, Speech to RUSI Conference, 16 May 2007, http://www.defence.gov.au/media/SpeechTpl.cfm?CurrentId=6652.

7. For example, AIR 6000, the New Aerospace Combat Capability, specifies the JSF produced by Lockheed Martin. Since the LAND 53, NINOX – Night Fighting Equipment Replacement – identifies no significant possibility for Australian industry to contribute to the design of the equipment, it points to possible procurement from U.S. manufacturers. See Australian Department of Defence, Defence Capability Plan: 2006 – 2016, Public Version, p. 31 and 105, respectively, accessed at http://www.defence.gov.au/dmo/id/dcp/DCP_2006_16.pdf.

8. Space constraints preclude a discussion of "end use" certificates, i.e., what the ITAR refer to as DSP-83 Nontransfer and Use Certificates, but failure to abide by the terms and conditions of such certificates is another way that sensitive military technology slips out of control and prompts justifiable U.S. concerns.

U.S. allies commonly underestimate ITAR in three ways, fostering institutional antagonism toward compliance, the creation of deficient controls that increase the inter-country friction and regulatory inertia, and further delaying and impeding the transfer of defence equipment and related technical data.

International Traffic in Arms Regulation's Extremely Broad Scope

Because ITAR has an unusually broad reach, it contains requirements that have no comparable counterpart (either in substance or in scope) in allied regulatory regimes. These are often overlooked or underestimated by potential purchasers. Misunderstandings of the scope of ITAR controls cause personnel to misdirect their efforts, seeking concessions rather than addressing the underlying U.S. security concerns. The latter concerns can be addressed relatively cost- and time-effectively by implementing controls that are substantially equivalent to those required by ITAR. In the absence of such analogous controls, U.S. counterparts will likely perceive a substantial risk that tech transfers to Australia could result in unauthorized releases to potential U.S. adversaries.[9]

Extensive, Rigorous Measures Required to Ensure Compliance

The ITAR requires exporters and recipients of exports to take unusually stringent measures to ensure compliance with ITAR's complex requirements.[10] A review of the ITAR conditions for authorized exports is helpful in determining what measures are necessary for export control compliance. For example, export approval by the Directorate is not required simply for transfers of military articles from the U.S. to another country. Rather, any release of ITAR-controlled technical data, and any provision of defence services, requires separate approval by the Directorate. If a company in possession of such data does not maintain an up-to-date inventory of such data or does not supervise and control the movement of that data, it can discover belatedly that it has released it unintentionally or inadvertently in telephone conversations, face-to-face meetings, or even mouse clicks transmitting e-mails with tech data attachments. If Australian recipients do not maintain similar controls, they too are in violation of ITAR.

Remedial Action Expected Upon Discovery of Actual or Suspected Violations

The ITAR strongly recommends but does not require that parties promptly and voluntarily self-report their actual and suspected ITAR violations. As a result, the U.S. government has a high expectation for the remedial conduct that parties should undertake to avoid compounding violations. If a violator falls short in such remedial action, it risks turning civil noncompliance into criminal misconduct, punishable by heavy fines assessed against the company and by fines and imprisonment of culpable individuals.

International Traffic in Arms Regulation Focuses on Control

It is helpful to understand the underlying policy rationale of ITAR. ITAR is first and foremost about preventing unauthorized dissemination of military technology. To this end, ITAR is designed to ensure *control* of items (defence articles, services, and related technical data) that, if not controlled, would jeopardize U.S. national security and the security of U.S. allies. In most countries, export

9. Such releases will be charged back to the U.S. party under ITAR. As the ITAR Part on "Violations and Penalties" emphasizes: "Any person who is granted a license ... is responsible for the acts of ... all authorized persons to whom possession of the licensed defense article or technical data has been entrusted regarding the operation, use, possession, transportation, and handling of such defense articles or technical data abroad." 22 Code of Federal Regulations (CFR) §127.1(b). [Emphases added.]

10. It must be remembered that ITAR imposes strict liability for violations, and the government need not prove intention to violate in order to establish an ITAR violation.

control laws apply to the movement of goods across physical borders. But ITAR covers a host of intangibles as well as tangibles.

And it does this in several layers. Like comparable export regimes, ITAR controls the taking or sending of defence articles out of the U.S. that is, their physical transport. But it also controls taking or sending "in any manner." This includes transfer or release by mouse-click to an unauthorized party, or by placing such data on a web site that can be accessed from anywhere outside the U.S.. It also includes "disclosing (including oral or visual disclosure) or transferring technical data to a foreign person, whether in the U.S. or abroad,"[11] and treats as a deemed export any instance in which a foreign national gains access. The language applies with equal force to intangible transfers through digital media or the Internet. All exports of controlled articles and technical data must be expressly approved by the Directorate.

Moreover, ITAR defines export to include:

> . . . performing a defense service on behalf of, or for the benefit of a foreign person, whether in the U.S. or abroad.

Just as the ITAR-controlled article or data need never leave the U.S. in order for it to have been exported, the ITAR-controlled defence service need not be performed outside the U.S. for it to have been exported. The imputed transfer and export can occur wholly within the U.S., if an unauthorized (i.e., foreign) person is involved. A deemed export is considered to have been made to the foreign national's home country, once he or she has received such data by reading, viewing or listening to it (regardless of where this occurs).

Any such transfer in the absence of a license from the Directorate constitutes a violation of ITAR. If done wilfully, it is a criminal offence. If a Silicon Valley company's Palo Alto office manager, for example, sends an e-mail containing ITAR-controlled data to five employees who are U.S. citizens or permanent residents, and one of them forwards it to another employee who is a foreign national (and not a U.S. citizen or permanent resident), and does so without a license, the company has just exported that data in violation of ITAR. It would also constitute a violation if a comparable release, to someone who was not an Australian national, occurred within one of Adelaide's high tech companies.

What Kinds of Items Do International Traffic in Arms Regulation's Controls Apply To?

The ITAR controls a broad range of specialized goods termed collectively defense articles. These include any item or technical data that the U.S. government unilaterally elects to designate as such. Many (but not all) such designations appear in the *U.S. Munitions List* a misnomer in that most of the items on that list are not munitions. This creates problems for both U.S. and non-U.S. persons; almost everyone recognizes a tank or fighter jet as a defense article (even though neither is a munition), but the defence use of many seemingly non-defence-related items that are listed is hardly self- evident.[12]

A second highly misleading feature of the *Munitions List* is that it does not define the ambit of ITAR controls which, naturally, have been drafted to control export and import of all defense articles. If ITAR controls were limited to specified items on the *Munitions List*, any U.S. adversary could simply monitor changes to the list to know, well in advance of deployment, when U.S. companies were engaged in the development of new technologies. What is less obvious to U.S. allies is that

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11. 22 CFR § 120.17. [Emphasis added.]

12. For example: a GPS system, "metal fuels in particle form," certain oxidizers, superfine iron oxide, atmosphere diving suits, tape recorders and cameras qualified to operate in outer space, safety glasses designed to protect against industrial accidents such as a thermal flash, navigation equipment, electronic security surveillance systems.

ITAR also controls all "technical data" related to any defense article. ITAR defines technical data with extraordinary breadth to include:

- Any and all "information" required for the design, development, production, manufacture, and assembly of defence articles
- Information required for operation, repair, testing, maintenance or modification of defense articles
- Classified information relating to defense articles and defense services

To complicate the picture further, the definition of "defense services" includes the self-evident –

> furnishing of assistance (including training) to foreign persons, whether in the U.S. or abroad in the design, development, engineering, manufacturing, production, assembly, testing, repair, maintenance, modification, operation, demilitarization, destruction, processing or use of defense articles

– but it is not limited to this. Somewhat surprisingly, defense services also contemplates the furnishing to foreign persons of any technical data controlled under ITAR, whether the data is in the U.S., Australia or anywhere else in the world. Virtually any technical data related in any way to a defence article is ITAR-controlled. If an Australian entity receives such data, it must control it in strict compliance with ITAR, which includes a prohibition on "re-export" unless expressly approved by the Directorate.[13]

Easily Overlooked But Important Requirements

There are several frequently overlooked ITAR requirements. The easiest way to identify these is to compare the ITAR requirements to the technical data requirements of Allied countries. Some of the most important non- congruences include:

- No conditions attached to export licenses to limit their scope and application
- No Technical Assistance Agreements (TAA) to regulate tech transfers and services to persons outside the technology's country of origin
- No rules to regulate release of technical data in digital media

The U.S. requires these to retain control over exported defence articles, services, and technical data. If the Australian defence community and policy makers want to maximize Australian access to U.S. technology, they might consider instituting comparable arrangements.

United States Export Licenses Are Not Omnibus Grants of Unlimited Use

Recipients far too often assume that upon delivery all ITAR-controlled articles, services and technical data "belong" to them: they are theirs to keep and to use in any manner they choose. This would defeat the ITAR policy intent of preserving the U.S. military technological edge. An export license is thus expressly limited in scope, use, and duration. The ITAR requires that the license holder only export that quantity expressly authorized by the license. And all licenses issued by the Directorate "must be returned" to the Directorate "when the total value or quantity authorized has been shipped or when the date of expiration is reached, whichever occurs first."[14] By requiring return of the license, the ITAR reinforces an on- going obligation on the part of the recipient to retain control of the licensed article. A license to export ITAR-controlled defence articles is not transferable

13. 22 CFR § 124.8.
14. 22 CFR §123.22 (c).

or renewable, nor can the recipient expect to amend it in order to export more than the authorized quantity. On the contrary, the ITAR goes so far as to declare a policy of denying all requested amendments for:

"Additional quantity, changes in commodity, country of ultimate destination, end-use or end-user, foreign consignee and/or extension or duration."[15]

Any such change requires that the approval process be repeated and a new license obtained. Most important, most licenses come with multiple, tightly drawn conditions. Approval to export a submarine fire control system, for example, under a direct commercial sale agreement (not a government-to-government foreign military sale) may contain restrictions against any of the following:

- Export of U.S. Navy blueprints
- Release of technical data beyond the contractor's own "built-to- print" engineering drawings
- Release of tactical software "without prior permission" from the directorate

Such restrictions can put the U.S. contractor in technical breach of its agreement with the Australian customer. As a result, before "exporting" such software, the U.S. person must apply for a review of the software and the Directorate (on advice from other U.S. agencies such as the U.S. Navy) may decide, under circumstances then prevailing, to deny release of the code needed for the system to operate as desired or to fulfil certain key specification requirements.

License restrictions may also create an incentive for the U.S. contractor to circumvent ITAR. In the example given, the contractor might think it can comply by removing the "U.S. Navy" label from blueprints, providing explanations and technical data over the telephone to supplement drawings, or by releasing tactical software modules with unrestricted software in the hopes of obtaining later approval. It may not even seek such approval in the belief that the Directorate lacks the manpower to track such minutia among thousands of licenses granted annually. Such conduct does not benefit the Australian recipient and imperils the Australian defence community's relation with its U.S. counterparts. The mere suggestion of association with a seller's circumvention or wilful violation of the ITAR invites Congressional inquiry and/or reference in Justice Department press releases. It can also prompt the U.S. government to delay approval of important defence exports, bar an ally's military from access to sensitive data (despite a right of access under a government-to-government agreement),[16] or create an atmosphere of mistrust that can jeopardize tech transfer negotiations.

In addition, the cost of contravention is too often overlooked or only belatedly recognized as prohibitively high. The lesson here is simple: the Australian party to any contract for purchase of ITAR-controlled articles, services, or technical data should insist on reviewing (with competent U.S. counsel) any application for an export license and any license issued in response, with particular attention to the attached restrictions. Doing so positions that party to avert any suggestion of complicity with the seller's advertent or inadvertent non-compliance. It also alerts the Australian party to the rigorous controls that such licenses customarily impose on recipients. This is particularly important because such licenses uniformly *prohibit "re-export"* of the defence articles and technical data without prior permission of the Directorate. "Re-export" is another counter-intuitive and extremely broad concept that sweeps within its meaning not only advertent and inadvertent transfers,

15. 22 CFR §123.25(c).

16. This happened with one customer ally for the Joint Strike Fighter.

but also intra-company dissemination to unauthorized personnel (such as foreign nationals).[17] And, unlike "dual use" items,[18] ITAR-controlled items *are never licensed for "re-export" by the recipient*. Any re-export requires independent approval by the Directorate. It is therefore imperative that the purchaser understand the full scope of what is meant by a "re-export" under ITAR, and that it have a data governance program in place specifically tailored to avert inadvertent re-export.

Rendering Defence Services or Releasing Technical Data Requires Both a License and a Technical Assistance Agreement

It is common sense to assume that issuance of a license to export a defence article (such as night-vision goggles or a GPS-chip for a cruise missile system) necessarily grants permission for the U.S. contractor to perform services related to that equipment (such as explaining how to assemble, maintain and repair) and to release any technical data relevant to its proper use. If you bought a blender, you would expect to receive an operator's manual. A fighter plane is exponentially more difficult to operate and maintain properly and the risks from improper operation or maintenance are commensurately greater. But a license to export an ITAR-controlled defence article does not automatically grant permission to export the services and technical data necessary to train the purchaser to maintain and repair it. Because modern military equipment involves bundling hybrid technologies with multiple military end-uses, an inclusive authorization to export services for omnibus training would reveal all the related technical data, thereby imperiling the effectiveness of a weapon system by facilitating development of effective countermeasures. Hence the ITAR impose tight controls over both what data/tech support is transferred, and when and to what extent U.S. persons may describe how to assemble, maintain, or repair the article.

The ITAR maintains control by sweeping activities related to the sensitive technology within the definitions of "export" and "defense article or service." Here "export" includes the performing of a defence service on behalf of, or for the benefit of, a foreign person, whether in the United States or abroad, and the ITAR defines "defense service" to include "furnishing to foreign persons of any" ITAR-controlled technical data.[19] "Technical data" also includes "software ... related to defense articles."[20] When we consider how much software is routinely required to operate, maintain, repair and update the bundled technologies of modern military equipment, the breadth of this restriction begins to become apparent. In addition, the terms "defense article" and "defense service" also include the modification of a commercial article for military use.[21]

The ITAR also requires the parties to negotiate an appropriately inclusive Technical Assistance Agreement (TAA) in connection with the provision of services, including the release of any technical data. This document is essential if the purchaser is to gain effective use of defence articles it has purchased. Each TAA must contain certain required, non-negotiable provisions, some of which must be included verbatim.[22] The Directorate must review and approve all TAAs before they enter into force, and any such agreement must include Directorate approval as a condition to effectiveness. Any material amendment to such agreements must *also* receive Directorate approval. The following activities frequently require TAAs:

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17. Notwithstanding recent concessions by the U.S. to Australia and Canada on this subject, the ITAR continues to require in most instances that "re-exports" of defence articles, services and technical data not be made to foreign nationals within the recipient's country.

18. Export of "dual-use" technologies are controlled by the Export Administration Regulations, administered by the U.S. Commerce Department.

19. 22 CFR §120.09 (a)(2).

20. 2 CFR §120.10 (a)(4).

21. 22 CFR §120.3 (a).

22. If such services, know-how, or data is in furtherance of the manufacturing of the defence article, a different agreement

- Marketing products to foreign powers
- Supporting sales to foreign parties
- Providing overseas maintenance or training support
- Technical studies or evaluations with foreign parties
- Supporting a Foreign Military Sales case

The TAA thus cannot be casually drafted. Directorate approval will apply *only* to those technologies and services specifically referenced in it. Failure to mention any necessary technical data will result in an under-inclusive TAA, potential for violation of ITAR, and further delays. It is essential that purchasers mentally map out everything they believe they will need in order to use purchased articles, services and technical data effectively *before* negotiating the TAA. This is where counsel in this field can be used cost- effectively to provide checklist review and to structure compliance programs. Like any other regulatory regime, ITAR has an internal logic that can be systematized to reduce compliance time and energy to a minimum, such that it does not impede use or deployment. If the Directorate is made familiar with an "Australian" compliance model, this could potentially cut review time and actually facilitate tech transfers under a kind of "most-favoured nation" logic (one based on an "approximately ITAR-compliant" model). Without systematic drafting and review, an under-inclusive TAA could result in the omission of vital technical data, failure to obtain authorization and the need for a time-consuming and costly formal amendment (with the concomitant secondary delay for Directorate approval).

While much of the text of the TAA is statutorily prescribed, it is hardly "boilerplate" and must be thoroughly vetted, because it imposes extraordinary requirements on the recipient of ITAR-controlled technology. One such required provision states:

> This agreement is subject to all United States laws and regulations relating to exports and to all administrative acts of the U.S. government pursuant to such laws.

By signing a TAA containing that language (as all do), the signatory has voluntarily acceded to extraterritorial application of all export-related U.S. laws and cannot later credibly argue that this was never intended. Critically, this provision extends well beyond the ITAR, and includes, for example, the Export Administration Regulations (which control "dual use" items) and the Treasury Department's trade sanctions regulations.

Another required provision prohibits transfer of data to any "person in a third country or to a national of a third country." We once again encounter the "deemed export" concept, which controls transfers to foreign nationals in the U.S. and in the recipient's country. Again, recall that the ITAR aims at retaining end-use control, and does so by requiring that the recipient maintain an array of procedures to protect against any unauthorized access. This is a zero tolerance universe. Not surprisingly, if an ally can demonstrate that it requires a comparable level of controls, the U.S. will be more inclined to grant export of the desired defence article, service, or technical data. In instituting comparable controls, U.S. allies need not require each contracting party to reinvent the wheel: Systematic, routinized and uniform (across the national industry) compliance is the most cost- and time-effective approach to ITAR. It reduces the potential risk of violation, facilitates transfers, formalizes the terms of TAAs to make supervision more efficacious, and goes a long way to achieving the ultimate goal of approval. The industry itself can generate cross-industry standards, both for procurement and for compliance, that will streamline the process while effectively marshalling Australia's unique concerns so that they can be addressed uniformly by U.S. parties and, thereby, provide significant negotiating leverage for Australian purchasing parties.

The International Traffic in Arms Regulation Controls Exports of Intangibles

Although the ITAR contains no express reference to digital data, the Internet, e-mail or any other digital enhancement of commercial communication, release of ITAR-controlled data on or through such digital media to a non-U.S. person clearly constitutes an "export" requiring U.S. government approval. Of all the ITAR requirements that do not have comparable Allied counterparts, this is probably the one that creates the greatest risk of loss of control. Sensitive technical data in digital form flows like quicksilver. It easily escapes a company's control measures, particularly if those are not rigorous or are subject to lax enforcement:

> Data leaks persist because companies fail to focus sufficiently on controlling their data and averting ways in which they often lose control of it (for example, the unintended forwarding of e-mail with attached files).[23]

The ITAR takes such risks far more seriously than do the export controls enacted by U.S. allies (which tend either to leave intangible exports unregulated, or to apply ineffective large-mesh controls).

> As a result, nationals from Norway or the U.K. can make disclosures to U.S. persons, consistent with their defense export controls, but reciprocal disclosures by U.S. persons under similar circumstances (or in the same meeting) may be prohibited by the ITAR.[24]

This lack of congruence is particularly troublesome, because

> . . . technical personnel engaged in problem solving meetings may exchange information or expertise, may provide technical advisory services, or may make proposals that are not primarily focused on observing the strict limits of the ITAR.[25]

Unless Australia tightens its controls of intangible transfers, it can expect the U.S. to be reluctant to release highly sensitive technical data to Australian recipients, or to set burdensome conditions for its export. Australian entities that hope to be approved recipients of ITAR-controlled data will, therefore, need to implement an internal data governance plan tailored to the concerns of ITAR.

Lessons From The Current Enforcement Climate:
***ITT Corporation's Night Vision Division* Case**

A recent case involving ITT Corp.'s Night Vision Division (ITT NV) illustrates what can happen to companies trying to circumvent the ITAR, and demonstrates the U.S. government's attitude towards serious violations. It also reflects the government's expectation that companies will take measures consistent with national security when they discover or suspect an ITAR violation: that the offending company will move swiftly to report such violations, terminate all such activities, diligently attempt to recover illegally exported articles and technical data, and tighten ITAR compliance and related training throughout the enterprise to avoid a reoccurrence. ITT NV's failure to pursue such a course of action resulted in it becoming the first major U.S. defence contractor to be convicted of a criminal violation of the ITAR.[26]

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23. Roland Trope, 'Immaterial Transfers With Material Consequences', IEEE Security & Privacy (September/October 2006), p. 64.

24. Roland Trope and Gregory Upchurch, Checkpoints in Cyberspace: Best Practices for Averting Liability in Cross-Border Transactions, American Bar Association, 2005, p. 238.

25. bid.

26. U.S. Department of Justice, Press Release: ITT Corporation to Pay $100 Million Penalty and Plead Guilty to Illegally Exporting Secret Military Data Overseas, 27 March 2007, http://www.usdoj.gov/opa/pr/2007/March/07_nsd_192.html [Accessed 6 June 2007]. The account presented here of the ITT NV case relies chiefly on the Appendix A "Statement of Facts" attachment to the Deferred Prosecution Agreement (signed by the U.S. government and ITT), because ITT expressly agreed that such Statement "is true and accurate to the best of its knowledge and belief and

ITT Night Vision's False and Misleading Statements

The ITT NV produced night vision equipment, a technology critical to the U.S. military capability, yet throughout the 1980s and 1990s, ITT NV failed to implement any ITAR compliance program.[27] Moreover, it routinely *temporarily* loaned or consigned ITAR-controlled night vision equipment to foreign customers for evaluation, under temporary foreign consignment agreements. Conditions in the export license for each such consignment required return of the equipment to the U.S. prior to expiration.[28] Throughout the 1990's, ITT NV failed to comply with this requirement; and, as a direct result, it "lost track of numerous pieces of state-of-the-art night vision equipment."[29]

ITT NV did not promptly report the loss of such equipment. Instead, it sent the Directorate a "Preliminary Notification of Voluntary Disclosure", in April of 2000, stating that it "*recently discovered* apparent violations of the ITAR that involve ITT's loans and consignments of night vision equipment to foreign persons."[30]

Lawyers for the company asked the Directorate to consider as a mitigating factor that "upon realizing that it had a compliance issue with respect to these temporary exports, ITT took corrective action . . . "[31] ITT NV sought "to create the impression in the minds of the decision makers within the U.S. Department of State that ITT "recently discovered" these violations, and had immediately taken swift corrective action.[32] These representations were clearly false and misleading, and had two serious ramifications[33] first, ITT NV would be liable for misrepresentations were the truth disclosed; and *second*, in spite of its awareness of the problem, ITT NV allowed risk to national security to continue unremedied. In the short term, ITT NV benefited. The Directorate required ITT to pay a US$8 million penalty, but ITT avoided a potential criminal conviction.[34] Subsequent investigation by the U.S. government established that counsel for ITT Defense and the outside attorneys intentionally withheld material facts, information and circumstances about the consignment violations from the U.S. Department of State[35] ITT NV employees and managers had been aware of significant violations "since at least the mid-1990's." By March of 1998, more than two years before its April 2000 letter, ITT NV personnel had compiled a detailed list of "Past Due Consignment Equipment."[36] When representing itself as making a "voluntary self-disclosure," however, ITT NV did not comply with the ITAR requirement to notify the Directorate "as soon as possible after violation(s) are discovered" and

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26. (Continued) establishes an adequate factual basis for ITT's plea" of guilty to the two criminal counts. United States of America v. ITT Corporation, Deferred Prosecution Agreement, "Factual Proffer," 5, p. 3. That Agreement and other relevant documents were accessible in March and April 2007 through the Department of Justice (DoJ) web site at http://www.usdoj.gov/opa/pr/2007/March/07_nsd_192.html. However, the DoJ subsequently terminated the links to these documents without explanation. The account is nonetheless based on copies downloaded from that web page prior to the termination of those links. A complete set of these documents can now be accessed at http://www.roanoke.com/news/0327_agreement.pdf, part of the web site maintained by The Roanoke Times, a newspaper in the state of Virginia.

27. United States of America v. ITT Corporation, Deferred Prosecution Agreement, Appendix A, "Statement of Facts," p. 2.

28. Note: all licenses are issued for four-year periods. 22 CFR §123.21 (a).

29. Ibid, p. 3.

30. Ibid, p. 4. [Emphasis added.]

31. Ibid, p. 4. [Emphasis added.]

32. Ibid, p. 5.

33. Ibid, p. 4, noting a copy of the first letter "was also sent to corporate counsel for ITT Defense."

34. Conviction of a criminal violation of ITAR requires a debarment from future export licenses.

35. Ibid, p. 6.

36. Ibid, p. 7.

before conducting a thorough review.[37] Moreover, contrary to its representation of swift corrective actions, "few, if any, of the corrective actions set forth" in ITT NV's letter to the Directorate took place contemporaneously with its actual discovery of violations.[38]

Export Violations Related To a Singapore Company

Among allies, it is usually prudent for dissatisfactions to be communicated privately. Public disclosure can exacerbate the immediate situation and threaten the long-term relationship. However, ITAR violations, particularly when they involve criminal conduct, cannot be kept under seal. The requisite debarment must be published in the Federal Register. Such public disclosure provides a compelling rationale for ITAR compliance by recipients of ITAR-controlled defence articles, services, and technical data. The potential risk to international standing can be seen in ITT NV's violations involving a Singaporean company.

Since the 1980's, ITT NV has purchased almost all its night vision optical assemblies from a Singapore company (Singapore Company). For that purpose, ITT NV routinely provided the Singapore Company with ITAR- controlled specifications and drawings for U.S. military night vision goggles. Engineers from the two companies routinely worked together on optical and mechanical designs. In order to make such technical data transfers legally, ITT NV was required to obtain an export license from the U.S. State Department. However, until 24 October 1994, ITT NV failed to obtain *any* export license to authorize the transfers to the Singapore Company. From 1994 to 1999, ITT NV obtained three limited-purpose export licenses authorizing transfer of a list of specifically identified ITAR-controlled drawings to the Singapore Company. However, ITT NV falsely represented such export as a "completely new shipment," where, in fact, it had already illegally transferred many of the same drawings.[39]

ITT NV committed additional violations by continuing to transfer ITAR- controlled technical data not covered by any of the three limited export licenses. The licenses contain a proviso that ITT NV could only export "built to print" technical data, and could not release any information which "discloses design methodology, engineering analysis, detailed process information or manufacturing know-how" to a non-U.S. person. But ITT NV's engineers exceeded this limited "build-to-print" relationship in numerous collaborative discussions.[40]

By early 2000, ITT NV decided to seek the Directorate's approval of a TAA to authorize sharing the information already released to the Singapore Company during the previous twenty years. At that time, ITT NV elected not to disclose these violations, but left the government to uncover them during its criminal investigation.[41] In preparing its draft TAA, ITT NV created a TAA Annex that listed only drawings limited to a "build-to-print" type relationship.[42] The Directorate approved the TAA, with the following provisos:

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37. 22 CFR § 127.12 (c)(1). Although it must seem counter-intuitive to have a legal duty to report prior to investigating, that is nonetheless the ITAR regime. The rationale for this is clear. Because the penalties are severe and mitigations very limited under ITAR, the Directorate does not want to create time or incentive for violators to "spin" their account or conceal violations. ITAR's aim is to prompt disclosure in order to expedite recovery of misdirected sensitive equipment and technology.

38. United States of America v. ITT Corporation, Deferred Prosecution Agreement, Appendix A "Statement of Facts," p. 9.

39. Ibid, p. 10.

40. Ibid, p. 11.

41. Ibid, p. 12.

42. Ibid, p. 14.

> Proviso 5. Shipment of hardware against this agreement ... is not authorized ... [and] may take place only after the DoS approves an amendment to the agreement.
>
> Proviso 6. Manufacturing technology, systems optimization/integration know-how, or design know-how must not be released.
>
> Proviso 7. Production not authorized without an approved manufacturing license agreement.[43]

These added provisos were designed to:

> Limit what ITT NV could do under the TAA because of the sensitive night vision lens technology involved and in recognition that Singapore was a well known conduit for military technology being channeled to the Peoples' Republic of China, a prohibited destination.[44]

In spite of the express language in the TAA, ITT NV continued to export ITAR-controlled drawings and specifications without authorization, and to engage in collaborative discussions outside the limits of the "build-to-print" relationship. It also violated the provisos by exporting hardware to the Singapore Company and by producing millions of dollars of product. In a December 1, 2003 letter, ITT NV admitted to the Directorate that it had been producing for years in violation of TAA Proviso 7 ("Production *not authorized* ..."). However, its letter stated that unless it was relieved of Proviso 7, ITT would not be able to supply night vision goggles to the U.S. military. In view of the ongoing war and soldiers' need for night vision capability, the State Department removed Proviso 7.[45] It is reasonable to infer that ITT NV's its attempt to use the safety of U.S. armed forces as leverage weighed heavily as an aggravating factor in establishing later penalties.

Export Violations Relating To the "Light Interference Filter"

On the battlefield, night vision goggles are vulnerable to laser weapons, which can damage, degrade or destroy them. To avoid leaving a pilot or soldier "night blind," the U.S. military developed "light interference filters" (LIFs). The critical nature of LIF technology led the government to classify portions of the specifications as "Secret" and to give them the special designation "NOFORN." This designation means "it cannot be shared with any foreign country, even the closest military allies of the United States."[46]

In 1999, the LIFs were manufactured by an ITT NV subcontractor in California (the "California Company"). To reduce its costs, ITT NV pressured the California Company to lower its prices, and the California Company responded by exploring the possibility of outsourcing production of the LIF's critical component, the substrate lens, to a company in the People's Republic of China (PRC). In July 1999, the California Company applied for an export license to send the drawing for the LIF substrate lens to a company in Shanghai. The Directorate rejected the application for reasons of "National Security," because ITAR identifies the PRC as a prohibited destination.[47] ITT NV ultimately outsourced the work to the Singapore Company. In spite of and in direct disregard of the "NOFORN" classification, it faxed a drawing package for the LIF to the Singapore Company.[48]

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43. Ibid. [Emphasis added.] Security Challenges Volume 3 Number 2 (June 2007) - 89 - limit what ITT NV could do under the TAA because of the sensitive night vision lens technology involved and in recognition that Singapore was a well known conduit for military technology being channeled to the Peoples'.
44. Ibid. [Emphasis added.]
45. Ibid, p. 15.
46. Ibid, p. 16.
47. Ibid, p. 18.
48. Ibid, p. 20.

The Singapore Company used those drawings to prepare an ITAR-controlled derivative LIF drawing, and exported the ITAR-controlled derivative drawing to an optics company located in the PRC. The PRC company quickly began production of the LIF substrates, ultimately manufacturing thousands of the LIF substrate lenses illegally.[49] Many of those have never been recovered.[50]

Export Violations Relating To the "Enhanced" Night Vision Goggle System

In July 2000, the U.S. Army awarded ITT NV a development contract for the next generation night vision technology—an enhanced night vision goggle system that would optically blend night vision with thermal imaging.[51] The following year, the Army requested prototypes of the enhanced night vision goggle system (ENVG) from several contractors, including ITT NV.[52] Without obtaining an export license, and in violation of ITAR, ITT NV began to work collaboratively with the Singapore Company on the design and development of an ENVG prototype. It shipped ITAR-controlled drawings to the Singapore Company, and brought one of the Singapore Company's engineers to the U.S. to work on the project. When the U.S.-based Singapore engineer departed, ITT NV outsourced his work to the Singapore Company. Without obtaining a license, ITT NV continued to transfer ITAR-controlled drawings and specifications for the ENVG.[53]

The team that performed the work at the Singapore Company included two optical designers who were citizens of the PRC. They routinely had access to the illegally released, ITAR-controlled drawings. In 2003, they returned to the PRC. According to an ITT NV optical engineer, ITT NV's violation of the ITAR in this instance harmed U.S. interests because "[by knowing the optical train of the ENVG . . . they [the PRC engineers] can determine how the whole system works."[54] On February 27, 2004, without a license or TAA, ITT NV released to the Singapore Company "the most up-to-date" ITAR-controlled ENVG performance specifications.[55] It subsequently released an ITT specification and drawing for an ENVG beam combiner in order to obtain a manufacturing quote for "10,000/year for 2006 and beyond" from the Singapore Company[56] ITT NV attempted to conceal these transfers by referring to the equipment by an inaccurate description.[57]

ITT NV'S Consent To Guilty Plea For Criminal Violations

Under its plea agreement, ITT agreed to pay US$100 million in criminal fines, penalties, and forfeitures. ITT also agreed to engage an independent monitor and staff who will report to the U.S. government on ITT's compliance with the plea agreement.

Lessons From the ITT NV Case

From an Australian policy maker's perspective, the ITT NV case is vexing. The U.S. law assumes that continued access to U.S. government contracts worth tens of millions of dollars would provide a defence contractor with sufficient incentives to comply with the law. A government contract shields the U.S. manufacturer from numerous market risks and offers it the substantial benefit of developing new military technology at government expense, the expertise from which can then be used to make products for profitable commercial use. These benefits apparently did not offer ITT NV a sufficient

49. Ibid, p. 21.
50. Ibid, p. 27.
51. Ibid.
52. Ibid, pp. 27–28.
53. Ibid, p. 29.
54. Ibid.
55. Ibid, p. 30.
56. Ibid, pp. 32–33.
57. Ibid, p. 33.

incentive to comply with the law. Clearly the strategic advantage of developing next generation military technology is dissipated or destroyed if the developer ignores ITAR and releases technical data indiscriminately.

Policy makers should appreciate the influence the ITT NV case will have on their U.S. counterparts in future negotiations for highly sensitive tech transfers. U.S. negotiators will probably test assurances of ITAR compliance to determine whether the risks of circumvention and indiscriminate release have been adequately addressed. Australian contractors might consider explicit assurances directed at the ITT NV-type risks. This is particularly apt for the JSF, where an important part of the justification for Australia's costly investment is its anticipated receipt of highly valuable tech transfers.[58] The ITT NV case will clearly affect all negotiations for such tech transfers in the foreseeable future, and should be addressed up front and explicitly to avoid wasteful delays. This could also have the collateral benefit of putting Australia in a position to be among the earliest recipients when certain technologies classified as "NOFORN" are re-classified for release to U.S. allies.

A further lesson from the ITT NV case is clearly that failure to impose ITAR- quality controls on contractors interested in receiving ITAR-controlled tech transfers can inadvertently encourage violations of ITAR, and such violations will have an adverse affect on the purchasing country. Ultimately, the Australian government needs to ensure that it has the power to limit the likelihood of such violations. The costs of compliance are far exceeded by the potential costs of damage to historical defence relationships.

Conclusion

To ignore ITAR's complexities is to negotiate for access to U.S. technology at a serious disadvantage. It will facilitate such negotiations and the ultimate transfer of the desired technology if Australian policy makers appreciate the ITAR's "control" objective, its comprehensive scope, the rigor required for lawful compliance with its provisions, and its trans-Pacific reach (including bans on re-export and on unauthorized release of controlled technical data). The trust that Australian and U.S. military personnel share is continuously earned and reinforced in operations, mission planning and intelligence sharing. It can only be strengthened by learning from the mistakes of the larger defence community. Moreover, mutual trust does not automatically translate into omnibus tech transfers. With this in mind, Australian parties should craft their requests to address U.S. concerns so as facilitate these transfers. Efforts to obtain U.S. concessions on "re-export" in Australia of ITAR-controlled technical data to foreign nationals should be given a lower priority than obtaining the desired tech transfers in the first instance, particularly in light of the fact that gaining a technological edge is an important justification for the equipment's purchase price.

The ITT NV case demonstrates the legitimacy of U.S. concerns with respect to the diversion of highly sensitive technologies. It would probably be beneficial, therefore, for Australian policy makers to create a regulatory regime that mirrored the ITAR standard. This would facilitate understanding and trust, communication and negotiation, and finally transfer of needed technology. A simple approach to this would include: limiting the application of such regulations solely to those projects that will incorporate ITAR- controlled items; focusing on the growing risk of intangible transfers on digital media or through the Internet; considering whether there is sufficient emphasis on export compliance training at all level of an enterprise; reviewing penalties for violation to determine whether they provide sufficient deterrence; and above all, recognizing that ITAR-control follows across borders—ITAR continues to apply even after the relevant defence article or technical data leaves the shores of

58. It will, of course, be even more essential to consider such assurances in Australian programs such as LAND 53, NINOX – Night Fighting Equipment Replacement that would presumably seek to incorporate the latest enhancements in night vision systems.

the United States or enters the mind of an Australian citizen. The benefit from such scrutiny would almost certainly be an increased willingness on the part of U.S. to approve sensitive tech transfers to an important ally.

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The United States and Australia Treaty on Defense Trade Cooperation

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Summary

The United States and Australia signed a Treaty on Defense Trade Cooperation in September 2007 that would facilitate defense trade and cooperation between the two nations. On the strategic level, the treaty would further develop ties between two very close allies who have fought together in most of America's conflicts, including most recently in Iraq and in Afghanistan. This treaty is proposed at a time when the United States has found few friends that have been willing to work as closely with the United States in its efforts to contain militant anti-Western Islamists as Australia has proven to be. The treaty with Australia needs to be ratified by the U. S. Senate to come into force.

United States and Australia Treaty on Defense Trade Cooperation

Former Prime Minister of Australia John Howard and President George W. Bush signed the U.S.-Australia Treaty on Defense Trade Cooperation in Sydney on September 5, 2007, immediately before the Asia-Pacific Economic Cooperation (APEC) summit. Proponents view the treaty as bringing what are already very close allies even closer together by facilitating defense trade between the two states and members of their respective defense industries. However, some are concerned that a treaty approach is not the best way to deal with perceived problems with arms and defense technology export controls.

The Treaty

The treaty would ease restrictions associated with the *International Trade in Arms Regulations* (ITAR) by creating a comprehensive framework within which most defense trade can be carried out without prior government approval. The trade must support combined U.S. and Australian counterterror operations, U.S. and Australia "research and development, production and support programs," and Australia and U.S. government-only. End-uses in order to be eligible[1] Exports of defense articles outside the community consisting of the two governments and approved companies of the two nations would require U.S. and Australian government approval. Supporters state that the treaty will help the two nations strengthen interoperability between their military forces, help sustain them, and use defense industries in direct support of the armed forces.[2]

Many of the details of how the treaty will operate have yet to be worked out. According to press releases, "under the implementing arrangements that are contemplated by the treaty, our industries

1. A treaty aimed at achieving similar cooperation with the United Kingdom was signed by President Bush and former Prime Minister Blair on June 21, 2007. That treaty was sent to the Senate for ratification on September 21, 2007.
2. "Fact Sheet: U.S.-Australia Defense Trade Cooperation Treaty," *U.S. Fed News,* September 6, 2007.

will move from the licensing regime under the ITAR, to the more streamlined procedures that will be set forth in these implementing arrangements."[3]

The Australian Perspective

The treaty, which was negotiated under the former Liberal [right of center] government that took office in 1996, would provide Australia with streamlined access to U.S. defense trade. This treaty would simplify U.S. export controls on defense articles to Australia that reportedly, along with U.S. defense industry, has been frustrated with existing restrictions.[4] Australia and the U.S. reportedly approved 2,361 licenses and concluded 312 agreements in 2006. The treaty would also provide Australia with:

- Operational benefits from greater access to U.S. support
- Improvements to military capability development due to earlier access to U.S. data and technology
- Cost and time savings from significant reductions in the number of licenses required for export of defense equipment
- Improved access for Australian companies involved in bidding on U.S. defense requirements, or in supporting U.S. equipment in the Australian Defence Force (ADF) inventory[5]

If passed, the treaty will likely require the enactment of enabling legislation in Australia and as a result will need the support of the newly elected government of Kevin Rudd to come into force. Key legislation that may require amendment are the *Customs Act of 1901*, *Customs Regulations 1958*, and *Weapons of Mass Destruction (Prevention of Proliferation) Act of 1995*. Rudd's Labor Party's sweeping victory in the November 24, 2007 election has given him a strong mandate.

The Labor Party has denied election year accusations in Australia that it would in some way downgrade the Australia-U.S. alliance and stated "Labor will enhance our strategic relationship and seek to make an already special friendship even stronger and more effective."[6] The defense trade treaty is expected to be supported by the new Prime Minister due to the large bipartisan support for the Australia-New Zealand and the United States (ANZUS) alliance in Australia. While Prime Minister Rudd views the United States and the ANZUS alliance as central to Australia's security he has indicated that Australia would begin a staged withdrawal of troops from Iraq. He has also stated that under his leadership Australia would consider increasing the number of troops stationed in Afghanistan.[7]

Prime Minister Rudd has stressed that the history of the alliance is a bipartisan one that was instigated in World War II by President Roosevelt and Australian Labor Party Prime Minster John Curtin. He has also stated that "for Labor the U.S. alliance sits squarely in the centre of our strategic

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3 . "Press Briefing," Four Points Sheraton, Sydney Australia, Office of the Press Secretary, The White House, September 5, 2007.

4. Breanne Wagner, "Arms Sales," *National Defense,* September 1, 2007.

5. Australian Government, Department of Defence, "Fact Sheet: Australia-U.S. Treaty on Defense Trade Cooperation."

6. Robert McClelland, "Strengthening the Australia-U.S. Alliance," Address to the Foreign Correspondents Association, August 2, 2007.

7. Stephanie Peatling, "Rudd's Iraq Plans Unchanged After Bush Meeting," *The Sydney Morning Herald,* September 6, 2007.

vision. Intelligence sharing, access to advanced technologies, systems and equipment, together with combined military exercises and training enhances Australia's national security."[8] Rudd has been described as believing that a strong American presence in the region is crucial to regional stability and that U.S. strategic engagement in Asia is central to Australia's security.[9]

The Strategic and Political Context and U.S. Interests

The treaty would further draw Australia into a very small circle of closely trusted allies that have stood with the United States not only in past conflicts but also in recent conflicts in Afghanistan and Iraq. It would do this at a time when the United States is increasingly unpopular in the world. In May 2007, Secretary of State Condoleezza Rice described the alliance as

> . . . one that reflects the deep bond of enduring ideals and shared history, colonial origins, democratic development, and shared political and cultural values . . . ours is an alliance that remains strong . . . [10]

During his September 2007 visit to Australia, Pacific Commander Admiral Timothy Keating stated, "Every war we fought for the last century, the Australians have been with us, and we have been with them . . . they are members of the coalition of the committed, nor just the coalition of the willing."[11]

The treaty could improve the image of the United States in Australia by demonstrating the benefits of the alliance. Australian attitudes towards the United State have changed significantly in recent years. Only 48 percent of Australians polled thought that the United States would be a "very close" economic partner of Australia in five to ten years as opposed to 53 percent that thought China would be. This is quite remarkable given that Australia is a longstanding treaty ally that has fought alongside the U.S. in most of America's wars and established a Free Trade Agreement (FTA) with the U.S. in 2005.[12] Several factors have contributed to the decline in U.S. popularity in Australia. These include Bush Administration policies; the view that the U.S. is a self proclaimed world watch dog; the war in Iraq; and U.S. foreign policies. Dissatisfaction with the bilateral FTA and with the U.S. position on global warming also appear to be key factors. In a recent poll sixty seven percent of Australians polled had an "unfavorable" opinion of President Bush despite former Prime Minister John Howard's close relationship with the President. Some 48 percent of those polled in 2007 felt that it would be better for Australia's national interest to "act more independently of the U.S."[13] Despite these negative polling results, some 92 percent of Australians believe that the U.S. will be a very close or close security partner over the next decade[14] and some 79 percent still believe that the U.S. alliance under ANZUS is "very important" 37 percent or "fairly important" 42 percent to Australia's security. It is striking that despite the decreasing popularity of U.S. foreign policy since 2001, some 74 percent of Australians polled still trust that the U.S. would come to Australia's assistance were it to be threatened

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8. Kevin Rudd, "Fresh Ideas: National Security Policy," Speech to the Australian Strategic Policy Institute, August 9, 2007.

9. Robert Ayson, "Kevin Rudd and Asia's Security," *PacNet,* November 28, 2007.

10. Secretary Condoleezza Rice, "Remarks with Australian Foreign Minister Alexander Downer at the Ronald Reagan Library, May 23, 2007.

11. "Keating Meets with Australian Leaders to Enhance Military Partnership," *Department of Defense Documents*, September 21, 2007.

12. Alan Dupont, "Benefits Offset Costs of U.S. Alliance," *The Sydney Morning Herald,* October 3, 2007.

13. Professor Murray Goot, "Australian Attitudes Towards the U.S.: Foreign Policy, Security, Economics and Trade," The 2007 U.S. Studies Center National Survey Results, University of Sydney, October 3, 2007.

14. Alan Dupont, "Benefits Offset Costs of U.S. Alliance," *The Sydney Morning Herald,* October 3, 2007.

by some other country. Thus, it appears that Australians draw a distinction between the current U.S. government and its policies and the long term value of the ANZUS alliance.[15]

Issues for Congress

Some have expressed concern that the treaty as proposed with Australia could lead to reduced congressional oversight. Many of those concerned with the treaty are concerned not primarily because they believe Australia would transfer military technologies to unfriendly states or entities but out of concern that the treaty could undermine existing congressional oversight as defined in ITAR. The lack of supporting implementing arrangements to accompany the treaty document is also of concern to some.

In September 2007, the Australian Embassy reportedly stated that details of the implementing agreements for the treaty would be worked out in the coming months.[16] The arrangements will:

> Define precisely how the treaty will operate in both Australia and the United States, and how its obligations will be implemented to the mutual satisfaction of both countries. These arrangements include identifying the changes that might be needed to our legal and regulatory regimes, and putting these changes into effect.[17]

Until such time as the implementing arrangements are made known it will be difficult to comprehend the full scope of the treaty. By using a treaty, which must be ratified by the Senate, to redefine defense trade cooperation with Australia, the Administration appears to some to be putting in place an arrangement that avoids the existing regulatory structure.

Proponents argue that the benefits of streamlining defense cooperation with this close ally far outweigh separation of powers concerns as well as the potential that Australia would be the source of technologies or weapons falling into unfriendly hands.[18] The potential that third party transfers could result in the re-export of U.S. technology to potential enemies is reportedly addressed in the treaty by allowing the United States to vet such transfers.[19] The treaty has been welcomed by representatives of the U.S. defense industry as most of Australia's key weapons systems are American-made by companies such as Boeing, Northrop, and Raytheon. Australia's defense budget has experienced a 47 percent real growth rate over the past eleven years.[20] (See chart on next page of U.S. arms sales agreements and deliveries with Australia for further information.)

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15. Professor Murray Goot, "Australian Attitudes Towards the U.S.: Foreign Policy, Security, Economics and Trade," The 2007 U.S. Studies Centre National Survey Results, University of Sydney, October 3, 2007.

16. Gregory Furguson and William Mathews, "Australia, U.S. Sign ITAR Treaty," *Defense News,* September 10, 2007.

17. "Australia U.S. Treaty on Defence Trade Cooperation Fact Sheet," Attachment to Media Release of September 5, 2007 by the Office of the Prime Minister.

18. "A Good Move," *Defense News*, September 10, 2007.

19. Breanne Wagner, "Arms Sales," *National Defense,* September 1, 2007.

20. Gregory Furguson, "Australian Defense Budget Climbs 10%," *Defense News,* May 14, 2007.

U.S. Arms Sales Agreements and Deliveries with Australia (Total Values of Agreements and Deliveries Concluded, Fiscal Years 1995-2008) (in current U.S. dollars)		
Fiscal Year	**Agreements**	**Deliveries**
1995	$149 million	$303 million
1996	$170 million	$223 million
1997	$277 million	$196 million
1998	$240 million	$207 million
1999	$394 million	$269 million
2000	$405 million	$332 million
2001	$157 million	$308 million
2002	$169 million	$232 million
2003	$389 million	$213 million
2004	$478 million	$185 million
2005	$380 million	$391 million
2006*	$2.44 billion	—
2007 (estimate)	$277 million	—
2008 (estimate)	$406 million	—

Source: Defense Security Cooperation Agency (DSCA), Fiscal Year Series, as of September 30, 2005, and the State Department's *Congressional Budget Justification for Foreign Operations Fiscal Year 2008*.

Note: DSCA's fiscal year begins on October 1st and ends on September 30th. These data represent U.S. government-to-government agreements and deliveries under the U.S. Foreign Military Sales (FMS) program.

Note: This chart was compiled by Information Research Specialist Tom Coipuram.

*The 2006 sales figure is significantly higher than other years listed due to the sale of up to four C-17 Globemaster III aircraft, up to 18 Pratt & Whitney F117-PW-100 engines, up to three MK 41 Vertical Launch Systems, up to three MK 7 AEGIS Weapon Systems, as well as associated equipment and services. The total value, if all options are exercised, could be as high as $3 billion. See "Australia — C-17 Globemaster III Aircraft," DSCA News Release, April, 3, 2006, and "Australia — MK 41 Vertical Launch Systems," DSCA News Release, July 14, 2006.

Education and Training

The Air Force Security Cooperation Knowledgebase: A Critical Enabler Moves Into the Future

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In 2004, senior Air Force leaders directed the development of a software tracking tool that would allow users within the Air Force Security Cooperation Community, ranging from Action Officers and Attachés to senior leaders and decision makers, to quickly gain a complete overview of all Air Force Security Cooperation and Assistance efforts within a country, region, or even across combatant command (COCOM) lines of responsibility. The senior leaders recognized that there is simply so much information that pertains to security cooperation endeavors that it has been historically difficult, if not impossible, to gain a satisfactory picture of what is really occurring in an area of interest. Information such as security cooperation strategies, foreign military sales (FMS), officer exchanges, education and training programs, and Theater Support Cooperation Management Information System (TSCMIS) data are all examples of elements that are essential to security cooperation endeavors, but have not, until now, been readily accessible through a one-stop shopping informational portal. The Air Force leadership recognized the need for a single, easy to use tool that would serve as a repository to track all the Air Force's Security Cooperation and Assistance activities. The leadership put forth the challenge that this tool be able to quickly and accurately draw together seemingly disparate strands of data to provide both a context and a base of knowledge—critical enablers in the Air Force's efforts of providing security assistance to the nation's partners and allies.

In 2005, Deputy Under Secretary of the Air Force, International Affairs (SAF/IA) Long Range Planning Directorate (SAF/IAG) answered this challenge by establishing a Microsoft SharePoint based software portal that pulled together data relating to Air Force Security Cooperation efforts to present in a crisp, yet detailed, format. Christened the Air Force Security Cooperation Knowledgebase (AFSCK), it now provides users an easy to use information repository that tracks an impressive number of the Air Force's security cooperation activities around the world. Residing on both the unclassified NIPRNET and the classified SIPRNET computer systems, it is at the leading edge of information presentation and has been noted for both its convenient user accessibility and its breadth of information regarding security cooperation activities.

The AFSCK however, is not just another software program or web site. Its sophisticated capabilities extend far beyond the simple presentation of data on a computer screen. In fact, throughout the development of the AFSCK one of the primary goals of the Knowledgebase team has been to provide more than just data that was downloaded from databases around the security cooperation community. The Knowledgebase team understands that users are constantly awash in data—so much so, in fact, that it often loses its meaning due to the sheer volume of data at hand. The Knowledgebase however, transforms that data into information by presenting it within a context. In other words, the Knowledgebase team recognized that the content, the simple bits and bytes of the data, was useless unless it could be framed within a context, or environment, that would lend it meaning. Users need

more than just data, they need a presentation that will serve as a base for knowledge and decision making. This mindset of "information and context over a simple data stream" however, presented numerous challenges because the context in which a user views the information is, according to the user's needs, constantly changing.

The Knowledgebase team solved these challenges by allowing the users to tailor the information and data to their requirements by simultaneously grouping and presenting data in a manageable and integrated form, while at the same time, allowing the users to look at the data in as much detail as necessary. Although this sounds complex, it is in practice, elegant and straightforward. A good example is how the Knowledgebase deals with large, and often unwieldy, data stores. The Air Force Security Cooperation Strategy is a voluminous and detailed document that is posted, in its entirety, on the AFSCK. However, if a registered user is looking for information on how the Strategy relates to a specific country, the Knowledgebase provides a page, or view, for every country in the world. This page will then contain a link to the specific section of the Strategy that details the country plan. These country pages of course not only offer the strategy and country plans, but also a trove of additional relevant information that can be used to give the user context regarding security cooperation activities FMS, exchange programs, points of contact, and past bi- and multi-lateral contacts with Air Force leaders are among just a few elements that serve to round out the user's overview of security cooperation efforts within that country. It is this context which enables more accurate, and in turn, better decision making.

This is however, but one example of the type of context that the Knowledgebase provides as it strives to integrate information from all Air Force Security Cooperation activities. Without question this is an ambitious and ongoing effort. As the amount of data continues to expand, it is critical that the users continue to be given the ability to tailor the amount of information that they wish to see and the context within which they would like to see it. Security cooperation and assistance activities occur throughout many organizations in the Air Force not just within a single department or command. One need only look at the activities within elements ranging from the Air Force Special Operations Command (AFSOC) to the Air Staff and to the COCOM components. Many of these organizations frequently use the Knowledgebase and their users have provided feedback to expand the informational base from not just the formal Air Force Security Cooperation Community, but across all Air Force Building Partnership Capacity efforts. The concerted effort that the Knowledgebase team is undertaking to explore this expansion is critical not only to the internal needs of the Air Force, but also in light of "joint" doctrines that demand the need for informational integration and sharing with other services and components.

The developmental philosophy of having the Knowledgebase providing context for the user has benefited the Air Force security cooperation community. With a current user base of approximately 1,500, the team has remained nimble enough to quickly respond to user suggestions for enhancements and embellishments while maintaining the mindset of allowing the users to dictate how they would like to tailor their informational needs to give them the content that yields the context to make decisions regarding security cooperation efforts. The Knowledgebase team is committed to retaining this philosophy in the future as the increasing glut of available data will highlight and demand the ongoing need for users to be able to further refine their own informational picture. Without the context that the Knowledgebase provides, there is a risk that future decisions will be made incorrectly or, equally as troubling, not made at all due to incomplete or an overload of information. Therefore, as the Knowledgebase team looks over the horizon to anticipate the needs of the security cooperation community, the first task is to expand the Knowledgebase to ensure that all of the building partnership capacity activities within the Department of the Air Force are identified, tracked, and available to the users.

The AFSCK has been "the leader of the pack" in its ingenuity and employment of the Microsoft SharePoint services and subsequently the Microsoft Office Suite 2007. The Knowledgebase team has lent unique expertise to the Air Force through these skills but with time however, other Department of Defense (DoD), Office of the Secretary of Defense (OSD), sister-service, COCOM and component organizations have also made strides in perfecting their skills with this new software technology and are in fact starting to field major projects of their own that seek to track, monitor, and present overviews of all defense activities well beyond just those of the Air Force. These efforts represent major investments in information technology and herald, if they are well coordinated and integrated, an exciting step forward in tracking the building partnership capacity efforts of the United States. The Knowledgebase team, while remaining responsible primarily for addressing the needs of the Air Force, must be cognizant of these other DoD projects and ensure that future Knowledgebase development endeavors be mindful of standardization and potential integration.

The Air Force is at a critical juncture in determining how it will, if needed, integrate the AFSCK with these systems. The size and speed of these DoD developmental efforts dictate that the Air Force Security Cooperation community must ensure that the AFSCK is poised not only to "pull down" information from the larger systems, but that it in turn can contribute to them by providing timely and accurate information regarding its building partnership capacity activities "upward" and "laterally" to other and larger building partnership capacity tracking systems. The Air Force will always have its own in-house security cooperation activities, but these will be of growing interest to the sister services and DoD and thus, while not formally bound at this time to do so, must be prepared for the day in which content must flow in a constant two-way exchange. It is essential therefore that the Knowledgebase team is dedicated to ensuring information compatibility between the myriad of systems being developed.

It is clear that the current and future trend is toward even more informational integration. The stove-piping and separation of information among the services and other organizations is now a relic of yesteryear and is quickly being swept aside by the DoD and multi-service efforts to provide detailed overviews of all building partnership capacity activities irrespective of geographical, COCOM, or service boundaries.

SAF/IA and the AFSCK team are well attuned to these trends and potential future needs and will continue to enhance the Knowledgebase to meet the ongoing and immediate requirements of the Air Force Building Partnership Capacity Community. By using the inherent software extensibility of the Knowledgebase, craft and integrate the Knowledgebase to be prepared, when required, to supplement the larger DoD systems.

While this work will not be easy, the common goal of all these systems is to provide governmental and military users the same level of overview and context DoD wide that the AFSCK is now providing to Air Force users. This goal lends a sense of unity of effort and in this, the AFSCK will continue to set the lead. The integration of all DoD building partnership capacity activities is not just a dream. It is an achievable goal and the Knowledgebase team is working to ensure that the Air Force is moving in concert with these exciting changes.

About the Author

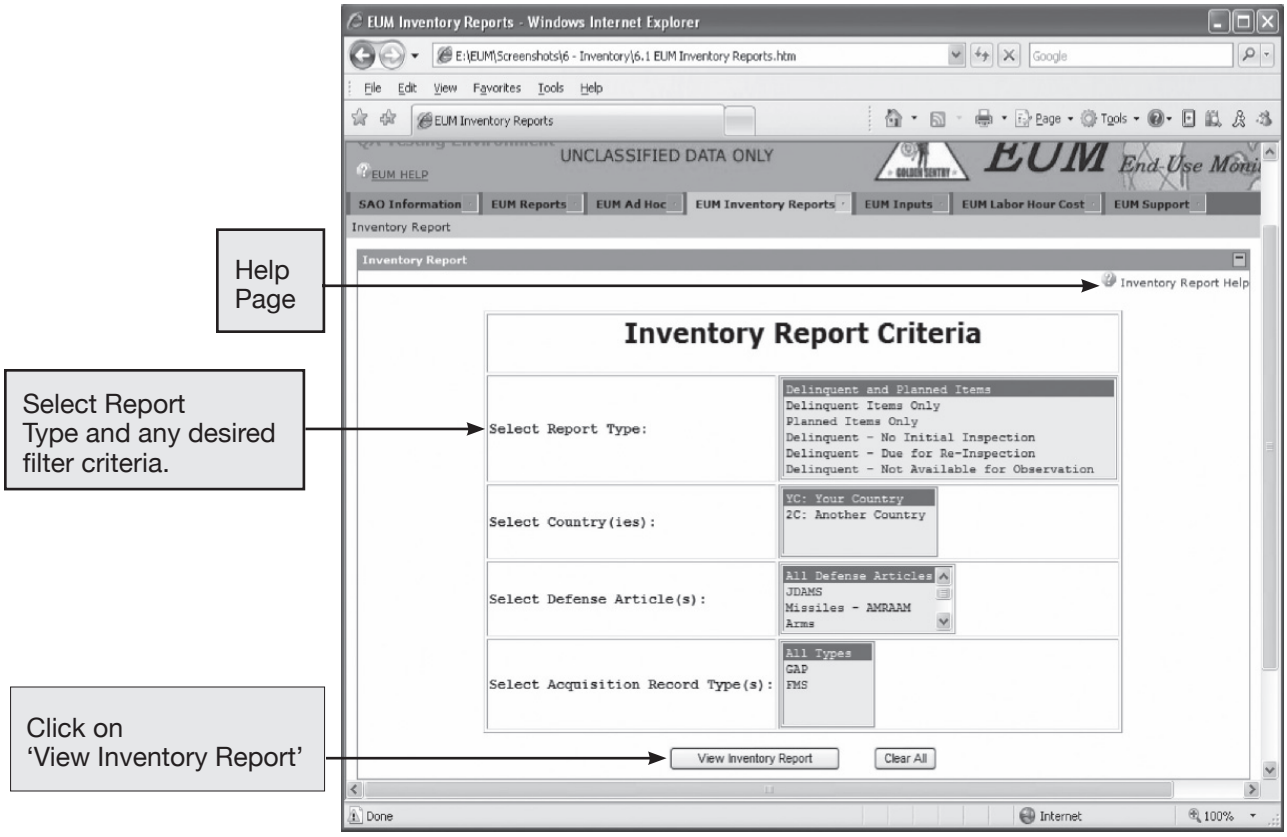
Lieutenant Colonel Neal A. Schier, USAFR, is a political-military advisor within the Strategy and Long-Range Planning Directorate serving under the Secretary of the Air Force, International Affairs. He has been actively involved in the technical and strategy elements of the Air Force Security Cooperation Knowledgebase since 2005. He has over 10,000 hours of military and civilian flying, he has recently authored a book on the challenges airline crews face flying after September 11, 2001.

Security Cooperation Information Portal Tutorial Inventory Reports

[The following is an excerpt from the *End-Use Monitoring Newsletter*. The *End-Use Monitoring Newsletter* is available at the following web site: http://www.dsca.mil/pgm/mgt/eum/.]

Inventories may be performed using either the End-Use Monitoring (EUM) Inventory Reports page or the EUM Inputs page in SCIP. To access EUM Inventory Reports, select SAO Toolbox, then EUM Inventory Reports. The first section, Select Report Type, replaces the old Planned and Delinquent report pages. Choose whether you want to see all delinquent and planned items, only your delinquent (past due date) items, only your planned items (due within 90 days), or a subset of your delinquent items.

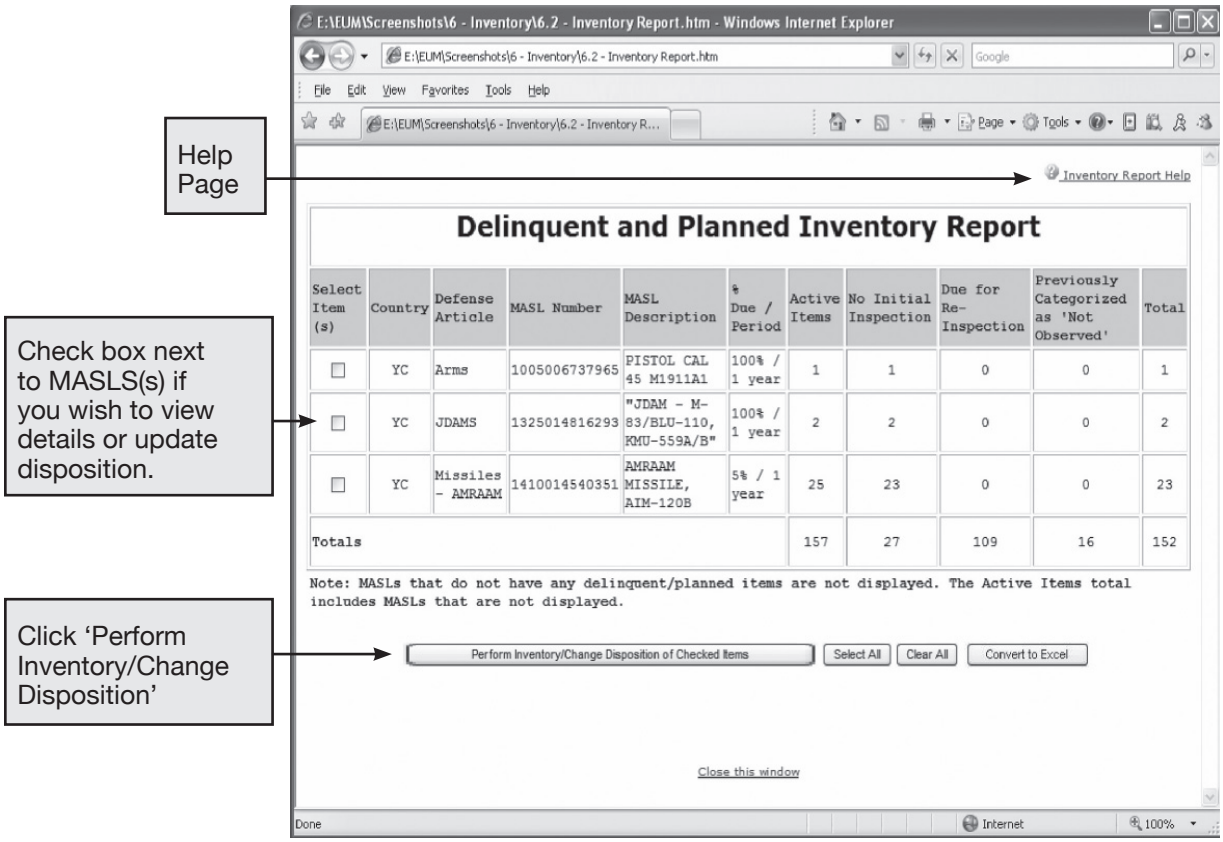
You may then provide additional filter criteria if you have items in EUM under more than one country, defense article, and/or ART.



After selecting your report, you will see a summary of all selected items, grouped and sorted by *Military Articles and Services List* (MASL) (and country, if applicable). Summary information such as number (#) of items due for re-inspection, number of items previously categorized as not observed, can be obtained on this screen.

If you wish to view detailed information such as serial numbers, previous inventory location, and inventory due date, and/or if you wish to update the disposition status of any items, check the box next to the desired MASL(s) and click Perform Inventory/Change Disposition of Checked Items.

MASLs that do not have any delinquent or planned items as requested on the previous screen are not shown. Please note that in the Active Items column, the total reflects ALL MASLs that are within the query criteria, so the sum will not match the displayed rows if any MASLs were not shown.



Delinquent and Planned Inventory Report

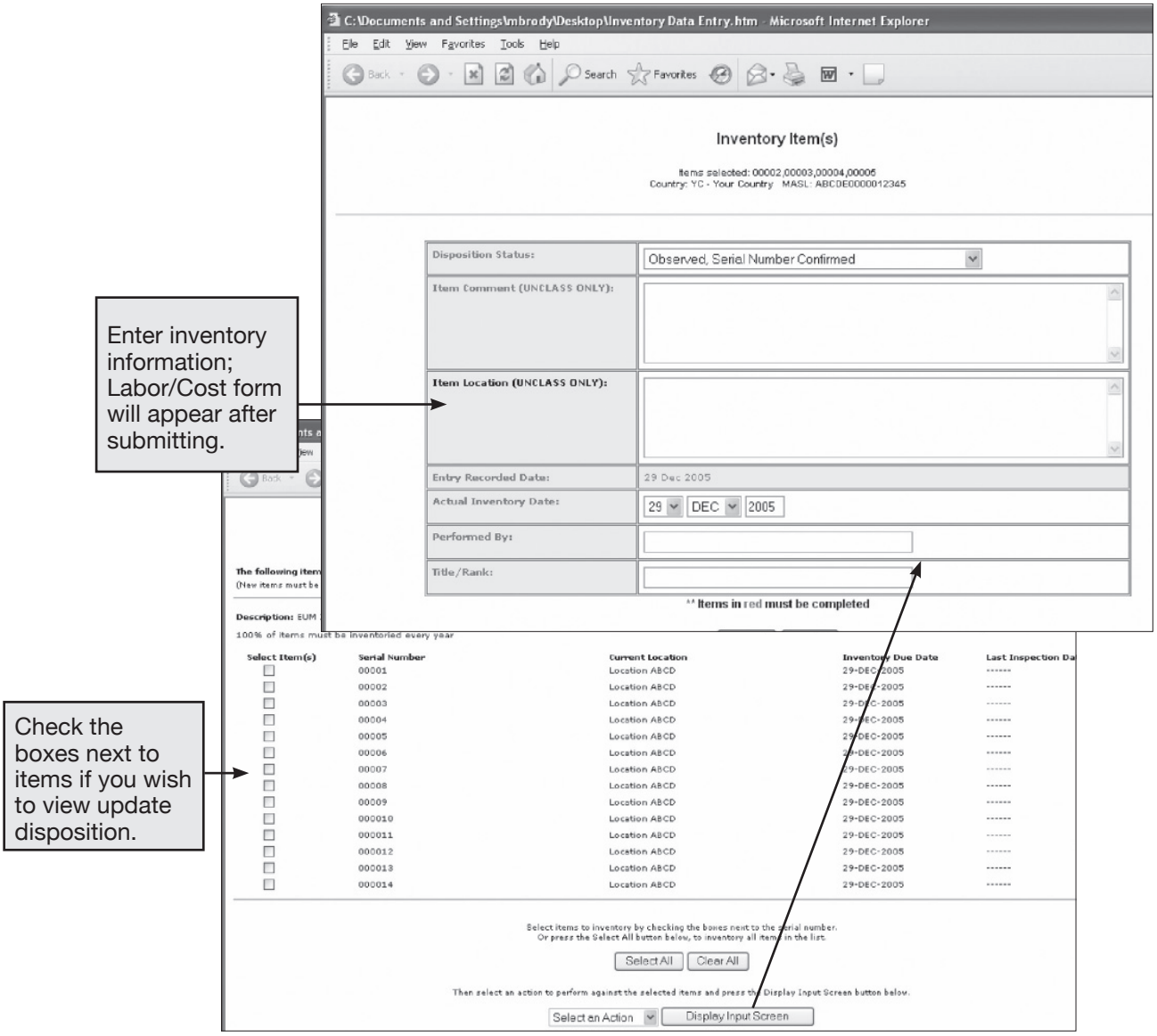
Select Item (s)	Country	Defense Article	MASL Number	MASL Description	% Due / Period	Active Items	No Initial Inspection	Due for Re-Inspection	Previously Categorized as 'Not Observed'	Total
☐	YC	Arms	1005006737965	PISTOL CAL 45 M1911A1	100% / 1 year	1	1	0	0	1
☐	YC	JDAMS	1325014816293	"JDAM - M-83/BLU-110, KMU-559A/B"	100% / 1 year	2	2	0	0	2
☐	YC	Missiles - AMRAAM	1410014540351	AMRAAM MISSILE, AIM-120B	5% / 1 year	25	23	0	0	23
Totals						157	27	109	16	152

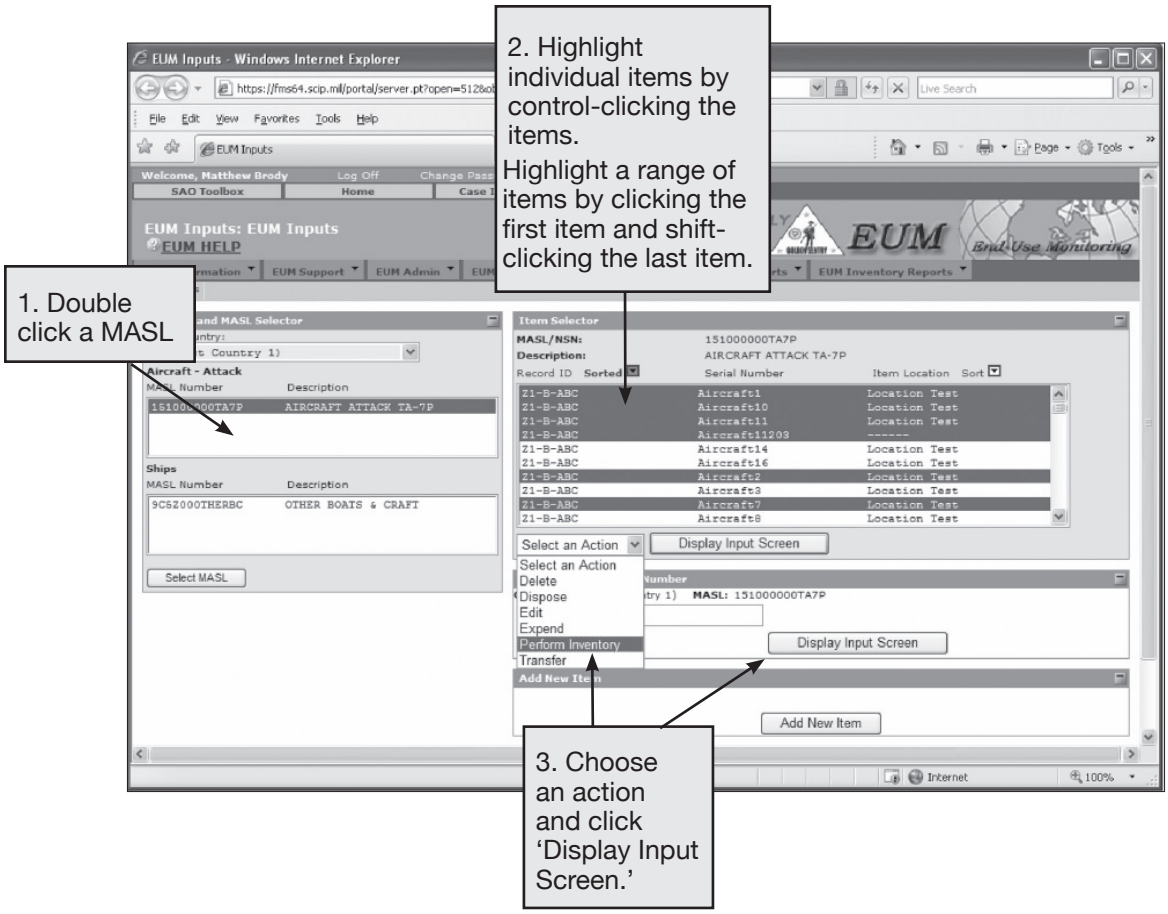
Note: MASLs that do not have any delinquent/planned items are not displayed. The Active Items total includes MASLs that are not displayed.

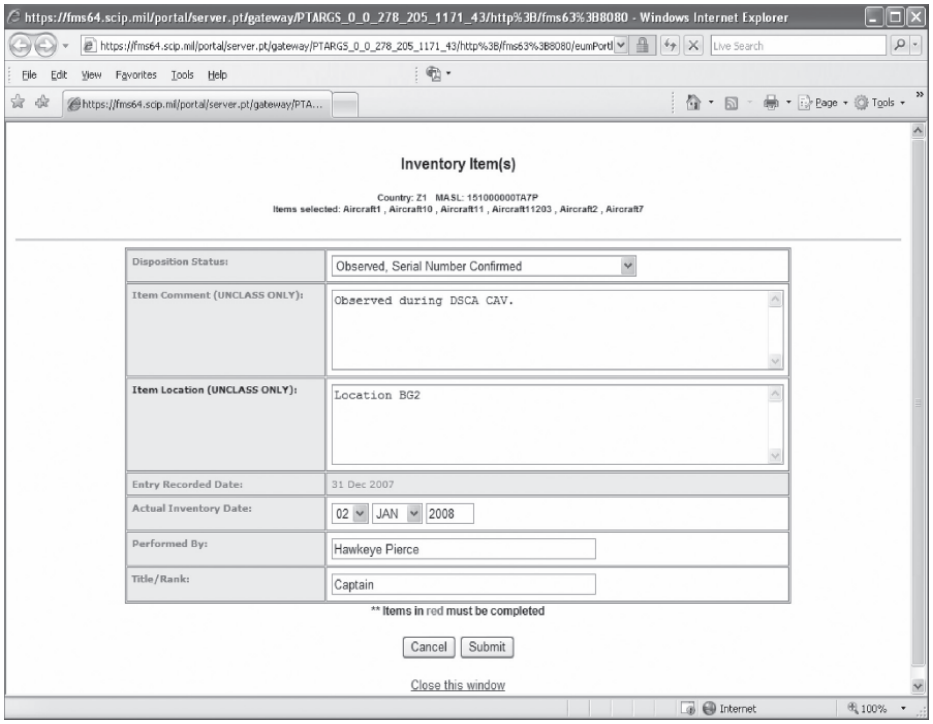
The next screen (shown on next page), titled Inventory Report, allows you to view details on the items within the selected MASL that are delinquent/planned (based on the inventory report selection). Please note that all items may not be visible on this screen - only the items which are delinquent/planned will appear. To enter inventory information for items which do not appear on this screen, use the EUM Inputs method on the next page. To change the disposition status, select the desired status (e.g., Expend, Dispose, Perform Inventory) from the drop-down list and click Display Input Screen. You will then be able to enter inventory or disposition details. You will also be prompted to enter labor/manhour data. See the February 2007 newsletter for details on entering labor/manhour data.

If the EUM Inventory Report (shown on page 105) does not show all of the items that you wish to inventory, you should use the EUM Inputs screen to enter your inventory/disposition data. All active items can be seen on this screen. After selecting SAO Toolbox, click the EUM Inputs tab. Select the MASL (from the left side) you wish to inventory, by double clicking the MASL. Next, highlight the serial number(s) you wish to inventory. You may select multiple serial numbers using shift-click and control-click as described in the box below. From the drop down list, select Perform Inventory, Expend, or Dispose, then click Display Input Screen to enter inventory information.

Enter the disposition status (shown on page 105), mandatory comment, fictitious (codified) location, inventory date, inspector name and inspector title/rank. After you click Submit, you will be prompted to enter labor/manhour information.


C:\Documents and Settings\mbrody\Desktop\Inventory Data Entry.htm - Microsoft Internet Explorer
File Edit View Favorites Tools Help
Back Search Favorites
Inventory Item(s)
Items selected: 00002,00003,00004,00005
Country: YC - Your Country MASL: ABCDE0000012345
Disposition Status:
Observed, Serial Number Confirmed
Item Comment (UNCLASS ONLY):
Item Location (UNCLASS ONLY):
Entry Recorded Date:
29 Dec 2005
Actual Inventory Date:
29 DEC 2005
Performed By:
Title/Rank:
** Items in red must be completed
Enter inventory information; Labor/Cost form will appear after submitting.
Check the boxes next to items if you wish to view update disposition.
Select Item(s)
Serial Number
Current Location
Inventory Due Date
Select items to inventory by checking the boxes next to the serial number.
Or press the Select All button below, to inventory all items in the list.
Select All
Clear All
Then select an action to perform against the selected items and press the Display Input Screen button below.
Select an Action
Display Input Screen


1. Double click a MASL
2. Highlight individual items by control-clicking the items.
Highlight a range of items by clicking the first item and shift-clicking the last item.
3. Choose an action and click 'Display Input Screen.'
EUM Inputs - Windows Internet Explorer
EUM Inputs: EUM Inputs
EUM HELP
Aircraft - Attack
Ships
Select MASL
Item Selector
Select an Action
Display Input Screen
Add New Item


Inventory Item(s)
Country: Z1 MASL: 151000000TA7P
Items selected: Aircraft1 , Aircraft10 , Aircraft11 , Aircraft11203 , Aircraft2 , Aircraft7
Disposition Status:
Observed, Serial Number Confirmed
Item Comment (UNCLASS ONLY):
Observed during DSCA CAV.
Item Location (UNCLASS ONLY):
Location BG2
Entry Recorded Date:
31 Dec 2007
Actual Inventory Date:
02 JAN 2008
Performed By:
Hawkeye Pierce
Title/Rank:
Captain
** Items in red must be completed
Cancel
Submit
Close this window

Announcing the 16th Annual Naval International Aviation Logistics Workshop

By
Ron Weinberger
Naval International Aviation Logistics Workshop

The 16th Annual Naval International Aviation Logistics Workshop will be held in Tucson, Arizona 14-18 April 2008. The theme of the Workshop will be "Real Time Operational Logistics Support". We have scheduled additional foreign military sales (FMS) partner presentations on specific platforms as well as aviation and operational logistics briefings on Iraq and U.S. Customs and Border Protection. We also added separate logistics working session "tracks" this year that we believe will be informative and encourage working sessions. These tracks include Repair of Repairables (RoR), Supply Support Equipment, Technical Data, and Training. Invited guest speakers for the 2008 LPIT Workshop include representatives from the Department of Homeland Security, Defense Security Cooperation Agency, Navy IPO, NAVICP, NAVAIR Program Managers, and international representatives from the Foreign Procurement Group, the International Customer User Group, Security Assistance Foreign Representatives, and North Island Foreign Liaison Officers. It should be noted that we are attempting to keep the participants attendance cost low to encourage maximum participation. There are no conference fees, and the meeting location sites are selected based on the available government low per diem rates. To save transportation costs, we have scheduled this year's LPIT the week prior to the Joint Aging Aircraft Conference (21-24 April 2008) since it will be held within driving distance in Phoenix, Arizona.

Please check out the Joint Aging Aircraft Conference web site at: http://www.agingaircraft2008.com. We look forward to seeing everyone in Tucson in 2008. An abbreviated draft agenda is provided on the next page.

Monday, 14 April
Opening/International Session

DHS (Aviation Logistics) Arizona Operations
Department of Homeland Security and Policy
Defense Security Cooperation Agency
Lunch
Navy International Program Office
Foreign Procurement Group
International Customer User Group
Security Assistance Foreign Representatives
North Island FLOs (F-18)
Social: Old Tucson Studios

Tuesday, 15 April
Common and International Session

Iraq Logistics Aviation Operations (USMC)
P-3 FMS Liaison Officer
Common Avionics
Air-to-Air Missiles PMA250
NAVICP

Lunch

Supply Track	**Tech Data Track**
Briefings TDD	AME
Transportation	Tech Data Changes
AMARC	Customers Only
Town Hall	USG Only

Wednesday, 16 April
Support Equipment and International Session

Iraq Aviation Logistics (USMC)
E-2 FMS Liaison Officer

Common ATE SE	PMA 260
Common Ground Equipment	PMA 260
Legacy SE Options	FMS SE Team Leader

Lunch

SE Track	**RoR/Training Tracks**
SE FMS Updates (Lakehurst)	RoR Update, FRCE
Crane	RoR Update, FRCSE
SE Rework	RoR Update, FRCSW
METCAL	RoR Update, ICP
North Island TPS Updates	RoR Facilitated Session
PT MUGU	Training Systems - Orlando
Jacksonville (P-3 or EW)	SAFR Training
SE Facilitated Session	Maintenance Video Training

Social: Tanque Verde Ranch

Thursday, 17 April
Voice of the Customer Session

VIP Speaker	TBD
Voice of the Customer	
Customer Top Issues	Facilitated Session

Social: Sea Base Social

Friday, 18 April 2007
USG and Industry AMARC

Adjourn by Noon

Security Assistance Management Advanced Training Course (SAM-AT)

By
Litsu Rehak
Defense Institute of Security Assistance Management

> Our field is just too broad and complex to "know it all." I have worked in the field for a long time as have other "full timers," and I readily admit my own dissatisfaction over my breadth of knowledge.
>
> *Mr. Charles E. Collins*
> *In-Country English Language Training*
> *DISAM Journal Vol. 12, No. 3, Spring 1990*

The quote above was used by Mr. Juan Perez, Security Assistance Officer (SAO) from Colombia in his SAO Perspective presentation during the Security Assistance Management Advanced Training (SAM-AT) Course and illustrates why the Defense Institute of Security Assistance Management (DISAM) conducts the SAM-AT Course. The objective of the course is to examine current training management policy and procedures through presentations and discussions to identify improvements that can be submitted to training policy makers.

For the first time, the SAM-AT Course was held in the fall, from 5 - 9 November 2007. Historically, the course has been held in the June/July timeframe which excluded participation from senior Professional Military Education (PME) International Military Student Officers (IMSOs) as that is their busiest time for student reporting. After the last SAM-AT course iteration was held 31 July – 4 August 2006, DISAM made a decision to change the course from an annual offering to every 18 months. The next one is projected for 2009.

Forty-eight students participated in the Course with forty-one having over three years experience in training management. All areas of the training community were well represented.

	USA	USAF	USN/MC/CG	FSN	Industry	Other
Officer	2	0	1	0	0	0
Civilian	9	6	8	20	1	1
Total	**11**	**6**	**9**	**20**	**1**	**1**

	USA	USAF	USN/MC/CG	Other
MILDEP	3	4	4	0
IMSO	5	2	4	0
DoD	0	0	0	2
Total	**8**	**6**	**8**	**2**

	NORTHCOM	SOUTHCOM	EUCOM AFRICOM	CENTCOM	PACOM
COCOM	0	1	0	0	1
SAO	1	7	8	2	4
TOTAL	**1**	**8**	**8**	**2**	**5**

Throughout the four-and-a-half day course, many topics were covered. Wherever feasible, the SAM-AT Course utilizes either students attending the course or guest speakers to present on specific topics. The topics ranged from legislation and policy to enactment of regulations (Leahy vetting, medical policies). There were also briefs from the military departments (MILDEPs), SAOs, IMSOs, and presentations on training automation. While each separate presentation was not necessarily relevant to each individual student, the hope was that the overall result would expand each student's knowledge. The following is a summary of the major topics discussed, issues raised, and possible solutions or answers:

Monday, 5 November 2007		
Topic	**Issue**	**Responder - Response**
Student Vetting	Mechanism for DoS to coordinate between vetting and visa offices	Ms. Porecca - Leahy vetting (i.e., human rights violation check) is completely separate from the checks that are run for the visa process. It is therefore entirely possible for a student to have a clean Leahy vetting and yet not be approved for a visa (and vice versa).
	Length of time for vetting authorization to come back	Ms. Porecca - If you are waiting vetting authorization and have not received any from DoS, you can always contact her to see if she can find out the status.
	There should be a policy that there is no cancellation penalty when country has submitted requests and DoS does not process vetting in a timely manner.	MILDEP CPMs - SAOs should let them know if they will be unable to process a student due to lack of visa . . . no shows are not a good thing. They may be able to move student to a later course or have more justification for not charging a penalty if you are keeping them up to date on the status.
International Military Student (IMS) Health Affairs	How are IMSOs supposed to handle family members not authorized on the Invitational Travel Order (ITO) that shows up anyway with no medical coverage and pregnant, ready to deliver (airlines will not allow them to travel)?	Ms. Judkins - SAO should be contacted to work with country to to assume the responsibility for the lack of required medical coverage and see who will assume the responsibility of the bills. If student can not pay and country will not pay, dependents should be sent home.
	How are the loopholes/disparities in the medical policy addressed? Military members coming to the U.S. for a six-week exercise do not have to be medically screened, but a student coming for two days of simulator training does.	Ms. Judkins - If the exercise is covered by an FMS case, then medical screening is required. Not all exercises are covered by FMS cases and DSCA only handles policy for training programs that are under their responsibility.
	What is the process for the Embassy vetting a medical facility to be "recognized" to carry out medical examinations?	Ms. Judkins - the intent of paragraph 9.A.(3). of the medical policy was for SAOs to be aware of the usual facilities that are used by country and to question when paperwork is received from elsewhere.

Monday, 5 November 2007 (continued)		
Topic	**Issue**	**Responder - Response**
IMS Health Affairs (continued)	Please explain the reasoning behind requiring students on Reciprocal Health Care Agreements (RHCAs) to still have medical insurance.	Ms. Judkins - RHCA only applies to military treatment facilities (MTF) or referrals made by that MTF for a civilian facility. There are many locations without an MTF and a RHCA and a RHCA will not apply. Also, if the IMS has a medical emergency, and is not near a MFT, the RHCA will not cover that medical emergency. Therefore, the IMS needs other medical coverage.
	Are there additional acceptable medical forms in lieu of 2 standard forms or translated versions (Spanish, French, etc.)	Ms. Judkins - Country developed forms can be approved on a case-by-case basis. The request and forms need to be forwarded to her (Ms. Judkins) for review.
Tuesday, 6 November 2007		
Topic	**Issue**	**Responder - Response**
Air Force Security Assistance Training (AFSAT) Program Management	When will AFSAT be on the Defense Security Assistance Management (DSAMS) Training Module (TM)?	AFSAT, Mr. Michaell - Originally, no earlier than November 2008. Update: the IT Governance Board agreed to accept the Air Force delay of the DSAMS TM (resulting from the Air Force's 26 Sept 2007 need to implement a financial policy change in their legacy system in advance of DSAMS TM) and move the target date for deploying TM to the Air Force to October 2010.
Naval Education and Training Security Assistance Field Activity (NETSAFA) Training Program Management	Limited Explosive Ordinance Disposal reduced training quotas from five courses a year of 25 students each to three courses a year of 25 students.	Ms. King - They will do their best to accommodate requests. If a country is provided a quota, it is vitally important that the student meets all requirements so that available seats are fully utilized. Also, dependents are strongly discouraged due to both facility limitations and the intensity of the course curriculum.
	Limited diving course quotas for international students.	Ms. King - International Diving Course is being developed for fiscal year 2009 which will be conducted once a year. Again, it is vitally important that the student meet all requirements to successfully enroll and complete the course.

Tuesday, 6 November 2007 (Continued)		
Topic	**Issue**	**Responder - Response**
Security Cooperation Education and Training Center (SCETC) Training Program Management	Command and Staff College (C&SC) Distance Education Seminar Program.	Ms. Douthit - Max capacity per seminar is 10 international Officers and 5 U.S. Marines per seminar (may run two seminars simultaneously). The program uses the same curriculum as the resident course: includes one five-week resident seminar, a non-resident on-line seminar, and a final six-week resident seminar with graduation with the resident C&SC students. The first program commenced June 2007.
Security Assistance Training Field Activity (SATFA) Training Program Management	Newly implemented six-day training week.	SATFA, Ms. Kearney. - This is impacting training especially for countries that are purchasing discount airfares . . . some graduation dates are changing for some locations and the new dates are not being captured in the Army Training Requirements and Resources System (ATRRS). SAOs with students that are impacted are being contacted individually.
	New Layer in Mobile Training Team (MTT) process.	Ms. Kearney - HQDA, G3, wants to be included in future coordination for all new MTT requirements. This additional workload will add to the processing time for getting team members identified and MTT into country. Call up messages may be required earlier than the already established timelines: 210 days for TDY teams and 18 months for PCS teams.
Security Assistance Officer (SAO) Perspective	Can DSCA coordinate a policy on records maintenance (electronically)? Different service filing requirements.	Ms. Judkins - Advised that DSCA already accepts electronic record maintenance but they exercise no control over the service requirements.
	Can DSCA coordinate with DoD to get the academic report converted to PureEdge? FormFlow will be obsolete soon and PureEdge allow for digital signature and electronic transmission.	Ms. Judkins - She will have to research which exact office in the DoD publications office would be involved in this.

Tuesday, 6 November 2007 (Continued)		
Topic	**Issue**	**Responder - Response**
Security Assistance Officer (SAO) Perspective (Continued)	Status of Academic Reports on the SAN? Capability to upload Academic Reports into an "Academic Report Repository."	DISAM Mr. Dop - It is on the list of approved enhancements. Best estimate of completion is late summer 2008.
Wednesday, 7 November 2007		
Topic	**Issue**	**Responder - Response**
Training Management System (TMS)	No new releases of TMS unless major DSAMs modification makes it necessary. Intent is to eventually do away with TMS and have all work accomplished online in the SAOweb.	
	Course descriptions still not available for many courses.	MILDEPs - Let MILDEP know if you are researching a course and there is no course description so they can work to resolve the situation.
DSAMS TM	Training Program Management Reviews (TPMRs) have been renamed Security Cooperation Education and Training Working Groups (SCETWGs).	Ms. Judkins - Combatant commands (COCOMs) and DSCA are the main determiners for participation. If there are concerns, they should be addressed through the COCOM first.
	Who has authority to control who attends?	
	IMSOs should be allowed to participate.	
	FSN participation vice DATTS/ NCOICs that are not involved in the day-to-day running should attend.	
IMSOweb/ SAOweb	Concern about whether a student that is between lines of training is still counted in the "currently in training" (i.e., IMSO completes training for IMS on 31 Jul and does not report for next line until 5 Aug. On 1 Aug, does he show up?)	(NETSAFA, Mr. Elliott - No, the student would not be counted. The statistics on the main page of the SAO/web is purely date driven.
	Can we standardize the inputs of the IMSOs so that information is easily found such as whether or not airport pickup is available, etc.	DISAM, Ms. Rehak - By virtue of the fact that there are specific sections to locate information, we hope that IMSO inputs are standard. But, each IMSO is responsible for populating those fields based on what they think is important. If the information provided is not adequate, you should request the IMSO to add it through the MILDEP.

Wednesday, 7 November 2007 (continued)		
Topic	**Issue**	**Responder - Response**
IMSOweb/ SAOweb (Continued)	In mail STL reports, rank of student appears, but not in reports section.	Mr. Dop - As we continue with the migration to the web, we will continue-to work on reports. But, as previously stated, we are not anticipating any further releases to TMS 7.0 after 7.01.4 in February 2008.
Thursday, 8 November 2007		
Topic	**Issue**	**Responder - Response**
Global Master of Arts Program (GMAP)	Due to reduction in quotas from twelve to eight per year, Foreign Service Nationals (FSNs) are not permitted to participate.	DISAM, Mr. Sutton - FSNs can still apply directly to Tufts for admission as well as for financial aid. This has been utilized in the past with success.
Combating Terrorism Fellowship Program (CTFP)	Concern that nomination in process up to Office of the Secretary of Defense (OSD) level is too centralized.	CTFP is a focused security cooperation engagement tool that supports combat-ing terrorism and the *Global War on Terrorism* (GWOT). There are essentially three levels that must be cleared for an IMS to start training: 1) The country/ country team select and nominate an IMS; 2) The COCOMs review and approve or endorse the the nomina-tion; and 3) OSD Policy gives final approval after ensuring the IMS and training meet/support the program's goals/objectives. The process is not so much centralized as it is a cooperative effort on the part of all involved to engage the right countries participants.
Field Studies Program (FSP)	Is there another mechanism for FSP dollars vice disbursing office? It is a constant education process to get vouchers paid, and now that more bases are going regionally with no local office, it may become even more difficult.	DISAM, Dr. Reynolds - DISAM has been working with WPAFB for the past two years to get IMPAC cards for FSP. It is hoped the process will be worked out in the next year. DISAM would make the process available to other IMSOs who may be able to implement similar procedures.

On Friday, 9 November 2007, issues and questions that were raised during the week were validated. Ms. Kay Judkins from Defense Security Cooperation Agency (DSCA) was present for the discussion. Following that, she spoke briefly about DSCA training program management and addressed some of the issues and questions that had been raised during the week.

During the week, students were also able to observe the graduation of the SAM-International Purchasers Course and to participate in a Field Studies Program (FSP) Practical Exercise with visits

to the Air Force Museum Annex and the Wright Brothers Memorial. There was also a class dinner on Thursday night.

About the Author

Litsu Rehak is currently an Instructor of Security Cooperation at DISAM. Her main area of focus is international training management. She has previously worked at the Security Assistance Training Field Activity as a Country Program Manager and at the Office of Defense Cooperation in Canberra, Australia as a SAO Training Officer. She also served on active duty in the United States Air Force for five-and-a-half years. She has completed a Bachelors Degree in Mathematics, a Masters Degree in Business Administration, and a Level III International Affairs certification.

The Western Hemisphere Institute for Security Cooperation Adds Ethics to the Human Rights Program

By
Dr. Donald B. Harrington
and
Chaplain (Major) Kenneth Hancock, USA
The Western Hemisphere Institute for Security Cooperation

"Building on the Democracy and Human Rights Program" described in *The Disam Journal* (Fall, Volume 27, No. 1, p. 137), The Western Hemisphere Institute for Security Cooperation (WHINSEC) has added yet another block to an already outstanding program. In mid-2006, WHINSEC incorporated a two-hour class on Ethical Decision Making into the existing Democracy and Human Rights Program. The class is taught in all WHINSEC classes (about 1,000 Latin American and Caribbean military officers, police personnel and civilians each year) by the Institute chaplain and incorporates the following material.

The two-hour class opens with a scenario based on actual events that occurred in a Western Hemisphere country. In the scenario, an Army patrol enters a returned refugee camp by invitation from the refugees but in direct disregard of an international accord prohibiting any military presence – particularly when armed – in the camps. Their arrival is welcomed by most of the refugees, however, some are disturbed by the patrol's presence and ask the patrol to leave the village. When the patrol momentarily delays their exit, some of the refugees take action by trying to forcibly disarm the patrol. Feeling threatened, some of the patrol's members then open fire in what may be legitimate self-defense while other members of the patrol simply open fire on any and all refugees, in the process wounding and killing about twenty people.

On hearing the firing, a second Army patrol hurries to the camp to assess the situation and respond appropriately. It is noteworthy that, initially, the second Army patrol is unaware of the circumstances and events that are unfolding; they are simply responding to the sound of gunfire in an effort to provide security for the refugees.

Confronted with the unfolding events, the second patrol then must determine how to respond – particularly in defense of the refugees. They face an ethical dilemma as they ponder the question, "Are we prepared to fire upon our comrades who are indiscriminately killing innocent refugees?" Additionally, the second patrol faces the ethical dilemma of how they will respond in the event of an ensuing investigation of the matter. They must wrestle with the question, "Are we prepared to tell the truth of what we saw or will we attempt to cover up the slayings to protect our fellow soldiers?"

In the second part of the presentation, the Chaplain/Instructor proceeds to develop a series of ethical paradigms such as:

- Paradigm 1: Truth versus Loyalty
- Paradigm 2: Individual versus Community
- Paradigm 3: Short Term versus Long Term
- Paradigm 4: Justice versus Mercy

A consideration of these paradigms forces the students to discuss the various ethical choices to be made. These choices are developed and discussed within a context of real-world examples and scenarios.

The participants consider ethical principles and choices involving three philosophical schools of thought. These principles or perspectives, which influence our ethical decision-making processes, include:

- Perspective 1: End-based Thinking, where the focus is on "the greatest good for the greatest number (Consequential and Utilitarian Outlook)
- Perspective 2: Rule-based Thinking, which prompts one to ask, "What is the highest rule that should be followed?" (The Categorical Imperative)
- Perspective 3: Case-based Thinking, where, unlike the ends-based or rules-based thinking, the primary goal is to do to others what we want others to do to us (widely regarded as "The Golden Rule").

The third part of the presentation ties the previous elements together by considering the Military Ethical Decision-making Process and its implications/applications to the students' personal ethical decision-making process. It drives the point home by analyzing a scene from the movie, "Hotel Rwanda," wherein the lead character prevents the killing of innocent civilians at the hands of a rebel militia leader. The class strives to apply the Military Ethical Decision-making Process by defining the problem/issue at hand, identifying the applicable rules/regulations/principles, and evaluating the lead character's course of action. In particular, the class analyzes the Rwandan case with the goal of identifying the governing paradigms and principles and determining the ethical fitness of the lead character's course of action.

Finally, the instructor concludes by pointing out that, while he can teach the students about ethical principles and offer them examples of possible choices, he cannot make them ethical officials. That will have to come from within.

In fact, the class forces participants to acknowledge the inherent risks and responsibilities of ethical fitness: the class confronts the reality that, while ethical fitness brings great personal, organizational and social benefits, it may come at great personal cost. It forces participants to consider the gamut of ethical choices, which they may confront during their careers, and to think about those choices before they have to face them in real life.

This is the same principle used in yet another addition to the Democracy and Human Rights Program, the use of a recently-acquired Engagement Skills Trainer (EST) which has a number of "shoot, don't shoot" scenarios. Once a class uses those scenarios, they engage in a classroom discussion of why or why not they chose to shoot and what human rights and ethical principles were involved in each of those decisions.

Through the new ethical decision making class and the use of the Engagement Skills Trainer, WHINSEC students are forced to consider which are the right actions and what are the consequences and implications of those actions. Having faced these dilemmas in advance, the expectation is that these students will be far more likely to make the right choices when confronted with real life problems in their military and police activities.

About the Authors

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