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# Congressional Testimony in Support of the FY1998 Security Assistance Request

By

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[The following is a reprint of a prepared statement by General Rhame presented before the Subcommittee on International Economic Policy and Trade Promotion of the Senate Foreign Relations Committee in Washington, DC, on March 12, 1997.]

## INTRODUCTION

Mr. Chairman, members of the committee, good morning. It is a pleasure to be here today to testify in support of the Administration's security assistance request for fiscal year 1998.

In our request we are asking for a substantial increase over the FY 1997 appropriation. The security assistance part of this budget alone represents a \$55.775 million increase. We believe that this increase is fully justified. It has become clear that even though the challenges we face today may not be of the same magnitude as those we faced during the Cold War, they nevertheless require American engagement. Many of these challenges are better and more effectively met by the kind of foreign policy instruments contained in this foreign aid request than by direct military action. Old goals such as preserving Middle East peace are no less important today, but we have important new goals as well. Probably the single biggest of these is the challenge of building a new security structure in Europe. As a result, the demands of preparing the new democracies of Central Europe and the former Soviet Union for full participation in the Partnership for Peace (PFP) and in some cases, NATO membership, account for a significant amount of the requested increase. We are also requesting small amounts of money for programs to train and equip foreign troops for peacekeeping and humanitarian assistance duties, and thus reduce the need to commit American troops for these kinds of operations in the future.

Sometimes, despite our best efforts, our military power must be employed. In such cases, security assistance has the proven benefit of helping to ensure that our friends and allies have the equipment, training, and infrastructure to fight along side U.S. if necessary. As commander of the 1st Infantry Division in operation Desert Storm, I saw first hand how our years of active planning and effort in building military-to-military relations and interoperability through the security assistance program with our coalition partners paid big dividends during the war. As Director of the Defense Security Assistance Agency, I am responsible for both of these major goals of the security assistance program—preparing our friends and allies worldwide to defend themselves, and preparing them to work better with the U.S., if need be. This budget request, therefore, has the strongest backing of the Department of Defense.

Before I discuss our budget request in detail, I would like to acknowledge the much-needed improvements to the Foreign Assistance Act and the Arms Export Control Act made by P.L. 104-164 [enacted on 21 July 1996]. We look forward to working with you on future security assistance authorization bills.

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## INTERNATIONAL MILITARY EDUCATION AND TRAINING (IMET)

IMET is our single most cost-effective security assistance program. IMET fosters military-to-military relations, promotes military professionalism, and, via the Expanded IMET program, addresses issues of military justice, respect for internationally recognized human rights, effective defense resources management, and improved civil-military relations. The Commanders in Chief of the unified commands have consistently identified IMET as a key tool for enhancing political/military relations with the various countries in their regions.

Since 1991, we have broadened the reach of the IMET program to 28 new countries, primarily in Central Europe and the Newly Independent States of the former Soviet Union (NIS). Increasingly, our IMET program in this region has come to focus on preparing these countries for full participation in the Partnership for Peace, and, in some cases, NATO membership. Accordingly, we continue to work towards restoring the level of IMET funding to a level commensurate with the program's global utility and the new requirements for training in these new democracies. This year we are asking for \$50 million, an increase of \$6.525 million, of which \$3.550 million is for countries in Europe and the NIS. Of this, \$1.5 million is for three countries, Poland, Hungary and the Czech Republic.

Given that IMET was one of the few programs to be increased last year, you might well ask whether this additional funding is really justifiable in a time of budgetary stringency? The answer is yes. IMET course costs are rising by an average of eight percent per year; [this is] due to reductions in the DoD student population that increase per-student costs, along with normal inflation. Further, costs increase as country programs mature. Starting an IMET program with a new country is relatively inexpensive. English-language training is often a prerequisite for IMET students before they can take the more costly professional military education courses that bring the real benefits. The early, inexpensive phase for these new countries is largely complete, and follow-on training needs to be funded. At the same time, we are also proposing to bring in 570 more students worldwide, of which the majority will be from Central European and NIS countries. So this proposed expansion in the IMET program is in part a natural consequence of seeds planted several years before, and a component of our larger efforts to improve the professionalism of, and enhance interoperability with, the militaries of Partnership for Peace countries as well.

## FOREIGN MILITARY FINANCING (FMF)

We are requesting \$49.25 million more than last year's allocations for the FY 1998 FMF program, after accounting for the [separate] funding of "FMF" demining activities in the new Non-proliferation, Anti-terrorism, Demining, and Related Programs [appropriations] account.

### Central Europe and the NIS

As with IMET, our interests in Central Europe are an important factor in our request for increased funding. We are requesting \$70 million in FMF grant funding for the Partnership for Peace initiative, an increase of \$10 million. Support for the Partnership for Peace helps to ensure that Partners invited to join NATO will be ready to accept the military, political, and economic burdens of membership. It also helps to keep the door open to countries not initially invited. The necessarily flexible nature of the NATO enlargement process makes it essential that we fund the program at a level sufficient to make the armed forces of the earliest prospective NATO members truly interoperable with NATO, while helping the other Partner countries progress. At the same time, funds are needed to enhance cooperation with eight countries of the NIS that we expect will become eligible for FMF grant funding for the first time in FY 1997.

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## Loans to Central Europe

We are also requesting \$20 million to subsidize an estimated \$402 million in loans to Central European (CE) countries. Unlike the grant assistance requested for the Partnership for Peace, these loans are intended to help address major infrastructure deficiencies, such as lack of airlift capability and NATO-compatible air defense, radar, and communications equipment. In some cases, loans may be used to support transfers of excess equipment.

One important aspect of assistance to CE countries, especially those that may not be invited to join NATO initially, is peacekeeping. Virtually all of the CE countries already maintain or are forming dedicated peacekeeping units. Unfortunately, lack of compatible transportation and communications equipment is a major limitation on these countries' ability to work alongside U.S. or NATO troops in international peacekeeping missions. Grants and loans to these countries can make their peacekeeping contributions more effective in the near term, while helping to make them better prepared for possible future NATO membership.

## Greece and Turkey

We are requesting \$46 million to subsidize the same FMF loan values authorized for Greece and Turkey in FY 1997, \$122.5 million and \$175.0 million, respectively. In both cases, the loans are needed to continue sustainment of existing U.S.-origin assets. Greece also plans to use these funds to refurbish and upgrade existing U.S. equipment as well as articles that will be acquired through the reduction of conventional forces in Europe and the Excess Defense Articles program.

I appreciate that the proposed assistance to Turkey and Greece may be controversial because of Turkey's problematic human rights record and the potentially volatile situation with regard to Cyprus and the Aegean Sea. Yet the strategic importance of this region cannot be overstated. We are committed to balancing tensions between Greece and Turkey, and to promoting Turkey's place in the Western security system. Turkey's secular-oriented, Western-leaning military establishment remains a moderating force in the country and needs our continued support.

## Middle East Peace

Once again we are requesting \$1.8 billion in FMF grants for Israel and \$1.3 billion for Egypt to fulfill our commitment under the Camp David accords. Maintaining Israel's qualitative advantage and modernizing the Egyptian armed forces continue to be major goals of these programs. Regarding Egypt, I would like to point out that in addition to its role in promoting regional peace, our aid there has had the additional benefit of building a strong and reliable coalition partner. Egypt provided over 40,000 troops in the Gulf War, troops whose interoperability with U.S. forces was greatly increased by U.S.-provided training and equipment.

Foremost among Arab countries that have recently taken risks for peace in the region is Jordan. As part of our policy of assisting such countries, we are requesting \$45 million this year for Jordan to continue with the F-16 aircraft lease program for which Congress has already appropriated \$100 million in FY 1996 and \$30 million in FY 1997. The program is on schedule, with the first six aircraft scheduled to be delivered in December 1997 and the remaining ten by February 1998.

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internal procedures, any recommendation by DoD reviewing organizations to deny or require conditions for proposed transfer will be accompanied by specific national security rationale;

4. Training for program managers and other Acquisition Workforce personnel will include sufficient instruction in the policies and procedures of international armaments cooperation programs, including export regulations and information and industrial security policies, so as to enable them to develop and execute such programs successfully; and
5. The International Cooperative R&D Program accounts (0603790D, A, N, and F) will be used to enable international armaments cooperation programs to begin at an earlier time than what would otherwise be possible through normal program budgeting. The USD(A&T) will approve projects for funding by these accounts in accordance with this policy.

I request your full support of this policy and task the Armaments Cooperation Steering Committee to ensure that this policy is aggressively pursued.

This policy is effective immediately. Appropriate DoD Directives and Instructions should be amended by their sponsors to reflect this policy within 180 days.

Addressee List: Secretaries of the Military Departments  
Chairman of the Joint Chiefs of Staff  
Under Secretaries of Defense  
Director, Defense Research and Engineering  
Assistant Secretaries of Defense  
General Counsel of the Department of Defense  
Inspector General of the Department of Defense  
Director, Operational Test and Evaluation  
Assistants to the Secretary of Defense  
Director, Administration and Management  
Directors of the Defense Agencies  
Directors of the DoD Field Activities