U.S. Military Posture For FY 1983

The annual "posture statement," prepared by the Organization of the Joint Chiefs of Staff (OJCS) and entitled United States Military Posture for FY 1983, was presented to Congress in February. This 122 page document serves to augment reports and statements made by members of the OJCS before Congress in support of the FY 1983 Defense Budget. For the information of our readers, we provide below an extract from the posture statement dealing with U.S. and Soviet security assistance activities.

SECURITY ASSISTANCE

In the face of growing challenges and hostility, the U.S. alone cannot provide all the military strength and resources to meet threats to its security interests and those of friends and allies. However, by assisting selected nations to acquire, use, and maintain the capability to defend themselves, the U.S. can enhance collective security and the integration of U.S., allied, and friendly military forces in opposing common threats. The transfer of defense articles, services, and training to nations whose security objectives are compatible with U.S. interests benefits both the U.S. and the recipients.

Security assistance is a vital component of U.S. national security and foreign policy. U.S. security assistance programs serve as a means for sharing the burden of free world security and provide a tangible, visable relationship with countries of strategic importance to the United States. The international relationships that derive from security assistance can strengthen U.S. military capabilities and improve the U.S. global defense posture. Access to overseas bases and facilities by U.S. forces, for example, frequently hinges on the U.S. ability to provide reasonable levels of assistance to friends and allies. The transfer of military equipment and services and provision of low cost training help the U.S. meet the security concerns of friends and allies and encourage stability which can lead to the peaceful resolution of disputes. Also, the long-term influence of security assistance programs can be considerable. Professional military training can enhance friendly force development and influence future military leaders of the recipient nations. Given the propensity of professional military officers to serve in positions of leadership in many of the nonaligned nations, foreign military training is a particularly cost effective instrument of U.S. policy.

THE U.S. SECURITY ASSISTANCE PROGRAM

The U.S. currently provides defense articles, services, and training on a cash sale, financing, or grant basis to 104 nations. Although the bulk of U.S. security assistance is now in cash sales, there are three other major security assistance programs:

- The Foreign Military Sales Financing Program furnishes credit and loan repayment guarantees to enable eligible foreign governments to purchase defense articles, services, and training.

- The Military Assistance Program (MAP provides defense articles and services, other than training, to eligible foreign governments on a grant basis.

- The International Military Education and Training (IMET) Program provides training in U.S. schools to foreign military and related civilian personnel on a grant basis.

Although the dollar value of U.S. military related exports has risen over the long term, the ratio of separately budgeted security assistance to the U.S. defense budget has declined from a high of 9.5 percent in 1950 to under two percent today (Chart III-11).

RATIO: SECURITY ASSISTANCE/DEFENSE BUDGET
(CONSTANT FY 1982 DOLLARS)

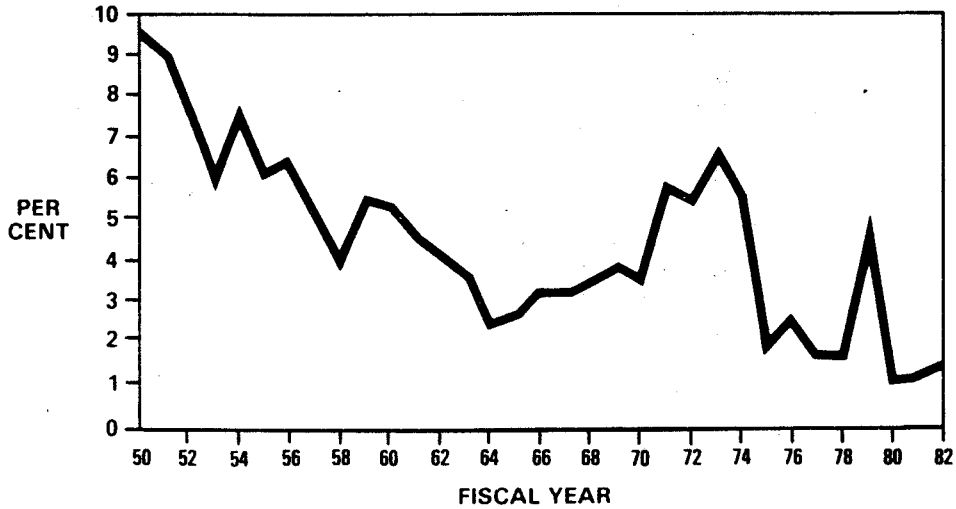


CHART III - 11

This reduction in the relative contribution of security assistance to overall U.S. defense interests contrasts sharply with the continuing emphasis on coalition efforts for maintaining free world security. Chart III-12 depicts the long term trends in grant military aid and foreign military sales (FMS).

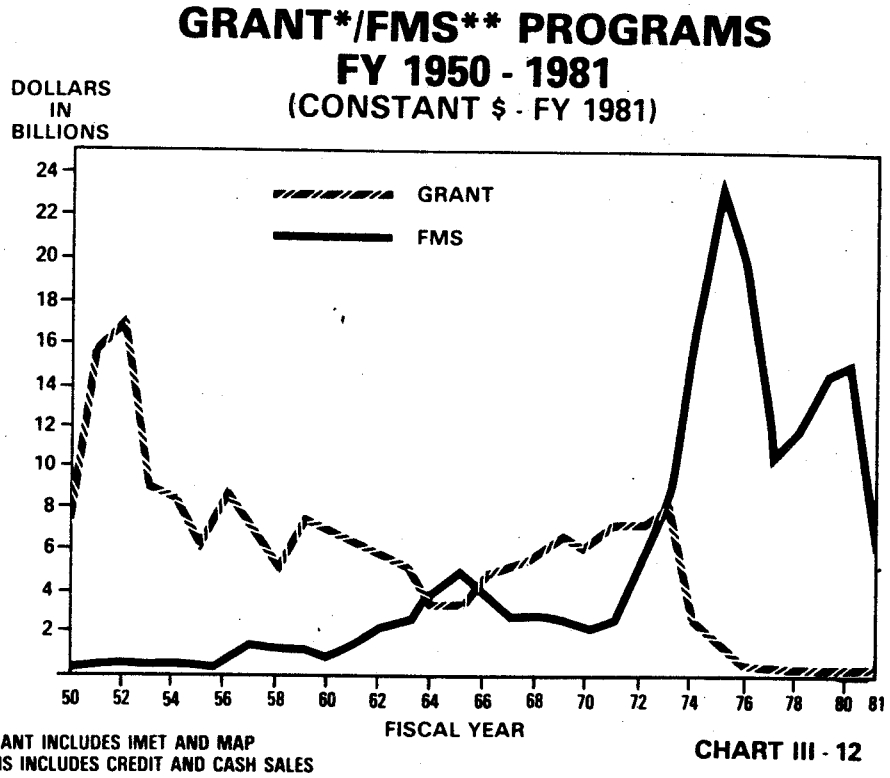


CHART III - 12

As shown on the chart, FMS increased sharply in the 1970s as reliance on MAP and IMET grants was severely reduced. Many recipients have had difficulty in adjusting to the shift from MAP to FMS, especially in view of high energy prices, high interest rates, and the increased cost of military goods and associated services. Dollar value restrictions, selected prohibitions, and arms export restraints of the late 1970s also had a debilitating effect on U.S. military assistance efforts.

In recognition of the contributions of security assistance to important foreign policy and security objectives, the FY 1982 security assistance program has been increased substantially over previous levels, thus reversing recent adverse trends. Even though the FY 1983 program proposes further increases, additional steps need to be taken to enhance the effectiveness of security assistance as a means of achieving U.S. objectives. In particular, the realities of high-cost defense technology, inflation, and pressing self-defense requirements dictate increased use of grant economic and military assistance and more liberal FMS

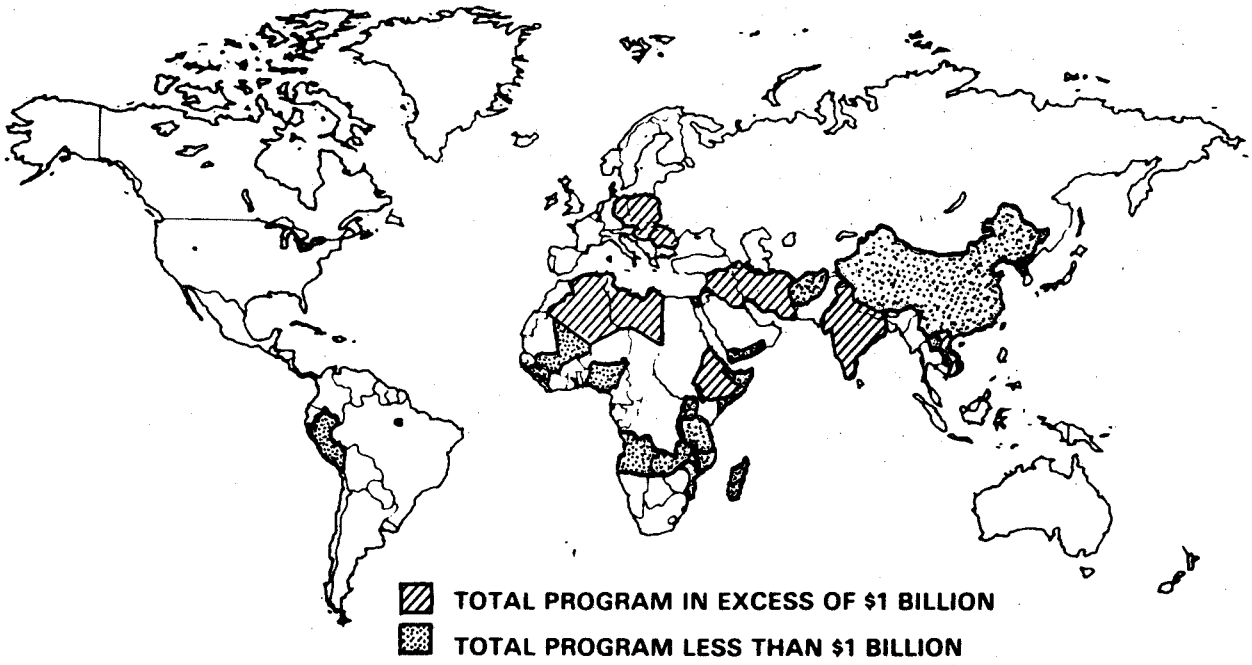
credit terms and repayment periods. There is an increasingly critical need to re-examine security assistance provisions which limit the U.S. ability to use the program with the flexibility demanded by security challenges of today and tomorrow. The restraints on the manning level and functions of overseas security assistance organizations is of continuing concern, since these elements are vitally important to the management of assistance programs and dialogue on training, planning, operation, and host nation support. Additionally, expanded IMET funding levels would increase the training available to U.S. allies and other friendly nations at a time when cooperative planning and combined approaches to mutual threats have become more critical to free world security. Finally, the value of U.S. security assistance programs would be enhanced greatly by the extension of current legislative authority for incremental pricing of IMET to all FMS training. Such an extension would help offset the adverse effects of inflation and help correct the perception that the U.S. charges what appears to be excessive prices for its training.

THE USSR AND SECURITY ASSISTANCE.

The value of security assistance across the entire range of political, economic, military, and social relationships has not been overlooked by the Soviet Union (MAP III-1, on following page). In recognition of the role of security assistance as a low cost investment and instrument for achieving political objectives, the Soviet Union has substantially increased its assistance programs over the past decade. In 1980, the Soviets exceeded U.S. arms sales (MAP III-2) by at least an estimated $4.5 billion and established a dominant lead in sales of major fighter, tank, and artillery weapon systems to the Third World. Soviet arms deliveries have kept pace with increasing sales. In 1980, deliveries were the second highest on record as a result of sealift capability improvements, particularly the upgrading of cargo handling facilities at Nikolayev on the Black Sea.

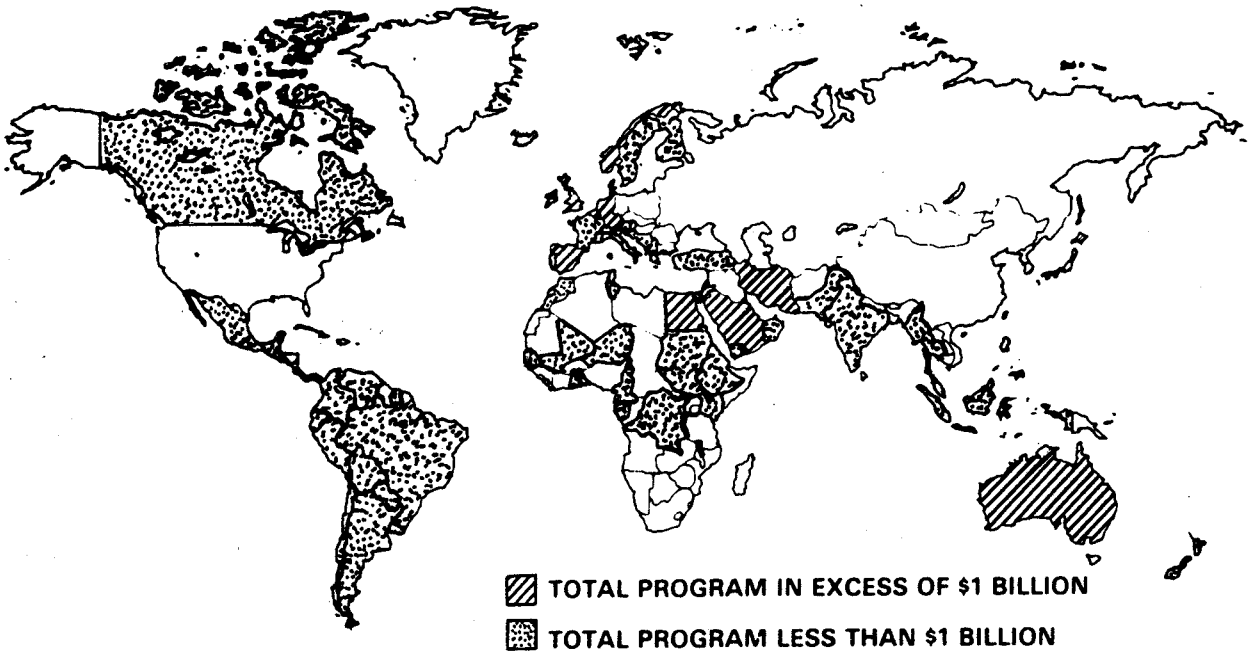
As an adjunct to direct assistance efforts, Moscow uses its client states as conduits for arms transfers when deemed more appropriate to fulfill political objectives. Designed primarily to support guerrilla activities and influence areas such as Africa and Central America, the sales efforts of Soviet client states amounted to over $2.0 billion in 1980. The Soviets are expected to continue to direct and surrogate military assistance and arms sales to boost hard currency earnings and gain influence in Third World countries. [Pp.65-68].

USSR ARMS SALES 1974 - 1980



MAP III-1

U.S. FOREIGN MILITARY SALES 1974 - 1980



MAP III - 2

Proposed Sale of Aircraft to Venezuela

The following is a reprint of a statement by the Honorable James L. Buckley, Under Secretary of State for Security Assistance, Science and Technology, in testimony before the Senate Foreign Relations Committee, on 5 February 1982. The statement has been published as Current Policy No. 369 by the Department of State. Mr. Buckley's statement addresses a variety of security assistance policy and strategic issues apart from the specifics of the Venezuela F-16 case, and is provided herein for the information of our readers.

> I am pleased, as always, to be here. I welcome the opportunity to discuss Venezuela's request to purchase F-16 aircraft and to explain why the Administration has approved the request and believes the proposed purchase should be allowed to proceed.
>
> Our decision is consistent with the Administration's arms transfer policy and should be viewed in the context of the strategic situation in the world today. Over the past decade, Soviet arms transfers to the Third World have steadily increased. For the last several years, the Soviets have been the largest source of arms for Third World countries, exceeding U.S. arms deliveries in virtually every major arms category, sometimes by two- or threefold and more. Soviet arms transfers to the Third World include sophisticated, high-quality equipment as well as quantity. Indeed, in some cases the Soviets have offered top-of-the-line equipment to their Third World customers even before it moves into the inventories of other Communist countries, such as MiG-25 fighters to Iraq and Nanuchka class patrol craft to Libya.
>
> In short, in recent years the Soviets have supplied the Third World with more and higher quality arms than ever before.
>
> Soviet arms are the life's blood of Soviet aggression by proxy. In recent years, the Soviets and their proxies have repeatedly used force or the threat of force to expand their influence and frustrate peaceful change. With Soviet arms and support, Vietnamese troops occupy Kampuchea and threaten Thailand; Libya threatens Chad, Tunisia, the Sudan, Egypt, and Morocco; Afghani planes and armored units raid Pakistan; and Cuban troops stationed in Angola and Ethiopia threaten regional stability.
>
> Not suprisingly, the worldwide pattern of Soviet aggression repeats itself in this hemisphere. In the last few years, the quantity and quality of Soviet arms sent to

Cuba, and through Cuba to others, have sharply increased. In 1981 the Soviet Union flooded Cuba with over 63,000 tons of arms, the largest inflow in 20 years. This is only part of a decade-long effort by the Soviets to modernize Cuba's forces with top-of-the-line aircraft, armored vehicles, rocket launchers, anti-aircraft weapons, and even submarines. Ominously, Cuba has recently received additional shipments of advanced high-performance aircraft and a missile-carrying frigate. Nicaragua, which receives Soviet arms, threatens to create forces that far exceed any reasonable needs for defense, and there are now reports that the Sandinista government will receive older MiGs from Cuba.

Meanwhile, Cuba has renewed and redoubled its efforts to export revolution in the Caribbean and Latin America. Cuban-supported forces have taken power in Nicaragua and threaten to destroy El Salvador's best hope for political and social reform. A Cuban-oriented regime heads Grenada. Cuban-supplied and -directed efforts to subvert elected governments have been exposed in Guatemala, Honduras, and Colombia.

Soviet and Cuban activities betray an extensive effort to increase their air capabilities. With Cuban support, airfields capable of handling advanced Soviet combat or transport aircraft are being constructed in Grenada and Nicaragua. Meanwhile, the Soviets have already increased the number of their reconnaissance flights from Cuba and their naval presence in the Caribbean Basin.

It is in this worldwide and regional context that we must assess Venezuela's request to purchase on a cash basis eighteen F-16A and six F-16B aircraft. The sale, including initial training, spare parts, and support will amount to approximately $615 million.

Last summer, President Reagan announced a new conventional arms transfer policy to supplement our own defense buildup and our foreign assistance efforts. [Ed. note. The full text of President Reagan's Conventional Arms Transfer Policy was published in the DISAM Newsletter, Fall 1981, pp. 1-3.] The policy was designed to help us counter Soviet aggression, and Soviet proxies, and the massive Soviet arms transfers which destablilize regions of strategic importance to the West and stretch our resources to their limits.

The Administration knows that arms are only a small part of any solution. Underlying economic and political

problems will not disappear because a country has arms. Nonetheless, there is a constructive role for a sound and well-considered arms transfer policy. As President Reagan's directive stated, "prudently pursued, arms transfers can strengthen us."

Carefully crafted decisions on arms transfers promote our national interests in three general ways.

First, by helping others to help themselves, we allow them to undertake responsibilities in strategic areas that our forces might otherwise have to assume alone.

Second, by supplying others with modern equipment and compatible facilities, we complement the capabilities of our forces, should they have to act.

Third, by proving ourselves a sensitive and reliable supplier, we strengthen our ties with allies and nations that share our concerns.

President Reagan's flexible, case-by-case arms transfer policy will look favorably on a sale that furthers our security in these ways. At the same time, however, our policy requires that we take into account other conditions which would argue against a particular transfer. For example, we would question any transfer which might disrupt relations within a region, overburden a nation's economy, strain the capacity of its military, compromise critical technology, or support violations of basic human rights.

With respect to sales of aircraft, it is the Administration's policy to recommend, when appropriate, consideration of our intermediate tactical aircraft and aircraft especially manufactured for export, rather than those that are more advanced and costly. Nonetheless, there are circumstances in which U.S. national interests are best served by the sale of advanced weapons. In order to be effective, implementation of our arms transfer policy must be responsible to a nation's legitimate needs.

Measured against these criteria, it makes good sense to accede to Venezuela's request to purchase F-16s.

- Venezuela has good cause to wish to insure the future safety of its people, its resources, and the surrounding sea lanes vital to its economy.

- Venezuela currently produces 1.9 million barrels of oil per day. Other than Mexico, and our own country, Venezuela is the only major source of oil in this hemisphere. If oil supplies from the Persian Gulf were interrupted, Venezuelan oil would be critical to the United States.

- Venezuela is also strategically located. It controls the eastern approaches to the Panama Canal and lies athwart the major sea lanes of the eastern Caribbean, through which run a major portion of our international trade and our imports of foreign oil.

- In the past few years, Venezuela has contributed to regional stability by subsidizing oil prices and providing financial assistance to less well-off nations. Most recently, Venezuela joined with Canada, Mexico, and the United States in the formation of the Caribbean Basin initiative.

- Less tangible, but no less real, is the important role Venezuela plays in the region as an example of a pluralistic and democratic society.

In short, Venezuela is a key source of oil and a strategically located democracy which plays a constructive and growing role in an important region. After 9 years of increasing oil revenues, Venezuela has made a deliberate and carefully considered decision to modernize its air force with aircraft that will serve its defense needs into the 21st century. We should accede to Venezuela's request. To refuse it would be unwise and insulting.

It would also be futile. Venezuela clearly has the resources to go elsewhere. Whether or not we sell our planes to Venezuela, Venezuela will acquire advanced aircraft.

There may be some concern that approving Venezuela's request heralds unrestrained American sales of advanced weapons in the hemisphere. It will not. In several ways, Venezuela is unique. Few other countries are as uniquely situated; few have as good a record on human rights and democratic government; fewer have the economic resources to buy these planes. We are reluctant to impose, and our experience indicates that less prosperous nations are reluctant to undertake, the immense debt burden which the purchase of top-of-the-line aircraft entails.

In any case, this Administration intends to pursue a judicious and measured approach to all arms requests,

assessing them on a case-by-case basis and against a backdrop of total U.S. interests. We are seeking to be both responsive and responsible. U.S. interests in this hemisphere and the world require an arms transfer policy that is both.

We have the opportunity to enhance the future stability and defense of a friendly democracy. In the process, we enhance our own security. This sale meets all of our tests. It strengthens our ties with an important nation, enhances its capabilities, lessens the burdens on the United States, and contributes to the stability of our "third border," the Caribbean.

Venezuela has made a deliberate, measured, and well-reasoned decision to provide for its own defense into the next century. We should respect its choice. As we would not deny ourselves the means to defend our freedom, so we should not deny Venezuela the right to defend its own.