# *SECURITY ASSISTANCE LEGISLATION AND POLICY*

## Security Assistance Appropriations for FY 1986: A Preliminary Report

**By**

**Dr. Louis J. Samelson**
**Editor, *The DISAM Journal***

As this issue of *The DISAM Journal* was in its final stages of preparation in early October, the Congress had yet to enact any of the 13 appropriations acts which are required annually to provide funding for U.S. government operations and programs. Separate appropriations bills for foreign affairs, including security assistance programs, had been reported out earlier by the House and Senate Appropriations Committees (H.R. 5339, 5 August, and S. 2824, 16 September); however, neither house voted on these bills.

As the fiscal year drew to an end, it became clear that once again, as in past years, Congress would have to resort to stop-gap funding legislation while it continued to develop a FY 1987 appropriations package. Thus, beginning on 30 September, a series of four short-term spending measures (i.e., continuing appropriations resolutions, or CRs) were enacted, permitting funding to continue temporarily at FY 1986 levels. The third such CR was signed by President Reagan on 11 October in Keflavik, Iceland, during the U.S.-Soviet summit meeting. Within hours following the expiration of that CR at midnight on 15 October, the House passed a comprehensive omnibus appropriations CR for FY 1987 (House Joint Resolution 738), and later on 16 October the bill was passed in the Senate; however, important differences remained between the House and Senate versions, and it became necessary to pass yet another temporary CR. This fourth CR expired at midnight on 16 October, and when by noon on 17 October the Senate had yet to pass a revised version of the bill which had cleared the House the previous day, Administration officials closed down non-essential government operations. However, by late afternoon on 17 October, the Senate passed the House version, and later that day the bill was signed into law by President Reagan (Public Law 99-500).

The new law, providing total budget authority for FY 1987 of $575.9 billion (including approximately $560 billion in new obligational authority) is the largest single continuing appropriations resolution in U.S. history, a result of its being the first such spending measure to incorporate all 13 required annual appropriations bills. As such, it covers nearly all FY 1987 government spending, apart from those entitlement programs (e.g., Social Security, Medicare, federal retirement programs, etc.) which are funded automatically through authority granted in permanent laws.

In terms of security assistance appropriations, FY 1987 marks the fifth consecutive year in which funding is provided in a continuing resolution; the last regular appropriations act for security assistance funding was enacted in 1981 for FY 1982 (P.L. 97-121, 29 December 1981). FY 1987

appropriations for security assistance are incorporated in a section of the new CR entitled, "Foreign Assistance and Related Appropriations Act, 1987."

Due to our publications deadline, our annual analysis of the new security assistance appropri - ations and accompanying statutory provisions must be deferred to our next issue (Winter, 1986-87, due for distribution in January). However, we have included below a table which compares the new FY 87 appropriations (for the five funded principal security assistance programs) with both the FY 86 funding levels and also the Administration's budget request for FY 87. As is readily apparent, Congress made deep reductions in the budget request, with the most serious cut affecting the Foreign Military Sales Credit Program. This is the second consecutive year of funding reductions (the FY 1986 programs were cut by 3.4 percent overall from FY 1985 fund - ing), and represents the lowest levels of security assistance appropriations since FY 1983. Such reductions present a major challenge to Administration policy makers to maintain the viability of our security assistance programs. In this regard, we have included three short articles that appeared in the press earlier this year which reflect differing perspectives on the significance of these budget cuts.

**Congressional Funding for FY 87 Security Assistance Programs**
**($ in millions)**

| | FY 86 Appropriations* | FY 87 Budget Request | FY 87 Continuing Resolution | % Increase/ Reduction from FY 86 | % Reduction from Request |
|---|---|---|---|---|---|
| Foreign Military Sales (FMS) Credit Program | $4,966.8 | $5,611.0 | $4,040.4 | -18.7% | -28.0% |
| Military Assistance Program (MAP) | 748.4 | 1,046.5 | 900.0 | +20.3% | -14.0% |
| International Military Education and Training Program (IMET) | 52.2 | 68.8 | 56.0 | +7.3% | -18.6% |
| Economic Support Fund (ESF) | 3,546.6 | 4,093.8 | 3,550.0 | +0.1% | -13.3% |
| Peacekeeping Operations (PKO) | 32.5 | 39.0 | 31.7 | -2.5% | -18.7% |
| TOTALS | $9,346.5 | $10,859.1 | $8,578.1 | -8.2% | -21.0% |

* Reflects 4.3 percent reductions in all programs as required by Gramm-Rudman-Hollings budget deficit legislation.