
United States Military Assistance

[The following is a reprint of Appendix J, "Military Assistance," from the April 1997 *Report of the Secretary of Defense to the President and the Congress* (commonly referred to as the Annual Defense Report). The entire report is available from the U.S. Government Printing Office as ISBN 0-16-049045-6, and is also accessible through the Defense Link internet browser <<http://www.dic.mil/defenseLink/>>.]

Military Assistance is a range of programs that enable friends and allies to acquire U.S. equipment, services, and training for legitimate self-defense and for participation in multinational security efforts. The principal components of military assistance are Foreign Military Sales (FMS), Foreign Military Financing (FMF), International Military Education and Training (IMET), and transfers of Excess Defense Articles (EDA). Presidentially directed draw-downs of defense assets may also be used to address urgent requirements for military assistance. The structure of each program provides the capability to respond to the needs of friends and allies by addressing their legitimate security concerns, while promoting U.S. foreign policy and national security interests.

As an integral part of peacetime engagement, military assistance programs contribute to U.S. national security by enhancing deterrence, encouraging defense responsibility sharing among allies and friends, supporting U.S. readiness, and increasing interoperability among potential coalition partners. Military assistance is a critical element of U.S. forward presence, providing visible proof of commitment to U.S. interests and support for friends and allies. Transfers of U.S. defense equipment and training help security partners defend against aggression and strengthen their ability to fight along side U.S. forces in coalition efforts. Military assistance raises the odds that U.S. armed forces will find effective coalition partners and a relatively favorable situation should a U.S. response be required.

FOREIGN MILITARY SALES

The FMS program is the government-to-government method for selling U.S. defense equipment, services, and training. Sales in FY 1996 were approximately \$10.5 billion. Responsible arms sales further national security and foreign policy objectives by strengthening bilateral defense relations, supporting coalition building, and enhancing interoperability between U.S. forces and militaries of friends and allies. National benefits derived from these sales include an improved balance of trade and sustainment of highly skilled jobs. DoD benefits from FMS through extension of production lines and lowering of unit costs for key weapon systems, such as the M1A2 tank, F-16 aircraft, AH-64 helicopter, and F/A-18 aircraft.

FOREIGN MILITARY FINANCING

FMF is the U.S. government program for financing U.S. defense sales to selected friends and allies generally through the FMS program. Congress appropriates funds in the International Affairs budget; the Department of State allocates the funds for eligible friends and allies; the Department of Defense executes the program. FMF grants in FY 1996 totaled \$3.294 billion. Of this total, \$3.1 billion was provided to Israel and Egypt. Of the remainder, funding was provided to support the Warsaw Initiative, finance the lease of F-16s by Jordan, support worldwide demining efforts, promote regional security in the Caribbean, foster democratic development in Cambodia, and support the Baltic Peacekeeping Battalion. Specifically, countries participating in the Partnership for Peace (PFP) received funding under the Warsaw Initiative to help them take necessary steps toward interoperability with NATO and participation in PFP exercises. Further, Greece and Turkey received market rate loans in FY 1996.

INTERNATIONAL MILITARY EDUCATION AND TRAINING

The IMET program is a low cost grant program (\$39 million in FY 1996) that provides professional military education and training to more than 5,000 foreign military and civilian personnel from over 100 countries annually. Over half a million foreign personnel have been trained through IMET sponsorship over the past three decades. By attending IMET-sponsored courses and programs in the United States, future leaders of foreign defense and related establishments are exposed to U.S. values, including regard for human rights, democratic institutions, and the role of a professional military under civilian control.

To meet the challenges posed by recent transitions to democracy in countries throughout the world, IMET has been expanded to include programs focusing on human rights, defense resource management, military justice, and civil-military relations. The IMET program remains one of DoD's highest priority military assistance programs, and its effective implementation is one of the U.S. military departments' most important international missions. It is one of the least costly and most effective programs for maintaining U.S. influence and assisting countries in their transitions to functioning democracies.

DRAWDOWN AUTHORITIES

Section 506, Foreign Assistance Act of 1961 (FAA) authorizes the President, on a grant basis, to draw down defense articles from DoD inventories and to provide defense services and military education and training to foreign governments and international organizations in response to military emergencies or to provide assistance for international narcotics control, international disaster relief, refugee assistance, and POW/MIA recovery efforts. In FY 1996, Section 506, FAA drawdowns to support narcotics control efforts with Columbia, Venezuela, Peru, and the seven countries of the eastern Caribbean totaled \$75 million. Drawdowns to support Israel's counterterrorism efforts totaled \$22 million. DoD supported the effort to achieve stability in Bosnia with a \$100 million drawdown of military equipment. Emergency assistance for Liberia totaled \$15 million in equipment. A drawdown of equipment and training totaling \$11.5 million was provided in support of POW/MIA efforts in Indochina. Jordan, Haiti, Eritrea, Ethiopia, and Uganda also received drawdown assistance in FY 1996.

Military Assistance Programs						
Program	FY 1992	FY 1993	FY 1994	FY 1995	FY 1996	FY 1997
FMS (\$B)	15.1	33.0	13.0	9.1	10.5	10.6 ^a
FMF Grants (\$B)	3.93	3.27	3.15	3.15	3.3	3.23
FMF Loans (\$M)	345	855	770	558	544	540 ^a
IMET (\$M)	44.6	42.5	22.25	26.35 ^b	39	43.48
EDA Grants (\$M) ^c	178	290	170	308	615	^d
EDA SALES (\$M) ^c	52	88	97	196	270	^d

^a Estimated.

^b IMET for FY 1995 includes \$850K transferred from Voluntary Peacekeeping Account.

^c EDA figures reflect current value at time of notification.

^d EDA transfers are not projected for future years.

EXCESS DEFENSE ARTICLES

EDA is the quantity of defense articles, other than construction equipment, in excess of the Approved Force Acquisition Objective and Approved Force Retention Stock levels at the time such articles are dropped from the DoD inventory. Such articles may be sold to eligible countries and international organizations under the FMS program, or transferred on a grant basis under the provisions of Sections 516, 517, 518, and 519 of the FAA. In July 1996, all the grant authorities were consolidated under Section 516 of the FAA by P.L. 104-164. In FY 1996, Congress was notified of EDA transfers totaling \$851.2 million, the current value at time of notification. Egypt, Turkey, Great Britain, Australia, and Greece were the largest recipients of EDA.

PEACEKEEPING

The number of situations requiring peacekeeping operations has risen dramatically in the past few years. The elements of military assistance can provide support to peacekeeping operations in a variety of ways. Military equipment and services, including training, may be provided to individual countries or international organizations participating in selected regional peacekeeping operations through security assistance sale and lease programs or grant authorities. During FY 1996, military equipment and services were provided to nations contributing to the Baltic Peacekeeping Battalion using FMS procedures. The United Nations has also obtained a variety of military and support equipment on reimbursable lease and purchase agreements in support of peacekeeping programs in Somalia, Rwanda, Bosnia, and Haiti.

CONCLUSION

Changes in the international security environment will continue to provide challenges for the military assistance program. In many regards, the security assistance mission has grown in scope and complexity with the expanded involvement of DoD in regional policy issues and coalition defense, and with the growth of high visibility, nontraditional security assistance efforts in support of peacekeeping and demining. An effective military assistance program, supporting U.S. national security interests and foreign policy objectives, will remain a key part of U.S. security strategy.