Security Assistance in Challenging Times

By

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It's great to be here at CENTCOM. I value these opportunities for the field and Washington to get together and review the bidding. I appreciate the job you're doing in these challenging times.

For indeed, you do labor in challenging times. Unprecedented progress in the search for an Arab/Israeli peace is contrasted by a recalcitrant Iraq—and an Iran that steadily is expanding its military capabilities. The promise of peace and stable government in Ethiopia [and Lebanon]—sits uneasily with political upheaval and civil conflict elsewhere in the Horn of Africa and in Afghanistan. Relations with our Persian Gulf allies have never been stronger, but cash shortages and arms proliferation concerns complicate defense planning. Repaired relations with Jordan have enabled the resumption of some of our programs, but shortfalls in U.S. aid impose severe limits. Aid to Pakistan remains suspended. The DoD drawdown adversely affects the price and availability of key U.S. defense systems sought by our regional partners—while squeezing the number of military personnel available for security assistance missions.

I know these matters concern you, affect the way you perceive your mission, and your approach to dealing with your host nations. I want to address some of these issues today from my perspective back at the Pentagon.

You should know that Secretary Cheney and General Powell have recognized the increased importance of our business—security assistance—to the achievement of U.S. national security objectives in the post-cold war era. The national military strategy of the United States—the Secretary's annual report to the President and the Congress—and the joint military net assessment —all identify forward presence as one of the key pillars of our national security strategy—and security assistance is an important component of forward presence. Security assistance also contributes to other pillars: crisis response and reconstitution. As the focus of our strategy has shifted away from what was the Soviet bloc to regional threats—as our overseas and overall force structure declines—and as we come to rely more on coalition responses to aggression—SAOs and the programs you manage become ever more the symbol of—and the wherewithal behind our commitment to mutual security.

This view of security assistance, however, is not universally shared in Washington. No greater evidence of this exists than what happened—indeed, is still happening—to the FY92 security assistance budget.

Most foreign aid—and especially military aid—is taking a beating in this first post-Soviet union election year unfolding in the shadow of a recession. As you know, we are operating under a Continuing Resolution [CR] which will take us through the end of FY92. This CR, enacted in April, imposes a 1.5 percent across-the-board cut against prevailing IMET and FMF funding levels. That cut, however, does not apply against earmarks, which account for 92 percent of the funding. As a result, FMF available for non-earmarked programs has been reduced from $643M in FY91 to only $360M this year—down 44 percent.

In response to the President's numerous proposed rescissions of FY92 funding for domestic and defense programs, both the House and Senate are developing alternative rescission packages that include substantial cuts for security assistance. The House proposal would cut an additional $56.1 million out of FY92 FMF grants—reduce IMET by another $1.9 million—and slice $40 million off the SDAF's obligation authority. The Senate proposal is comparable, but it would shave less off FY92 FMF by rescinding some prior-year funds—and would add a rescission of FMF and IMET funds available for representational and entertainment expenses. If we get some type of rescission, the hurt could be big. [**Editor's note:** P.L. 102-298, enacted 4 June 1992, contained the final FY 1992 budget recissions; cuts of $47.1M and $1.9M, respectively, were made to the FMFP and IMET appropriation accounts.]

FY93 is shaping up to be more of the same—with election year politics continuing to be a major factor in our ability to obtain the funding and legislative changes we need. We may well see another Continuing Resolution taking us from October through at least January. We will continue to fight for resources and authorities, and we will win some individual battles—so strong program justifications in the AIASAs [Annual Integrated Assessment of Security Assistance] are still needed.

The situation for defense sales is mixed. In Washington, there has been an interesting change in the terms of political debate over major defense sales to the Middle East. Before, the debate centered on the issue of Israeli security. Now, those inclined to oppose such sales are more likely to argue in terms of arms control and regional stability without explicit reference to Israeli security. Those disposed to support the sales emphasize to a much greater extent than in the past—and, I believe, with more impact—the number of U.S. jobs at stake. Such are the legacies of the Gulf War and the DoD drawdown.

These debates usually involve potential Saudi sales. Last year, we saw the highly unusual situation of the Chairmen of the House Foreign Affairs and Senate Foreign Relations Committees urging Secretary Baker to expedite the formal notification of the Saudi Patriot sale—despite the fact that the Congress was out of session. Patriot is perceived as a "defensive" weapon, and hence a relatively non-controversial means to support a key ally and protect U.S. defense jobs. F-15's, however, are perceived as "offensive" weapons, and enjoy no such grace. Yet, my arm hurts just to think of all the responses I have signed on behalf of the President to letters from hundreds of U.S. defense industry workers—which support the sale in the strongest terms. I have had to respond only to four letters that opposed the sale.

As in the past, the administration will continue to propose only those major sales to the region that clearly support U.S. foreign policy and national security interests. Yet, none of us in Washington—Administration or Congress—can ignore the economic consequences of our decisions. Still the job of SAOs and unified commands is to continue your good work—in assessing and reporting whether and, if so, how proposed host government defense purchases will support our foreign policy and national security interests—in the host country and region. That's foremost. Its our job in Washington to navigate the domestic political shoals, and to keep you advised to the best of our ability as to how Washington political events are impacting our ability to support your host governments.

Those of you with major procurements of U.S. military equipment planned or in progress should also be mindful that reductions in purchases by our armed forces will have major impacts on your programs. Production lines will close, making items unavailable or subject to significant start-up costs. Quantities in production will be less, reducing the economies of scale as contractors redistribute overhead costs across smaller numbers. Prime examples in your region are cost increases in M1A1 and A2 tanks to Egypt, Saudi Arabia and, potentially other GCC states—and in F-16 aircraft to Egypt and others.

Turning to the questions of personnel, with respect to the question will the SAOs be drawn down — the short answer is yes. Our efforts to make exceptions were unsuccessful. I don't think that SAO funding will be a problem. If it does get to the point where things are binding, we will look at other ways to ensure that funding is sufficient for the mission given us.

As for the personnel assigned to SAO offices—quality is not the problem. We control the quality of personnel assigned through a thorough approval process. The personnel problem is one of turbulence—selecting someone, starting them in training—only to lose them. This uncertainty will be with us during the time it takes the services to draw down. We can minimize the effects of this by working closely with the personnel folks of each service to ensure that we get the best—and that the services understand the lead times we work with in order to ensure that a properly trained, quality individual arrives on station when needed. It does us little good to get the best and then not be able to train them or give them the required language skills before they take up their new duties. We in DSAA are working this issue—and we can use the help of the CINCs in making this point to the service Chiefs of Staff.

Another issue that's been on my mind since Desert Storm is the potential closure of SAOs in countries undergoing turmoil. Offices in Tunisia, Kuwait and Yemen were reduced or closed, due directly to Desert Storm. Zaire, Lebanon, Liberia, Somalia, Sudan, and Haiti saw offices closed or drawn down due to internal security situations.

The *SAMM* [*Security Assistance Management Manual*] provides general guidance on the subject of closing, but a lot of what needs to be done is left up to the SAO, his Chief of Mission, and the unified command.

There was an informative article in the Spring 1991 issue of *The DISAM Journal* which went into detail about the closing of the SAO in Khartoum [*Closing a Security Assistance Organization* by Major (P) Grant C. Hayes, USA]. The closing was made inevitable by Desert Storm, but was in the cards for a while because the country was under Brooke sanctions with little prospect for relief and the security situation was deteriorating. They had time to make an orderly and planned shutdown and withdrawal.

In contrast—the closing of the office in Zaire happened with a lot less advance notice. In the space of three weeks, the situation went from being parallel to that in Sudan, to being out of control. The SAO chief had to divert his attention from an orderly closing to protecting the lives of his team and their dependents. There was no more time for shutting things down. It was time to move out.

The point of telling you this is that, in this age of uncertainty and shifting regional alliances, we all need to be prepared for even remote possibilities. Read *The DISAM Journal* article describing the Sudan closing. Learn from it—and then ensure that your organization is prepared to move rapidly if it has to. Learn the value of advance planning that the article talks about—and translate that into other areas of your mission.

An old Chinese curse goes "may you live in interesting times." But we should think of it as more of a blessing. Every one of you work in countries undergoing some form of political transition. These are very interesting times. You are fortunate that the jobs you have provide you with front row seats to the aftermath of Desert Shield/Storm, one of the most significant events in recent history. Doing your job right will help ensure that these interesting times will also keep our country and its citizens safe. You are the military presence in your country. We have moved back thousands of troops from your region—and now you are the nation's forward presence. Thank you.