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HISTORY OF SECURITY ASSISTANCE AND SECURITY COOPERATION

SECURITY ASSISTANCE AND FOREIGN POLICY

One of the primary methods used to carry out U.S. foreign and national security policy has been, and still remains, the transfer of defense articles, defense services, military training, and economic assistance; i.e., the provision of security assistance (SA). The various programs that comprise SA/SC are described in some detail in chapter 1, “Introduction to Security Cooperation,” of this text. In general, the term encompasses various programs of military and economic assistance for allied and friendly foreign countries.

The use of SA has been a major tool in the formulation and conduct of U.S. foreign policy, especially beginning with World War II. It has helped countries in peril to actively defend themselves, reconstruct or strengthen their militaries against a variety of threats, promote the establishment of democracies with a strong emphasis on internationally acceptable human rights, promote interoperability within strategic alliances, and strengthen coalition efforts against unacceptable use of force. U.S. SA is authorized only when determined by the President to be in the U.S. national interest. This powerful determination has been made many times since World War II by American Presidents responding to crises throughout the world ranging from the Soviet threat of the Cold War to the Global War on Terrorism (GWOT) following 11 September 2001.

HISTORICAL PRECEDENTS OF SECURITY ASSISTANCE

SA (or, in a narrower sense, the transfer of arms and articles of warfare) has been part of international relations as long as societies have been preparing for and engaging in war. Whenever it was assumed to be in the best interests of one nation to give or sell arms or other military support to another, arms transfers of some type have taken place. The supply and demand for arms has been, and remains, a natural consequence of the desire to achieve national goals and maintain national security.

Early History

The practice of military assistance/arms transfers can be traced to the earliest recorded military histories. A classic example of problems associated with such transfers can be found in Thucydides’ *History of the Peloponnesian War*, written some twenty-five hundred years ago. The transfer of arms was as controversial then as now, as illustrated by the declaration of Aristophanes, the classical playwright, when he held that the armaments industry was hindering peace in ancient Greece. Throughout history one can find the roles that military assistance and opposition to it have played in international relationships. U.S. history is a case in point.

The American War of Independence

The very emergence of the U.S. as a nation-state was supported to a large extent by the transfer of arms and other military assistance from France. Such assistance was not entirely altruistic on the part of the French, however, for they saw in the American Revolution an opportunity to limit British expansion in North America. It was in France’s national interest to have the British engaged in a protracted American war while the French sought to expand and reinforce their military and commercial positions in North America and elsewhere.

The newly independent nation under President Washington had many postwar problems, not the least of which was to convince the nations of the world that the U.S. was, in fact, an established sovereign state. Washington spent two terms in office consolidating and expanding the country, and trying to establish a foreign policy. When urged to stay on for a third term, he declined and stated that after eight years the country needed a change of administration. As one of his last official acts, he wrote his often quoted “Farewell Address” to Congress in which he warned of the danger of foreign entanglements, a view that has influenced the foreign and domestic policy of the U.S. ever since.

The Nineteenth Century

The period after the War of Independence saw the efforts of the U.S. turn toward the internal development of its political and economic structures, and the expansion of its borders from coast to coast. American foreign policy focused on the development of markets for the growing U.S. industrial capacity and the acquisition of non-indigenous materials for U.S. industry. Little effort was made to expand U.S. foreign relations much beyond commercial interests.

There were, however, a few instances when circumstances arose that required a policy of greater magnitude. One of these was the Monroe Doctrine. The doctrine, initially conceived by John Quincy Adams, was first announced by President James Monroe in his annual message to Congress in 1823. The doctrine, in essence, declared that the Americas, i.e., North, Central, and South, were off limits to incursions from European powers. In the event such incursions were to occur, the doctrine implied that the U.S. would vigorously oppose such actions by whatever means seemed appropriate to meet the real or implied threats to the safety of the U.S. or its neighbors in the Western Hemisphere.

The principles of the Monroe Doctrine have been invoked or used as part of the decision making processes by a number of Presidents since 1823. Examples include:

- President William A. McKinley’s involvement in the Spanish-American War
- President Theodore Roosevelt’s actions to acquire the Panama Canal
- The stationing of U.S. Marines in Nicaragua by President Calvin Coolidge to stabilize that country
- President John F. Kennedy’s invocation of the Doctrine during the Cuban Missile Crisis
- President Johnson’s movement of troops into the Dominican Republic
- U.S. assistance in restoring democratic governments in Grenada and Panama
- President Clinton’s continuing concerns over events in Haiti and Cuba

The Early Twentieth Century

The acquisition of Guam, the Philippines, and Puerto Rico as a result of the Spanish-American War of 1898 thrust the U.S. into the role of an international power, a role that the U.S., as a nation, may not have been psychologically prepared to accept. Thus, events at the turn of the century generated many debates as to the direction that U.S. foreign policy should take. While many saw U.S. policies as dictated by our interests, others considered them the U.S. entrance into a morally questionable world. The ambivalence of U.S. foreign policy, combined with certain deep-seated sentiments, led to the resurgence of a strong sense of isolationism in this country.

Feeling secure behind its ocean barriers, the U.S. again turned its attention to internal development. Few international threats were posed against America’s security; its armed forces were allowed to decline, reflecting a continuing U.S. aversion to large standing armies and entangling foreign alliances. Thus, as America moved into the twentieth century, it retained strong convictions against foreign adventures. Those convictions were soon to be challenged.

World War I

With the onset of World War I, the U.S., despite its declared neutrality, rapidly emerged as the leading participant in the international munitions trade. During the period of its neutrality, August 1914 to March 1917, the U.S. exported approximately \$2.2 billion in war supplies to Europe. In 1916, the U.S. shipped more than \$1 billion of arms in a single year. By 1920, the U.S. accounted for more than 52 percent of global arms exports.

The fact that the U.S., despite its proclaimed neutrality, was engaged in arms trade during the war served as an indirect cause of U.S. entry into the war. The British, seeking to stop the movement of arms to the Central Powers, established a naval blockade to deny aid to the German forces. Germany, in retaliation, resorted to increased submarine warfare, and on 17 May 1915 sank, among other ships, the British ocean liner *Lusitania* with a loss of 1,000 lives, many of them American. The Germans claimed that the ship was being used to carry war materiel to Britain and was thus a legitimate target of war. Nonetheless, the attack was seen by the Americans as wanton perdition on an unarmed merchant vessel, and this event accelerated the movement to entanglement in the broils of Europe. Coincidentally, German submarine warfare began to erode American confidence in its “sea barriers.”

As an item of further note, a prominent international lawyer of that period, Charles Hyde, petitioned Secretary of State Lansing to reduce the U.S. arms trade. Hyde noted that during World War I, the U.S. was becoming “a base of supplies of such magnitude that unless retarded, the success of armies, possibly the fate of empires, may ultimately rest upon the output of American factories.”

However, President Wilson saw this American output of munitions as “an arsenal of freedom.” Nevertheless, despite that sentiment, the fact that the U.S. ranked high among the world’s leading arms exporters caused a great controversy that was reflected in much public debate and discussion throughout the 1920s and 1930s. Books of that period mirrored the American public’s concern about this unwanted, yet thriving arms industry. Examples of the literature of that period which nagged the American conscience included such titles as:

- *Merchants of Death: A Study of the International Armaments Industry*
- *Iron, Blood and Profits*
- *War for Profit*
- *Death and Profit*

Between the World Wars

Continuing debate about America’s role as an arms merchant saw the establishment in the 1930s of a special Senate Munitions Investigating Committee, known as the Nye Committee, after its Chairman, Senator Gerald P. Nye (R-ND). The committee’s charter called for an investigation of the international arms trade to determine if a commercial profit motive was the primary cause of the continued sustenance of war. The investigation, conducted from 1934 to 1936, also sought to determine whether the arms trade could be regulated under existing laws and treaties, and whether a government monopoly in arms production was a practical alternative. As Senator Nye, an avowed isolationist, interpreted the committee’s mandate, he concluded that the way to stop war was to take away the opportunity for private gain. His personal convictions influenced the committee to recommend the nationalization of the U.S. arms industry; a minority opinion held out for close government control rather than nationalization.

Although the concept of nationalization was subsequently rejected, greater government control and oversight over the U.S. arms industry was an outcome of the Nye Committee’s efforts. This included the establishment of a munitions control board. A further recommendation of the committee was to

seek the international adoption of arms controls, but after some ineffectual multinational efforts, the international arms trade remained unchecked.

One accompanying feature of the Nye Committee findings was an increased U.S. public sentiment for withdrawing from world affairs and returning to America's characteristic isolationism. Despite a resurgence of isolationism and the limited results of the Nye Committee, however, little impact was made on American involvement in the international arms trade. In fact, in 1936, the U.S. ranked third in world arms sales, immediately behind France and Great Britain, a position it was to hold until the outbreak of World War II.

World War II

The arms trade that played such a significant role in U.S. foreign policy during the initial phases of World War I had a similar influence in the period immediately prior to U.S. entry into World War II. Thus, in 1939, Congress revised the Neutrality Act, thereby permitting the sale of arms during peacetime to the British on a cash-and-carry basis. Eventually, U.S. policies were broadened to include arms support for other allies.

The commitment to the British cause by a neutral U.S. took still another direction. In September 1940, President Roosevelt negotiated the destroyers-for-bases agreement in which fifty over-aged U.S. destroyers were exchanged for ninety-nine-year leases on several British bases in the Western Hemisphere under the rationale that the bases might become critical to American defense. The isolationist-minded critics considered Roosevelt's action a gross violation of American neutral status, and regarded his efforts as a device to embroil the U.S. in the war.

The next major U.S. decision to aid the British was the Lend-Lease Program initiated by an act of Congress on March 11, 1941. Lend-Lease eventually supplied about \$50 billion of arms, food, and other aid to allies, including, as they became engaged in the war, the Russians and the Chinese. Under Lend-Lease, the U.S. loaned materials to the allies under the premise that it would be paid back when they were able to do so. The program also allowed the lease of other materials and services for which payment could be made by "reverse lend-lease" whereby the allies would provide certain materials and services to the U.S. in payment. As a matter of historical interest, less than \$10 billion were repaid to the U.S. for America's lend-lease contributions.

THE TRUMAN DOCTRINE

The stage upon which the post-war scene was to be acted out was dominated by two players – the U.S. and the USSR, the superpowers. The diametrically opposed philosophies of these nations influenced the formulation of major international doctrines by all of the postwar American Presidents, beginning in March 1947 with President Harry S. Truman's landmark proclamation, the Truman Doctrine.

Truman found himself beset by new and serious problems when the war ended in 1945. In Europe, the former U.S. ally, the Soviet Union, had become hostile to U.S. interests. Additionally, the Soviets heightened international anxiety when they seized control of several small Eastern European countries and threatened the independence of Turkey and Greece. Soviet-supported communist guerrilla actions in Greece, and Soviet diplomatic pressures in Turkey, were causes for great concern to President Truman. He believed the unrest in Greece and the overt Soviet political actions in Turkey were blatant attempts to establish a strong communist presence in the region. Truman also felt that the spread of Soviet hegemony was contrary to the national interests of the U.S., especially in the non-Communist parts of the Balkans, Asia Minor, and the Persian Gulf region.

In support of his views, Truman initiated an emergency request in March 1947 for \$400 million to aid Greece and Turkey, a request which came to be known as the Truman Doctrine. In justifying his request, Truman declared:

I believe that it must be the policy of the United States to support free peoples who are resisting attempted subjugation by armed minorities or by outside pressure.

I believe that we must assist free peoples to work out their own destinies in their own way.

I believe that our help should be primarily through economic and financial aid which is essential to economic stability and orderly political processes.

In addition to funds, I ask the Congress to authorize the detail of American civilian and military personnel to Greece and Turkey, at the request of those countries, to assist in the tasks of reconstruction and for the purpose of supervising the use of such financial and material assistance as may be furnished, I recommend that authority also be provided for the instruction and training of selected Greek and Turkish personnel.

Congress was reluctant to act on the request because the U.S. had never before entered into a formal assistance program with a foreign state during general peacetime conditions. Truman persisted, however, and the Greece-Turkey Aid Act of 1947 was enacted, thus introducing the instrument of assistance as a significant factor in U.S. post-war foreign policy.

In the ensuing three years, Greece and Turkey received well over \$600 million in both U.S. military and economic aid. The legislation authorizing that aid stipulated that U.S. military advisers would administer the programs within the respective countries. By mid-1949, there were over 527 U.S. armed forces personnel in the Joint United States Military Advisory and Planning Group in Greece and over four hundred in a similar organization in Turkey. With the establishment of these units, the administration of military assistance acquired another dimension, that of creating advisory groups which would eventually operate in many areas of the world and involve U.S. military personnel by the thousands. Thus, the Truman Doctrine was to provide a precedent for the principle of collective security. It was cited as the foundation of subsequent similar programs under the premise that to promote the security and well-being of friendly foreign nations was in the best national interest of the U.S.

U.S. military assistance in the early post-war period focused primarily on the transfer of U.S. arms from stockpiles of surplus war materiel. These arms transfers were made to participants in an emerging network of U.S. alliances, and were provided as grant aid, i.e., gratis, under what became known as the Military Assistance Program (MAP). The giveaway nature of this grant assistance program would later become a point of extended discussion as the assistance programs matured and as the economies of U.S. war-ravaged allies experienced regeneration and substantial growth. Further, with the establishment of MAP, U.S. arms transfers, economic aid, and collective security began to merge as programs sharing a common purpose, a concept that later, in the Nixon Administration, would come to be known as SA. As part of the continuing evolution of SA, Congress terminated MAP funding in fiscal year (FY) 1990 and integrated all former MAP grant funding into the Foreign Military Financing Program (FMFP) which is discussed in detail in Chapter 1, "Introduction to Security Cooperation," of this text.

The Cold War and Containment

Europe's post-World War II economy was in a shambles. Although the U.S. provided some economic assistance immediately after the war, the slow rate of economic recovery was such that the basic fabric of Western European civilization was being pulled apart. The U.S. feared that the failure of the democratic governments to cope with their fundamental economic and related social problems would open the door to communist opportunism-external or internal. To counter that threat, Secretary of State George C. Marshall, in 1947, proposed a massive program of American aid to help rebuild the shattered economies of Europe. The proposal was not initially presented as an anti-communist measure and the offer of aid was open to any European state.

In 1948, Congress endorsed the proposal and established the European Recovery Plan (ERP) under which sixteen nations of Western Europe (later including West Germany) received \$15 billion in loans and grants between 1948 and 1952. The ERP, better known as the “Marshall Plan,” was also offered to Russia and other communist states, but it was declined by the Soviets, who denounced the program as an anti-communist effort. As it turned out, the ERP did become anticommunist by application, and it emerged as an essential element of the containment policy.

Containment, as a policy launched by the Truman Administration, was designed to frustrate Soviet attempts to expand their military, political, and economic base in Europe. The Greece-Turkey Aid Act of 1947 reflects the policy’s initial application. In theory, the policy held that if the USSR could not expand its influence or borders, communism would eventually collapse of its own inherent weaknesses. The containment policy and its role in Cold War strategy took another turn when the U.S. joined with other nations in creating the North Atlantic Treaty Organization (NATO) in 1949.

The Beginnings of the North Atlantic Treaty Organization

The term “alliance” has been defined as a multilateral agreement by states to improve their power position by joining together in defense of their common interests. Hence, an alliance is a way of informing friend and foe that an attack against any individual nation may precipitate a general war. The NATO alliance explicitly follows that formula, stating in article 5 that, “The Parties agree that an armed attack against one or more of them in Europe or North America shall be considered an attack against them all.”

This concept was implemented for the first time, after the 11 September 2001 terrorist attacks on the U.S., by both the NATO alliance and Rio Pact alliance which includes the countries within North and South America. For the first time since the War of 1812, foreign armed forces were deployed to the U.S. to assist in anti-terrorism protection.

Historically, NATO is considered a most advanced defensive alliance system. It was founded by the Brussels Treaty of 1948 between France, the United Kingdom, Belgium, Netherlands, and Luxembourg. American negotiations with the Brussels powers began with the “Vandenberg Resolution,” which was passed by the Senate on 11 June 1948. The resolution, named for Senator Arthur H. Vandenberg of Michigan, expressed the desirability of the U.S. associating itself with others in a system of collective self-defense. This goal was fulfilled with the signing of the North Atlantic Treaty in Washington, DC, April 1949.

The close relationships established between the U.S. and its NATO allies have had a corresponding effect on subsequent SA management, to include:

- The provision of arms on a preferential basis to NATO member countries
- Certain exclusions for NATO members for arms control legislative provisions
- International cooperative armaments projects with NATO countries with the F-16 being a case in point

All of these special legislative provisions have placed the NATO alliance in a uniquely favorable position. NATO, in fact, through its political-military infrastructure, provided the prime barrier against communist expansion in Europe. Major elements of U.S. foreign policy, such as the establishment of U.S. bases in Western Europe, the storage and deployment of American nuclear weapons, and the initial post-World War II rearmament of West Germany, were put into effect through the military and political framework of this infrastructure.

Until 1965, NATO countries, as the major beneficiaries of SA, received approximately 56 percent of all American arms transferred under the military assistance and Foreign Military Sales (FMS) programs. However, during the mid-1950s, certain new developments began to have an impact. As the stockpile of surplus World War II materiel declined, the U.S. embarked on a program to furnish technical assistance and industrial equipment to help expand local European defense production. In 1954, those NATO countries receiving this assistance agreed to provide other NATO allies with arms at reasonable prices. Such agreements gradually evolved into joint or coproduction arrangements, including electronics, command and control systems, aircraft, and missiles. However, this arrangement was not long lived, because as each country grew in productive capability, its government demanded arms of local design, development, and production wherever these could meet internal military needs. The end result was widespread competition and limited compatibility between the separate NATO armed forces' military equipment. Thus, the separate systems and their unique support requirements created a logistics nightmare. This lack of standardization would do little to help sustain a war in Europe.

The penalties of such an operational and logistics hodgepodge of equipment, and the waste of valuable technical resources devoted to its development, were obvious. A more rational approach to NATO weapons development and production would be required if the standardization of equipment was to be achieved. Treaty members could either manufacture or sell weapons with unique features, share with others in development and production projects, or share in the manufacture and assembly of components of major systems (as was done by the European consortium members in the original sales agreement for F-16 aircraft).

The NATO alliance, as mentioned, was developed as the primary bulwark for European defenses against communist intervention and was the first alliance to serve the broader U.S. foreign policy goal of containment of the Soviet Union and its allies. This policy was destined to become even more rigid during the Eisenhower Administration when the positions of the East and West hardened in the difficult climate of the Cold War.

THE EISENHOWER DOCTRINE

Military assistance, as a building block of the U.S. containment policy, continued to grow in scope and influence. In 1949, a special foreign aid bill consolidated and expanded military aid programs to include NATO and reflected the importance that the defense of Western Europe occupied in Truman's containment policy. Several incidents in the 1950s inspired further expansion of that policy.

Political and military crises around the globe, such as the Korean War in 1950, Egyptian initiatives to acquire Soviet arms in 1955, and the increasing involvement of the U.S. in Indochina in the late 1950s, caused a reassessment of the containment policy and the foreign aid bill designed for its support. In essence, U.S. foreign aid policy was broadened from the exclusive support of U.S. allies to also include the support of friendly, but non-allied nations. As the U.S. defense of Northeast and Southeast Asia took on prominence, the program of 'arms to allies' was enlarged to include 'arms to friends.' To the concepts of containment and forward defense were added new precepts of internal security, counterinsurgency, civic action, and nation building. The policy of containment was expanded politically to the protection not only of nations on the periphery of the Soviet Union, but to the world at large, including many nations regarded by their leaders as nonaligned.

As a corollary to the expanded containment policy, the Eisenhower Doctrine was initiated on 9 March 1957. This second major post-war doctrine asserted the right of the U.S. to employ force, if necessary, to assist any nation or group of nations in the general region of the Middle East requesting assistance against armed aggression from any country controlled by international communism. The Eisenhower Doctrine resulted from the apparent increase in Soviet influence in Syria and Egypt and the threat of Soviet assistance to Egypt during the Suez Crisis in 1956. As formulated, U.S. assistance

was to be based upon a request from any endangered country; however, the doctrine was to be evoked only in the event of external, communist armed aggression, and was not to be applied in response to an internal insurrection or civil war.

Eisenhower saw the maintenance of regional stability in the Middle East as an extended American commitment with a long term impact on our foreign policy. He saw the issue as supporting not only American interests, but also the interests of allies. Basically, U.S. economic interests, as well as those of the allies, were linked to the vast oil reserves in that region just as they are today. There was a prevailing belief that, should the Middle East fall under Soviet domination, the western economies would suffer so severely that the governments of Western Europe would succumb to communism.

Eisenhower further speculated that if the Soviets were to gain control of the Middle East, it would allow them to strategically outflank Pakistan and India. Their position thus established, the Soviets then could slip down into India and Africa at will, thus securing their long-sought permanent warm water port and impinging on American and Western national interests every step of the way.

Strategically, as well as economically, the Eisenhower Administration perceived that the loss of the Middle East to international communism would constitute a severe blow to American national interests. It should be noted that it was primarily U.S. interests, and only secondarily the well being of the nations of the Middle East, that the U.S. was attempting to promote with the Eisenhower Doctrine. The conventional global assistance pattern established by that doctrine, as well as the nuclear policy of strategic reliance on “massive retaliation” developed during the Eisenhower Administration, continue to influence U.S. foreign policy.

THE KENNEDY AND JOHNSON ADMINISTRATIONS

President Kennedy became heir to the policy of massive retaliation as the set piece of our strategic deterrence against Soviet aggression. Events in Eastern Europe, however, including the short-lived 1956 Hungarian Revolution and the 1961 crisis in Berlin, demanded a reassessment of U.S. conventional force capabilities. In Central Europe (and elsewhere), the U.S. and NATO forces seemed unacceptably inferior in conventional military power to Soviet Bloc forces. The new President was alarmed to discover how few options he had (and how little time he had to exercise them) in any conflict in Germany before he would either have to accept defeat or initiate the use of nuclear weapons. While it was clear that in the immediate future NATO could not hope to match the Warsaw Pact man-for-man along the Central European front, the gross disparity of forces struck Kennedy as both unnecessary and dangerous, and he pushed for improvements in NATO conventional force structure

Kennedy initiated other aid and diplomatic actions. First, the Alliance for Progress was created to provide increased economic assistance to Latin America. This alliance program was designed to speed economic growth in the region in order to create a stable social structure capable of fending off revolutionary threats, both internal and external. Although never stated, an implied objective of the Alliance was to erect a restraining fence around Cuba, which had begun to export its brand of communism.

Latin America initially viewed the Alliance with enthusiasm and saw it as an opportunity to overcome the long neglect of the region by the U.S. Increased economic assistance funds were made available, and military assistance expanded after 1961. After a rather uneven performance in which U.S. political interest and subsequent support of the aid programs ran hot and cold, the Alliance for Progress died out by the end of the 1960s, and U.S. foreign policy south of the border again lapsed into benign neglect.

Another area of the world that had a major impact on the administrations of both Kennedy and Johnson was Southeast Asia. The U.S. had been involved in some part of the Southern and Eastern Asia regions for generations. The intensity of involvement, however, heightened during and after

World War II. The U.S. found that no region in the world was more dynamic, more diverse, or more complex than Asia, particularly as communist inspired insurgencies began to threaten the stability of the entire region.

During the Truman and Eisenhower years, military aid and other SA grants were given to the French to shore up their efforts to regain control over Indochina after World War II. These funds were but a prelude to a much deeper commitment that led the U.S. into the protracted Vietnam War. Over \$29 billion was funneled to East Asia and the Pacific areas. Although approximately half of this amount was granted to South Vietnam, the balance is indicative of the importance attached to this region.

The Middle East continued to be an area of high interest during the Kennedy-Johnson era. Arab-Israeli conflicts, difficulties between Iraq and Iran, the Egyptian-Russian disaffection, and the growing realization that the U.S. and much of Western Europe remained heavily dependent on an undisturbed flow of Middle East oil provided the motivation to maintain regional stability virtually at any cost. Military assistance was the primary element used to assure a stable environment. The enormous initial MAP grants were soon overtaken by rapidly escalating arms sales under the FMS program. Thus, the gradual reduction of grant aid accompanied by an increase in military sales radically altered the face of military assistance. This process was to gain momentum under the Nixon Administration.

THE NIXON DOCTRINE

By the late 1960s, America had its fill of the seemingly interminable war in Southeast Asia. The enormous cost in lives and dollars, coupled with domestic turmoil and general public discontent, led to negotiations for an early end of the war. The experiences of the Southeast Asia entanglement led to changed directives and initiatives in U.S. foreign policy; changes that had a major impact on the American approach to military assistance. One of the primary aspects of the changed policy was the transfer of immediate self defense responsibilities to indigenous forces, with the U.S. continuing to provide material assistance and economic support. Further, the concept of self-sufficiency increased the emphasis on military sales, as opposed to grants. Additionally, the linkage of a variety of security-related military and economic assistance programs led to the use of an umbrella term for these programs, security assistance. Thus, it was during the Nixon Administration that many of the major features of the present U.S. SA program were formalized.

The Nixon Doctrine enunciated new guidelines for American foreign policy. Initially termed the Guam Doctrine (in recognition of the site of its original proclamation in 1969), and limited to Asian nations, the doctrine was later broadened to encompass the entire globe, and was renamed for President Nixon. Critical to the doctrine was the view that although the U.S. would continue to bear responsibility for the deterrence of nuclear and conventional war, the responsibility for the deterrence of localized wars would rest with the countries threatened by such wars. The U.S. would continue to furnish limited grant assistance to such countries, but they would be expected to assume primary responsibility for their own defense, including the marshaling of the necessary manpower and resources. The major effort would have to be made by the governments and peoples of these states. The doctrine was mainly a product of public reaction against the largely unsuccessful military intervention by the U.S. in Vietnam during the 1960s.

Earlier in his administration, Nixon had reviewed prior U.S. foreign policies in other parts of the world, especially in the traditional sphere of U.S. influence, Latin America. In a major speech, he criticized the Latin American policies of his predecessors by implying that the Alliance for Progress had been based on the illusion that the U.S. knew what was best for everyone else. He instead pledged a new approach that would deal realistically with governments in the inter-American system. The former dictatorial role of the U.S. would be shifted to one of partnership.

In the Middle East, Nixon was again confronted with continuing strife between Israel and its neighbors. Wars in 1967 and again in 1973 demonstrated that the deep-seated enmity between these nations and their conflicting territorial claims would not soon or easily go away. Continued regional instability and the real possibility that it could spill over to the Persian Gulf area were constant reminders to the governments of the U.S., Western Europe, and Japan of the fragility of their dependence on that region's energy resources. If the U.S. were to play the role of a peacemaker, any attempt to achieve a peace agreement and regional stability had to consider first and foremost the impact that such an agreement would have on the flow of oil. With that thought in mind and the desire to establish and maintain a regional balance, the U.S. transfer of arms to the Middle East increased dramatically, with Iran, Israel, and Saudi Arabia being the principal recipients. Additionally, arms shipments by France, Great Britain, and other nations also contributed to the Middle East's growing inventory of weapons.

As a direct outgrowth of the U.S. experiences in Vietnam and what appeared to be a seemingly uncontrolled race to arm the world and the Middle East-Persian Gulf states in particular, U.S. public awareness of SA was heightened. Congress legislated more efficient SA management procedures and greater control over the future transfer of arms. The new legislation, later incorporated in the Arms Export Control Act (AECA) was to have a significant influence on all subsequent SA management.

THE FORD ADMINISTRATION

The interplay of many political and economic factors launched the Ford Administration. Political trauma on the domestic front, continuing disagreements with the Soviets and among the allies, rapidly escalating oil prices, and an incipient recession were included in the inheritance welcoming Gerald Ford to the presidency. Added to this disturbing legacy was a growing apprehension by the Congress over the increase in U.S. arms transfers abroad. Congressional concern over U.S. involvement in the international arms trade stimulated legislative requirements for closer scrutiny by the Department of State (DoS) and Department of Defense (DoD) of potential arms transfers. These concerns also led to the strengthening of legislation giving Congress the right to block certain types of sales. A more definitive explanation of these controls and other legislative processes are covered in chapter 2 of this text, titled "Security Cooperation Legislation and Policy."

Yet another element in the legacy inherited by the Ford Administration was the accelerated movement toward détente with the Soviets and the opening of discussions with the Peoples Republic of China (PRC), in both instances, following policies previously put in place by President Nixon. With détente as a major foreign policy goal of his administration, it became increasingly more difficult for Ford to use the containment of communism as a justification for his SA requests, especially those pertaining to military grant aid. In the view of much of the public and Congress, the Cold War was almost a thing of the past.

Further complicating Ford's relationship with Congress was the continued high foreign demand for American armaments, despite growing Congressional pressure to restrain arms sales. The President was now faced with the dilemma of meeting the requests for arms as part of our foreign policy while still remaining within the bounds of existing or pending legislation. Illustrative of that dilemma were the SA requests from Latin America. U.S. motivations for sales to Latin America were primarily political, aimed at restoring good will and preserving access. However, this opening, perceived by the Latin Americans as the most supportive U.S. response to their demands since 1945, proved very short-lived. Congressional, media, and public concerns began to focus on human rights violations in the region and the apparent lack of effective controls on U.S. arms sales. Demands were made for new controls, and these concerns found expression in the International Security Assistance and Arms Export Control Act (AECA) of 1976.

The AECA prohibited arms transfers to any nation found to be in systematic violation of human rights; it terminated (with few exceptions) grant aid and military assistance advisory groups (MAAGs)

by September 1977, unless the MAP recipients and MAAGs were subsequently authorized by the Congress in applicable legislation; and it established closer oversight by Congress of arms transfers. The 1976 AECA, as amended by 1977 legislation, was considered by both Presidents Ford and Carter as extremely restrictive and as impinging on the executive branch's prerogative to implement foreign policy.

THE CARTER ADMINISTRATION

Early in his term of office, President Carter issued a statement decrying the unrestrained global spread of conventional weaponry. He critically cited reports stating that total worldwide arms sales had risen to over \$20 billion annually, and that the U.S. was responsible for over half of that amount. Based on that assessment, he directed a comprehensive review of existing arms transfer control policies and all of the associated military, political, and economic factors.

In order to reverse the trend of increasing conventional arms sales, President Carter announced on 19 May 1977 that arms transfers would henceforth be viewed as an exceptional foreign policy implement and the burden of persuasion for a sale would fall on those who favored a particular arms sale, rather than those who opposed it. He further established a set of controls to apply to all transfers except to those countries with which the U.S. had major defense treaties, i.e., NATO, Japan, Australia, and New Zealand.

Carter further stated that the conduct of his administration's SA efforts would be governed by the promotion and advancement of internationally recognized human rights in the recipient countries. This statement, in effect, provided added emphasis to the human rights provisions already contained in the Foreign Assistance Act (FAA) of 1961 and the AECA. As a result of the Congressional and Presidential focus in this area, all SA programs were subjected to closer review under the human rights provisions of these statutes. Thus, the human rights issue became a major feature of the Carter foreign policy.

Middle East Policy

Carter's initial foreign policy effort focused on the Middle East, much like that of his predecessors. Of significance, however, was his personal intervention in seeking a resolution to the long-standing enmity between Israel and Egypt. Carter hoped to achieve a resolution of Israeli-Egyptian border disputes and find some answer to the Palestinian question. Through his initiatives, a series of meetings were held with top-level Israeli and Egyptian officials, first in Cairo and Jerusalem, and then at Camp David, the Presidential retreat in Maryland. These efforts led to the so-called Camp David Accord, which, in essence, adjusted the Israeli-Egyptian border, resolved territorial claims in the Sinai, and produced the 1979 Egyptian-Israeli Peace Treaty.

As a part of the Camp David Accord, the U.S. agreed to assist both governments in upgrading their military capabilities. In the case of Egypt, replacement of the obsolete Russian equipment with which Egyptian forces were outfitted became a major long term SA objective whereby the U.S. was to become Egypt's, as well as Israel's, prime supplier. This assistance has continued under all the subsequent administrations, with other Western European nations also providing assistance.

Carter's interest in the Middle East took on additional and complicating dimensions:

- The overthrow of the Shah of Iran in 1979
- The subsequent seizure of the American embassy in Tehran and the taking of diplomatic hostages by militant Iranians
- The burning of the American embassy in Pakistan
- The Russian invasion of Afghanistan in December 1979

As a result of these events, the President concluded that the turmoil in the Persian Gulf area was a most serious threat to regional stability and contrary to the national interests of the U.S.

The Carter Doctrine

Reflecting his concern over the Persian Gulf area, Carter, in his 1980 State of the Union address warned, "Let our position be absolutely clear: an attempt by any outside force to gain control of the Persian Gulf region will be regarded as an assault on the vital interests of the United States of America. And such an assault will be repelled by any means necessary, including military force."

His words were broadly compared by many in the press to be a restatement of the containment policy of the Truman Doctrine of 1947. In fact, the press speculatively labeled the message the Carter Doctrine. By whatever label, it was the first Presidential public pronouncement since Vietnam of the possible commitment of U.S. troops to protect essential U.S. national interests. In so doing, the U.S. extended its military shield to the Persian Gulf region and, in effect, modified the Nixon Doctrine which primarily relied on the allies in a region not only to defend themselves with U.S. materiel aid, but to also protect American regional interests. Carter's policy was designed to forestall further Soviet aggression and to deter actions which might eventually expand ongoing conflicts in the region.

People's Republic of China Status

Carter's foreign policy assumed another change of direction when he asked for, and Congress granted, most-favored-nation status to the People's Republic of China (PRC), with which formal diplomatic relations were established on 31 December 1978. This, in essence, meant that Beijing's exports to the U.S. would be permitted at tariff (or tax) levels reduced to the lowest levels enjoyed by other American trading partners, a status which was long sought by the Soviets but was continually denied by Congress. Also reflecting the increased U.S. and China rapport, which began with visits by Nixon and Ford, was Carter's decision to sell China dual use (i.e., civilian/military) materiel limited to trucks, communications equipment, and early warning radar. No weapons were included in this arrangement. The first FMS agreement was not notified to Congress until 1985 to allow the modernization of China's large caliber artillery ammunition production facilities. Additional agreements were notified to Congress in 1986 for the sale of Mark 46 MOD 2 torpedoes and for an avionics upgrade of Chinese F-8 air defense interceptors.

Raw Materials and Foreign Policy

A key element in the rapid changes in U.S. foreign policy was the perceived dwindling supply of available foreign source oil. However, oil availability was not the only matter of concern for the world's economies. The scramble for scarce resources was becoming more hectic as the world's demand and consumption of metals and other materials reached new heights. Emerging third world countries, some of which were the only source of certain critical minerals, were learning how to bargain more intensively and collectively in the same manner as the Organization of Petroleum Exporting Countries (OPEC). The finite supply and imminent shortages of certain critical minerals and other raw materials threatened to place the economies of the U.S., Western Europe, and Japan, in a precarious position.

While the U.S. had maintained, since World War II, some strategic stockpiles of critical minerals and materiel for use in the event of a national emergency, the threat to the overall U.S. economy became apparent. Even with the reserve stocks on hand, the U.S. was not nearly as self-sufficient in everything required to maintain an effective base of production. Critical choices faced Carter and his planners. One choice was to increase, wherever practical, exploration for and development of domestic resources. Such action had its attendant difficulties and often conflicted with quality of life standards, environmental goals, and national economic targets.

A second choice was to maintain friendly relationships with the countries exporting critical materials. Such relationships could be enhanced through the judicious application of SA by grants, government-to-government sales, or by direct commercial sales (DCS). Further, direct barter by the USG of SA for critical materials is authorized by the FAA, section 663, if the President determines it to be in the national interest to exchange strategic raw for weapons. It should be noted that this authority has never been used.

Although this is an apparently desirable option for countries with ample mineral holdings but limited financial resources, complex economic considerations (e.g., varying requirements for different materials and the need to convert resources to dollars to reimburse U.S. contractors) have precluded any use of this statutory provision.

THE REAGAN ADMINISTRATION

At the onset of President Ronald Reagan's presidency, the international fabric of world arms transfers and national interests remained basically unchanged from that which existed during previous administrations. On 8 July 1981, however, President Reagan announced a new conventional arms transfer policy which viewed arms transfers as an essential element of our global defense policy and an indispensable component of U.S. foreign policy. Reagan's approach, which differed considerably from the Carter Administration's view of arms transfers as an "exceptional foreign policy implement," reflected a more pragmatic view of SA. The U.S., as a matter of policy, will only transfer arms in order to:

- Reinforce military capabilities to assist in the deterrence of aggression, especially from the USSR and its surrogates, and reduce the requirement for direct U.S. involvement in regional conflict.
- Reinforce the perception of friends and allies that the U.S. is a partner and a reliable supplier with a measurable stake in the security of the recipient country.
- Point out to potential enemies that the U.S. will not abandon its allies or friend.
- Improve the American economy by assuring a more stable defense production base, and by enhancing the balance of payments. However, this objective should not mean that the approval of the transfer of arms will be based solely on economic considerations and gain.
- Enhance the effectiveness of the U.S. military through improved possibilities of access to regional bases, ports, or facilities needed by deployed forces during contingencies. Further, SA should improve the ability of the recipient nations to complement U.S. forces during deployments.
- Strengthen the stability of a region by fostering a sense of a recipient nation's security and its willingness to settle disputes amicably. A government that feels secure is more likely to cope with such challenges in a more progressive and enlightened manner.

A pivotal point of the Reagan policy was that the U.S. could not alone defend western security interests. Thus, the U.S. would heed the security requirements of friends and allies, not as an alternative to a U.S. commitment or capability, but as a complement thereto. The U.S. would assess the transfer of arms in light of the net contribution such transfers would make to U.S. global or regional security, thereby complementing and reinforcing the earlier Nixon Doctrine.

The Reagan policy identified arms transfers to America's major alliance partners as its first priority. Thus, the principal focus was on transfers to those nations with which we enjoy a long association of cooperative and mutually beneficial relationships, and which permit access to support or basing facilities in the interest of mutual defense. Because of the diversity of U.S. interests and the security

needs of our allies and friends, the assessment of needs would be pragmatically but strategically derived, and tailored to the specific circumstance of each instance. However, the Reagan arms transfer policy would maintain an inherent flexibility to respond quickly to changing conditions and shifting Soviet strategies. The Reagan policy statement concluded with the following comments:

The realities of today's world demand that we pursue a sober, responsible, and balanced arms transfer policy, a policy that will advance our national security interests and those of the free world. Both in addressing decisions as to specific transfers and opportunities for restraint among producers, we will be guided by principle as well as practical necessity. We will deal with the world as it is.

THE GEORGE H. W. BUSH ADMINISTRATION

Arms transfer and overall SA policies of the George H. W. Bush Administration essentially represented a continuation of the approach which evolved during the Reagan presidency. Various events occurred in the world, however, each of which had a significant impact on U.S. foreign policy and SA:

- The December 1989 collapse of the Iron Curtain and the subsequent emergence of democracy in the former Warsaw Pact countries
- The August 1990 Iraqi invasion of Kuwait and the subsequent January/February 1991 Operation Desert Storm which liberated Kuwait;
- Middle East peace talks; the December 1991 economic and political dissolution of the USSR
- The far reaching worldwide economic recession of 1991 and 1992, which largely grew out of a convergence of the consequences of the monumental events of the previous year

The political collapse of the Iron Curtain countries, with the almost immediate introduction of democratically elected governments and market-driven capitalism, prompted the flow of U.S. foreign assistance in FY 1991 to Czechoslovakia, Hungary, and Poland. This aid also included grant military assistance in the form of International Military Education and Training (IMET). FY 1992 foreign assistance for Eastern Europe included the addition of Albania, Bulgaria, Estonia, Latvia, Lithuania, Russia, and Ukraine. Foreign assistance was further extended in the region during FY 1993 to Belarus, Kazakhstan, and Romania. The growing political revolution in Eastern Europe extended dramatically to Russia itself, producing force reductions in the region during FY 1993 and withdrawals from Eastern Europe. This action also impacted the West, especially the U.S., where a defense reduction of 25 percent both in forces and budget was begun. Initially, the vision of large supplies of cheap excess defense articles being made available for transfer became prominent, and legal provisions were made for broader eligibility and simpler implementation. However, the Iraqi invasion of Kuwait put the transfers on temporary hold. Also related to the downsizing were the cutbacks and cancellations in DoD weapons acquisitions. The resulting reduction in system development and production caused industry to seek more overseas markets and to request the assistance of various USG officials and their agencies for entry into the foreign marketplace.

The Iraqi invasion of Kuwait on 2 August 1990 clearly demonstrated the value of past SA programs during the conduct of war and also the responsiveness of the SA community during the war. It also boosted the overall level of FMS agreements which totaled \$14.2 billion in FY 1990 and a record \$23.5 billion in FY 1991. The deployment, reception, and support of coalition forces in the Persian Gulf (specifically, in Saudi Arabia) was accomplished with comparative ease and was greatly benefited by the over \$15 billion in FMS construction projects completed prior to FY 1990. These included runways and ramps for both strategic lift and tactical aircraft, improved piers and equipment marshaling areas

for the offload of strategic sealift materiel, and protected facilities with limited command and control capability to build upon for in-theater command elements and associated support. SA also provided for equipment and procedural compatibilities among many of the coalition forces through past sales of U.S. equipment and technical and professional training in U.S. military classrooms. The requirement for international military students to know English during their U.S. training contributed significantly to improved communications during the war. The war generated over 350 new FMS cases valued at about \$12 billion, the majority of which were immediately filled and delivered. Section 506, FAA, drawdown procedures were used during FY 1990 and 1991 to meet emergency military and war refugee requirements. These were valued at \$225 million for the immediate delivery of Patriot missiles to Israel, aircraft missiles and artillery munitions to Turkey, and humanitarian aid to the Kurds in northern Iraq. Third country transfer authorization procedures were streamlined so transfers of equipment from past FMS could take place with minimal loss of time. The Gulf War proved that U.S. military systems, though expensive, work most effectively. The demonstration of American equipment in the Gulf War probably served as the best marketing effort for years afterwards to promote the value of U.S. arms to foreign purchasers.

As the Bush administration completed its final year in office in January 1993, the resolution of serious domestic economic problems tended to overshadow SA and related foreign policy matters. As tens of thousands of workers throughout America were either released or laid off, as numerous major American corporations shut down factories or went into bankruptcy, and as drugs and crime increasingly plagued U.S. cities, such issues as aiding the emergent democracies of Eastern Europe, pressing the Israelis and Arabs into a peaceful resolution of their long conflict, and supporting allied and friendly nations throughout the world tended to lose their urgency for many Americans. Funding for improvements in American medical care, education, and infrastructure modernization eclipsed national interest in foreign assistance.

THE CLINTON ADMINISTRATION

Bill Clinton assumed the presidency in 1993 with a full foreign policy plate. The humanitarian military mission in Somalia, the downward spiraling situation in Bosnia, sustained defiance by Saddam Hussein against the United Nations (UN) sanctions on Iraq, political and economic chaos in the former Soviet Union that would soon lead to an unsuccessful coup attempt in October 1993, a soft U.S. economy and a worldwide economy recovering from a short but severe recession, the continued down-sizing of the U.S. military to approach forty percent less than at end of the Reagan era, and the continuing saga of the Middle East peace talks, were some of the major challenges facing his administration.

Despite these significant world problems, the Clinton Administration's initial emphasis was on strengthening the U.S. economy and on establishing a predominantly domestic agenda. In terms of the administration's foreign policy and national security interests, initially there was little departure from the previously stated goals of building democracy, promoting and maintaining peace, promoting economic growth and sustainable development, addressing global problems, and meeting urgent humanitarian needs. However, in order to accomplish these foreign policy goals, the Clinton Administration laid as its bedrock a proactive domestic agenda. The overall concern and top priority was to improve and restore the domestic strength of the U.S. through a number of internal and external measures which both directly and indirectly affected SA.

President Clinton's Secretary of State, Warren Christopher, reiterated a previous policy encouraging U.S. embassies to actively assist U.S. marketing efforts overseas. This was interpreted to include aiding U.S. defense contractors in the pursuit of both DCS and FMS of defense articles, services, and training overseas. Additionally, as an example of this new emphasis on domestic economic growth, when the Kingdom of Saudi Arabia was considering upgrading its commercial passenger jet fleet, President Clinton successfully interceded with King Fahd on behalf of the Boeing Corporation to secure the sale of their commercial aircraft.

FY 1993 ended on a bright note in terms of the positive impact of FMS on the U.S. economy. Primarily due to major defense equipment sales to countries in the Arabian Gulf area and Taiwan, FMS topped \$33 billion, a record high. Those sales kept U.S. production lines open and defense industry employment up, especially for the great number of companies involved in the production of the F-15s for Saudi Arabia, F-16s for Taiwan, and the M1A2 main battle tank for Kuwait.

The long awaited post-Cold War era U.S. conventional arms transfer policy was announced on 17 February 1995 by the White House as Presidential Decision Directive (PDD-34), “U.S. on Conventional Arms Transfer Policy.” This new policy did not represent a dramatic change from previous policy; rather, it was introduced “as a summation and codification” of the Clinton Administration’s “decision-making in the arms transfer arena . . . and efforts at restraint over the past two years” (i.e., 1993-1994). The policy, however, does place an increased weight in the post-Cold War era on the dynamics of regional power balances and the potential for destabilizing changes in those regions. The transfer of conventional weapons is reinforced as a legitimate instrument of U.S. foreign policy, deserving USG support as it enables the U.S. to help allies and friends deter aggression, promotes regional security, and increases U.S. and allied force interoperability. Emphasis is on restraint by both the U.S. and other arms suppliers when the transfer of weapons systems or technologies would be destabilizing or dangerous to international peace or balance of power in a region.

In addition to restraint, other key elements of the new U.S. arms transfer policy include the promotion of control and transparency. Improvement of arms transfer controls would be accomplished:

Through continued political efforts by the U.S. in establishing an international control regime successor (the Wassenaar Arrangement) to the Cold-War era Coordinating Committee for Multilateral Export Controls (COCOM).

Through vigorous support of established regimes including regional and weapons specific ones (e.g., Missile Technology Control Regime (MTCR) or the U.S., proposed moratorium on the transfer of anti-personnel landmines.

Going a step further, the U.S. would assist other arms supplier nations in developing effective export controls in support of responsible export policies. Finally, international arms transfer control is to be sought by the U.S. pushing for increased international participation in the U.N. Register of Conventional Arms, and the expansion of this Register to include military inventories and procurement.

While restraint is most important in arms transfers, the policy also supports legitimate defense requirements of U.S. allies and friends. The policy serves the following five U.S. goals:

- To ensure that U.S. military forces continue to enjoy technological advantages over adversaries
- To help allies and friends deter or defend themselves against aggression, while promoting interoperability with U.S. forces when combined operations are required
- To promote regional stability in areas critical to U.S. interests while preventing the proliferation of weapons of mass destruction and their missile delivery systems
- To promote peaceful conflict resolution and arms control, human rights, democratization, and other U.S. foreign policy objectives
- To support the ability of the U.S. defense industrial base to meet U.S. defense requirements and maintain long-term military technological superiority at lower costs

Another feature of the Clinton Administration U.S. foreign policy was the expansion of NATO. In March 1999, three of the former Warsaw Pact countries, the Czech Republic, Hungary, and Poland, became members of NATO. Both the Administration and Congress concurred with the further political, economic, and military development of other Central European countries for the goal of future membership in NATO.

As the Clinton Administration ended, the Administration had \$3.576 billion for FMFP, \$57.875 million for IMET, and \$2.295 billion for Economic Support Fund (ESF) programs during FY 2001. The prediction for FMS was for a robust \$15.9 billion. However, this prediction was made without an anticipated economic slowdown which began at the start of the new FY. The final figure for FY 2001 FMS was \$13.3 billion.

THE GEORGE W. BUSH ADMINISTRATION

Continuing the Clinton administration's conventional arms transfer policy of aggressively supporting SA transfers on a case-by-case basis, the Bush Administration experienced new FMS at about the same annual level as before with \$12.5 billion completed in FY 2002. FMS for FY 2003 and FY 2004 would turn out to be \$13 billion and \$13.5 billion, respectively. The biggest difference in FMFP was the successfully legislated authority for a direct loan guarantee of \$3.8 billion for Poland during FY 2003 primarily for the purchase of F-16s. The IMET program continued its dramatic growth from \$50 million in FY 2000 to a FY 2004 level of \$90 million.

The Global War on Terrorism following the 11 September 2001 coordinated attacks on the continental U.S. caused a large aggressive deployment of U.S. armed forces throughout the world especially in the Southwest Asia region along with significant troop support from many other nations. Including an emergency supplemental, FMFP funding increased to \$4,052 million in FY 2002 and \$4,045 million in FY 2003. The ESF program also experienced growth during the same two FYs with \$3,289 million for FY 2002 and \$2,280 million for FY 2003.

Continuing the Global War on Terrorism, operations and reconstruction in Iraq, and the U.S. "Road Map for Peace" between Israel and the Palestinian Authority, an emergency supplemental budget request for SA was appropriated and authorized by Congress for the President in April 2003. This included an additional \$2,059 million in grant FMFP and \$2,475 million in grant ESF. The ESF program was further increased with authorized ESF loan guarantees of \$9.0 billion for Israel, \$2.0 billion for Egypt, and \$8.5 billion for Turkey. This significant funding assistance to key countries has been indicative of the Bush Administration with the legislative support of Congress to use SA as an implement of U.S. foreign policy.

Continuing the Clinton administration policy for the enlargement of NATO and at the Bush Administration's request, in May 2003, the Senate ratified the change to the NATO Treaty to admit seven new members:

Bulgaria Estonia Latvia Lithuania
Romania Slovakia Slovenia

This brought the total NATO membership to twenty-six countries. The Senate ratification language included the finding that the U.S. will keep its door open for the future enlargement to possibly include Albania, Croatia, and Macedonia. Albania and Croatia were later invited to join NATO in 2008, bringing the membership to twenty-eight countries.

The Bush administration ended with a new record FMS level of \$29.2 billion during FY 2008. However, the biggest U.S. military assistance difference during the administration was the use of DoD funding to purchase defense articles, services, and training for Iraq, Afghanistan and friendly countries supporting Southwest Asia coalition operations. This military assistance effort by DoD was included

along with other DoD international activities under the classification of “Security Cooperation (SC).” The Bush Administration was provided authority for providing this assistance using DoD funding via the annual national defense authorization acts. Until accountability and management became issues, FMS was not used as the acquisition or management process for security cooperation. Pseudo case procedures were developed using DoD funds to provide military assistance into Southwest Asia. Pseudo case sales during FY 2008 totaled \$7.2 billion. Prior to Southwest Asia, pseudo-FMS was generally relegated to DoD authorized funding of counter-narcotics activities in Latin America during the 1990s.

There were four other foreign assistance initiatives during the Bush Administration to include:

- The 2003 announced Millennium Challenge Account (MCA) to provide accountable non-military economic assistance
- The 2004 Global Peace Operations Initiative (GPOI) for a professional international peacekeeping capability
- The 2007 announced Merida Initiative to counter trafficking in drugs and other international criminal activities in Mexico and Central America
- The two later 2007 announcements for increased FMFP assistance for Israel and additional FMS to the Persian Gulf countries

The goal of the MCA program was to significantly increase U.S. developmental assistance to countries that demonstrate a commitment to ruling justly, investing in their people, and encouraging economic freedom. Special attention was to be given to countries fighting corruption emphasizing financial accountability and development successful. The June 2004 G-8 summit announced the participant’s commitment to fund and support the new GPOI to meet the persistent demand for international peacekeepers especially in Africa. The five year goal included training and equipping 75,000 peace-keepers by 2010 (including transportation and logistics support). The U.S. plan included a contribution of about \$660 million over five years which required the combination of the PKO Africa Contingency Operations Training and Assistance (ACOTA) and the IMET and FMFP Enhanced International Peacekeeping Capabilities (EPIC) programs into a singular PKO GPOI program.

The Merida Summit of March 2007 resulted in the bilateral Mexico and U.S. cooperation agreement against transnational crime and drug trafficking. FY 2008 was the first year of International Narcotics and Law Enforcement (INCLE) and FMFP funding for a multi-year program of about \$1.4 billion primarily for Mexico but with funding also for certain Central America countries. The 2007 announcement of increased military assistance for the Middle East included a ten year agreement starting in FY 2009 to provide \$30 billion overall in FMFP assistance to Israel and the nearly simultaneous pledge to allow \$20 billion in military assistance sales collectively to the Persian Gulf countries. The Israeli and U.S. agreement also included the understanding that 26.3 percent of the annual FMFP assistance would be authorized for offshore procurement (OSP) by Israel.

THE OBAMA ADMINISTRATION

The Obama administration began with the revival of the former Clinton administration Assistant Secretary of Defense for International Security Affairs [ASD(ISA)] and influential scholar Dr. Joseph S. Nye, Jr.’s early 1990s concept of “soft power.” Soft power, which has its roots in the ancient Chinese philosophers such as Lao Tsu, is defined as the ability to achieve goals through co-option and attraction rather than the “hard power” of coercion and payment.

During her January 2009 Senate confirmation hearings, the nominated Secretary of State Hillary Rodham Clinton went further by using the term “smart power.” Smart power is using the full range

of tools at one's disposal to achieve objectives or solve problems to include the combination of both soft and hard power. The new Obama administration immediately retooled the FY 2009 supplemental appropriations request and the FY 2010 request for foreign assistance with the initial smart power investment for long term ESF and FMFP coupled with DoD appropriations for Iraq, Afghanistan, and Pakistan as hard power lethal and soft power non-lethal assistance. The collaborative DoD and DoS funding program for Pakistan was titled the Pakistan Counterinsurgency Capability Fund (PCCF) and initially included \$500 million in DoD funding and a combined \$700 million in FMFP and ESF funding assistance. The military assistance portion used the previously developed security cooperation pseudo case process for management. The Obama administration has also continued funding the Bush-announced MCA, Merida, increased Israeli assistance, and G-8 GPOI initiatives.

Using the widely accepted smart power policy, the Pakistan assistance program has been significantly enhanced by the Enhanced Partnership with Pakistan Act of 2009, P.L.111-73, 15 October 2009, which authorizes the annual appropriation of \$1.5 billion in FAA-authorized assistance for Pakistan during FYs 2010 through 2014 with an expressed sense of Congress to extend this program through FY 2019. This law, sometimes referred to as the Kerry-Lugar-Berman bill, likewise authorized undetermined amounts of IMET and FMFP for Pakistan during FYs 2010 through 2014. FY 2010 and FY 2011 legislation also continued to provide significant amounts of DoD funding for Afghanistan security cooperation. However, these Southwest Asia assistance authorities also included the requirement for periodic activity and accountability assessments with detailed reporting by the President to Congress.

Providing a term to long ongoing operations in Southwest Asia, the concept of "security force assistance (SFA)" is formally adopted and promulgated in late 2010. SFA is defined as DoD activities that contribute to unified action by the USG to support the development of the capacity and capability of foreign security forces (FSF) and their supporting institutions. SFA is stated to be a subset of DoD security cooperation initiatives with security assistance programs identified as critical tools to fund and enable SFA activities by DoD special operations forces (SOF), general purpose forces (GPF), and the civilian expeditionary workforce (CEW). Going beyond the traditional support of just ministry of defense forces, foreign security forces are to also include the paramilitary, police, and intelligence forces; border police, coast guard, and customs officials; and prison guards and correctional personnel, that provide security for a host nation and its relevant population.

Military assistance legislation for FY 2012 includes continued DoD funding of the Afghanistan Security Force Fund (ASFF) with U.S. support for Iraq transitioning from the prior DoD Iraq Security Force Fund (ISFF) to the traditional Department of State security assistance programs of International Narcotics Control and Law Enforcement (INCLE), Foreign Military Financing Program (FMFP), and cash FMS. FY 2011 marked the fourth year in a row where total annual FMS sales exceed \$30 billion worldwide.

SUMMARY

Foreign policy, regardless of country of origin, is formulated and implemented in a country's national interest. This certainly applies to the U.S. The roots of its national interests are firmly embedded in the Constitution and have guided its foreign and domestic policies for over two centuries.

SA, SC and SFA remain important instruments of U.S. foreign policy. Arms transfers and related services have reached enormous dimensions and involve most of the world's nations, either as a seller/provider or buyer/recipient.

As a case in point, U.S. early history might have been entirely different if the SA provided by France was denied to the American revolutionaries. Subsequent SA milestones throughout the years following are marked either by arms being received or by furnishing arms support to the allies during World Wars I and II and thereafter.

The period from 1945 until 1991 saw the emergence of the two superpowers and their competition over spheres of influence. The Truman Doctrine of aid to Greece and Turkey in 1947, in an effort to stem the flow of communism, set a pattern for SA that developed for four decades. Concurrently, the Marshall Plan became a model upon which much economic aid was later based.

The policy of containment begun under Truman has impacted on U.S.-USSR relations during every administration from 1945 to 1990. Containment also left a heavy imprint on SA policy, for it became a factor in the determination of who would receive aid, what type of assistance and how much would be furnished, and whether it would be provided through grant or sale.

Another ramification of the containment policy was the joining by the U.S. in formal security alliances, such as NATO. Alliance membership had significant influence on SA priorities and special accommodations for the needs of allies. Every administration made those special accommodations keystones of their own foreign policy pronouncements.

The Middle East, never a quiet sector of the world, assumed a preeminent role in U.S. SA. Five Arab-Israeli wars, countless border clashes, the rise and fall of the Shah of Iran, the assassinations of President Sadat of Egypt and Prime Minister Rabin of Israel, the bombing of the U.S. embassy and the Marine barracks in Beirut and of the Khobar Towers in Saudi Arabia, continuing Middle East-based international terrorism, the Iraqi invasion of Kuwait, and the shifting world dependence on the region's petroleum reserves have placed the Middle East at the top of the U.S.' regional foreign policy concerns. No other part of the world, outside of Southeast Asia, has demanded so much Presidential attention in the post-World War II period. From Truman to Obama, Presidential statements have dwelled on peace conferences, agreements, exchanges, SA, human rights, and hostages. Not only has the political climate remained volatile, but the unsettled worldwide oil situation, Russian adventures into Afghanistan, and the Iranian-Iraqi War continued to emphasize how deeply U.S. national interests have been enmeshed in maintaining the stability of the Middle East and the regions of the Persian Gulf. The 2001 invasion of Afghanistan, the subsequent invasion of Iraq to eliminate the threat of weapons of mass destruction, and the support of the "Road Map for Peace" have all influenced an increased use of U.S. SA to attain the goal of world peace through the Kennedy-era FAA and Ford-era AECA and recent DoD security cooperation authorities.

Finally, growing economic difficulties, recession-induced increases in unemployment, and company failures have produced a political environment in the U.S. which lacks support for foreign assistance programs of any kind. In this atmosphere, the Administration will be hard pressed to induce Congressional support for the funding of the U.S. SC programs which are the subjects of this text. Marketing efforts necessary to support the sale of U.S. defense articles overseas continue to intensify. Strong, directed effort by U.S. embassies to promote the products of U.S. companies may be expected to continue as the U.S. defense industrial base adjusts to the post-Cold War downsizing.

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Department of State: <http://www.state.gov>. Among many other resources available at this site are the current *State Department Strategic Plan*, *International Affairs Strategic Plan*, *The Country Reports on Human Rights Practices*, *Country Background Notes*, and the annual *Congressional Budget Justification for the Department of State and Foreign Operations*.