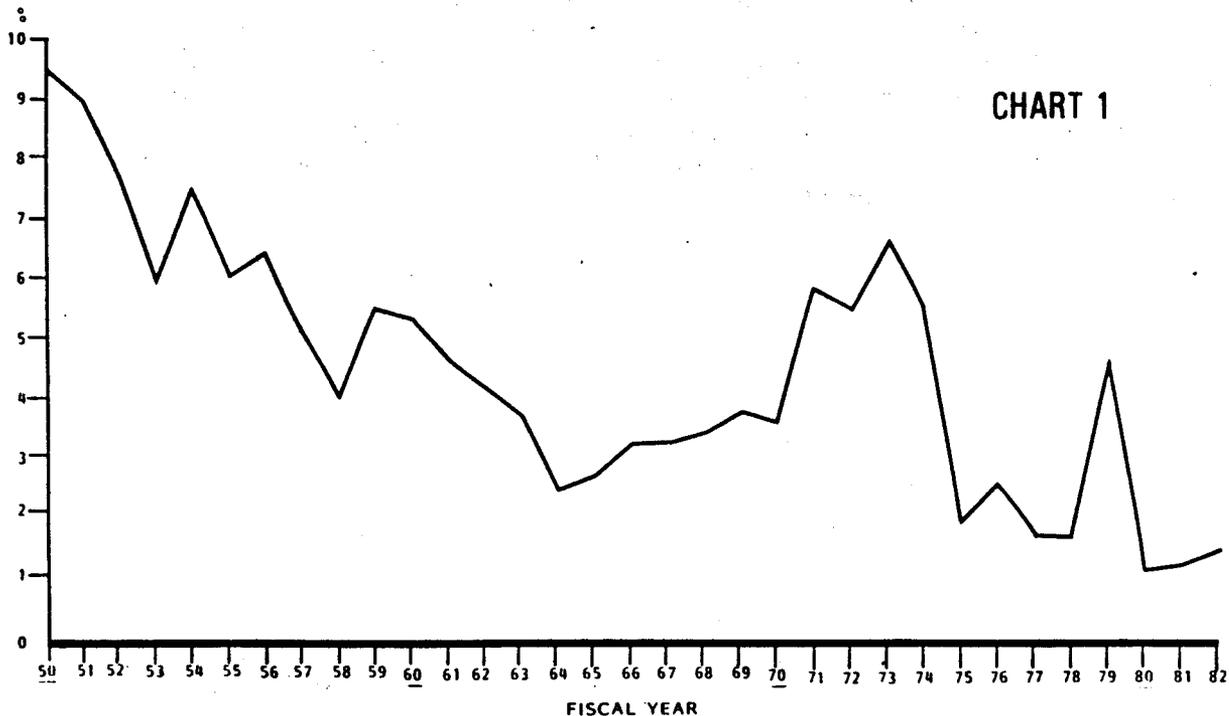


Assistant Secretary West Testifies in Support of New Policy

Also in testimony before the Senate Foreign Relations Committee on 28 July, the Honorable Frances J. (Bing) West, Assistant Secretary of Defense for International Security Affairs (ASD/ISA), provided the following statement in support of the Administration's Conventional Arms Transfer Policy. Together with the foregoing statement of Under Secretary Buckley, these testimonial reprints reflect the mutually supporting views of the Departments of State and Defense.

. . . We cannot have a credible foreign policy without a viable security assistance policy -- adequately funded, efficiently planned and sufficiently manned. I would like to put forward five points.

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



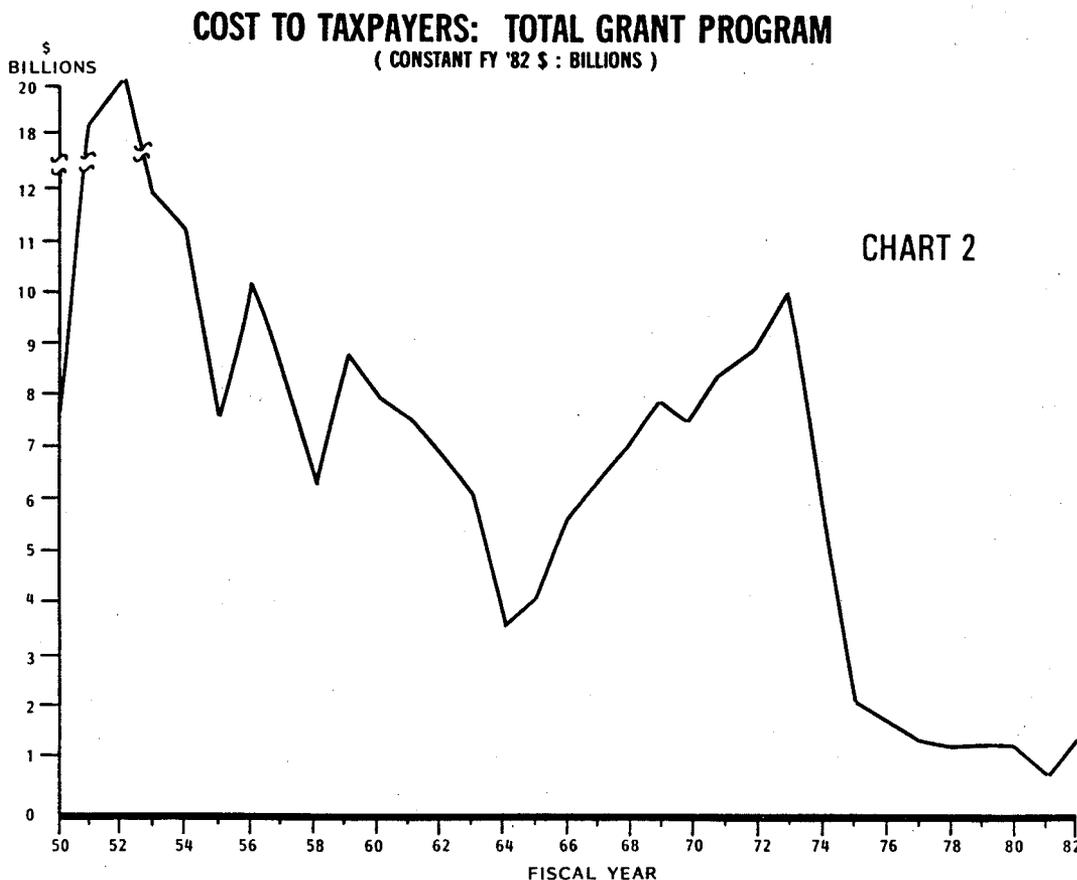
The first concerns the level of funding for security assistance. The FY 82 budget authority request before Congress amounts to a modest dollar value in terms of the total U.S. security funding request; however, that small amount carries the potential for substantial gains in security for ourselves, our friends and our allies. In real dollar terms [as shown on Chart 1, above]. . . , the proposed FY 82 security assistance program is about 2% of the proposed Defense Department budget.

. . . The ratio of the value of security assistance to the defense budget, which is one measure of our relationship with our allies and friends, has been declining since the 1950's and has been at an historic low point during the past three years. Measured in constant FY 82 terms, shown on Chart 2, [below]. . . the proposed program equals less than one-fifth the program value implemented thirty years ago. In real terms we have drastically decreased security assistance. Yet, the threat to U.S. interests has increased due to many factors. Among these factors are:



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- (1) The loss of U.S. nuclear superiority.
- (2) The steady growth in Soviet arms transfers.
- (3) The establishment of Soviet client states and de facto bases outside Eastern Europe.



What is the net result? Security assistance is costing us less and our worldwide position is less secure. We need to do more for our friends than provide words of assurance. The new conventional arms transfer policy about which Under Secretary Buckley spoke in his presentation is not an open invitation to proliferate U.S. arms around the world. We are reviewing on a case-by-case basis the responses to requests from foreign governments. We are using five criteria:

- (1) The military threat which these nations face;
- (2) The effect of such transfers upon U.S. collective security efforts;
- (3) The maintenance of stability in the region;
- (4) The needs of our own forces; [and]
- (5) The absorptive capacity of the recipient nation.

We can not stand idly by while the Soviets or their surrogates continue to surge ahead in their own arms transfer and security assistance activities in the Third World. If we fail to be responsible, we will reinforce -- not remedy -- the perception of others that the United States is an unreliable and unresponsive friend and supplier.

. . . My second point can be illustrated by several comparative data on how much and how far the Soviet Union has surpassed the United States in international arms sales and arms transfers. In the number of trained foreign military personnel and in the number of military personnel and technicians on extended overseas tours, the Soviet Union today exceed both the U.S. and the major Western European suppliers in the dollar value of their arms exports.

In FY 1980, the Soviet Union signed arms agreements with Third World countries which almost doubled the value of our own agreements, and that margin is not decreasing. Again in 1980, the Soviets trained more than three times the number of foreign military personnel in the Soviet Union than we did in the United States. Soviet military technicians [are] assigned on extended training and management tours in LDCs [Less Developed Countries] that exceed comparable U.S. figures by some 20,000 personnel.

My third point is that our friends and allies have very real and very legitimate security needs that have deteriorated in terms of the balance in regional forces over the last decade. In some cases, these security requirements stem directly from Soviet challenges. In different regions

of the world -- North Africa, the Middle East, the Horn of Africa, and in the Southern Arabian Peninsula -- those states which have expressed friendship to the United States and have sought U.S. security assistance are confronted by neighboring countries with Soviet-supplied and Soviet-trained forces far in excess of their own. Libya has signed more than \$12 billion in military agreements with the Soviet Union between 1976 and 1980. With this equipment, Libya is able to threaten and wage aggression against its neighbors in North Africa. Libya has been transformed, in effect, into a Soviet weapons depot and is able to promise and deliver Soviet-origin weapons to states or factions friendly to the Soviets and inimical to our own interests. The pattern between India and Pakistan on the sub-continent of South Asia, between Syria and Jordan in the Middle East, between Ethiopia and Somalia on the Horn of Africa, and between South Yemen and Oman in the Southern Arabian Peninsula presents similar contrasts. These imbalances present serious threats to many of our friends throughout the world. We want to be able to tell the leaders of these countries facing a threat from Libya or Syria, or Ethiopia or South Yemen that we are ready to provide them with the necessary and appropriate military assistance to deal effectively with what are genuine threats to their national security.

My fourth point is that we must improve combined military planning with other governments. We have experience in this area that has been valuable and significant, such as the biannual Joint Military Commission with Jordan. We need to expand this model so that in other nations we can anticipate military requirements on a multiyear basis. If successful in this effort, we will be better able to strengthen the capabilities of friends and allies to defend themselves against threats to their national security. When we assist foreign governments in this way, we also make a constructive contribution to our own security in a number of important ways: we improve our ability to deploy forces abroad and to project U.S. power overseas; we contribute to the successful implementation of our regional strategies, such as in Southwest Asia; we help to secure access to port and air facilities, overflight rights and base privileges abroad; we help modernize regional armed forces; and we foster greater complementarity between regional and U.S. force structures which will improve our ability to engage hostile forces should regional deterrence fail and U.S. involvement become necessary. These improvements in our defense posture require better and more extensive planning between the United States and other governments. Security assistance is a principal vehicle through which effective planning can be accomplished.

The fifth and last point is the need to improve our process of security assistance. We need to shift from an approach

that emphasizes passive reaction to external events, to one which can anticipate, plan, [and] produce. We need to provide appropriate technology, training and equipment on delivery schedules which are accelerated over those we have today. Every year, the number of requests for early equipment deliveries increases -- many are clearly in our interests. As it now stands, we must meet urgent foreign needs by diverting critical items from existing production lines, forcing drawdowns from U.S. service inventories, or re-ordering priorities among our foreign customers. We have so reduced our own military production base that lead times for delivery range from two to four years. Our proposal for a Special Defense Acquisition Fund seeks to ameliorate this problem. Under current legislation, we cannot procure in anticipation of future foreign military sales. No private corporation could stay in business under such a constraint. We have a fairly good planning projection for the next several years. Rather than demand a queue which stretches for years and years, we would like to begin a fund to procure items which are in high demand and low supply; this would pose very little cost to the taxpayer. Among the initiatives of this Administration in the security assistance area, this proposal is a top priority and is urgently needed.

In sum. . . , I have advanced five points:

(1) We need to improve the level of funding for the Security Assistance Program. We are doing less than one-fifth of what we were doing in the 1950s.

(2) The Soviet Union has surged ahead of the U.S. and Western Europe in their own security assistance activities, [as] measured in terms of sales, grants, deliveries, weapon systems, training, personnel and planning.

(3) Our friends and allies confront real and genuine threats to their security and have legitimate defense needs.

(4) We need to engage in better combined planning with these allies.

(5) The security assistance process should be improved to anticipate future foreign requests and one proposed mechanism for doing that is the Special Defense Acquisition Fund. . . .