

OVERVIEW OF SECURITY ASSISTANCE

1. Scope. This lesson presents an overview of the military related International Affairs programs designed to promote peace and build democracy around the world. It includes a description of how programs are developed and the DoD and military department organizations responsible for executing the programs.

2. Objectives. At the completion of this lesson you should be able to:

- a. Recall the international assistance programs given their characteristics.
- b. Identify the responsibilities of Congress, the President, Secretary of State, Secretary of Defense, and various DoD and MILDEP organizations as they pertain to military related international assistance.
- c. Describe the benefits for the military departments of having international assistance programs.

3. Our Direction. Within the Secretary of State's Congressional Budget Justification for Foreign Operations, four key component programs are identified which require US Government funding: the Foreign Military Financing Program (FMFP); the Economic Support Fund (ESF); International Military Education and Training (IMET); and Peacekeeping Operations (PKO). Foreign Military Sales (FMS) may be cash sales or may be financed through FMFP. The primary programs administered by DoD are FMFP, IMET, and FMS. The Foreign Military Sales (FMS) program remains a viable tool in achieving and maintaining stability in countries and regions where U.S. interests are at stake.

4. National Interests. Each of the aforementioned programs support vital United States' interests in the areas of national security and economic interests. These security interests relate to broad foreign policy goals. The Congressional Presentation, the document that reflects the Clinton administration's proposals for each of the various programs, identifies the following foreign policy goals:

- a. Foster a climate in which all nations can live in security and stability.
- b. Address threats that arise to undermine or overthrow democratically elected governments and regional peace and stability.
- c. Promote nonproliferation of weapons of mass destruction and conventional weapons.
- d. Address global destabilization issues in the areas of narcotics, terrorism, and crime.

5. Program Development. International affairs programs and, in particular, those with military significance, are developed jointly by the Department of State and Department of Defense. The following information is gathered and assessed each year to determine the extent of each country's or international agency's program.

- a. The national interests of the United States that will be furthered with an international affairs program with the host country.
- b. The internal and external threats facing the host country and a description of the host country's ability to meet those threats.
- c. An economic analysis of the host country, to include a description of current military spending and the impact of additional military acquisitions.

d. A three-year projection of defense articles and services the country may seek to obtain, and an estimate of the likely source (grant, cash sale, commercial, third country, etc.).

e. A justification for each article and service identified.

f. The recommended alternatives for funding levels of Congressionally-funded programs.

g. Agencies within the Department of State and Department of Defense consolidate the information by region and prioritize the countries' needs. From April to September, their recommendations are reviewed, initial budget levels are determined, and outstanding issues are resolved. After Secretary of State approval and Office of Management and Budget (OMB) staffing and adjustments, funding levels are reviewed by the President's National Security Council (NSC) staff. Late program adjustments may be made based on reviews of Consolidated Data Reports (CDR) submitted by the embassy staffs in November. By January, the programs are published in the Congressional Presentation Documents and reflect the President's budget. After several months of Congressional hearings, the programs are worked into public law and they are funded through annual appropriations.

6. Program Description. There are six major programs making up the military assistance portion of the United States International Affairs effort. A brief discussion of each program is provided below:

a. **Peacekeeping and Related Programs.** This area includes U.S. contributions for international peacekeeping operations undertaken by the United Nations and voluntary peacekeeping missions we participate in outside the purview of the U.N. These include our contributions to the Multinational Force of Observers in the Sinai and the monitoring and enforcement of United Nations sanctions around the world.

b. **Nonproliferation and Disarmament Fund.** This program is designed to establish effective controls on destabilizing weapon systems and materials to prevent smuggling. Assistance from this program also funds the destruction of existing weapons of mass destruction. Also funded from this program are the operations of the Arms Control and Disarmament Agency (ACDA) which is the prim advisor to the President on issues concerning arms control policy.

c. **Regional Peace and Security.** The largest portion of the International Affairs budget proposal for promoting peace is geared toward sustaining and accelerating the peace process. This program contains traditional economic and military support for the Camp David countries, and additional grant support in the form of economic assistance and direct training (formerly IMET) for other Near East countries. The other region with significant allocations from this IA program is the Southern flank of Europe. Greece and Turkey will continue to receive assistance in the form of primarily repayable military financing loans. Countries from other regions will receive assistance in the form of direct training.

d. **Building Democracy.** A major element of our International Affairs budget earmarks funds for building democracies in countries which formerly did not have governments with democratic systems. To this end, military related direct training programs have been identified for approximately 85 countries (primarily those in Eastern Europe, the former Soviet Union, Africa, and Latin America). This training will concentrate on establishing civilian control over military forces.

e. International Narcotics Trafficking, Terrorism, and Crime Prevention. This program provides grant that are used for the integration of police and military law enforcement activities, training, and sustainable economic growth into comprehensive regional and country counter-narcotics and anti-terrorism programs. Primarily earmarked for Latin America, the grants will be used to provide the countries with equipment and training required to build law enforcement agencies in these countries that are capable of defeating drug traffickers who are undermining the fragile democracies of this region.

f. Foreign Military Sales. This non-appropriated program, authorized by the Arms Export Control Act of 1976, allows eligible foreign governments to purchase, on a reimbursable basis, defense articles and services from the U.S. Government. The source of these articles might be DoD stocks or new procurement. In either case, the purchasing government agrees to pay all costs associated with the transfer of the goods and/or services. DoD estimates that the average annual value of FMS agreements will be \$15-20 billion for the next few years.

7. Benefits. Although not the primary reasons for having a security assistance program, the following benefits are identified for the U.S. Government/ private sector, host nation, and U.S. Army/military department.

a. Host Nation. Of course, the host nation's ability to defend themselves is increased and, in turn, this benefits our national security interests. Additionally, military assistance will extend the life of old or obsolete materiel that countries have previously obtained. This is done through a specific program called a System Support Buy Out. Countries receive premium professional military education and training along with their equipment. The U.S. Government not only makes available the latest military technology, but also offers opportunities for recipient countries to buy into our logistics pipeline through a Cooperative Logistics Supply Support Arrangement that will be discussed in another lesson.

b. U.S. Government/Private Sector. Military assistance benefits the U.S. Government and private sector in a couple of ways. First, as stated previously, our national interests are furthered throughout the world. Second, these programs create jobs; not only government jobs directly involved with the planning and implementation of the military assistance programs, but also in industry as well. For every billion dollars in assistance, it is estimated that 35,000 jobs are created in this country.

c. Military Departments. Military assistance programs enhance the ability of the industrial base to respond to a crisis. Equipment is often in production only for foreign customers because our budgets and procurement decisions prevent production for U.S. requirements. Because industrial production lines are warm due to foreign requirements, the time it would take industry to gear up for an emergency is less than it might be if there were no foreign production of the items. Because foreign requirements increase the quantity purchased when we do buy defense items, the unit price is often less than it would be if the services were only buying for their own needs. Military assistance aids in the achievement of rationalization, standardization, and interoperability goals, and we receive much intelligence data from purchasing countries on the effectiveness of our equipment under environmental and tactical conditions.

8. Organizations with Military Related International Affairs Responsibilities. Contributions to military assistance program planning and execution are made by several key departments and individuals of the Executive Branch as well as the Congress of the United States. The following discussion highlights the major military assistance responsibilities of these organizations and individuals. In a later section of this lesson, the roles and responsibilities of various organizations within the military departments will be addressed. (See figure 1.)

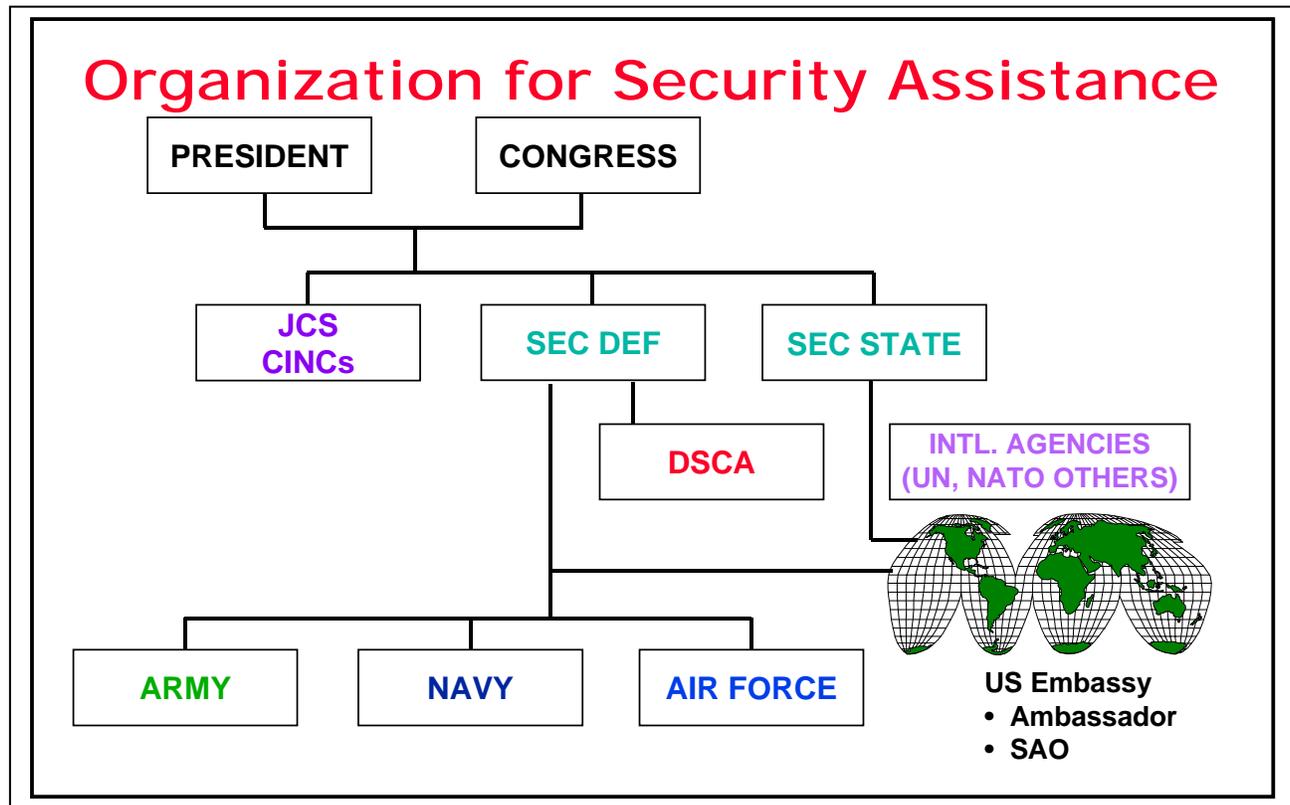


Figure 1.

a. **President.** The President's responsibilities are three-fold. First, as the chief executive, he has the final say in foreign policy discussions after receiving advice from his National Security Advisors. Second, he has responsibility over all departments of the Executive Branch and is responsible for their actions in military assistance programming and execution. Most important, however, the President must determine the eligibility of countries to receive defense articles and services from the U.S. Government. Congressional legislation explicitly provides the President with conditions of eligibility. The President may, when U.S. interests dictate, waive certain eligibility criteria to provide assistance to countries not otherwise eligible.

b. **Congress.** As discussed earlier, a primary responsibility of Congress is the appropriation of funds for execution of the various programs. Congress legislates changes to the two laws governing military related International Affairs programs by passing amendments to the Peace, Prosperity, and Democracy Act and the AECA. Congress also has an oversight role with respect to the sale of defense articles and services. The role will be explained further in the lesson on Foreign Military Sales.

c. **Secretary of State.** The Secretary of State, under the authority of the President, shall be responsible for the general direction and continuous supervision of security assistance and sales and export programs. As proponent for the Congressional Presentation Documents, he determines whether there will be a program for a country and, if there will, the value of that program. As head of all overseas diplomatic missions, he must ensure that such programs are effectively carried out abroad and that U.S. foreign policy is best served by the programs.

d. Secretary of Defense. Legislation defines the following primary responsibilities for the Secretary of Defense:

- (1) Determination of military end-item requirements.
- (2) The procurement of military equipment that allows it to be integrated with other service procurement programs.
- (3) The supervision of end-item use by recipient countries.
- (4) The supervision of the training of foreign military and related civilian personnel.
- (5) The movement and delivery of military materiel.
- (6) The establishment of priorities in the procurement, delivery, and allocation of military equipment.

Within the Office of the Secretary of Defense (OSD), two key positions are worth mentioning. The Under Secretary of Defense for Policy (USD(P)) is the principal advisor to the SECDEF on military assistance and national security issues. It is the USD(P) who exercises control, direction, and authority over the Director of the Defense Security Cooperation Agency (DSCA). The other key player is the Assistant Secretary of Defense (Comptroller), who establishes policy and procedures pertaining to financial management, pricing, auditing, and accounting.

9. Defense Agencies. Within the Department of Defense, there are a number of agencies that are either dedicated to or provide services to those who carry out the various military assistance programs.

a. Defense Security Cooperation Agency (DSCA). DSCA is established as a separate agency of the DoD under the direction, authority, and control of the Under Secretary of Defense for Policy and receives policy direction and staff supervision from ASD (ISA). DSCA serves as the DoD focal point and clearinghouse for the development and implementation of security assistance plans and programs, monitoring major weapon sales and technology transfer issues, budgetary and financial arrangements, legislative initiatives and activities, and policy and other security assistance matters through the analysis, coordination, decision, and implementation process. Some of the functions performed by DSCA include:

- (1) Coordination of the formulation and execution of military assistance programs with other governmental agencies.
- (2) Management of the credit financing program.
- (3) Developing and disseminating military assistance procedures, such as the Security Assistance Management Manual (SAMM).
- (4) Determining the allocation of money from the FMS administrative fund.
- (5) Conducts international logistics sales negotiations with foreign countries.
- (6) Assists U.S. industry with the export of military equipment and services.

In short, DSCA serves as DOD's focal point for arms transfers by maintaining program status and by participation in the budget, legislative, and planning processes involved with military assistance.

b. Defense Finance and Accounting Service (DFAS). Formerly the Security Assistance Accounting Center, this activity operates the DoD centralized billing, collecting, and country trust fund accounting system for military assistance programs. As such, one of their primary responsibilities is analyzing letters of offers and acceptance to ensure the adequacy of financial arrangements.

10. Military Department (MILDEP) Organization for Military Assistance . Each of the four MILDEPs have a specified organizational structure for planning, coordinating, and implementing the military assistance programs peculiar to their service. Each of the four services' organizational structure is outlined below.

a. Department of the Army (DA). This section covers the key organizations within the Army for developing and implementing military assistance programs. (See figure 2.)



Figure 2.

(1) U.S. Army Materiel Command (USAMC)/U.S. Army Security Assistance Command (USASAC). USAMC/USASAC is the DA executive agent for Security Assistance for implementing, administering , and managing the Army's military assistance programs. At each of the commodity major subordinate commands, there is an International Logistics Control Office responsible for case preparation, command coordination, procurement monitoring, and discrepancy research. Their primary responsibility is with materiel purchases. With respect to training, they coordinate the release of training Letters of Offer and Acceptance (LOA) to countries and receive the signed LOA. They process country requests for training aids and devices and English language labs. USASAC works with SecurityAssistance Training Field Activity (SATFA) to accomplish the Total Package Approach. Country requests for an FMS training case may be sent directly to SATFA.

(2) U.S. Army Training and Doctrine Command (TRADOC) is the major U.S. Army command responsible for training and doctrine development and for conducting U.S. Army training. Sixteen Army installations and 26 schools fall under TRADOC, whose headquarters is located at Fort Monroe, VA. A few Army schools come under other Army major commands; e.g., the Army Medical Center and School falls under the Army Medical Command. Two offices, Security Assistance Training Management Office (SATMO) and Security Assistance Training Field Activity (SATFA), carry out this mission for TRADOC.

(3) Other Command Involvement. Case preparation for specific commodities (i.e., publications, medical material and services, military construction services, etc.) are prepared by the responsible command (the Adjutant General, the Surgeon General, the Corps of Engineers). USASAC, however, maintains overall control by performing a review of these cases before they are sent to DoD for final approval.

b. Department of the Navy. This portion outlines the primary offices and agencies responsible for planning, developing, and implementing Navy security assistance programs.

(1) The principal Navy organization dealing with security assistance is the Navy International Programs Office (NIPO). Its mission is to provide policy and guidance to all Navy commands/activities involved in implementing security assistance programs and to negotiate and prepare the actual cases and agreements from information provided from other sources. When it was established, NIPO assumed many of the responsibilities previously performed by the Navy Supply Systems Command (SUP07) and the Office of the Chief of Naval Operations (OP-63). NAVSUP still manages follow on FMS cases for the Navy. In addition to its security assistance function, NIPO also provides guidance to the Secretary of the Navy on issues concerning technology transfer, prepares the memoranda of understanding for cooperative programs, and reviews and processes requests for export licenses required for commercial export sales.

(2) The Navy system's commands provide NIPO with pricing and availability information for the weapons and major items of equipment requested. There is a small office in each of these command responsible for coordination and monitoring of the commands' programs.

(3) The Inventory Control Points (ICP) provide concurrent spare parts listings and price availability data for secondary items. Item managers also process country requisitions and release requested stocks.

(4) The Navy International Logistics Control Office (NAVILCO) controls all security assistance requisitions and provides status back to customer countries. They are also responsible for financial accounting and reporting of FMS programs and coordinate extensively with DFAS to ensure the presence of obligational/expenditure authority.

(5) Within the Office of the Naval Education and Training (CNET), an organization called Naval Education and Training Security Assistance Field Activity (NETSAFA) prepares and manages all Navy FMS training cases and security assistance training programs. This activity is also responsible for defining and establishing foreign training requirements for all Navy weapon systems sales and transfers.

c. Department of the Air Force. This section covers the Air Force structure for security assistance.

(1) The Office of the Secretary of the Air Force, Deputy Under Secretary for International Affairs (SAF/IA) develops, implements, and oversees security assistance activities assigned to the U.S. Air Force. At the departmental level, the primary responsibility for central management, direction guidance, and supervision of Air Force security assistance belongs to the Office of International Affairs (HQ USAF/IA).

(2) The International Affairs Office receive Letters of Request for major systems and prepares the offers for country acceptance. This includes training cases as well as hardware programs.

(3) The Air Force Security Assistance Center receives letters of request for spare and repair parts and they prepare the agreements for these types programs.

(4) Pricing and availability data used prepare the offers and agreements originate within the Systems Programs Offices (SPO) for major items and systems. Repair parts pricing and availability data are provided by the various Logistics Centers within the Air Force Materiel Command (AFMC).

(5) CONUS Air Force training programs for security assistance are implemented and managed by the Air Force Security Assistance Training (AFSAT) Group of the Air Training Command. Overseas commands implement the funded and approved overseas portion of Air Force training programs.

(6) Other commands of Air Force have peripheral security assistance responsibilities such as the overseas ferrying of purchased aircraft by the Air Mobility Command.

11. Security Assistance Organization (SAO). Earlier in this lesson, the development of future year military related International Affairs programs by the country team was discussed. Part of the embassy country team is the SAO, which is the permanently assigned Armed Forces Organization within the embassy with military assistance responsibilities. These organizations were formerly referred to as Military Assistance Advisory Groups (MAAG) or Offices of Defense Cooperation (ODC). The typical SAO has personnel from each military service assigned. The number of personnel vary according to the magnitude of the host country's military assistance program (Congress must approve any SAO with more than six military assigned). The organization may be along service or functional lines. Responsibilities of SAO personnel are as follows:

- a. FMS case management.
- b. Training management.
- c. Monitoring how grant aid is utilized.
- d. Planning and the evaluation of host government military capabilities.
- e. Promote rationalization, standardization, and interoperability.
- f. Perform minimal advisory and training assistance.
- g. Keep DSCA, JCS, and Unified Commands informed of in-country security assistance matters.