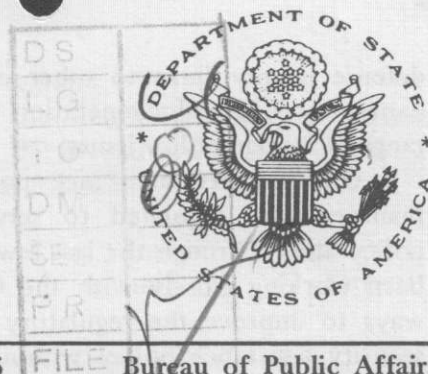


# The Secretary of State



## Statement

March 26, 1976  
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### FY 1977 SECURITY ASSISTANCE PROGRAM

*Secretary Henry A. Kissinger before the Subcommittee on Foreign Assistance of the Senate Foreign Relations Committee.*

I am pleased to have this opportunity to testify on behalf of our security assistance program for fiscal year 1977. As you know important developments in the Middle East delayed the submission of our fiscal year 1976 program, with the result that our last discussion of this subject occurred only in November. Now the FY 1976 legislation is nearing completion at the same time that hearings are beginning on the FY 1977 bill. This nearly simultaneous consideration of our security assistance plans over a two-year span provides us with a unique opportunity to continue the important dialogue on this subject with hardly any interruption.

#### Security Assistance and Foreign Policy

I have described the turbulent age we live in as the context for our foreign policy and our security assistance. The advent of strategic nuclear parity, the passing of the rigid bipolar structure and the rise of new power centers in the world, the continuation of regional conflicts with their arms races and pressures for nuclear proliferation, the advent of a new and complex range of economic problems—all of these pose vast challenges to global stability and summon us to renewed efforts to help build a peaceful and secure international order.

Security assistance is a fundamental element in the overall design of the foreign policy we have pursued in the past several years to meet these challenges and thereby to advance and defend our interests. Indeed this foreign policy design is predi-

cated on the bedrock of security, as any nation's foreign policy must be.

Our security assistance policy has been an effective instrument for decades in maintaining the strength of our alliances, which have been—and are—the anchor of world peace and stability. If we fail to use that instrument wisely and flexibly in response to changing circumstances, we risk cutting ourselves off from that anchor.

In recent years we have begun to reduce tensions with potential adversaries and to lay the foundation for a more stable and cooperative future. The progress achieved thus far could not have been achieved without our own strength and that of our allies, and our will to use that strength.

Security assistance also underlies our efforts to help to resolve regional conflicts. In a world of heightened nuclear peril we have no choice but to try to contain disputes which hold the seeds of wider, global confrontation. Conditions rarely favor the use of unilateral arms transfer embargoes as an effective means of controlling these regional conflicts; rather the carefully considered transfer of defense equipment, and supporting assistance, often offers the only way to maintain the stability of regional power balances.

Our security assistance policy also must be considered in the overall context of our bilateral relations with recipient nations. No nation, rich or poor, is indifferent to its security or is prepared to entrust its survival to the good will of its neighbors. In a world of increasing numbers of arms suppliers, nations do not welcome indifference from those to whom they turn for help, and such behavior on our part can damage our overall relations with the country in question. By the same token our

defense supply links to other countries can enhance our bilateral cooperation across the broad range of foreign policy issues.

Our security assistance policy is carefully managed and regulated to serve these foreign policy aims. Through the last few months we have been working closely with the Congress to find ways to improve the regulatory elements of our security assistance policy without sacrificing the flexibility which is essential to its effective application.

#### An Overview of the Authorization Requests

In preparing our specific authorization requests for fiscal year 1977, the executive branch pruned individual country programs very carefully before we submitted the request to the Congress.

- The proposed Foreign Military Sales [FMS] credit program and our resultant request for new obligational authority are both approximately \$200 million less than for 1976. The new obligational authority request is for \$840 million, down from \$1.065 billion last year. This will fund a total program of over \$2 billion, of which approximately half is for essential assistance to Israel.

- Security supporting assistance, a vital component of our Middle East peace effort, has been reduced from \$1.92 to \$1.8 billion.

- The supporting assistance request includes \$34 million for the International Narcotics Control Program, down from last year. We reduced it in the expectation that major equipment items for the opium poppy eradication efforts in Mexico and Burma will already have been provided. Turkish control of its opium poppy production, the vigorous eradication efforts now being undertaken in Mexico, and the beginnings of excellent results in Burma offer hope that this international security assistance program, which means so much to the health of our own people, is achieving its objectives.

- Foreign military training is programmed at \$30.2 million. This program is highly cost-effective in improving the efficiency of allied and friendly military forces and in developing relationships between American and foreign military personnel. While friendly foreign governments are, to an increasing extent, paying for the training they receive from the United States, this modest grant program provides the means to pursue this avenue for long-

range benefits in terms of understanding and military cooperation.

#### Security Assistance to the Middle East

In fiscal year 1977 we are again requesting a large security assistance program for the Middle East, which absorbs almost 70 percent of our total program.

When I presented our first sizeable security assistance request for the Middle East to the committee last November, I stressed to you that this program was designed to protect and further interests of vital importance to the United States and that it is a central part of our efforts to help achieve progress toward peace in the Middle East. This is still true.

We continue to have a historical and moral commitment to the survival and security of the State of Israel which we must fulfill. We also have important interests and friendships in the Arab world—an area of more than 150 million people and the site of the world's largest oil reserves. We likewise have an urgent need to avoid perpetual crises in the region which strain our relations with allies, jeopardize our hopes for world economic recovery, and risk a direct U.S.-Soviet confrontation.

The ability of Israel to persevere in its own defense is one of the essential constants of our Middle Eastern policy. Although Israel has recently imposed even more stringent domestic austerity measures, it clearly must have substantial economic and military assistance, which can come only from the United States. Our program for Israel represents our best judgment of the minimum assistance required from us to maintain the defensive strength and economic health which Israel requires for its security and survival.

Our request for Egypt also rests on valid requirements and considerations of U.S. national interests. Egypt contains almost one-third of the population of the Arab world and holds a historic position of leadership in it. Egypt has courageously committed itself to pursuing peace and to ending its long-time close dependence on the Soviet Union, while moving toward closer relations with the West and emphasizing economic reconstruction and development. It is clearly in our interest to demonstrate that countries which pursue such policies can obtain the support of the United States. Our security assistance to and our growing

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friendship with Egypt are aimed at achieving this objective.

We also have strong interests in Jordan, which is of strategic importance in the Arab-Israeli dispute. Jordan has long been recognized as a force for moderation in the Middle East and as a strong friend of the United States. Jordan is working to overcome its serious problems of economic underdevelopment. Our security assistance helps Jordan to develop and maintain its politically moderate course, while furthering our mutually friendly and cooperative relationship.

Syria must be an integral part of any peaceful settlement of the Arab-Israeli dispute, which is the main objective of our policy in the Middle East. A close working relationship with Syria is essential to the success of our peace efforts. And our security assistance program is an important part of this relationship.

Our security assistance to and improved relations with Arab nations do not undermine in any sense our traditional friendship with Israel. To the contrary the policy of encouraging constructive and moderate forces in the Arab world is the best way we can help the parties to attain a durable peace that will assure the survival and security of Israel.

During the past year the Middle East special requirements fund permitted us to respond promptly to special needs arising from our Middle East peace efforts. We will continue to need this capability to move rapidly to support activities contributing to peace in the area and to maintain our Support Mission in the Sinai.

Despite the progress of the past year, much remains to be done to achieve peace in the Middle East. Our efforts to generate further movement in the Middle East peace negotiations are entering another difficult and critical period. We are determined to maintain the momentum toward peace. We are currently engaged in intensive consultations with all the governments directly concerned to try to reach agreement on how to proceed.

Our security assistance program and our close cooperative relations with countries of the region will be as important to our efforts in the future as they were to helping us to achieve the interim Sinai agreement in 1975. We will continue to need the sustained strong support of the Congress and the American people for these efforts.

#### Other Regional Programs

Aside from the Middle East program request for \$2.9 billion, the breakdown of our fiscal year 1977 requests is as follows:

| Region                                         | Amount<br>(\$million) | Percent |
|------------------------------------------------|-----------------------|---------|
| Europe                                         | 448                   | 11      |
| East Asia                                      | 496                   | 12      |
| Latin America                                  | 208                   | 5       |
| Africa                                         | 59                    | 1       |
| Near East<br>(exclusive of<br>the Middle East) | 47                    | 1       |

**Europe.** In Europe, Greece and Turkey continue to be the focal points of our program. It is unnecessary to review here the unfortunate repercussions of the recent Cyprus dispute on our bilateral relations with these two key NATO countries; what is important now is to give substance to our concern for security and stability in the area and the friendship that has so long characterized our relations with these nations. The MAP [military assistance program], FMS, and training funds requested should help to return our mutual defense relationships to a more normal footing and allow both Greece and Turkey to play more effective roles within NATO.

The Senate Foreign Relations Committee already has before it the new Treaty of Friendship and Cooperation with Spain, which the President submitted to the Senate last month for its advice and consent. I consider this agreement particularly significant as an earnest of U.S. support at a time when Spain itself is moving into a new era in its domestic and international activities. We look forward to congressional approval for the entire agreement, including authorization for the essential security assistance component for the term of the treaty.

**East Asia.** In East Asia the focus continues to be on Korea. The funds we have requested will enable us to reach our modernization plan objectives in FY 1977. Korea's impressive economic development will permit us to end grant material

assistance in this program year. Korea has now embarked on a five-year Force Improvement Plan of its own, funded through its own resources. Given our major security interests in the Korean Peninsula—and the tension which persists in that strategic area—this year and in the future, we will, of course, continue to request significant FMS credits for mutually agreed Korean defense needs. This example shows how such phaseouts can be accomplished according to a nation's economic growth.

For Thailand we have requested continuing grant MAP and FMS credit funds. We believe the essential objectives of our support for Thai self-sufficiency remain valid.

**Latin America.** In Latin America the common program denominator continues to be training. We believe that while the cost is negligible, it provides significant dividends in terms of working level contacts between American officers and their Latin American counterparts, some of whom may be expected to rise to positions of leadership in their respective governments. Proposed FMS credits are modest in relation to both the purchasers' means and modernization requirements and entirely consistent with the tendency of Latin American governments to hold defense expenditures to a low level in favor of development spending.

**Africa.** The African programs are similarly modest. The only grant aid recipient is Ethiopia, which faces both external and internal security threats. As in Latin America our emphasis on military training should pay valuable dividends in terms of good will and cooperation.

#### Human Rights and Antidiscrimination

I would like to turn now to an issue which is of concern to both the Congress and the Administration—the relationship between our security

assistance program and the domestic conduct of some of the governments that receive our assistance. I have, on several occasions, expressed our firm belief that the security of the United States and its allies is the paramount rationale for extending security assistance.

Certainly we cannot—and we do not—ignore domestic practices which deny those human rights that civilized states commonly agree are inalienable. Nor, in my view, should the United States ignore domestic practices which are prejudicial to equal status among human beings. We make our views—and those of Congress—known to the governments concerned. We are convinced, however, that withdrawal of security assistance is an extreme measure that harms our other objectives while holding little promise for affecting desirable changes. Indeed experience has shown that our influence with other nations depreciates as we cut the bonds that hold us together. Moreover such withdrawal, or even the threat of withdrawal, depreciates the strength of the mutual defense relationship which we share with our allies and offers encouragement to our potential enemies.

#### Conclusion

I have addressed my remarks to the essentiality of our security assistance program, its place in our overall foreign policy design, and the basic criteria under which it is employed. I have focused on the area of greatest present urgency, the Middle East, and have reviewed our proposals for other regions.

NOTE: On March 29 Secretary Kissinger made a statement on the FY 1977 security assistance program before the House International Relations Committee; that text will be printed in *The Department of State Bulletin*.

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