

NAME: HIR036000

PAGE

#10

DSAA/TB

MASTER

File Cy

1 RPTR RUDOLPH

2 1:35

3 FOREIGN ASSISTANCE

4

5 Monday, February 5, 1979

Document determined to be Unclassified
Reviewed Chief, Records & Declass Div, WHS
IAW EO 13526, Section 3.5
Date: Oct 23, 2018

6

7 House of Representatives,

Page determined to be Unclassified
Reviewed Chief, Records & Declass Div, WHS
IAW EO 13526, Section 3.5
Date: Oct 23, 2018

8 Committee on Foreign Affairs,

Office of the Secretary of Defense
Chief, RDD, ESD, WHS

9 Washington, D.C.

Date: 23 Oct 2018 Authority: EO 13526

Declassify: X Deny in Full: _____

Declassify in Part: _____

Reason: _____

MDR: 17-M-2235

+ 5 U.S.C.
§ 552

10

11 The committee met, pursuant to notice, at 1:35 p.m., in

12 Room 2172, Rayburn House Office Building, Hon. Clement J.

13 Zablocki (chairman of the committee) presiding.

14

225-2627

104 ATSD/LA 2/14/79

OASD (LA)
Control No.
U-19-017
Corr 12

128 First are the crucial diplomatic efforts of the nations
129 most immediately affected by disputes near their borders.

130 The central contributions of the so-called Front Line states
131 to the peace process in Namibia is a case in point.

132 Second, as the U.N. and other multilateral organizations
133 such as the OAS and the OAU enhance their peacekeeping
134 roles, developing nations become all the more important.

135 In a number of other significant areas our political
136 relations with the developing world affect our ability to
137 attain goals of critical importance to the American people.

138 We will make little progress in halting nuclear
139 proliferation unless we can convince those developing
140 nations which might otherwise acquire dangerous nuclear
141 technology that they can meet their energy and security
142 needs without it.

143 Establishing a greater respect for human rights, both
144 political and economic, depends largely on a growing
145 recognition among developing nations that healthy societies
146 must defend and nurture the dignity of the individual.

299 for Israel on which repayment would be forgiven, FMS loans
300 are eventually repaid and require the appropriation of only
301 one dollar to guarantee each ten dollars in loans made by
302 the Federal Financing Bank.

303 The IMET program continues to provide a significant return
304 on a modest investment. It not only develops the technical
305 and managerial competence of foreign personnel to use
306 effectively U.S.-supplied equipment, but also enables
307 officers who have or are likely to attain positions of
308 leadership in their countries to learn more about the U.S.
309 and establish friendships here. We believe that dollar for
310 dollar this is one of our most important programs.

311 A fifth objective is to help to promote respect for
312 individual human rights and to assist refugees.

313 Recipient governments are aware that human rights
314 considerations influence the degree of our responsiveness in
315 terms of both levels and type of assistance we extend.

316 President Carter reaffirmed last December that "in
317 distributing the scarce resources of our foreign assistance

318 programs we will demonstrate that our deepest affinities are
319 with nations which commit themselves to a democratic path to
320 development.''

321 The content of our economic assistance programs has been
322 designed to encourage more equitable patterns of development
323 and increased participation by poorer people in the
324 development process. This latter goal is enhanced by
325 programs such as Title II under PL-480 which benefit the
326 poor through self help as well as relief programs carried
327 out by private voluntary organizations.

328 The budget we are presenting today was carefully reviewed
329 by our interagency committee on human rights before it was
330 submitted to the President for final approval.

331 Our refugee effort is a key element of our assistance
332 program, helping victims of war, civil strife, and human
333 rights violations to find new homes and begin new lives.
334 Given the increasingly critical plight of refugees
335 worldwide, we intend to strengthen our efforts through new
336 legislation and more effective management of programs in all

337 agencies of government.

338 Our sixth objective is to strengthen international
339 responsibility and the sharing of financial burdens for
340 global development by contributing our fair share to
341 multilateral assistance programs.

342 Multilateral aid is a particularly effective mechanism
343 because of its leverage in generating contributions by other
344 donors and its mobilization of private capital. The
345 principal reason for this is the use of callable capital
346 which provides financial backing for the banks enabling them
347 to raise the bulk of their funding in the private capital
348 markets.

349 The advantages of burden sharing and leverage are most
350 pronounced in the World Bank where on a cumulative basis
351 each dollar we spend has resulted in approximately \$50 of
352 lending.

353 In the recent replenishment negotiations for the Inter-
354 American Development Bank (IDB), we obtained both increased
355 burden sharing by other countries and increased reliance on

685 I believe that we should do whatever we can within our
686 capabilities to encourage and facilitate this training
687 program which makes an essential contribution to our mutual
688 security objectives and, as a by-product, is one means of
689 furthering a better understanding of the U.S. commitment to
690 the basic principles of internationally recognized human
691 rights.

692 Today, of course, most training is on a reimbursable basis
693 under FMS. But the relatively small grant aid or IMET
694 program is of special importance. Through it we give
695 tangible evidence of continuing direct U.S. interest in the
696 military forces of foreign nations, and by influencing the
697 selection of training and trainees, we are able to reach
698 individuals of our choice as well as provide instruction for
699 which the foreign government is unable for various reasons
700 to pay.

701 In my view, the benefits to U.S. interests of grant aid
702 training are far more significant than can be measured
703 simply in terms of military requirements and economic

1168 Secretary.

1169 Secretary Vance. Glad to be back to the Foreign Affairs
1170 Committee.

1171 Mr. ^{Bingham (?)}Broomfield. Following up as to the percent of aid, is
1172 it not true to justify that aid you do not have to find our
1173 security interests are greater there than our interests in
1174 NATO, but simply we need the aid in the Middle East, we do
1175 not need it in NATO?

1176 Secretary Vance. That is correct.

1177 Mr. Bingham. Mr. Secretary, you said one of the reasons
1178 for our aid program was to promote respect for individual
1179 human rights. I agree with that.

1180 Would you comment on the remarks made by your predecessor,
1181 Dr. Kissinger, that somehow our human rights policy in Iran
1182 has been at fault in producing the events we have seen
1183 there?

1184 Secretary Vance. First, let me say that my predecessor
1185 and I are old and close and dear friends and I have the
1186 greatest admiration for him and the great contribution he

1187 has made to our country.

1188 I do not agree with him on this. I think the causes of
1189 what is taking place in Iran are very deep-seated and as I
1190 indicated earlier, arise out of such problems as rapid
1191 modernization, economic problems, the effect of rapid change
1192 on the cultures and religious life of the people, and that
1193 these deep-seated causes are the reason that one has the
1194 situation that one has now.

1195 I do not believe that our expressing of views which we
1196 hold with respect to human rights as vitally important
1197 international principles which should be central to the
1198 activities of all countries in treating their people with
1199 dignity and permitting their people to live a better life is
1200 the cause of those activities.

1201 Mr. Bingham. Well, Mr. Secretary, you are much more
1202 diplomatic than I would have been. I am a friend of Dr.
1203 Kissinger, too, and I admire what he has done, but I think
1204 these statements of his were outrageous and partisan in
1205 nature.

1301 the Washington Post as to what factors are taken into
1302 consideration with respect to an appropriate response as to
1303 the condition in Nicaragua. I do hope the administration is
1304 at least as sensitive to the desires of those Members of
1305 Congress who support the policies of the administration,
1306 particularly as to human rights, as it is reportedly to
1307 those who would do in the policies of the administration.

1308 I do not know if you can tell us what decisions have been
1309 made with respect to Nicaragua, can you?

1310 Secretary Vance. The decision has been made, but it has
1311 not been communicated to the appropriate parties.

1312 Mr. Studds. Not even the Washington Post?

1313 Secretary Vance. Not even the Washington Post.

1314 The Chairman. Mr. Winn.

1315 Mr. Winn. I would like to ask this question of Secretary
1316 Brown, because you referred to the SALT talks earlier.

1317 In these discussions, we have heard they were just on the
1318 verge, just on the verge, and both you gentleman have come
1319 to this committee and told us that.

1472 Mr. Hall. Mr. Chairman, I will pass. I had several
1473 questions, but they have already been asked. Thank you.

1474 The Chairman. Mr. Wolpe.

1475 Mr. Wolpe. I will pass, Mr. Chairman.

1476 The Chairman. Mr. Gilman.

1477 Mr. Gilman. Mr. Chairman, Secretary Vance, you noted that
1478 the administration had committed itself to providing help to
1479 those nations which lent themselves to a democratic path
1480 toward development and reaffirmation of the human rights
1481 policy. Does the United States Interagency on Human Rights
1482 turn down or decrease funds as a result of any nation's
1483 attitude as to human rights?

1484 Secretary Vance. They have in some cases reduced the
1485 amount in a number of cases. I do not have the number of
1486 cases before me; I will be glad to supply it to you. But
1487 the answer is yes.

1488 Mr. Gilman. Do we make known the criteria for examining
1489 human rights to those nations we have turned down or
1490 increased?

1491 Secretary Vance. The decision which is made on assistance
1492 is the product of a substantial number of factors. Human
1493 rights is one of those factors. It is not necessarily the
1494 sole factor, and there may be outweighing circumstances when
1495 you put all of this into the balance and the final
1496 determination is made. We make clear to the country
1497 involved our views with respect to their human rights
1498 record, and if we give them less than we would otherwise,
1499 they are informed of that fact.

1500 Mr. Gilman. In relation to most-favored-nation trade
1501 policy, now that we are engaged in a normalization
1502 relationship with the Chinese Republic, what would be the
1503 administration's position with regard to most-favored-nation
1504 treatment of the Soviet Union?

1505 Secretary Vance. No final determination has been made
1506 with respect to this issue. As a general proposition, we
1507 have stated that we will treat the two countries in a
1508 balanced fashion, but the issue has not actually come before
1509 us at this point. Insofar as the People's Republic of China

1737 is a big difference between necessary infrastructure and
1738 desirable infrastructure.

1739 Mr. Solarz. One final question: You spoke of our moral
1740 and historical commitment to Israel in your testimony. I
1741 wonder if you could possibly outline for us what you
1742 consider to be the U.S. strategic interests in Israel,
1743 particularly in the wake of the Iranian situation?

1744 Secretary Brown. The question was asked earlier by Mr.
1745 Bingham and I gave an answer at that time.

1746 Mr. Solarz. Thank you, Mr. Chairman. I will read the
1747 record for the answer.

1748 The Chairman. Mr. Lagomarsino?

1749 Mr. Lagomarsino. Thank you.

1750 Secretary Brown, on page 8 of your statement you talk
1751 about military training. I want to tell you that I agree
1752 with your statement. Maybe not all members of this
1753 committee do, but I think military training does serve a
1754 very useful purpose, not only for the recipient country but
1755 for us in at least some cases in being able to bestow our

1756 values and human rights concerns.

1757 I notice that there is a program that will concern itself
1758 with peacekeeping and arms control. Can you describe what
1759 that program is all about?

1760 Secretary Brown. I am not sufficiently acquainted with it
1761 to answer it off the top of my head. I would rather include
1762 it for the record.

1763 But I believe it is one of a number of different courses
1764 in which we give IMET training. I think it is a very
1765 desirable one.

1766 Mr. Lagomarsino. Is this intended to train troops in
1767 preventing--as the U.N. does?

1768 Secretary Brown. Yes. You probably can get a better
1769 answer from Secretary Benson, and I will let her give it.

1770 Ms. Benson. It is a new program and it has not yet even
1771 started, so it is still being worked out. The general idea
1772 is to train foreign military people in how to match their
1773 defensive need with the right kind of weapons. In other
1774 words, not to want to buy or set themselves up with weapon

1775 systems that are far in excess from what they really need
1776 for their defensive need.

1777 Mr. Lagomarsino. This is not a program like the U.N.
1778 needs to keep the peace?

1779 Ms. Benson. No, it is quite different. It is a training
1780 program similar to types that we have in our training
1781 programs.

1782 Mr. Lagomarsino. I see.

1783 Is it contemplated that the southern cone countries in
1784 South America would be included in this new program?

1785 Ms. Benson. Yes, it is.

1786 Mr. Lagomarsino. Is it required for Argentina, Brazil and
1787 Chile?

1788 Ms. Benson. They are not presently involved in these
1789 courses at this time, but as I say, it is new and I am not
1790 certain whether they will or they will not be for students
1791 from all countries. It will be in the course of instruction
1792 for students at various schools. But I can find out for
1793 you.

1794 Mr. Lagomarsino. I might just submit that I would think
1795 that if we are going to have a course with that title, that
1796 it might be very appropriate to include those countries
1797 because that is the area in South America where, if there is
1798 any area where there is a possibility of foreign conflict,
1799 it would be between Peru and Chile or Chile and Argentina.

1800 So I would hope that that would be considered.

1801 It occurred to me during a trip to South America a year-
1802 and-a-half ago that we--and I speak of we, the Congress,
1803 probably as much as the administration and perhaps more--had
1804 really cut off our human rights nose to spite our face with
1805 regard to those countries because we have now a situation
1806 where upcoming officers who probably some day, as Secretary
1807 Brown points out in his statement, will be the leaders of
1808 those countries have been cut off from much beneficial
1809 contact with us.

1810 So I would hope that between the Congress and the
1811 administration we can at least think about reinstating the
1812 training programs in some of those countries.

1813 Do you agree, Secretary Brown?

1814 Secretary Brown. I think we should look at it very
1815 carefully and in general, favorably. I think there are
1816 human rights situations where that has to be the overriding
1817 concern. But it certainly does not help us to forego close
1818 contact with people, many of whom will be the leaders in the
1819 future.

1820 Mr. Lagomarsino. Thank you.

1821 Secretary Brown, you mentioned in your statement that two
1822 European countries are slated to receive grant materiel aid,
1823 Spain and Portugal.

1824 With regard to Spain, there was a report in the Washington
1825 Post several weeks ago that you were very upset because
1826 Spain would not allow our F-15s on their way to Saudi Arabia
1827 to land in Spain.

1828 Could you explain to us what happened there?

1829 Secretary Brown. I was concerned that it had not been
1830 possible to make the arrangements. It became clear
1831 thereafter that it was a matter of giving the Spanish