

#15

FY 1982 SECURITY ASSISTANCE AUTHORIZATION

HEARING BEFORE THE COMMITTEE ON FOREIGN RELATIONS UNITED STATES SENATE NINETY-SEVENTH CONGRESS

FIRST SESSION

MARCH 31, 1981

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Our proposal would amend current laws to facilitate the performance of these functions. Personnel levels would continue to be notified to Congress. Language would be retained expressing the sense of Congress that training assistance should be performed primarily by personnel assigned for limited periods and for specific tasks.

The Department of State and Chiefs of Mission would retain overall control over the security assistance organization in the countries to which they are assigned.

CHANGES INVOLVE ARMS TRANSFERS

The third category of changes involve arms transfers. We are proposing a number of changes in the requirements for certification to the Congress of proposed transfers under various provisions of the Arms Export Control Act and related legislation.

First, we recommend raising the reporting thresholds throughout the law for proposed FMS sales, commercial exports, third party transfers, and leases of defense property, from \$7 million to \$14 million in the case of major defense equipment, and from \$25 million to \$50 million in the case of other defense articles and services.

As a result of inflation, notifications to Congress have increased to a point where the more important proposals are being obscured by virtue of the sheer number of cases involved.

Raising the reporting thresholds would allow more thorough review of truly important cases, while permitting better program management at a lower cost to the Government.

We also are proposing to exempt from the requirement for such certifications proposed FMS cases, commercial exports, and third party transfers to NATO, NATO members, Japan, Australia, and New Zealand, and to remove the requirement providing for a "legislative veto" on commercial transfers to other countries.

These proposed changes are intended for the most part to facilitate achievement of NATO rationalization, standardization, and interoperability objectives and mutual standardization goals that we have set with our ANZUS partners and Japan.

U.S. equipment purchased by these allies enhances equipment commonality, which would enable the United States and allied military forces to fight together more effectively in the event of war.

I might point out that over the past 5 years, the Congress has not objected to a single sale that would be exempted from specific review by virtue of the initiatives we are recommending.

As you know, Mr. Chairman, the executive branch long has opposed prohibitions relating to specific countries in legislation, especially those which impose unnecessarily stringent restrictions on the President's ability to conduct an effective foreign policy, even when those prohibitions reflect policy directions with which the executive branch is in agreement.

It is vitally important that U.S. foreign policy options not be circumscribed by inflexible statutory provisions.

RECOMMEND REPEAL OF SECTION 620B OF FAA

For these reasons, we are recommending repeal of section 620B of the FAA which currently prohibits all military sales and assistance to the Government of Argentina. The prohibitions contained in section

620B have acted to frustrate serious dialog with Argentina regarding mutual strategic concerns. Continuation of this situation clearly is not in our interest. Argentine requests to purchase defense articles and services would be reviewed on a case-by-case basis in the context of other appropriate legislation affecting such transfers and our overall foreign policy and security interests.

We also are recommending repeal of section 118 of the International Security and Development Cooperation Act of 1980, which prohibits military or paramilitary operations in Angola unless the Congress specifically so authorizes in law. As such, it constitutes a unique and unusually all-encompassing restriction on U.S. policy options toward an individual nation. It is, therefore, unwise as a matter of principle and of precedent.

PROPOSAL TO AMEND SYMINGTON AMENDMENT

The final legislative proposal which I would like to highlight is our recommendation that the waiver authority contained in section 669 of the FAA, the Symington amendment, which prohibits certain types of assistance to countries receiving nuclear enrichment items be amended. This change would have the law treat countries engaged in transferring or receiving enrichment materials or technology on the same basis as those engaged in transferring or receiving reprocessing items.

This change also would bring the waiver standards into closer conformity with comparable provisions under the Nuclear Non-Proliferation Act. It would also assist the President in pursuing a consistent nonproliferation policy within the context of our overall national security interests.

REVIEW OF CONVENTIONAL ARMS TRANSFER POLICY

In closing, I would like to advise this committee that we are undertaking a review of conventional arms transfer policy, which will be completed in the near future. While I am not yet prepared to discuss the details, let me just share a few general points regarding this administration's views.

First, arms transfers should be viewed as an increasingly important component of our global security posture and a key instrument of our foreign policy.

Second, they must be responsive to the new security challenges we face in various parts of the world.

Third, we must have a basic policy framework, supported by a managerial structure that will insure that arms transfers directly serve American security interests.

We recognize that neither restraint for its own sake nor a laissez faire approach to sales properly would serve these interests.

We need approaches that take the diversity of U.S. interests into account. Our policy must be balanced and reasonable in accordance with our worldwide responsibilities.

Finally, Mr. Chairman, before concluding my statement, I would like to address briefly the matter which you raised at the outset. I believe it has grave consequences for the foreign policy efforts of the United States.

Congressional presentation; materials or directly to the authorization committees if numbers are increased over those justified in those documents. Language would be retained expressing the sense of Congress that training assistance should be performed primarily by personnel assigned for limited periods for specific tasks. The Department of State and Chiefs of Mission would retain overall control over the security assistance organization in the countries to which they are assigned.

ARMS TRANSFERS

We are proposing a number of changes in the requirements for certification to the Congress of proposed transfers under various provisions of the Arms Export Control Act and related legislation.

First, we recommend raising the reporting thresholds throughout the law for proposed FMS sales, commercial exports, third party transfers, and leases of defense property from \$7 million to \$14 million in major defense equipment (MDE) and from \$25 million to \$50 million in other defense articles and services. As in so many areas of the economy, inflation has had a pronounced impact on the costs of military articles and services. The Defense Department procurement pricing index, for example, has increased approximately 59 percent since 1976, when these thresholds were last adjusted. As a result, notifications to the Congress have increased to a point where the more important proposals are being obscured by virtue of the sheer number of cases involved.

Raising the reporting thresholds, as we are suggesting, would allow more thorough review of truly important cases, while permitting better program management at a lower cost to the Government. Dollar costs of equipment, after all, are merely a means of identifying those items whose transfer to other countries should be carefully reviewed to ensure they are in our interests. We should not allow inflation, in and of itself, to skew this process and thereby impair its efficiency.

We are also proposing to exempt from the requirement for such certifications proposed FMS cases, commercial exports, and third party transfers to NATO, NATO members, Japan, Australia, and New Zealand. In addition, we would remove the requirement enacted last year providing for a "legislative veto" over commercial exports reported under section 38(c).

These proposed changes are intended for the most part to facilitate achievement of NATO RSI (Rationalisation, Standardisation, Interoperability) objectives and mutual standardisation goals we have set with our ANZUS partners and Japan. Increased NATO military effectiveness results from as free an exchange as possible of military equipment between the U.S. and the European members of NATO, and among the European nations themselves. This is also the case with regard to Japan, Australia and New Zealand. U.S. equipment purchases by these treaty allies enhance equipment commonality, which would enable the United States and allied military forces to fight more effectively in the event of war. Given overriding U.S. security interests in a strong NATO and close military ties with Japan, Australia and New Zealand, we do not believe that the 50-day Congressional review period (30 formal and 20 informal) for transfers to these countries is either necessary or desirable.

I might point out that over the past 5 years, the Congress has not objected to a single sale that would be exempted from specific review by virtue of the initiatives we are recommending.

ARGENTINA/ANGOLA PROHIBITIONS

As you know, Mr. Chairman, the Executive Branch has long opposed prohibitions relating to specific countries in legislation governing security assistance programs, especially those that impose unnecessarily stringent restrictions on the President's ability to conduct an effective foreign policy. This has been the case even when those prohibitions reflect policy directions with which the Executive Branch is in agreement at the time of their passage. Circumstances change, and in our view, it is vitally important that U.S. foreign options not be circumscribed by inflexible statutory provisions.

For these reasons, we recommend repeal of section 620B of the FAA which prohibits all military sales and assistance to the Government of Argentina. Argentina's importance to U.S. national security and foreign policy interests stems primarily from its strategic location alongside vital lines of communication in the Southern Atlantic and its natural resources. The prohibitions contained in section 620B have acted to frustrate serious dialogue with the Argentinians regarding mutual strategic concerns. Continuation of this situation is clearly

not in our interest. Argentine requests to purchase defense articles and services would be reviewed on a case-by-case basis in the context of other appropriate legislation affecting such transfers and our overall foreign policy and security interests.

We are also recommending repeal of section 118 of the International Security and Development Cooperation Act of 1980, which substantially reenacted prior law prohibiting any assistance related to military or paramilitary operations in Angola unless the Congress specifically so authorizes in law. As such, it constitutes a unique and unusually all-encompassing restriction on U.S. policy options toward an individual nation. We are currently reviewing our African policy in consultation with all interested parties and it is our firm intention to seek viable diplomatic solutions to the problems of the Southern African region.

SECTION 609

The final legislative proposal which I would like to highlight is our recommendation that the waiver authority contained in section 609 of the FAA, which prohibits certain types of assistance to countries receiving nuclear enrichment items be amended to conform with that contained in section 670 of the same act, which prohibits certain types of assistance to countries receiving nuclear reprocessing items or that detonate nuclear devices. This would have the effect of removing an anomaly in the law whereby countries engaged in transfers of reprocessing items are treated in a different manner than those transferring or receiving enrichment materials or technology. Moreover, our amendment would bring the waiver standards in section 609 into greater conformity with comparable provisions under the Nuclear Non-Proliferation Act. It would also assist the President in pursuing a consistent non-proliferation policy within the context of our overall national security interests.

ARMS TRANSFER POLICY

I am not yet prepared to discuss with you in detail our policy approach to conventional arms transfers. We are undertaking a review of arms transfer policy which will be completed in the near future. Let me just share a few general points with you regarding this Administration's views:

Arms transfers should be viewed as a positive and increasingly important component of our global security posture and a key instrument of our foreign policy;

They must be responsive to the new security challenges we face in various parts of the world; and

We must have a basic policy framework, supported by a managerial structure, to ensure that arms transfers directly serve United States security interests. We recognize that neither restraint for its own sake nor a laissez faire approach to sales would properly serve these interests.

Finally, the diversity of U.S. interests and regional and country security situations in various parts of the world indicates to me that we need tailored approaches that take this diversity into account rather than attempting to deal with all situations in a single global approach. Our policy must be balanced and reasonable, in accordance with our worldwide responsibilities.

This completes my formal remarks, Mr. Chairman. I look forward to working closely with you and the other members of the Committee in the months ahead to insure that our security assistance programs effectively serve our nations's interests abroad.

The CHAIRMAN. Thank you very much, Secretary Buckley.

Our next witness is Gen. Ernest Graves, Director of the Security Assistance Agency of the Department of Defense.

General, do you have a statement?

STATEMENT OF LT. GEN. ERNEST GRAVES, DIRECTOR, SECURITY ASSISTANCE AGENCY, DEPARTMENT OF DEFENSE

General GRAVES. Mr. Chairman, I have a statement, and with the committee's approval, I will submit it for the record.

The CHAIRMAN. Without objection, it will appear in the record in full.

currently is reviewing our African policy, this proposal was put forward. Why was the proposal put forward at this time? It would appear in isolation, just as the State Department policy review is still underway and not yet completed.

Secretary BUCKLEY. It is a matter of deep principle, Mr. Chairman. It is an anomaly. You might say that the administration is reviewing things in alphabetical order. We got to Angola and Argentina.

It is an anomaly and the administration is urging that the books be cleared, not because it has anything in mind in this respect, though. As you point out, the administration now is pursuing a very thorough study of its policy toward the nations of southern Africa. The Assistant Secretary-Designate for African Affairs, Mr. Crockett, will be visiting the various countries, the frontline countries in that area. We have had discussions with the Nigerian Foreign Minister.

We believe when these consultations run their course, it will be seen that the policies of the administration are to pursue peaceful change, the independence of Namibia, through peaceful political process. But, nevertheless, we believe that the statute books ought to be rationalized.

The CHAIRMAN. Did the Nigerian Foreign Minister in his visit here last week at any time put to the administration the question that certain frontline countries and governments are expressing, and questions that have also been expressed in this country, namely, by a change in this policy, is the administration implying that it has made a decision in any way to supply military assistance to Jonas Savimbi, the opposition force leader of UNITA? Has there been a decision made by the administration in this regard? If there are concerns of people about that, that we would be intervening to that extent, would the administration at this time want to state what its present policy would be?

Secretary BUCKLEY. First of all, there have been expressions of concern in sub-Saharan Africa. People wonder if there are implications to be read into this.

The fact is, there are no implications to be read into this. It does not presage changes in policy or specific intentions of moving into Angola or any other country. It simply is a matter of a unique and objectionable provision of the law.

The CHAIRMAN. Was the question raised by the Nigerian Foreign Minister? In what way was it answered, if you can tell this committee?

Secretary BUCKLEY. I was not privy to any of the discussions, Mr. Chairman.

The CHAIRMAN. I see.

GREECE AND TURKEY

With respect to Greece and Turkey, the Carter administration's former OMB Director McIntire sent a letter to Congress as one of his last official acts which suggested that the FMS level for Greece should be increased from \$260 million to \$280 million, an increase of \$20 million.

This change would make the military aid ratio between Greece and Turkey 7:10.

Does the Reagan administration support this \$20 million increase?

Secretary BUCKLEY. The administration has submitted what it believes to be the appropriate requests for Greece and for Turkey, as well as for other countries.

We are very conscious of the fact that the prior administration has made the proposal and that, therefore, many members of the Congress may feel that it is a desirable increase. Should the Congress determine that the increase is desirable, the administration will not oppose it.

The CHAIRMAN. Will not oppose it?

Secretary BUCKLEY. Will not oppose it, no. But this should not be interpreted as implying an acceptance by the administration of a magic formula.

The CHAIRMAN. My concern and the concern of others might be that with upcoming elections, it might appear somehow as if we were intervening in those elections by changing that ratio if we did not keep it; that it might be used by opposition forces to say that American assistance is less today than it might have been, relatively speaking, before.

Are you concerned at all that it could be used in that way?

Secretary BUCKLEY. In politics, as we both know, all kinds of things can be used. Our job is to try to propose what we believe to be sound policy, in the interest of Greece, in the interest of our friends in the Eastern Mediterranean, and in the interest of regional stability. We do not believe that what we have proposed would lead to instability.

The CHAIRMAN. May I say that it is a pleasure, as we meet with you, Secretary Buckley, to realize that you have been through the bath of fire of politics. You realize the implications of many of these questions and have the ability to walk in the shoes of political parties and understand what the consequences may be.

REPEAL FOREIGN AID PROHIBITIONS ON ARGENTINA

With respect to Argentina, section 412 of the draft bill would repeal the foreign aid prohibitions on Argentina. The administration and this committee recently have had extensive conversations with now-President Viola of Argentina.

In the administration's judgment, do you think Argentina's domestic situation has improved to the point where we can repeal the entire provision?

Secretary BUCKLEY. Clearly so. I think, if you compare the statistics on disappearances this year versus in prior years, if you compare the numbers of people who are detained who are not common criminals, the figures are one-fifth as large.

I think all of us were impressed by President Viola's obvious determination and desire to restore more normal times and conditions.

So, we believe that the lifting of this country-specific prohibition is appropriate and that one should consider future requests for sales, credits, and so forth, in the context of our normal statutes which, among other things, include provisions that require that civil rights considerations be taken into account.

The CHAIRMAN. After talking in the committee with President Viola, I have reason to believe that there is going to be some improve-

ment in that situation. However, how would you view the possibility of using a Presidential waiver rather than outright repeal?

Secretary BUCKLEY. The existence of country-specific legislation of this kind in effect is a legislated description of another country as a pariah state. It necessarily impedes the kind of dialog, the kind of development of a relationship that sovereign nations ought to encourage as between themselves. It is an irritant, in other words. It makes it more difficult for us to get cooperation on matters of great importance to us. I suspect it was the existence of that legislation that may have cost us the cooperation of Argentina at the time of the grain embargo.

The CHAIRMAN. I do think it is important that we maintain our level of influence with countries. In our talks, I was impressed with the fact that President Viola constantly was trying to find out what is the position of the United States, how strongly we feel about particular issues, such as the grain embargo, on which I pressed him quite severely. If we embargo grain and they do not, and if they increase the supply of what we have cut off to the Soviet Union, then of what effect is our grain embargo, as our farmers say?

ARGENTINA AND CHILE SITUATION DIFFERENT?

Finally, is there any real difference in the situation in Argentina and Chile? If you repeal the legislation with respect to Argentina, is the question going to be raised of why you are treating Chile differently?

Secretary BUCKLEY. I suppose I could beg off and say that we have not gotten to the "C's" yet in our progression through the alphabet. [General laughter.]

The fundamental principles that I described I think are sound. The Chilean situation reflects some different political situations of which we are both aware—the question of the extradition of the people involved in the Letelier assassination. We simply have not addressed ourselves at this stage to the Chilean situation.

The CHAIRMAN. Well, with Chile coming with the "C's," it is not too far down the alphabet. You might have to face up to that pretty soon.

Secretary BUCKLEY. Yes.

The CHAIRMAN. Senator Pell.

Senator PELL. Thank you, Mr. Chairman.

Mr. Chairman, I would ask that the record be kept open for 24 hours so that further questions could be submitted to the witnesses.

The CHAIRMAN. Without objection, it is so ordered.

Senator PELL. Thank you.

I would also like to direct to General Graves, on behalf of Senator Zorinsky, a request that he report back in writing to the committee his comments on the GAO report on the leasing authority.

General GRAVES. Mr. Chairman, we will do that. But we would have to get a copy of the report first.

Senator PELL. You do not have the draft copy yet?

General GRAVES. No, sir. We had a discussion with the people preparing the report, but we have not received the report since that discussion. We will get it from them right away.

Senator PELL. Good. Obviously, you cannot make the comment until you get the report. But as soon thereafter as possible, would you give us your comment?

General GRAVES. Yes, sir.

Senator PELL. Thank you very much.

[The information referred to follows:]

COMMENTS ON GAO REPORT

[SUBMITTED BY DEFENSE DEPARTMENT]

We have reviewed the draft GAO Report, #ID-81-36, entitled "The Appropriateness of the Procedures Used to Lease Defense Property to Foreign Governments".

With respect to the three recommendations made by the GAO on page 29 of the draft report, we have the following comments to offer:

1. We do not agree with the first recommendation that Section 2667 be amended to prohibit the lease of defense property on a rent-free or nominal rent basis. The specific purposes for which leases have been used, as outlined on pages 6 and 7 of the report, indicate that there may well be instances in which rent-free leases, or leases made for nominal rent, may be in the U.S. interest. Such situations may arise for example, in connection with cooperative R&D programs, where the foreign government wishes to use U.S. test equipment on a short basis, the U.S. wishes to recover the item rather than sell it, and the results of the program will be of benefit to the U.S. Another case where a rent-free lease may be in the U.S. interest is when a foreign government is contemplating purchase of U.S. equipment and wishes to test and evaluate its performance by having its own military personnel operate the equipment on its own terrain. Similarly, a short term rent-free lease may be to the U.S. advantage in permitting allied use of sensitive U.S. equipment in joint exercises, where we wish to control the item in question, and recover it for the U.S. at the end of the exercise, but derive benefits from allied use during the lease period. Other uses for lease procedures have been outlined in the report and amply demonstrate that the availability of leasing arrangements provides an important supplementary tool for the U.S. to use in its relations with key friends and allies. In those instances where the primary benefit of the lease is to the foreign recipient, a rental charge is, of course, entirely appropriate. There are numerous cases, however, where the benefit to the U.S. more than compensates for the foregone rental payment. The list of leases appended to the report demonstrates that the authority to waive rental payments has not been abused. We believe the U.S. should retain the flexibility permitted by current legislative authority to adapt the terms and conditions of lease arrangements to each situation in a manner best suited to maximize the U.S. interest at the time.

2. With regard to the second recommendation concerning uniform guidance on leases, we agree that there is a benefit to be gained by establishing some uniformity in the procedures whereby leases are implemented and monitored. In addition, we are considering the advisability of identifying certain key aspects of a lease arrangement which should be addressed in each lease agreement, to insure their coverage in the lease terms and conditions. We are taking action to develop and issue such guidance in the near future.

3. With regard to the third recommendation that all leased property should be valued at its replacement cost, DSAA issued comprehensive implementing instructions in the MASM on 24 February 1981 that provide:

"Value for this purpose is the current procurement value or last procurement cost, whichever is higher. If there is no procurement contract in effect for an item which is identical to the property to be leased, the last procurement cost applies, adjusted as appropriate for condition and market value." We believe this standard meets the draft report's objectives in a more precise manner.

In addition to the above comments on the specific GAO recommendations, there are several observations we would like to offer on the main body of the report itself:

1. We believe the last column entitled "Purpose" on the table attached at Appendix I of the report should be deleted. As presented, the entries have been so simplified as to make them uninformative. If it is necessary to present a statement as to the purpose of each lease, a more precise formulation should be devel-

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1 Raising the reporting thresholds would allow more thorough
2 review of truly important cases, while permitting better program
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4 We also are proposing to exempt from the requirement for
5 such certifications proposed FMS cases, commercial exports,
6 and third party transfers to NATO, NATO members, Japan, Australia,
7 and New Zealand, and to remove the requirement providing for a
8 "legislative veto" on commercial transfers to other countries.

9 These proposed changes are intended for the most part to
10 facilitate achievement of NATO rationalization, standardization,
11 and interoperability objectives and mutual standardization goals
12 that we have set with our ANZUS partners and Japan.

13 U.S. equipment purchased by these allies enhances equipment
14 commonality, which would enable the U.S. and allied military
15 forces to fight together more effectively in the event of war.

16 I might point out that over the past five years, the
17 Congress has not objected to a single sale that would be exempted
18 from specific review by virtue of the initiatives we are
19 recommending.

20 As you know, Mr. Chairman, the Executive Branch long has
21 opposed prohibitions relating to specific countries in legislation,
22 especially those which impose unnecessarily stringent
23 restrictions on the President's ability to conduct an effective
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25 directions with which the Executive Branch is in agreement.

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2 not be circumscribed by inflexible statutory provisions.

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4 620B of the FAA which currently prohibits all military sales
5 and assistance to the Government of Argentina. The prohibitions
6 contained in Section 620B have acted to frustrate serious
7 dialogue with Argentina regarding mutual strategic concerns.
8 Continuation of this situation clearly is not in our interest.
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10 would be reviewed on a case-by-case basis in the context of other
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18 on U.S. policy options toward an individual nation. It is,
19 therefore, unwise as a matter of principle and of precedent.

20 The final legislative proposal which I would like to highlight
21 is our recommendation that the waiver authority contained in
22 Section 669 of the FAA, the Symington Amendment, which prohibits
23 certain types of assistance to countries receiving nuclear
24 reprocessing transfers or that detonate nuclear devices, be amended.
25 This change would have the law treat countries engaged in

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1 The Chairman. Thank you very much, General Graves.

2 For the benefit of the members of the Committee, we will
3 observe a ten minute rule so that we can proceed just as quickly
4 as possible.

5 Secretary Buckley, in your statement to the Committee you
6 have specifically asked for a change in present law with respect
7 to Angola. I can well understand the restrictions the Administration
8 would feel it is placed under when it is the only government
9 on earth where such restrictions are imposed. We do insist that
10 if any military assistance is provided to Angola, it be specifically
11 provided for in law.

12 The problem arises, of course, in the minds of many why
13 at this particular time, when, as you say in your statement, the
14 Administration currently is reviewing our African policy, this
15 proposal was put forward. Why was the proposal put forward at
16 this time? It would appear in isolation, just as the State
17 Department policy review is still underway and not yet completed.

18 Former Senator Buckley. It is a matter of deep principle,
19 Mr. Chairman. It is an anomaly. You might say that the
20 Administration is reviewing things in alphabetical order.
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1 The Chairman. Will not oppose it?

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5 The Chairman. My concern and the concern of others might
6 be that with upcoming elections, it might appear somehow as if
7 we were intervening in those elections by changing that ratio
8 if we did not keep it; that it might be used by opposition forces
9 to say that American assistance is less today than it might have
10 been, relatively speaking, before.

11 Are you concerned at all that it could be used in that way?

12 Former Senator Buckley. In politics, as we both know, all
13 kinds of things can be used. Our job is to try to propose what
14 we believe to be sound policy, in the interest of Greece, in
15 the interest of our friends in the Eastern Mediterranean, and
16 in the interest of regional stability. We do not believe that
17 what we have proposed would lead to instability.

18 The Chairman. May I say that it is a pleasure, as we
19 meet with you, Secretary Buckley, to realize that you have been
20 through the bath of fire of politics. You realize the implications
21 of many of these questions and have the ability to walk in the
22 shoes of political parties and understand what the consequences
23 may be.

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25 would repeal the foreign aid prohibitions on Argentina. The

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1 Administration and this Committee recently have had extensive
2 conversations with now-President Viola of Argentina.

3 In the Administration's judgment, do you think Argentina's
4 domestic situation has improved to the point where we can
5 repeal the entire provision?

6 Former Senator Buckley. Clearly so. I think, if you
7 compare the statistics on disappearances this year versus in
8 prior years, if you compare the numbers of people who are
9 detained who are not common criminals, the figures are one-fifth
10 as large.

11 I think all of us were impressed by President Viola's
12 obvious determination and desire to restore more normal times and
13 conditions.

14 So, we believe that the lifting of this country-specific
15 prohibition is appropriate and that one should consider future
16 requests for sales, credits, and so forth, in the context of our
17 normal statutes which, among other things, include provisions that
18 require that civil rights considerations be taken into account.

19 The Chairman. After talking in the Committee with President
20 Viola, I have reason to believe that there is going to be some
21 improvement in that situation. However, how would you view the
22 possibility of using a Presidential waiver rather than outright
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2 the kind of dialogue, the kind of development of a relationship
3 that sovereign nations ought to encourage as between themselves.
4 It is an irritant, in other words. It makes it more difficult
5 for us to get cooperation on matters of great importance to us.
6 I suspect it was the existence of that legislation that may have
7 cost us the cooperation of Argentina at the time of the grain
8 embargo.

9 The Chairman. I do think it is important that we maintain
10 our level of influence with countries. In our talks, I was
11 impressed with the fact that President Viola constantly was
12 trying to find out what is the position of the United States,
13 how strongly do you feel about this particular issue, such as
14 the grain embargo, on which I pressed him quite severely. If
15 we embargo grain and they do not, and if they increase the
16 supply of what we have cut off to the Soviet Union, then of what
17 effect is our grain embargo, as our farmers say?

18 Finally, is there any real difference in the situation in
19 Argentina and Chile? If you repeal the legislation with respect
20 to Argentina, is the question going to be raised of why you are
21 treating Chile differently?

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23 that we have not gotten to the "C's" yet in our progression
24 through the alphabet.

25 (General laughter.)

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1 The fundamental principles that I described I think are
2 sound. The Chilean situation reflects some different political
3 situations of which we are both aware -- the question of the
4 extradition of the people involved in the Letelier assassination.
5 We simply have not addressed ourselves at this stage to the
6 Chilean situation.

7 The Chairman. Well, with Chile coming with the "C's," it
8 is not too far down the alphabet. You might have to face up
9 to that pretty soon.

10 Former Senator Buckley. Yes.

11 The Chairman. Senator Pell.

12 Senator Pell. Thank you, Mr. Chairman.

13 Mr. Chairman, I would ask that the record be kept open
14 for 24 hours so that further questions could be submitted to the
15 witnesses.

16 The Chairman. Without objection, it is so ordered.

17 Senator Pell. Thank you.

18 I would also like to direct to General Graves, on behalf
19 of Senator Zorinsky, a request that he report back in writing to
20 the Committee his comments on the GAO report on the leasing
21 authority.

22 General Graves. Mr. Chairman, we will do that. But
23 we would have to get a copy of the report first.

24 Senator Pell. You do not have the draft copy yet?

25 General Graves. No, sir. We had a discussion with the