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NAME: HFA082070

PAGE 36

806 this flexibility into a budget otherwise limited to  
807 essentials foreseeable now.

808 Before turning to particular programs, Mr. Chairman, I  
809 would like to observe that for some years there has been a  
810 tendency to de-emphasize the need for U.S. bilateral  
811 assistance for Latin America. Our major contributions to  
812 regional development have been concentrated in multi-lateral  
813 institutions that play a key role in the maintenance of a  
814 healthy world economy. The richer countries of Latin  
815 America--Mexico, Brazil and Argentina, for example--need and  
816 can obtain far greater resources from these institutions  
817 than we could provide bilaterally. Indeed, the reflows to  
818 us from countries where we no longer have programs would  
819 finance half of our total development assistance program for  
820 Latin America. The reflows of principal and interest from  
821 Brazil, Chile and Colombia alone will provide over \$121  
822 million to the U.S. Treasury in fiscal year 1982.

823 Several of the relatively better-off countries are  
824 themselves beginning to provide significant assistance to  
825 their less fortunate hemispheric neighbors. The  
826 contribution of the new Mexican-Venezuelan oil facility and  
827 the similar financing by Trinidad will exceed \$1.5 billion  
828 of concessional assistance for Central America and the  
829 Caribbean over the next three years.

830 The greatest assistance that we can provide to Latin

5050.  
8552

906 engaged in narcotics smuggling and other operations.

907       We are also proposing a substantial increase in the FMS  
908 program for the Dominican Republic, a democratic country,  
909 which has not been able to spend significantly on its  
910 military for many years and where its equipment is now 20 to  
911 30 years old.

912       Our commitment to our close and important friends in South  
913 America is not lessened by the emphasis we are giving to the  
914 Caribbean Basin.

915       The most serious South American development problems are  
916 in the Andean countries. Peru, Ecuador and Bolivia all have  
917 mineral resources which boost their long-term prospects, but  
918 they are now trying to cope with chronic economic problems,  
919 including serious unemployment and rapid population growth.  
920 All have per capita incomes less than one-tenth of our own.  
921 These problems contribute to instability and stimulate  
922 narcotics trafficking.

923       We are proposing both modest economic assistance and some  
924 military assistance programs for those countries, as well as  
925 a relatively small military assistance program for Colombia.

926       Finally, I should note the Administration is recommending  
927 repeal of the provision in section 620(b) of the Foreign  
928 Assistance Act, which prohibits all military sales and  
929 assistance to the Government of Argentina. Although we are  
930 proposing no assistance for Argentina in fiscal year 1982,

931 the strategic interests we share with Argentina require that  
932 we have the flexibility to consider sales of defense  
933 articles and services if tha would be in our interest, and  
934 if the human rights situation in that country continues to  
935 improve as it has in recent months.

936 In conclusion, I would like to stress again the importance  
937 of the proposed ESF contingency fund to our efforts to  
938 strengthen both security and development.

939 Events in the past two weeks in this hemisphere,  
940 particularly in El Salvador and Jamaica, have tested our  
941 ability to move quickly with economic support funds to meet  
942 raidly8 changing situations. With the cooperation of  
943 Congress, we have done relatively well--but often by  
944 sacrificing important objectives elsewhere. The \$250  
945 million ESF contingency fund this Administration is  
946 requesting is essential to enable us to respond more raidly  
947 to critical situations where reprogrammings may prove  
948 insufficient or counterproductive.

949 Finally, let me emphasize the importance of the  
950 International Military Education and Training Program. The  
951 number of Latin American students trained under IMET reached  
952 an all-time low in fiscal year 1980, less than half the  
953 average annual level of the 1970s. Thanks to the change  
954 that this subcommittee initiated in the fiscal year 1981  
955 legislation providing for incremental costing of IMET, we

1207 and worse in Haiti seems to have grown substantially. So  
1208 that until we can be assured there is an effective program  
1209 on the part of the Haitian authorities, to use not only our  
1210 money but also other money that they have available to  
1211 effect development programs, we have felt it was appropriate  
1212 to cut back on our assistance levels.

1213 We would hope that through discussions with the Government  
1214 of Haiti those problems could be worked out. It is a very  
1215 poor country which deserves much more assistance than we are  
1216 providing in the budget as it now stands, and it is also the  
1217 country that is the closest to Cuba and therefore we have  
1218 security concerns. But we are in discussions with the  
1219 Government of Haiti on these points, and until these points  
1220 are resolved, we have felt the economic assistance level  
1221 should be reduced.

1222 Mr. Gilman. With regard to your suggestion that security  
1223 assistance requests should include a request for the repeal  
1224 of Section 620[b] of the Foreign Assistance Act, which  
1225 prohibits any security relationship with Argentina, has  
1226 there been some arrangement or agreements made by the  
1227 Government of Argentina during the last visit to the United  
1228 States with regard to improving human rights?

1229 Mr. Bushnell. There hasn't been what I would call any  
1230 arrangements made, but in fact the trend in human rights for  
1231 the last two or three years in Argentina has been one of

1232 improvement. The most central problem in the human rights  
1233 situation in Argentina, the so-called problem of  
1234 ''disappearances'', seems to have come very much under  
1235 control. There hasn't been a disappearances since September  
1236 that we know of. So with that improvement, which the  
1237 Argentines during their visit here told us would continue,  
1238 which we believe will continue on the basis of this trend,  
1239 that that would facilitate our moving forward with greater  
1240 flexibility on the security relationship.

1241 Mr. Gilman. While there hasn't been any disappearances,  
1242 wasn't there a recent series of arrests of some of the human  
1243 rights leaders in Argentina in the past few months?

1244 Mr. Bushnell. Yes, there was an arrest of six human  
1245 rights leaders. This was an arrest that was ordered by  
1246 their courts, by one judge in the courts. We, of course,  
1247 are pleased to see the court system is beginning to operate  
1248 again. The court apparently believed these people had some  
1249 maps or something of government installations, which is  
1250 against the law in Argentina. They were called into court.

1251 It is my understanding they were not tortured or anything.  
1252 They were held for a few days and were charged, and have now  
1253 been released on what we would call bail pending their trial  
1254 on these charges.

1255 Mr. Gilman. Has there been any improvement in the  
1256 information that Argentina has been providing to our country

1257 with regard to this 6,000 disappearances?

1258 Mr. Bushnell. We don't know how many disappeared.

1259 Various people have different figures.

1260 Mr. Gilman. I think the 6,000 was referred to by Amnesty  
1261 International, was it not?

1262 Mr. Bushnell. I think Amnesty's figures are even higher  
1263 than that, but it is a large number.

1264 I believe in meetings here in the Congress, when the  
1265 future President of Argentina was here, that he indicated  
1266 that where circumstances were clearly known that the  
1267 Government of Argentina under his presidency would try to  
1268 make available--I don't think quite so much to us--but as to  
1269 the Argentine people the information.

1270 Mr. Gilman. Have we received any further information  
1271 since that visit?

1272 Mr. Bushnell. That visit was only last week. Mr. Viola  
1273 does not become President until the 29th of this month. I  
1274 think it's a little early to have anything happen yet.

1275 Mr. Gilman. Do you see any improvement in the information  
1276 from Argentina in the last six months?

1277 Mr. Bushnell. I don't believe there has been, in terms of  
1278 the past--and let me distinguish here between two situations.  
1279 One is the current human rights situation, not people  
1280 disappearing now and is there torture now, or is there a  
1281 large number of political prisoners now. That's the current

1282 situation, versus the historical situation. These  
1283 disappearances happened primarily in 1976 and 1977.

1284 There is, of course, obviously, on the parts of the  
1285 families and so forth, of what may have happened to these  
1286 people. The Argentines describe that situation as having  
1287 been a "dirty war", in which there were excesses on all  
1288 sides. This was a terrorist war in which the structure of  
1289 the society was called gravely into question.

1290 We should recognize that the "accounting" for the  
1291 disappeared, which sounds like a humanitarian enterprise, is  
1292 somewhat of a code word meaning prosecuting those who are  
1293 responsible, who are thought by some to be people in the  
1294 Argentine military.

1295 As I described, they can make the information available  
1296 when the situation has cleared, and they indicated they  
1297 would do so. I don't think, however, they plan to have some  
1298 major system of trials or something like this in terms of  
1299 this activity, which they felt were activities carried on in  
1300 the course of a war against terrorism.

1301 Mr. Gilman. The intent of my question was not to pursue  
1302 prosecuting the ones who were responsible--I would leave that  
1303 up to the Government of Argentina--but what about information  
1304 concerning the people who are still on the rolls of the  
1305 disappeared; do we intend to pursue that issue with the  
1306 Argentine Government, or are we going to just close the book

1307 on that chapter?

1308 Mr. Bushnell. As you know, the policy of the Reagan  
1309 Administration is to pursue human rights issues through  
1310 private diplomacy. I think we will continue to pursue the  
1311 full range of human rights issues in that way with the  
1312 Argentines, but we will not pursue that from a public  
1313 podium.

1314 Mr. Gilman. I would hope you would consider the issue of  
1315 the 6,000, or whatever the correct number is, who have  
1316 disappeared as an important issue to pursue in that vein.

1317 Do you consider that an important aspect of what we should  
1318 be pursuing as we establish a new relationship with  
1319 Argentina?

1320 Mr. Bushnell. Certainly this is one of the major human  
1321 rights issues in Argentina, yes.

1322 Mr. Gilman. Thank you.

1323 Thank you, Mr. Chairman.

1324 Mr. Barnes. The gentleman from Florida, Mr. Mica.

1325 Mr. Mica. Thank you, Mr. Chairman.

1326 I might say at the outset that it may be the  
1327 Administration's policy to pursue human rights at a quiet or  
1328 diplomatic level, but it would be my intention as a member  
1329 of this committee to pursue it publicly whenever I felt such  
1330 information deserved such attention.

1331 I also intend to try my best to support the



1332 Administration's policies.

1333 Since you mentined disappearances, what about Chile?

1334 Argentina has been set forth in this proposal, but we have  
1335 had a similar problem with disappearances in Chile. Is  
1336 there some greater concern there? Is the disappearance  
1337 situation the same now, or have they had any in the last six  
1338 months?

1339 Mr. Bushnell. I think the record on disappearances in  
1340 Chile is better in recent years than Argentina. I don't  
1341 believe we have had a disappearance, that we know of, in  
1342 Chile since some time in late '77 or early '78. There has  
1343 been quite a long period without disappearances there, more  
1344 than two years.

1345 However, we have proceeded in each country according to  
1346 where we are. We have taken some steps on Chile and  
1347 inviting them to the inter-task Navy exercise this year and  
1348 removing the prohibition on Export-Import Bank lending to  
1349 them. These were provisions which had not been applied to  
1350 Argentina and we have not at this time proposed the repeal  
1351 of this provision Chile. Of course, wherever the Congress  
1352 would like to give the President more flexibility, I'm sure  
1353 he would be glad to have it.

1354 Mr. Mica. Thank you.

1355 It seems to me it's about 30 days now--and maybe you can  
1356 give me the exact deadline that we gave Nicaragua to

1682 houses and so forth will be given to individuals, plus going  
1683 ahead with the land-to-the-tiller program, which requires  
1684 cadastral surveys and so forth to give these titles out,  
1685 strains the human resources which they have. Of course,  
1686 they don't want to get in a situation where production goes  
1687 down very sharply, so they feel they cannot press ahead at  
1688 this moment with the second phase until the first and the  
1689 third phase are further along and they don't have to devote  
1690 so much of their human resources, technical assistance,  
1691 cadastral and what have you to it.

1692 Mr. Gejdenson. With the exception of Costa Rica and  
1693 Venezuela--and the indications to me have been, because of  
1694 personal friendships with President Duarte and the political  
1695 parties with similar backgrounds, there seems to be some  
1696 support for Duarte and his government there from Costa Rica  
1697 and Venezuela.

1698 Which countries in South or Central America or Mexico are  
1699 supporting the American policies in El Salvador today?

1700 Mr. Bushnell. Let me describe our policy in the following  
1701 way: Our policy is to support the Duarte Government. Most  
1702 of the governments in Latin America support the Duarte  
1703 Government. The Argentines just made some rather strong  
1704 announcements on this, and the Government of Honduras, which  
1705 has worked out the border dispute with them, of Guatemala  
1706 and Colombia. So most of the countries support the Duarte