

# United States Senate

COMMITTEE ON FOREIGN RELATIONS

ROOM 4229, DIRKSEN BUILDING

Ref SFRC 3/8/81

#43

Washington, D.C., May 5, 1981

Referred to General Graves

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IAW EO 13526, Section 3.5  
Date: Oct 23, 2018

Your testimony of 5-4-81 before the  
Senate Committee on Foreign Relations on \_\_\_\_\_  
Latin America is attached.  
Please indicate any corrections thereon, furnish  
the information requested and return by \_\_\_\_\_  
5-13-81 at the absolute latest, so that your  
remarks as revised may appear in the final volume.  
Final printing *will not* be held up for any correc-  
tions not received by the above deadline.

Changes in diction or expression or in the inter-  
est of clarity, brevity, or accuracy, or to correct any  
errors in transcribing are permitted. If changes in  
substance are desired, application must be made  
to the Chairman indicating changes and giving  
reasons for same. **PLEASE DO NOT RETYPE;**  
return original transcript.

If during your testimony you were requested or  
offered to submit any material for the record,  
please return the material with the transcript.  
Glossy prints of any illustrations used during your  
testimony should also be supplied for the record.

[Material to be supplied is referred to on page(s)]

Please return to:

**JERRY EHRENFREUND**  
COMMITTEE ON FOREIGN RELATIONS  
Room 4229, Dirksen Building  
Washington, D.C. 20510  
(202) 224-2827

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IAW EO 13526, Section 3.5  
Date: Oct 23, 2018

300 7TH STREET, S.W., REPORTERS BUILDING, WASHINGTON, D.C. 20024 (202) 554-2345

1 STATEMENT OF LIEUTENANT GENERAL ERNEST GRAVES, DIRECTOR,  
2 DEFENSE SECURITY ASSISTANCE AGENCY.

3 General Graves. Mr. Chairman, with the Committee's permission  
4 I would like to submit my complete statement for the record and  
5 would just make a few brief comments.

6 Senator Helms. Very well.

7 Without objection, your complete statement will be included  
8 in the record.

9 You may proceed.

10 General Graves. The Department of Defense has been  
11 intimately involved in the preparation of the security assistance  
12 program which is now before the Congress.

13 As you have heard, both Secretary Haig and Secretary  
14 Weinberger have emphasized that they consider the security  
15 assistance program an integral part of our defense effort.

16 They also have emphasized that to enhance our defense  
17 posture, we must improve collective security; and that the  
18 security assistance program is the key to this.

19 Mr. Chairman, we have gone to great care to present to you  
20 what we consider to be a sound program, the minimum essential  
21 program to move ahead. I would like, on behalf of Secretary  
22 Weinberger, to solicit your wholehearted support for the security  
23 assistance program which now is before the Congress.

24 Thank you, Mr. Chairman.

25 (The prepared statement of General Graves follows:)



DEFENSE SECURITY ASSISTANCE AGENCY

WASHINGTON, D.C. 20301

26 JUN 1981  
In reply refer to:  
1-2415/81

Honorable Charles H. Percy  
Chairman, Senate Foreign Relations  
Committee  
Washington, D.C. 20510

Dear Mr. Chairman:

In reply to your letter of 3 June 1981, the answers to your additional questions concerning the provision of development and military assistance to Latin American countries are provided for the record.

I trust our responses will be helpful to the committee.

Sincerely,

Signed

ERNEST GRAVES  
LIEUTENANT GENERAL, USA  
DIRECTOR  
DEFENSE SECURITY ASSISTANCE AGENCY

Attachment  
Q's & A's

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Prepared by: D Walker/DSAA/TB/79201

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Gen Graves  
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DATE

6/10/81

## DEFENSE SECURITY ASSISTANCE AGENCY

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EXEC	COL MARSH		1
	LTC ZELINKA		
PLANS	MR. LIGON		
COMPT	MR. MORRIS		
CONG REL	LTC WILHELM		cy
OPS	MR. RUDD	2	
LEGAL	MR. SILBER		

REMARKS:

SUSPENSE:

6/24/81

☐

If checked, Gen Graves has not seen.  
Brief him if appropriate.



CHARLES H. PERCY, R.I., CHAIRMAN

*Dain*

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JESSE HELMS, N.C.  
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## United States Senate

COMMITTEE ON FOREIGN RELATIONS

WASHINGTON, D.C. 20510

June 3, 1981

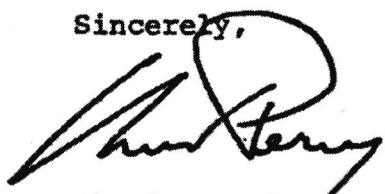
LTG Ernest Graves  
Director  
Defense Security Assistance Agency  
4E851  
The Pentagon  
Washington, D.C. 20301

Dear General Graves:

During a recent hearing on foreign assistance for Latin America, time did not permit full exploration of issues involved in our provision of development and military assistance to Latin American countries. I indicated that I would like to submit to you additional questions which will be included in the permanent record of these hearings.

I have attached these additional questions and appreciate your attention to them.

Sincerely,



Charles H. Percy  
Chairman

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Date: Oct 23, 2018

CHP:gqc

Enclosure

*I-2415/81*

### Southern Cone

1. The recently published Human Rights reports recognize improvements in the human rights situation in Argentina. Does the administration believe that these improvements are sufficient that it can, in good conscience as the Congress to rescind the prohibition on sales of military equipment and training to Argentina?
2. One of the principal justifications for repeal of the section 620(b) prohibition is that Argentina can play an important security role in the South Atlantic. Just what role do you envisage? What guarantees do you have that Argentina will in fact undertake this role? What is the threat in the South Atlantic?
3. Recent decisions seem to indicate a change in the administration's attitude toward Chile. Does the administration have plans to seek Congressional approval of military or economic assistance to Chile?
4. Argentina and Chile have been on the brink of war over three islands in the Beagle Channel. If we provide military equipment to Argentina at this time, is it not likely to use it against its neighbor in this border dispute?

### Other South America

1. The United States has recently approved the sale of Israeli Kfir jets to Ecuador. Does this represent a change in longstanding U.S. policy to discourage sophisticated weapons acquisitions by South American countries?
2. Peru and Ecuador have recently engaged in hostilities. Won't the acquisition of additional weapons capability by Ecuador exacerbate relations between the two countries?
3. Will we also approve the sale of sophisticated weapons to the Peruvians?

### Central America

1. Does the administration have any plans to resume IMET to Guatemala, or to expand other security assistance programs in that country?
2. Both the government in El Salvador and our allies have indicated that the solution in El Salvador is political, not military. Is this administration's understanding of the situation at variance with that position? Is our heavy emphasis on security assistance to El Salvador consistent with that country's own understanding of its needs?

**OFFICE OF THE SECRETARY OF DEFENSE**

11 June 1981

**Memo For** DSAA/TS

**SUBJECT: Additional Questions from SFRC Hearing on  
Latin America (4 May 1981)**

Reference attached questions from the Senate  
Foreign Relations Committee.

Please prepare responses to these questions in  
accordance with the attached sample and return to  
DSAA/TB by COB 22 June 1981.



**ALFRED D. WILHELM, JR.**  
LTC SA  
Chief, DSAA Congressional Relations

GEORGE H. FORD, CH. CHAIRMAN  
 CLARENCE PELL, RA.  
 JOSEPH R. WICK, JR., CH.  
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**COMMITTEE ON FOREIGN RELATIONS**  
**WASHINGTON, D.C. 20510**

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**Dear General Graves:**

During a recent hearing on foreign assistance for Latin America, time did not permit full exploration of issues involved in our provision of development and military assistance to Latin American countries. I indicated that I would like to submit to you additional questions which will be included in the permanent record of these hearings.

I have attached these additional questions and appreciate your attention to them.

Sincerely,

Sincerely,



Charles H. Percy  
Chairman

**CHP: ggc**

**Enclosure**

T-2415/51

OFFICE OF THE SECRETARY OF DEFENSE

6/23/81

Memo For

Col Wilhelms  
~~THAN~~ ~~Sen Rod Denny~~  
~~Col Garrett~~ ~~EN~~  
~~Wes Harrison~~ ~~20M~~

Subj: Senate Foreign  
Relations Committee  
Questions

Attached are answers  
requested.

John Bellings

### Southern Cone

1. The recently published Human Rights reports recognize improvements in the human rights situation in Argentina. Does the administration believe that these improvements are sufficient that it can, in good conscience as the Congress to rescind the prohibition on sales of military equipment and training to Argentina?
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4. Argentina and Chile have been on the brink of war over three islands in the Beagle Channel. If we provide military equipment to Argentina at this time, is it not likely to use it against its neighbor in this border dispute?

### Other South America

1. The United States has recently approved the sale of Israeli Kfir jets to Ecuador. Does this represent a change in longstanding U.S. policy to discourage sophisticated weapons acquisitions by South American countries?
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Central America Cont'd

3. Belize is about to become independent. What are the prospects that Guatemala will intervene militarily in that country?

Carribean Region

1. Is it realistic to assume that small ministates in the Caribbean should be asked to support their own Coast Guard, or should the U.S. Navy assume this role?

Senate Foreign Relations Committee  
Hearing Date 4 May 1981

Question: The recently published Human Rights reports recognize improvements in the human rights situation in Argentina. Does the Administration believe that these improvements are sufficient that it can, in good conscience, ask the Congress to rescind the prohibition on sales of military equipment and training to Argentina?

Answer: As the published Human Rights reports recognize, there have been considerable improvements in the practice of human rights in Argentina. There have been no disappearances this year; the number of confirmed disappearances last year was 12 compared to 44 in 1979 and the thousands from previous years. The number of persons held on other than criminal charges under the executive powers has been reduced from approximately 8,000 in 1977 to under 900 now. Other improvements, such as in prison conditions and the movement toward a rule of law, have been noted. While problems remain, the current human rights situation in Argentina does not appear to be an aberration when viewed within a world context. The Administration believes that the progress to date does provide an adequate basis for repeal of the prohibition on sales of military equipment and training to Argentina to Argentina and that such repeal would further U.S. interests.



Senate Foreign Relations Committee  
Hearing Date 4 May 1981

**Question:** One of the principal justifications for repeal of the section 620(b) prohibition is that Argentina can play an important security role in the South Atlantic. Just what role do you envisage? What guarantees do you have that Argentina will in fact undertake this role? What is the threat in the South Atlantic?

**Answer:** One of the world's major lines of communications passes between Africa and South America. For example, approximately 60 percent of Western European and 40 percent of U.S. oil requirements must be shipped through the South Atlantic. Additionally, the South Atlantic is a strategic link to the Pacific, Indian Ocean, and Persian Gulf regions. Many of our major combatants must use this route if it becomes necessary to reinforce NATO during a contingency. If the vulnerable Panama Canal were closed, all other ships would also be required to pass through the South Atlantic. The Soviets have identified the importance of the South Atlantic for naval operations and have acquired access to naval support facilities in West Africa. Since the Angolan Civil War, the Soviets have maintained a naval force of approximately ten ships in the region. According to open sources, Soviet leaders have told an African ally that their current policy is to pinch off the oil of the Middle East from the economic systems of the West and to disrupt and deny the mineral resources of Africa on which the Western industrial nations depend. The Soviet naval presence in the South Atlantic could play a role in their efforts to achieve these goals in the event of a war or major contingency. As most Western forces would be tasked elsewhere in a major contingency, this strategic supply line is highly vulnerable to the interdiction efforts of even a small force. Argentina is capable of providing forces which could augment U.S. capability for ocean surveillance, convoy escort and underway replenishment as well as facilities for logistic and maintenance support. In many ways, Argentina and U.S. security interests coincide in the South Atlantic and the U.S. could probably expect active Argentine assistance if we are able to develop the state-to-state relations such cooperation would require. If we are not able to demonstrate that the U.S. is willing to be a reliable security partner, then we will not be able to rely on obtaining Argentine cooperation in our pursuit of all U.S. interests, including those of security as well as human rights.

Senate Foreign Relations Committee  
Hearing Date 4 May 1981

Question: Recent decisions seem to indicate change in the Administration's attitude toward Chile. Does the Administration have plans to seek Congressional approval of military or economic assistance to Chile?

Answer: The Administration desires and has taken initiatives to improve U.S.-Chilean bilateral relations in support of all U.S. interests. With the excellent economic progress Chile has obtained in recent years, Chile is not a candidate for economic assistance. We in DOD believe that there are important security interests which necessitate close military-to-military cooperation with Chile. As you know from previous testimony, the Administration would support Congressional efforts to remove the restrictions imposed in 1976 on military assistance and sales to Chile.

Senate Foreign Relations Committee  
Hearing Date 4 May 1981

**Question:** Argentina and Chile have been on the brink of war over three islands in the Beagle Channel. If we provide military equipment to Argentina at this time, is not likely to use it against its neighbor in this border dispute?

**Answer:** As you know, the Beagle Channel border issue is currently being mediated by the Pope. This mediation efforts appears to have significantly reduced the level of tension and definite progress toward peaceful resolution of the issue has been reported by the concerned parties. Both the Chilean and Argentine Governments have emphasized the need for a peaceful solution. While it is difficult to foretell what twists any volatile issue such as the Beagle Channel may take, the probability of open conflict, and possible use of U.S. provided military equipment by Argentina against Chile, has been greatly reduced. Both countries have had access to military equipment from a variety of sources and in fact have pursued equipment modernization programs. As in all major equipment sales cases, careful consideration would be given to the factors of regional tension and our own security requirements.

Senate Foreign Relations Committee  
Hearing Date 4 May 1981

Question: The United States has recently approved the sale of Israeli Kfir jets to Ecuador. Does this represent a change in long-standing U.S. policy to discourage sophisticated weapons acquisitions by South American countries?

Answer: The Kfir is equivalent to the U.S. FX aircraft (F-5G and F-16/79) for which sales presentations to Ecuador have been approved. The general level of sophistication and technical capability in several Latin American countries has increased significantly during the past 20 years as has their ability to obtain and maintain more complex equipment. The sophistication of the equipment which sovereign countries desire to purchase remains a major factor which is carefully considered in our deliberations.

Senate Foreign Relations Committee  
Hearing Date 4 May 1981

Question: Peru and Ecuador have recently engaged in hostilities. Won't the acquisition of additional weapons capability by Ecuador exacerbate relations between the two countries?

Answer: The acquisition of additional weapons by Ecuador will not necessarily increase tension between Peru and Ecuador. This tension results from a long standing border dispute which resulted in open warfare between Peru and Ecuador in 1941. The resolution of the 1941 hostilities left a portion of the common border undemarcated. The low level of hostilities associated with this border problem which occurred earlier this year appears to have convinced both governments of the need to resolve the issue diplomatically.

Senate Foreign Relations Committee  
Hearing Date 4 May 1981

Question: Will we also approve the sale of sophisticated weapons to the Peruvians?

Answer: The U.S. has counseled against any arms races in the Andean region. At the same time, we wish to avoid a repetition of the events associated with the Peruvian request for F-5 aircraft in 1967 which led the Peruvians to rely upon Soviet weapons. The Peruvian armed forces currently possess modern equipment which some might term sophisticated and are able to operationally maintain this equipment. In a worldwide context, the Peruvian equipment such as the SU-22 aircraft would not be considered overly sophisticated for modern forces. We would not anticipate approving the sale to any country of highly sophisticated equipment which would surpass their capability to absorb and maintain.

Central America Cont'd

3. Belize is about to become independent. What are the prospects that Guatemala will intervene militarily in that country?

Carribean Region

1. Is it realistic to assume that small ministates in the Caribbean should be asked to support their own Coast Guard, or should the U.S. Navy assume this role?

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Senate Foreign Relations Committee  
Hearing Date 4 May 1981

Question: Does the Administration have any plans to resume IMET to Guatemala or expand other security assistance programs in that country?

Answer: The Administration currently has no plans nor have we been requested by the Guatemalans to resume a Foreign Military Sales (FMS) Credit program during FY 1981 or FY 1982. The Guatemalans, however, have expressed interest in cash purchases of spare parts for helicopters and other non-lethal safety of flight equipment under the FMS cash sales program. We are considering that request at this time. We are also considering the feasibility of an IMET training program for Guatemala.



Senate Foreign Relations Committee  
Hearing Date 4 May 1981

**Question:** Both the government in El Salvador and our allies have indicated that the solution in El Salvador is political, not military. Is this Administration's understanding of the situation at variance with that position? Is our heavy emphasis on security assistance to El Salvador consistent with that country's own understanding of its needs?

**Answer:** We concur that the ultimate solution in El Salvador is political, not military. Once accepting that premise, the question is how to insure that a political process can be carried out.

Our military assistance to El Salvador is in response to the government's request endorsed by both civilian and military leaders. It represents a modest and limited commitment designed to bolster the moderate Junta during this critical period and to enable it to implement its reform program while maintaining public order in the face of determined attacks from the right and left. We have no intention of trying to solve El Salvador's problems. We are providing limited assistance to a government trying to bring about important reforms which, if successfully implemented, will help make El Salvador a healthy and progressive neighbor. The Junta has promised elections during 1982 and is establishing the necessary procedures to accomplish this goal. By such actions, the Junta will permit the people of El Salvador to decide their own destiny.

Incidentally, our economic assistance to El Salvador is nearly four times our military assistance.

**Senate Foreign Relations Committee**  
**Hearing Date 5 May 1981**

**Question:** Belize is about to become independent. What are the prospects that Guatemala will intervene militarily in that country?

**Answer:** We do not believe that Government of Guatemala will intervene militarily in Belize. In fact the Governments of Great Britain, Belize and Guatemala have scheduled talks in an effort to reach a satisfactory solution to their difficulties and differences. They have already reached a preliminary agreement forming the basis for a final settlement under which Belize will achieve independence with all territories and borders intact.

Senate Foreign Relations Committee  
Hearing Date 4 May 1981

**Question:** Is it realistic to assume that small ministates in the Caribbean should be asked to support their own Coast Guard or should the U.S. Navy assume this role?

**Answer:** Of course the ministates are limited as to the size and structure of their Coast Guards. We would hope that these states could be self-sufficient in supporting their Coast Guard, seeking U.S. help when circumstances or situations exceed their capabilities. However, because of their weak economic situation they will need continuing external assistance to develop their Coast Guard capability.

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Chief, RDD, ESD, WHS  
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