#44 PC SAS LSP BH

United States Senate

COMMITTEE ON FOREIGN RELATIONS

WASHINGTON, D.C. 20510

April 6, 1977

PRIORITY

The Honorable Lucy Wilson Benson
Under Secretary for Security Assistance,
Science and Technology
Department of State
Washington, D. C. 20520

Dear Mrs. Benson:

In Senator Humphrey's letter to Secretary Vance dated April 5, he stated that the Subcommittee on Foreign Assistance would forward several written questions to the Department concerning the legislation on International Security Assistance and Arms Export Control. The questions are enclosed. They are being forwarded prior to the Subcommittee's April 21-28 hearings because of the May 15 reporting requirement for all authorizing legislation.

During the hearings, Senator Humphrey will ask that the written answers be submitted for the record. Therefore, we would appreciate receiving the answers prior to April 21.

Sincerely,

Robert B. Mantel

Robert B. Mantel
Staff Director
Subcommittee on Foreign Assistance

Enclosure

7-9166

QUESTIONS FOR THE RECORD

INTERNATIONAL SECURITY ASSISTANCE AND
ARMS EXPORT CONTROL HEARINGS

Arms Export Control/General

1. What are the considerations that the new Administration will take into account before approving an arms sale? Although the considerations might change on a case-by-case basis, what is the general order of priorities that will be given to these considerations?

2. Would the Administration agree that commercial military sales tend to result in a higher incidence of bribery, in more aggressive marketing by U.S. firms, and in occasional political problems stemming from lack of more complete U.S. Government control over a sale? If so, what does the Administration propose to do about it?

3. Increasing concern is being expressed over munitions co-production agreements. Please briefly assess the impact of co-production agreements on:

-- the U.S. unemployment situation;
-- the gain or loss of U.S. political leverage over a co-producing country;
-- U.S. technological supremacy;
-- the transfer of sophisticated technology to regimes that may be unstable;
-- the pressure for and capability of co-producing countries to export the co-produced munitions;
-- the control by the U.S. Government over third country transfers of co-produced munitions.

4. It is the Committee's understanding that a few U.S.-based arms exporters are especially aggressive in their export campaigns to less-developed countries. Does the Administration believe this to be the case? Has this caused political problems in the past? What are the special incentives (such as the excess profit arrangement) that make military exports especially profitable for these companies? What control does the U.S. Government have over these companies during the period when they are promoting a commercial sale? -- an FMS sale? What would be the practical impact of requiring U.S. companies to get a munitions export license before they can begin to promote arms sales?

5. How many members of the U.S. Armed Forces are currently stationed overseas as part of a Mobile Training Team or similar temporary units not specifically authorized under Sec. 515 of the Foreign Assistance Act of 1961. Could you provide details as follows:

Country	Number of persons	Cost	Duration	Task	MAP/FMS	DOD or Contractor

8. How many commercial U.S. firms are currently engaged in overseas training of foreign military personnel? How does the U.S. Government control this tra Please provide the Committee with a list detailing this information, includin

Country	U.S. firm	Number of U.S. citizens involved	Type of training	Extent of U Government Co

Europe

7. The Administration has not requested additional funds for Cypriot refugees in 1978, in part because AID estimates that $23.5 million will be available in 1978 in the pipeline. How are these pipeline funds allocated? Why is the pipeline so large? How would additional funds be obligated if appropriated in 1978?

8. The Administration's Congressional Presentation estimates for 1977 contain $73 million in MAP for Turkey, which is contingent upon either repeal of Sec. 620(x) of the Foreign Assistance Act of 1961 or Congressional approva of the Turkish Defense Cooperation Agreement. The 1978 request is also contingent upon passage of the Turkish DCA. The Administration, however, has recommended neither repeal of 620(x) nor passage of the Turkish DCA. What is the Administration's policy regarding 1977 and 1978 security assistance for Turkey? What would be the impact on Turkey of delaying further action on the DCA?

9. The Administration has requested no security supporting assistance for Portugal in 1978, while the 1977 program was $65 million. What are the reasons for terminating this program? Is progress being made on negotiations for the proposed $1.5 billion three-year multilateral consortium loan for Portugal? Will the U.S. request funds for this loan in 1978 and 1979 if other substantial donations are not made?

Middle East

10. President Sadat has declared his intention to request the purchase of about 200 F-5s from the United States. A request for other military sales is also expected during his current visit to Washington -- including APCs, TOW missiles, additional C-130s, and military training.

-- What are the main elements of Sadat's request?
-- What is the Administration's estimate of the current Egyptian military force structure? How accurate is this information? How does the current Egyptian military force structure compare with its capabilities (both relative and absolute) in October 1973?
-- What would be the impact of a U.S. rejection on the Egyptian domestic political situation? On the future of the peace negotiations?
-- What will be the Administration's policy in response to this request?

22. The Administration requests a $5 million cut in MAP to Ethiopia in 1978 on human rights grounds, yet requests continuation of the $10 million FMS credit program. Is it safe to assume that the equipment purchased with the $10 million will be used in Eritrea? Since moderate Arabs in the area are supporting the Eritreans and radical Arabs are supporting the Ethiopians, why are we supporting the Ethiopians? How does this relate to our policy in the Horn of Africa? How much military assistance is Ethiopia receiving from the Soviet Union?

Latin America

23. It is the Committee's understanding that five Latin American countries -- Argentina, Brazil, El Salvador, Guatemala, and Uruguay -- have either been denied security assistance or have rejected it in connection with the new United States position on human rights. Please provide the Committee with pertinent details of the diplomatic notes received from these countries. What is the Administration's recommendation concerning authorization of FMS credits for these countries in 1978? The Administration has also requested special authorization for MAAG groups for Brazil and Argentina in 1978. Why are these groups necessary if all security assistance has been rejected?

24. Will a new treaty with Panama involve new levels of security and economic assistance in forthcoming years? Has the Department explored multilateral channels to implement some of the assistance provisions arising out of a new treaty?

25. The Congressional Presentation Document for Security Assistance states that Peru has "embarked on a signficant military modernization program" acquiring much of its equipment from the Soviet Union. These purchases, the CPD continues, "have caused neighboring Ecuador and Chile to increase their military expenditures." The Bolivians are also concerned over the expansionist tendencies of the current pro-Soviet government in Peru. Since the Administration is requesting security assistance of $10.9 million for Ecuador and $15 million for Bolivia in 1978, how can it justify the requested $10.9 million for Peru? Have relations between Chile and Peru improved in the last year? Has the Congressional arms embargo on Chile altered the regional balance between the two countries?

International Narcotics Control

26. How many Americans (by country) are now in foreign jails on drug or drug-related charges? What is the average jail sentence for trafficking and possession in these countries? In addition to the negotiation of the bilateral treaty with Mexico, what major efforts have been made to protect the basic human rights of these American citizens?

27. Please break down the 1978 proposed International Narcotics Control Program budget according to the following categories, with appropriate subcategories:

Personnel
Commodities
Other costs