

ARMS SALES MONITOR

Highlighting U.S. government policies on arms exports and conventional weapons proliferation

"Preserving the Military Balance" in the Aegean?

More Arms Sales to Turkey...

In the next few months, the Turkish government will decide which of three models—Bell Textron's AH-1W Super Cobra, Boeing's AH-64 Apache Longbow, or Kamov Helicopter's Ka-50/2 Black Shark (in cooperation with Israeli Aircraft Industries)—will win the bid for 145 attack helicopters, a deal worth about \$3.5 billion. While Turkey apparently finds the U.S. models technically superior, anticipation of Congressional opposition to the sale might prompt it to choose the Russian-Israeli helicopter instead.

Initial criticism of the sale was voiced by human rights and arms control groups in 1997, but was matched by forceful industry lobbying, leading the State Department to forge a compromise deal. A marketing license was granted to the U.S. companies, but State promised to condition approval of an export license—if a U.S. helicopter were to be selected—on specific improvements in Turkey's human rights and democratic practices.

These conditions have not been met, with persecution of peaceful Kurdish and other opposition leaders at record levels, torture continuing with impunity, and the military regularly interfering with the democratic process and the work of elected officials. Moreover, the war with the rebel Kurdish Workers Party (PKK) in the Southeast continues unabated. Instead of pursuing recent opportunities to negotiate a peace settlement—such as the unilateral PKK cease-fire declared in September and the arrest of PKK leader Ocalan by Italy in November—the Turkish military continues to seek all-out victory and claims these attack helicopters are required to do so.

Moreover, as part of the deal, Turkey will co-produce the helicopters, gaining access to valuable technology with which Turkey aims to become an independent producer and exporter of helicopters. Along with creating future competition, co-production deprives the supplier of many jobs, undermining the defense industry's claim that the contract would be an enormous boon to the U.S. economy.

State has reason enough to reject the deal based on Turkey's failure to make the requisite improvements in its human rights practices. But another strike against the deal is that attack helicopters could contribute directly to future human rights abuses. Other U.S.-supplied helicopters have been used to carry out indiscriminate attacks on civilian targets, and nothing in Turkey's record indicates such practices will change soon. - TG

The Arms Sales Paradox: Do Arms Sales Really Buy Influence?

One of the key rationales given by the U.S. government for large amounts of U.S. arms transfers to allies and "friendly states" is the clout they supposedly bring the U.S. vis-à-vis the recipient state. Arms sales have become equated with political support, and they are increasingly used—along with military aid and training—to strengthen ties with foreign militaries.

The case of Turkey, however, demonstrates that the claims of influence bought through arms deals are greatly exaggerated. The paradox of the "leverage" that arms exports provide is that the U.S. government is afraid of losing it by using it. So instead of withholding arms sales until Turkey improves its sorry human rights record, the State and Defense Departments insist on keeping the arms supply flowing. They worry that denying individual arms sales will push Turkey away from the Western camp and into the hands of Muslim extremists.

So who really has the upper hand? Turkey continues to receive arms while maintaining a policy of brutal repression against Kurdish and Islamic opponents, pursuing an independent policy on the Caspian Sea gas pipeline and trade with Iran, and taking aggressive steps against both Greece and the Greek Cypriot government. None of these actions serves U.S. interests, leaving one to wonder how much sway the U.S. really has over the Turkish government and its powerful military. The U.S. proudly notes that Turkey permits U.S. jets to fly from a base in Southeast Turkey to maintain the "No Fly Zone" over Northern Iraq. But the Kurds U.S. jets supposedly protect are subsequently attacked by the Turkish military (in U.S.-exported aircraft).

If the U.S. government really wants Turkey to stop human rights abuses, peacefully end the war in the Southeast, and pursue democratic reforms, it needs to put real and consistent pressure on the Turkish government. Providing arms at Turkey's request has not provided sufficient influence. Therefore, the only solution is to withhold future weapons exports until serious progress is made towards according all Turkish citizens their rights under international law. As Turkey seems to value U.S. arms more than anything else our relationship provides, the U.S. is in a good position to exact such demands.

Turkey could, of course, look elsewhere for weapons, but it would prefer not to be cut off from high-quality U.S. equipment. Working with other governments to coordinate restraint would augment the effectiveness of U.S. actions. -TG

... And Greece

Turkey's helicopter purchase is part of a plan to modernize its defense equipment with an investment of \$150 billion over the next 30 years. Greece has also developed a major defense modernization plan, budgeting for \$17 billion worth of equipment over the next few years alone. While some justification may be made for meeting their NATO obligations, both countries have more to fear from each other than from states outside the Alliance. The U.S. has had to intervene on more than one occasion to keep these "allies" from fighting each other over Cyprus and other islands in the Aegean. The arms race which is gearing up will do nothing to stabilize this situation.

Both Greece and Turkey would also like to develop an indigenous capacity to build sophisticated weaponry, which would free them from the whims of the major exporting states. Taking advantage of the tight arms market, they demand up to 100% in returned investment on major arms sales, often in the form of co-production deals. For example, in preparation for a possible purchase of F-15H fighter jets, in October 1998, Boeing and the Hellenic Aerospace Industry (HAI) signed a Memorandum of Understanding covering "future production" of F-15s and "new production and mainte-

nance capabilities," presumably providing HAI with local production capability. This sale could set a dangerous precedent by introducing the highly advanced fighter jet into a tense region and encouraging further proliferation of this technology. Turkey is also demanding the high-tech software source code for the attack helicopter it selects.

The State Department asserts that U.S. arms transfers will not "adversely affect the military balance in the region or U.S. efforts to encourage a negotiated settlement" in Cyprus. But each sale to one state ratchets up the arms race a notch, aggravating tensions and detracting from confidence-building measures.

In 1998, the U.S. agreed to sell to Greece over 200 Hellfire II antitank missiles and 4 KIDD-class destroyers (in a lease-to-buy deal) and to Turkey, Harpoon anti-ship missiles, 3 excess US Navy PERRY-class frigates and 8 KNOX-class frigates (currently under lease). Deals were also in the works for many other sales to Greece in 1998, including 1,322 Stinger missiles, the Patriot PAC-3 air defense system and missiles, 919 TOW anti-tank missiles, 18 Multiple Launch Rocket Systems, 200 air-to-ground Maverick missiles, and 12 M60A1 tanks (excess defense articles) (see the ASMP website for a complete list of Congressional notifications). - TG

Counter-Narcotics Aid: Throwing Arms at the Problem

In Colombia...

According to U.S. drug czar Barry R. McCaffrey, while coca cultivation and production in key Andean nations like Peru and Bolivia have declined sharply, they are "skyrocketing" in Colombia,¹ leading some U.S. officials to assert that the real reason Colombia is losing the "war on drugs" is because it is losing the war against the guerrilla forces that protect them, especially the leftist Revolutionary Armed Forces of Colombia (FARC). This claim lies behind a recent shift in U.S. counter-narcotics aid towards a more military approach, a move which risks crossing the line into counter-insurgency assistance.

Concern over Colombia's failure to make progress against the drug trade led the Clinton Administration in March 1996 and March 1997 to "de-certify" Colombia in the yearly "cooperation on counter-narcotics review." This decision shut off Foreign Military

Financing (FMF) and International Military Education and Training funds (IMET) to Colombia. In mid-1997, however, the Clinton Administration resumed FMF and IMET for Colombia's security and police forces due to heightened concern about guerrilla activities and their effects on the country's stability.

Military aid climbed from \$88.6 million in FY 98 to \$289 million in 1999, in the form of helicopters, surveillance aircraft, other military equipment, and maintenance. The U.S. will spend \$203 million on counter-narcotics training for Colombian security forces in FY 99 and has requested \$40 million for FY 2000.

Yet newly authorized training and equipment for the Colombian military sends a strong signal of support for an institution known for gross violations of human rights. The military is accused of turning a blind eye towards the activities of right-wing paramilitary groups, which are also involved in the drug trade. Moreover, these paramilitary units regularly attack civilians; a spate of mas-

Supplemental U.S. counter-narcotics aid to Colombia in FY 99 includes*:

- \$96 million for six Blackhawk helicopters, maintenance, and training (through FY 2001)
- \$70 million to upgrade UH-1H helicopters to Huey II with miniguns.
- \$6 million to add miniguns to national police aircraft
- \$20 million for transport and surveillance planes and helicopter maintenance for the Colombian National Police
- \$8 million to repair and maintain antinarcotics bases.

* Western Hemisphere Drug Elimination Act

sacres in January left a reported 140 suspected leftist-sympathizers dead.

The apparent impunity of these attacks led the FARC—already suspicious of new U.S. aid to the army—to suspend peace negotiations. Yet a peaceful end to the civil war in Colombia is a critical first step towards ending its drug affliction. The U.S. push for military solutions, therefore, may be at odds with President Pastrana's policies, undermining his negotiations with FARC and the effectiveness of the entire U.S. aid package.

¹ Douglas Farah, "Coca Crop Shrinking in Key Andean Nations," *The Washington Post*, 7 Jan 1999, p. A21.

Counter-Narcotics Aid to Colombia - Fiscal Years 1994-99 (in millions)

	FY1994	FY1995	FY1996	FY1997	FY1998	FY1999
Actually Spent	28.7	16.4	16.3	37.8	NA	NA
Authorized but not necessarily spent during the fiscal year*		(10.0)	40.00	30.0	88.6	289
Value of indirect support provided by the State Department Air Wing	NA	2.5	6.6	14.0	NA	NA

Source: CRS Report for Congress *Colombia: The Problem of Illegal Narcotics and U.S.-Colombian Relations*, Nina M. Serafino.

*The \$10 million in FY1995 is FMF that was authorized but not spent before decertification. This figure is in parenthesis because it was in effect reauthorized as part of the \$30 million authorized for expenditure under the August 16, 1997 waiver. The \$40 million in FY1996 is support in the form of defense articles provided under the authority of section 506 of the FAA which permits the President to provide immediate military assistance in the event of an unforeseen emergency. This support is still being delivered.

More focus should be placed instead on humanitarian, political, social, and economic solutions. For example, in Peru, the Agency for International Development (AID) will spend \$107 million over the next five years in crop replacement and infrastructure repair, or approximately \$21 million a year. This seems a paltry sum next to the \$289 million of military aid scheduled for Colombia, yet Peru has been touted as a dramatic success story.² The CIA reported more than a 50% reduction in coca production in Peru, while at the same time a Rand analysis shows that Peru's military budget will fall up to 4% over the next two years. An AID report called this success "unparalleled in U.S. counter-narcotics initiatives in Latin America" and a "model for successful elimination of coca production in the hemisphere." Are the makers of our policy for Colombia listening? - KT

... And Mexico

Pentagon and other U.S. officials are finally recognizing that huge sums of money and military equipment given to Mexico by the U.S. to fight the drug problem have not been effective. For the past three years, the Pentagon has been donating helicopters to the Mexican army—including more than 70 UH-1H helicopters as part of an equipment transfer worth approximately \$58 million—intended for interdicting drugs transported via aircraft. The U.S. also brings Mexican soldiers to the U.S. for counter-narcotics training.

But as drug traffickers shifted from an air-based to a sea-based strategy, the donated helicopters were used in more intensive activities, such as troop transport and crop spraying, quickly pushing the limits of these Vietnam-era helicopters. The fleet was grounded after a U.S. Army inspection revealed engine problems in every craft. Mexican leaders were miffed at the poor quality of the U.S. donations. Moreover, U.S. criticism of the activities of forces trained in the U.S.—including allegations of criminal acts—has prompted Mexico to cut back the number of trainees it will send. The net result thus far has been frustration on both sides, increased diplomatic tension, no marked increase in effective drug interdiction, and a glaring example of waste. - KT

International Narcotics and Law Enforcement

	FY99	FY00
Western Hemisphere	375,000,000	165,000,000
Asia/Africa	12,000,000	15,000,000
Interregional Aviation Support	51,000,000	50,000,000
Anticrime Programs	25,000,000	30,000,000
International Organizations	9,000,000	12,000,000
Program Dev. and Support	9,000,000	9,000,000
Law Enforcement Training	8,000,000	9,000,000
Systems Support & Upgrades	5,000,000	5,000,000
Reimbursable Program	100,000,000	--
Narcotics Programs total	594,000,000	295,000,000

FY99 includes \$232.6 in supplemental spending.

Gun Trafficking: Legislative Update

One month into the 106th Congress, a variety of gun control legislation proposals are already on the table, many of which could help reduce international and domestic small arms trafficking. Sen. Moynihan (D-NY) is sponsoring a series of bills (S.152-158) relating to "destructive ammunition," ranging from stepping up regulations and fees to prohibiting certain ammunition transfers. The House will also have the opportunity to discuss ammunition thanks to Reps. Blagojevich (D-IL) and Kennedy (D-RI), who have a bill to prohibit unlicensed internet and mail-order sales and require all sales of 1,000 or more rounds of ammo to a single person to be recorded (H.R. 87). Other proposed gun transfer laws so far include: H.R. 109, to improve regulation of firearms transfers at gun shows; H.R. 315, an "Anti-Gunrunning Act" to reduce opportunities for arms trafficking; and H.R. 35, which would ban junk guns, also known as "Saturday Night Specials" (see *ASM 38 for more information on curtailing gun trafficking in the U.S. and abroad*).

Meanwhile, Rep. Engel (D-NY), concerned about the effects that U.S. weapons exports could have on the fragile peace process, has proposed a ban on all sales of arms and law enforcement equipment to paramilitary groups in Northern Ireland (H.R. 128). - AR

² U.S. aid for crop substitution in Colombia is only budgeted at \$5 million a year for the next three years.

The Administration Thinks Again: Re-evaluating DELG, Offsets, and Commercial Export Data

DoD Recommends Ending DELG Program

The Defense Export Loan Guarantee Program, established by the Defense Authorization Act for FY 1996 and in operation since November 1996, may prove to be short-lived. A December 1998 General Accounting Office (GAO) report outlined several problems with the program, which was designed to provide loan guarantees to qualifying states for the purchase of U.S. defense equipment, at no net cost to the U.S. government. As an auto-financing program, the DELG Program requires borrowers to pay prohibitively high fees to cover the risk of a loan default and the costs of running the program. As a result, the only loan granted over two years was \$17 million to Romania, and the program was losing money.

While the GAO made suggestions for improving the DELG, the Department of Defense recommended cutting the program's losses by terminating the program altogether. In a letter to the GAO, the Office of the Under Secretary of Defense for International and Commercial Programs lamented that the "legislation establishing the DELG Program contained restrictions that severely limited (its) viability" and will therefore never be able to perform its mission.

Less restrictive rules on auto-financing, however, would have created yet another subsidy for the arms industry and for purchasing countries that could not otherwise afford pricey U.S. equipment. Since 1990, U.S. taxpayers have footed the bill for around \$10 billion worth of defaulted military loans, and the U.S. is currently owed another \$14 billion in DoD guaranteed and direct loans, with \$1 billion of that overdue. Under the DELG Program, the U.S. government would have been responsible for up to \$15 billion more in principle and interest in the event that any borrower defaulted. A new loan program that placed the burden of that risk on U.S. taxpayers rather than the borrowers would have been potentially costly and definitely irresponsible.

The DELG was the brain child of the defense industry, which claimed that U.S. arms exporters were at a disadvantage in the world market because other exporting states could offer subsidized loans. With the Arms Control and Disarmament Agency now estimating that the U.S. holds about 55% of the global weapons market (see p. 5), however, fears of not being competitive seem exaggerated. Finally, on the loan approval list are states from Eastern Europe and Southeast Asia that would be better off investing in domestic infrastructure and social programs than in the latest U.S. military equipment. - TG

The GAO report, *Defense Trade: Status of the Defense Export Loan Guarantee Program*, (NSIAD-99-30) is available from the GAO or online at <http://www.gao.gov/new.items/ns99030.pdf>

Commerce Calls for Ban on Subsidized Offsets

In December, the Commerce Department released its third annual report on "offsets," the trade concessions required by foreign buyers as conditions for a sale in today's increasingly competitive arms market. Between 1993 and 1996, U.S. defense companies entered into new offset agreements valued at \$15.1 billion, in support of \$29.1 billion worth of defense contracts. In other words, for every dollar a U.S. company received due to an arms sale with offsets, it returned 52 cents worth of offsetting jobs, technology, investment, and other economic benefits to the purchasing country – a fact rarely taken into consideration when the defense industry lobbies for new arms exports in the name of "preserving American jobs." Europe is by far the leading beneficiary, getting about two thirds of all new offsets.

At the top of Commerce's list of policy recommendations was a call to ban offsets on military exports financed by the U.S. Foreign Military Financing (FMF) Program. U.S. companies usually claim that they are forced to provide offsets to stay competitive because "everyone else is doing it," but in the case of FMF-financed deals (which usually come with a "buy American" clause), U.S. firms are using offsets liberally to out-compete only other American firms. No other arms producer offers such a cushy combination of offsets and grant aid. Israel and Egypt, the primary recipients of FMF funding, get \$3.1 billion annually and have used that funding "to compel U.S. firms to obligate billions of dollars in offsets over the last 10 years."

The Commerce Department's study is complemented by a recent General Accounting Office (GAO) report on offsets, *Defense Trade: U.S. Contractors Employ Diverse Activities to Meet Offset Obligations*. This survey of major U.S. defense contractors found a seemingly limitless variety of offsets, including requirements that U.S. contractors buy foreign parts or use foreign labor, give the purchasing country the training and technology to become producers of certain defense items, or serve as an "economic development ministry" for customers by providing marketing and financial assistance or investment. While it is impossible to measure precisely the net impact of offsets on the U.S. economy, the GAO suggests that offsets increase foreign capacity to produce high-tech weaponry and "may result in reduced business opportunities for some firms." - AR

The Commerce Department's report, *Offsets in the Defense Trade: Third Annual Report to Congress*, is available for sale from NTIS (call (703)605-6000 and request PB 98-148265). The GAO report can be ordered for free from the GAO or found online at <http://www.gao.gov/new.items/ns99035.pdf>.

Let's Re-Do the Numbers:

U.S. Arms Exports Revised Upwards

In its 1997 annual report released this January, *World Military Expenditures and Arms Transfers*, the U.S. Arms Control and Disarmament Agency (ACDA) adopted an interim revised methodology for estimating direct commercial sales deliveries, resulting in significantly increased U.S. arms exports statistics and further evidence of American dominance in the global arms market.

Direct Commercial Sales <i>In millions (of current dollars)</i>			
Fiscal Year	Authorizations	Reported Deliveries	ACDA Newly Estimated Deliveries
1988	19,155	4,823	8,220
1989	21,181	8,446	9,530
1990	33,041	6,216	12,800
1991	39,899	5,166	16,200
1992	15,817	2,667	14,200
1993	25,796	3,808	12,100
1994	25,394	3,339	11,800
1995	19,234	2,773	10,100
1996	26,802	1,082	10,600
1997	24,703	1,921	N/A

Sources: "655" report, DSCA, ACDA
The "reported deliveries" series was deemed "unacceptably incomplete" in ACDA's report.

The State Department must authorize export licenses for all direct commercial sales (DCS). These licenses are valid for four years and do not indicate finalized sales. Reporting of actual deliveries is done via the Customs Department upon export and has been notoriously slow and incomplete. ACDA determined that relying on paltry delivery data despite the high volume of export licenses granted resulted in a distortion of U.S. arms sales figures. Until better delivery data is available, ACDA now assumes that 50% of all licenses will eventually be used, and distributes those estimates over four years (see table). Yet even the revised methodology is "more likely to underestimate than overestimate commercial deliveries," claims ACDA officials.

According to the current report, in 1996, the United States sold \$23.5 billion worth of arms (DCS and government-to-government sales combined) and accounted for 55% of the world market. Since a global low in the arms trade in 1994, world arms exports have increased through 1996, with developed countries supplying the overwhelming share (97% in 1996). These trends were made more pronounced by ACDA's upwardly-revised data on U.S. exports. In addition, the report notes that the United States is less de-

Top Ten Arms Exporters of 1996

	Millions \$	% of total
United States	23,500	55
United Kingdom	6,100	14
Russia	3,300	8
France	3,200	8
Sweden	1,200	3
Germany	830	2
Israel	680	2
China-PRC	600	1
Canada	460	1
Netherlands	340	< 1

Source: ACDA WMEAT 1997

pendent on sales to "developing" countries than most exporters, sending only about 40% of its arms exports to developing countries in 1996, while countries like the UK and Russia delivered over 80% of their exports to the developing world.

There is no word yet on how ACDA will reconcile its numbers when it is absorbed by the State Department in April; State has its own obscure method of estimating DCS deliveries. Oft-cited sources such as the annual CRS report on arms exports to developing countries routinely leave out DCS data altogether due to its imprecise nature. Until a reliable way is developed to track all DCS deliveries, transparency and accountability will remain elusive. - AR

World Military Expenditures and Arms Transfers 1997 is currently online at <http://www.acda.gov/wmeat97/wmeat97.htm>, and will be available soon in print from the Arms Control and Disarmament Agency (202) 647-8677.

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Your tax dollars at work: FY 2000 Military Assistance Request

The president has released his FY2000 budget request, including the largest sustained increase in defense spending since the Reagan administration and a 6.6% bump up for the baseline international affairs budget. Congress is likely to want to push defense even higher but has traditionally resisted increasing funding for international affairs.

This section highlights the over \$6.5 billion in military or security aid programs funded by the State foreign aid process. Increasingly, the Defense Department funding bills have also provided military aid; most of that aid is not covered here. FY99 figures represent estimated spending based on the budget passed last fall, including any supplemental appropriations, and FY00 indicates the President's budget request.

Total Military Assistance - \$6,527,000,000		
	FY 1999	FY2000
Foreign Military Financing	3,350,000,000	3,430,000,000
Economic Support Fund	2,432,831,000	2,389,000,000
International Narcotics and Crime	493,600,000	295,000,000
Nonproliferation, Anti-Terrorism, and Demining	218,000,000	231,000,000
Voluntary Peacekeeping Operations	76,500,000	130,000,000
Int. Military Education & Training	50,000,000	52,000,000

Foreign Military Financing

The administration is seeking over \$3.4 billion in foreign Military Financing (FMF). FMF spending in FY 2000 will be entirely for grants and administration; the loan component of FMF has been phased out. This program "enables selected friendly and allied countries to improve their ability to defend themselves by financing their acquisition of U.S. military articles, services, and training." Israel and Egypt receive the lion's share of FMF, about 94% in FY 2000. \$81 million will help integrate new NATO members and strengthen cooperation with Partnership for Peace countries.

Foreign Military Financing- \$3,430,000,000		
	FY1999	FY2000
Israel	1,860,000,000	1,920,000,000
Egypt	1,300,000,000	1,300,000,000
Jordan	45,000,000	75,000,000
Morocco	2,000,000	2,250,000
Tunisia	2,000,000	2,250,000
Partnership for Peace	78,000,000	81,200,000
Caribbean Regional	3,000,000	3,000,000
Enhanced Int.	7,000,000	5,000,000
Peacekeeping Initiative		
Africa Crisis Response Initiative	5,000,000	5,000,000
East Africa Regional	5,000,000	5,000,000
DOD administrative costs	29,900,000	31,300,000

Sources: *President's Budget Annexes, Secretary of State Summary and Highlights*. The budget can be found online at <http://www.access.gpo.gov/usbudget/fy2000/maindown.html>. See ASM 37 to compare with the President's FY99 budget request.

Economic Support Fund

This source of grant bilateral economic aid is considered "security" assistance since it is based on political relationships rather than economic need. Israel and Egypt, however, are slowly being phased out of this historic source of assistance. Other grant military support goes to both traditional recipients, such as Cyprus, and first-time beneficiaries such as Iraqi opposition groups.

In countries such as Cambodia, on the other hand, ESF funding is intended to promote democracy-building and other humanitarian programs.

Economic Support Fund- \$2,389,000,000		
Including in part:		
	FY1999	FY2000
Israel	1,080,000,000	930,000,000
Egypt	775,000,000	715,000,000
Jordan	150,000,000	150,000,000
West Bank/Gaza	75,000,000	100,000,000
Iraqi opposition	3,000,000	10,000,000
Cyprus	15,000,000	15,000,000
Liberia	--	1,500,000
Sierra Leone	--	1,500,000
Latin America	13,000,000	35,500,000
Cambodia	10,000,000	20,000,000
Indonesia	--	5,000,000
Philippines	--	--

International Narcotics and Law Enforcement

The administration's request of \$295 million to combat international narcotics trafficking and crime is a substantial \$35 million above FY99's base amount. The biggest chunk of these funds is intended for Bolivia, Colombia, and Peru for their cooperation in combating drug-traffickers. The administration asked for \$30 million—a 50% increase—for the international crime program, which trains foreign law enforcement officers in fighting international organized crime (see p. 3 for specific figures).

International Military Education and Training

This assistance for grants for military education and training to foreign students is slated to get \$52 million in FY00, up from \$50 million in FY99. (Projected numbers of trainees are not yet available.) Central European countries would receive most of the projected increase. Nigeria was added to the list after a six-year hiatus due to human rights abuses.

IMET should be under heightened scrutiny and tighter restrictions thanks to legislation passed last Congress. The State and Defense Departments will be required to submit a combined report on all military training programs. In addition, foreign security units are prohibited from receiving funding for military training if any member was found to have committed gross human rights violations. - AR

Projected Recipients of IMET

Dollars in Thousands

	FY99	FY00			
Africa			Czech Republic	1,350	1,600
Angola	50	100	Estonia	650	750
Benin	350	350	Greece	25	35
Botswana	500	450	Hungary	1,500	1,600
Cameroon	150	150	Latvia	650	750
Cape Verde	100	100	Lithuania	650	750
Cent. African Rep.	90	90	Macedonia	450	500
Chad	50	50	Malta	135	100
Comoros	75	75	Poland	1,600	1,600
Congo (Kinshasa)	70	70	Portugal	700	700
Cote d'Ivoire	150	150	Romania	1,025	1,200
Djibouti	100	100	Slovakia	600	650
Eritrea	425	390	Slovenia	650	700
Ethiopia	525	490	Turkey	1,500	1,500
Gabon	50	75	Europe total	14,060	15,260
Ghana	400	420	NIS		
Guinea	150	150	Belarus	-	-
Guinea-Bissau	125	50	Georgia	392	400
Kenya	400	440	Kazakhstan	564	550
Lesotho	75	75	Kyrgyzstan	333	350
Madagascar	100	100	Moldova	461	550
Malawi	335	335	Russian Federation	920	900
Mali	280	300	Turkmenistan	307	300
Mauritius	50	50	Ukraine	1,278	1,250
Mozambique	180	180	Uzbekistan	485	500
Namibia	175	175	NIS total	4,740	4,800
Nigeria	-	425	Latin America		
Rwanda	300	325	Antigua-Barbuda	115	120
Sao Tome	75	75	Argentina	600	800
Senegal	735	740	Bahamas	100	100
Seychelles	75	75	Barbados	90	100
Sierra Leone	75	-	Belize	250	250
South Africa	850	800	Bolivia	550	550
Swaziland	75	75	Brazil	225	225
Tanzania	150	200	Chile	450	450
Togo	-	-	Colombia	900	900
Uganda	400	400	Costa Rica	200	200
Zambia	150	150	Dominica	40	55
Zimbabwe	300	300	Dominican Republic	500	500
Africa total	8,140	8,480	Ecuador	500	500
East Asia /Pacific			El Salvador	500	500
Fiji	-	150	Grenada	50	65
Indonesia	550	400	Guatemala	225	225
Malaysia	700	700	Guyana	175	175
Mongolia	425	500	Haiti	300	300
Papua New Guinea	200	200	Honduras	500	500
Philippines	1,350	1,400	Jamaica	500	500
Solomon Islands	150	150	Mexico	1,000	1,000
Thailand	1,600	1,600	Nicaragua	200	200
Tonga	100	100	PACAMS	300	--
Vanuatu	100	100	Panama	100	100
Western Samoa	100	100	Paraguay	200	200
E. Asia/Pacific total	5,275	5,400	Peru	450	450
Europe			St. Kitts-Nevis	55	75
Albania	600	600	St. Lucia	50	60
Bosnia and Herz.	600	625	St. Vincent & Grenada	50	60
Bulgaria	950	1,000	Suriname	100	100
Croatia	425	600	Trinidad & Tobago	125	125
			Uruguay	300	300
			Venezuela	400	400
			Latin America total	10,100	10,085
			Near East		
			Algeria	125	175
			Bahrain	225	225
			Egypt	1,000	1,000
			Jordan	1,600	1,600
			Lebanon	550	550
			Morocco	900	900
			Oman	225	325
			Tunisia	900	900
			Yemen	125	125
			Near East total	5,650	5,800
			South Asia		
			Bangladesh	350	400
			India	450	450
			Maldives	100	100
			Nepal	200	250
			Pakistan	350	350
			Sri Lanka	200	225
			South Asia total	1,650	1,775
			General Costs	385	400
			Grand Total	50,000	52,000

Other Budgetary Bits

- In 2000, DoD will conduct 146 combined/joint military exercises. According to budget documents, "DoD's first performance goal is to shape the international environment."
 - Export promotion is another major multi-agency initiative, and will include a increase for the Export-Import Bank, to \$881 million in FY00. Up to 10% of this funding can go to dual-use military exports.
- Certain systemic threats are receiving increased attention and funds in the President's overall budget:
- \$1.03 billion for assistance to the NIS includes increased funding for programs to curb the spread of weapons technology from Russia.
 - \$8.5 billion is requested for government-wide efforts to combat terrorism.
 - Funds to combat international crime is slated at \$1.8 billion. - AR

 Additional Recent Government Documents

1998 East Asia Strategy Report, Department of Defense.

<http://www.defenselink.mil/pubs/easr98/index.html>.

Combating International Crime in Africa, HIRC Subcommittee on Africa hearing, July 15, 1998.

Conflict Resolution: Chiapas, Mexico and the Search for Peace, HIRC Subcommittee on Western Hemisphere hearing, July 29, 1998.

Country Reports on Human Rights Practices for 1997, HIRC Subcommittee on Int'l. Operations and Human Rights hearing, February 3, 1998.

Defense Trade: U.S. Contractors Employ Diverse Activities to Meet Offset Obligations, GAO/NSIAD-99-35.
<http://www.gao.gov/new.items/ns99035.pdf>.

Defense Trade: Status of the Defense Export Loan Guarantee Program, NSIAD-99-30, December 21, 1998.
<http://www.gao.gov/new.items/ns99030.pdf>

Developments in the Middle East, HIRC hearing, March 10, 1998.

Human Rights in Indonesia- Part II, HIRC Subcommittee on International Operations and Human Rights hearing, July 24, 1998.

Implementation of the DOD Technology Transfer Program, Office of the Inspector General, Dept. of Defense, September 28, 1998. Report No. 98-214.
<http://www.dodig.osd.mil/audit/reports/98214sum.htm>.

Legislative Review Activities of the Committee on International Relations, Jan. 2, HIRC, H. Rept. 105-838.
<http://rs9.loc.gov/cgi-bin/cpquery>.

Offsets in Defense Trade: Third Annual Report to Congress. US Dept. of Commerce, August 1998, PB 98-148265.

How to Find the Reports Cited Here

Senate bills, reports, and public laws are available by writing to the Senate Document Room, B-04 Hart Building, Washington, Dc 20510; House bills and reports are available from the Legislative Resource Center, B-106 Cannon Building, Washington, DC 20515.

Published hearings can be obtained for free directly from the committee which conducted the hearing or purchased by mailing requests to the Superintendent of Documents, Government Printing Office (GPO), Congressional Sales Office, Washington, DC 20403. Contact information for all of the above is also available via the internet at <http://thomas.loc.gov>.

Congressional Research Service reports must be requested through your member of Congress' office.

Commerce, Defense and State Department reports are available through each respective organization's Public Affairs office or on the web.

The President's Fiscal Year 1999 Int'l. Affairs Budget Request, HIRC hearing, February 12, 1998.

Regional Conflict: Colombia's Insurgency and Prospects for a Peaceful Resolution, HIRC Subcommittee on West. Hem. hearing, May 7, 1998.

Review of U.S. Assistance Programs to Russia, Ukraine and the New Independent States, HIRC hearing, March 26, 1998.

Tradition and Transformation: U.S. Security Interests in Asia, HIRC Subcommittee on Asia and Pacific hearing, May 7, 1998.

U.S. Policy Options Toward Indonesia: What We Can Expect, What We Can Do. HIRC Subcommittee on Asia and Pacific hearing, June 4, 1998.

The U.S. Role in the Caucasus and Central Asia, HIRC hearing, April 30, 1998.

U.S.-Taiwan Relations, HIRC Subcommittee on Asia and Pacific hearing, May 20, 1998.

World Military Expenditures and Arms Transfers 1997, US Arms Control and Disarmament Agency,
<http://www.acda.gov/wmeat97/wmeat97.htm>

DSCA Online

The Defense Security Cooperation Agency, the Pentagon's arms sales agency, has revamped and expanded its website, <http://www.dsaa.osd.mil/>.

The site includes DSCA press releases, publications, organizational information and a comprehensive, technically-oriented links page. A downloadable slide show on military sales and assistance, complete with statistics on arms transfers and military assistance, is a particularly useful data source.

FAS Arms Sales Monitoring Project

Founded in 1945, the Federation of American Scientists is a public interest organization of natural and social scientists and engineers dedicated to the responsible use of science and technology. Now in its eighth year, the FAS Arms Sales Monitoring Project works for a reduction in global weapons production and trade.

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