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# THE DISAM JOURNAL OF INTERNATIONAL SECURITY ASSISTANCE MANAGEMENT

*What a jam-packed Journal this quarter, it has as much diversity as you could hope for! This is a reminder for all of us that the security assistance and security cooperation environment is continuously changing, and challenging. The National Defense University has provided the Journal with a series of articles encompassing a variety of international student programs and additional programs that include their families. The article is representative of a number of professional international military education and technical training programs including the National Defense University's Counterterrorism Fellows Program.*

*The Legislation and Policy section digs into a variety of facets of technology control. Richard Grimmett begins by analyzing conventional arms transfers since 1995 through 2002. U.S. Assistant Secretary of Defense for Political-Military Affairs Lincoln P. Bloomfield follows with his views on "Implementation of the United Nations Program of Action for Small Arms and Light Weapons". North Korea is discussed by Undersecretary of State for Arms Control and International Security Affairs John R. Bolton. The Journal features an opinion on Central America through the eyes of Deputy Assistant Secretary of State for Western Hemisphere Affairs Daniel W. Fisk. Lincoln P. Bloomfield concludes the section with views on the "Status of U.S. Interagency Review of U.S. Export Licensing and Technology Transfer Policy".*

*The European theater is covered as Dr. Jaro Bilocerkowycz provides his perspective on Russian and Polish relations. If you have attended the Defense Institute of Security Assistance Management's (DISAM's) European Regional Studies Seminar, you may note that he is one of the DISAM's adjunct professors. The Defense Security Cooperation Agency held its annual Security Cooperation Conference entitled "Strengthening Alliances for the Future". A summary of topics covered is provided by DISAM Instructor, Jeff Grafton. July 2003 marked the Air Force Security Assistance Center, previously known as the International Logistics Center, twenty-fifth anniversary. Congratulations to Air Force Security Assistance Center's great staff, past and present on a great quarter of a century of service! The Journal also records the collaboration between Defense Security Cooperation Agency's Directorate of Humanitarian and Mine Action and the Wheelchair Foundation in providing 5,000 wheelchairs within Afghanistan. These two organizations worked with the Afghanistan Ministry of Martyrs and Disabled, United Nations, other U.S. Department of Defense and Department of State agencies and many from the private sector to make such a dramatic impact on peoples' lives.*

*Education and training rounds out this edition and takes a look at Marine Corps programs. The first article features the Marine Corps International Education and Training activities in general. The second Marine Corps article chronicles a Bulgarian Staff Sergeant Yavor Behar's Drill Instructor School experience. Training foreign servicemen in the Marine Corps Drill Instructor Schools and other Marine Corps courses help the United States to promote working relationships with other nations, and assists many countries in receiving invitations to join the North Atlantic Treaty Organization.*

*If the Training Management System is a necessary tool of your trade, you need to review Aaron Prince's discussion of the Training Management System's 6.003 Upgrade. You can also read about the Defense Institute of Security Assistance Management recent Mobile Education Team trips to Bahrain, Pakistan, and Chile.*

*Thanks to all for the interest in the Journal, the readership feedback and the desire of organizations and individuals to publish proves that we live in a busy, challenging environment with a lot of good things happening.*

  
**RONALD H. REYNOLDS**  
Commandant

# Report Documentation Page

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## *FEATURE ARTICLE*

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### **Security Assistance at the National Defense University: Winning Hearts and Influencing Minds**

**By  
Laureen Reagan  
National Defense University**

[The views expressed in this article are those of the author and do not reflect the official policy or position of the National Defense University, the Department of Defense, or the U.S. government.]



**NDU's 10th President**

[The following letter was sent to the departing President of the National Defense University, Vice Admiral DM Paul Gaffiney, June 2003.]

June 2003

Sir,

I was informed a couple of days ago that you are about to leave National Defense University (NDU). I would like to seize this opportunity to express my sincere gratitude for everything you have done as President of the NDU for the International Fellows Program (IF). Every IF has appreciated enormously your attention and your continuing efforts to support and improve this program.

I am glad I have spent last year in the NDU and more in particular in the NWC. For I have to admit that my opinion about US foreign policy would be substantially different if I had not spent a year in the Washington D.C. area. I think I may say that my point of view is much more balanced now. I have learned to understand what kind of other (often domestic) and mostly unknown [to foreigners] parameters influence the U.S. decision-making process. The insights I gained during my stay in Washington D.C. and I seized the opportunity to meet a lot of other people from outside the military environment too highly educated as well as ordinary people, people from all segments of your society, to read a lot and to listen very attentively to the U.S. press, those insights help me immensely in understanding why the U.S. acts like it does.

My one-year stay in your country has provided me with enough background and elements to counter the (often anti-U.S.) attitude and opinions in discussions. Since I have regular contacts with the highest decision making levels of my country, military as well as civilian, I am able to influence and steer in a certain way, or at least to correct some points of view. This would not have been possible without my stay at the NDU, without the discussions I had there with my fellow students and without the opportunities the IF program has offered me, especially during the field trips.

Thank you Sir, for having made all this possible  
Respectfully yours  
[NDU International Fellow]

## Introduction

The National Defense University, located at Fort Lesley J. McNair, Washington, D.C., is composed of four colleges, an institute and three centers:

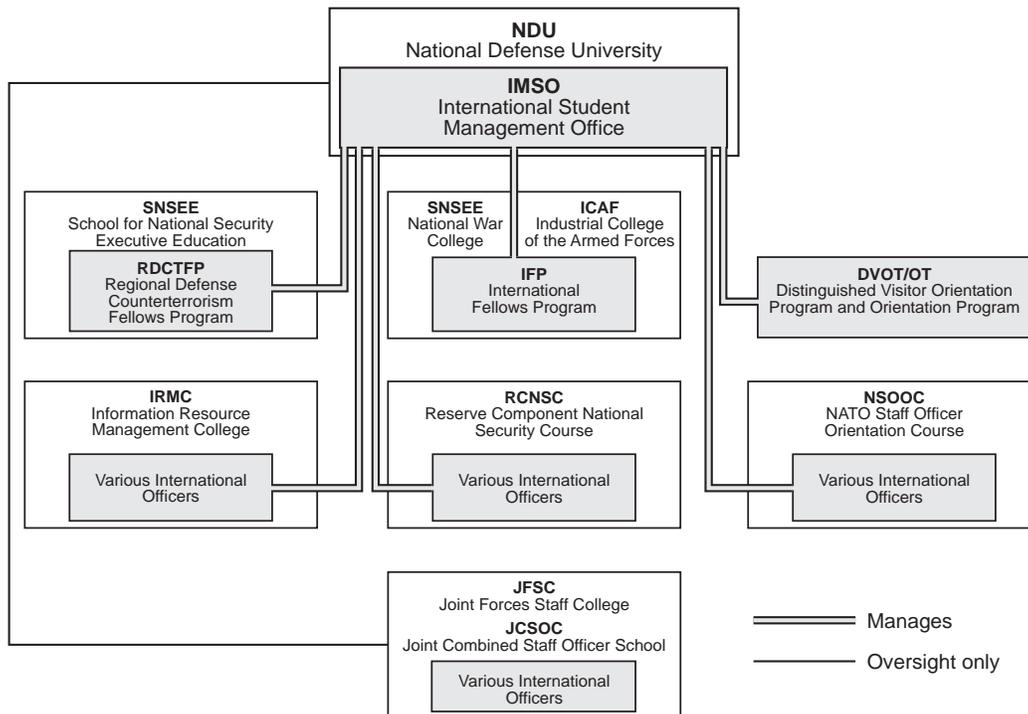
- Industrial College of the Armed Forces;
- National War College;
- Joint Forces Staff College;
- Information Resources Management College;
- Institute for National Strategic Studies;
- Center for Hemispheric Defense Studies;
- Near East South Asia Center and;
- Africa Center for Strategic Studies.

The National Defense University has been the venue for the formation of countless lasting relationships, among members of foreign militaries and their U.S. counterparts. National Defense University has supported security assistance training programs since 1981. National Defense University educates through teaching, research and outreach, while building human relationships, promoting understanding and building rapport between individuals in the military and civil services and individuals from the U.S. and from nations around the globe. Thus making it an ideal setting for security assistance activities.



**As of June 2003, NDU's current President.**

### National Defense University Organizational Chart



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The National Defense University, situated on historic Fort Leslie J. McNair in Washington D.C., was established in 1976 under the direction of Joint Chiefs of Staff as the highest level of joint military education in the United States. The principal components of the University at that time were the National War College (NWC) and the Industrial College of the Armed Forces. Since 1976 The National Defense University has grown to include:

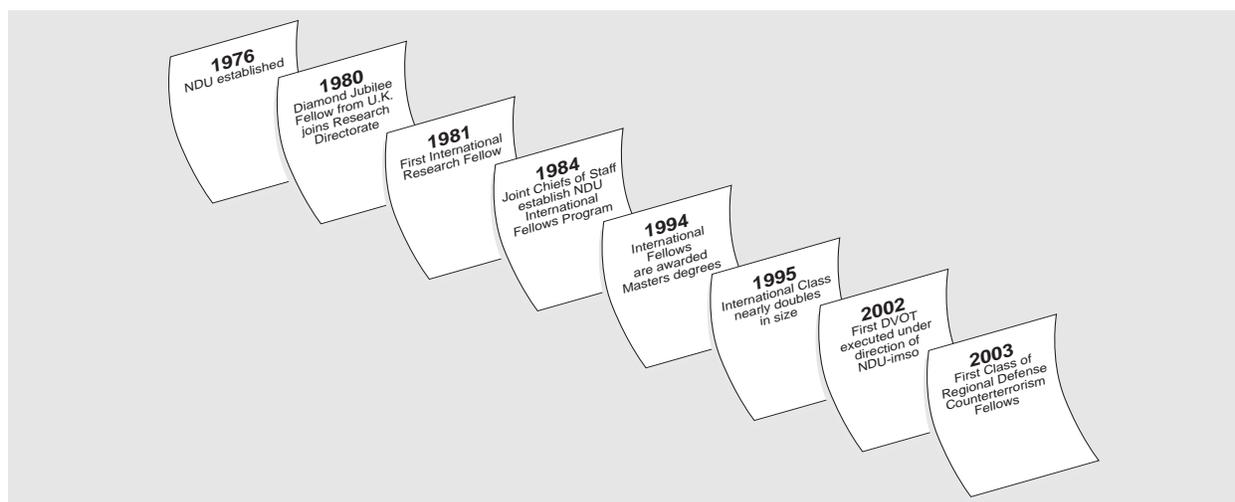
- A dozen accredited graduate programs;
- Research institutes in national security strategy;
- National military strategy;
- National resource strategy;
- Joint multinational operations;
- Information strategies and operations;
- Resource management;
- Acquisition and regional defense, and;
- Security studies.

### **History of the International Programs at National Defense University**

Given current events around the world a contingent of International Fellows provides an immense laboratory for the U.S. policy makers.

In 1980 the NDU Research Directorate welcomed their first international student, a Diamond Jubilee Fellow from the United Kingdom. The following year they sponsored the first NDU International Research Fellow, a Brazilian Navy Captain who also held a faculty position at the Inter-American Defense College. His experience at NDU was used to verify the feasibility of the International Research Fellows Program. The inclusion of International Research Fellows at the Research Directorate continued until 1984 when the program evolved into something more formal. *The NDU Annual Report of the 1983-1984 Academic Year* discussed this evolution stating that:

This will involve a change in emphasis from a focus on research to a one-year academic fellowship program. The report stated that this approach would provide the Fellows an opportunity to participate in selected phases of the core curriculum of both the National War College and the Industrial College of Armed Forces and in selected elective courses. The report also emphasized that the new International Fellows Program would involve participation in extensive travel within the U.S. to visit military, cultural and industrial locations.



**Timeline of Security Assistance Events at National Defense University**

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On June 8, 1984, the Joint Chiefs of Staff approved the establishment of an International Fellows Program at NDU. The initial course was held as a pilot program with six countries participating. The reaction among students and faculty was positive with over 85 per cent of those surveyed supporting attendance by international officers. By 1988 the International Fellows were fully integrated into the NDU program including enrollment in either the National War College or the Industrial College of the Armed Forces. The Program emphasized a broad based curriculum at the colleges, supplemented by a wide-range of cultural experiences throughout the U.S. in order to enhance their varied perceptions on international and domestic issues. International Fellows were awarded master's degrees for the first time in 1994.



The International Fellows Program exists to provide professional military education to senior military officer and defense officials from friendly nations. A second objective of the program is to provide the Fellows the opportunity to learn about the U.S. firsthand and to foster understanding between Americans and their international counterparts in promoting national security and assuring peace.

#### **International Fellows Program Objectives**

- To prepare future leaders of the Armed Forces and civilian agencies for high-level policy, command, and staff responsibilities.
- To provide an understanding of factors and considerations that shape the United States security policy and strategy.
- To develop firsthand knowledge of the social, political, and economic factors that shape U.S. institutions.
- To further develop the professional qualifications of the International Fellow.

### **International Fellows Program**

The International Fellows Program come from nations around the world and attend NDU principally as part of the U.S. engagement strategy. The Fellows Program has three main components: the Summer Academic Program, the Academic Program and the Field Study Program.

#### **Summer Academic Program**

The goal of the Summer Academic Program is to get the Fellow and family settled so that he or she is able to concentrate on academics when school begins in August. The summer program begins mid-June and ends in mid-August. The first few days are devoted mainly to in processing and briefings to help the Fellow get settled in the Washington D.C. metropolitan area. During

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these weeks of summer, there are several tours of the local area, as well as picnics and other social gatherings. Families are included in most of the orientation events. There are also overview briefings from many NDU organizations, as well as several days of computer training and effective writing in English classes.

### **Academic Program**

Academic classes begin mid-August. Fellows are assigned to either the National War College or ICAF for academic purposes. Fellows are assigned to a seminar that consists of U.S. military officers from all services as well as civilian students from various government agencies. Fellows participate in the full curriculum and are treated exactly the same as every other student at NDU. Fellows must arrive fully qualified in the English language, as the University does not provide remedial language support.

### **Field Study and Information Programs**

I want you to show them the U.S. warts and all.  
General Colin Powell

The Field Study and Information Program (IP) is a travel study program with the aim of taking the international students out of Washington D.C. to learn about the diversity of the United States. All international students at NDU are welcome to participate in IP events. The International Fellows Program as well as the newly organized Regional Defense Counterterrorism Fellows Program support more robust travel study programs usually consisting of one field study per month to different regions of the country. The field studies include visits to private homes, industry, cultural exhibits, farms, schools, sporting events, civic activities and historical points of interest.

Field studies are conducted with frank explanation and free discussion of the following:

- U.S. Government Structure;
- U.S. Judicial System;
- U.S. Political Party System;
- Role of a Free Press and other Communication Media;
- History of Ethnic Groups in the U.S.;
- Purpose and Scope of Labor Unions;
- U.S. Economic System;
- U.S. Educational Institutions;
- The American Family and Community Life Including Religious Institutions;
- Environmental Protection, and;
- Public and Social Welfare.

The following are student responses to questions regarding what they learned or requests to share some thoughts and ideas that they had about the U.S. that were changed or re-enforced as a result of a particular field study.

- The size of the USA, the variety of culture and ethos across it, and the genuine warmth of the welcome; all were reinforced . . . I learned about people; what they think and why. This applies both to the people of the U.S. and internally amongst the International Fellows.
- This field study changed my previous experience of the U.S. . . . the sheer size of the U.S. I am looking forward to visiting different regions . . . what is the same? What is different?
- The U.S., the people and their land are very different and interesting as well. This big huge country has so many facets, it is impressive.
- Now I know that the people here are not as self-centered as I thought . . . and that the United States is really a big country in every respect.

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- Having visited Texas, California, Kansas and Missouri before, I was expecting Montana to be almost like those states. It is not. That is what I surprisingly learned. Every state here is a country by itself.

- The most important thing I have seen in the U.S. is that all the highways are in good condition. Without good highways you cannot have progress.

- I learned that friendship is the most important everywhere you go.

The International Fellows Program has proven results. The network of international military leaders staying connected like a fraternity capitalizes on the special relationships forged while in the U.S. The free flow of information among the Fellows may be the key to future problem solving in the advent of international conflict.

Quoted from a letter sent to U.S. Senator Max Bachus by Mr. Doug Averill a member of the Defense Orientation Conference Association and the host of the Montana Field Study.

International Fellows are selected by their countries based on an invitation list developed and coordinated between NDU, the services, the overseas Regional Commanders and the Joint Staff.

One of the first things I hope you will take away is the importance of those International Fellows who have been recognized, and are sitting among you now. The ties you have formed over the year will hold for years to come as we wrestle with new and unforeseen challenges to peace and prosperity. Leadership expert John Maxwell said, nothing of significance was ever achieved by an individual acting alone. He is absolutely right. Over sixty countries have contributed in meaningful ways to our war on terrorism. It must continue to be an international team effort if we are going to be successful. To the International Fellows: I hope you carry with you not only the friendships and memories, and maybe the bruises from the athletic field, but also an expanded understanding of national security, including the complex interactions required to implement strategy. The lessons you learned here apply to your countries as well as the United States.

General Richard B. Myers,  
Chairman Joint Chiefs of Staff NDU Graduation Address,  
June 10, 2003

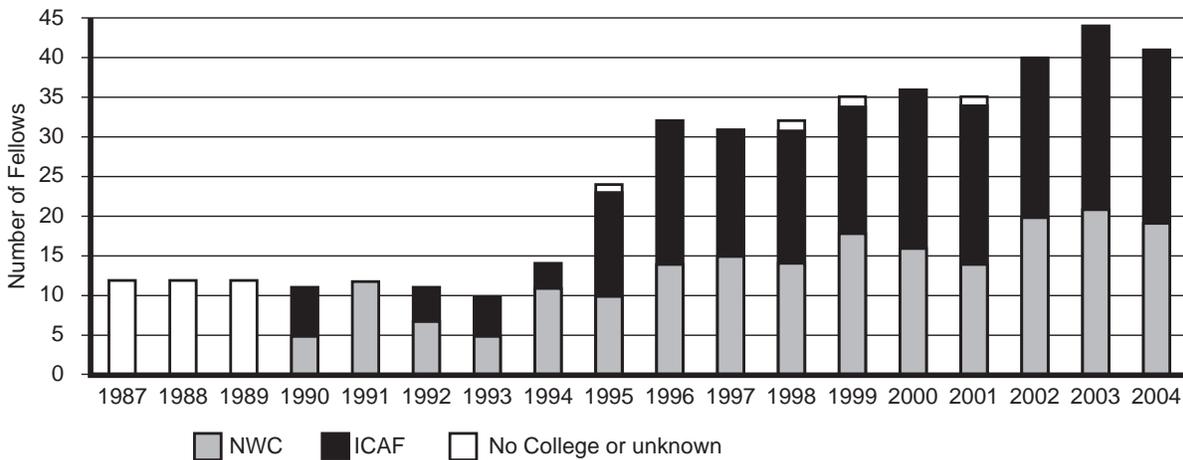


**The International Fellows Class of 2004 march in a ceremonial procession of honor with the Blackfoot Indian tribe of Montana at the North American Indian Days Celebration.**

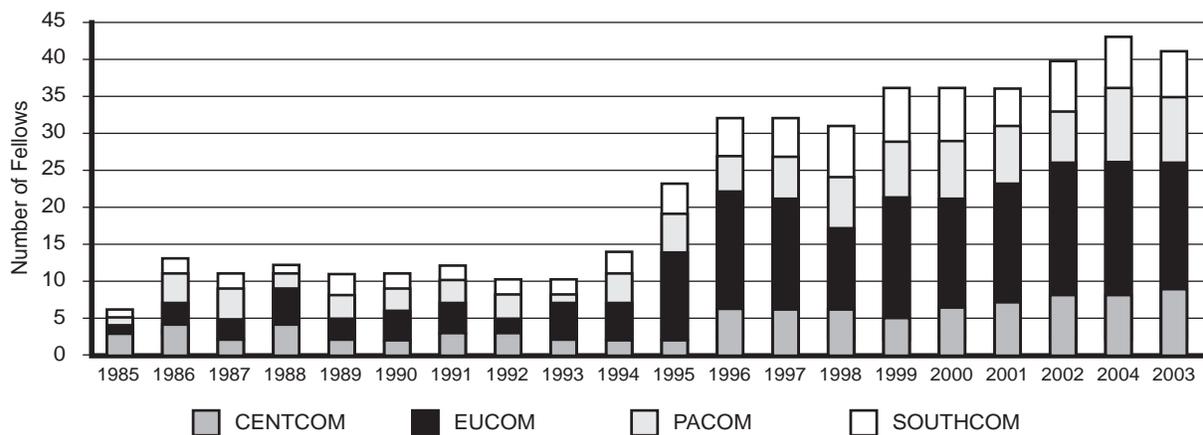


The International Fellows are selected by their countries based on an invitation list developed and coordinated between National Defense University, the services, and overseas Regional Commanders and the Joint Staff.

**Yearly Distribution of International Fellows by College Education**



**Yearly Distribution of International Fellows by Regional Command**



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## **The International Fellows Program Hall of Fame**

The International Fellows Program Hall of Fame was instituted in the year 2000 to honor graduates of the program who, after completing their studies at the NDU, achieved particular distinction in the armed forces and governments of their own countries, or in multinational forces and organizations.

Eligibility for induction into the Hall of Fame is based on the International Fellows having attained the highest levels of service in their countries' equivalent of the Chairman of the Joint Chiefs of Staff or service chief, or a member of their cabinet equal to Secretary of Defense or State or the Secretary of a military service in the United States. Another qualifying achievement is service at a comparable level of responsibility in a multinational force or organization. A key standard in assessing achievement is indication of enduring military, diplomatic, or humanitarian contribution to international peace and stability.

### **Current Members of the Hall of Fame**

General Lojas Fodor, Commander, Hungarian Defense Forces and Chief of Defense Staff, Hungary, NWC Class of 1996;

Air Vice Marshal Mohammed Mahfoudh Al-Ardi, Commander, Royal Air Force, Oman, NWC Class of 1992;

General Dat Seri Ismail bin Hassan, Chief of Army, Malaysia, 1997, NWC Class of 1987;

General Carlos Maria Zabala, Chief of Armed Forces, Joint Staff, Argentina, NWC Class of 1987;

Lieutenant General Czeslaw Piatas, Chief of the General Staff of the Polish Armed Forces, NWC Class of 1999;

Admiral Christopher Barrie, Chief of Defense Forces, Australia, NWC Class of 1987;

Lieutenant General Edward Pietrzyk, Commander-in-Chief of the Polish Land Forces, NWC Class of 1998;

General Carlos Alberto Ospina Ovalle, Commander, Colombian Army, NWC Class of 1994;

Lieutenant General Ryszard Olszewski, Chief of Air and Air Defense Forces Poland, NWC Class of 2001.

### **Where We are Now and the Road Ahead**

The International Fellows Program has proven not to be a one-way program. International students have contributed significantly to the understanding of their countries during seminars and other interactions with U.S. As a result the colleges have encouraged equitable distribution of international students requesting at least one International Fellow in each seminar or committee. This mindset has contributed to the exploding growth of the program. In the last decade the number of International Fellows has increased four fold. It is projected for 2004 that the National War College will have two students for each of the fifteen seminars bringing the International Fellows class up to greater than fifty Fellows.



The growth of the Fellows program as well as the addition of several new security assistance Programs has resulted in the creation of the International Student Management Office (ISMO). All security assistance programs have been consolidated into what used to be known as the International Fellows Program Office. This consolidation has allowed for a larger and more

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efficient staff, a more effective Information Program and sustained superior support for each international student. As a part of its new mission ISMO is responsible for the administration and management of all international students at NDU. ISMO is also responsible for information and field study programs, as well as coordinating closely with the regional centers and INSS to encourage cross-flow of information through participation in seminars and receptions.

**About the Author**

Laureen Reagan is the International Fellows Program Specialist for the International Student Management Office at the National Defense University. She has been with the National Defense University for two years. She has a Bachelors degree from Brigham Young University, Provo, Utah, where she studied Socio-cultural Anthropology and Microbiology with an emphasis in African Studies. From 1999 through 2000 she participated in the Boren Scholar with the National Security Education Program.

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# Distinguished Visitor Orientation Tour and Orientation Tour Program

By  
**Yvonne Eaton**  
**National Defense University**

Since October of 2001 the International Student Management Office (IMSO) has supported the Distinguished Visitor Orientation Tour (DVOT) and Orientation Tour (OT) Program. A DVOT/OT is a hand-tailored, short, intensive training program specifically designed to familiarize selected international military officers and ministry civilians to the types of training provided by U.S. security assistance International Military Education and Training (IMET), Expanded-International Military Education and Training (E-IMET), and foreign military sales (FMS) programs that can help meet their defense requirements. Men and women who currently hold, or who are destined to hold key decision-making military and ministry positions, are selected to participate. The tour is conducted in the United States. A tour is designated a DVOT when a member of the international delegation is a general flag officer or civilian equivalent.

The Distinguished Visitor Orientation Tour and Orientation Tours have traditionally been used to familiarize select international military personnel to U.S. military training and doctrine through IMET and FMS, but now these tours can be used to familiarize select international military officers and ministry civilians to security assistance Expanded-IMET courses and mobile training that can meet their country's unique civilian training requirements. Furthermore, DVOT/OT's can provide an opportunity for the officials of a country new to U.S. security assistance to come to the United States and learn first hand about U.S. security assistance, how it works and the variety of training offered. While in the United States, these officials can meet their counterparts in the Department of Defense, Department of State and other U.S. government departments and build working relationships.

The Distinguished Visitor Orientation Tour and Orientation Tours may be one of the first security assistance training programs for a new or transitioning country. Mid-level to high-level international military officers and ministry civilians of a country's new or transitioning government or military establishment often seek assistance in learning how to better manage their country's defense resources, improve civil-military relations, strengthen civilian control of the armed forces and democracy, or manage and train their armed forces. Orientation Tours provide a time-sensitive way for these officials to receive the information they need in order to develop long-range solutions to these and other issues.

## A List of Distinguished Visitor Orientation Tours

<b>Country</b>	<b>Focus of Orientation Tour</b>
Germany	U.S. Army Transformation
Egypt	U.S. Army, Navy, Air Force Training Methods
South Africa	U.S. Military and Government Inspector General Offices
Slovenia	Department of Defense Personnel
Russia	IMET, E-IMET and PME Re-orientation
South Africa	Finance and HR Training of New Commissioned Officers
Argentina	Professional Military Education
Azerbaijan	New Country Security Assistance Training Orientation
Hungary	New Ministry of Defense's Orientation to U.S. Security Assistance
Mongolia	Inspector General and Auditing

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For U.S. foreign policy, U.S. security assistance DOVT/OT's serve to initiate, if not strengthen and deepen friendly relations with international militaries and civilian governments through direct and continued access to U.S. military training facilities and U.S. government departments through the U.S. security assistance training program.

Distinguished Visitor Orientation Tour and Orientation Tour consists of visits to military training facilities, schools and government agencies where the relevant expertise resides. The briefings are thorough, interactive, and informative with opportunities to observe dynamic training first-hand. The tour itineraries are generally intensive and travel may cover much of the geographic United States. A typical tour may involve approximately ten visits in fourteen days. During the tour, delegates are exposed to the American people, culture and landscape through Informational Programs.

Orientation Tours can last from one to two weeks, and are limited to no more than five DVOT participants or seven Orientation Tour participants excluding a U.S. escort officer and translators. Orientation Tours can be funded by IMET, FMS or other sources.

Requests for Orientation Tours are made by the interested countries' Security Assistance Office, Office of Defense Cooperation, U.S. Defense Attaché or foreign ministry of defense. The Orientation Tour request is programmed through the U.S. Army Security Assistance Training Field Activity and executed by the National Defense University, Fort McNair, Washington D.C.

#### **About the Author**

Yvonne D. Eaton is the U.S. Security Assistance Distinguished Visitors Orientation Tours/Orientation Tours Program Manager at the National Defense University. She has a B.A. from San Francisco State University, a Master's from Dartmouth College and from the University of Denver and a certificate from Cambridge University. She has worked as a political analyst and a human rights researcher; resettlement coordinator for war-displaced and repatriated persons and teacher of English as a second language and U.S. studies to non-Americans.

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# Regional Defense Counterterrorism Fellows Program

By  
**Sara Bette Franken**  
**National Defense University**

We are creating a coalition to go after terrorism. We are asking the United Nations and every other organization you can think of . . . to join us once and for all in a great coalition to conduct a campaign against terrorists who are conducting war against civilized people.

Colin Powell September 2001

The Regional Defense Counterterrorism Fellowship Program (RDCTF) was established by the U.S. Congress in 2002 to assist our friends and allies in their efforts in the war on terror by providing training and education for counterterrorism activities. The Regional Defense Counterterrorism Fellowship Program enables the United States Department of Defense to assist key countries in the war on terrorism by providing training and education for counterterrorism activities. The RDCTF program allows the U.S. military through the Assistant Secretary of Defense Special Operations and Low Intensity Conflict (ASDSO/LIC) to work with countries of critical importance to the war on terrorism providing non lethal counterterrorism education and training that will have a direct impact on the long term capabilities and the capacity of our friends and allies. Specifically the counter terrorism fellowship will be used to bolster the capacity of friendly foreign nations to detect, monitor, and interdict or disrupt the activities of terrorist networks.

Regional combatant commands recommend (via the Joint Staff) individuals for consideration. ASDSO/LIC oversees the creation of a mixture of mobile and resident institutional courses tailored to meet defined goals and to the specific need of key countries, and which will advance broader U.S. government counterterrorism objectives. Key senior and mid-level military officials are given the tools to effectively build, manage, and sustain counterterrorism programs. All candidates are thoroughly vetted consistent with legal requirements regarding human rights issues.

Special Operations and Low Intensity Conflict looks to the National Defense University (NDU) School for National Security Executive Education (SNSEE) as the centerpiece of its Counterterrorism Fellowship Program. The School for National Security Executive Education's Counterterrorism Fellowship academic program puts international counterterrorism specialists in graduate seminars with American students from throughout the national capital region, representing the military services, Department of Defense agencies, executive departments, and Congressional staffs. Participants in these, multi-service, multi-agency, multi-national classrooms encounter real world obstacles to jointness in a combined policy setting. As they develop strategies and insights to cope with those challenges they develop the leadership skills for a 21st century war that knows no middle ground between parochial failure and joint victory. In keeping with the National Defense University tradition, each SNSEE seminar is oriented from the strategic level where shared purpose gives focus to disparate viewpoints.

The educational experience is further enriched for counterterrorism fellows, who participate in focused week long programs delivered by SNSEE's RDCTF partners



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from the Defense Institute for International Legal Studies (DIILS), the Joint Special Operations University (JSOU), and the National Interagency Civil-Military Institute (NICI). This exposure across the SO/LIC counterterrorism community, paired with SNSEE's joint academic seminars, gives counterterrorism fellows a solid grounding in the practical and well as the intellectual side of the war on terrorism. Students take four courses per semester, one of which is an elective. Successful completion of the program earns an NDU Counterterrorism Fellowship Certificate in National Security Studies. Students whose academic background, English language skills, and academic performance meet NDU standards may also receive up to twenty-four graduate credits.

### **Information Resource Management College-Advanced Management Program**

Every year an increasing number of international officers attend the Advanced Management Program (AMP) at the Information Resource Management College (IRMC). AMP is a fourteen-week graduate-level program that provides information resource managers with an integrated understanding of policies, legislation, and recent acquisition reforms. Graduates are able to form effective managerial partnerships to effectively justify, allocate, and apply information resources to mission requirements in compliance with regulatory, policy, and ethical standards.

### **North Atlantic Treaty Organization Staff Officer Orientation Course**

One international student per course or about six students per year attend the North Atlantic Treaty Organization (NATO) Staff Officer Orientation course (NSOOC). This is a two-week resident course with a two-phased approach. The first phase consists of intensive instruction in the following subject areas:

- The Washington Treaty;
- NATO Headquarters Organization;
- The NATO Integrated Military Command Structure;
- Logistics and Standardization;
- The Alliance's Strategic Concept; and
- The NATO Staff Environment.

The second phase provides a unique opportunity for discussion with senior U.S., allied, and Partnership for Peace guest speakers, including representatives from the Joint Staff, Office of Secretary of Defense, Department of State, the intelligence community, capitol hill, military attachés, senior flag and general officers and diplomats with current or recent NATO experience.

The North Atlantic Treaty Organization Staff Officer Orientation course's two-week program is designed specifically for U.S. field grade officers en route to NATO assignments. The objective of the course is to enable the staff officer to become immediately effective in the NATO staff environment. The course is also open to officers; senior non-commissioned officers and civilians assigned to the Department of Defense or other U.S. government agencies dealing with issues related to NATO and/or European security. The student becomes conversant with NATO terminology; NATO organization and functions; political, economic, and intercultural aspects of the alliance; and international staff work.

### **Reserve Component National Security Course**

Every year two to three international students attend the Reserve Component National Security Course (RCNSC) at NDU. This course is conducted for senior officers of the reserve components, selected civilians who work in the field of mobilization preparedness, and reserve officers selected from foreign military services. The course is a synthesis of educational components from the National War College, Industrial College of the Armed Forces, Institute for National Strategic Studies, Joint Forces Staff College, and Information Resources Management College. The course aims at increasing the student's awareness of the national security process.

The curriculum consists of lectures, seminars, and presentations dealing with national security policy and defense resource management, presented by faculty members of the National Defense

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University and distinguished guest speakers. Emphasis is placed on national and world environments and their influence on national security, including political factors, economic conditions and trends, resources, force management, and information management.

**About the Author**

Sara M. Franken, formerly the Chief of the International Student Office at the U.S. Army, John F. Kennedy Special Warfare Center and School, Fort Bragg North Carolina, brings over fourteen years experience in international military training to the RDCT program.

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# Having Fun and Making Friends in an International Environment

By  
**Robert J. Hoffer**  
National Defense University

## Introduction

The very popular and highly successful English Conversation Group (ECG) was born out of a wonderful combination of necessity and opportunity during National Defense University's 1999-2000 school year. Since then, ECG has built a proud tradition of providing a venue where people come together, make friends, have fun, support one another and make a memorable year. The return on this investment of time, energy and effort has been substantial.



**Class photo of international military students.**

The English Conversation Group is a loose knit, all volunteer organization that allows the spouses and families of the International Fellows enrolled at National Defense University (NDU) the opportunity for social interaction with each other and with a small group of facilitators in a supportive, non-threatening environment. The program affords people from diverse backgrounds the chance to learn from and about one another while getting to know each other as people through general conversation, various team building exercises and other types of cultural exchange. This two-way conduit of open communication is based on mutual respect, honesty, trust, camaraderie and friendship.

Prior to the establishment of English Conversation Group, the major hole in the International Fellows Program had been the fact that there were very little organized activities for the families once they were settled in country. This left the spouses of the international officers



**International friendships are some of the benefits of international class studies and international English Conversation Group participation.**

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far away from home, separated from their family and friends, to learn about life in America by day time television. A bored, lonely and unhappy spouse is not good in any culture.

The building blocks for the solution to this problem are already in place. We are surrounded by the top people from around the world; in an idyllic setting at Fort McNair, outside the gate is Washington, D.C., one of the most exciting cities on the planet. Putting all of this together through English Conversation Group empowers people to get involved, enjoy themselves and make the most of their time.

The English Conversation Group is not an English as a second language class. For the spouses of the International Fellows students, the English Conversation Group is a safe and comfortable environment where they can practice and polish their American-English language skills, while forming a true and positive impression of the United States. For the Americans, it is a golden opportunity to make friends, have fun and see their country through new eyes. All participants have the chance to learn about one another's countries, customs, families, dress, foods, holiday traditions and so forth. This kind of interaction opens doors of communication, tears down walls of misunderstanding and builds bridges of friendship.



**International students with their wives at an English Conversation Group social function.**

### **Just Who are These Guys Anyway?**

The National Defense University is the top school of its kind in the world. The international students are attending NDU at the invitation of the Chairman, Joint Chiefs of Staff. They are invited to come to the United States along with their families to learn about America, wars and all.

The International Fellows are selected to come to the National Defense University because they are the top performers from their various countries and are being groomed for very high-level positions within their governments. We can expect to read in the newspaper someday that one of them was named Chief of Staff of their armed forces or to some other top job within their government. In fact, it would not be surprising to learn that a member of English Conversation Group went on to become First Lady of her country.

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## The Hard Working Volunteer Facilitators

All English Conversation Group facilitators are volunteers. They are recruited from the National War College Spouse Club (NWCSC), the Industrial College of the Armed Forces Spouse Club (ICAFSC) as well as National Defense University faculty and staff. Facilitators are expected to diplomatically discuss and answer questions on a wide range of subjects. Topics include but, are not limited too, questions on American-English pronunciation, commonly used idioms and slang as well as current events, holiday traditions, and the always complex and the usually hard to explain American lifestyle.



**An English Conversation Group facilitator with a group of International Students.**

Working as a facilitator is a very real commitment. The mental gymnastics that are sometimes involved can make participation an intellectually challenging as well as immensely rewarding undertaking. The English Conversation Group is a lot of fun, a terrific way to make some interesting new friends and a great way to learn a little bit about yourself, your country and the world around you.

### How the English Conversation Group is Organized

The English Conversation Group does not have a president, secretary or any officers at all, nor do we follow *Roberts Rules of Order* to run the meetings. Using no titles, or rank, all participants are equal. English Conversation Group meetings are held on a weekly basis in an informal and collegial atmosphere. Sufficient notice is given for special events such as guest speakers, offsite tours and various other exciting activities.

The group is all-inclusive and the meetings are run in a manner that allows everybody equal access to the floor. Sharing observations on cooking, eating, shopping, the weather, getting around town, tourist highlights, religious, secular, and family holiday traditions are all highly acceptable topics of conversation.

### Setting the Agenda

Each new English Conversation Group class develops its own personality, which sets both the pace and the agenda. Nothing about the program is cut in stone. It has been changing, evolving and reinventing itself since inception. English Conversation Group is a diverse group of talented, intelligent, interesting and highly motivated people with an extremely wide range of life

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experiences. Drawing on this reservoir and capitalizing on new ideas whenever they are suggested is a proven formula for stimulating involvement. Not every idea is doable nor will they all work out one-hundred percent of the time. But, we are not afraid to try new things. Is English Conversation Group stodgy and inflexible? Never! Is it new and improved? Yes, always!



**English Conversation Group facilitators and International students participating in group activities shown above and study groups shown below.**



The program starts in September, soon after the children go back to school. The first meetings are icebreakers. My name is, I am from, I am a person with a family, job, hobbies, interests, etcetera. As soon as possible, we start team building by encouraging car-pooling and do an offsite to learn how to use public transportation. We learn to work together in small groups by devoting an entire program to trying to understand the complexities of American-English idioms (this is more difficult for the facilitators than it may seem). Some early just for fun team building activities like a bowling offsite have also been very popular.

Each and every participant is strongly encouraged to step forward and get involved and lead the conversation group by making a presentation. Presentations are a great way to build a sense of ownership in English Conversation Group. The first presentations of the class year center on

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explanations and discussions of holiday traditions like Halloween, Thanksgiving, Ramadan, Hanukkah, and Christmas. Country briefings have proven to be extremely popular and are brought in to the mix during the second semester.



**International student sharing information about her country with the English Conversation Group.**

**International students and their families participating in a tour around Washington, D.C.**



### **Why Does the English Conversation Group Work?**

The English Conversation Group is a successful program for three reasons. First and foremost is the support and participation of the spouses of National Defense University senior officers. This support is a force multiplier that gives the program a tremendous boost in credibility, opens doors of opportunity and provides the catalyst that makes things happen.

Second is the input of the facilitators. They are an essential component to this success story. The facilitators join the group out of a sense of pride and patriotism as well as a desire to get involved. They also put a face on the Americans for the International Fellows.

Third is the overwhelming acceptance of the English Conversation Program by the international spouses. They enjoy taking advantage of the chance to represent their country,

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culture, heritage and family and leave a lasting positive impression on people from around the world.

A year in the National Defense University environment is a profoundly positive, life changing experience. It is the proverbial golden opportunity. English Conversation Group gives the participants the chance to get involved, play a part and take full advantage of the opportunities that are available.

### **Conclusion**

The National Defense University has a rich history of successful experiences training individuals from militaries and governments of nations around the globe. As we continue to invite international students to study within these walls; they will continue to serve as representatives of their nations and will remain friends and allies with whom we can rely on in the future.

Our team at the International Student Management Office of National Defense University and those of us who work in the training activities of security assistance are familiar with the great efforts that go into assisting other nations one person at a time. We often struggle to not only quantify but to qualify the results of our efforts. As we sift through numbers and facts and create reports we are reminded of the words we heard an international student say, or the relationships we watched form and blossom. We remember spouses from opposite sides of the globe who formed tight bonds and supported each other in their families' joys and trials in a foreign land and the children who learned English better than their parents. Most importantly we think of the minds of the international students we watched grow and sometimes change. We realize that in the end we are not simply training we are winning hearts and influencing minds.

### **About the Author**

Robert J. Hoffer has been a railroad conductor for thirty years and is currently working Amtrak trains out of Washington, D.C. He is former Vice President of the National War College Spouse Club, Class of 2000 and has been involved with the English Conversation Group since inception. He has donated thousands of volunteer of hours towards this effort.

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# ***LEGISLATION AND POLICY***

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## **Conventional Arms Transfers to Developing Nations, 1995-2002**

By

**Richard F. Grimmett**

**Specialist in National Defense Foreign Affairs, Defense, and Trade Division**

[The following are extracts from the unclassified report of the *Conventional Arms Transfers to Developing Nations* as published under the above title by the Congressional Research Service (CRS) on September 22, 2003. [Tables 3 through 9D are not included in this extract.] Macro data on worldwide arms transfer agreements and deliveries are also included. The selections included herein begin with a discussion of major research findings regarding the dollar value of both arms transfer agreements and arms deliveries to the developing countries from 1995 through 2002. These findings are all cross-referenced to comparative data tables which are presented following the textual material. Special attention is given to the roles of the United States, the former Soviet Union, and China as arms suppliers, and to identification of the leading Third World arms recipient nations. The report concludes with a listing of the type and quantity of weapons delivered to developing nations by major arms suppliers in the 1995-2002 time period. Copies of the complete document are available from the Foreign Affairs and National Defense Division, Congressional Research Service, the Library of Congress, Washington DC 20540 or an electronic copy is available at <http://fpc.state.gov/documents/organization/24641.pdf>.]

### **Summary**

This report is prepared annually to provide unclassified quantitative data on conventional arms transfers to developing nations by the United States and foreign countries for the preceding eight calendar years. Some general data are provided on world wide conventional arms transfers, but the principal focus is the level of arms transfers by major weapons suppliers to nations in the developing world.

Developing nations continue to be the primary focus of foreign arms sales activity by weapons suppliers. During the years 1995-2002, the value of arms transfer agreements with developing nations comprised 66.2 percent of all such agreements worldwide. More recently, arms transfer agreements with developing nations constituted 64.6 percent of all such agreements globally from 1999-2002, and 60.6 percent of these agreements in 2002.

The value of all arms transfer agreements with developing nations in 2002 was nearly \$17.7 billion. This was an increase over 2001, but still the second lowest total, in real terms, for the entire period from 1995-2002. In 2001, the value of all arms deliveries to developing nations was nearly \$17 billion, the lowest total in deliveries values for the entire period from 1995-2002 (in constant 2002 dollars).

Recently, from 1999-2002, the United States and Russia have dominated the arms market in the developing world, with the United States ranking first and Russia second each of the last four years in the value of arms transfer agreements. From 1999-2002, the United States made \$37.8 billion in arms transfer agreements with developing nations, (in constant 2002 dollars), 41.9 percent of all such agreements. Russia, the second leading supplier during this period, made \$23 billion in arms transfer agreements, or 25.5 percent. France, the third leading supplier from 1999-2002, made \$4.8 billion or 5.3 percent of all such agreements with developing nations during these years.

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In 2002, the United States ranked first in arms transfer agreements with developing nations with nearly \$8.6 billion or 48.6 percent of these agreements. Russia was second with \$5 billion or 28.3 percent of such agreements. France ranked third with \$1 billion or 5.3 percent of such agreements. In 2002, the United States ranked first in the value of arms deliveries to developing nations at \$7 billion, or 41 percent of all such deliveries. The United Kingdom ranked second at \$3.3 billion or 19.5 percent of such deliveries. Russia ranked third at \$2.9 billion or 17.1 percent of such deliveries.

During the 1999-2002 period, China ranked first among developing nations in the value of arms transfer agreements, concluding \$11.3 billion in such agreements.

The United Arab Emirates (U.A.E.) ranked second at \$9 billion. India ranked third at \$8 billion. In 2002, China ranked first in the value of arms transfer agreements among all developing nations weapons purchasers, concluding \$3.6 billion in such agreements. South Korea ranked second with \$1.9 billion in such agreements. India ranked third with \$1.4 billion.

### **Introduction**

The data in this report illustrate how global patterns of conventional arms transfers have changed in the post-Cold War and post-Persian Gulf War years. Relationships between arms suppliers and recipients continue to evolve in response to changing political, military, and economic circumstances. Nonetheless, the developing world continues to be the primary focus of foreign arms sales activity by conventional weapons suppliers. During the period of this report, 1995-2002, conventional arms transfer agreements (which represent orders for future delivery) to developing nations have comprised 66.2 percent of the value of all international arms transfer agreements. The portion of agreements with developing countries constituted 64.6 percent of all agreements globally from 1999-2002. In 2002, arms transfer agreements with developing countries accounted for 60.6 percent of the value of all such agreements globally. Deliveries of conventional arms to developing nations, from 1999-2002, constituted 68.3 percent of all international arms deliveries. In 2002, arms deliveries to developing nations constituted 66.7 percent of the value of all such arms deliveries worldwide.

The data in this new report supercede all data published in previous editions. Since these new data for 1995-2002 reflect potentially significant updates to and revisions in the underlying databases utilized for this report, only the data in this most recent edition should be used. The data are expressed in U.S. dollars for the calendar years indicated, and adjusted for inflation. United States commercially licensed arms exports are incorporated in the main delivery data tables, and noted separately. Excluded are arms transfers by any supplier to subnational groups.

### **Calendar Year Data Used**

All arms transfer and arms delivery data in this report are for the calendar year or calendar year period given. This applies to both U.S. and foreign data alike. United States government departments and agencies publish data on U.S. arms transfers and deliveries but generally use the United States fiscal year as the computational time period for these data. (A U.S. fiscal year covers the period from October 1 through September 30). As a consequence, there are likely to be distinct differences noted in those published totals using a fiscal year basis and those provided in this report which use a calendar year basis for its figures. Details regarding data used are outlined in footnotes at the bottom of Tables 1, and 2.

### **Constant 2002 Dollars**

Throughout this report values of arms transfer agreements and values of arms deliveries for all suppliers are expressed in U.S. dollars. Values for any given year generally reflect the exchange rates that prevailed during that specific year. In many instances, the report converts these dollar amounts (current dollars) into constant 2002 dollars. Although this helps to eliminate the distorting effects of U.S. inflation to permit a more accurate comparison of various dollar levels over time, the effects of fluctuating exchange rates are not neutralized. The deflators used for the constant dollar calculations in this report are those provided by the U.S. Department of

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Defense and are set out at the bottom of Tables 1, and 2. Unless otherwise noted in the report, all dollar values are stated in constant terms. Because all regional data tables are composed of four-year aggregate dollar totals (1995-1998 and 1999-2002), they must be expressed in current dollar terms. Where tables rank leading arms suppliers to developing nations or leading developing nation recipients using four-year aggregate dollar totals, these values are expressed in current dollars.

### **Definition of Developing Nations and Regions**

As used in this report, the developing nations category includes all countries except the United States, Russia, European nations, Canada, Japan, Australia, and New Zealand. A listing of countries located in the regions defined for the purpose of this analysis Asia, Near East, Latin America, and Africa is provided at the end of the report.

### **Arms Transfer Values**

The values of arms transfer agreements (or deliveries) in this report refer to the total values of arms orders (or deliveries as the case may be) which include all categories of weapons and ammunition, military spare parts, military construction, military assistance and training programs, and all associated services.

## **Major Findings**

### **General Trends in Arms Transfers Worldwide**

The value of all arms transfer agreements worldwide (to both developed and developing nations) in 2002 was nearly \$29.2 billion. This is a decrease in arms agreements values over 2001, and is the second consecutive year that total arms agreements have declined (Chart 1).

In 2002, the United States led in arms transfer agreements worldwide, making agreements valued at nearly \$13.3 billion (45.5 percent of all such agreements), up from \$12.1 billion in 2001. Russia ranked second with \$5.7 billion in agreements (19.5 percent of these agreements globally), a nominal increase over 2001. Ukraine ranked third, its arms transfer agreements worldwide standing at \$1.6 billion in 2002. The United States and Russia collectively made agreements in 2002 valued at nearly \$19 billion, 65 percent of all international arms transfer agreements made by all suppliers (Figure 1)(Tables 8A, 8B, and 8D, not shown in this report).

For the period 1999-2002, the total value of all international arms transfer agreements (about \$139.8 billion) was notably higher than the worldwide value during 1995-1998 (\$123.3 billion), an increase of 13.4 percent. During the period 1995-1998, developing world nations accounted for 68 percent of the value of all arms transfer agreements made worldwide. During 1999-2002, developing world nations accounted for 64.6 percent of all arms transfer agreements made globally. In 2002, developing nations accounted for 60.6 percent of all arms transfer agreements made worldwide (Figure 1)(Table 8A, not shown in this report).

In 2002, the United States ranked first in the value of all arms deliveries worldwide, making \$10.2 billion in such deliveries or 40.3 percent. This is the eighth year in a row that the United States has led in global arms deliveries, reflecting, in particular, implementation of arms transfer agreements made during and in the aftermath of the Persian Gulf War. The United Kingdom ranked second in worldwide arms deliveries in 2002, making \$4.7 billion in such deliveries. Russia ranked third in 2002, making \$3.1 billion in such deliveries. These top three suppliers of arms in 2002 collectively delivered over \$18 billion, 70.9 percent of all arms delivered worldwide by all suppliers in that year. (Figure 2)(Tables 9A, 9B and 9D, not shown in this report).

The value of all international arms deliveries in 2002 was \$25.4 billion. This is a decrease in the total value of arms deliveries from the previous year (nearly \$27 billion), and by far the lowest total for the eight years covered by this report. The total value of such arms deliveries worldwide in 1999-2002 (\$130.9 billion) was a substantial decrease in the value of arms deliveries by all suppliers worldwide from 1995-1998 (\$179.4 billion). (Figure 2)(Charts 7 and 8).

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Developing nations from 1999-2002 accounted for 68.3 percent of the value of all international arms deliveries. In the earlier period, 1995-1998, developing nations accounted for 73 percent of the value of all arms deliveries worldwide. In 2002, developing nations collectively accounted for 66.7 percent of the value of all international arms deliveries (Figure 2).

Most recently, many developing nations have curtailed their expenditures on weaponry primarily due to their limited financial resources. This has only served to intensify competition among major arms suppliers for available arms contracts. Given the tenuous state of the global economy, even some prospective arms purchasers with significant financial resources have been cautious in making major new weapons purchases. To meet their military requirements, in current circumstances, a number of developing nations have placed a greater emphasis on upgrading existing weapons systems while deferring purchases of new and costlier ones. These countries have also, in several instances, chosen to focus on the absorption of major items previously obtained.

Developed nations have continued to seek to protect important elements of their own national military industrial bases. As a result, these nations have limited their own arms purchases from one another, with the exception of cases where they are involved in the joint production or development of specific weapons systems. The changing dynamics of the international arms marketplace has led several arms supplying nations to restructure and consolidate their defense industries due to competitive pressures. Several traditional arms supplying nations have found it necessary to join in multinational mergers or joint production ventures to maintain the viability of important elements of their national defense industrial sectors. Other arms suppliers have chosen to focus on specialized niche markets where they have a competitive advantage in the sale of a specific category of weaponry.

Many weapons exporting nations have continued to focus their sales efforts on nations and regions where they have distinct competitive advantages due to longstanding political and military relationships with the prospective buyers. Within Europe, the potential exists for a number of new arms sales to nations that were formerly part of the Warsaw Pact and are now members of NATO, or have membership in prospect. This new market for arms is currently limited by the prospective buyers lack of significant financial resources, making seller financing and/or offset arrangements key considerations in securing contracts with these nations. Competition has been strong between U.S. and European companies in pursuit of these orders, as they have the potential to partially compensate for sales losses elsewhere.

Notable new arms sales may occur with specific countries in the Near East, Asia, and Latin America in the next few years. A significant factor will be the health of the international economy. Various nations in the developed world wish to replace older military equipment. Yet the developing world as a whole has barely recovered from the Asian financial crisis of the late 1990s and the notable fluctuations in the price of crude oil in the last few years. Traditionally high profile weapons purchasers in Asia and the Near East were greatly affected by these events and consequently have been cautious in seeking new arms agreements. Economic as well as military considerations have factored heavily in their arms purchasing decisions, a circumstance likely to continue for some time.

Despite the fact that some Latin American, and to a lesser extent, African states have expressed interest in modernizing older items in their military inventories, the state of their domestic economies continues to constrain their weapons purchases. Developing nations, especially less affluent ones, continue to be most dependent on financing credits and favorable payment schedules from suppliers in order to be able to make major arms purchases. This circumstance seems likely to continue to limit major weapons orders by the less affluent nations in the developing world, while enhancing the attractiveness to sellers of arms agreements with those countries that have sufficient resources to purchase weaponry without recourse to seller-supplied credit.

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## General Trends in Arms Transfers to Developing Nations

The value of all arms transfer agreements with developing nations in 2002 was \$17.7 billion, a notable increase over the \$16.2 billion total in 2001. However, this was the second lowest annual total, in real terms, during the 8-year period from 1995-2002. (Chart 1)(Figure 1)(Table 1A). In 2002, the value of all arms deliveries to developing nations (nearly \$17 billion) was a notable decrease from the value of 2001 deliveries (\$18.2 billion), and the lowest total of the last eight years (Charts 7 and 8)(Figure 2)(Table 2A).

Recently, from 1999-2002, the United States and Russia have dominated the arms market in the developing world, with the United States ranking first each of the last four years in the value of arms transfer agreements. From 1999-2002, the United States made nearly \$37.8 billion in arms transfer agreements with developing nations, 41.8 percent of all such agreements. Russia, the second leading supplier during this period, made over \$23 billion in arms transfer agreements or 25.5 percent. France, the third leading supplier, from 1999-2002 made \$4.8 billion or 5.3 percent of all such agreements with developing nations during these years. In the earlier period (1995-1998) the United States ranked first with \$23.5 billion in arms transfer agreements with developing nations or 28 percent; Russia made \$19.1 billion in arms transfer agreements during this period or 22.7 percent. France made over \$12 billion in agreements or 14.4 percent (Table 1A).

During the period from 1995-1998, most arms transfers to developing nations were made by two to three major suppliers in any given year. The United States has ranked either first or second among these suppliers nearly every year from 1995-2002, and first every year since 1998. France has been a strong competitor for the lead in arms transfer agreements with developing nations, ranking first in 1997 and second in 1998, while Russia has ranked first in 1995, and second in 1996, 1999, 2000, 2001 and 2002. Despite France's larger traditional client base for armaments, Russia's more recent successes in securing new arms orders suggests that Russia may continue to rank higher in the value of new arms agreements than France, at least for the near term. Yet Russia has had more significant limitations in its prospective arms client base than other major suppliers. Most of Russia's largest value arms transfer agreements in recent years have been with two countries, China and India. However, the Russian government has noted that it intends to adopt more flexible credit and payment arrangements for its prospective customers in the developing world to secure more orders for its weapons.

Periodically, arms suppliers such as the United Kingdom and Germany may conclude significant orders with developing countries, based on either long-term supply relationships or their having specialized weapons systems they will readily provide. Yet, the United States continues to appear best positioned to secure new arms agreements with developing nations. New and very costly weapons purchases from individual developing countries seem likely to be limited in the near term, given the tenuous state of the international economy. Thus, the overall level of the arms trade with developing nations is likely to remain static or possibly decline in the near term despite some costly purchases made by more wealthy developing countries.

Suppliers in the tier below the United States, Russia and France, such as China, other European, and non-European suppliers, have been participants in the arms trade with developing nations at a much lower level. These suppliers are, however, capable of making an occasional arms deal of a significant nature. But most of their annual arms transfer agreements values totals during 1995-2002 are relatively low, and are based upon smaller transactions of generally less sophisticated equipment. Few of these countries seem capable of becoming major suppliers of advanced weaponry on a consistent basis ( Tables 1A, 1F, 1G, 2A, 2F and 2G).

### United States

In 2002, the total value in real terms of United States arms transfer agreements with developing nations rose notably to \$8.6 billion from \$6.7 billion in 2001. The U.S. share of the value of all such agreements was 48.6 percent in 2002, up from a 41 percent share in 2001 (Charts 1, 3 and 4)(Figure 1)(Tables 1A and 1B).

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The value of U.S. arms transfer agreements with developing nations in 2002 was primarily attributable to major purchases by key U.S. clients in the Near East and in Asia. These arms agreement totals also reflect a continuation of well established defense support arrangements with these and other purchasers worldwide. U.S. agreements with its clients in 2002 include not only some highly visible sales of major weapons systems, but also a continuation of the upgrading of existing ones. The U.S. totals also reflect agreements for a wide variety of spare parts, ammunition, ordnance, training, and support services. Among major weapons systems agreements the United States concluded in 2002 were: with Kuwait for the sale of 16 AH-64 Apache helicopters, and related equipment and support for over \$870 million; with Chile for 10 F-16 C/D combat fighter aircraft, associated equipment and support services for over \$500 million; with South Korea for 3 Aegis combat systems for its KDX-3 destroyers for over \$960 million; and, with Oman for 12 F-16 C/D fighter aircraft, munitions, and support for over \$700 million. The United States also concluded agreements for the sale of various missile systems to clients in both the Near East and Asia. Among these were agreements concluded with: Saudi Arabia for 160 AIM 120C AMRAAM missiles; the United Arab Emirates for 100 AIM-120C AMRAAM missiles; Oman for 50 AMRAAM and 20 Harpoon missiles; Israel and Egypt for Hellfire missiles; and Israel for TOW-2A missiles. South Korea concluded agreements for MK41 Vertical launch systems, SLAM land attack missiles, AGM-84L Harpoon missiles, and AIM-9X Sidewinder missiles.

It must be emphasized that, apart from weapons themselves, the sale of munitions, upgrades to existing systems, spare parts, training and support services to developing nations worldwide account for a very substantial portion of total value of U.S. arms transfer agreements. This fact reflects the large number of countries in the developing, and developed, world that have acquired and continue to utilize a wide range of American weapons systems, and have a continuing requirement to support, modify, as well as replace, these systems.

## **Russia**

The total value of Russia's arms transfer agreements with developing nations in 2002 was \$5 billion, a decline from \$5.4 billion in 2001, but it still placed second in such agreements with the developing world. Russia's share of all developing world arms transfer agreements decreased, falling from 33.3 percent in 2001 to 28.3 percent in 2002 (Charts 1, 3 and 4)(Figure 1)(Tables 1A, 1B and 1G).

Russia's arms transfer agreements totals with developing nations have been notable for the last four years. During the 1999-2002 period, Russia ranked second among all suppliers to developing countries, making \$23 billion in agreements. Russia's arms sales totals reflect its continuing efforts to overcome the effects of the significant economic and political problems stemming from the breakup of the former Soviet Union. Many of Russia's traditional arms clients are less wealthy developing nations that once received generous grant military assistance and deep discounts on arms purchases from the former Soviet Union. Following the dissolution of the Soviet Union in December 1991, Russia did not immediately resume those financing and sales practices. Russia has consistently sought to sell weapons as a means of obtaining hard currency. While some former arms clients in the developing world have continued to express interest in obtaining Russian weaponry, they have been restricted in doing so by a lack of funds to pay for the armaments they seek. Recently, Russian leaders have begun an effort to facilitate procurement of Russian weapons by providing more flexible and creative financing and payment options. Russia has also often found it necessary to agree to licensed production of its weapons systems to secure sales with its two principal clients in recent years, India and China. Such agreements with these nations have accounted for a large portion of Russia's arms transfer agreement totals since the mid-1990s, and seem likely to do so for the immediate future.

Russia's efforts to make lucrative new sales of conventional weapons to a wider customer base continue to confront significant difficulties. This is due in large measure because most potential cash-paying arms purchasers have been longstanding customers of the United States or major West European suppliers. These prospective arms buyers have proven reluctant to replace

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their weapons inventories with unfamiliar non-Western armaments when newer versions of existing equipment are readily available from their traditional Western suppliers. Russia's difficult transition from the state supported and controlled industrial system of the former Soviet Union has also led some potential arms customers to question whether Russian defense industries can be reliable suppliers of the spare parts and support services necessary for the maintenance of weapons systems they sell abroad. Furthermore, Russia has not embarked on wide-ranging military research and development programs to bring on-line new, and more advanced, major weapons systems. This places it at great disadvantage in arms markets traditionally dominated by Western weapons suppliers, who continue to expend significant financial and human resources on developing new generations of military combat equipment, and on enhancements to existing weapons systems as well.

Still Russia has had a wide variety of weaponry to sell, from the most basic to the highly sophisticated, and despite the internal problems evident in the Russian defense industrial sector, various developing countries still view Russia as a potential source of their military equipment. In late 2000, Russia served public notice that it again intended to pursue major arms sales with Iran, despite objections from the United States. Iran in the early 1990s was a primary purchaser of Russian armaments, receiving such items as MiG-29 fighter aircraft, Su-24 fighter-bombers, T-72 tanks, and Kilo class attack submarines. Recently there have been a series of on-going discussions between Iran and Russia that could result in major conventional arms orders from Iran. It should also be noted that Russia has had some success in expanding its customer base in Asia to Malaysia, and to Indonesia for combat fighter aircraft. Similar aircraft contracts have been made with Algeria and Yemen.

Despite these accomplishments, Russia's principal arms clients since 1994 have been India and China. Elements of a long range plan for procurement as well as coproduction of a number of advanced Russian weapons systems were agreed to with India in 1999, 2000, and 2001. These agreements are likely to result in significant aircraft, missile, and naval craft agreements with and deliveries to the Indian government in the years to come. One example of the results of these agreements was a deal in early 2001 with India for the procurement and licensed production of 310 T-90 main battle tanks for about \$700 million. But the centerpiece of Russia's arms exporting program has been its growing arms supplying relationship with China, which began to mature in the early to mid-1990s. Since 1996 Russia has sold China at least 72 Su-27 fighter aircraft. Subsequently, a licensed production agreement was finalized between Russia and China, permitting the Chinese to coproduce at least 200 Su-27 aircraft. Russia also sold China two Sovremenny-class destroyers, with associated missile systems, and four Kilo class attack submarines. In 1999, the Chinese purchased between 40-60 Su-30 multi-role fighter aircraft for an estimated \$2 billion, and deals for future procurement of other weapons systems were agreed to in principle. In 2001, Russia sold China about 40 Su-30 MKK fighter aircraft for over \$1.5 billion, and a number of S-300 PMU-2 SAM (SA-10) systems for \$400 million. Most notably, in 2002, Russia reached agreement with China for the purchase of eight Kilo-class project 636 submarines for \$1.6 billion. Further, order options for two additional Sovremenny-class destroyers, and for additional S300 PMU-2 SAM systems, were exercised. A variety of other contracts were reached with China for upgrades, spare parts, and support services associated with existing weapons systems previously sold by Russia. The significance of China in Russia's arms export program is very high, and seems likely to remain so for a number of years.

## **China**

China became an important arms supplier to certain developing nations in the 1980s, primarily through arms agreements with both combatants in the Iran-Iraq war. From 1995 through 2002, the value of China's arms transfer agreements with developing nations has averaged about \$1 billion annually. During the period of this report, the value of China's arms transfer agreements with developing nations peaked in 1999 at \$2.7 billion. Its sales figures that year resulted generally from several smaller valued weapons deals in Asia, Africa, and the Near East, rather than one or two especially large sales of major weapons systems. Similar arms deals with small

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scale purchasers in these regions continue. In 2002, China's arms transfer agreements total was \$300 million, its second lowest agreements total for the entire 1995-2002 period. A principal focus of China in recent years has been on a significant military procurement program, aimed at modernizing its military forces, with Russia serving as its principal supplier of advanced combat aircraft, surface combatants, air defense systems, and submarines (Tables 1A, 1G and 1H)(Chart 3).

From its arms selling apex in the late 1980s onward, few clients with financial resources have sought to purchase Chinese military equipment, much of which is less advanced and sophisticated than weaponry available from Western suppliers and Russia. China did supply Silkworm anti-ship missiles to Iran, as well as other less advanced conventional weapons. Nonetheless, China does not appear likely to be a major supplier of conventional weapons in the international arms market in the foreseeable future. More sophisticated weaponry is available from other suppliers such as Russia, or major Western weapons exporters. A noteworthy exception is missiles. Reports persist in various publications that China has sold surface-to-surface missiles to Pakistan, a long-standing client. Iran and North Korea have also reportedly received Chinese missile technology. Credible reports of this nature raise important questions about China's stated commitment to the restrictions on missile transfers set out in the Missile Technology Control Regime (MTCR), including its pledge not to assist others in building missiles that could deliver nuclear weapons. Given its continuing need for hard currency, and the fact that it has some military products (especially missiles) that some developing countries would like to acquire, China can present an important obstacle to efforts to stem proliferation of advanced missile systems to some areas of the developing world where some nations are seeking to develop asymmetric military capabilities, and where political and military tensions are significant.

### **Major West European Supplier**

The four major West European suppliers (France, United Kingdom, Germany, and Italy), as a group, registered a notable increase in their collective share of all arms transfer agreements with developing nations between 2001 and 2002. This group's share rose from 5.1 percent in 2001 to 11.9 percent in 2002. The collective value of this group's arms transfer agreements with developing nations in 2002 was \$2.1 billion compared with a total of \$832 million in 2001. Of these four, France was the leading supplier with \$1 billion in agreements in 2002, a substantial increase from \$520 million in 2001. A substantial portion of the French agreement total in 2002 was attributable to a contract with India for six Scorpene-class submarines. Germany registered arms agreements of essentially \$100 million in both 2001 and 2002. Italy increased its arms transfer agreements with the developing world from \$200 million in 2001 to \$300 million in 2002 (Charts 3 and 4)(Tables 1A and 1B).

The four major West European suppliers, collectively, held a 19.1 percent share of all arms transfer agreements with developing nations during the period from 1995-2002. During the period soon after the Persian Gulf War, the major West European suppliers generally maintained a notable share of arms transfer agreements. More recently this share has declined. For the 1999-2002 period, they collectively held 12.5 percent of all arms transfer agreements with developing nations (\$11.3 billion). Individual suppliers within the major West European group have had notable years for arms agreements, especially France in 1995 and 1997 (\$3 billion and \$5 billion respectively). The United Kingdom also had a large agreement year in 1996 (\$3.2 billion), and at least \$1 billion in 1997, 1998, and 1999. Germany concluded arms agreements totaling at least \$1 billion in 1998, 1999, and 2000, with its highest total at \$2.2 billion in 1999. For each of these three nations, large agreement totals in one year have usually reflected the conclusion of very large arms contracts with one or more major purchasers in that particular year (Tables 1A and 1B).

Major West European suppliers have traditionally had their competitive position in weapons exports enhanced by strong government marketing support for foreign arms sales. Since they can produce both advanced and basic air, ground, and naval weapons systems, the four major West European suppliers have competed successfully for arms sales contracts with developing nations against both the United States, which has tended to sell to several of the same clients, and with

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Russia, which has sold to nations not traditional customers of either the West Europeans or the U.S. The demand for U.S. weapons in the global arms marketplace, from a large established client base, has created a more difficult environment for individual West European suppliers to secure large new contracts with developing nations on a sustained basis. Consequently, some of these suppliers have begun to phase out production of certain types of weapons systems, and have increasingly sought to join joint production ventures with other key European weapons suppliers or even client countries in an effort to sustain major sectors of their individual defense industrial bases. A project such as the Eurofighter is but one major example. Other European suppliers have also adopted the strategy of cooperating in defense production ventures with the United States such as the Joint Strike fighter, to both meet their own requirements for advanced combat aircraft, and to share in profits resulting from future sales of the American fighter.

### **Regional Arms Transfer Agreements**

The Persian Gulf War from August 1990-February 1991 played a major role in further stimulating already high levels of arms transfer agreements with nations in the Near East region. The war created new demands by key purchasers such as Saudi Arabia, Kuwait, the United Arab Emirates, and other members of the Gulf Cooperation Council (GCC), for a variety of advanced weapons systems. Egypt and Israel continued their modernization and increased their weapons purchases from the United States. The Gulf states arms purchase demands were not only a response to Iraq's aggression against Kuwait, but a reflection of concerns regarding perceived threats from a potentially hostile Iran. Whether Gulf states assessments of the future threat environment, in the post-Saddam Hussein era, will lead to declines in arms purchases is not clear at this time. However, in recent years, the position of Saudi Arabia as principal arms purchaser in the Persian Gulf has begun to recede. In Asia, efforts in several countries focused on upgrading and modernizing defense forces have led to important new conventional weapons sales in that region. Since the mid-1990s, Russia has become the principal supplier of advanced conventional weaponry to China, while maintaining its position as principal arms supplier to India. Russia has also made some progress in expanding its client base in Asia with aircraft orders from Malaysia and Indonesia. The data on regional arms transfer agreements from 1995-2002 continue to reflect the primacy of developing nations in the Near East and Asia regions as customers for conventional weaponry.

#### **Near East**

The Near East has generally been the largest arms market in the developing world. Yet in 1995-1998, it accounted for 43.2 percent of the total value of all developing nations arms transfer agreements (\$30.8 billion in current dollars), ranking it second behind Asia. However, during 1999-2002, the region accounted for 42.2 percent of all such agreements (\$35.9 billion in current dollars), placing it first among developing world arms markets, albeit by a small margin (Tables 1C and 1D).

The United States dominated arms transfer agreements with the Near East during the 1995-2002 period with 60.7 percent of their total value (\$40.5 billion in current dollars). France was second during these years with 13.6 percent (\$9.1 billion in current dollars). Recently, from 1999-2002, the United States accounted for 75.8 percent of arms agreements with this region (\$27.2 billion in current dollars), while Russia accounted for 6.1 percent of the region's agreements (\$2.2 billion in current dollars) (Chart 5)(Tables 1C and 1E).

#### **Asia**

Asia has generally been the second largest developing world arms market. Yet in the earlier period (1995-1998), Asia ranked first, accounting for 44.4 percent of the total value of all arms transfer agreements with developing nations (\$31.6 billion in current dollars). During 1999-2002, the region accounted for 41.5 percent of all such agreements (\$35.3 billion in current dollars), ranking second, narrowly (Tables 1C and 1D).

In the earlier period (1995-1998), Russia ranked first in the value of arms transfer agreements with Asia with 41.4 percent. The United States ranked second with 17.2 percent. The major West

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European suppliers, as a group, made 23.1 percent of this region's agreements in 1995-1998. In the later period (1999-2002), Russia ranked first in Asian agreements with 51.1 percent, primarily due to major combat aircraft sales to India and China. The United States ranked second with 18.3 percent. The major West European suppliers, as a group, made 14.2 percent of this region's agreements in 1999-2002. (Chart 6)(Table 1E).

### **Leading Developing Nations Arms Purchasers**

China was the leading developing world arms purchaser from 1995-2002, making arms transfer agreements totaling \$17.8 billion during these years (in current dollars). In the 1995-1998 period, the United Arab Emirates ranked first in arms transfer agreements at \$7.3 billion (in current dollars). From 1999-2002, however, the total value of China's arms transfer agreements increased dramatically to \$11.3 billion (in current dollars). This increase reflects the military modernization effort by China in the 1990s, based primarily on major arms agreements with Russia. The total value of all arms transfer agreements with developing nations from 1995-2002 was \$156.3 billion in current dollars. China alone was responsible for 11.4 percent of all developing world arms transfer agreements during these eight years. In the most recent period, 1999-2002, China ranked first in arms transfer agreements with developing nations (\$11.3 billion in current dollars). The United Arab Emirates ranked second during these years (\$9 billion in current dollars). The U.A.E. from 1999-2002 accounted for 10.7 percent of the value of all developing world arms transfer agreements (\$9 billion out of \$84 billion in current dollars) (Tables 1, 1H, 1I and 1J).

The values of the arms transfer agreements of the top ten developing world recipient nations in both the 1995-1998 and 1999-2002 periods accounted for the largest portion of the total developing nations arms market. During 1995-1998, the top ten recipients collectively accounted for 62.8 percent of all developing world arms transfer agreements. During 1999-2002, the top ten recipients collectively accounted for 74.5 percent of all such agreements. Arms transfer agreements with the top ten developing world recipients, as a group, totaled \$13.4 billion in 2002 or 75.8 percent of all arms transfer agreements with developing nations in that year. This reflects the continued concentration of major arms purchases by developing nations within a few countries (Tables 1, 1I and 1J).

China ranked first among all developing world recipients in the value of arms transfer agreements in 2002, concluding \$3.6 billion in such agreements. South Korea ranked second in agreements in 2002 at \$1.9 billion. India ranked third with \$1.4 billion in agreements. Five of these top ten recipients were in the Near East region, four in Asia (Table 1J).

Saudi Arabia was the leading recipient of arms deliveries among developing world recipients in 2002, receiving \$5.2 billion in such deliveries. Saudi Arabia alone received 30.7 percent of the total value of all arms deliveries to developing nations in 2002. Egypt ranked second in arms deliveries in 2002 with \$2.1 billion. Kuwait ranked third with \$1.3 billion (Tables 2 and 2J).

Arms deliveries to the top ten developing nation recipients, as a group, were valued at \$14.6 billion, or 86.1 percent of all arms deliveries to developing nations in 2002. Five of these top ten recipients were in the Near East; five were in Asia (Tables 2 and 2J).

### **Weapons Types Recently Delivered to Near East Nations**

Regional weapons delivery data reflect the diverse sources of supply of conventional weaponry available to developing nations. Even though the United States, Russia, and the four major West European suppliers dominate in the delivery of the fourteen classes of weapons examined, it is also evident that the other European suppliers and some non-European suppliers, including China, are capable of being leading suppliers of selected types of conventional armaments to developing nations.

Weapons deliveries to the Near East, the largest purchasing region in the developing world, reflect the substantial quantities and types delivered by both major and lesser suppliers. The

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following is an illustrative summary of weapons deliveries to this region for the period 1999-2002.

**United States**

- 157 tanks and self-propelled guns
- 49 APCs and armored cars
- 68 supersonic combat aircraft
- 332 surface-to-air missiles
- 120 anti-ship missiles

**Russia**

- 60 tanks and self-propelled guns
- 220 APCs and armored cars
- 50 supersonic combat aircraft
- 30 helicopters
- 380 surface-to-air missiles
- 30 anti-ship missiles

**China**

- 40 APCs and armored cars
- 1 guided missile boat
- 50 surface-to-air-missiles
- 110 anti-ship missiles

**Major West European Suppliers**

- 330 tanks and self-propelled guns
- 30 APCs and armored cars
- 2 major surface combatants
- 8 minor surface combatant
- 8 guided missile boats
- 3 submarines
- 40 helicopters
- 160 anti-ship missiles

**All Other European Suppliers**

- 290 tanks and self-propelled guns
- 340 APCs and armored cars
- 1 major surface combatant
- 7 minor surface combatants
- 40 supersonic combat aircraft
- 280 surface-to-air missiles

**All Other Suppliers**

- 8 minor surface combatants
- 60 surface-to-surface missiles
- 10 anti-ship missiles

Large numbers of major combat systems were delivered to the Near East region from 1999-2002, specifically, tanks and self-propelled guns, armored vehicles, minor surface combatants, supersonic combat aircraft, helicopters, air defense and anti-ship missiles. The United States made significant deliveries of supersonic combat aircraft and anti-ship missiles to the region. Russia, the United States, and European suppliers in general were the principal suppliers of tanks and self-propelled guns, and APCs and armored cars. Three of these weapons categories supersonic combat aircraft, helicopters, and tanks and self-propelled guns are especially costly and are an important portion of the dollar values of arms deliveries by the United States, Russia, and European suppliers to the Near East region during the 1999-2002 period.

The cost of naval combatants is also generally high, and suppliers of such systems during this period had their delivery value totals notably increased due to these transfers. Some of the less expensive weapons systems delivered to the Near East are deadly and can create important security threats within the region. In particular, from 1999-2002, China delivered to the Near East region 110 anti-ship missiles, the major West European suppliers delivered 160, while the United States delivered 120. China also delivered one guided missile boat to the Near East, while the major West European suppliers collectively delivered 8 guided missile boats and two minor surface combatants. Other non-European suppliers delivered 60 surface-to-surface missiles, a weapons category not delivered by any of the other major weapons suppliers during this period.

**United States Commercial Arms Exports**

The United States commercial deliveries data set out below in this report are included in the main data tables for deliveries worldwide and for deliveries to developing nations collectively. They are presented separately here to provide an indicator of their overall magnitude in the U.S. aggregate deliveries totals to the world and to all developing nations. The United States is the only major arms supplier that has two distinct systems for the export of weapons: the government-to-government foreign military sales (FMS) system, and the licensed commercial export system. It should be noted that data maintained on U.S. commercial sales agreements and deliveries are incomplete, and are not collected or revised on an on-going basis, making them significantly less precise than those for the U.S. FMS program which accounts for the overwhelming portion of U.S. conventional arms transfer agreements and deliveries involving weapons systems. There are no official compilations of commercial agreement data comparable to that for the FMS program maintained on an annual basis. Once an exporter receives from the State Department a commercial license authorization to sell valid for four years there is no current requirement that the exporter provide to the State Department, on a systematic and on-going basis, comprehensive details regarding any sales contract that results from the license approval, including if any such contract is reduced in scope or cancelled. Nor is the exporter required to report that no contract with the prospective buyer resulted. Annual commercial deliveries data are obtained from shipper’s export documents and completed licenses returned from ports of exit by the U.S. Customs Service to the Office of Defense Trade Controls (PM/DTC) of the State Department, which makes the final compilation of such data. This process for obtaining commercial deliveries data is much less systematic and much less timely than that taken by the Department of Defense for government-to-government FMS transactions. Recently, efforts have been initiated by the U.S. government to improve the timeliness and quality of U.S. commercial deliveries data. The values of U.S. commercial arms deliveries to all nations and deliveries to developing nations for fiscal years 1995-2002, in current dollars, according to the U.S. State Department, were as follows:

<u>Fiscal Year</u>	<u>Commercial Deliveries (World Wide)</u>	<u>Commercial Deliveries (to Developing Nations)</u>
1995	\$3,173,000,000	\$1,805,000,000
1996	\$1,563,000,000	\$696,000,000
1997	\$1,818,000,000	\$1,141,000,000
1998	\$2,045,000,000	\$798,000,000
1999	\$654,000,000	\$323,000,000
2000	\$478,000,000	\$233,000,000
2001	\$821,000,000	\$588,000,000
2002	\$341,000,000	\$213,000,000

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## Summary of Data Trends, 1995-2002

Tables 1 through 1J present data on arms transfer agreements with developing nations by major suppliers from 1995-2002. These data show the most recent trends in arms contract activity by major suppliers. Delivery data, which reflect implementation of sales decisions taken earlier, are shown in Tables 2 through 2J. To use these data regarding agreements for purposes other than assessing general trends in seller/buyer activity is to risk drawing conclusions that can be readily invalidated by future events precise values and comparisons, for example, may change due to cancellations or modifications of major arms transfer agreements. These data sets reflect the comparative order of magnitude of arms transactions by arms suppliers with recipient nations expressed in constant dollar terms, unless otherwise noted.

What follows is a detailed summary of data trends from the tables in the report. The summary statements also reference tables and/or charts pertinent to the point(s) noted.

### Total Developing Nations Arms Transfer Agreement Values

Table 1 shows the annual current dollar values of arms transfer agreements with developing nations. Since these figures do not allow for the effects of inflation, they are, by themselves, of somewhat limited use. They provide, however, the data from which Table 1A (constant dollars) and Table 1B (supplier percentages) are derived. Some of the more noteworthy facts reflected by these data are summarized below:

- The value of all arms transfer agreements with developing nations in 2002 was \$17.7 billion. This was an increase over 2001, but still the second lowest total, in real terms, for arms transfer agreements with developing nations for the 8-year period from 1995-2002 (Tables 1 and 1A)(Chart 1).

- The total value of United States agreements with developing nations rose notably from \$6.7 billion in 2001 to \$8.6 billion in 2002. The United States' share of all developing world arms transfer agreements increased from 41 percent in 2001 to 48.6 percent in 2002 (Tables 1A and 1B)(Chart 3).

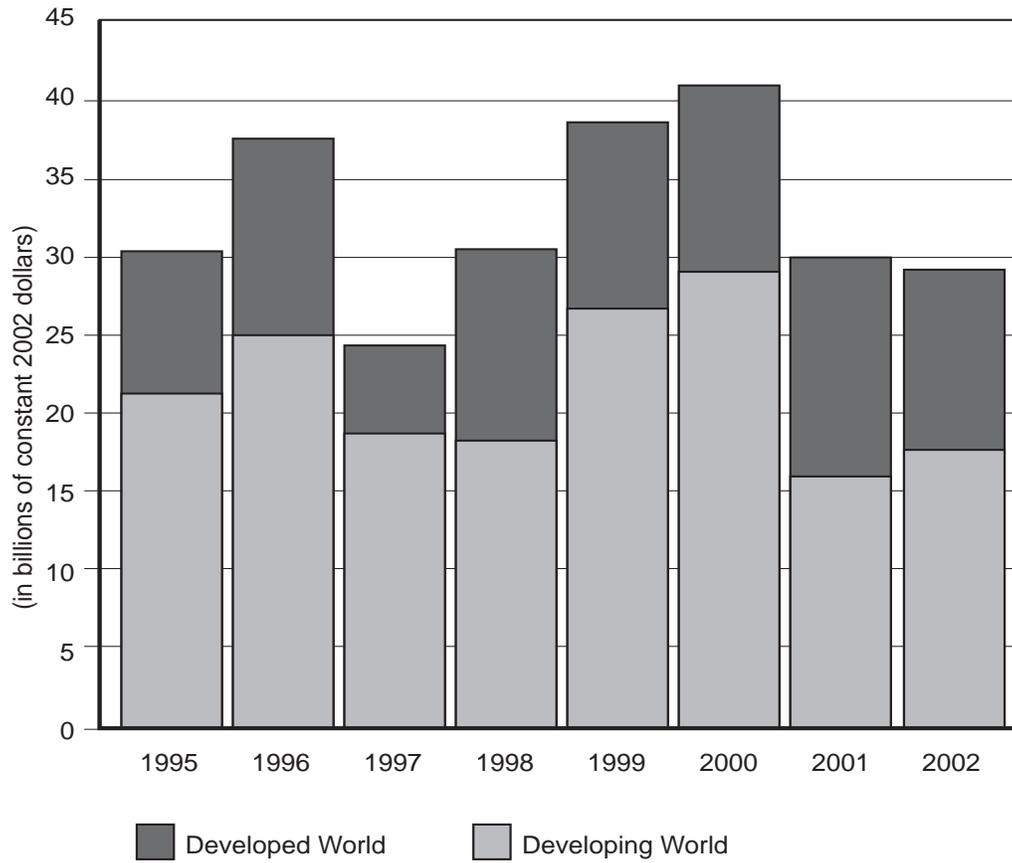
- In 2002, the total value, in real terms, of Russian arms transfer agreements with developing nations declined slightly from the previous year, falling from \$5.4 billion in 2001 to \$5 billion in 2002. The Russian share of all such agreements declined from 33.3 percent in 2001 to 28.3 percent in 2002 (Charts 3 and 4)(Tables 1A and 1B).

- The four major West European suppliers, as a group (France, United Kingdom, Germany, Italy), registered a significant increase in their collective share of all arms transfer agreements with developing nations between 2001 and 2002. This group's share rose from 5.1 percent in 2001 to 11.9 percent in 2002. The collective value of this group's arms transfer agreements with developing nations in 2001 was \$800 million compared with a total of \$2.1 billion in 2002 (Tables 1A and 1B)(Charts 3 and 4).

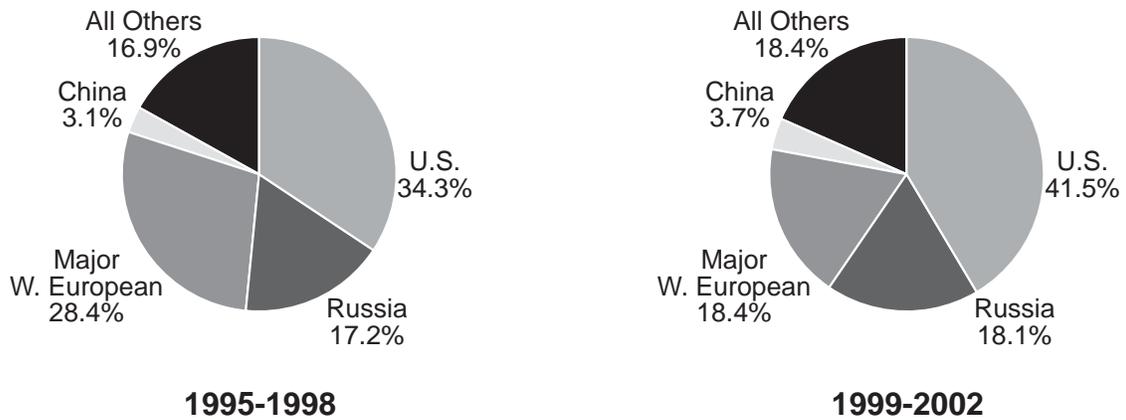
- France registered an increase in its share of all arms transfer agreements with developing nations, rising from 3.2 percent in 2001 to 5.7 percent in 2002. The value of its agreements with developing nations rose from \$500 million in 2001 to \$1 billion in 2002 (Tables 1A and 1B).

- In 2002, the United States ranked first in arms transfer agreements with developing nations at \$8.6 billion. Russia ranked second at \$5 billion, while France ranked third at \$1 billion (Charts 3 and 4)(Tables 1A, 1B and 1G).

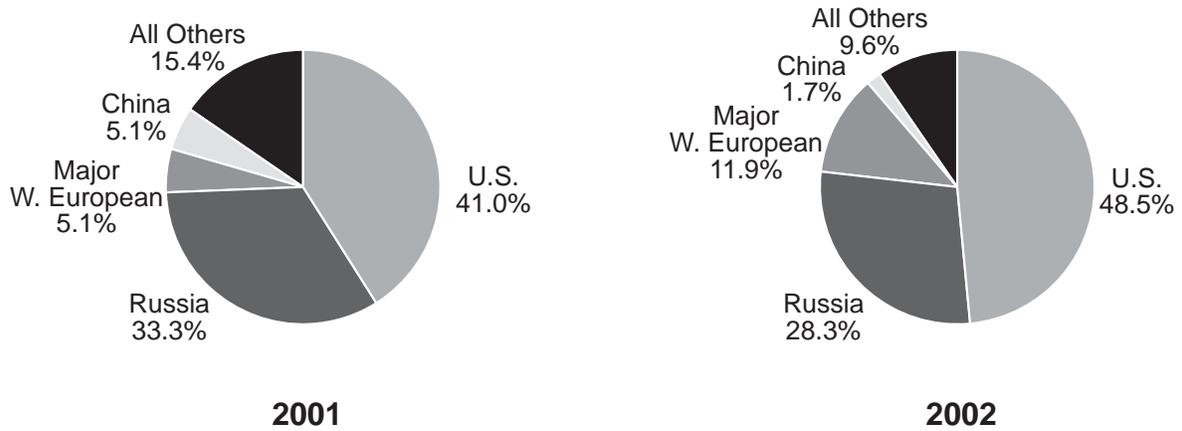
**Chart 1 Arms Transfer Agreements Worldwide, 1995-2002  
Developed and Developing Worlds Compared**



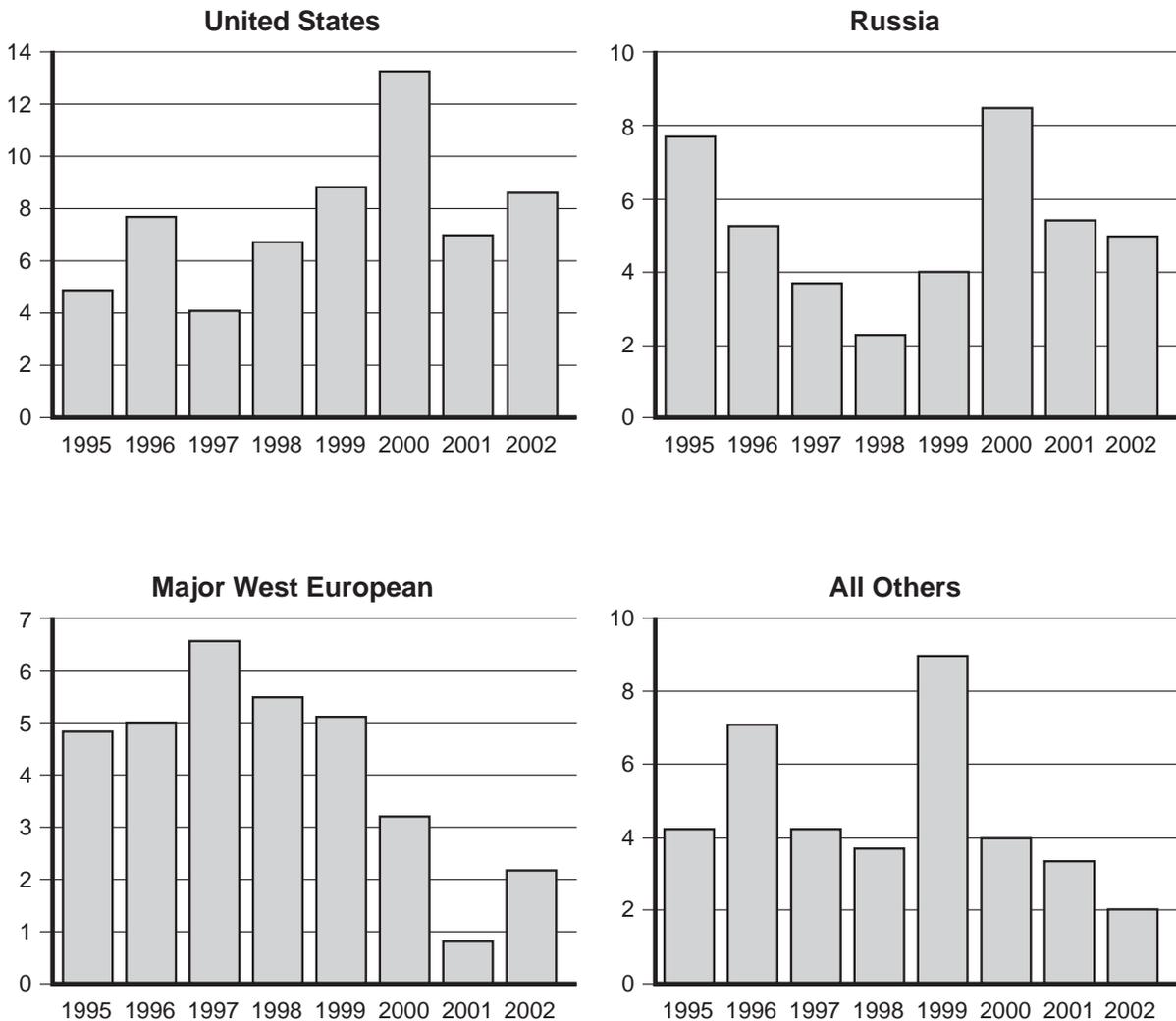
**Chart 2 Arms Transfer Agreements Worldwide  
(supplier percentage of value)**



**Chart 3 Arms Transfer Agreements with Developing Nations  
(supplier percentage of value)**



**Chart 4 Arms Transfer Agreements with Developing Nations by Major Supplier, 1995-2002  
(billions of constant 2002 dollars)**



**Figure 1 Worldwide Arms Transfer Agreements, 1995-2002 and Suppliers' Share with Developing World (in millions of constant 2002 U.S. dollars)**

<b>Supplier</b>	<b>Worldwide Agreements Value 1995-1998</b>	<b>Percentage of Total with Developing World</b>
United States	42,339	55.40
Russia	21,289	89.90
France	15,196	79.20
United Kingdom	10,198	61.00
China	3,835	94.10
Germany	7,075	30.70
Italy	2,591	59.90
All Other European	11,640	77.80
All Others	<u>9,198</u>	<u>71.70</u>
<b>Total</b>	<b>123,361</b>	<b>68.00</b>

<b>Supplier</b>	<b>Worldwide Agreements Value 1995-1998</b>	<b>Percentage of Total with Developing World</b>
United States	57,986	65.10
Russia	25,287	91.00
France	11,164	42.90
United Kingdom	3,415	56.10
China	5,103	86.90
Germany	8,076	43.30
Italy	3,001	35.10
All Other European	18,088	45.80
All Others	<u>7,646</u>	<u>72.70</u>
<b>Total</b>	<b>139,779</b>	<b>64.60</b>

<b>Supplier</b>	<b>Worldwide Agreements Value 1995-1998</b>	<b>Percentage of Total with Developing World</b>
United States	13,272	64.70
Russia	5,700	87.70
France	1,100	90.90
United Kingdom	800	87.50
China	300	100.00
Germany	1,100	9.90
Italy	1,500	20.00
All Other European	3,800	28.90
All Others	<u>1,600</u>	<u>37.50</u>
<b>Total</b>	<b>29,172</b>	<b>60.60</b>

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## Regional Arms Transfer Agreements, 1995-2002

Table 1C gives the values of arms transfer agreements between suppliers and individual regions of the developing world for the periods 1995-1998 and 1999-2002. These values are expressed in current U.S. dollars.<sup>1</sup> Table 1D, derived from Table 1C, gives the percentage distribution of each supplier's agreement values within the regions for the two time periods. Table 1E, also derived from Table 1C, illustrates what percentage share of each developing world region's total arms transfer agreements was held by specific suppliers during the years 1995-1998 and 1999-2002. Among the facts reflected in these tables are the following:

### Near East

- The Near East has generally been the largest regional arms market in the developing world. Yet in 1995-1998, it accounted for 43.2 percent of the total value of all developing nations arms transfer agreements (\$30.8 billion in current dollars), placing it second to Asia. However, during 1999-2002, the region accounted for 42.2 percent of all such agreements (\$35.9 billion in current dollars), placing it first, albeit by a small margin (Tables 1C and 1D).

- The United States has dominated arms transfer agreements with the Near East during the 1995-2002 period with 60.7 percent of their total value (\$40.5 billion in current dollars). France was second during these years with 13.6 percent (\$9.1 billion in current dollars). Most recently, from 1999-2002, the United States accounted for 75.8 percent of all arms transfer agreements with the Near East region (\$27.2 billion in current dollars). Russia accounted for 6.1 percent of agreements with this region (\$2.2 billion in current dollars) during the 1999-2002 period (Chart 5)(Tables 1C and 1E).

- For the period 1995-1998, the United States concluded 66.3 percent of its developing world arms transfer agreements with the Near East. In 1999-2002, the U.S. concluded 76.3 percent of its agreements with this region (Table 1D).

- For the period 1995-1998, the four major West European suppliers collectively made 53.2 percent of their developing world arms transfer agreements with the Near East. In 1999-2002, the major West Europeans made 18.3 percent of their arms agreements with the Near East (Table 1D).

- For the period 1995-1998, France concluded 83.5 percent of its developing world arms transfer agreements with the Near East. In 1999-2002, France made 11.1 percent of its agreements with the Near East (Table 1D).

- For the period 1995-1998, the United Kingdom concluded 23.1 percent of its developing world arms transfer agreements with the Near East. In 1999-2002, the United Kingdom made 33.3 percent of its agreements with the Near East (Table 1D).

- For the period 1995-1998, China concluded 43.8 percent of its developing world arms transfer agreements with the Near East. In 1999-2002, China made 14.6 percent of its agreements with the Near East (Table 1D).

- For the period 1995-1998, Russia concluded 11.3 percent of its developing world arms transfer agreements with the Near East. In 1999-2002, Russia made 10.1 percent of its agreements with the Near East (Table 1D).

- In the earlier period (1995-1998), the United States ranked first in arms transfer agreements with the Near East with 43.2 percent. France ranked second with 27.9 percent. Russia ranked third with 5.8 percent. The major West European suppliers, as a group, made 32.5 percent of this region's agreements in 1995-1998. In the later period (1999-2002), the United States ranked first in Near East agreements with 75.8 percent. Russia ranked second with 6.1 percent.

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<sup>1</sup> Because these regional data are composed of four-year aggregate dollar totals, they must be expressed in current dollar terms.

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The major West European suppliers, as a group, made 5.3 percent of this region's agreements in 1999-2002 (Table 1E)(Chart 5).

### **Asia**

- Asia has generally been the second largest arms market in the developing world. Yet in the 1995-1998 period, Asia ranked first, accounting for 44.4 percent of all arms transfer agreements with developing nations (\$31.6 billion in current dollars). In the more recent period, 1999-2002, it accounted for 41.5 percent of all developing nations arms transfer agreements (\$35.3 billion in current dollars), ranking second narrowly (Tables 1C and 1D).

- In the earlier period, 1995-1998, Russia ranked first in arms transfer agreements with Asia with 41.4 percent. The United States ranked second with 17.2 percent. The major West European suppliers, as a group, made 23.1 percent of this region's agreements in 1995-1998. In the later period, 1999-2002, Russia ranked first in Asian agreements with 51.1 percent, primarily due to major aircraft and naval vessel sales to India and China. The United States ranked second with 18.3 percent. The major West European suppliers, as a group, made 14.2 percent of this region's agreements in 1999-2002 (Chart 6) (Table 1E).

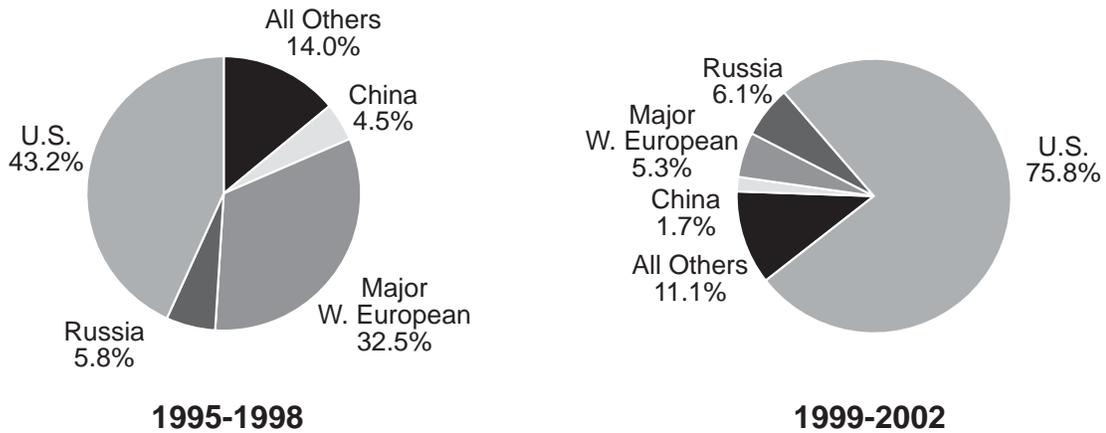
### **Latin America**

- In the earlier period, 1995-1998, the United States ranked first in arms transfer agreements with Latin America with 21.7 percent. France ranked second with 8.7 percent. The major West European suppliers, as a group, made 19.2 percent of this region's agreements in 1995-1998. In the later period, 1999-2002, the United States ranked first with 51.1 percent. Russia and Italy tied for second with 5.4 percent each. All other non-major European suppliers as a group, and all other non-European suppliers collectively each made 16.3 percent of the region's agreements in 1999-2002. Latin America registered a significant decline in the total value of its arms transfer agreements from 1995-1998 to 1999-2002, falling from about \$5.7 billion in the earlier period to \$3.7 billion in the latter (Tables 1C and 1E).

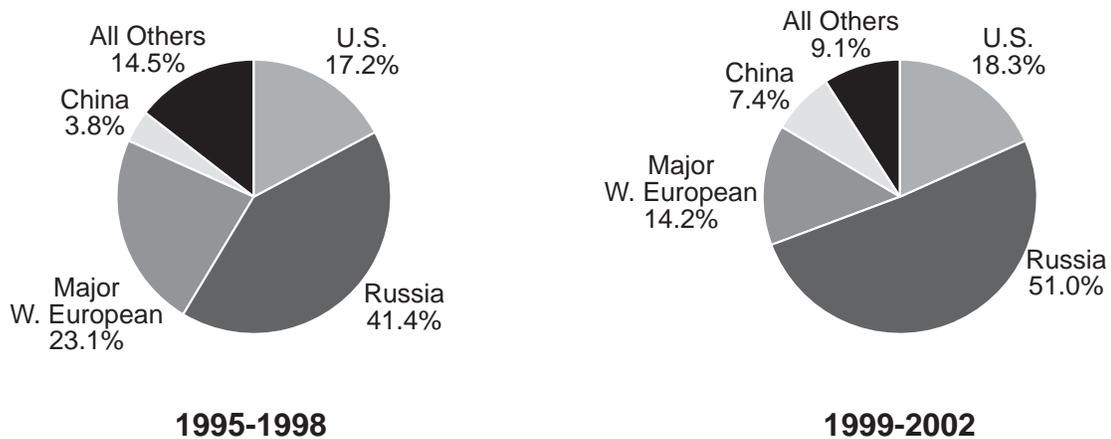
### **Africa**

- In the earlier period, 1995-1998, Russia ranked first in agreements with Africa with 19.4 percent (\$600 million in current dollars). China ranked second with 16.2 percent. The major West European suppliers, as a group, made 13 percent of the region's agreements in 1995-1998. The United States made 2.9 percent. In the later period, 1999-2002, Germany ranked first in agreements with 15.7 percent (\$1.6 billion). Russia ranked second with 14.7 percent (\$1.5 billion). The major West European suppliers, as a group, made 31.3 percent of this region's agreements in 1999-2002. All other European suppliers collectively made 33.3 percent (\$3.8 billion). The United States made 1.1 percent. Africa registered a substantial increase in the total value of its arms transfer agreements from 1995-1998 to 1999-2002, rising from \$3.1 billion in the earlier period to \$10.2 billion in the latter (in current dollars). The notable rise in the level of arms agreements reflected, to an important degree, South Africa's new defense procurement program (Tables 1C and 1E).

**Chart 5 Arms Transfer Agreements with Near East  
(supplier percentage of value)**



**Chart 6 Arms Transfer Agreements with Asia  
(supplier percentage of value)**



**Arms Transfer Agreements With Developing Nations, 1995-2002:  
Leading Suppliers Compared**

Table 1F gives the values of arms transfer agreements with the developing nations from 1995-2002 by the top eleven suppliers. The table ranks these suppliers on the basis of the total current dollar values of their respective agreements with the developing world for each of three periods 1995-1998, 1999-2002 and 1995-2002.

Among the facts reflected in this table are the following:

- The United States ranked first among all suppliers to developing nations in the value of arms transfer agreements from 1999-2002 (\$35.7 billion), and first for the entire period from 1995-2002 (\$55.7 billion).
- Russia ranked second among all suppliers to developing nations in the value of arms transfer agreements from 1999-2002 (\$21.8 billion), and second from 1995-2002 (\$37.9 billion).
- France ranked third among all suppliers to developing nations in the value of arms transfer agreements from 1999-2002 (\$4.5 billion), and third from 1995-2002 (\$14.8 billion).

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- The United Kingdom ranked seventh among all suppliers to developing nations in the value of arms transfer agreements from 1999-2002 (\$1.8 billion), and fifth from 1995-2002 (\$7.1 billion).

- China ranked fourth among all suppliers to developing nations in the value of arms transfer agreements from 1999-2002 (\$4.1 billion), and fourth from 1995-2002 (\$7.2 billion).

#### **Arms Transfer Agreements with Developing Nations in 2002: Leading Suppliers Compared**

Table 1G ranks and gives for 2002 the values of arms transfer agreements with developing nations of the top eleven suppliers in current U.S. dollars. Among the facts reflected in this table are the following:

- The United States and Russia, the year's top two arms suppliers ranked by the value of their arms transfer agreements collectively made agreements in 2002 valued at \$13.6 billion, 76.8 percent of all arms transfer agreements made with developing nations by all suppliers.

- In 2002, the United States ranked first in arms transfer agreements with developing nations, making \$8.6 billion in such agreements, or 48.6 percent of them.

- Russia ranked second and France third in arms transfer agreements with developing nations in 2002, making \$5 billion and \$1 billion in such agreements respectively.

- The United Kingdom ranked fourth in arms transfer agreements with developing nations in 2002, making \$700 million in such agreements, while Ukraine ranked fifth with \$500 million.

#### **Arms Transfer Agreements With Near East 1995-2002: Suppliers and Recipients**

Table 1H gives the values of arms transfer agreements with the Near East nations by suppliers or categories of suppliers for the periods 1995-1998 and 1999-2002. These values are expressed in current U.S. dollars. They are a subset of the data contained in Table 1 and Table 1C. Among the facts reflected by these tables are the following:

- For the most recent period, 1999-2002, the principal purchasers of U.S. arms in the Near East region, based on the value of agreements were: the U.A.E. (\$7.1 billion); Israel (\$7 billion), Egypt (\$6.8 billion), and Saudi Arabia (\$2.8 billion). The principal purchasers of Russian arms were: the U.A.E. (\$1 billion), Egypt (\$300 million), and Algeria (\$200 million). The principal purchasers of arms from China were Egypt (\$400 million), Iran and Yemen (\$100 million each). The principal purchasers of arms from the four major West European suppliers, as a group, were: the U.A.E. (\$500 million), Saudi Arabia, Oman, Jordan, and Iran (\$300 million each). The principal purchasers of arms from all other European suppliers collectively were Saudi Arabia (\$1 billion), the U.A.E. (\$300 million) and Iraq (\$200 million). The principal purchasers of arms from all other suppliers combined were Libya (\$600 million), and Iran (\$400 million).

- For the period from 1999-2002, the U.A.E. made \$9 billion in arms transfer agreements. The United States (\$7.1 billion), and Russia (\$1 billion) were its largest suppliers. Saudi Arabia made \$4.1 billion in arms transfer agreements. Its principal suppliers were: the United States (\$2.8 billion), and all other European suppliers collectively, excluding the four major Europeans (\$1 billion). Egypt made \$7.8 billion in arms transfer agreements. Its major supplier was the United States (\$6.8 billion). Israel made \$7 billion in arms transfer agreements. Its principal supplier was the United States (\$7 billion).

- The total value of arms transfer agreements by China with Iran fell from \$900 million to \$100 million during the periods from 1995-1998 to 1999-2002 respectively. The value of Russia's arms transfer agreements with Iran fell from \$400 million in the earlier period to \$100 million from 1999-2002.

- The value of arms transfer agreements by the United States with Saudi Arabia fell significantly from the 1995-1998 period to the 1999-2002 period, declining from \$4.9 billion in

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the earlier period to \$2.8 million in the later period. Saudi Arabia still made 68.3 percent of its arms transfer agreements with the United States during 1999-2002. Meanwhile, arms transfer agreements with Saudi Arabia by the major West European suppliers also decreased significantly from 1995-1998 to 1999-2002, falling from \$1.5 billion to \$300 million.

#### **Arms Transfers to Developing Nations, 1995-2002: Agreements with Leading Recipients**

Table II gives the values of arms transfer agreements made by the top ten recipients of arms in the developing world from 1995-2002 with all suppliers collectively. The table ranks recipients on the basis of the total current dollar values of their respective agreements with all suppliers for each of three periods 1995-1998, 1999-2002 and 1995-2002. Among the facts reflected in this table are the following:

- China has been the leading developing world purchaser of arms from 1995-2002, making agreements totaling \$17.8 billion during these years. The total value of all arms transfer agreements with developing nations from 1995-2002 was \$156.3 billion in current dollars. China alone was responsible for over 11.4 percent of all developing world arms transfer agreements during these years. In the most recent period 1999-2002 China ranked first in arms transfer agreements by developing nations (\$11.3 billion in current dollars). The U.A.E. ranked second (\$9 billion in current dollars). China accounted for about 13.3 percent of all developing world arms transfer agreements during this period (\$11.3 billion out of nearly \$85 billion in current dollars)(Tables 1, 1H, 1I and 1J).

- During 1995-1998, the top ten recipients collectively accounted for 62.8 percent of all developing world arms transfer agreements. During 1999-2002, the top ten recipients collectively accounted for 74.5 percent of all such agreements (Tables 1 and 1I).

#### **Arms Transfers to Developing Nations in 2002: Agreements with Leading Recipients**

Table 1J names the top ten developing world recipients of arms transfer agreements in 2002. The table ranks these recipients on the basis of the total current dollar values of their respective agreements with all suppliers in 2002. Among the facts reflected in this table are the following:

- China ranked first among all developing nations recipients in the value of arms transfer agreements in 2002, concluding \$3.6 billion in such agreements. South Korea ranked second with \$1.9 billion. India ranked third with \$1.4 billion.

- Five of the top ten developing world recipients of arms transfer agreements in 2002 were in the Near East. Four were in Asia.

- Arms transfer agreements with the top ten developing world recipients, as a group, in 2002 totaled \$13.4 billion or 75.8 percent of all such agreements with the developing world, reflecting a continuing concentration of developing world arms purchases among a few nations (Tables 1 and 1J).

#### **Developing Nations Arms Delivery Values**

Table 2 shows the annual current dollar values of arms deliveries (items actually transferred) to developing nations by major suppliers from 1995-2002. The utility of these particular data is that they reflect transfers that have occurred. They provide the data from which Table 2A (constant dollars) and Table 2B (supplier percentages) are derived. Some of the more notable facts illustrated by these data are summarized below:

- In 2002 the value of all arms deliveries to developing nations (\$17 billion) was a notable decrease in deliveries values from the previous year, (\$18.2 billion in constant 2002 dollars) (Charts 7 and 8)(Table 2A).

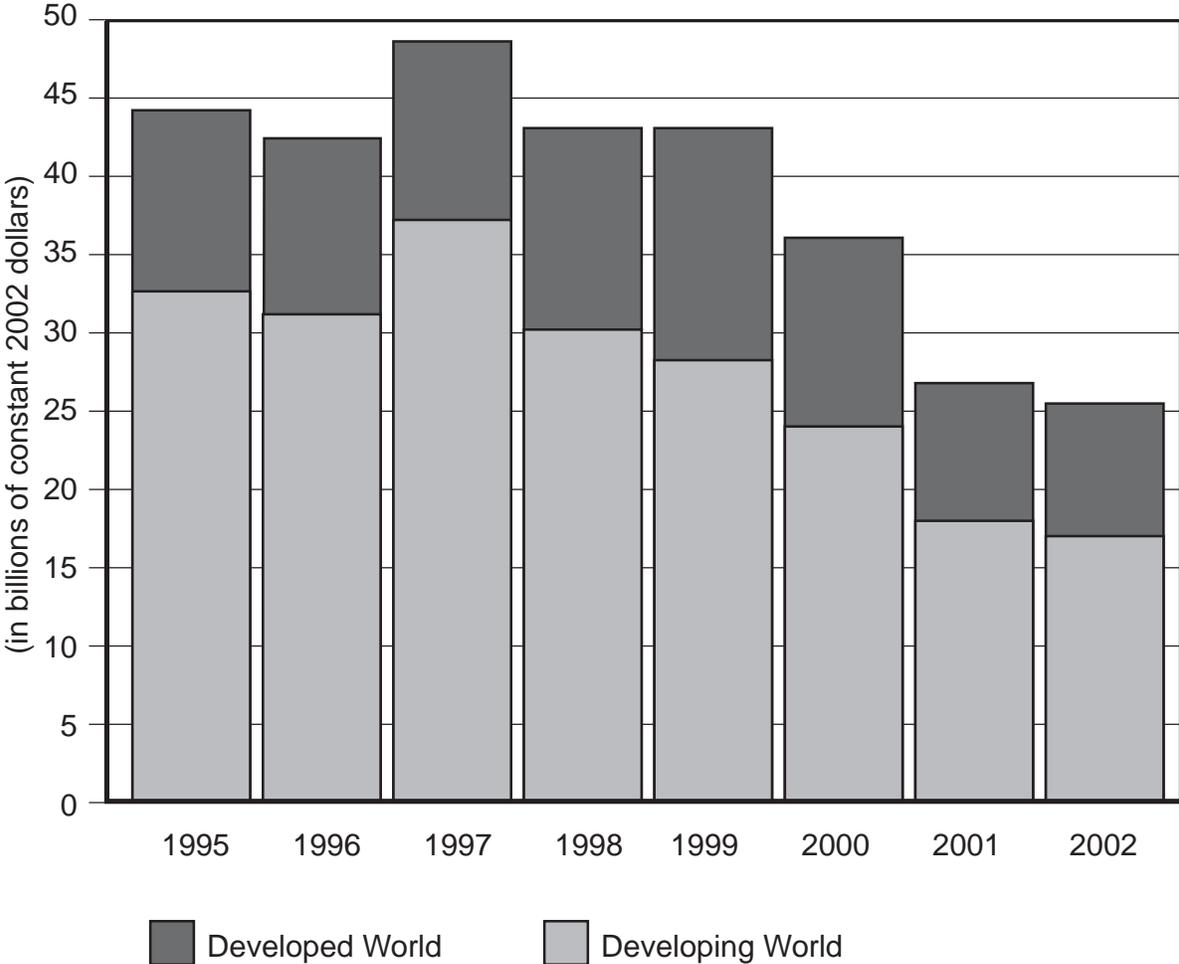
- The U.S. share of all deliveries to developing nations in 2002 was 41 percent, up from 35.4 percent in 2001. In 2002, the United States, for the eighth year in a row, ranked first in the value of arms deliveries to developing nations (nearly \$7 billion) (in constant 2002 dollars),

reflecting continuing implementation of Persian Gulf War era arms transfer agreements. The second leading supplier in 2002 was the United Kingdom, at \$3.3 billion. The United Kingdom's share of all deliveries to developing nations in 2002 was 19.5 percent, down from 21.4 percent in 2001. Russia, the third leading supplier in 2002, made \$2.9 billion in deliveries. Russia's share of all arms deliveries to developing nations in 2002 was 17.1 percent, down from 21.9 percent in 2001. The share of major West European suppliers deliveries to developing nations in 2002 was 27.1 percent, essentially the same share as in 2001 (Tables 2A and 2B).

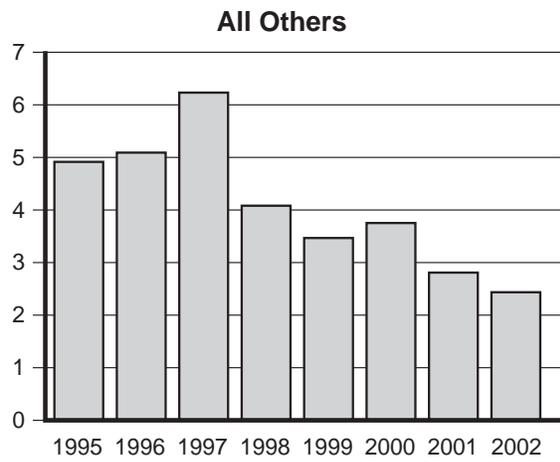
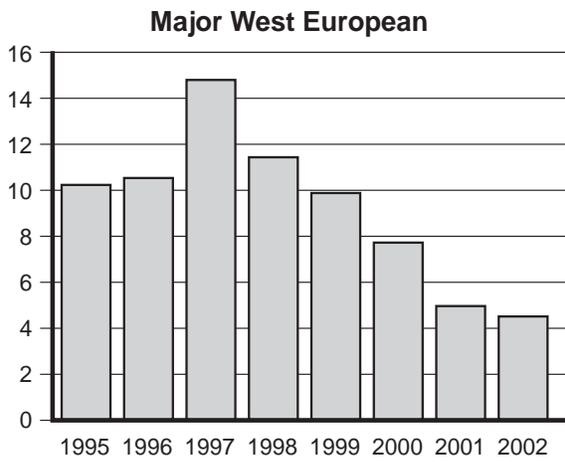
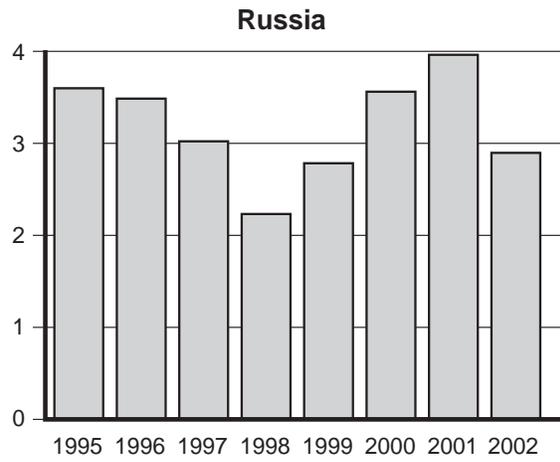
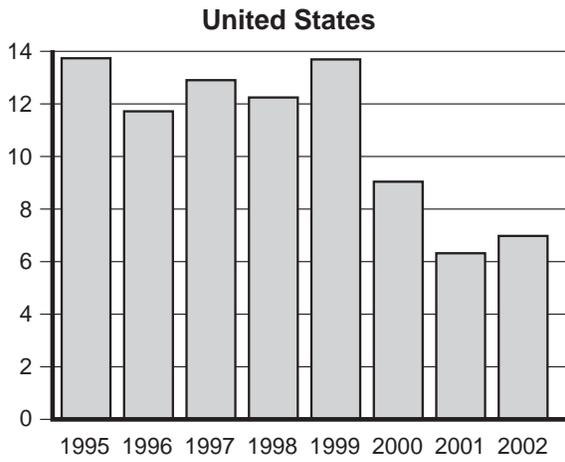
- The total value of all arms deliveries by all suppliers to developing nations from 1999-2002 (\$89.5 billion in constant 2002 dollars) was substantially lower than the value of arms deliveries by all suppliers to developing nations from 1995-1998 (\$131 billion in constant 2002 dollars)(Table 2A).

- During the years 1995-2002, arms deliveries to developing nations comprised 71 percent of all arms deliveries worldwide. In 2002, the percentage of arms deliveries to developing nations was 66.7 percent of all arms deliveries worldwide (Table 2A.)(Figure 2).

**Chart 7 Arms Deliveries Worldwide 1995-2002  
Developed and Developing Worlds Compared**



**Chart 8 Arms Deliveries to Developing Countries by Major Supplier, 1994-2002**  
(in billions of constant 2002 dollars)



**Figure 2 Worldwide Arms Deliveries, 1995-2002 and Suppliers' Share with Developing World**  
(in millions of constant 2002 U.S. dollars)

<b>Supplier</b>	<b>Worldwide Deliveries Value 1995-1998</b>	<b>Percentage of Total with Developing World</b>
United States	75,176	67.70
Russia	13,899	89.70
France	24,413	86.00
United Kingdom	26,314	84.80
China	3,746	97.00
Germany	8,006	88.40
Italy	1,050	67.10
All Other European	17,108	54.30
All Others	<u>9,730</u>	<u>73.00</u>
<b>Total</b>	<b>179,442</b>	<b>73.00</b>

<b>Supplier</b>	<b>Worldwide Deliveries Value 1999-2002</b>	<b>Percentage of Total with Developing World</b>
United States	53,976	67.20
Russia	15,243	86.60
France	11,027	73.10
United Kingdom	21,953	79.40
China	2,838	88.70
Germany	4,963	26.40
Italy	1,597	34.30
All Other European	10,230	59.80
All Others	<u>9,106</u>	<u>44.10</u>
<b>Total</b>	<b>130,933</b>	<b>68.30</b>

<b>Supplier</b>	<b>Worldwide Deliveries Value 2002</b>	<b>Percentage of Total with Developing World</b>
United States	10,241	68.00
Russia	3,100	93.60
France	1,800	72.20
United Kingdom	4,700	70.20
China	800	100.00
Germany	500	0.00
Italy	400	0.00
All Other European	1,800	44.40
All Others	<u>2,100</u>	<u>42.90</u>
<b>Total</b>	<b>25,441</b>	<b>66.70</b>

**Table 1 Arms Transfer Agreements With Developing Nations, by Supplier, 1995-2002**  
(in millions of current U.S. dollars)

	1995	1996	1997	1998	1999	2000	2001	2002	1995-2002
United States	4,062	6,609	3,538	5,866	8,258	2,411	6,400	8,587	45,731
Russia	6,300	4,500	3,200	2,100	3,600	8,000	5,200	5,000	37,900
France	2,500	1,100	4,300	2,400	1,100	1,900	500	1,000	14,800
United Kingdom	600	2,700	1,000	1,000	1,100	0	0	700	7,100
China	200	900	1,300	700	2,400	600	800	300	7,200
Germany	200	100	100	1,500	2,000	1,000	100	100	5,100
Italy	700	300	300	0	400	100	200	300	2,300
All Other European	1,700	3,000	1,600	1,400	4,100	1,200	1,300	1,100	15,400
All Others	<u>1,600</u>	<u>2,100</u>	<u>700</u>	<u>1,200</u>	<u>1,600</u>	<u>1,900</u>	<u>1,100</u>	<u>600</u>	<u>10,800</u>
<b>Total</b>	<b>17,862</b>	<b>21,309</b>	<b>16,038</b>	<b>16,166</b>	<b>24,558</b>	<b>17,111</b>	<b>15,600</b>	<b>17,687</b>	<b>146,331</b>

\*Dollar inflation

Index: (2002= 1.00)

0.8401

0.8572

0.8756

0.8947

0.9158

0.9376

0.9617

1

**Source:** U.S. government.

**Note:** Developing nations category excludes the U.S., Europe, Canada, Japan, Australia and New Zealand. All data are for the calendar year given except for U. S. Military Assistance Program, IMET, and Excess Defense Article data which are included for the particular fiscal year. All amounts given include the values of all categories of weapons, spare parts, construction, all associated services, military assistance, excess defense articles, and training programs. Statistics for foreign countries are based upon estimated selling prices. All foreign data are rounded to the nearest \$100 million. The United States total in 2000 includes a \$6.432 billion licensed commercial agreement with the United Arab Emirates for 80 F-16 aircraft. \*Based on Department of Defense Price Deflator.

**Table 1A Arms Transfer Agreements with Developing Nations, by Supplier, 1995-2002**  
(in millions of constant 2002 U.S. dollars)

	1995	1996	1997	1998	1999	2000	2001	2002	1995-2002
United States	4,920	7,830	4,107	6,638	9,134	13,380	6,655	8,587	61,251
Russia	7,631	5,331	3,714	2,376	3,982	8,624	5,407	5,000	42,065
France	3,028	1,303	4,991	2,716	1,217	2,048	520	1,000	16,823
United Kingdom	727	3,199	1,161	1,132	1,217	0	0	700	8,136
China	242	1,066	1,509	792	2,655	647	832	300	8,043
Germany	242	118	116	1,697	2,212	1,078	104	100	5,667
Italy	848	355	348	0	442	108	208	300	2,609
All Other European	2,059	3,554	1,857	1,584	4,535	1,294	1,352	1,100	17,335
All Others	<u>1,938</u>	<u>2,488</u>	<u>813</u>	<u>1,358</u>	<u>1,770</u>	<u>2,048</u>	<u>1,144</u>	<u>600</u>	<u>12,159</u>
<b>Total</b>	<b>21,635</b>	<b>25,244</b>	<b>18,616</b>	<b>18,293</b>	<b>27,164</b>	<b>29,227</b>	<b>16,222</b>	<b>17,687</b>	<b>174,088</b>

**Table 1B Arms Transfer Agreements with Developing Nations, by Supplier, 1995-2002**  
(in millions of constant 2002 U.S. dollars)

	1995	1996	1997	1998	1999	2000	2001	2002
United States	22.74%	31.02%	22.06%	36.29%	33.63%	45.78%	41.03%	48.55%
Russia	35.27%	21.12%	19.95%	12.99%	14.66%	29.51%	33.33%	28.27%
France	14.00%	5.16%	26.81%	14.85%	4.48%	7.01%	3.21%	5.65%
United Kingdom	3.36%	12.67%	6.24%	6.19%	4.48%	0.00%	0.00%	3.96%
China	1.12%	4.22%	8.11%	4.33%	9.77%	2.21%	5.13%	1.70%
Germany	1.12%	0.47%	0.62%	9.28%	8.14%	3.69%	0.64%	0.57%
Italy	3.92%	1.41%	1.87%	0.00%	1.63%	0.37%	1.28%	1.70%
All Other European	9.52%	14.08%	9.98%	8.66%	16.70%	4.43%	8.33%	6.22%
All Others	8.96%	9.85%	4.36%	7.42%	6.52%	7.01%	7.05%	3.39%
Major West European*	22.40%	19.71%	35.54%	30.32%	18.73%	11.07%	5.13%	11.88%
<b>Total</b>	<b>100.00%</b>							

\*Major West European category includes France, United Kingdom, Germany, Italy.

**Table 1C Arms Transfer Agreements with Developing Nations, by Supplier, 1995-2002**  
(in millions of current U.S. dollars)

	Asia		Near East		Latin America		Africa	
	1995-1998	1999-2002	1995-1998	1999-2002	1995-1998	1999-2002	1995-1998	1999-2002
United States	5,426	6,462	13,314	27,207	1,245	1,877	89	109
Russia	13,100	18,000	1,800	2,200	400	200	600	1,500
France	1,100	3,400	8,600	500	500	0	100	600
United Kingdom	3,800	500	1,200	600	0	0	200	700
China	1,200	2,600	1,400	600	100	100	500	800
Germany	1,600	1,000	100	400	200	100	0	1,600
Italy	800	100	100	400	400	200	100	300
All Other European	1,900	1,200	3,100	2,100	1,900	600	700	3,800
All Others	2,700	2,000	1,200	1,900	1,000	600	800	800
Major West European*	<u>7,300</u>	<u>5,000</u>	<u>10,000</u>	<u>1,900</u>	<u>1,100</u>	<u>300</u>	<u>400</u>	<u>3,200</u>
<b>TOTAL</b>	<b>31,626</b>	<b>35,262</b>	<b>30,814</b>	<b>35,907</b>	<b>5,745</b>	<b>3,677</b>	<b>3,089</b>	<b>10,209</b>

**Source:** U.S. Government

**Note:** All foreign data are rounded to the nearest \$100 million. The United States total for Near East in 1999-2002 includes a \$6.432 billion licensed commercial agreement with the United Arab Emirates in 2000 for 80 F-16 aircraft.

\*Major West European category included France, United Kingdom, Germany, Italy.

**Table 1D Percentage of Each Supplier's Agreements Value by Region, 1955-2002**

	Asia		Near East		Latin America		Africa		Total	
	1995-1998	1999-2002	1995-1998	1999-2002	1995-1998	1999-2002	1995-1998	1999-2002	1995-1998	1999-2002
United States	27.03%	18.12%	66.32%	76.31%	6.20%	5.26%	0.44%	0.31%	100.00%	100.00%
Russia	82.39%	82.19%	11.32%	10.05%	2.52%	0.91%	3.77%	6.85%	100.00%	100.00%
France	10.68%	75.56%	83.50%	11.11%	4.85%	0.00%	0.97%	13.33%	100.00%	100.00%
United Kingdom	73.08%	27.78%	23.08%	33.33%	0.00%	0.00%	3.85%	38.89%	100.00%	100.00%
China	37.50%	63.41%	43.75%	14.63%	3.13%	2.44%	15.63%	19.51%	100.00%	100.00%
Germany	84.21%	32.26%	5.26%	12.90%	10.53%	3.23%	0.00%	51.61%	100.00%	100.00%
Italy	57.14%	10.00%	7.14%	40.00%	28.57%	20.00%	7.14%	30.00%	100.00%	100.00%
All Other European	25.00%	15.58%	40.79%	27.27%	25.00%	7.79%	9.21%	49.35%	100.00%	100.00%
All Others	47.37%	37.74%	21.05%	35.85%	17.54%	11.32%	14.04%	15.09%	100.00%	100.00%
Major West European*	<u>38.83%</u>	<u>48.08%</u>	<u>53.19%</u>	<u>18.27%</u>	<u>5.85%</u>	<u>2.88%</u>	<u>2.13%</u>	<u>30.77%</u>	<u>100.00%</u>	<u>100.00%</u>
<b>TOTAL</b>	<b>44.37%</b>	<b>41.46%</b>	<b>43.23%</b>	<b>42.22%</b>	<b>8.06%</b>	<b>4.32%</b>	<b>4.33%</b>	<b>12.00%</b>	<b>100.00%</b>	<b>100.00%</b>

\*Major West European category includes France, United Kingdom, Germany, Italy.

**Table 1E Percentage of Total Agreements Value by Supplier to Regions, 1995-2002**

	Asia			Near East			Latin America			Africa		
	1995-1998	1999-2002	1995-1998	1999-2002	1995-1998	1999-2002	1995-1998	1999-2002	1995-1998	1999-2002	1995-1998	1999-2002
United States	17.16%	18.33%	43.21%	75.77%	21.67%	51.05%	2.88%	1.07%	2.88%	1.07%	2.88%	1.07%
Russia	41.42%	51.05%	5.84%	6.13%	6.96%	5.44%	19.42%	14.69%	19.42%	14.69%	19.42%	14.69%
France	3.48%	9.64%	27.91%	1.39%	8.70%	0.00%	3.24%	5.88%	3.24%	5.88%	3.24%	5.88%
United Kingdom	12.02%	1.42%	3.89%	1.67%	0.00%	0.00%	6.47%	6.86%	6.47%	6.86%	6.47%	6.86%
China	3.79%	7.37%	4.54%	1.67%	1.74%	2.72%	16.19%	7.84%	16.19%	7.84%	16.19%	7.84%
Germany	5.06%	2.84%	0.32%	1.11%	3.48%	2.72%	0.00%	15.67%	0.00%	15.67%	0.00%	15.67%
Italy	2.53%	0.28%	0.32%	1.11%	6.96%	5.44%	3.24%	2.94%	3.24%	2.94%	3.24%	2.94%
All other European	6.01%	3.40%	10.06%	5.85%	33.07%	16.32%	22.66%	37.22%	22.66%	37.22%	22.66%	37.22%
All others	8.54%	5.67%	3.89%	5.29%	17.41%	16.32%	25.90%	7.84%	25.90%	7.84%	25.90%	7.84%
Major West European*	23.08%	14.18%	32.45%	5.29%	19.15%	8.16%	12.95%	31.34%	12.95%	31.34%	12.95%	31.34%
<b>Total</b>	<b>100.00%</b>											

\*Major West European category includes France, United Kingdom, Germany, Italy.

**Table 1F Arms Transfer Agreements with Developing Nations 1995-2002:  
Leading Suppliers Compared  
(in millions of current U.S. dollars)**

<b>Rank</b>	<b>Supplier</b>	<b>Agreements Value 1995-1998</b>
1	United States	20,075
2	Russia	16,100
3	France	10,300
4	United Kingdom	5,300
5	China	3,100
6	Germany	1,900
7	Ukraine	1,900
8	Belarus	1,700
9	Israel	1,600
10	Italy	1,300
11	South Africa	900
<b>Rank</b>	<b>Supplier</b>	<b>Agreements Value 1999-2002</b>
1	United States	35,656
2	Russia	21,800
3	France	4,500
4	China	4,100
5	Germany	3,200
6	Sweden	2,000
7	United Kingdom	1,800
8	Ukraine	1,400
9	Israel	1,000
10	North Korea	1,000
11	Italy	1,000
<b>Rank</b>	<b>Supplier</b>	<b>Agreements Value 1995-2002</b>
1	United States*	55,731
2	Russia	37,900
3	France	14,800
4	China	7,200
5	United Kingdom	7,100
6	Germany	5,100
7	Ukraine	3,300
8	Israel	2,600
9	Sweden	2,600
10	Italy	2,300
11	Belarus	2,000

**Source:** U.S. Government.

**Note:** All foreign data are rounded to the nearest \$100 million. Where rounded data totals are the same, the actual rank order is maintained. \*The United States total includes a \$6.432 billion licensed commercial agreement with the United Arab Emirates in 2000 for 80 F-16 aircraft.

**Table 1G Arms Transfer Agreements with  
Developing Nations in 2002: Leading Suppliers Compared  
(in millions of current U.S. dollars)**

<b>Rank</b>	<b>Supplier</b>	<b>Agreements Value 2002</b>
1	United States	8,587
2	Russia	5,000
3	France	1,000
4	United Kingdom	700
5	Ukraine	500
6	Spain	300
7	China	300
8	Italy	300
9	Iran	200
10	U.A.E.	100
11	Germany	100

**Source:** U.S. Government.

**Note:** All foreign data are rounded to the nearest \$100 million.  
Where rounded data totals are the same, the actual rank order is maintained.

**Table 1H Arms Transfer Agreements with Near East, by Supplier**  
(in millions of current U.S. dollars)

Recipient Country	U.S.	Russia	China	Major West European*	All Other European	All Others	Total
<b>1995-1998</b>							
Algeria	0	400	200	0	800	100	1,500
Bahrain	500	0	0	0	0	0	500
Egypt	4,300	400	100	100	100	0	5,000
Iran	0	400	900	100	300	100	1,700
Iraq	0	0	0	0	0	0	0
Israel	2,600	0	0	100	0	300	3,000
Jordan	200	0	0	0	0	100	300
Kuwait	400	0	200	700	100	0	1,400
Lebanon	100	0	0	100	0	0	200
Libya	0	0	0	0	100	100	200
Morocco	0	0	0	200	200	200	600
Oman	0	0	0	300	100	100	500
Qatar	0	0	0	900	0	0	900
Saudi Arabia	4,900	0	0	1,500	200	0	6,600
Syria	0	200	0	0	100	200	500
Tunisia	0	0	0	0	0	0	0
U.A.E.	100	400	0	6,000	800	0	7,300
Yemen	0	0	0	200	300	100	600
<b>1999-2002</b>							
Algeria	0	200	0	0	0	100	300
Bahrain	500	0	0	0	0	0	500
Egypt	6,800	300	400	100	100	100	7,800
Iran	0	100	100	300	100	400	1,000
Iraq	0	0	0	0	200	0	200
Israel	7,000	0	0	0	0	0	7,000
Jordan	400	0	0	300	0	100	800
Kuwait	1,600	100	0	0	0	200	1,900
Lebanon	0	0	0	0	0	0	0
Libya	0	100	0	0	100	600	800
Morocco	0	0	0	0	0	100	100
Oman	800	0	0	300	100	100	1,300
Qatar	0	0	0	0	0	0	0
Saudi Arabia	2,800	0	0	300	1,000	0	4,100
Syria	0	100	0	100	0	100	300
Tunisia	0	0	0	0	0	0	0
U.A.E.**	7,100	1,000	0	500	300	100	9,000
Yemen	0	300	100	0	100	0	500

**Source:** U.S. Government

**Note:** 0 = data less than \$50 million or nil. All data are rounded to nearest \$100 million.

\* Major West European includes France, United Kingdom, Germany, and Italy totals as an aggregate figure.

\*\* The United States total for 1999-2002 includes a \$6.432 billion licensed commercial agreement with the United Arab Emirates in 2000 for 80 F-16 aircraft.

**Table 11 Arms Transfer Agreements of Developing Nations, 1995-2002:  
Agreements by the Leading Recipients  
(in millions of current U.S. dollars)**

<b>Rank</b>	<b>Recipient</b>	<b>Agreements Value 1995-1998</b>
1	U.A.E.	7,300
2	Saudi Arabia	6,600
3	China	6,500
4	India	6,100
5	Egypt	5,100
6	South Korea	3,700
7	Israel	3,000
8	Indonesia	2,400
9	Malaysia	2,300
10	Pakistan	1,800
<b>Rank</b>	<b>Recipient</b>	<b>Agreements Value 1999-2002</b>
1	China	11,300
2	U.A.E.*	9,000
3	India	8,000
4	Egypt	7,800
5	Israel	7,000
6	South Africa	5,100
7	South Korea	5,000
8	Saudi Arabia	4,100
9	Singapore	3,100
10	Pakistan	2,900
<b>Rank</b>	<b>Recipient</b>	<b>Agreements Value 1995-2002</b>
1	China	17,800
2	U.A.E.*	16,300
3	India	14,100
4	Egypt	12,900
5	Saudi Arabia	10,700
6	Israel	10,000
7	South Korea	8,700
8	South Africa	5,200
9	Malaysia	4,900
10	Pakistan	4,700

**Source:** U.S. Government.

**Note:** All foreign data are rounded to the nearest \$100 million. Where rounded data totals are the same, the actual rank order is maintained.

\*The U.A.E. total includes a \$6.432 billion licensed commercial agreement with the United States in 2000 for 80 F-16 aircraft.

**Table 1J Arms Transfer Agreements of Developing Nations in 2002:  
Agreements by Leading Recipients  
(in millions of current U.S. dollars)**

<b>Rank</b>	<b>Supplier</b>	<b>Agreements Value 2002</b>
1	China	3,600
2	South Korea	1,900
3	India	1,400
4	Oman	1,300
5	Egypt	1,200
6	Kuwait	1,100
7	Saudi Arabia	900
8	Malaysia	800
9	Israel	700
10	Chile	500

**Source:** U.S. Government.

**Note:** All foreign data are rounded to the nearest \$100 million.  
Where rounded data totals are the same, the actual rank order is maintained.

**Table 2 Arms Deliveries to Developing Nations, by Supplier, 1995-2002**  
(in millions of current U.S. dollars)

	1995	1996	1997	1998	1999	2000	2001	2002	Total 1995-2002
United States	11,419	9,918	11,210	10,846	12,482	8,418	6,129	6,961	77,383
Russia	3,000	2,600	2,200	2,000	2,500	3,300	3,800	2,900	22,300
France	2,300	3,200	6,100	6,500	3,500	1,900	800	1,300	25,600
United Kingdom	4,900	5,800	5,900	3,300	4,400	5,000	3,700	3,300	36,300
China	700	700	1,100	600	300	700	600	800	5,500
Germany	1,200	700	400	200	700	400	100	0	3,700
Italy	100	100	400	200	400	0	100	0	1,300
All Other European	2,300	2,300	3,100	2,100	2,100	1,900	900	800	15,500
All Others	1,100	1,300	1,200	900	800	900	1,200	900	8,300
<b>Total</b>	<b>27,019</b>	<b>26,618</b>	<b>31,610</b>	<b>26,646</b>	<b>27,182</b>	<b>22,518</b>	<b>17,329</b>	<b>16,961</b>	<b>195,883</b>

Dollar inflation index:  
(2002=1.00)\*

0.8401    0.8572    0.8756    0.8947    0.9158    0.9376    0.9617    1

**Source:** U.S. Government.

**Note:** Developing nations category excludes the United States, Russia, Europe, Canada, Japan, Australia, and New Zealand. All data are for the calendar year given, except for U.S. Military Assistance Program, International Military Education and Training, excess defense articles, and commercially licensed deliveries, which are included for the particular fiscal year. All amounts given include the values of all categories of weapons and ammunition, military spare parts, military construction, military assistance and training programs, and all associated services. Statistics for foreign countries are based upon estimated selling prices. All foreign data are rounded to the nearest \$100 million.

\*Based on Department of Defense Price Deflator.

**Table 2A Arms Deliveries to Developing Nations, by Supplier, 1995-2002**  
(in millions of constant 2002 U.S. dollars)

	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>Total 1995-2002</b>
United States	13,831	11,750	13,012	12,273	13,806	9,075	6,423	6,961	87,132
Russia	3,634	3,554	3,018	2,263	2,765	3,558	3,982	2,900	25,674
France	2,786	3,791	7,081	7,355	3,871	2,048	838	1,300	29,071
United Kingdom	5,935	5,805	6,849	3,734	4,867	5,390	3,878	3,300	39,757
China	848	829	1,277	679	332	755	629	800	6,148
Germany	1,453	829	464	226	774	431	105	0	4,284
Italy	121	118	464	226	442	0	105	0	1,477
All Other European	2,786	2,725	3,598	2,376	2,323	2,048	943	800	17,600
All Others	1,332	1,540	1,393	1,018	885	970	1,258	900	9,297
<b>Total</b>	<b>32,726</b>	<b>30,941</b>	<b>37,156</b>	<b>30,150</b>	<b>30,065</b>	<b>24,275</b>	<b>18,161</b>	<b>16,961</b>	<b>220,440</b>

**Table 2B Arms Deliveries to Developing Nations, by Supplier, 1995-2002  
(Expressed as a Percent of Total, by Year)**

	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
United States	42.26%	37.26%	35.46%	40.70%	45.92%	37.38%	35.37%	41.04%
Russia	11.10%	9.77%	6.96%	7.51%	9.20%	14.65%	21.93%	17.10%
France	8.51%	12.02%	19.30%	24.39%	12.88%	8.44%	4.62%	7.66%
United Kingdom	18.14%	21.79%	18.66%	12.38%	16.19%	22.20%	21.35%	19.46%
China	2.59%	2.63%	3.48%	2.25%	1.10%	3.11%	3.46%	4.72%
Germany	4.44%	2.63%	1.27%	0.75%	2.58%	1.78%	0.58%	0.00%
Italy	0.37%	0.38%	1.27%	0.75%	1.47%	0.00%	0.58%	0.00%
All Other European	8.51%	8.64%	9.81%	7.88%	7.73%	8.44%	5.19%	4.72%
All Others	4.07%	4.88%	3.80%	3.38%	2.94%	4.00%	6.92%	5.31%
Major West European*	<u>31.46%</u>	<u>36.82%</u>	<u>40.50%</u>	<u>38.27%</u>	<u>33.12%</u>	<u>32.42%</u>	<u>27.13%</u>	<u>27.12%</u>
<b>Total</b>	<b>100.00%</b>							

\*Major West European category includes France, United Kingdom, Germany, Italy.

**Table 2C Arms Transfer Agreements with Developing Nations, by Supplier, 1995-2002**  
(in millions of current U.S. dollars)

	Asia		Near East		Latin America		Africa	
	1995-1998	1999-2002	1995-1998	1999-2002	1995-1998	1999-2002	1995-1998	1999-2002
United States	11,833	12,213	27,102	19,875	2,049	1,566	140	85
Russia	6,100	9,500	2,900	1,800	400	100	500	200
France	9,000	1,500	8,800	5,900	300	100	100	0
United Kingdom	2,000	2,600	17,300	13,700	400	0	100	0
China	1,600	1,300	900	700	100	0	400	100
Germany	2,100	200	100	1,000	300	100	0	0
Italy	600	400	100	100	0	0	100	0
All Other European	2,000	1,000	5,800	2,600	1,200	500	600	200
All Others	2,000	1,900	1,200	1,100	800	200	800	200
Major West European*	<u>13,700</u>	<u>4,700</u>	<u>26,300</u>	<u>20,700</u>	<u>1,000</u>	<u>200</u>	<u>300</u>	<u>0</u>
<b>Total</b>	<b>37,233</b>	<b>30,613</b>	<b>64,202</b>	<b>46,775</b>	<b>5,549</b>	<b>2,566</b>	<b>2,740</b>	<b>785</b>

**Source:** U.S. Government.

**Note:** All foreign data are rounded to the nearest \$100 million.

\*Major West European category includes France, United Kingdom, Germany, Italy.

**Table 2D Percentage of Each Supplier's Agreements Value by Region, 1955-2002**

	Asia		Near East		Latin America		Africa		Total	
	<u>1995-1998</u>	<u>1999-2002</u>								
United States	28.77%	36.20%	65.90%	58.91%	4.98%	4.64%	0.34%	0.25%	100.00%	100.00%
Russia	61.62%	81.90%	29.29%	15.52%	4.04%	0.86%	5.05%	1.72%	100.00%	100.00%
France	49.45%	20.00%	48.35%	78.67%	1.65%	1.33%	0.55%	0.00%	100.00%	100.00%
United Kingdom	10.10%	15.95%	87.37%	84.05%	2.02%	0.00%	0.51%	0.00%	100.00%	100.00%
China	53.33%	61.90%	30.00%	33.33%	3.33%	0.00%	13.33%	4.76%	100.00%	100.00%
Germany	84.00%	15.38%	4.00%	76.92%	12.00%	7.69%	0.00%	0.00%	100.00%	100.00%
Italy	75.00%	80.00%	12.50%	20.00%	0.00%	0.00%	12.50%	0.00%	100.00%	100.00%
All Other European	20.83%	23.26%	60.42%	60.47%	12.50%	11.63%	6.25%	4.65%	100.00%	100.00%
All Others	41.67%	55.88%	25.00%	32.35%	16.67%	5.88%	16.67%	5.88%	100.00%	100.00%
Major West European*	<u>33.17%</u>	<u>18.36%</u>	<u>63.68%</u>	<u>80.86%</u>	<u>2.42%</u>	<u>0.78%</u>	<u>0.73%</u>	<u>0.00%</u>	<u>100.00%</u>	<u>100.00%</u>
<b>Total</b>	<b>33.93%</b>	<b>37.92%</b>	<b>58.51%</b>	<b>57.93%</b>	<b>5.06%</b>	<b>3.18%</b>	<b>2.50%</b>	<b>0.97%</b>	<b>100.00%</b>	<b>100.00%</b>

\*Major West European category includes France, United Kingdom, Germany, Italy.

**Table 2E Percentage of Total Agreements Value by Supplier to Regions, 1995-2002**

	Asia		Near East		Latin America		Africa	
	1995-1998	1999-2002	1995-1998	1999-2002	1995-1998	1999-2002	1995-1998	1999-2002
United States	31.78%	39.89%	42.21%	42.49%	36.93%	61.03%	5.11%	10.83%
Russia	16.38%	31.03%	4.52%	3.85%	7.21%	3.90%	18.25%	25.48%
France	24.17%	4.90%	13.71%	12.61%	5.41%	3.90%	3.65%	0.00%
United Kingdom	5.37%	8.49%	26.95%	29.29%	7.21%	0.00%	3.65%	0.00%
China	4.30%	4.25%	1.40%	1.50%	1.80%	0.00%	14.60%	12.74%
Germany	5.64%	0.65%	0.16%	2.14%	5.41%	3.90%	0.00%	0.00%
Italy	1.61%	1.31%	0.16%	0.21%	0.00%	0.00%	3.65%	0.00%
All Other European	5.37%	3.27%	9.03%	5.56%	21.63%	19.49%	21.90%	25.48%
All Others	5.37%	6.21%	1.87%	2.35%	14.42%	7.79%	29.20%	25.48%
Major West European*	<u>36.80%</u>	<u>15.35%</u>	<u>40.96%</u>	<u>44.25%</u>	<u>18.02%</u>	<u>7.79%</u>	<u>10.95%</u>	<u>0.00%</u>
<b>Total</b>	<b>100.00%</b>	<b>100.00</b>						

\*Major West European category includes France, United Kingdom, Germany, and Italy.

**Table 2F Arms Deliveries to Developing Nations, 1995-2002:  
Leading Suppliers Compared  
(in millions of current U.S. dollars)**

<b>Rank</b>	<b>Supplier</b>	<b>Agreements Value 1995-1998</b>
1	Saudi Arabia	37,900
2	Taiwan	14,200
3	U.A.E.	5,100
4	Kuwait	4,900
5	Egypt	4,800
6	South Korea	4,300
7	China	3,200
8	Israel	2,800
9	Iran	2,100
10	Indonesia	2,100
<b>Rank</b>	<b>Supplier</b>	<b>Agreements Value 1999-2002</b>
1	United States	33,990
2	China	6,100
3	Taiwan	6,000
4	Egypt	4,700
5	South Korea	4,500
6	Israel	4,200
7	U.A.E.	3,600
8	India	2,700
9	Kuwait	2,400
10	Pakistan	2,200
<b>Rank</b>	<b>Supplier</b>	<b>Agreements Value 1995-2002</b>
1	Saudi Arabia	64,500
2	Taiwan	20,200
3	Egypt	9,500
4	China	9,300
5	South Korea	8,800
6	U.A.E.	8,700
7	Kuwait	7,300
8	Israel	7,000
9	India	4,700
10	Pakistan	3,800
11	Italy	1,300

**Source:** U.S. Government.

**Note:** All foreign data are rounded to the nearest \$100 million. Where rounded data totals are the same, the actual rank order is maintained.

**Table 2G Arms Deliveries to Developing Nations in 2002:  
Leading Suppliers Compared  
(in millions of current U.S. dollars)**

<b>Rank</b>	<b>Supplier</b>	<b>Agreements Value 2002</b>
1	United States	6,961
2	United Kingdom	3,300
3	Russia	2,900
4	France	1,300
5	China	800
6	Ukraine	300
7	Brazil	200
8	Israel	200
9	Spain	100
10	North Korea	100

**Source:** U.S. Government.

**Note:** All foreign data are rounded to the nearest \$100 million.  
Where rounded data totals are the same, the actual rank order is maintained.

**Table 2H Arms Deliveries to Near East, by Supplier**  
(in millions of current U.S. dollars)

Recipient Country	U.S.	Russia	China	Major West European*	All Other European	All Others	Total
<b>1995-1998</b>							
Algeria	0	300	0	400	200	0	900
Bahrain	300	0	0	0	0	0	300
Egypt	4,000	500	0	200	200	0	4,900
Iran	0	800	800	100	400	0	2,100
Iraq	0	0	0	0	0	0	0
Israel	2,500	0	0	100	0	300	2,900
Jordan	200	0	0	0	0	100	300
Kuwait	2,700	800	0	1,300	100	0	4,900
Lebanon	100	0	0	0	0	0	100
Libya	0	0	0	0	0	100	100
Morocco	100	0	0	200	100	100	500
Oman	0	0	0	700	100	200	1,000
Qatar	0	0	0	1,700	0	0	1,700
Saudi Arabia	16,200	0	0	18,400	3,400	0	38,000
Syria	100	0	0	0	100	200	400
Tunisia	100	0	0	0	100	0	200
U.A.E.	600	400	0	3,500	600	0	5,100
Yemen	0	0	100	100	300	0	500
<b>1999-2002</b>							
Algeria	0	400	200	0	300	100	1,000
Bahrain	600	0	0	0	0	0	600
Egypt	4,300	200	100	0	0	100	4,700
Iran	0	400	0	0	0	300	700
Iraq	0	0	0	0	100	0	100
Israel	3,400	0	0	900	0	0	4,300
Jordan	300	0	0	100	0	100	500
Kuwait	1,400	100	200	600	0	100	2,400
Lebanon	0	0	0	0	0	0	0
Libya	0	100	0	0	100	100	300
Morocco	0	0	0	100	200	0	300
Oman	0	0	0	0	0	100	100
Qatar	0	0	0	200	0	0	200
Saudi Arabia	9,500	0	0	15,800	1,300	0	26,600
Syria	0	200	0	100	100	0	400
Tunisia	0	0	0	0	0	0	0
U.A.E.	300	100	0	2,700	400	100	3,600
Yemen	0	300	200	100	100	100	800

**Source:** U.S. Government.

**Note:** 0=data less than \$50 million or nil. All data are rounded to nearest \$100 million.

\*Major West European includes France, United Kingdom, Germany, and Italy totals as an aggregate figure.

**Table 2I Arms Deliveries to Developing Nations, 1995-2002:  
The Leading Recipients  
(in millions of current U.S. dollars)**

<b>Rank</b>	<b>Recipient</b>	<b>Agreements Value 1995-1998</b>
1	Saudi Arabia	37,900
2	Taiwan	14,200
3	U.A.E.	5,100
4	Kuwait	4,900
5	Egypt	4,800
6	South Korea	4,300
7	China	3,200
8	Israel	2,800
9	Iran	2,100
10	Indonesia	2,100
<b>Rank</b>	<b>Recipient</b>	<b>Agreements Value 1999-2002</b>
1	Saudi Arabia	26,600
2	China	6,100
3	Taiwan	6,000
4	Egypt	4,700
5	South Korea	4,500
6	Israel	4,200
7	U.A.E.	3,600
8	India	2,700
9	Kuwait	2,400
10	Pakistan	2,200
<b>Rank</b>	<b>Recipient</b>	<b>Agreements Value 1995-2002</b>
1	Saudi Arabia	64,500
2	Taiwan	20,200
3	Egypt	9,500
4	China	9,300
5	South Korea	8,800
6	U.A.E.	8,700
7	Kuwait	7,300
8	Israel	7,000
9	India	4,700
10	Pakistan	3,800

**Source:** U.S. Government.

**Note:** All foreign data are rounded to the nearest \$100 million. Where rounded data totals are the same, the actual rank order is maintained.

**Table 2J Arms Deliveries to Developing Nations in 2002:  
The Leading Recipients  
(in millions of current U.S. dollars)**

Rank	Recipient	Deliveries Value 2002
1	Saudi Arabia	5,200
2	Egypt	2,100
3	Kuwait	1,300
4	China	1,200
5	Taiwan	1,100
6	U.A.E.	900
7	India	900
8	Israel	700
9	South Korea	600
10	Pakistan	600

**Source:** U.S. Government.

**Note:** All foreign data are rounded to the nearest \$100 million.  
Where rounded data totals are the same, the actual rank order is maintained.

### Regional Arms Delivery Values, 1995-2002

Table 2C gives the values of arms deliveries by suppliers to individual regions of the developing world for the periods 1995-1998 and 1999-2002. These values are expressed in current U.S. dollars.<sup>2</sup> Table 2D, derived from Table 2C, gives the percentage distribution of each supplier's deliveries values within the regions for the two time periods. Table 2E, also derived from Table 2C, illustrates what percentage share of each developing world region's total arms delivery values was held by specific suppliers during the years 1995-1998 and 1999-2002. Among the facts reflected in these tables are the following:

#### Near East

- The Near East has generally led in the value of arms deliveries received by the developing world. In 1995-1998, it accounted for 58.5 percent of the total value of all developing nations deliveries (\$64.2 billion in current dollars). During 1999-2002 the region accounted for 57.9 percent of all such deliveries (\$46.8 billion in current dollars) (Tables 2C and 2D).
- For the period 1995-1998, the United States made 65.9 percent of its developing world arms deliveries to the Near East region. In 1999-2002, the United States made 58.9 percent of its developing world arms deliveries to the Near East region (Table 2D).
- For the period 1995-1998, the United Kingdom made 87.4 percent of its developing world arms deliveries to the Near East region. In 1999-2002, the United Kingdom made 84.1 percent of its developing world arms deliveries to the Near East region (Table 2D).

<sup>2</sup> Because these regional data are composed of four-year aggregate dollar totals, they must be expressed in current dollar terms.

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- For the period 1995-1998, 48.4 percent of France's arms deliveries to the developing world were to the Near East region. In the more recent period, 1999-2002, 78.7 percent of France's developing world deliveries were to nations of the Near East region (Table 2D).

- For the period 1995-1998, Russia made 29.3 percent of its developing world arms deliveries to the Near East region. In 1999-2002, Russia made 15.5 percent of such deliveries to the Near East (Table 2D).

- In the earlier period, 1995-1998, the United States ranked first in the value of arms deliveries to the Near East with 42.2 percent (nearly \$27.1 billion in current dollars). The United Kingdom ranked second with 27 percent (\$17.3 billion in current dollars). France ranked third with 13.7 percent (\$8.8 billion in current dollars). The major West European suppliers, as a group, held 41 percent of this region's delivery values in 1995-1998. In the later period (1999-2002), the United States ranked first in Near East delivery values with 42.5 percent (\$19.9 billion in current dollars). The United Kingdom ranked second with 29.3 percent (\$13.3 billion in current dollars). France ranked third with 12.6 percent (\$5.9 billion in current dollars). The major West European suppliers, as a group, held 44.3 percent of this region's delivery values in 1999-2002 (Tables 2C and 2E).

### **Asia**

- The Asia region has generally ranked second in the value of arms deliveries from most suppliers in both time periods. In the earlier period, 1995-1998, 33.9 percent of all arms deliveries to developing nations were to those in Asia (\$37.2 billion in current dollars). In the later period, 1999-2002, Asia accounted for 37.9 percent of such arms deliveries (\$30.6 billion in current dollars). For the period 1999-2002, Russia made 81.9 percent of its developing world arms deliveries to Asia. Italy made 80 percent of its developing world deliveries to Asia. China made 61.9 percent of its developing world deliveries to Asia, while the United States made 36.2 percent (Tables 2C and 2D).

- In the period from 1995-1998, the United States ranked first in the value of arms deliveries to Asia with 31.8 percent (\$11.8 billion in current dollars). France ranked second with 24.2 percent (\$9 billion in current dollars). Russia ranked third with 16.4 percent (\$6.1 billion in current dollars). The major West European suppliers, as a group, held 36.8 percent of this region's delivery values in 1995-1998. In the period from 1999-2002, the United States ranked first in Asian delivery values with 39.9 percent (\$12.2 billion in current dollars). Russia ranked second with 31 percent (\$9.5 billion in current dollars) (Tables 2C and 2E).

- The United Kingdom ranked third in deliveries with 8.5 percent (\$2.6 billion in current dollars). The major West European suppliers, as a group, held 15.4 percent of this region's delivery values in 1999-2002 (Tables 2C and 2E).

### **Latin America**

- In the earlier period, 1995-1998, the value of all arms deliveries to Latin America was \$5.6 billion. The United States ranked first in the value of arms deliveries to Latin America with 36.9 percent (\$2 billion in current dollars). The United Kingdom and Russia tied for second with 7.2 percent (\$400 million each in current dollars). The major West European suppliers, as a group, held 18 percent of this region's delivery values in 1995-1998. In the later period, 1999-2002, the United States ranked first in Latin American delivery values with 61 percent (\$1.6 billion in current dollars). Russia, France and Germany tied for second with 3.9 percent each. The major West European suppliers, as a group, held 7.8 percent of this region's delivery values in 1999-2002. During 1999-2002, the value of all arms deliveries to Latin America was \$2.6 billion, a substantial decline from the \$5.6 billion deliveries total for 1995-1998 (Tables 2C and 2E).

### **Africa**

- In the earlier period, 1995-1998, the value of all arms deliveries to Africa was over \$2.7 billion. Russia ranked first in the value of arms deliveries to Africa with 18.3 percent (\$500 million in current dollars). China ranked second with 14.6 percent (\$400 million in current

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dollars). The major West European suppliers, as a group, held 11 percent of this region's delivery values in 1995-1998. The United States held 5.1 percent. In the later period, 1999-2002, Russia ranked first in African delivery values with 25.5 percent (\$200 million in current dollars). China ranked second with 12.7 percent (\$100 million in current dollars). The United States held 10.8 percent. The other non-major European suppliers collectively held 25.5 percent, as did all other non-European suppliers collectively (\$200 million each in current dollars). During this later period, the value of all arms deliveries to Africa decreased dramatically from \$2.7 billion in 1995-1998 to about \$800 million (in current dollars) (Tables 2C and 2E).

#### **Arms Deliveries to Developing Nations, 1995-2002: Leading Suppliers Compared**

Table 2F gives the values of arms deliveries to developing nations from 1995-2002 by the top eleven suppliers. The table ranks these suppliers on the basis of the total current dollar values of their respective deliveries to the developing world for each of three periods 1995-1998, 1999-2002 and 1995-2002. Among the facts reflected in this table are the following:

- The United States ranked first among all suppliers to developing nations in the value of arms deliveries from 1999-2002 (nearly \$34 billion), and first for the entire period from 1995-2002 (\$77.4 billion).
- The United Kingdom ranked second among all suppliers to developing nations in the value of arms deliveries from 1999-2002 (\$16.4 billion), and second for the entire period from 1995-2002 (\$36.3 billion).
- Russia ranked third among all suppliers to developing nations in the value of arms deliveries from 1999-2002 (\$12.5 billion), and fourth for the entire period from 1995-2002 (\$23.3 billion).

#### **Arms Deliveries With Developing Nations in 2002: Leading Suppliers Compared**

Table 2G ranks and gives for 2002 the values of arms deliveries to developing nations of the top ten suppliers in current U.S. dollars. Among the facts reflected in this table are the following:

- The United States, the United Kingdom and Russia the years top three arms suppliers ranked by the value of their arms deliveries collectively made deliveries in 2002 valued at \$13.2 billion, 77.6 percent of all arms deliveries made to developing nations by all suppliers.
- In 2002, the United States ranked first in the value of arms deliveries to developing nations, making nearly \$7 billion in such agreements, or 41 percent of them.
- The United Kingdom ranked second and Russia third in deliveries to developing nations in 2002, making \$3.3 billion and \$2.9 billion in such deliveries respectively.
- France ranked fourth in arms deliveries to developing nations in 2002, making \$1.3 billion in such deliveries, while China ranked fifth with \$800 million in deliveries.

#### **Arms Deliveries to Near East, 1995-2002: Suppliers and Recipients**

Table 2H gives the values of arms delivered to Near East nations by suppliers or categories of suppliers for the periods 1995-1998 and 1999-2002. These values are expressed in current U.S. dollars. They are a subset of the data contained in Table 2 and Table 2C. Among the facts reflected by these tables are the following:

- For the most recent period, 1999-2002, the principal arms recipients of the United States in the Near East region, based on the value of their arms deliveries were Saudi Arabia (\$9.5 billion), Egypt (\$4.3 billion), Israel (\$3.4 billion), and Kuwait (\$1.4 billion). The principal arms recipients of Russia were Iran and Algeria (\$400 million each) and Yemen (\$300 million). The principal arms recipients of China were Algeria, Kuwait and Yemen (\$200 million each). The principal arms recipients of the four major West European suppliers, as a group, were Saudi

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Arabia (\$15.8 billion), the U.A.E. (\$2.7 billion), Israel (\$900 million), and Kuwait (\$600 million). The principal arms recipient of all other European suppliers collectively was Saudi Arabia (\$1.3 billion). The principal arms recipient of all other suppliers, as a group, was Iran (\$300 million).

- For the period 1999-2002, Saudi Arabia received \$26.6 billion in arms deliveries. Its principal suppliers were the United States (\$9.5 billion), and the four major West Europeans, as a group (\$15.8 billion). Egypt received \$4.7 billion in arms deliveries. Its principal supplier was the United States (\$4.3 billion). Israel received \$4.3 billion in arms deliveries. Its principal supplier was the United States (\$3.4 billion). The U.A.E. received \$3.6 billion in arms deliveries. Its principal suppliers were the four major West Europeans, as a group (\$2.7 billion). Kuwait received \$2.4 billion in arms deliveries. Its principal suppliers were the United States (\$1.4 billion), and the four major West Europeans collectively, (\$600 million). Iran received \$700 million in arms deliveries. Its principal supplier was Russia (\$400 million).

- The value of United States arms deliveries to Saudi Arabia declined from \$16.2 billion in 1995-1998 to \$9.5 billion in 1999-2002, as implementation of orders placed during the Persian Gulf war era continued to be concluded.

- The value of Russian arms deliveries to Iran declined from the 1995-1998 period to the 1999-2002 period. Russian arms deliveries fell from \$800 million to \$400 million, half the level of the earlier period.

- Chinese arms deliveries to Iran dropped dramatically from 1995-1998 to 1999-2002, falling from \$800 million in 1995-1998 to nil in 1999-2002.

#### **Arms Deliveries to Developing Nations, 1995-2002: The Leading Recipients**

Table 2I gives the values of arms deliveries made to the top ten recipients of arms in the developing world from 1995-2002 by all suppliers collectively. The table ranks recipients on the basis of the total current dollar values of their respective deliveries from all suppliers for each of three periods 1995-1998, 1999-2002 and 1995-2002. Among the facts reflected in this table are the following:

- Saudi Arabia and Taiwan were the top two developing world recipients of arms from 1995-2002, receiving deliveries valued at \$64.5 billion and \$20.2 billion, respectively, during these years. The total value of all arms deliveries to developing nations from 1995-2002 was \$195.9 billion in current dollars (see Table 2). Thus, Saudi Arabia and Taiwan were responsible for 32.9 percent and 10.3 percent, respectively, of all developing world deliveries during these years together 43.2 percent of the total. In the most recent period 1999-2002 Saudi Arabia and China ranked first and second in the value of arms received by developing nations (\$26.6 billion and \$6.1 billion, respectively, in current dollars). Together, Saudi Arabia and China accounted for 38.9 percent of all developing world arms deliveries (\$32.7 billion out of nearly \$84 billion the value of all deliveries to developing nations in 1999-2002 (in current dollars).

- For the 1999-2002 period, Saudi Arabia alone received \$26.6 billion in arms deliveries (in current dollars), or 31.7 percent of all deliveries to developing nations during this period.

- During 1995-1998, the top ten recipients collectively accounted for 72.7 percent of all developing world arms deliveries. During 1999-2002, the top ten recipients collectively accounted for 75 percent of all such deliveries (Tables 2 and 2I).

#### **Arms Transfers to Developing Nations in 2002: Agreements With Leading Recipients**

Table 2J names the top ten developing world recipients of arms transfer agreements in 2002. The table ranks these recipients on the basis of the total current dollar values of their respective agreements with all suppliers in 2002. Among the facts reflected in this table are the following:

- Saudi Arabia was the leading recipient of arms deliveries in 2002 among developing nations, receiving \$5.2 billion in such deliveries, or 30.7 percent of all deliveries to developing

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nations. Egypt ranked second with \$2.1 billion. Kuwait ranked third with \$1.3 billion (Tables 2 and 2J).

- Arms deliveries in 2002 to the top ten developing nation recipients, collectively, constituted \$14.6 billion, or 86.1 percent of all developing nations deliveries. Five of the top ten arms recipients in the developing world in 2002 were in the Near East region; four were in the Asia region (Tables 2 and 2J).

### **Description of Items Counted in Weapons Categories, 1995-2002**

**Tanks and Self-propelled Guns:** This category includes light, medium, and heavy tanks; self-propelled artillery; self-propelled assault guns.

**Artillery:** This category includes field and air defense artillery, mortars, rocket launchers and recoilless rifles 100 mm and over; FROG launchers 100mm and over.

**Armored Personnel Carriers (APCs) and Armored Cars:** This category includes personnel carriers, armored and amphibious; armored infantry fighting vehicles; armored reconnaissance and command vehicles.

**Major Surface Combatants:** This category includes aircraft carriers, cruisers, destroyers, frigates.

**Minor Surface Combatants:** This category includes minesweepers, subchasers, motor torpedo boats, patrol craft, motor gunboats.

**Submarines:** This category includes all submarines, including midget submarines.

**Guided Missile Patrol Boats:** This category includes all boats in this class.

**Supersonic Combat Aircraft:** This category includes all fighter and bomber aircraft designed to function operationally at speeds above Mach 1.

**Subsonic Combat Aircraft:** This category includes all fighter and bomber aircraft designed to function operationally at speeds below Mach 1.

**Other Aircraft:** This category includes all other fixed-wing aircraft, including trainers, transports, reconnaissance aircraft, and communications/utility aircraft.

**Helicopters:** This category includes all helicopters, including combat and transport.

**Surface-to-air Missiles:** This category includes all ground-based air defense missiles.

**Surface-to-surface Missiles:** This category includes all surface-surface missiles without regard to range, such as Scuds and CSS-2s. It excludes all anti-tank missiles. It also excludes all anti-ship missiles, which are counted in a separate listing.

**Anti-ship Missiles:** This category includes all missiles in this class such as the Harpoon, Silkworm, Styx and Exocet.

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## Regions Identified in Arms Transfer Tables and Charts

Asia	Near East	Europe
Afghanistan	Algeria	Albania
Australia	Bahrain	Armenia
Bangladesh	Egypt	Austria
Brunei	Iran	Azerbaijan
Burma (Myanmar)	Iraq	Belarus
China	Israel	Bosnia/Herzegovina
Fiji	Jordan	Bulgaria
India	Kuwait	Belgium
Indonesia	Lebanon	Canada
Japan	Libya	Croatia
Kampuchea (Cambodia)	Morocco	Czechoslovakia/Czech Republic
Kazakhstan	Oman	Cyprus
Kyrgyzstan	Qatar	Denmark
Laos	Saudi Arabia	Estonia
Malaysia	Syria	Finland
Nepal	Tunisia	France
New Zealand	United Arab Emirates	FYR/Macedonia
North Korea	Yemen	Georgia
Pakistan		Germany
Papua New Guinea		Greece
Philippines		Hungary
Pitcairn		Iceland
Singapore		Ireland
South Korea		Italy
Sri Lanka		Latvia
Taiwan		Liechtenstein
Tajikistan		Lithuania
Thailand		Luxembourg
Turkmenistan		Malta
Uzbekistan		Moldova
Vietnam		Netherlands
		Norway
		Poland
		Portugal
		Romania
		Russia
		Slovak Republic
		Slovenia
		Spain
		Sweden
		Switzerland
		Turkey
		Ukraine
		United Kingdom
		Yugoslavia/Federal Republic

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## Regions Identified in Arms Transfer Tables and Charts (Cont.)

Africa	Latin America
Angola	Antigua
Benin	Argentina
Botswana	Bahamas
Burkina Faso	Barbados
Burundi	Belize
Cameroon	Bermuda
Cape Verde	Bolivia
Central African Republic	Brazil
Chad	British Virgin Islands
Congo	Cayman Islands
Cote d'Ivoire	Chile
Djibouti	Colombia
Equatorial Guinea	Costa Rica
Ethiopia	Cuba
Gabon	Dominica
Gambia	Dominican Republic
Ghana	Ecuador
Guinea	El Salvador
Guinea-Bissau	French Guiana
Kenya	Grenada
Lesotho	Guadeloupe
Liberia	Guatemala
Madagascar	Guyana
Malawi	Haiti
Mali	Honduras
Mauritania	Jamaica
Mauritius	Martinique
Mozambique	Mexico
Namibia	Montserrat
Niger	Netherlands Antilles
Nigeria	Nicaragua
Réunion	Panama
Rwanda	Paraguay
Senegal	Peru
Seychelles	St. Kitts and Nevis
Sierra Leone	St. Lucia
Somalia	St. Pierre and Miquelon
South Africa	St. Vincent
Sudan	Suriname
Swaziland	Trinidad
Tanzania	Turks and Caicos
Togo	Venezuela
Uganda	
Zaire	
Zambia	
Zimbabwe	

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# **Implementation of the United Nations Program of Action for Small Arms and Light Weapons**

**By  
Lincoln P. Bloomfield, Jr.,  
United States Department of Defense Assistant  
Secretary for Political-Military Affairs**

[The following are excerpts from the speech delivered to the First Biennial Meeting of the States, concerning the United Nations Program of Action, New York, New York, July 7, 2003.]

Madam Chairperson, Excellencies, and distinguished colleagues, it is my honor and privilege to present the United States report to the First Biennial Meeting of States. All of the governments represented in this hall, and many of you personally, were here two years ago, in July of 2001, when the Program of Action was debated at length and ultimately agreed. In the intervening two years, many governments have exerted considerable efforts, and expended substantial resources, to fulfill the promise of the Program of Action. On behalf of my government, I salute your efforts and look forward to receiving your reports.

The United States strongly supports the United Nations Program of Action, and the meeting for which we are now gathered. We are committed to supporting the very focused and constructive agenda that our Chairperson, Ambassador Inoguchi, has so ably brought forward.

I well recall that our deliberations two years ago were accompanied by many passionate and well-informed advocates just beyond these walls, representing the non-governmental sector. Among them were private citizens representing a wide spectrum of positions relating to the lawful ownership of firearms. Regardless of one's personal views on that issue, in the U.S. or any other country, the U.N. Conference had a very specific mandate from the General Assembly, and lawful gun ownership was not part of that mandate. The scope of the Conference and the Program of Action concern the illicit trade in small arms and light weapons. That remains our focus today.

Madam Chairperson, as we review the many initiatives our governments have pursued under the Program of Action, I submit that we all have more than enough worthy work to do within the terms of that mandate. For it is difficult to exaggerate the impact of illicit flows of small arms and light weapons, in troubled places very distant from this hall.

We often talk about the biggest threats to international peace and security, such as terrorism and weapons of mass destruction and appropriately so. Yet, it is readily apparent that the illicit trade in small arms and light weapons poses a serious threat to stability and security in this hemisphere as well as parts of Africa, South Asia, the Middle East, and elsewhere. The ready availability of lethal weapons of war in the wrong hands is a serious impediment to conflict mediation, and a force protection concern for our militaries, including peacekeepers.

We must all work even more energetically to curb the illicit trade in small arms and light weapons. I sincerely hope one key outcome of our endeavors this week will be a redoubled commitment to that task. And you will find the United States ready to engage in very practical ways to reduce the terrible costs being exacted by these illicit weapons of local destruction.

The United States maintains laws, policies, and programs that support the Program of Action. At the national level, the U.S. has a robust and transparent system of laws and regulations governing national holdings, manufacture, and the international movement of small arms and light weapons. All firearms, by law, are marked at the time of manufacture and import. Inventories of all national military holdings of small arms and light weapons are subject to strict security controls and registration by serial number to ensure that they are not lost or stolen.

At the regional and global levels, since July 2001, the United States has sponsored resolutions in the Organization of American States (OAS) to destroy excess small arms and light weapons and to develop model arms brokering regulations for the Western Hemisphere. We have sought to include small arms and light weapons in the Wassenaar Arrangement arms reporting categories.

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We have supported the Organization for Security and Cooperation in Europe efforts to develop “Best Practice” guides to assist states in establishing effective controls over small arms and light weapons, and made similar efforts elsewhere.

U.S. assistance programs called for in the Program of Action are extensive. Our law enforcement training programs include a focused curriculum on illicit arms trafficking for the countries of Southern Africa. Export control and border security programs in over thirty countries worldwide provide legal assistance, training, and equipment to prevent the illicit traffic in dangerous goods, including small arms and light weapons.

Perhaps our most significant contribution under the program has been in the area of destruction assistance programs. Since early 2001, U.S.-supported programs in ten countries have resulted in the destruction of over 400,000 excess or illegal small arms and light weapons and 44 million rounds of ammunition. The vast majority of these weapons in the global illicit trade are not newly-manufactured but rather are left over from the Cold War, when large weapons stockpiles were common in many countries within the Communist world. Destruction of these weapons, therefore, represents progress it takes them out of circulation for good, where they will never fall into the hands of terrorists, criminals, or warlords, or kill innocent civilians. For details I invite you to refer to our national report, which has been submitted to the United Nations Department for Disarmament Affairs and is available on its website.

Finally today, Madam Chairperson, permit me to offer a word of encouragement to those countries in regions most negatively affected by the illicit small arms and light weapons trade. The U.S. appreciates the connection of this issue to your vital security interests, and urges your delegations to participate fully in the dialogue this week and report candidly on the state of your efforts to implement the Program of Action. Your progress is what will make our work meaningful.

Achieving that progress, in our view, will require addressing many factors underlying the illicit trade in small arms and light weapons worldwide. This activity persists because of lax enforcement of laws and regulations, or their absence altogether. It occurs because of poor governance and an environment that tolerates illegal commerce, often involving corruption among government officials. These are symptoms of a wider pathology undermining stability in parts of the developing world, and until we mount a sufficient collective effort to address the contributing factors comprehensively, we are likely to face challenges from the illicit small arms and light weapons trade. That is why the United States stands ready to be your partner in this important endeavor.

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# A Dictatorship at the Crossroads

By

**John R. Bolton,**

**United States Department of State Under Secretary for Arms  
Control and International Security Affairs**

[The following are excerpts of the speech presented to the East Asia Institute, Seoul Hilton, Seoul, South Korea, July 31, 2003.]

Distinguished guests, it is a pleasure to have the opportunity to speak to you again. Since I last spoke here in Seoul nearly one year ago, the United States and the Republic of Korea have forged ahead in strengthening our alliance and friendship. The foundation for this was made all the stronger by the extremely successful summit last May between President Bush and President Roh. At that summit, our two presidents made the firm commitment to move in lock-step to meet our shared challenges and opportunities. I am happy to say that we are taking the shared vision of our presidents and putting it into action.

Indeed, action is needed. As we stand here today having just celebrated the 50th anniversary of the Armistice agreement that ended combat on the peninsula, the threat to North Korea posed by the Kim Jong Il dictatorship is a constant reminder of a powerful truth freedom is not free.

In preserving freedom, it is important for all to have a shared understanding of the threats we face. Unfortunately, the last year has seen a dizzying whirlwind of developments on the threat posed by the Kim Jong Il dictatorship. Being so close to North Korea, there is no doubt that the threat posed by Kim Jong Il must weigh heavily on you. While it would be naive and disingenuous for me to dismiss the danger, let me start off by striking a positive note: The world is united in working together to seek a peaceful solution to the threat posed by Kim Jong Il. Rarely have we seen the international community so willing to speak with the same voice and deliver a consistent message on an issue. In addition to consistency, there is a striking clarity to this message as well: The world will not tolerate Kim Jong Il threatening international peace and security with weapons of mass destruction, particularly nuclear weapons.

The brazenness of Kim Jong Il's behavior in the past year is striking. While nuclear blackmail used to be the province of fictional spy movies, Kim Jong Il is forcing us to live that reality as we enter the new millennium. To give in to his extortionist demands would only encourage him, and perhaps more ominously, other would-be tyrants around the world. One needs little reminding that we have tested Kim Jong Il's intentions many times before a test he has consistently failed. Since 1994, billions of dollars in economic and energy assistance have flowed into the coffers of Pyongyang to buy off their nuclear weapons program. Nine years later, Kim Jong Il has repaid us by threatening the world with not one, but two separate nuclear weapons programs; one based on plutonium, the other highly enriched uranium.

If history is any guide, Kim Jong Il probably expects that his current threats will result in newfound legitimacy and billions of dollars of economic and energy assistance pouring into his failed economy. In this case, however, history is not an especially good guide a page has been turned. Particularly after September 11, 2001 the world is acutely aware of the danger posed to civilian populations by weapons of mass destruction being developed by tyrannical rogue state leaders like Kim Jong Il or falling into the hands of terrorists. Simply put, the world has changed. Consider that in 1994, I could have used the term "WMD" and most audiences would have stared at me blankly. In 2003, we all know it is shorthand for weapons of mass destruction. Clearly, this is a sad reflection on the dangerous times we live in.

Let us also consider the fact that in 1994, North Korea could have chosen to enter the international community on a new and different footing. While communist dictatorships were collapsing or reforming across the globe, there was even hope that Kim II Sung's North Korea would follow suit. When power passed to Kim Jong Il, the world hoped he would be more

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enlightened and recognize the benefits of participating in the global community as opposed to threatening and blackmailing it.

Unfortunately, this still has not come to pass. Even a cursory glance of the first decade of Kim Jong Il's dictatorial reign suggests that he has done nothing but squander opportunity after opportunity, olive branch after olive branch. Sadly, as an editorial cartoon in *The Economist* recently expressed so well, Kim Jong Il seems to care more about enriching uranium than enriching his own people.

Kim Jong Il, of course, has not had to endure the consequences of his failed policies. While he lives like royalty in Pyongyang, he keeps hundreds of thousands of his people locked in prison camps with millions more mired in abject poverty, scrounging the ground for food. For many in North Korea, life is a hellish nightmare. As reported by the State Department *Report on Human Rights*, we believe that some 400,000 persons died in prison since 1972 and that starvation and executions were common. Entire families, including children, were imprisoned when only one member of the family was accused of a crime. Consider the testimony of Lee Soon-ok, a woman who spent years in North Korean prison camps. She testified before the U.S. Senate that she witnessed severe beatings and torture involving water forced into a victim's stomach with a rubber hose and pumped out by guards jumping on a board placed across the victim's abdomen. She also reported chemical and biological warfare experiments conducted on inmates by the army. And while Kim Jong Il is rumored to enjoy the internet so he can observe the outside world, he does not afford that right to his own people who are forced to watch and listen to only government television and radio programs.

### **Why is Kim Jong Il so scared of letting his people observe the outside world?**

The answer, of course, is that they will see the freedom enjoyed by much of the world and what they have been denied. They will see their brothers and sisters in Seoul, the capital of a booming vibrant democracy. They will see that there is a world where children stand a good chance to live to adulthood a dream of every parent. More important, they will see that the excuses for their failed system provided by Kim Jong Il does not stand scrutiny. It is not natural disasters that are to blame for the deprivation of the North Korean people but the failed policies of Kim Jong Il. They will see that, unless he changes course, his regime is directly responsible for bringing economic ruin to their country. The world already knows this which is why we will continue to give humanitarian food aid to the starving people of North Korea. But let there be no doubt about where blame falls for the misery of the North Korean people it falls squarely on the shoulders of Kim Jong Il and his regime.

There is still hope that Kim Jong Il may change course. All civilized nations and peace-loving people hope this to be true. But Kim Jong Il must make the personal decision to do so and choose a different path. It is holding out this hope that has prompted the United States, in lock-step with our friends and allies in the region, to pursue the multilateral negotiations track. Let me be clear: the United States seeks a peaceful solution to this situation. President Bush has unambiguously led the way in mobilizing world public opinion to support us in finding a lasting multilateral solution to a problem that threatens the security of the entire world.

The operative term is multilateral. It would be the height of irresponsibility for the Bush administration to enter into another bilateral agreement with the Kim Jong Il dictatorship. The Clinton administration bravely tried with the Agreed Framework but failed because Kim Jong Il instructed his subordinates to systematically violate it in secret. To enter into a similar type of agreement again would simply postpone the problem for some future administration something the Bush administration will not do.

Postponing the elimination of Kim Jong Il's nuclear weapons program will only allow him time to amass even more nuclear, chemical and biological weapons and to develop even longer range missiles. Any doubts that Kim Jong Il would peddle nuclear materials or nuclear weapons to any buyer on the international market were dispelled last April when his envoy threatened to do just that. This will not stand. Some have speculated that the U.S. is resigned to nuclear

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weapons on the peninsula and we will simply have to learn to live with nuclear weapons in the hands of a tyrannical dictator who has threatened to export them. Nothing could be further from the truth.

This is why we are working so hard on pursuing the multilateral track in Beijing. Having just been in Beijing, I can confirm that we all believe this track is alive and well, but the ball is North Korea's court. The key now is to get South Korea and Japan, and ultimately Russia and others, a seat at the table. We know that as crucial players in the region, and the countries most threatened by Kim Jong Il, the roles of Seoul and Tokyo are vital to finding any permanent solution. Those with a direct stake in the outcome must be part of the process. On this point we will not waver.

While the Beijing track is on course, prudence suggests that we pursue other tracks as well. We have been clear in saying that we seek a peaceful solution to resolve the threat posed by Kim Jong Il, but that all options are on the table. I would like to discuss two complementary tracks that we are pursuing now.

The first is action through the United Nations Security Council. As the United Nations body charged with protecting international peace and security, it could play an important role in helping to reach a peaceful settlement. Unfortunately, the Council is not playing the part it should. It was six months ago that the Board of Governors of the International Atomic Energy Agency voted overwhelmingly to report North Korea's violations to the Security Council. To date, virtually nothing has happened. We believe that appropriate and timely action by the Security Council would complement our efforts on the multilateral track in Beijing. Just as important, it would send a signal to the rest of the world that the Council takes its responsibilities seriously. I would note that when North Korea withdrew from the Nuclear Nonproliferation Treaty the first time in March 1993, the Council took action within a month. Ignoring this issue will not make it go away it will only reduce confidence in the Council and suggest to proliferators that they can sell their deadly arsenals with impunity.

The other track we are pursuing now is through the Proliferation Security Initiative. When I spoke in Seoul almost a year ago, I detailed at length the weapons of mass destruction programs actively being pursued by Kim Jong Il. The last year has seen Kim Jong Il accelerate these programs, particularly on the nuclear front. Brazenly threatening to demonstrate, even export, nuclear weapons, Kim Jong Il and his supports have defied the unanimous will of the international community.

If Pyongyang thought the international community would simply ignore its threats it was mistaken. Recently, I attended the second meeting of the proliferation security initiative, held in Brisbane, Australia and met with officials from ten other countries on the threats posed by dictators like Kim Jong Il. As the Chairman's statement underscores, the proliferation security initiative is a global initiative with global reach. And we agreed to move quickly on direct, practical measures to impede the trafficking in weapons of mass destruction, missiles and related items. Specifically, we are working on defining actions necessary to collectively or individually interdict shipments of weapons of mass destruction or missiles and related items at sea, in the air or on land.

While global in scope, the proliferation security initiative is cognizant of the reality that different countries pose different degrees of threat. Just as the South Korean Ministry of National Defense recently defined North Korea as the main enemy, the nations participating in the proliferation security initiative put North Korea and Iran at the top of the list of proliferant countries. That North Korea has earned this dubious distinction should come as little surprise in light of Pyongyang's trafficking in death and destruction to keep Kim Jong Il in power. It is practically their only source of hard currency earnings, unless of course you add narcotics and other illegal activities. Hopefully, initiatives such as proliferation security initiative will send a clear message to dictators like Kim Jong Il. In his specific case, we hope to communicate that while actively pursuing and believing that multilateral talks are a preferable way to find a lasting solution to the situation, we are not going to allow the North Korea regime to peddle its deadly

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arsenals to rogue states and terrorists throughout the world. Our national security, and our allies, as well as the lives of our citizens are at stake. Already, we are planning operational training exercises on interdiction utilizing both military and civilian assets. Kim Jong Il would be wise to consider diversifying his export base to something besides weapons of mass destruction and ballistic missiles.

The international community's tolerance for actions that defy global norms is fast shrinking. There is growing political will to take concrete steps to prevent dictators such as Kim Jong Il from profiting in ill-gotten gains. We are moving to translate this political will into action. This choice is Kim Jong Il's and his alone. In coordination with our allies, we are prepared to welcome a reformed North Korea into the world of civilized nations. This would mean, however, that Kim Jong Il makes the political decision to undergo sweeping reforms. A good start would be to respect the human rights of his people and not starve them to death or put them in death camps. He should allow the families of the Japanese abductees to be reunited, and he should provide a full account of the cause of death for the eight deceased abductees. It would also mean respecting international norms and abiding by international commitments and giving up their extensive chemical and biological weapons programs. And it will certainly require Kim Jong Il to dismantle his nuclear weapons program completely, verifiably, and irreversibly.

**The days of North Korean blackmail are over.**

Kim Jong Il is dead wrong to think that developing nuclear weapons will improve his security. Indeed, the opposite is true. As President Bush has made clear: A decision to develop a nuclear arsenal is one that will alienate you from the rest of the world. Kim Jong Il has already squandered the first decade of his rule. To continue down the path toward nuclear weapons will squander his legacy as well. The choice is his to make but whichever path he does choose the United States and its allies are prepared. Let us hope he makes the right choice.

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# Shifting Sights: Adapting Central American Security Structures to 21st Century Threats

By

**Daniel W. Fisk**

**United States Department of State Deputy Assistant Secretary,  
Bureau of Western Hemisphere Affairs**

[The following are excerpts of the remarks presented to the Center for Strategic and International Studies, Washington, D.C., June 18, 2003.]

## **Introduction**

I would like to address the relationship between the process of integration in Central America and the security framework and structures in the Central America region. There is a growing consensus in Central America that each state stands to gain from increasing collaboration and cooperation. The end of the Cold War and its polarizing influences within and between Central American nations, as well the general recognition of the wealth creating power of open societies, market liberalization, and trade, have given rise to a climate ripe for dramatic progress in reforming and reconfiguring Central American security structures and institutions.

The leaders of Central America have taken some initial, but bold steps toward this end. Presidents Bolanos, Maduro, Flores, Pacheco, and Portillo have each made important contributions to this process. President Bush had the opportunity to congratulate the five Central American Presidents on their progress towards an isthmus of peace and prosperity when he met with them in Washington in April.

Their commitment to the integration process is reflected in the negotiations towards a U.S.-Central American Free Trade Agreement (CAFTA). The CAFTA represents the common aspirations and goals of all our citizens. It will allow the Central American democracies to put their economic assets to more efficient use, attract more capital, and, ultimately, devote greater resources to development education, health care, and other pressing social needs. The Bush Administration is committed to bringing the CAFTA negotiations to fruition because we believe CAFTA will be a powerful force for growth and prosperity in the region.

U.S. foreign assistance programs also are being retooled to complement the forces for reform unleashed by free trade and the region's democratic evolution. Under the Millennium Challenge Account (MCA), good governance criteria are designed to support and encourage the efforts of Central American leaders thus far and provide incentives for continuing political and social reforms.

One of the hallmarks of good governance is the rational allocation of national resources. As times have changed for the better and we have seen a welcomed decrease in military spending throughout the region. Nevertheless, there is no question that the Central American states would benefit from even lower levels of spending and from further reform of security institutions, including the military.

The security structures and institutions of Central America were and largely remain organized and equipped to fight yesterday's wars and confront yesterday's challenges. With increasing economic integration and the recent success of peaceful mechanisms to resolve disputes between states in the region, defending against or deterring invasion by a neighboring state can no longer be rationally supported as the *raison d'être* of Central America's militaries. Further, there is no global struggle between superpowers for which the region might serve as a battlefield. And stable representative democracies do not require disproportionately large standing armies or security forces to impose control on their populations.

There are clear and present dangers to national security, sovereignty, and public safety in Central America. Transnational criminal networks of terrorists, narcotics and arms traffickers,

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alien smugglers, and traffickers in people, are the enemy today. Their corrupting influence and destructive power should not be underestimated. Today's enemies are truly stateless. They respect no national sovereignty and, to them, a border is only something to hide behind.

Central America also is a region disproportionately plagued by natural disasters; security institutions could play a more active role in emergency preparedness and response. To meet these challenges, Central American security institutions, including the region's militaries and civilian decision-making structures, must be transformed into more agile, potent, and well-trained professional entities.

Central American states must also commit themselves to greater cooperation and coordination to combat those enemies who have successfully exploited the gaps and failures of communication among the region's security organizations. To achieve these goals, we must continue to build trust and mutual confidence between the region's governments and their security institutions. We also must be mindful of the political realities in each country and the fact that such reforms entail dislocations that must not be allowed to contribute to instability.

### **Security Integration to Date**

We have a strong foundation to build upon. The *Framework Treaty on Democratic Security in Central America* was signed December 15, 1995 in San Pedro Sula by the Presidents of Costa Rica, Honduras, El Salvador, Guatemala, Nicaragua, and Panama. From that time, the Central American Integration system known as SICA has promoted communication and cooperation between militaries and law enforcement agencies in the sub-region. We were pleased when Belize joined SICA in 2001.

This framework for cooperation has achieved several notable successes, including the Regional Coordination Mechanism of Mutual Assistance in Disasters, the Regional Program Against Organized Crime, and the Central American Program of Integral Cooperation to Prevent and Counteract Terrorism and Linked Activities.

With the Pochomil Declaration of March 30, 2001, the Presidents of El Salvador, Honduras, and Nicaragua agreed to undertake important confidence and security building measures and to establish a reasonable balance of forces.

Another significant step occurred on February 19, 2003 when the Central American foreign ministers ratified a model format for providing each other with information about the composition, armaments, and equipment of their military and police forces. When this initiative is fully implemented, it will help dispel distrust between neighbors and reinforce peace on the isthmus.

### **The Way Forward**

These measures and agreements are solid and commendable achievements. They represent a promise to future generations of Central Americans, a promise of enduring peace and a reorientation of national priorities to meet dire social needs. The confluence of the ongoing CAFTA negotiations, the forthcoming MCA program, and the broadening of constructive relations between states in the region constitute an historic opportunity that must be seized.

To truly seize this opportunity, the Central American states should explicitly declare what is evident to all: That there is no reasonable justification for military action by one Central American democracy against another. It is imperative that the Central American democracies recognize that the most pressing national security threats are not each other, but rather the non-state actors represented largely by criminal mafias.

Adoption of a treaty of friendship and non-aggression by the democracies of Central America would formalize a regional security relationship that reinforces the economic framework being pursued through the Central American common market and CAFTA. Further, an agreement to restructure the region's security institutions and to coordinate their efforts to meet today's national security challenges would be the natural complement to such an undertaking.

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Implementation of such agreements should entail redefining the roles and missions of Central America's security entities, including armed forces. Instead of wasting resources on obsolete conventional formations, Central American democracies need to equip and deploy forces capable of defending their country from terrorists; capable of working with neighboring and allied forces to secure the region from stateless enemies and transnational criminal networks; and capable of working to ameliorate the dislocation and destruction caused by natural disasters. These challenges can only be effectively addressed by lighter, more mobile professional forces specifically equipped and trained to perform these tasks and directed by knowledgeable civilian leadership.

Presently, Central America is the repository of an excessive supply of small arms and light weapons and any number of out-moded weapon systems or weapons systems of little, if any, use against current threats. For instance, man-portable air defense systems (MANPADs) also known as surface-to-air missiles (SAMs) or jet fighter aircraft are ineffective in combating transnational criminal organizations be they drug traffickers or alien smugglers mafias whose growing presence threatens not only the average Central American's personal security on a daily basis, but also the legitimacy of governmental and electoral processes and institutions. Excessive quantities of small arms and light weapons, and other deadly portable weapons such as MANPADs, could easily be used by the enemies of democracy to devastating effect.

These armaments were intended to fight off an invasion, or support one, to arm a faction within the state, or wage a guerrilla war or a counter-insurgency. The chances of any of those scenarios becoming reality are, as I mentioned earlier, not likely. I can confidently tell you that the United States would not tolerate them. It is much more likely that these arms might fall into the hands of terrorists or other enemies. Therefore while they exist, they represent a threat to the peoples of Central America, as well as to the Western Hemisphere as a whole.

The practical way to achieve more security while lowering military spending and putting the dividends of peace to constructive purposes, is for Central American leaders from the Presidents, their senior Ministers, and deputies in the respective National Assemblies, to opinion leaders to recognize that the threats they face are transnational in nature and require that their security forces work together, sharing the responsibilities of protecting the region.

### **Closer Coordination Among Their Air, Land, and Sea Components is Necessary.**

Aside from restructuring and improving regional cooperation, savings can be made by eliminating the waste, fraud, and abuse in the region's military institutions. We know that there are some units that exist only on paper. Scarce funds should be put to use to address the national security threats for which they were appropriated.

In the short term, some of these savings could be allocated to appropriately equip and train new units. Some funds could ease the transition to the civilian economy of those soldiers demobilized due to reductions in force and those veterans who never made that transition. In the longer term, savings could be invested to meet national and human needs.

### **Conclusion**

Central America has made great progress. Twenty years ago, thousands of people were dying in the region's conflicts each year. Arms were flooding in from all over the world. International enmity and internal strife were the order of the day. Peace and democracy were fervently sought after but seemingly distant. Some even speculated that World War III might begin on the isthmus.

Today, we are working toward a regional free trade agreement that includes the United States. Throughout Central America, political power flows from the ballot box, not the barrel of a gun. And Central American countries are valuable partners not only in inter-American efforts to combat threats to the region, but also specifically in the global war on terrorism.

All of us need to recognize and adapt to change. We ought not hold on to the nightmares of yesterday or spend our time and efforts trying to manage risks that no longer exist. There are plenty of real and immediate threats out there that demand our attention.

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The United States is committed to helping our friends and neighbors. We want our democratic partners in this hemisphere to enjoy peace and prosperity for its own sake and because it is clearly in our best interest that they do so. We are ready to be of assistance in any way practical. But we also know that only by doing the difficult work themselves of hammering out and implementing agreements, restructuring forces, retraining and re-equipping personnel, redeploying unit, coordinating efforts, eliminating corruption and dangerous stockpiles of weapons, and lowering military spending, can the Central American democracies secure the foundation of peace they have sacrificed so much for, and on that foundation build a better future for succeeding generations.

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# **Status of U.S. Interagency Review of U.S. Export Licensing and Technology Transfer Policy**

**By  
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United States Department of Defense Assistant Secretary  
for Political-Military Affairs**

[The following are excerpts of the speech given before the Conference on “Transatlantic Defense Industrial Cooperation: Challenges and Prospects” co-sponsored by North Atlantic Treaty Organization and the Transatlantic Center of the German Marshall Fund of the United States Brussels, Belgium, July 18, 2003.]

We owe Lord Robertson debt of gratitude for more than just convening this seminar. He has maintained a steady focus on the long-term security outlook for the alliance. And he has been a consistent voice appealing to each North Atlantic Treaty Organization (NATO) member state to take the steps necessary to assure an effective military capability in defense of allied territory and interests, long into the future. He has encouraged many of the allies to spend more on defense. With my government, Lord Robertson has urged substantial efforts to assure that allied militaries are able to field comparable, and interoperable, advanced defense technologies, many of these residing in the U.S. defense industrial base.

So, from the outset of the Bush Administration, the Secretary General has identified the U.S. defense export licensing regime as a key factor in the equation of NATO’s future effectiveness as a fighting force.

## **Who Benefits from Interoperable Militaries?**

There are many in Washington, and elsewhere, who would regard more privileged access to advanced U.S. defense technology by our transatlantic allies as a benefit being conferred by the United States on the European defense industry and in one sense this is undeniable.

Yet, when one considers the scope and breadth of security obligations, deployments, and ongoing missions presently assigned to American military forces and when we add up the burden this imposes on the American soldier and taxpayer alike it is clear that the goal of increasing allied defense spending to ensure greater alliance interoperability, deployability and combat effectiveness, confers a major, lasting and very strategic benefit on the security interests of the United States.

I might add that NATO’s decision to assume important new security roles, such as in Afghanistan, gives credibility and impetus to achieving this longer-term vision of a NATO that is relevant to the 21st century security environment.

The recent establishment of Allied Command Transformation will, I predict, further sharpen our collective focus on highly effective concepts of operation enabled by technology.

## **Defense Trade Export Policy and National Security**

With that, let me turn to President Bush’s ongoing review of Defense Trade Export Policy and National Security what is known inside the Washington Beltway as NSPD-19.

The main impetus to undertaking this review was, really, three-fold:

- A strong belief that the 21st century threats are different from those that shaped our defense posture in the 20th century.
- A concern that grew quite pronounced throughout the 1990s that the U.S. licensing process was overly complex and slow, and not compatible with the growing trend of multinational collaboration in the defense industry. I would add that the benefit to U.S. interests of exercising controls on U.S. defense technology in the manner we have been doing, was being achieved at a

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high cost in terms of damaged political influence and goodwill among the very countries on whose security partnership we depend.

- The third impetus to this policy review was, and is, the need to ensure that the U.S. and its allies are able to make optimal use of advanced defense technology for our shared security purposes.

What I find noteworthy, looking back on the past two years in the Bush Administration, is how cooperative the key agencies in Washington have all been on defense trade policy issues. By that I refer to the Defense Department Acquisition as well as Policy offices, and the Commerce Department, in addition to my own Department of State. Senior officials in all of these offices share President Bush's very serious commitment to national security and the imperative of keeping dangerous defense technologies out of irresponsible hands.

At the same time, reflecting the President's management philosophy, all of these agencies equally recognize that important foreign policy and national security goals can better be achieved by elevating the focus and quality of our efforts.

We are highly conscious of the strategic purpose of NSPD-19 and its connection to NATO transformation, namely: to better prepare the alliance to cope effectively with new threats and dangers emanating from outside Europe that could endanger the safety, interests, and values of both the United States and Europe

### **Major Improvements in the Licensing Process**

At the start of the Bush Administration, the State Department was faced with a large agenda of unfinished business in the defense export policy arena inherited from the previous administration:

- We had a series of actions known as the Defense Trade Security Initiative (DTSI), including streamlined program and project licenses, a promised review of the *U.S. Munitions List*, and an offer to negotiate *International Traffic in Arms Regulations* (ITAR) exemption arrangements with Australia and the United Kingdom, adding to the longstanding (but recently revised) U.S. and Canada exemption arrangement.

- Within the State Department, the licensing office was adjusting to sharply increased manpower levels and the newly assigned legal responsibility for licensing commercial communications satellites, as well as a strong push in both the Department of State and Department of Defense to move to electronic licensing, including paperless processing among these government departments and offices.

Two years later, there is very substantial progress to report:

- We have processed the first-ever Global Project Authorization, in support of the Joint Strike Fighter multinational development project.

- The National Security Council staff has led an intensive inter-agency effort to review the *U.S. Munitions List*, and about half of the categories of this list have completed or will soon complete review. This process is helping us to identify items that either may not belong on the *Munitions List* or do not merit intensive controls. That, in turn, will help our bureaucracy focus more time on proposed exports of more sensitive defense goods and technology, including some items representing new threats that we are recommending adding to the *U.S. Munitions List*.

- Our ITAR exemption negotiations with Australia and the United Kingdom, after an extraordinary effort by all concerned, have both successfully reached agreement. Legislative action is needed in Washington and other capitals to allow these arrangements to come into force.

- In the State Department's Directorate of Defense Trade Controls (DDTC), along with very significant increases in manpower the last two years, we have realigned the organization, expanded the management ranks, and brought in senior executive leadership to run the whole function.

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- Deputy Assistant Secretary Gregory Suchan will assume his duties at the end of the month as the so-called Deputy Assistant Secretary for Defense Trade Controls. The Managing Director, who has also been Deputy Assistant Secretary during a six-month transition period, is Robert “Turk” Maggi, and he is with us today.

- We have a new Policy Directorate and a new Management Directorate, to go along with Licensing and Compliance Directorates, and we are building a public outreach team to make the whole export licensing activity more conveniently accessible to defense industry and allied governments alike.

Our electronic licensing initiative is a major evolution. Working with eighteen U.S. defense exporters, large and small, during this pilot project phase, we are processing actual cases and working through a range of technical issues.

The Department of State, working closely with Ms. Bronson and her Department of Defense colleagues, has overcome enormous challenges and is ready to open the flow of fully electronic licensing cases between our two Departments. The Department of State is also very close to achieving an electronic connection with the U.S. Customs Service in the Department of Homeland Security, which will greatly enhance our knowledge of what defense goods are actually being exported, and our ability to assure compliance with U.S. laws and regulations.

Under the new management structure in 2003, the Department of State has been systematically reviewing every segment of its process, and designing systems and tools to assure timely action by competent and properly-informed offices.

Under NSPD-19, we are looking closely at a number of additional procedural factors that affect the timing and predictability of obtaining export authorization for U.S. defense articles and technology, including:

- How to adjudicate Commodity Jurisdiction cases without incurring long delays;
- How to ensure that non-sensitive cases are not referred unnecessarily from the Directorate of Defense Trade Controls to other offices and departments;
- How to work with our Congress to ensure that no part of the executive-legislative approval and oversight process for arms transfers unduly harms the ability of our defense companies to compete in legitimate overseas project opportunities; and,
- How to maintain continuous process management so that our work is done efficiently and our staff is better able to pay comparatively more attention to sensitive export cases.

These steps, taken together, represent a wholesale re-tooling of the Department of State’s licensing process, one that we hope will make the job of the Pentagon and other departments easier and more effective as we go forward.

The chorus of voices a few years ago, from other U.S. agencies, industry, Congress, and allies alike including North Atlantic Treaty Organization agencies advocating a major effort to improve the licensing process, as been answered. These changes are now well underway and visible to the naked eye, and will be manifestly evident over the next year.

### **Policy Review**

That brings us to the area of policy. Indeed, for the first time, we will no longer have a chronically under-resourced and non-responsive U.S. licensing process as an excuse for not meeting alliance interoperability goals. Now, the relevant export control issue will be the terms of release for export by the U.S. of certain advanced defense technologies to other countries.

The first, as I just noted, is whether the U.S. and its NATO allies, respectively, will see fit to move toward a more advanced defense technology relationship in their export and procurement policies.

A second is whether concerted U.S. steps to advance NATO interoperability will be reciprocated by the allies fulfillment of their *Prague Capabilities Commitment*, and substantial

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improvements in the readiness, deployability and sustainment of European forces that would be assigned to the NATO Response Force. On this second point, let me just say that the United States strongly supports greater defense spending, capacity-building and sharing of burdens within the alliance; we support the *Prague Capabilities Commitment*, and the NATO Response Force. By making this commitment and effort, the allies will be investing in their future influence within American policy circles, and a continued strong say over how their interests will be protected.

A strengthened NATO will solidify the U.S. commitment to the alliance, as NATO's military credibility and options grow; enhanced European capabilities will benefit ESDP, by addressing new and emerging threats that affect Europe just as much as the United States.

The third fundamental question is whether allied governments will join with us in taking more advanced measures to ensure that our advanced defense technology remains under well-conceived and administered controls, once exported.

I have never heard any allied country say that its export control system is inadequate. But in 2003, it is fair to ask how many of the NATO allies control the export of defense technology by intangible means, that is, by email, fax, or internet. This is no longer a marginal issue, when one considers that almost all of the work covered under the Joint Strike Fighter Global Project Authorization, now in the systems development and design phase, is being done across borders, electronically, through a Virtual Private Network.

In the months and years to come, my organization will be reaching out to allied governments to build partnerships in the area of compliance with our respective security arrangements governing export and import of sensitive defense technologies. This kind of compliance partnership will raise the level of confidence among officials of the NATO governments, such that our defense industries will enjoy a broader mandate to collaborate on high-technology military capabilities.

We need to do this for military reasons. We need to do it as a means of keeping European and American defense industries, along with those of other principal security allies beyond Europe, working for common purposes. And we need to do it for strategic reasons ñ in order that the United States will not find itself so unique in its military size and capability that we and our allies no longer view the world through the same foreign policy lens.

### **Summary: Issues Under Review**

There is, understandably, keen interest in the specifics of the NSPD-19 policy review. I cannot tell you this morning what choices President Bush will make when all the recommendations are developed and debated by our Cabinet Secretaries. What I can tell you is that the Bush Administration has put a great deal of effort into the question of how to reverse some troubling trends in NATO military modernization. We are taking a very serious look at many issues that we believe can make a positive difference in bringing our defense industries closer together as we transform NATO forces, including:

- How best to advance the success of NATO programs;
- How to deal with incompatibilities in our governments' respective treatment of foreign nationals having access to controlled defense goods and technology;
- How to ensure that only reasonable and appropriate conditionality is placed on exports of U.S. defense technology to our allies, and that allied governments, in turn, are open to procuring U.S. defense technology on a competitive basis;
- How to ensure that our technology controls place minimal burdens on the ability of U.S. companies to export commercial communications satellites to allies;
- How best to work with our friends and allies to ensure U.S. defense technology is satisfactorily protected against unauthorized use or diversion; and,
- Other such policy issues.

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We have solicited and received a lot of suggestions from industry and government. Lord Robertson has brought many concerns to our attention from the perspective of NATO agencies. I hope all those here who support the ambitious agenda for NATO reform will embrace these U.S. initiatives, put the past behind you, and work with us to achieve new levels of both international technology collaboration and technology security. We stand ready to be your partner in that effort.



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# ***PERSPECTIVES***

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## **Russian and Polish Relations: A New Era**

By  
**Jaro Bilocerkowycz**  
**University of Dayton, Ohio**

Russia and Poland have shared a long and often troubled historical relationship. This has involved wars, rebellions, repressions, and partitions. Momentous changes in Europe during the late 1980s and early 1990s, including the fall of communism in Central and Eastern Europe and the breakup of the Soviet Union, as well as ongoing Euro-Atlantic integration via North Atlantic Treaty Organization (NATO) and European Union (E.U.) enlargement, have provided new opportunities and new challenges for Russian and Polish relations. The international impact of September 11, 2001 and globalization have also played a role in forging new prospects for improved relations between these two historical rivals and adversaries.

America has had very good relations with Poland since the demise of communism. Washington admired the Poles' courage in challenging the communist system and strongly supported their aspirations to gain NATO and E.U. membership. Pope John Paul II's Polish background and the large Polish-American community in the United States also enhanced America's positive perception of Poland. Multiple high-level visits by Presidents Bush and Kwasniewski also underscore the view of Poland as a valued and reliable strategic partner of the United States. Poland's joining the coalition of the willing to oust Saddam Hussein and its deployment of military troops to Iraq, as well as its being asked to command an international sector of peacekeepers in Iraq, further highlights Poland's elevated international profile and close relationship with Washington.

For its part, Russia has been an important state for the United States since the dissolution of the U.S.S.R. After an initial honeymoon period, U.S.-Russian relations gave rise to mutual disappointment and conflicts over NATO enlargement, the Kosovo War, Iraq, Iran, and Chechnya among other issues. Nevertheless, Russia was a state with whom Washington wanted better relations given its status as a nuclear superpower and its permanent and veto-wielding membership on the United Nations Security Council. The need for an international coalition to fight terrorism and the good personal chemistry between Presidents Bush and Putin helped forge improved U.S. and Russian relations after September 11, 2001. Although U.S. and Russian ties suffered a short-term setback over the Iraq war, overall bilateral relations have not been seriously damaged.

Given the United States' close relationship with Poland and growing relationship with Russia and their importance for U.S. national security, in combating terrorism, limiting weapons of mass destruction, and ensuring stability and security in Europe, understanding the evolution and prospects for Russian-Polish relations is vital for American national security. Thus, this article will examine and analyze various aspects of recent Russian and Polish relations since 2000, when Vladimir Putin became President of Russia. Bilateral relations between these two Slavic neighbors had been cold during much of the 1990s and this continued into early 2000. During the ensuing three years, however, there has emerged a new era of good relations in Russian-Polish ties. What explains the new era in Russian-Polish relations and what are the prospects for the future?

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## Spy Scandal and Chechen Protests

January 20, 2000 Poland expelled nine Russian diplomats for spying. This represented the largest spy scandal since the collapse of the U.S.S.R. The Russian Foreign Intelligence Service's Warsaw station was said to have been utterly decimated by the expulsions. The Russian government and media described the spy scandal as a "political provocation" to damage Russian and Polish relations, prior to a presidential election in Poland. But as one Russian commentator acknowledged:

"Our bilateral relations are already in deep crisis and could hardly get much worse . . ."1

From the Russian perspective, incidents involving spying should be handled quietly and thus in Izvestia reporter shifted the blame for the crisis onto the Poles' animosity towards Russia:

"Historical grievances and prejudices are tenacious things. . . . even today, when there is no longer any Russian threat, the Poles are quite incapable of learning how to deal with us impartially . . . . They continue to take an excessively emotional view of us. They don't like us, but at the same time they utterly refuse to forget us and leave us alone."2

Russia retaliated by expelling nine Polish diplomats from Moscow. This incident was not the first spy scandal involving Russia and Poland during the past decade. A Russian military attaché was expelled during the fall of 1996 and even more significantly a Polish Prime Minister, Josef Oleksy, resigned from power in January 1996 based on unsubstantiated allegations of his having worked for the Soviet KGB and Russian special services. Poland's entrance into NATO produced a more vigorous counterintelligence environment in Warsaw and heightened the inducement for Russian intelligence operatives to monitor security related developments. The spy scandal occurred during Putin's first month as Acting President and given his KGB/FSB career affiliations the incident likely embarrassed Putin and exacerbated the crisis in Russian-Polish relations.

On February 23, 2000 Chechen protests occurred at Russian consulates in Poznan, Krakow, and Gdansk and at the Russian embassy in Warsaw. These protests were timed to coincide with the anniversary of the deportation of the Chechen nation by Stalin in 1944. The protest action in Poznan was especially humiliating for the Russians as the Chechens

". . . tore down a Russian flag, shredded and burned it, and then attached the green flag of Ichkeria (Chechnya) to the building. Next the hooligans used a can of black spray paint to scrawl anti-Russian slogans all over the facade of the consulate general. They added a fascist swastika and then signed their work . . ."3

The response of the Polish police in Poznan was said to have been passive. That some Poles participated in pro-Chechen protests elsewhere also was a sore point for the Russians.

For years Russia has strongly objected to the presence of Chechen organizations in Poland such as the Chechen Information Center, the Free Caucasus Committee, and the Poland-Chechnya Committee. The Polish government responded to those objections by noting that the Chechen organizations are private and are not supported by Polish authorities. On February 25, 2000, in retaliation for the Poznan incident, several national Bolsheviks threw bottles at the Polish embassy in Moscow. Subsequently, Polish authorities fired two police chiefs and launched an investigation of twelve policemen over the Poznan incident. Russia welcomed the Polish response, but expected more restrictions on pro-Chechen organizations.

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1 *Current Digest of the Post-Soviet Press* (hereafter CDPSP), Vol. 52, No.4, February 23, 2000, p. 22.

2 *Ibid.*

3 *CDPSP*, Vol. 52, No. 8 , March 22, 2000, p. 21.

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## From NATO Enlargement to NATO-Russia Council

Russia strongly opposed NATO's eastward enlargement, which in 1999 brought Poland, Hungary, and the Czech Republic into NATO.<sup>4</sup> From Moscow's perspective, NATO was a Cold War military bloc that lost much of its relevance with the demise of the U.S.S.R and the Warsaw Pact. Furthermore, eastward enlargement created a new division of Europe and brought NATO directly on Russia's border via the Kaliningrad exclave. Russia felt betrayed by former Central and East European allies that quickly distanced themselves from democratic Russia in matters of security and aligned themselves with NATO. Poland's drive for NATO membership was especially hurtful given its geopolitical significance, proximity to Russia, and Warsaw being the namesake of the Warsaw Pact.

Moscow did receive assurances from NATO that it had no plans to deploy nuclear weapons in Poland or other new member states, nor to station significant NATO troop deployments there. For its part, Warsaw sought to reassure Moscow that Poland's joining NATO was not directed against Russia and, indeed, Poland expected to increase its military cooperation with Russia subsequently. Throughout the 1990s Russia expressed its preference for an all-European security architecture via the Organization for Security and Cooperation in Europe, where it would enjoy full and equal membership.

Once Moscow reluctantly accepted Poland's imminent accession into NATO it then sought to dissuade further NATO enlargement, particularly involving the Baltic states of Lithuania, Latvia, and Estonia, former Soviet republics, and possibly Ukraine. Poland, however, was a strong proponent of NATO's open-door policy of continued enlargement and was a vocal supporter of the Baltic states as well as being an advocate for Ukraine. Thus, the second-wave of NATO enlargement again proved to be an irritant in Russian-Polish relations.

The improvement in U.S. and Russian relations in the aftermath of September 11, 2001 helped ease Moscow's opposition to the Baltic states' invitation in 2002 to join NATO. Furthermore, at the Rome summit, a NATO-Russia Council was established in May 2002.<sup>5</sup> This new institution represented an upgrade from the previous NATO and Russia Charter Accord. Rather than a 19 + 1 formula, whereby NATO members would consult and arrive at a consensus view and then discuss matters with Russia, the new formula was 20. Russia now gained an important right to co-decision-making with NATO members on select issues, countering terrorism, nonproliferation of weapons of mass destruction, missile defense, peacekeeping, and managing regional crises. NATO sources described the new arrangement as decision-making based on consensus among equal partners. The NATO-Russia Council signified a reduction in the gulf between NATO and Russia. That Poland played a constructive role in the promotion of deeper NATO-Russia ties, was greatly appreciated by both Moscow and Washington.

Recently, Poland and Russia have also pursued some military cooperation. Poland and Russia announced a military cooperation accord to modernize Poland's MIG-29 fighters and Mi-24 attack helicopters in April 2003.<sup>6</sup>

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4 Suzanne Crow, "Russian Views on an Eastward Expansion of NATO," *Radio Free Europe/Radio Liberty* (hereafter RFE/RL) Research Reports, Vol. 2, No. 41, 15 October 1993.

5 See "Russia and NATO Approve a New Formula for Cooperation," *Center for Eastern Studies*, Comments, May 16, 2002, at [www.osw.waw.pl/en/epub/ekoment/earc2002\\_kom.htm](http://www.osw.waw.pl/en/epub/ekoment/earc2002_kom.htm) (therein one can locate the 2002 index and find the above mentioned article). Also see "NATO-Russia Relations: A New Quality," *NATO Fact Sheets*, June 2002 at [www.nato.int/docu/Facts/nato-rus.htm](http://www.nato.int/docu/Facts/nato-rus.htm).

6 "Moscow, Warsaw to Sign Military Accord," RFE/RL *Newsline*, <http://www.rferl.org/newsline/2002/04/230403.asp>.

Only several days before, however, Poland and United States Lockheed Martin announced a blockbuster military deal to purchase 48 F-16 jet fighters for the Polish military for \$3.5 billion. Poland's decision to work with Russia on military modernization likely was intended to reassure Russia and save money. Russia's ambassador to Poland underscored the mutual readiness for joint international peacekeeping, joint command and staff exercises, and army combat training.<sup>7</sup>

Such military cooperation creates greater mutual trust and can further stimulate cooperation in other areas. On June 10, 2003 Russian officials also proposed helping Poland in its Iraq peacekeeping mission by sharing its experience and intelligence about Iraq.<sup>8</sup>

On the other hand, the potential establishment of four American and NATO military bases on Polish territory could strain Russian-Polish military ties. As Moscow would likely interpret such a military deployment as a renegeing on previous assurances to not deploy significant NATO forces in the newest member states.

### European Union Enlargement: Kaliningrad and Visas

Unlike NATO enlargement, Russia did not vehemently oppose or criticize the European Union's eastward enlargement or Poland's decision to join the European Union. Moscow did, however, begin to raise concerns about the negative consequences that Poland and Lithuania's membership in the European Union would pose for the Kaliningrad exclave.<sup>9</sup>



7 Nikolai Afansievskii, "Poland: Creating a Secure and United Europe," *International Affairs* (Moscow), Vol. 48, No. 3, 2002, pp. 181-182.

8 "Russia Proposes to Help Poland Carry Out Peacekeeping Mission in Iraq," *Rosbalt News Agency*, June 10, 2003, <http://www.rosbaltnews.com/print/print?cn=62963>.

9 *CDPSP*, Vol. 54, No. 22, June 26, 2002, pp. 19-20.

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Kaliningrad, which borders on Poland and Lithuania but not mainland Russia, had been a heavily militarized region during the Cold War that currently faces serious economic problems.

Russia's concern was that the residents of Kaliningrad faced particular difficulties being surrounded by prospective European Union states given the Schengen commitments to ensure tight border controls with non-European Union states. Thus, Kaliningrad residents traveling by land to mainland Russia would need a foreign visa to travel within their own country, a humiliating and problematic scenario for Russia. Russia thus sought special travel concessions for Kaliningrad from both Poland and Lithuania as well as the European Union. Poland underscored, however, that it was not a transit country for land travel to mainland Russia and thus the special travel needs for Kaliningrad residents was a matter between Russia and Lithuania. The European Union, Lithuania, and Russia agreed on facilitated travel documents for Kaliningrad residents traveling to and from mainland Russia rather than formal visas. These travel documents are to be inexpensive and obtainable at railway stations and travel agencies rather than via Lithuanian consulates.

Beyond the issue of transit, for Poland, Kaliningrad was a region of special interest because of its shared border with northwest Poland. Polish trade with Kaliningrad is significant and exceeds Germany's trade with the former German region.<sup>10</sup> Polish businessmen, however, have been more reluctant to invest in mainland Russia given their concerns about the lack of legal and insurance protection for foreign investment, the problem of organized crime, and political corruption. In a best case scenario, Kaliningrad has the potential to become a bridge between Russia and Poland as well as between Russia and the European Union, if it can attract sufficient foreign investment and undertake substantial economic reforms.

Based on European Union and Schengen expectations, Poland had declared it would require visas for Russians, Ukrainians, and Belarusians as of October 1, 2003. Poland is doing all it can to ease the disruption this visa-regime will cause for its eastern neighbors. Somewhere between 2.75 and 4 million or so Russians visit Poland annually and they comprise a key element of the suitcase trade.<sup>11</sup> Poland has thus delayed imposition of the visa-regime on its neighbors and will ensure that the cost of the visas will be minimal, with multiple-use visas available for special groups. Poland does not want to undermine cross-border trade, particularly during a time of high unemployment nor does it wish to damage relations with its eastern neighbors. As a result, Poland and Russia have agreed to allow free visas for Kaliningrad residents traveling to Poland and for Poles traveling to Kaliningrad.

### **Russian and Polish Trade**

Russian and Polish trade has been fairly significant in recent years with total annual trade turnover averaging about \$4 to \$5.5 billion dollars. During this period, however, Poland has experienced rising trade deficits with Russia. This negative trade balance rose to nearly \$2 billion in 1999 and a hefty \$3.8 billion in 2000. Russia's financial crisis of 1998 led to a significant reduction in Russian imports from Poland for several years and rising energy costs have hurt Poland's trade balance. Indeed, over 80 percent of Poland's imports from Russia in 2001 were fuels (oil and natural gas) whereas Polish exports to Russia comprised food and agricultural produce 43 percent, chemical products 17 percent and machinery 12 percent.<sup>12</sup> Among all of Poland's trade partners Russia ranked second (only behind Germany) in their export activity. Russia's exports to Poland represented 8.8 percent of all Poland's imports, while German exports

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10 Afanasievskii, Poland, pp. 179.

11 "Tighter Border Control," *The Warsaw Voice*, February 17, 2002, No.7 (695). Putin cited a figure of 4 million Russians visiting Poland at a press conference in Warsaw, while the respected Polish think-tank the Center for Eastern Studies estimates that 4.4 million Russians from Kaliningrad alone visit Poland annually.

12 "Russia-Poland Trade Turnover Amounted to Over U.S.D 5.6 billion in 2001," *Pravda*, <http://english.pravda.ru/world/2002/01/15/25590.html>.

comprised 24 percent of Poland’s imports.<sup>13</sup> By contrast, Poland’s exports to Russia comprised a mere 2.9 percent of total Polish exports.

	<b>Total Turnover \$ (billion)</b>	<b>Polish Exports to Russia</b>	<b>Polish Imports from Russia</b>	<b>Balance</b>
<b>Year</b>				
1996	4.18	1.65	2.53	-.88
1997	4.84	2.15	2.69	-.54
1998	3.97	1.60	2.37	-.77
1999	3.39	.71	2.68	-1.97
2000	5.48	.86	4.62	-3.76
2001	5.48	1.06	4.42	-3.36
2002*	4.62	1.09	3.53	-2.44

\*Figures for the year 2002 are for the first ten months only. Note that all the data have been rounded.

Thus, reducing Poland’s large and ongoing trade deficit with Russia has become a major priority for Warsaw in Polish and Russian economic ties. It is hoped that investment projects in Kaliningrad could provide a mechanism to significantly reduce Poland’s negative trade balance with Russia. In 2002, some progress was made on reducing the trade imbalance between Russia and Poland.

Despite the cool political relations between Moscow and Warsaw through most of the 1990s, economic relations between the countries were normal. Indeed, Russia and Poland collaborated on a multi-billion dollar natural gas pipeline project, the Yamal-Europe line, which transported Siberian gas through Belarus and Poland to Germany. There were also discussions surrounding the possible construction of a second Yamal natural gas pipeline bypass link to circumvent Ukraine and its valuable pipeline to Europe.<sup>15</sup> Poland initially rebuffed these Russian overtures being concerned about their impact on Ukraine a strategic partner and friendly neighbor. Later Poland showed some interest in pursuing this second pipeline project but financing was problematic and Ukraine made some concessions to Russia on a transit agreement and agreed to the creation of an international gas consortium to modernize and manage Ukraine’s gas pipelines. However, Poland was able to negotiate a 34.5 percent reduction in the gas supplies it was committed to buy from Russia’s GAZPROM from 2003-2020 saving an estimated \$5 billion.<sup>16</sup>

13 Central Statistical Office, “Maly Rocznik Statystyczny Polski” *Concise Statistical Yearbook of Poland*, Warsaw, 2002, p. 370.

14 Central Statistical Office, respective additions of *Rocznik Statystyczny Handlu Zagranicznego, Yearbook of Foreign Trade Statistics*, Warsaw, 1998, p. 62; 2000, p. 67; 2001, p. 72 and *Polish Market*, 8 Ministry of Economy, <http://www.polishmarket.com.pl/artukul.php?id=1944>.

15 *CDPSP*, vol. 52, no. 43, November 22, 2000, pp. 21-22.

16 “Poland Cuts Gazprom Deliveries,” *The Moscow Times*, February 13, 2003. The accord also extended the agreement to 2022, which reduced the overall gas supply reduction to 26.2 percent as noted in “Opposition Wants to Sue Deputy Premier for Gas Deal with Russia,” *Poland, Belarus, and Ukraine Report*, 18 March 2003, <http://www.rferl.org/pbureport/2003/03/10-180303.html>.

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For its part, Russia wanted Poland and Ukraine's cooperation to maximize its energy linkage with Europe.

### Political Relations

Throughout most of the 1990s, Russian and Polish political relations were cool and strained. Poland's desire to join NATO as fast as possible was resented by Russia. Despite gestures and efforts at reconciliation by Gorbachev and Yeltsin, Russian leaders found it difficult to deal with the historical and psychological legacy of animosity and distrust.<sup>17</sup> During a visit to Warsaw in August 1993, President Yeltsin agreed that Poland's decision to join NATO was its sovereign right.<sup>18</sup> Yet, strong opposition by the Russian military and Foreign Ministry caused Yeltsin and Russian authorities to back away from that position. No Russian president would visit Poland again for over eight years, which highlighted the coldness in political relations. Although President Kwasniewski made several visits to Moscow to maintain high-level political ties.

The thaw in Russian and Polish relations occurred during President Putin's tenure as President. As noted earlier, bilateral relations had hit rock bottom in the winter due to the spy scandal and Chechen protests in Poland. While Poland had sought good political relations with Moscow for years to reassure Russia and facilitate Poland's accession to NATO and the European Union, Russia finally decided it was time to significantly improve political ties with Poland. A visit by Polish President Kwasniewski to Moscow in July 2000, about three months ahead of Poland's presidential elections, timed to coincide with the Russia and Poland Economic Forum played a key role in stimulating the thaw in Russian and Polish relations.<sup>19</sup> Interestingly enough, 2000 was the 60th year anniversary of the Katyn massacre, wherein 21,857 Poles' including military officers and civilians were executed by the Soviet secret police, the NKVD, on Stalin's orders.<sup>20</sup> The opening of memorial in Katyn, near Smolensk in Russia, on 28 July 2000, provided a historic and symbolic context to improve bilateral relations. Several months earlier, Putin had telephoned President Kwasniewski to inform him that some new burial sites of Katyn victims were found and the Poles were invited to partake in the excavation operation.

During 2001, several high-level Russian officials visited Warsaw, including Russian Prime Minister Kasyanov. This signified a warming of political relations. Finally, in January 2002, President Putin made a high-profile two-day visit to Poland that was described as ushering in a new stage in Russian-Polish relations.<sup>21</sup> The leaders signed several agreements during Putin's visit and both sides pledged to deepen their economic and political ties. Despite the warm reception for Putin's visit, no major breakthroughs occurred at this summit. Since then, political ties have become warmer and meetings between the respective prime ministers have become frequent and institutionalized. These improved political relations are expected to further deepen economic and cultural relations as well.

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17 Boris Yeltsin, *The Struggle for Russia*, Translated by Catherine A. Fitzpatrick (New York: Times Books, 1994), p. 138 and Mikhail Gorbachev, *Memoirs* (New York: Doubleday, 1996), pp. 465-466. Gorbachev noted that: The inertia of paternalism made itself felt for a long time.

18 *CDPSP*, Vol. 45, No.36, October 6, 1993, pp. 17-18 and *Current Digest of the Post-Soviet Press*, Vol. 45, No. 34, September 22, 1993, pp. 20-21.

19 "Kwasniewski Declares Success after Russia Visit," *The Warsaw Voice*, July 16, 2000, No. 29 (612).

20 *CDPSP*, Vol. 44, No. 42, Nov. 18, 1992; *Current Digest of the Post-Soviet Press*, Vol. 52, No. 16, May 17, 2000, pp. 22-23; and Brian Crozier, "Remembering Katyn," *Hoover Digest 2000*, No. 2, <http://www-hoover.stanford.edu/publications/digest/002crozier.html>.

21 Official Visit of President of the Russian Federation-State Dinner at the Presidential Palace (2000-01-16), [http://www.president.pl/ser/index.php3?tem\\_ID=3710&kategoria=Last month](http://www.president.pl/ser/index.php3?tem_ID=3710&kategoria=Last%20month).

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Why did Putin decide that it was time to improve political relations with Warsaw? Several reasons can be cited. By now Russia had digested and acclimated itself to Poland's NATO membership. Given Russia's own improved relations with NATO after September 11, 2001 and Putin's desire for good relations with the European Union, it made sense to improve relations with those organizations' most significant eastern member, Poland.<sup>22</sup> That was seen as useful in addressing the topic of Kaliningrad and European Union based visas and for communicating Russia's security concerns. Increasingly, Putin saw Poland as a bridge to the West, rather than as a disloyal former ally who changed sides.

### **Cultural Relations and Public Opinion**

Tensions between the Russian Orthodox Church and the Vatican throughout the 1990s and beyond have been an irritant in Russian-Polish relations as well. The Russian Orthodox Church (ROC) accuses the Catholic Church of proselytizing and encroaching on its traditional territory and objects to the loss of various churches in western Ukraine to the Ukrainian Catholics. The Vatican responds by invoking freedom of religion and notes that the restoration of Ukrainian Catholic churches undid the damage caused by Stalin's banning of the Ukrainian Catholic Church during the 1940s. Pope John Paul II paid a historic visit to Ukraine in June 2001, a visit that was strongly opposed by the head of the Russian Orthodox Church, Patriarch Alexei II.<sup>23</sup>

The Russian Patriarch also objected to the Pope's hoped for stop-over visit to Kazan in Russia, to return an important Orthodox icon on his planned trip to Mongolia in 2003. Pope John Paul II has been very interested in visiting Russia to promote ecumenicalism. Given his Slavic background, failing health, and advancing age, a historic papal visit to Moscow would be a fitting zenith for the Pope's many international travels. For more than a decade, however, the Russian Orthodox Church leaders have indicated that a visit by Pope John Paul II is premature until various contentious issues between the churches are resolved.<sup>24</sup>

By contrast, Russia's top political leaders, including Gorbachev, Yeltsin, and Putin, have favored a papal visit to Russia. In February 2002, the Vatican's upgrading of the provisional dioceses in Russia to the status of full permanent dioceses led to strong reactions by the Russian Orthodox Church and the Russian government.<sup>25</sup> The Russian Orthodox Church saw this action as a provocation involving encroachment, proselytizing, and with no consultation. Subsequently, a Polish Catholic Bishop and five priests from abroad, including several Polish citizens, were denied visas with no explanation. Since the Catholic Church in Russia relies heavily on foreign priests some 85 percent a systematic policy of visa denial could seriously harm the Church's survival.<sup>26</sup>

Russia and Polish relations are affected by the Russian Orthodox Church and Vatican quarrels given the Russian state's close relationship with the Russian Orthodox Church and Poland's strong Catholic faith and the pope's Polish nationality. Although Russia is a secular state, the size, political clout, and historic and cultural ties of the Russian Orthodox Church make it the favored denomination in Russia. While Putin has favored a papal visit to Russia, he has also sided with the Russian Orthodox Church in its dispute with the Vatican.<sup>27</sup>

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22 As President Kwasniewski states: "The eastern dimension of E.U. policy may become a Polish specialty. It is internationally appreciated for this, by the United States, NATO, and E.U. countries." "Getting the Priorities Straight," *The Warsaw Voice* (on line), January 30, 2003.

23 *CDPSP*, Vol. 53, No. 26, July 25, 2001, pp.1-5.

24 *CDPSP*, Vol. 50, No. 6, March 11, 1998, p. 22.

25 Judy Augsburg, "Russia Moves on Catholic Priests," <http://www.msnbc.com/news/806083.asp?Osi=->.

26 *Ibid.*

27 "Nyet for the Catholic Church," *The Warsaw Voice*, April 28-May 5, 2002, No.17/18 (706/706).

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The visa denials by Russian authorities provide clear evidence that the Russian state supports the Russian Orthodox Church. While this pro-Russian Orthodox Church policy seems incongruous to Putin's improved relations with Poland and the West, it represents a concession to an important and politically influential domestic institution, one whose support Putin needs. Given the Vatican's international clout, one might expect Putin to seek ways to ease the Orthodox and Catholic dispute especially after his expected re-election. While Russian and Polish governmental relations have noticeably improved during the Putin years, public opinion still seems to conspicuously lag behind. The legacy of a troubled history as well the religious tensions combine to fuel negative feelings and stereotypes on both sides. A Polish public opinion survey done in January 2003 cited Russia as Poland's greatest enemy, followed by Germany, Belarus, and Iraq.<sup>28</sup> On the other hand, other public opinion surveys indicate Polish perceptions of Russia and the Russians are improving and becoming less hostile.<sup>29</sup> Not unexpectedly, in these polls the older generation are more negative than the younger generation.

### **Conclusion**

Russian and Polish relations have a long and troubled history, but those relations have significantly improved during the Putin era. As Russia has increasingly become more pragmatic and pro-Western it has come to terms with Poland's integration with the West. Indeed, Poland is seen increasingly as a useful bridge between Russia and the West. Poland's prospective role as the most important member from the east and an expert on the east within NATO and the European Union makes Poland especially important for Russia. For its part, Poland sought good relations with Russia to enhance its sense of regional security not only from military threats but also from terrorism, organized crime, and the influx of illegal immigrants; and to promote its economic interests. While making membership in NATO and the European Union its top foreign policy priorities, Poland has wanted to reassure Russia of its desire for friendly bilateral relations. While overcoming the legacy of mutual distrust and animosity will take decades, bilateral relations between Russia and Poland should remain friendly so long as Russia continues a pragmatic and pro-Western foreign policy. Given Russia's desire to develop a market economy and moves towards democracy, and the need to address its economic and military weaknesses, a pragmatic and pro-Western foreign policy is in Russia's best interests.

### **About the Author**

Jaro Bilocerkowycz is an Associate Professor of Political Science at the University of Dayton, Dayton, Ohio. He earned his doctorate from the University of Washington in Seattle, Washington. He is the author of *Soviet Ukrainian Dissent: A Study of Political Alienation*, (1988) published by Westview Press. He has served as an Adjunct Faculty member for the Defense Institute of Security Assistance Management's European seminar since 1998.

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28 "Survey Suggests Russia is Poland's Greatest Enemy," *Russia Today*, 2/6/2003, <http://www.rosbaltnews.com/print/print?cn=61279>.

29 "Do Poles Really View Russia As an Enemy?" *Russia Today*, 2/24/2003, <http://www.rosbaltnews.com/print/print?cn+61503>.



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# ***SECURITY ASSISTANCE COMMUNITY***

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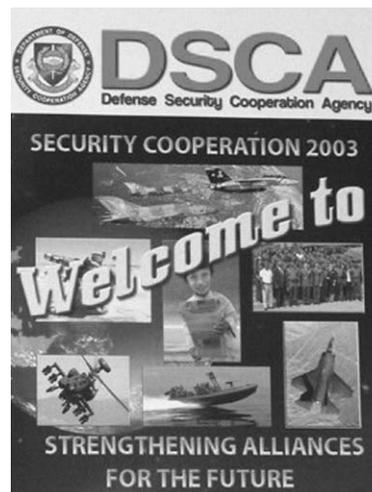
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## **Security Cooperation 2003 Conference: Strengthening Alliances for the Future**

**By  
Jeffrey S. Grafton  
Defense Institute of Security Assistance Management**

The Defense Security Cooperation Agency (DSCA) hosted its 2003 Annual Security Cooperation Conference, October 28-29, 2003 in Alexandria, Virginia. *Strengthening Alliances For The Future* served as the conference theme. This article summarizes the various conference speakers' presentations. Several speakers utilized briefing slides in conjunction with their comments. The presentations in their entirety may be accessed via the Defense Security Cooperation Agency's website at [www.dsca.mil](http://www.dsca.mil).

Lieutenant General Tome H. Walters, Jr., USAF, Director of the Defense Security Cooperation Agency (DSCA) welcomed an audience of approximately 450 people representing the Department of Defense, the Department of State, U.S. industry, media representatives and international customers. He described this year's conference as being more internally focused than past conferences with a view specifically toward the security cooperation practitioner. In an ever changing world with new



**Director of the Defense Security Cooperation Agency, welcomes an audience of 450 security assistance community representatives to the 2003 Worldwide Security Cooperation Conference.**

challenges such as the global war on terrorism, he emphasized that the business of security cooperation serves as an increasingly important tool of the U.S. Although the spotlight typically focuses on the large system sales, the smaller sales of basic equipment are more important than ever in building crucial bridges in security cooperation.

Lieutenant General Walters stated that, as the security cooperation community works to meet the high expectations of customers, the community must adapt and change. Although legacy processes were not designed for speed, the demands of today's customers and world environment have pushed the community to look for new and creative ways to conduct business. As an example, he cited the request from the Coalition Provisional Authority this past summer to, within thirty days, competitively award a contract to train and equip the Afghan National Army. Based on historical parameters, most security cooperation and contracting practitioners would conclude that a competitive award for an effort of this scale would not be possible within thirty days. In this instance, through high level teaming coupled with creative hard work, remarkable

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performance was achieved. A competitively awarded contract was issued within thirty days and actual training began shortly thereafter.

Next, Lieutenant General Walters commented on the changing nature of security cooperation. He stated that DSCA, in addition to traditional security cooperation, is now involved in managing several humanitarian assistance programs in association with the Agency for International Development. Examples of humanitarian outreaches include daily ration food distribution, wheelchair collection and redistribution activities, school construction projects, seaport repair and medical facility outfitting.

The DSCA Director cited the singularly most prominent security cooperation accomplishment over the past year centered on Poland's selection of the F-16 aircraft through their international fighter competition. The U.S. security assistance community in conjunction with U.S. industry expended considerable effort to prepare and support the offer of F-16 aircraft. As part of this offer, the U.S. government approved a \$3.8 billion loan to support the sale. This was the first loan of this type granted by the U.S. government since 1998. In addition to supporting Poland's national defense and enhancing their role in North Atlantic Treaty Organization (NATO), the selection of the F-16 package opens the door for significant U.S. and Poland military-to-military interactions in the years ahead.

On the horizon, the security cooperation community is preparing to support another key international fighter competition initiated by the Czech Republic. Breaking new ground, the U.S. government will not only submit its own offer of F-16A/B aircraft but will also provide logistics and training support packages for the competing offers being tendered by the governments of the Netherlands, Belgium and Canada. This serves as another example of U.S. effort to work with other governments in areas of mutual security cooperation interest.

Foreign military sales (FMS) in fiscal year 2003 was very healthy with sales of approximately \$13 billion. Looking to fiscal year 2004, FMS sales are projected to reach \$13.8 billion based on already approved or in-process congressional notifications. Regarding the topic of congressional notification, Lieutenant General Walters noted that the Congress gave careful scrutiny to a number of sales requests in 2003. The security cooperation community should expect Congressional interest in this business to continue in 2004.

Lieutenant General Walters briefly reviewed some other security cooperation accomplishments. In early October 2003, DSCA released the updated version of the *Security Assistance Management Manual* (SAMM) which is available at [www.dscamil.com](http://www.dscamil.com). DSCA anticipates that the revised SAMM will prove to be a document that is easier to use and one that clearly articulates U.S. security cooperation policy. DSCA continues to work with activity based costing and management processes to better understand where security cooperation costs are generated and too better allocate FMS administrative funds. In this avenue, DSCA generated its first security assistance Program Objective Memorandum in an effort to improve security cooperation requirements identification and resource allocation. In regard to FMS cases, the number of open supply complete cases has been reduced by nearly two-thirds over the past three years. Case closure progress continues to improve under the Accelerated Case Closure procedures.

In the information technology arena, the Security Cooperation Information Portal (SCIP) has debuted. SCIP provides customers a consolidated view of their security cooperation information as a short term vehicle pending the eventual fielding of the Case Execution Management Information System (CEMIS). So far, approximately thirty customers have individuals registered as SCIP users. Work will continue in fiscal year 2004 to rehost key legacy security cooperation systems (such as SAMIS, CISIL and MISIL) into a common computer language. This action provides the basis and opportunity to modernize automated security cooperation processes and eventually transition to the entire security cooperation community to a single security cooperation execution management system.

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Looking toward 2004, Lieutenant General Walters challenged the security cooperation community to match the quality performance achieved in 2003 but to do so at a faster pace and to be more responsive to security cooperation partners' needs. In the effort to achieve better, faster, cheaper performance, Lieutenant General Walters announced that he has appointed a transformation team consisting of key DSCA personnel from the Plans, Policy and Programs Directorate and the Office of the Comptroller to analyze current business practices. The transformation team is charged with dedicating 60 percent of their time specifically toward transformation initiatives. He emphasized his intent to go beyond just incremental change. His goal is to look at the underlying processes and to create revolutionary changes in security cooperation. Each of the major implementing agencies has been invited to participate with DSCA in this undertaking. The transformation team is expected to also include involvement from the foreign customers and industry. Later this year, he anticipates announcing the transformation plan of attack to the security cooperation community.

Mr. Andrew R. Hoehn, Deputy Assistant Secretary of Defense for Strategy addressed the conference next. He discussed the implementation of the Department of Defense (DoD) Security Cooperation Guidance, approved by Secretary Rumsfeld in April 2003, as the foundation for all DoD interactions with foreign defense establishments. Mr. Hoehn stated that the DoD security cooperation guidance, developed with input from the State Department, is synchronized with and in support of the President's National Security Strategy. As such, it aids the DoD in prioritizing security cooperation requirements and allocating resources. Some of the key areas addressed in the guidance are: building relationships, enhancing capabilities of friends and allies, facilitating access, combating terrorism, transforming the U.S. and Russian relationship, cooperating in regional disputes, realigning U.S. global forces posture and strengthening alliances for the future.

Mr. Hoehn asserted that, in implementing this guidance, the U.S. must look for areas of common interest where international partners can participate with the U.S. and alleviate some of the operational tempo stress on U.S. forces. The DoD also needs to recognize the niche capabilities that some partners have developed and to identify how these capabilities could complement U.S. capabilities. As the U.S. transitions from a theater engagement approach to a capabilities based approach, the U.S. needs to spur a similar transformation with key allies and to continue improving interoperability among partners.

In closing, Mr. Hoehn reiterated that DoD's security assistance guidance must complement other efforts by the State Department. Further, linkage between the strategy and resource allocation needs to be maintained. Finally, he stated that an assessment mechanism is required to evaluate performance. Revised security cooperation guidance, fine tuning the current guidance, is expected to be approved in January 2004.

Ms. Freda Lodge, DSCA Director of Policy, Plans and Programs (P3) Directorate briefly discussed DSCA's planning and programming process. She began by stating that security cooperation is an important, overlapping tool in both the realm of foreign policy and defense policy. DSCA serves as the leader of the security cooperation community that is spread throughout the military departments, DoD agencies, unified commands and security assistance offices around the world. Based on the DoD security cooperation guidance, DSCA issues planning and programming guidance intended to create a common vision and direction across the entire security cooperation community. The common vision and direction has its foundation in security cooperation policy that supports the strategic objectives of engagement, strengthening relationships, providing influence, gaining access and promoting interoperability. Next, the appropriate processes must be established and maintained to effectively execute the policy. Resources must be efficiently applied to sustain the processes.

Ms. Lodge stated that although security cooperation is inherently governmental business, it is unique because it must generate its own revenue from sales in order to sustain its own operating costs. Due to this reality, DSCA operates a Planning, Programming and Budgeting System (PPBS) to forecast requirements and to allocate resources. The PPBS process provides the

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linkage between goals, requirements and the application of resources. DSCA recently completed the fiscal years 2005-2007 PPBS cycle.

Mr. Richard L. Aboulaflia, Vice President for Analysis with the Teal Group was the next speaker. Mr. Aboulaflia provided a summary assessment of the international aircraft market. He stated that the market for U.S. passenger transport aircraft is currently in decline. The erosion of U.S. dominance in civil aircraft production is partly due to an increasing interest for indigenous production by nontraditional manufacturers.

Unlike the civil aviation sector, the U.S. remains dominant in military aviation. The international market for U.S. military aircraft looks promising through the year 2012. Given the previous downturn in defense spending and with global terrorism threat, governments have reached the point where they are no longer raiding defense budgets. Within defense budgets, airpower currently appears to be a popular item to be funded although it is uncertain how long this cycle may last. Additionally, the high investment to support indigenous development and production of military aircraft makes this option increasingly uneconomical. This coupled with the U.S. technological advances in military aircraft may drive some governments to abandon their military aviation development efforts to instead shift their resources towards better competing in the commercial aviation market. In the future, more countries may choose a parallel track approach that includes buying U.S. military aircraft but to pursue indigenous or alternate, politically acceptable sources for commercial aviation purchases.

Mr. Aboulaflia asserted that the U.S. commitment to the F-35 (Joint Strike Fighter) is critical. Many nations are planning on the F-35 to fulfill their next generation fighter requirement. If the F-35 falters due to U.S. funding, program execution or production problems, the balance of the international military aircraft market could shift back to looking at non-U.S. fighter alternatives.



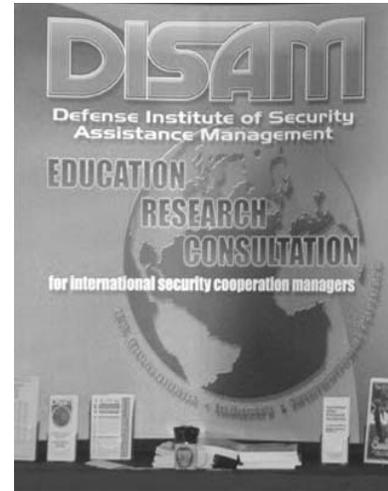
**Attendees socialized over lunch prior to listening to the luncheon speaker.**

Following the lunch break, the conference attendees had the choice to attend several breakout sessions that focused on a variety of security cooperation topics.

Colonel Linda Palmer of the Missile Defense Agency's (MDA) Cooperative Development office discussed international cooperative actions within her agency. The U.S. withdraw from the Anti-Ballistic Missile Treaty opened the door for the U.S. to develop and deploy a defensive system that covers all phases of missile trajectory. The MDAs mission is to develop and deploy missile defense for the U.S. itself, for deployed U.S. forces, U.S. allies, and friends. As the MDA

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works to fulfill this mission, they want to have international participation. The international work at this point consists mainly of technical assistance agreements. This entails a three step process beginning with consultations to determine what is needed by the partner and what the U.S. would gain in the agreement. Colonel Palmer stated that in an undertaking of this nature, geography counts as value. Partner potential contributions of an in-kind non-monetary and non-technical nature are considered. The next phase is evaluation. Here decisions are made regarding what should be done given the specific parameters of the potential cooperative effort. The negotiation phase consists of generating a bilateral government-to-government agreement. The MDA expects to have initial capabilities operating by September 2004 and progress through spiral development and deployment cycles until the full coverage is achieved. The MDA does anticipate future foreign military sales and direct commercial sales of the materiel developed under this program.



**The Defense Institute of Security Assistance Management Information booth at the conference.**

Mr. Brad Bittinger of DSCA's Legislative and Public Affairs Office conducted a session describing the foreign military financing (FMF) budget process. He began by reviewing the legislative authority for FMF, specifically Section 503 of the *Foreign Assistance Act* and Section 23 of the *Arms Export Control Act*. Funds for the FMF program are appropriated annually in the *Foreign Operations, Export Financing, and Related Programs Appropriation Act*. The Department of State determines which countries will have programs and establishes the overall funding level. The Department of Defense makes recommendations on military assistance funding levels. DSCA plays an important role in this process by reviewing inputs from security assistance offices, combatant commands, and the joint staff. DSCA then works with the Office of the Secretary of Defense and the Department of State to provide input into the President's budget submission. Congress reviews the budget submission and passes appropriation legislation. DSCA, with the Department of State and the Office of Management and Budget, apportion the appropriated funds.

Mr. Leon Yates of DSCA's Policy and Plans Division presented an update on DSCA's end use monitoring (EUM) program, Golden Sentry. The overall objectives of the program are to impede potential adversaries' access to technology, to promote a capable industrial base and to ensure compliance with U.S. laws and regulations. Golden Sentry does not represent a new mission. Monitoring has been required by the *Arms Export Control Act* and the *Foreign Assistance Act*. Golden Sentry does place a new emphasis and elevate the priority of EUM. Some key developments on the horizon include developing a portal application to assist in tracking materiel, programming for EUM manpower billets, integrating EUM into combatant command's evaluation regimes and publishing an EUM handbook.

Dr. Ronald Reynolds of the Defense Institute of Security Assistance Management (DISAM) and Dr. Deborah Nutter of Tufts University summarized the International Affairs Graduate Studies program sponsored by DSCA. The Global Master of Arts Program (GMAP) II affords the opportunity for international affairs personnel to acquire a funded masters degree from the Fletcher School of Law and Diplomacy at Tufts University. This program is part of the overall career development program instituted by DSCA and the military departments' international affairs agencies. It is also open for persons from industry dealing with international programs as well foreign purchaser personnel throughout the international community who would apply directly to the Fletcher School (either funded personally or through their organization).



**Commandant of the Defense Institute of Security Assistance Management conducts a break-out session on International Affairs Graduate Studies Program.**

Dr. Reynolds discussed the current status of (GMAP) II class starting in March 2004, as well as the outlook for the recruiting period for the class that will begin in March 2005. Final selection of this year's class is almost complete. The recruiting period for the 2005 class should begin in February 2004 and run through August 2004. For more information on the GMAP program, go to the DISAM website at <http://129.48.35.197/ProfDev/GMAPII/MAPS.pdf>.

In addition to the breakout sessions, information booths provided conference participants an opportunity to obtain literature and discuss DISAM courses, Defense Institute for International Legal Studies courses, and familiarize themselves with the Security Cooperation Information Portal and the DSCA Story.

A DSCA directors panel discussion concluded the first day by addressing the topic of "Responding to New Challenges." Mr. Keith Webster of the Business Operations Directorate discussed the importance of commercial financing in the security cooperation business. He highlighted the creation of the Standby Letter of Credit process, the role that financing played in the Polish F-16 decision, and the significance of financing for the potential Czech Republic fighter purchase. He also announced that within the next six months, DSCA would establish organic contracting capability. The contemporary demands of security cooperation require DSCA to have more flexibility in establishing contract priorities as well as avoiding the high cost fee for service contracting arrangements previously utilized to meet this need. Mr. Webster emphasized the continuing need to leverage investments in automation to improve the security cooperation community's efficiency.

Ms. Freda Lodge of the Policy, Plans and Programs Directorate reviewed the need to respond to the changing security cooperation environment. With heightened interest in monitoring exports and accounting for materiel sold, the U.S. Bureau of Customs and Border Protection increasingly has focused upon FMS shipments. The security cooperation community needs to work with customs on export documentation issues to avoid shipment delays. Additionally, progress needs to continue in improving delivery verification and physical accountability for FMS materiel. Finally, Ms. Lodge presented the Joint Strike Fighter and Missile Defense as being a new model for future FMS sales. She emphasized that the security cooperation community needs to work closely with the acquisition community during the system development phase to begin addressing and solving potential FMS issues early in the system's lifecycle.

Mr. Edward Ross of the Middle East, Asia, North Africa Directorate underscored the role that security cooperation contributes to coalition operations. Security cooperation, including the use of Presidential Drawdown authority and excess defense articles, continues to be a valuable tool in promoting regional security. In particular, he cited examples of security cooperation contributions to operations in Iraq, Afghanistan and the Philippines.

Ms. Jeanne Farmer of the Europe, Russia, and Americas and Sub-Saharan Africa Directorate closed out the panel discussion by reviewing the challenges of adapting security cooperation to today's needs. The Georgia Train and Equip Program (GTEP) was an emerging need that was not included in prior FMF forecasts. As a result, drawdown authority was exercised along with diverting other FMF funds to support GTEP. Additionally, some GTEP requirements were included in a supplemental appropriation by Congress. Unfortunately, limited assets were available via drawdown due to U.S. operational demands, prior drawdowns and a general shift toward more direct vendor deliveries rather than maintaining large inventories. As a result, this program required significant procurement flexibility to include obtaining an overseas procurement waiver. Outfitting the Polish Multi-National Division serves as another example of

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adapting security cooperation to today's needs. The Polish Multi-National Division consists of forces from fifteen different countries. In order to rapidly outfit the Division, a single pseudo FMS case was used to quickly purchase materiel in bulk using Peacekeeping Operations funding. The material was then centrally dispersed to the various country participants. The use of one case instead of fifteen different FMS cases greatly simplified the project and provided flexibility as individual needs changed. She concluded by stating that security cooperation needs to adapt to provide speed and flexibility in responding to emerging needs while keeping sight of longer term strategic goals.

The second day of the conference began with an "International Perspective" by Mr. Boguslaw W. Winid, Deputy Chief of Mission, Embassy of Poland. Mr. Winid began by stating that his country's military is in a state of transformation. Since 1990, Poland has been working to reintegrate into the European Union and NATO. Additionally, Poland views the U.S. as a principal strategic partner. Compatibility with NATO and interoperability with the U.S. are goals of the transformation. The security assistance program with the U.S. has made significant contributions toward achieving these goals. The program began with just some limited training and has now grown to include the purchase of F-16 aircraft.

Mr. Winid's assessment is that the Polish programs represent a successful implementation of U.S. security cooperation policy. Through the combined use of FMS, FMF and International Military Education and Training (IMET) programs, Poland has been able to train over 1300 personnel and to modernize its military equipment. This in turn, has made Poland an important ally in NATO and has made it possible for Poland to significantly participate in the coalition effort to stabilize Iraq. He attributes this success to a bilateral understanding and willingness to be flexible and adjust to the different legal systems and government cultures between the two countries.

Significant items in the future U.S.-Poland security assistance program include possible C-130 and High Mobility Multipurpose Wheeled Vehicle purchases, continued training to include Professional Military Education and working with the Polish Ministry of Defense on improving Poland's national acquisition system. Mr. Winid concluded by offering some suggestions to improve the U.S. security cooperation program. These suggestions were to increase transparency, aid newcomers to understand procedures, develop programs that enhance the capability of customers to cooperate with the U.S., and to pursue greater convergence of security cooperation programs with the U.S. strategic vision.

Dr. Joseph J. Collins, Deputy Assistant Secretary of Defense for Stability Operations summarized stability operations in Afghanistan and Iraq. His comments on Afghanistan began by emphasizing the importance of recognizing the starting point conditions when attempting to characterize success. In 1996, Afghanistan was ranked as 169th out of 174 states on the United Nations Development Index. The country has suffered twenty-three years of war and four years of drought. Given this starting point, progress is being achieved. The new Afghan central government's influence is spreading and has made progress in reducing the control of the warlords. The goal is to conduct elections in summer 2004. In the economic arena, sixty-five nations have pledged \$6.6 billion toward reconstruction projects to rebuild the nation's infrastructure. Regarding security stability, ten Afghan National Army battalions have been trained and Germany, Italy, Japan, United Kingdom and the United Nations are working with the U.S. in various security undertakings.

On Iraq, Dr. Collins outlined five strategic priorities:

- The number one item is security. The goal is to establish a secure and safe environment throughout the country.
- The second priority is to restore basic services to an acceptable standard.
- Third is to create the conditions for economic growth.
- Fourth is to enable the transition to a legitimate constitutional government.

- Fifth is to maximize contributions from international partners and organizations.

In closing, Dr. Collins stated that stability operations entail identifying what needs to be done so that the country can continue to successfully operate on its own over the long term thereby precluding the need for U.S. forces to return in the future.

Ms. Diane Halvorsen, Director of Humanitarian Assistance and Mine Action for DSCA presented an overview of humanitarian assistance (HA) and humanitarian mine action (HMA) programs. Although DSCA provides program management for these efforts, authority for the effort comes from Title 10 of *U.S. Code* and is funded by the Overseas Humanitarian, Disaster and Civic Aid appropriation. To ensure unity of purpose and compliance with national security and foreign policy interests, HA and HMA are conducted in cooperation with the Department of State and the Agency for International Development. Combatant Commanders plan and execute DoD Humanitarian Assistance Programs. The goals of these programs are to positively affect dire humanitarian situations, contribute to peace and stability in post-conflict countries, provide access, build relations, and create goodwill. HA and HMA supports the National Security Strategy by dissuading would-be aggressors by promoting peace and stability in regions of tension. Additionally, it enables the U.S. to respond rapidly and effectively when called upon to assist the victims of storms, earthquakes, and other natural or man-made disasters.



**The Defense Security Cooperation Agency's booth displaying samples of humanitarian daily ration packages.**

Mr. Robert W. Maggi, the Managing Director of the State Department's Directorate of Defense Trade Controls (DDTC) updated the audience on recent activities in defense trade controls. He began by inviting those interested in more detailed information to visit his office's website at [www.pmdtc.org](http://www.pmdtc.org). A fundamental issue in this area is to determine what items need to have special controls. Last year, out of \$1.4 trillion in exports only \$25 billion fell into the arena of special controls. Increasingly, military sales are becoming more complex with material transferring through both direct commercial sales and FMS. Last year, roughly 61,000 license applications were received. Given this volume, DDTC is working to improve their processing times. For applications that do not require referral outside of DDTC, the median processing time was eight days. For those that required referral, the processing time was about forty-eight days. To improve the process, DDTC is moving toward a fully automated electronic licensing process. For referred licenses this should as a minimum eliminate mail time delays. Additionally, DDTC is working to improve their interface with the Bureau of Customs. In the area of monitoring compliance, the DDTC issued \$72 million in fines last year. In closing, Mr. Maggi stated the most significant issue for the future is to identify how to manage newly developing technologies. DDTC is meeting with leading research universities to help determine what new technologies should be controlled. The goal of DDTC is to have a U.S. munitions list that is right sized without applying too much or too little control.

The last presentation of the conference was by the Center for Strategic and International Studies. Mr Erik R. Peterson, Senior Vice President and Mr. Jay C. Farrar, Vice President for External Relations and Congressional Affairs jointly delivered a look into the future global

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environment through 2025. This insightful and thought provoking presentation forecast the social, environmental and economic conditions in Latin America and the Caribbean, Europe, Russia, Middle East and North Africa, Sub-Saharan Africa and Asia. Information similar to that presented at the conference is accessible via the Center for Strategic and International Studies' website at [www.7revs.org](http://www.7revs.org).

In closing out the conference, Lieutenant General Walters remarked that the demands on the security cooperation community will continue to remain high over the coming year as the U.S. continues the war on terrorism. He reminded the audience that their work in executing security cooperation work is important and of great value. He sincerely thanked the security cooperation community for their hard work in meeting the challenges over the past year. In looking ahead to the next year, Lieutenant General Walters asked everyone to think about change: how to be more efficient and be more effective. With those remarks, Lieutenant General Walters declared the conference officially concluded.

### **About the Author**

Jeffrey Grafton is currently an instructor at the Defense Institute of Security Assistance Management. In addition to being an instructor, he is also the functional coordinator for acquisition curriculum and the focal point for "Ask an Instructor" questions submitted through the Institute's website. He has previously worked for the Headquarters Air Force Materiel Command, Electronic Systems Center Detachment 16 (Riyadh, Saudi Arabia), and the Air Force Security Assistance Center. He holds a Bachelor of Arts degree in Business Administration from Cedarville College and a Master's of Science degree in Logistics Management from the Air Force Institute of Technology.

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## Air Force Security Assistance Center Celebrates Its Twenty-Fifth Anniversary

By  
**Captain Robert D. Sandoval, USAF**  
**Air Force Security Assistance Center**

July 17, 2003, the Air Force Security Assistance Center (AFSAC) celebrated on twenty-five years of international logistics support, provided through the International Logistics Center (ILC) and AFSAC both organizations existed under logistics and materiel commands as centers for international logistics support to the foreign military sales (FMS) community.



**Commander of AFSAC center, posing with two former Air Force Security Assistance Center retired commanders**

The Air Force Security Assistance Center set aside the entire day to celebrate the occasion. Brigadier General Jeffrey R. Riemer, USAF, AFSAC Commander, hosted Major General (USAF Retired) Ken Habedank, Commander of ILC from 1989 to 1994, and Major General (USAF Retired) Jack Waters, Commander of ILC from 1982 to 1984. Former vice commanders and executive directors were also in attendance as well as several former foreign liaison officers (FLOs), previously assigned to ILC/AFSAC.

For the past twenty-five years, the men and women of the ILC and AFSAC have implemented National Security Policy, focused on the customer and taken pride in accomplishing the mission:

### ***We Develop and Execute International Agreements***

The above mission statement is required memorization for all AFSAC employees. A formal ceremony marked the occasion to pause and celebrate these achievements, and for all present to meet past, current (and future) employees of the ILC and AFSAC.

Two special Letters of Offer and Acceptance (LOAs) were framed and presented to Brigadier General Reimer for display: The first LOA was created by the old method of typewriter in May 1978 for F-16 maintenance support to Belgium. The second LOA was created in May 2003 by the current electronic method for C-130 maintenance support to Egypt. Many in the audience shared their experiences working with these documents and in these organizations throughout the years.

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It was great to see how far we had come, not only as an organization and community of practice (CoP) but also continuous improvements through technology.

Brigadier General Riemer is especially grateful to be the commander of AFSAC during this historic milestone, stating,:

In the next twenty-five years, security assistance will continue to grow. It will grow in financial impact, grow in importance and grow in the number of countries involved. We are determined at AFSAC to meet our vision: World-Class Professionals, Fostering Global Partnerships. It is a vision I intend to move us toward achieving during my tenure as the commander. The results of our continuous improvement will benefit our customers, our Air Force and our nation. For this reason, the future of security assistance never looked better. Someday, I hope to return to the Golden Anniversary of this amazing organization!

Additionally, letters of congratulations from General Lester Lyles, Air Force Materiel Command Commander, and Mr. Willard Mitchell, Deputy Undersecretary of the Air Force for International Affairs were presented. A proclamation was made from the Honorable Jack Wilson, Mayor of the City of Fairborn, marking July 17, 2003 as Air Force Security Assistance Center Silver Anniversary Day.

From General Lester L. Lyles, Commander, Air Force Materiel Command:

Dear General Riemer, I am honored to recognize the Air Force Security Assistance Center on your 25th Anniversary.

Today, we mark AFSAC's 25-year legacy of providing outstanding support to the foreign military sales community. For the past quarter century, the men and women of AFSAC have played a key role in support of over ninety countries and international organizations encircling a wide range of weapon systems. AFSAC continues to develop and execute international agreements and now manages over 3,500 FMS cases valued at over \$96 billion.

Over the years, AFSAC has had many achievements that have altered the way FMS business is conducted. The parts and repair ordering system is a premier example of one of these advances. This system provides supply and repair support when the Department of Defense Logistics System is not available. Another major exploit is the Worldwide Warehouse that provides an electronic means to redistribute excess inventory within the FMS community.

Recently, AFSAC men and women were instrumental in support of operation Iraqi Freedom, as they were during Operation Desert Storm over a decade ago. In our dynamic world of international relationships, I know AFSAC will continue to be the Department of Defense's foremost FMS organization. With tremendous leadership, AFSAC is postured to proceed in its role as World-Class Professionals Fostering Global Partnerships.

The United States Air Force is proud to recognize the achievements of AFSAC as you celebrate this significant milestone. I would personally like to thank you, the men and women of AFSAC, for playing a vital role in the success of international support. Congratulations AFSAC and enjoy this day!

//Signed//  
General Lester L. Lyles

The history of foreign military sales (FMS) and security assistance goes well beyond the past twenty-five years. Our nation's defense has been linked with security assistance from the beginning. We have been the recipient and contributor for over 200 years. Throughout this time, the mission has gone by many names and has been organized in interesting ways.

From Willard H. Mitchell, Deputy Undersecretary of the Air Force, International Affairs:

I am privileged to acknowledge AFSAC in commemoration of its 25th anniversary. This day is truly one of celebration for AFSAC has long been recognized as a center of excellence, providing exceptional support to our international customers. For twenty-five years, the personnel of your dedicated organization have performed a vital mission in advocating, influencing, and sustaining logistics support for our partner countries. AFSAC's mission from its inception has been to recognize the individualized needs of each FMS customer and develop tailored support options that are cost effective, timely, and efficient. Under such a comprehensive charter, AFSAC's pioneering spirit provides support for more than 6,000 international customer aircraft, with varied configurations, spanning five decades of technology.

Throughout AFSAC's existence it has been an innovator, providing improved support through numerous business process transformation initiatives. Two of those initiatives, the Parts and Repair Ordering System and the Worldwide Warehouse Redistribution System, have established commercial buying services and electronic redistribution of materials. Through great vision, these new products ensure quality customer service. More importantly, these processes have been instrumental in assisting our coalition partners with warfighting capability for their national security and participation in coalitions, such as in operation Iraqi Freedom.

Again, congratulations on achieving 25 years of being adaptive and responsive, my best wishes go out to your team, who has always found creative ways to satisfy our international customers.

//Signed//  
Willard H. Mitchell

Initially, foreign military sales as it was officially called, was handled by a myriad of different offices at the headquarters of the former Air Force Logistics Command and in the field. In fact, the Command Historian shows a direct lineage that goes all the way back to 1958.



**AFSAC Commander with present and past Foreign Liaison Officers.**

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In 1978, the Air Force decided to change that and provide a centralized focus on this growing part of national security. On May 1, 1978, the Air Force Logistics Command established the ILC, which is the forerunner of the Security Assistance Center.



**The Mayor of the City of Fairborn, Ohio, congratulating AFSAC.**

From the Honorable Jack Wilson, Mayor of the City of Fairborn, Ohio

Proclamation:

Whereas, the Air Force Security Assistance Center is the center of expertise and innovation for the support of over 90 friendly and allied nations through the foreign military sales (FMS) program, and

Whereas, the AFSAC is celebrating their 25th anniversary, and

Whereas, the AFSAC was originally known as the International Logistics Center before being renamed in 1992, and

Whereas, the AFSAC has 400 civil service, military and contract employees, plus over 60 foreign liaison officers representing 28 foreign countries, who learn about the United States by living, working and attending schools in the City of Fairborn, and

Whereas, thousands of people attend the ILC and AFSAC sponsored meetings in the City of Fairborn which is known worldwide as the "Schoolhouse of Aviation" and home of Wright-Patterson, and

Whereas, the mission of AFSAC is to Develop and Execute International Agreements and their vision is for "World Class Professionals to Foster Global Partnerships," and

Whereas, the AFSAC is the primary agency responsible for supporting allied nations in coalition warfare from Bosnia to Kosovo to both Gulf Wars, and

Whereas, as part of the Inventing Flight Centennial Celebration, the ILC and AFSAC will celebrate their Silver Anniversary with alumni returning from around the world.

Now, therefore, I Jack Wilson, Mayor of the City of Fairborn, Ohio, do hereby designate and proclaim Thursday, July 17, 2003, as:

Air Force Security Assistance Center Silver Anniversary day in the City of Fairborn, and call upon all citizens to recognize the contribution they make at Wright-Patterson Air Force Base and around the globe.

In witness whereof, I have hereunto subscribed my name and caused the Seal of the City of Fairborn, Ohio, to be affixed this 7th day of July, 2003.

//Signed//  
Jack Wilson, Mayor.

The ILC began on May 1, 1978, as a special organization under the Air Force Logistics Command. ILC was redesignated as AFSAC, under AFMC in 1992 with an expanded focus on security assistance. Both of these organizations were created in order to provide centralized logistics and case management support for security assistance within the Air Force. Prior to that,

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security assistance functions and the logistics of FMS were only accomplished in a decentralized fashion throughout the Air Logistics Centers and across the major commands.

Over the past twenty-five years, the organization has evolved. However, certain ideals have remained constant. For example, the mission has always been conducted in accordance with National Security Policy and focus on the customer remains our hallmark. Whether they worked in the ILC or AFSAC, or both, the men and women of these two organizations have conducted this unique business with professionalism and pride, which is the focus of the day's tribute.

From Brigadier General Ahmed Elemary, Foreign Liaison Officer (FLO), Egypt, representing AFSAC's International Customers:

"General Riemer, former commanders, former foreign liaison officers, former and present members of the ILC and AFSAC family, it is my honor to be a part of today's anniversary. Speaking on behalf of the foreign military customers from 90 different countries. I would like to add my congratulations to those of Mr. Mitchell and General Lyles. It is a great day to be a member of the United States Air Force Security Assistance Team, as a security assistance professional and as a customer. All parties benefit from this unique endeavor between our nations. The past 25 years have seen the success of our efforts come to fruition on the world's stage, and on television.

2003 is a year in which Ohio celebrates its Bicentennial, Controlled Flight celebrates its Centennial, and the ILC/AFSAC celebrates its Silver Anniversary. All are achievements that can make each of us glad to be stationed at Wright-Patterson Air Force Base. While I am not so sure I would have made this statement 5 months ago, Today's weather reinforces my feeling that this is a good time to be stationed here.

This morning, we take a few moments to recognize the contribution of the ILC and the AFSAC. Despite the change in name, the success of foreign military sales and security assistance has never changed. It has always been a partnership. A partnership between nations, between air forces and between individuals. The outward value to national security for the United States and participating nations is recognized by all. The link to international stability around the globe cannot be denied. For this, each of us can be grateful.

However, a partnership is only as good as the people involved. Herein lies one of the keys to our success. The major reason for our successful partnership is that both sides value our relationship. Whether we are in your country or you are in ours, it is a relationship of respect, pride, and fun. This fact will keep our partnership on a positive flight path for decades to come.

In closing, let me say on behalf of all the foreign military customers, your partners, congratulations on your Silver Anniversary. Best of luck to each of you, especially those we will meet on the softball field later this afternoon.

//Signed//  
Brigadier General Ahmed Elemary



**Egyptian Brigadier General  
Foreign Liaison Officer,  
congratulating AFSAC.**

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Brigadier General Jeffrey R. Riemer, Commander, Air Force Security Assistance Center stated the following;

Security assistance is a vital part of our United States international relations just as it has been for as long as societies have been preparing for and engaging in war.

The transfer of arms and military assistance from France was a very important factor in the emergence of the United States as a nation-state over 200 years ago. In that spirit, AFSAC has been in the business of foreign military sales, and other aspects of security assistance for 25 years, having just recently celebrated our Silver Anniversary. It was a wonderful event involving many current and former AFSAC employees and Foreign Liaison Officers.

Our history shows that from 1958 to 1978, FMS was handled by many different organizations with the former Headquarters Air Force Logistics Command. In 1978, the Air Force identified the need for a centralized point of contact for FMS and as such, established the International Logistics Center. In 1992, the name was changed to the Air Force Security Assistance Center.

In recent history, we have seen the fall of communism in Europe, which has allowed us to implement security assistance programs with countries we never dreamed we would do business with. We were one of the primary agencies involved in support of coalition warfare in Bosnia, Kosovo, Operation Desert Storm, Afghanistan and most recently in Operation Iraqi Freedom. We strive for continuous improvement to benefit our customers, the Air Force and the United States of America.

AFSAC employs nearly 400 people who support multiple Air Force systems to include more than 6,600 customer aircraft and manage 3,500 cases valued at \$96 billion dollars. We take much pride in our quest to continuously improve our processes. We have evolved from filling out requisition forms to electronic processing with numerous computer and network-based tools, first of which is the Security Assistance Management Information System, better known as SAMIS.



**AFSAC Commander is receiving the Air Force Security Assistance Center's 25th anniversary photo from AFSAC employee.**

We have also seen the implementation of the Cooperative Logistics Supply Support Agreement (CLSSA), which allows the customer country to invest in and become a partner in the USAF and Defense Logistics Agency supply systems; the Parts and Repair Ordering System

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(PROS), which was developed to provide our customers with world class logistics support for non-standard and difficult to support standard item requirements; the Worldwide Warehouse Redistribution System (WWRS), which allows existing FMS countries to relieve excess serviceable inventory by offering items for sale; and finally, the Defense Security Assistance Management System (DSAMS), which was created for case development, implementation and tracking. All of these systems have made our jobs less difficult and tedious, allowing us to provide the highest quality of support available to our customers. And I know with your help and knowledge we will continue to improve on our processes and keep AFSAC in the upper echelon of the Security Assistance field.

AFSAC is a leader in AFMC at implementing Balanced Scorecard as a strategy implementation methodology and we are integrating Six Sigma into our tool kit to make ourselves more effective and efficient, easy to do business with, as well as being innovative, adaptive and responsive. Our mission in AFSAC is to develop and execute international agreements with friendly forces to provide defense materiel and services in support of U.S. national security. Our vision is to be world class professionals fostering global partnerships and we plan to achieve our vision by delighting our customers, linking our resources to the vision, reengineering our processes and strengthening our organization.

#### **About the Author**

Captain Robert D. Sandoval is a graduate student assigned to the Graduate School of Engineering and Management, Air Force Institute of Technology (AFIT), Air Education and Training Command, Wright-Patterson Air Force Base, Ohio. He graduated from the South Dakota School of Mines and Technology with a Bachelor of Science degree in Interdisciplinary Sciences. He graduated as an honor graduate from the Officer Training School located at Maxwell Air Force Base, Alabama.

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# Defense Security Cooperation Agency is a Key Player in Providing Wheelchairs to Afghanistan

By  
Virginia Caudill

Defense Institute of Security Assistance Management

“You have changed my life. I now have freedom and mobility,” said one grateful recipient. “It is comfortable, it is easy to steer. My life will be much easier now,” said another. These statements could be heard coming from disabled Afghans during a ceremony in Kabul to highlight Project Afghanistan.

As part of an exceptional team effort, the Defense Security Cooperation Agency (DSCA) office of Humanitarian Assistance and Mining Action (HA/MA) collaborated with several organizations to provide a large shipment of wheelchairs to Afghanistan. In September 2003, more than 5000 wheelchairs were delivered to Afghanistan in an effort appropriately titled Project Afghanistan. One hundred and fifty of the red and black wheelchairs were distributed in a ceremony held in at Camp Watan, a high security counter terrorism training facility in Kabul. This ceremony launched the distribution of the projected 5,000 wheelchairs to the people of Afghanistan.

The Wheelchair Foundation, a non-profit organization established in June 2000, joined forces with the Afghanistan Ministry of Martyrs and Disabled, the United Nations Comprehensive Disabled Afghans Programme, and U.S. Department of State and U.S. Department of Defense to lead a private sector delegation that distributed the wheelchairs. Hundreds of people from around the world gathered together for the official ceremony presided over by Mr. David Sedney, U.S. Embassy Kabul, Charge Affairs; Wheelchair Foundation founder, Kenneth E. Behring; and Afghanistan Minister of Martyrs and Disabled, Mr. Abdullah Wardak. Minister Wardak announced the formation of an official committee to oversee the continued distribution, training and maintenance of the wheelchairs. Various non-government organizations are currently working with the disabled in Afghanistan and have assisted in this worthwhile effort.



**Pictured above are two coordinators for the wheelchair distribution ceremony.**

The Department of Defense’s support for this effort focuses on people whose disabilities resulted from landmines. Many of the recipients were victims of landmines who literally crawled to the event to receive a wheelchair. Others were carried on the backs of family members and friends. In this emotion filled ceremony, Mr. Sedney stressed that the Wheelchair Foundation, and its goal to assist anyone in the world who needs a wheelchair, but can not afford one, is part of the American spirit of giving and sharing.

The role of the DSCA managed Humanitarian Assistance Funded Transportation Program was a critical component in transporting and delivering the wheelchairs to Afghanistan. Ms. Judith McCallum, transportation expert in the DSCA HA/MA office, arranged for the transportation and delivery of the wheelchairs to Kabul, and accompanied them to the distribution ceremony. Ms McCallum coordinated the shipment of wheelchairs to Afghanistan under the auspices of the Funded Transportation Program. Once the program was established and approved by the Department of Defense, the Defense Security Cooperation Agency HA/MA office

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facilitated the transportation by matching the size of the shipment with the mode of transport, within the required delivery date.

**Some of the wheelchair recipients.**



The Department of Defense administered Humanitarian Assistance and Landmine Action Program includes a family of activities under the authority of Title 10 United States Code, funded by the Department of Defense's Overseas Humanitarian, Disaster and Civic Aid (OHDACA) appropriation. DoD manages OHDACA-funded Humanitarian Assistance programs in cooperation with the Department of State, and the Agency for International Development (USAID) and in compliance with national security and foreign policy interests. Among other initiatives, the OHDACA appropriation includes funds for the cost of transportation in support of humanitarian projects and Department of Defense objectives.



**Distribution of wheelchairs in Afghanistan.**

The Funded Transportation Program is a means by which donors can apply for transportation paid for by Department of Defense of privately donated goods. This program permits the shipment of humanitarian assistance materials donated by vetted non-government organizations, international organizations, and private volunteer organizations for humanitarian relief, and includes the actual costs and payments.

Project Afghanistan serves as a model of American public and private partnerships working to help in the reconstruction of Afghanistan. The massive level of effort of all concerned with this project resulted in an overwhelming success. More information regarding the Defense Security

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Cooperation Agency's managed Funded Transportation Program, and other Humanitarian Assistance programs is available on the Defense Security Cooperation Agency's website [www.dsca.mil](http://www.dsca.mil), in the section marked HA&MA. Additional details regarding the transportation programs of privately donated cargo can be found at [www.dentonfunded.ida.org](http://www.dentonfunded.ida.org).

**About the Author**

Virginia Caudill is the Director of Management Studies at the Defense Institute of Security Assistance Management. She has over twenty-five years of security cooperation and foreign military sales management experience. She received her undergraduate degree from the University of the Americas in Mexico and her MPA from the University of Dayton. She acknowledges the support of Mrs. Diane Halvorsen, Director of Defense Security Cooperation Agency/HA&MA and the assistance of Mrs. Judith McCallum in the preparation of this article.



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# ***EDUCATION AND TRAINING***

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## **Marine Corps International Education and Training**

**By**

**Paul Askins**

### **International Programs Section Coalition and Special Warfare Center Training and Education Command**

[We would like to thank the editorial staff of the *Marine Corps Gazette*, for granting us permission to reprint the following article. This article appeared in the *Marine Corps Gazette*, Volume 6, Issue 12, December 2002, and is as applicable today as it was then. The *Marine Corps Gazette* web site <http://www.mca-marines.org/Gazette/gaz.html>.]

Since 1943, the earliest date for which records exist at the Marine Corps University, the Marine Corps has provided education and training to over 7,500 international military students who have attended approximately 10,000 individual courses at Commands and Detachments throughout the Corps. Quantico alone, through the Marine Corps University and its predecessor schools, has trained over 3,500 international military students.

During fiscal year 2002, over 500 international military students attended over 800 courses. These courses cover the entire spectrum of Marine Corps education and training, from Command and Staff College to basic electronics. They encompass most Marine Corps military occupational specialties, from aviation to supply and included most Marine Corps weapons systems, from assault amphibian vehicle to non-lethal weapons. These courses embraced most Marine Corps operating areas, from mountain warfare to urban terrain.

#### **What do the following foreign military personnel have in common?**

- **Major General Henry Ahnyidoho, Ghanan Army;**
- **Major General Ammar Al-Qahtani, Commander Royal Saudi Naval Forces Marine and Special Naval Security Forces;**
- **General Rudy Biazon, former Commandant, Philippine Marine Corps, former Chief of Staff of the Philippine Armed Forces, and member of the Philippine Senate;**
- **General Domingos de Mattos Cortez, former Commandant of the Brazilian Marine Corps;**
- **Lieutenant General Peter J. Cosgrove, Chief of the Australian Army;**
- **Major General Romeo Dallaire, Deputy Commander, Canadian Land Forces;**
- **Major General Pedro Diaz Fernandez, Former Commandant of the Spanish Marine Corps;**
- **General Sigurd Frisvold, Chief of Defense, Norway;**
- **General Lee Kap Jin, former Commandant of the Korean Marine Corps;**
- **Lieutenant General Shaul Mofaz, Chief of Staff of the Israeli Defense Force;**
- **General Jose Luis Munoz, former Commandant of the Mexican Marine Corps;**
- **VADM Victor K. Ombu, former Chief of the Nigerian Naval Staff; and**
- **General Roy Spiekerman, Commandant of the Dutch Marine Corps**

**They are all graduates of Marine Corps schools and colleges.**

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An umbrella term that covers this training is security assistance. The *Department of Defense Dictionary of Military and Associated Terms, Joint Publication 1-02*, defines security assistance as follows:

Groups of programs authorized by the *Foreign Assistance Act of 1961*, as amended, and the *Arms Export Control Act of 1976*, as amended, and other related statutes by which the United States provides defense articles, military training, and other defense related services, by grant, loan, credit, or cash sales in furtherance of national policies and objectives.

As the term implies, security assistance directly supports our National Security Strategy and our National Military Strategy and is a major component of the Theater Security Cooperation Plans of each regional Combatant Commander. Security assistance supports security cooperation by building military to military relationships with potential coalition partners and by assisting nation-building efforts of current or potential allies. Security assistance is a Department of State initiative executed by the Department of Defense. These programs promote regional stability, maintain U.S. defense alliances and promote civilian control of the military.

Training and education have often been described as the most enduring elements of security assistance. The Marine Corps provides training and education through several major security assistance programs, International Military Education and Training (IMET), Foreign Military Sales (FMS), and Foreign Military Financing (FMF).

- IMET provides training, primarily in the United States, to selected foreign military and related civilian personnel on a grant basis. Congress, as a part of the Department of State's foreign operations appropriation, appropriates funding to support this program annually. Congressional support for this program is increasing with the program doubling in size between fiscal year 2001 and fiscal year 2004. Examples of training provided under IMET include:

- Military Operations in Urban Terrain Mobile Training Team to the Argentine Army
- Command and Staff College
- Expeditionary Warfare School
- Basic Officer Course
- Staff Non-Commissioned Officer Academy

- Foreign military sales is a non-appropriated program through which eligible customer country governments purchase defense articles, services, and training from the United States Government. The purchasing government pays all costs that may be associated with a sale in accordance with the terms of a signed government-to-government agreement. Recent examples include:

- Marine Corps Training Assistance Group to the Royal Saudi Marine Force
- Marine Corps trainers with the Saudi Arabian National Guard
- Marine Corps trainers with the Bahrain Defense Force
- Marine Corps trainers with the Kuwait Armed Forces
- School of Advanced Warfare
- Command and Staff College
- Command and Staff College Distance Education Program
- Expeditionary Warfare School
- Basic Officer Course
- AV-8B Flight Proficiency Training
- AV-8B Combat Capable Training
- AV-8B Maintenance Training

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- Light Armored Vehicle Officer/Staff Non-Commissioned Officer Course
    - Foreign military financing consists of Congressionally appropriated grants and loans which enable eligible foreign governments to purchase U.S. defense articles, services, and training through either FMS or direct commercial sales channels. Recent examples include:
      - Recently returned Non-Commissioned Officer Development Training Team to Romania.

Regardless of the program under which education or training is provided, the Marine Corps is reimbursed for what it provides. In fiscal year 2002, these reimbursements totaled \$11.2 million. Projections for fiscal year 2003 anticipate reimbursements of approximately \$13.1 million. All indications suggest that this increased demand for Marine Corps training will continue into the foreseeable future.

Policy oversight for Marine Corps security assistance programs resides at Headquarters Marine Corps with the Deputy Commandant for Plans, Policies, and Operations (D/C, PP&O). International training and education management and execution is the responsibility of the Commanding General, Training and Education Command. Coalition and Special Warfare (CSW) Center accomplishes the day-to-day management of Marine Corps security assistance education and training on behalf of the Commanding General.

In executing its mission of security assistance training and education management, Coalition and Special Warfare Center is the clearinghouse for all requests for such training from international customers. Requests may come from a variety of sources. Most requests are provided during one of the annual security assistance training program management reviews conducted by each of the regional combatant commanders. Their representatives, known as the security assistance officer (SAO), of the various U.S. country teams within the geographic region present their host country's requirements. The Coalition and Special Warfare Center program managers collect these requirements and apply them to available quotas obtained through the Marine Corps' Training Input Plan process. If more quotas are requested than are available, which is frequently the case, Deputy Commandant for Plans and Plans, Policies, and Operations prioritizes countries to receive quotas.

At Marine Corps training commands and detachments, an International Military Student Officer (IMSO) coordinates international student education and training. The IMSO, who may be an officer, a staff non-commissioned officer, a non-commissioned officer, or a civilian, is responsible for the day-to-day administrative support of the international military students at the command or detachment.

The International Military Student Officers also coordinate an Informational Program for assigned international students. This Congressionally mandated, and separately funded, program is designed to complement the education or training provided in the formal course of instruction. The objectives of this program are to assist the international student in acquiring a balanced understanding of U.S. culture, institutions, and goals. The program also underscores the U.S. commitment to the basic principles of internationally recognized human rights and the Geneva Convention concerning the rules and laws of armed conflict. As a part of this program, each year international students from Command and Staff College tour various battlefields, such as Gettysburg, Pennsylvania, visit the various government institutions in Washington, D.C., and tour historical sites such as Williamsburg, Virginia. Other schools participate as well. Internationals at the Marine Corps Combat Service Support School routinely travel to Charleston, South Carolina, to visit the historical sites in that city.

Formal schools seats are not the only Marine Corps education or training provided internationals. Under security assistance, the Marine Corps also deploys training assistance teams to requesting countries. These teams range from short-term (less than 179 days) mobile training teams to long-term (typically one year or longer) teams where the Marines deploy on permanent change of station orders.

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Training assistance team deployments are also managed by the Coalition and Special Warfare Center. As with formal schools, requests are provided during one of the annual security assistance training program management reviews, however, security assistance officers may forward requests for training teams at any time. The Coalition and Special Warfare Center coordinates team deployments with Headquarters, Marine Corps, and appropriate Marine Corps commands and activities.

During fiscal year 2002, the Marine Corps deployed eight training assistance teams including:

- Saudi Arabia, Marine Corps Training assistance Group (MCTAG) which provides assistance to the Royal Saudi Naval Forces, Marine and Special Naval Security Forces in the areas of training, maintenance, doctrine development and exercise support.
- Saudi Arabia, Marine Corps trainers who provide Light Armored Vehicle advisory assistance to the Saudi Arabian National Guard.
- Kuwait, Marine Corps advisors who provide assistance in communications and operations.
- Bahrain, Marine Corps trainers who provide assistance in the areas of air space integration and missile control.
- Romania, an Extended Training Services Support Specialist team, which spent three years helping the Romanian Armed Forces develop a non-commissioned officer training academy that will facilitate their future entry into North Atlantic Treaty Organization.
- Argentina, a MTT that provided instruction in MOUT and urban tactics to Argentinean officers and senior non-commissioned officers.
- Bulgaria, a MTT that provided assistance to their senior professional military education institution.
- Colombia, a reconnaissance and advanced marksmanship MTT in support of the Colombian Marine Corps.

Providing education and training to internationals is a win-win situation for both the individual receiving the training and the Marine Corps. The international military student unquestionably receives some of the best training available in the world. Like the officers whose names appear in the first paragraph, and more than a score of other internationals who attended Marine Corps schools and colleges and subsequently achieved flag rank, this training has been a key element in their success in their own military organizations. The benefit to the Marine Corps of having a relationship with these officers is far-reaching. In addition to the professional or technical military skills they gain, these officers typically return with a broader understanding of the United States and the principles that are our foundation. They also form strong professional bonds with fellow Marines who they all too often find themselves standing side by side with against a common foe.

Internationals, and their parent services, are not the only ones that win. The Marine Corps also benefits. It begins in the classroom or seminar group where the internationals bring a fresh perspective and unique experience to the subject at hand. It continues after graduation when our Marines find themselves sitting around a table with a former international classmate as a combined exercise or operation is planned. The Marine knows what the international brings to the table and the two are able to plan based on a common understanding. This benefit should not be underestimated.

Marines deploying to friendly foreign countries as a part of a training assistance team also gain. They obtain invaluable hands-on experience living and working in the country involved and as a result their professional development is significantly enhanced. When they return to their parent commands they become a valuable source of expertise for the area they visited.

Finally, the Marine Corps gains simply by participating in security cooperation. Many training areas, ranges, and support bases routinely utilized by deploying Marine Expeditionary

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Units are available because the Marine Corps previously engaged in some form of security cooperation with the country involved.

In today's changing international landscape, security assistance programs provide an invaluable link between the Marine Corps and our friends and allies. The goodwill and cultural awareness gained through these programs improves our ability to operate with coalition partners and has broadened the horizons of all of the Marines who have participated. The regional combatant commanders have recognized security assistance as a highly valuable engagement tool, one that has gained increasing prominence since the events of September 11, 2001. Since it is likely that in any operation in our war on terrorism we will be working with allies and coalition partners security assistance programs will continue to be a valuable tool for the Marine Corps.

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# **Bulgarian Soldier Takes on Drill Instructor School, Marine Corps Recruit Depot Parris Island, South Carolina**

**By  
Caitlyn Carr  
Drill Instructor School Marine Corps Recruit Depot,  
Parris Island, South Carolina**

Most Marines attending Drill Instructor School will remember the rigorous training as one of the biggest challenges in their lives. With a tough physical training regimen, an even tougher staff and a demanding academic schedule, these three months are anything but easy. For Staff Sergeant Yavor Behar, Drill Instructor School presents one obstacle other students do not face: he is still learning to speak English.



**A U.S. marine corps instructor working with Bulgarian Army Staff Sargent, a Marine Corps Drill Instructor School student. Bulgarian Staff Sargent is held to the same standards as American students in all areas including drill, academics, leadership, and physical training.**

Behar, is a member of the Bulgarian Army, arrived in the United States three months ago as part of the International Military Education and Training Program, unaware of what would lie ahead. “I volunteered to be on any mission overseas, and I expected to be sent to Iraq or Afghanistan,” said Behar.

Instead, he was sent to San Antonio, Texas to learn English at the Defense Language Institute, English Language Center for two months before reporting to Parris Island. Behar, like nineteen other students who have completed Drill Instructor School since 1985, is expected to develop skills that will enable him to train soldiers in his own army and help to reform and modernize his country’s non-commissioned officer corps, according to Gina Douthit, European Command and Southern Command Program Manager at the Coalition and Special Warfare Center.

Although his thick accent and foreign camouflage utilities prevent him from blending in with his platoon, Behar is held to the same standards as the rest of his classmates of Drill Instructor School Class 4-2003. “We do not set him aside or give him any special treatment,” said 1st Sgt. Sandra Torres-Pintos, Drill Instructor School first sergeant. “The language barrier sometimes creates a problem, but when that happens we manage to communicate through show and tell movements.”

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Using this unique learning style, Behar manages to perform as well as most of his peers. As is the case with many students, physical training is extremely challenging for him, but he does well academically and works hard to keep up with his American counterparts, Torres-Pintos added.

One of the academic requirements Drill Instructor School students are expected to meet is the verbatim memorization of the entire Drill Manual, said Torres-Pintos. She explained that this is one area where most students fumble, spending a lot of their free time studying and practicing drill movements. When the rest of the Drill Instructor School students see that Behar is pushing himself to perform such a task they become more motivated. "He gives them a sense of motivation because English is his second language, and if he can do it, they can too," said Torres-Pintos.

While his presence may be a source of inspiration to the Marines he trains with, Behar acknowledges that he is also dependent upon his classmates. "I would be lost without them," he said. "We have not had enough free time to make real friends yet, but in class we always work as a team to succeed."

The lack of free time he has as a student prevents Behar from doing any traveling outside of Beaufort, but he still said that he is amazed by American culture. Shopping in the various departments at the Main Exchange and Commissary as compared to the small shops in Bulgaria, "where there is a whole store just for socks, is just one example of the difference in cultures," Behar said.

**Drill Instructor School  
Marines Corps Recruit Depot**

- Approximately 500 students from around the world are trained every year in various schoolhouses throughout the Marine Corps.
- Military personnel from various countries have competed Drill Instructor School, including Cape Verde, Haiti, Hungary, Romania, Slovenia, Tonga and the United Kingdom, and twelve more are expected to enroll in fiscal year 2004.
- Training foreign servicemen in Drill Instructor School and other Marine Corps courses helps the U.S. to promote working relationships with other nations, and assists many countries in receiving invitations to join North Atlantic Treaty Organization.
- U.S. Marine non-commissioned officer's also travel to other nations, assisting in the establishment of non-commissioned officer academies and instructor cadre.

Although Behar says that he is fascinated by America, he nostalgically refers to the young fiance he left in Bulgaria, and adds that he craves European espresso and yogurt, things that he can not find in this country.

The climate on Parris Island also leaves him longing for Bulgaria, where he says there is less humidity, more mountains, and usually a cool breeze that is non-existent in South Carolina.

The difference in culture, traditions, and environment in the two nations is even more dramatic for Behar when he compares his experience in the Marine Corps to his life in the Bulgarian Army. In Bulgaria, all males perform one year of mandatory military service, which includes forty-five days of training in an environment similar to boot camp, said Behar. Behar has been in the military for seven years, and says that he will serve for at least seven more. "Everything is different here," he said. "There is not one similarity, and adapting to all of the changes is the most stressful thing for me."

Since most of the drill movements and academic knowledge that Behar learns at Parris Island, North Carolina, are not used in Bulgaria, he said that he may not use those skills immediately once he leaves the United States. More importantly, he said he will use his time management

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skills and acquired ability to quickly adapt to stressful environments, critical ingredients for success at Drill Instructor School.

Upon the successful completion of Drill Instructor School, Behar will report to Camp LeJeune, North Carolina, where he will commence training in the Infantry Platoon Sergeant's Course at the School of Infantry, said Torres-Pintos. "My goal during all of this training is to be professional," Behar said. "I want to do what is required of me and complete every assignment like a professional."

Behar's attitude reflects impressions he has of the Drill Instructor School instructors, who he said are highly professional, very experienced, and have dedicated their lives to training the students.

His own dedication to the goal of professionalism can be observed while watching him train, as he practices various drill movements with his peers, repeating each ditty with intensity. Sometimes, he hesitates or stumbles over words, trying to decipher the slang he did not learn at the language institute, but he corrects himself promptly when the staff points out mistakes. "Drill Instructor School is the most stressful thing that I have ever done, but I know that it will help me in my career and personal life," said Behar. "I know the training here has to be tough, because after this training, other things I do in life will be easy."

If not for the unfamiliar uniform and accent, one might mistake Behar for any other recruit or Drill Instructor student living on Parris Island, struggling to make it through each day, but keeping his eyes on a bright future. Everything is different here. There is not one similarity, and adapting to all of the changes is the most stressful thing for me." Staff Sgt. Yavor Behar, Bulgarian Army.

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# Training Management System 6.003 Upgrade

By

Aaron Prince

Defense Institute of Security Assistance Management

## What is the Training Management System 6.003 (TMS)?

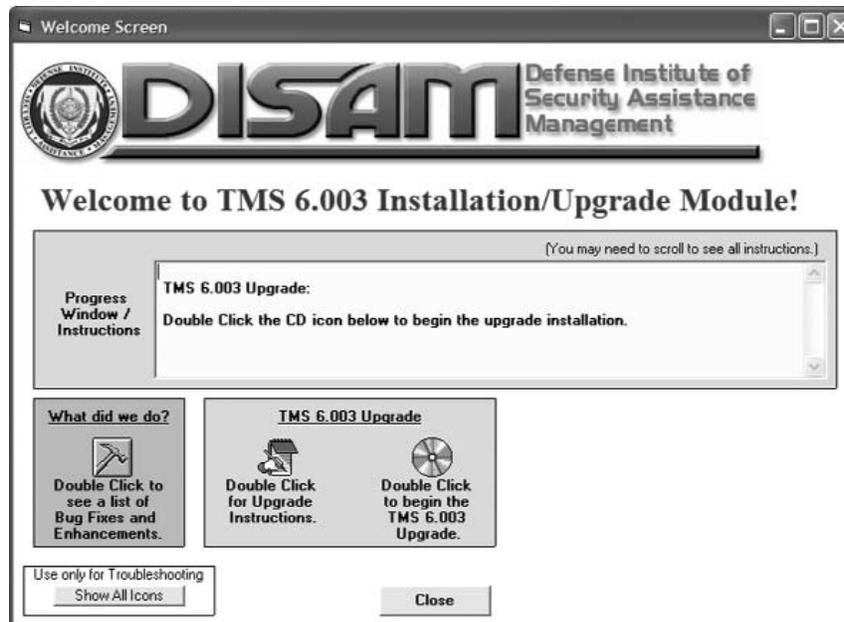
The Training Management System (TMS) is a Microsoft Access based software application designed to aid security assistance offices (SAO) throughout the world in managing all aspects of their international training program. This application allows the SAO to view their country's Standardized Training List (STL) which identifies the training courses that have been requested or approved. TMS also enables the SAO to look up training courses available to foreign countries in the Military Articles and Services Listing (MASL). The program even allows the SAO to create the Invitational Travel Order (ITO) which authorizes an international military student (IMS) to take part in security assistance training from the United States. The Defense Institute of Security Assistance Management (DISAM) has been the program management office for this application since development began in 1991. To make the program the best it can be by meeting the needs of the user, comply with policy changes, and keep up with advancing technology, TMS is ever evolving. With this goal in mind, the Defense Institute of Security Assistance Management is proud to announce the latest upgrade to TMS, Version 6.003, which will be distributed in September 2003. The remainder of this article is devoted to outlining some of the more noticeable enhancements the user can expect in this newest version of TMS.



Training Management System Main Menu

## Installation

As many users know, the previous versions of TMS 6 should not be loaded on a Windows NT computer due to problems during installation. TMS can now be installed on Windows NT computers, using the TMS 6.003 Upgrade and Full Install compact disc. DISAM designed a new front end installation screen as well as new installation procedures. Just insert the compact disc and follow the directions provided on the Welcome Screen that automatically appears. This single compact disc will accommodate users who are upgrading from a previous version of TMS 6 or doing a Full Installation of TMS 6.003, no matter what operating system they have.



**Installation welcome screen for Training Management System**

### **Scrambled Invitational Travel Order**

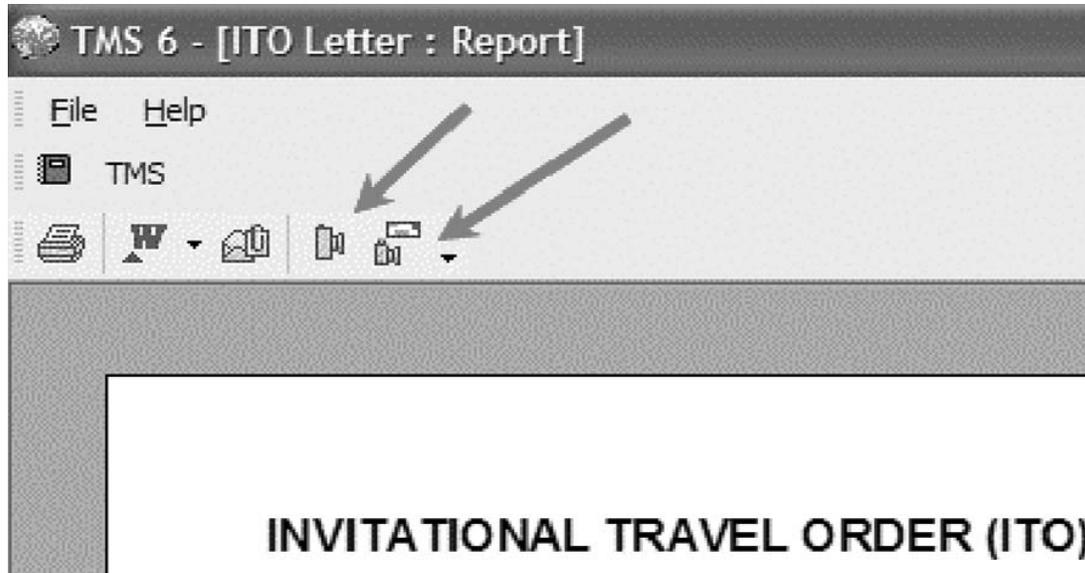
Many times, the SAO needs to forward and e-mail a student's ITO to the schoolhouse, country program manager, etc. In order to do this, the ITO is converted from Microsoft Access to Microsoft Word or directly attached to an e-mail message. Often during this conversion process Microsoft Access scrambles the ITO. To avoid misplaced lines on the ITO, use Snapshot (a Microsoft Product) to take a picture of the ITO and save it on your computer without converting it to MS Word. This method also prevents the receiver from altering the ITO. Here is how it can be done with TMS 6.003.

- Create the Official ITO in TMS.
- Instead of clicking the W in the top left corner of the screen sending the ITO to Microsoft Word, Click:
  - The Camera icon.
  - Microsoft's Output To form will appear.
  - In the Save In block select a folder location.
  - In the File Name block accept the default name or create a new name.
  - Click the Export button to save the file to your computer. Make sure you know the location of where you saved the file and what the file name is. The file will be saved to your computer with a .snp extension. The Snapshot Viewer will also appear displaying the ITO. Close the viewer when you are done.
    - Attach this file to an e-mail message and send it to the appropriate individual(s).
- To automatically attach the ITO (in Snapshot format) to an e-mail message, Click:
  - The Camera with Envelope icon
  - An e-mail message form should appear with the ITO already attached as a .snp file.
  - Address the e-mail and send it to the appropriate individual(s).
- Note:
  - The above procedures can be used to create Snapshot files of any report created with TMS.

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•• To create Snapshot files, you must have the Report Snapshots program installed on your computer. This comes with Microsoft Access 97 SR-1, Microsoft Access 2000 and Microsoft Access XP. When following the above procedure, if you do not see Snapshot Format (\*.snp) in the dropdown box for the Save As Type block then the Report Snapshots program is not installed on your computer.

• To view Snapshot files, the user must have the Snapshot Viewer program installed. This comes with Microsoft Access 97 SR-1, Microsoft Access 2000, and Microsoft Access XP. It can also be downloaded for free from Microsoft's webpage. The file download for Snapshot Viewer and additional information about Snapshot can be found at the following address: <http://www.microsoft.com/accessdev/articles/snapshot.htm?gssnb=1>



Save as snapshot Format: "Camera" and "Camera w/Envelope" Icons.

### Policy Change: Medical Care Coverage Statements

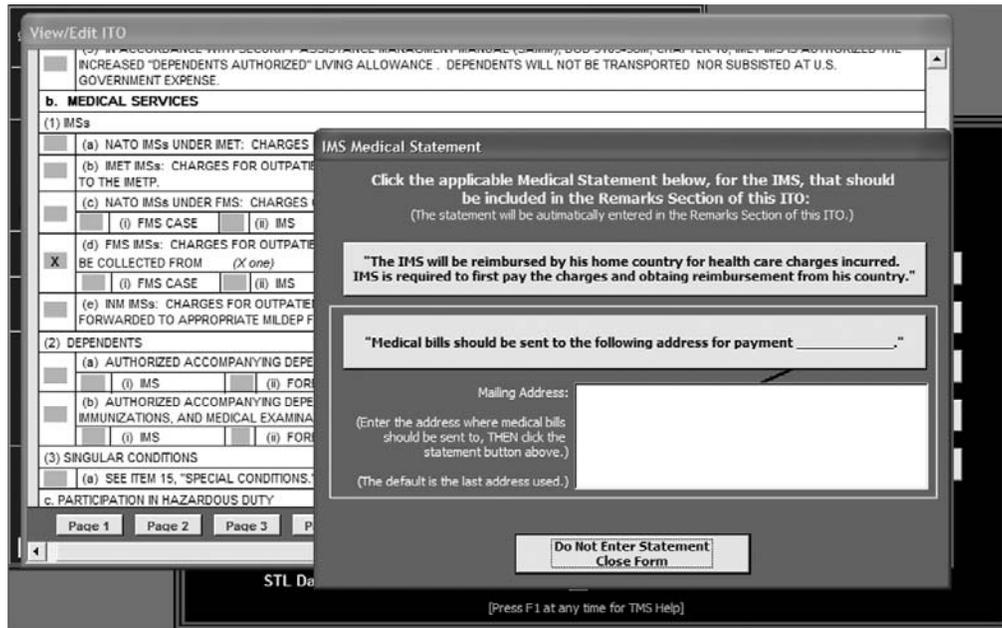
One policy change that came about this year is the requirement for proof of coverage for the cost of health care for international military students and authorized family members (DSCA Policy Memo 02-42). This memo requires that specific Medical Care Coverage statements be added to the remarks section of the ITO. Responsibility for health care costs i.e., the IMET program, the student or the foreign country, drives what statement or statements should be entered into the ITO remarks. At the request of several users, we have built these canned statements into TMS. When checking the boxes in section 12.b, medical services of the ITO, screens will automatically appear allowing the user to select the appropriate medical coverage statement to add to the remarks section. The goal is to narrow down what medical coverage statements are applicable and eliminate the need for the user to manually type the sometimes lengthy statements.

### TMS Lite

TMS Lite is a new feature designed to help novice users or those with small training programs who do not need to access TMS often, but still must use TMS to accomplish their mission. The lite version eliminates the extra and advanced option buttons on the main menu and focuses the user on the most important functions of TMS. Operations the user must know in order to effectively manage their training program include;

- Updating the STL;
- Updating the MASL;
- Viewing the STL;

- Viewing the MASL; and,
- Creating an ITO.



### Select Medical Coverage Statement

These are the options shown on the TMS Lite Main Menu. Not displaying the advanced and nice to have functions which experienced users desire should make it easier for the inexperienced user to navigate where they need to go and get done what they need to do. The TMS Lite version is accessed by clicking the switch to TMS Lite button on the main menu. To change back to TMS with full functionality, simply click the button labeled, switch to TMS Heavy.

### Other Miscellaneous Fixes and Enhancements

Early versions of TMS 6 had incorrect references to the Fund Cite and Special Remarks block numbers on the ITO. DISAM has corrected this.

DISAM has also created a Positions of Prominence report which lists past international military students who are now holding positions within their country that are considered significantly important. The students are grouped together by their service. This report is separate from the one that appears on the Two Year Training Plan and can be accessed by clicking the Position of Prominence button on the Single Country Reports screen.

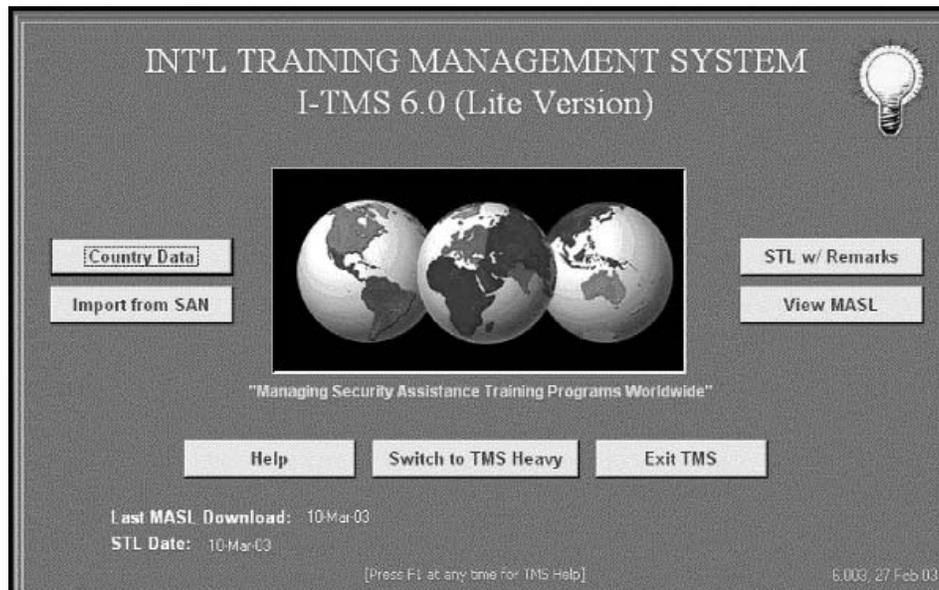
Several requests from users in the Pacific Command led to the development of another new report, Country FMS Training Program (Analysis Codes) also located on the Single Country Reports screen. This report breaks out the training received under foreign military sales by analysis code much like the IMET Training (AN) report that already exists. Click the button labeled FMS Training (AN).

User Roles have been established to let TMS know if you are a security assistance officer user or another type of user (i.e. MILDEP, Unified Command etc.). Setting the role to non-security assistance officer allows the user to exit TMS without being asked to upload data to the Security Assistance Network (SAN). Since security assistance offices are the only ones who should upload information to the SAN; this will prevent non-security assistance officer users from accidentally doing an upload. The User Role setting can be found under the Tools Menu.

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## Bugs and Behind the Scenes

Many other small bug fixes and behind the scenes programming modifications, that the user will not readily see, should enhance the performance and outputs of TMS.



### Select Medical Coverage Statement

## Testing

The first major test of TMS 6.003 came at the 2003 Training Program Management Review (TPMR) conferences. All the Military Departments (MILDEPS) used TMS to conduct line by line reviews of each country's training program. The system received favorable reviews. Following the TPMRs several SAOs were give a beta version of TMS 6.003 to use. The Defense Institute of Security Assistance Management would like to thank the SAO offices in Canada, Croatia, Italy, Japan, Norway, and the Philippines for testing the new software.

## The Only Thing Constant is Change

TMS 6.003 is scheduled to be mailed to security assistance offices in September of 2003. This is expected to be the last upgrade to TMS Version 6. The next major release of TMS, planned for October 2004, will be the Defense Security Assistance Management System version of TMS, TMS 7. This version is already in development at the Defense Institute of Security Assistance Management! Stay tuned for more information about TMS 7, which will allow even more data to be shared and transferred between the military departments, security assistance offices, and international military student offices at the schoolhouses.

## About the Author

Mr. Aaron Prince is an instructor at the Defense Institute of Security Assistance Management and has been one of the software programmers for the Training Management System (TMS) since 2001. He holds a Bachelor of Science degree from Miami University, Oxford OH.

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# The Defense Institute of Security Assistance Management Mobile Education Team Visits Bahrain

By  
**Lieutenant Commander Ed McFarland, USN**  
**Defense Institute of Security Assistance Management**

On June 11, 2003, the Defense Institute of Security Assistance Management (DISAM) completed its fifth mobile education team (MET) for fiscal year 2003 and was conducted in the Kingdom of Bahrain for the Bahrain Defense Force (BDF). The DISAM team consisted of Lieutenant Colonel Andrew White (Team Chief), Charlie Collins, John Clelan, John Smilek, and Lieutenant Commander Ed McFarland. Additionally, the team received Training and Logistics assistance from Major Tim Jones and CWO3 John Tims of the U.S. Embassy's Office of Military Cooperation (OMC) team. The DISAM team conducted a Foreign Purchaser's Course, a Foreign Purchaser's Executive Course and an International Training Course between May 31, 2003 and June 11, 2003 with over sixty students in attendance from the Bahrain Defense Force Ground Forces, Navy, Air Force, and National Guard.



**Director of the Bahrain Defense Force Training Directorate, making opening remarks to the SAM-F students.**

The Kingdom of Bahrain is an archipelago in the Persian Gulf, east of Saudi Arabia and is governed by the Al-Khalif family in consultation with a council of ministers. Bahrain is about 3.5 times the size of Washington, D.C., but despite its size the Kingdom of Bahrain has made an invaluable contribution to U.S. security objectives in the Arabian Gulf region by hosting and providing support to the Commander, U.S. Naval Forces Central Command. For its contributions in supporting U.S. security and cooperative efforts in the Arabian Gulf region, Bahrain has received major non-North Atlantic Treaty Organization Ally status.

**U.S. Ambassador to Bahrain, the pictured with the DISAM mobile education team.**



Brigadier Yousif Abdullah Bahzad, Director of the Bahrain Defense Force Training Directorate, and Colonel David Morte, Chief of the U.S. OMC in Bahrain, opened the courses with speeches on the importance of security cooperation with the United States; and challenged each student to gain and apply this knowledge in the execution of U.S. security cooperation

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programs. During all three DISAM courses there was great interaction and dialogue on current and future security cooperation issues and initiatives. An obvious benefit of this training was that representatives from different element of the Bahrain Defense Force were able to communicate with each other on problems and solutions for internal processes. Additionally, Major Jones and CWO3 Tims were able to highlight current Bahrain Defense Force logistics and training issues which initiated corrective actions to improve the Bahrain Defense Force's foreign military sales logistic support and International Military Education and Training (IMET) program.



**SAM-F students collaborating in workgroups during a practical exercise.**

**A Major of the Sheikh Military College assists a DISAM instructor in preparation for the Foreign Purchaser's course graduation.**



**DISAM instructor congratulates a student who is a member of the BDF Directorate of Maintenance and Logistics.**

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Members of the DISAM team did have an opportunity to visit Bahraini national and historical points of interest. Some of the team's highlights included a visit Bahrain's Tree of Life. The tree is the centerpiece of the "Bahrain was the Garden of Eden" theory and is famous because it somehow survives in the barren desert. Another highlight was a visit to Bahrain's Grand Mosque, which is the Kingdom's largest and capable of holding 7000 worshippers. The team also had an opportunity to visit the first oil well in Bahrain (the first country on the Arab side of the Gulf to strike black gold).



**Bahrain's Al-Fatih Mosque, also known as the Grand Mosque.**

Overall, the Bahrain MET was a highly successful training visit. In addition to the academic benefit to the Bahrain Defense Force, it was a great cultural experience for the DISAM Team. The Bahrain country team was extremely hospitable and even invited the DISAM Team to an OMC social which gave us an opportunity to have a few words with United States Honorable Ambassador Ronald E. Neumann. Our success on this MET would not have been the same without the superb support from the OMC staff.

#### **About the Author**

Lieutenant Commander Ed McFarland, USN is an Instructor of Security Assistance Management at the Defense Institute of Security Assistance Management. He was commissioned as a Navy Supply Corps Officer upon graduation from The Citadel in 1993 and holds an MBA from the University of Phoenix.

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# The Defense Institute of Security Assistance Management Mobile Education Team Visits Pakistan

By  
**Gary Taphorn**  
**Defense Institute of Security Assistance Management**

In response to a request from the Pakistani Ministry of Defense, the Defense Institute of Security Assistance Management (DISAM) dispatched a Mobile Education Team (MET) to Rawalpindi, Pakistan for a two-week stay in July. The four-person team conducted three security assistance classes to a total of forty Pakistani military officers and Ministry of Defense civilians. This represented a significant training opportunity for Pakistan, which has been under a variety of legislative sanctions for more than a decade.

The visit to Pakistan was DISAM's twelfth of thirteen METs scheduled during fiscal year 2003, continuing the ambitious pace of fiscal year 2002 (14 METs). Funded by Pakistan's fiscal year 2003 IMET program, the MET was led by Virginia Caudill, Director of Management Studies, and included Eddie Smith, Gary Taphorn, and U.S. Army Major Jay Conway. The principal class conducted was the two-week Foreign Purchaser's Course (SAM-F), attended by thirty civilians and officers in the grade of Major or equivalent. The students, who had extremely limited experience with security assistance, responded positively and enthusiastically to the instruction. Many commented that they could now see how their small slice of security assistance responsibilities fitted in with the big picture.

The second course conducted was the one-week Foreign Purchaser's Executive Course (SAM-FE), attended by nine brigadiers and a civilian. Like the SAM-F course, attendees represented a balanced mix across the Ministry of Defense staff, the Joint Staff Headquarter, and the three service headquarters (army, navy, and air force). Unlike the majors in SAM-F, the brigadiers represented an older generation that well remembers the hey-day of U.S. and Pakistani defense cooperation of the mid-to-late 1980s when grant military assistance to Pakistan was measured in hundreds of millions of dollars annually.



**Pakistani students learning international training management by utilizing the ISAN and the international version of the Training Management System.**

The final course was International Training (SAM-IT), taught to seven officers which the Pakistanis had identified as having responsibility for oversight of IMET and other training programs. These programs include the newly established Regional Defense Counterterrorism Fellowship Program, under which Pakistan has been allocated \$1.4M in fiscal years 2002 and 2003 funds, one of the largest programs in the world. In the SAM-IT course, the Pakistanis were given access to the International Security Assistance Network (ISAN) and shown how to access and manage their country training program using both the international version of Training

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Management System (TMS) software and the newly developed ISAN web. Pakistan is the fourth country this year (following Brazil, Netherlands, and Bahrain) to receive SAM-IT instruction during a MET.

Mr. Muhammad Hassan, the long-time manager of Pakistan's training program in the Office of the Defense Representative to Pakistan (ODRP), was of invaluable assistance to the MET instructors in the IT course and was able to explain many of the specifics of the Pakistan program to the students. Additionally, Joint Secretary Ejaz Ilahi Piracha (in the FE course) and Navy Lieutenant Javed Latif Khan (in the F course) were very helpful to the MET instructors in a variety of ways and presented the team with gifts on behalf of the students during their respective graduation ceremonies.



**Pakistani officers of the SAM-F Course and instructors from the Defense Institute of Security Assistance Management.**

The bilateral American-Pakistani relationship had reached a high in the 1980s as the U.S. pumped in millions of dollars of FMF and other aid as a counterweight to the Soviet invasion of neighboring Afghanistan. By the end of the decade, Pakistan had concluded over \$3.6 billion in foreign military sales agreements. However, in 1990 the U.S. invoked sanctions under the *Pressler Amendment* which terminated military aid because of Pakistan's nuclear weapons program. With this action, the security assistance program in Pakistan essentially went into a deep freeze for more than a decade. Additional sanctions were imposed in the late 1990s because of Pakistan's nuclear testing, the military coup by now president Pervez Musharraf, and arrearages on debt repayment.

The terrorist attacks of September 2001 placed the bilateral relationship in a new light as the U.S. enlisted Pakistan as a key ally to combat the spread of terrorism. All existing U.S. sanctions were waived shortly after September 11, 2001 and the pipeline of military assistance was gradually re-opened after more than a decade. With the passage of a supplemental appropriation in April, Pakistan received \$225M in foreign military financing for fiscal year 2003, in addition to healthy levels of funding under IMET and Counterterrorism Fellowship. During his meeting with President Musharraf in June, President Bush informally committed to a \$3 billion aid program beginning in 2005 and extending for five years. With half of the aid planned on the military front, this translates into potentially \$300M annually in foreign military financing. The DISAM MET was a timely training event by exposing a new generation of Pakistani officers to security assistance and helping them plan for and manage the use of substantial new levels of military aid.

#### **About the Author**

Mr. Gary Taphorn is an assistant professor at the Defense Institute of Security Assistance Management. He is a retired Army lieutenant colonel and Middle East Foreign Area Officer, and has served four tours of duty with security assistance responsibilities. He earned a bachelor's degree from the Xavier University in Cincinnati, Ohio and his master's from Georgetown University, Washington, D.C.

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# The Defense Institute of Security Assistance Management Mobile Education Team Visits Santiago Chile

By  
**Commander Catherine D. Ripley, USN**  
**Defense Institute of Security Assistance Management**

Located on the Western coast of South America and occupying nearly the entire west coast, lies the country of Chile. From its northern tip, bordering Peru and Bolivia to its southernmost tip, near Cape Horn and only about 120 miles from Antarctica, the length of Chile is about the same distance as New York City to San Francisco. With 2,666 miles of coastline, this elongated country provides vastly diverse landscape, geography and climate ranging from the driest desert on earth to the ominous Andes mountain range and some of the richest vineyards in the world. Truly a land of diversity, its people, politics, architecture and culture are also a mix of indigenous Indian tribes, Spanish, German, and British influences.

The Defense Institute of Security Assistance Management Mobile Education Team (MET) team to Santiago included Dr. Craig Brandt, Mr. Michael Layton, Mr. Ken Martin and Commander Catherine Ripley, USN. Our mission was to provide a Security Assistance Foreign Purchaser (SAM-F) course to fifty-five Chilean students. The students were a good mix of Air Force, Army and Navy mid to senior grade officers, enlisted personnel and a few civilians. Our entire course was taught through simultaneous translation in a large conference room located in the Chilean National Defense Staff headquarters. It was a lively and interactive group which prompted us to field many good questions germane to security assistance. At first glance, the large class size, mix of services and language barriers appeared challenging, but after the first day we were amazed at how smoothly things proceeded. This was in large part due to the fantastic skills of our translators, the enthusiasm of the students, and our host at the National Defense Staff, retired Colonel Rafael Martinez, who was instrumental in planning and executing the MET.

**Commander of the Navy  
Section U.S. Military Group Chile,  
and two DISAM instructors  
visited retired Chilean Rear  
Admiral for discussions concerning  
logistics.**



The Chilean Defense Forces have not been major foreign military sales customers in the past. The majority of U.S. origin items found in their militaries have come from direct commercial sales and have been limited to minor equipment. However, the very recent purchase of ten F-16s by the Chilean Air Force is the largest foreign military sales case in South American history. The Air Force students were, therefore, particularly interested in boosting their security assistance knowledge. Additionally, the Chilean Navy is currently deciding on the purchase of new construction and possibly used frigates and/or destroyers to complement their aging fleet of British origin ships. There are a few countries, including the U.S., Spain, and The Netherlands being considered to build a new construction frigate. In a separate issue, Chile is also considering

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the buy of used Spruance Class Destroyers or Dutch Kortenaer Class Frigates. The Army in Chile has a vested interest in using recently allocated FMFP grants to purchase minor equipment to be used by peacekeeping troops as Chile increases its presence in Peacekeeping missions worldwide.



**The Commanding Officer of the frigate Ministro Zenteno, and his Lieutenant, the ship's electronics warfare officer, hosted DISAM faculty members.**

In addition to our Foreign Purchaser's course, we were also asked to provide separate seminars to the Navy New Frigate Program Managers in Valparaiso, where the Navy is headquartered. We also provided an afternoon tutorial to two Air Force Generals involved with the F-16 program in Chile.



**Lieutenant General Chief, National Defense Staff presided over the class graduation.**

While in Valparaiso, we were invited to visit one of their frigates, the Ministro Zenteno, a British Leander Class Frigate. Our host and guide, Commanding Officer, Commander Carlos Vizcaya Salinas briefed us on the long and proud maritime history of the Chilean Navy as well as current and future plans for expansion. Although old (vintage 1968) and well traveled, the Zentano was in good condition and continues to operate off the Chilean coast with other South American and U.S. Navy counterparts. With so much coastline, Chile has always been and will continue to be a maritime nation keenly interested in new technologies and interoperability with their allies.

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We were honored to have the Chief of the National Defense Staff, Lieutenant General Juan Carlos Salgado Brocal presiding over the graduation ceremony.

**Defense Institute of Security Assistance Management Instructor, (far right), providing additional instruction for the Chilean students.**



**Studying for class.**



### **About the Author**

Commander Catherine Ripley is the Deputy Director for International Studies at the Defense Institute of Security Assistance Management. She holds a Bachelor of Science Degree from the U.S. Naval Academy and a Master of Arts in National Security Affairs from the Navy Postgraduate School, Monterey. She served as Navy Section Chief, in the Office of Defense Cooperation in the Hague, Netherlands before reporting to the Defense Institute of Security Assistance Management. Commander Ripley is the course manager for the Defense Institute of Security Assistance Management Overseas Course.





