

MILITARY ASSISTANCE PROGRAMS

21 October 1958

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COLONEL LACKAS: Admiral Clark, Gentlemen: In our consideration of national policy planning and of the implementation of that national policy and the preparation of programs and determination of requirements, we deal with a variety of problems that are important to our Nation.

One program which cuts across all these processes is the Military Assistance Program. We are to consider that this morning, and in fact we will carry on a further consideration of it this afternoon.

For our lecture on this program this morning we are fortunate in having a man who is directly concerned with the Military Assistance Program. He is the Deputy Assistant Secretary of Defense for International Security Affairs, and has been concerned with the Military Assistance Programs for some time.

It gives me great pleasure, therefore, to introduce to this audience for the second time the Deputy Assistant Secretary of Defense for International Security Affairs, Mr. Charles H. Shuff. Mr. Secretary.

MR. SHUFF: Gentlemen, I am indeed delighted that a combination of two unforeseen circumstances has made it possible for me to be with you today. My first visit to the Industrial College last year was such an enjoyable and stimulating experience that I was more than disappointed when it seemed that my forthcoming field observation trip to the Far East would conflict with the date set for this presentation, and that I would have to forego the opportunity of a "return engagement." Now, however, Assistant Secretary Irwin's inability to be here himself--due to the pressure of his many urgent responsibilities with respect to swiftly changing international security affairs--has coincided with the postponement of my departure; and it is my very real pleasure to make the presentation on his behalf.

The opportunity of addressing a class at the Industrial College is one which we always welcome with special enthusiasm because of the very nature of its membership. All of you, military and civilian, are men committed to the service of our national objectives and deeply concerned with the security of the United States. I know, therefore,

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that you are keenly interested in every aspect of that security; and I believe you are as willing to hear as I am to talk about a comparatively small and too-little understood program which makes a large and significant contribution to the security of the United States and the prevention of war--limited or total. And, gentlemen, let me point out right here that national security and world peace are the Alpha and Omega of United States objectives.

In these days, specific or immediate goals are perforce subject to alteration as the situation changes. The only certainty is that we will not change or falter in our determination to do everything in our power to strengthen the security of the United States and to prevent war. Today this includes mutual security--security in the common cause--which, in turn, includes assistance to our friends and allies.

Successful attainment of these ultimate and unalterable national objectives depends on many factors of both independent and interrelated importance. The first and most imponderable of these is, of course, beyond our direct control. It is the unanswerable question of how far the leaders in Moscow and Peking will go in probing the corporate body of the free world with the sharp and seeking needle of Communist imperialism--of whether they will take the risk of venturing beyond the point of no return in their relentless quest for world domination. Though we can neither foreknow the answer nor dictate the decision, we can and must bring all the vast weight of our military potential and our keenest diplomatic skill to bear in tipping the scale against final madness.

The second factor affecting the achievement of our goal is, therefore, not only closely linked with the first but also of coequal importance. And, thank God, it is neither imponderable nor beyond our control. It is the strength of our own Armed Forces undergirded by the skill of our scientists and the productive genius of American industry which supply us with the tools of war in the fight for peace. I need not urge upon you who are so particularly knowledgeable in this area that the strength of our military establishment is the rock on which our national security is built. I would remind you, however, that the strongest house built on the sturdiest rock at sea cannot insure the survival of its dwellers unless they are linked with the mainland which supplies their communication, sustenance and other basic needs. Complete isolation is slow but sure suicide.

Speaking less metaphorically, General Twining recently put it this way: "We must realize that the United States cannot live as an island

all to itself. If either aid to, or trade with, our allies should stop, it would be simply a matter of time before we would be an island in a Communist world. Then it would be only a little more time before we ourselves would fall." This terse and simple statement by the Chairman of the Joint Chiefs of Staff lays the facts firmly on the line. Like it or not, we must face the grim realities and accept the unchangeable truth that the security of the United States is intertwined with the collective security effort of our allies, and that the peace of the free world is no longer divisible.

Recognition of these stern facts by the Congress of the United States is clearly reflected in Chapter I of the Mutual Security Act of 1954, which reads in part as follows:

"The Congress hereby finds that the efforts of the United States and other nations to promote peace and security require additional measures of support based upon the principle of continuous and effective self-help and mutual aid. It is the purpose of this chapter to authorize measures in the common defense, including the furnishing of military assistance to friendly nations and international organizations in order to promote the foreign policy, security and general welfare of the United States and to facilitate effective participation of such nations in arrangements for individual and collective self-defense."

On the basis of this authorization, the Military Assistance Program is planned, developed, and implemented from year to year with a dual objective always in view: that the materiel, training, and related aid given our allies will serve with maximum effectiveness to promote the foreign policy of the United States and strengthen our own and the collective security which we build and share with our free world allies.

The first step toward this end is, of course, careful--often tortuous--consideration of all pertinent strategic, political and economic factors, national and international, and meticulous coordination of military assistance planning with all other United States and allied programs for defense and mutual security. In order to insure this absolutely essential correlation of total free world effort, and to make certain that every element and each participant contributes most meaningfully in the joint undertaking, the development of the Military Assistance Program is subject to guidance from multiple sources. Initially, the President, on the advice of the National Security Council, establishes broad policy. Within this framework, the Secretary of Defense is responsible for

specific program planning and implementation. The Joint Chiefs of Staff provide military advice, recommend force objectives and keep the program under continuous review to assure its consonance with United States global security plans and strategic concepts. The Secretary of State is charged with responsibility for coordinating the entire Mutual Security Program which, in addition to military assistance, includes closely related defense support, economic aid, technical assistance, development loans and various other special programs, all of which are operated by the International Cooperation Administration (ICA).

The coordinating function performed by the Department of State with respect to both the Military Assistance Program administered by the Department of Defense and the other aid programs administered by ICA not only insures that all forms of assistance to our allies shall complement and supplement each other, but that our total mutual security effort shall be geared to the economic capabilities and political realities in each so-called "recipient country." Careful, forward-looking consideration of these factors, and of their impact on the effectiveness of our total aid to the free world, is an absolute prerequisite of successful program planning. It minimizes duplication and waste, as it maximizes the benefits accruing to the United States from the dollars spent on common defense and mutual security.

Let us turn now to the Military Assistance Program itself and take a look at the specifics of its development, its operation, its accomplishments. And, to start at the point where it is more closely interrelated with our own national security effort, let us first consider force objectives and the determination of requirements for materiel and related training in its support.

Strategic force objectives are defined as those major combat units of the armed forces of foreign allied nations which the Joint Chiefs of Staff consider desirable in support of United States strategic concepts. "MAP supported forces" are defined as those forces to which, under present program decisions, the Military Assistance Program will provide some degree of assistance. The Department of Defense has always differentiated between the total force objectives for a particular country and the portion for which some degree of support is planned in a particular fiscal year program. The strategic force objectives do not commit the United States to a specific or even to a general amount of military assistance, whereas the MAP supported forces are those to which some support is provided through the annual programing and funding process.

It is with the latter, therefore, that we are immediately concerned in this discussion.

These are the forces committed by our allies to the common defense of the free world, and it is this military strength combined with our own that makes up the collective security system. So closely are the two interrelated that the strategic plans of the Joint Chiefs of Staff presuppose partial reliance on these allied forces in being. The Joint Chiefs would, of course, prefer to be able to rely also on the larger allied forces which are envisioned by the strategic force objectives but which are presently unattainable because of limited personnel and fund availability in indigenous defense budgets as well as here in the United States. Therefore, until such time as these limiting factors can be overcome, realistic planning for the common defense and the support thereof through the Military Assistance Program must be restricted to the maintenance and strengthening of the MAP supported forces of our allies, plus the modernization of forces achievable in keeping with the appropriations from the Congress for this program.

The actual form which military assistance takes varies from region to region, and from country to country, in response to differing capabilities, degree of threat and strategic importance, political climate and economic strength. Decisions with respect to the provision of military assistance are related to three specific criteria:

1. The importance of the forces being supported to the defense of the United States or to the defense, or protection against internal subversion, of an area important to our own security.
2. The actual requirement for equipment, services or supplies to insure the desired effectiveness of such forces.
3. The inability of the recipient country, for political, economic, or technical reasons, to supply the requirements from its own resources.

While these factors generally govern decisions as to the nature and magnitude of military assistance, there are, of course, times when one ingredient outweighs other considerations and the aid furnished may not meet all three of the standard criteria, but is nevertheless absolutely essential to the furtherance of our national objectives. This flexibility is important and necessary in order that military assistance may fulfill its specifically assigned mission of promoting the foreign policy, security, and general welfare of the United States.

In addition to these criteria, specific conditions for eligibility to receive military assistance are set forth in the Mutual Security Act of 1954. These conditions apply to all of the more than 40 nations with which we work together, and each recipient country must agree to fulfill the following commitments:

1. Join in promoting international understanding and good will, and maintaining world peace.
2. Take such action as may be mutually agreed upon to eliminate causes of international tension.
3. Fulfill the military obligations, if any, which it has assumed under multilateral or bilateral agreement or treaties to which the United States is a party.
4. Make, consistent with its political and economic stability, the full contribution permitted by its manpower, resources, facilities, and general economic condition to the development and maintenance of its own defensive strength and the defensive strength of the free world.
5. Take all reasonable measures which may be needed to develop its defense capacities.
6. Take appropriate steps to insure the effective utilization of the assistance furnished.

It is within the context of this format that the Military Assistance Program is planned and operated, both in Washington and in the field. Some of you may already have served with Military Assistance Advisory Groups (MAAGs), and others will undoubtedly have such tours of duty in the future; but all of you will, I believe, be interested to know that the vital importance of the MAAG role in developing and monitoring the Military Assistance Program in each recipient country has led to the recent establishment of a new service school in Washington. The Military Assistance Institute, which opened its doors on 3 September offers a one-month course of general and specific indoctrination and training for key Army and Air Force officers assigned to MAAG duty. The need for such training is directly proportionate to the complexity and sensitivity of the responsibilities assigned to the MAAG as the representative of the Secretary of Defense.

The five principal MAAG functions are summarized as follows:

1. Advise and assist the foreign government in the determination of materiel and training deficiencies.
2. In conjunction with foreign government, develop a program based on deficiencies and meeting Department of Defense program criteria.
3. Advise and assist in the receipt, identification, care, storage, and proper utilization of equipment furnished by the United States, and effect transfer of title to the recipient government.
4. Observe and report on the end-use and maintenance of United States furnished equipment and the utilization of foreign students trained in United States schools.
5. Promote the self-help principle by encouraging increased indigenous production and the establishment of country supported training schools.

I am sure I need not labor the point that the men who perform these duties have jobs which are as challenging as the opportunity they offer. The Military Assistance Institute will prepare them to take full advantage of that opportunity, and will eliminate much loss of time heretofore spent in learning by doing, as well as mistakes ascribable to inadequate understanding of both function and mission. Each year, from now on, some 1,000 American officers will report for MAAG duty indoctrinated and be ready to tackle their specific assignments as soon as they reach their posts. Even more important, they will have been carefully briefed with respect to the military, political, and economic climate of the country where they are to be stationed and the national characteristics of the people with whom they will be dealing. Thus they will be much better prepared not only to do a good operational job, but also to perform an additional mission as quasi-diplomatic representatives of their country. Here, obviously, we have another striking example of the close relationship of the Military Assistance Program to basic national objectives.

Getting back now to the actual development of the program, the MAAG in each country is charged with specific responsibility for calculating gross requirements for military assistance, for determining actual

and anticipated assets and for evaluating the country's military capabilities. The individual country requirements developed as a result of assessing these various factors must also be related to detailed priorities of desired accomplishment established by the cognizant Unified Command based on coordinated guidance agreed upon by the agencies concerned in the manner I have already outlined, and furnished to the Unified Command by the Office of the Assistant Secretary of Defense (International Security Affairs) acting for the Secretary of Defense. These priorities are:

1. To maintain existing units.
2. To complete equipping of units.
3. To modernize existing equipment.
4. To establish reserves.

The Unified Command screens the country requirements submitted by the MAAG, verifies compliance with priorities, and authenticates military capabilities before forwarding proposed country programs to Washington.

It is at this point in the development of the Military Assistance Program that our office begins its annual task of directing, in coordination with the Joint Chiefs of Staff and the Department of State, the preparation of detailed programs based on deficiencies and objectives to be attained in a particular fiscal year. As the person charged with responsibility for the overall management of the Military Assistance Program, I could speak at length, and with considerable feeling and emotion, about all that is involved from here on out. Suffice it to say, however, that program preparation, review, coordination, refinement, justification to four Committees of the Congress--which takes six months, adjustment to Congressional authorization and appropriation, funding and implementation, is a never-ending process. Moreover, the complexity of the process itself is further complicated by the fact that it must be carried on in constant and close cooperation not only with the Joint Chiefs of Staff and the Department of State, but also with the Bureau of the Budget, the Office of the Assistant Secretary of Defense (Comptroller) and the military departments which, under our direction, are responsible for procurement, supply, and delivery of military assistance.

It is indeed a fast and sporty course, and I sometimes wonder if we're going to make it all the way around! But somehow, with lots of

frustrating hard work, some luck, lots of humility, and the dedicated help of a bunch of hard-working guys in uniform and out, the job gets done and the mission is accomplished.

Keeping posted as to how well it is accomplished is one of my more important responsibilities; and, to fulfill it, we (and when I say "we," I mean a working group of Air Force, Army, Navy, Unified Command, JCS, our own people) make several trips overseas each year to observe the actual operation of the Military Assistance Program in the field. I have just recently returned from such a visit to 12 of the NATO countries; and I believe that by sharing some of my personal observations with you, I can best give you some real insight into our problems and accomplishments in that area. First, however, to put my comments in proper context, let us take a quick look at the total impact of military assistance on the defense buildup of our NATO partners, and at what has been accomplished in less than a decade. When the buildup began in 1950, NATO had less than 20 divisions, fewer than 1,000 operational aircraft, less than 20 airfields and most of their warships had been scrapped or put in reserve. Today, NATO has an integrated force composed of nearly 100 active and reserve divisions whose leadership is superior and whose morale is high; more than 1,000 combatant naval vessels; and air units operating nearly 5,000 modern aircraft, with more than 160 NATO airfields available to them. This almost phenomenal increase in the defense strength of the NATO alliance, which adds so substantially to our own national security, would not have been possible without the dynamic participation of the United States through the Military Assistance Program.

The other side of the coin, which is too seldom turned, is that the money we have contributed to this NATO buildup--at the rate of one dollar's worth of military assistance for the equivalent of seven dollars expended by our allies on their own defense establishments--has afforded us far more additional security than we could have bought with an equal expenditure on our own military establishment. By making common cause with our European NATO partners, we have undergirded and inspired their individual best, and often sacrificial, efforts to create a mutual defense establishment commensurate in total strength with its great mission.

Moreover, the equipment and related training we have provided under the Military Assistance Program have had a tremendous impact not only on the NATO military buildup, but also on the political and economic climate of Europe and, perhaps most important of all, on the

psychology of the people themselves. By providing effective weapons for their defense, we have strengthened their confidence and bolstered their will to resist the ever probing finger of militant communism. The very existence of the newly powerful military forces of our allies, has firmed their determination to support the principles of democracy and collective security.

This determination is reflected in far more than moral support of the common defense effort. In terms of financial participation alone, the contribution of our NATO partners has been, as I have already suggested, very substantial. During calendar years 1950 through 1957, the defense expenditures of our European NATO allies totaled \$87.8 billion, with a progressive increase in their defense budgets from \$6.3 billion in 1950 to \$13.3 billion in 1957. During this same period, the United States spent \$13.6 billion on military assistance to those same partners. Their contribution has, however, gone far beyond financial participation. They have also provided most of the real estate and manpower, and thereby reduced the requirement to station our own troops in the area. And, of paramount importance, they have made available to the United States, and to each other, bases essential to the most effective strategic and tactical deployment of United States and allied ground forces, ships, aircraft, and missiles. To date, some 160 airfields have been constructed under the cost-sharing NATO infrastructure program, most of which are today available to American forces. These bases contribute enormously to both our own and the collective security by insuring that United States retaliatory power may realize its maximum potential as the best presently available deterrent to aggression by the Sino-Soviet bloc, as those of you with SAC experience will readily attest.

Turning now from this brief account of the buildup to the situation in NATO today, I want to share with you some of my own reactions as to the continuing effectiveness of the Military Assistance Program in that area which is such a vital and strategically important part of total free world security. First, I would be less than candid with you if I were to imply that we have no problems in connection with the NATO defense effort. We do have such problems--lots of them--and the chief purpose of my trip was to study them at close range with a view to facilitating their solution.

A number of actions have already been initiated since our return which will contribute toward a workable solution to these problems; but, in a discussion such as this, it would seem more useful to accentuate the

positive by highlighting the many encouraging steps which are leading in the right direction toward the full and most effective utilization of NATO's resources in the common defense.

One of the most recent and promising developments is the NATO Lightweight Strike Fighter. This aircraft is the direct result of a design competition undertaken under one of our military assistance cost-sharing programs, the Mutual Weapons Development Program. The objective of this mutual undertaking is to augment allied defensive capabilities by providing financial and technical assistance to joint research and development projects in the field of weapons of advanced design. Fiat's G-91 with a British Orpheus engine, winner of the design competition, is distinguished by its ability to take off from and land in a cow pasture; and it is encouraging evidence of what can be accomplished through the pooling of allied research and development skills in a project to which each participating country contributes not only of its own funds but of its best scientific brains.

The G-91 will fill a NATO requirement for an aircraft which is less complex than many United States types and will play an important part in the overall defense of Europe. It also represents a significant stride forward in the NATO coordinated production effort and the consortia of private European industry participating in that effort from the development, production, and usage points of view.

Another promising development which will progressively strengthen NATO's regional mobilization base and gradually lighten the United States financial and logistics responsibilities, with respect to its support, is the significant progress being made by the NATO Maintenance Supply Services System. The groundwork established over the past two years is bearing fruit, and all nations which we visited were aware of the contribution which each must make if this new agency is to fulfill its proper role in providing a common and mutually supported source from which NATO's spare parts requirements may be met. Here again, however, progress is slowed by two inhibiting factors. The first is the reluctance of countries to depart from highly satisfactory bilateral arrangements already established with the United States on a service-to-service basis, and to rechannel their activities through a multilateral framework. The second is unwillingness on the part of finance ministries to support the agency even though defense ministries may be in accord with its precepts.

Even though, as I have pointed out, military expenditures have been increasing progressively, there simply isn't enough money in our partners' defense budgets to go around. Their economies cannot support the cost of meeting the dual and simultaneous requirement to maintain the military strength in being as a result of the buildup and to augment it with highly expensive advanced weapons, without which it cannot hope to fulfill its mission as the shield and deterrent which protects free Europe against the closely and perniciously crowding Communist threat. Therefore, because the defense of Europe is a prerequisite of our own national security, we have no alternative to helping our NATO partners to obtain the equipment they must have to do the job, in support to the collective security of the free world.

We, too, are on the horns of a dilemma because we are faced with a trend toward decreasing United States appropriations for military assistance at a time when the growing Communist threat is increasing requirements for aid. There is no easy solution to the problem--no pat answer; but we are taking steps to insure that the funds available for military assistance are put to the very best possible use in filling the gap. EUCOM and the NATO MAAGs are currently engaged in an analysis of force objectives for their areas. This analysis will serve as a point of departure for a study of the broader issue as to how individual country defense effort and United States military assistance may both be directed toward achieving the most important objectives. Also, during our recent trip, all the NATO MAAGs and responsible host country defense officials were informed that they would have to undertake a greater proportion of the maintenance of their conventional forces so that the limited military assistance funds available to us can be freed for use in providing the essential advanced weapons.

In this connection, I want to emphasize the importance of the very great contribution made by our Training Programs. Without exception, United States mobile training teams and detachments observed during our trip were performing an outstanding, effective job. These units, comprised of dedicated personnel, are making a major contribution to the effectiveness of NATO, as well as Spanish forces, which could not be accomplished in any other way. The physical presence of the personnel and their equipment at the site of a local unit is tangible and personal evidence of United States help and grass roots participation. Because of their knowledge and competence, the officers and men comprising these units are highly respected. They not only create a most favorable impression of the United States with foreign "rank and filers," but perform an invaluable secondary function as unofficial ambassadors and representatives of the American way of life.

Training in the field, however, is only part of the story. Equally important is the attendance at CONUS service schools of foreign military personnel who are thus afforded the opportunity of studying and living with their American counterparts and of observing firsthand the social, economic, and political mores of the United States. Throughout the trip, we took every opportunity to emphasize the importance which the Department of Defense attaches to such training. We pointed out the desirability of training more senior officers and those holding command positions so that they would, upon return to their own countries, be able to take better advantage of the methods, skills, and techniques which they and their juniors are learning in the United States. In addition, high-level training of this nature has substantial influence in creating deeper understanding and greater consequent cooperation in host country military establishments toward better understanding of United States doctrines and objectives. Training of middle and junior ranking personnel will also be continued to the maximum extent practicable because the secondary benefits of their exposure to the United States, to our ideas and to our people, may well be of farther reaching and more lasting significance to the cause of free world security than their improved proficiency in specific military skills.

Both with respect to the training and materiel portions of the Military Assistance Program, I have thus far confined my comments on accomplishments and problems to the NATO area. My reason for so doing is twofold: First, I felt that I could speak to you most meaningfully on the basis of very recent personal observation. Even within this one region alone, however, I have been able to give you only a small sampling of highlights. The fact that the summary report of our 30-day trip runs to 60 single-space pages will give you some idea of the magnitude, variety, and complexity of our success and shortcomings in the area--and why it would be utterly impossible for me to attempt to give you a full rundown of our objectives, problems, and accomplishments worldwide. Nevertheless, I certainly do not want to leave you with the impression that disproportionate emphasis or attention is being given to the NATO area to the detriment of our national interests in other regions of the free world.

This is definitely not the case. In fact, quite the contrary is true for, as our NATO partners have regained strength and economic capability, the burden of our military assistance has shifted from Europe to the Far East; and, in FY 1959, this vast and vitally important area will be allocated one-third of the funds appropriated for the Military Assistance Program. The pattern is the same with respect to the allocation of

related defense support funds, some 71 percent of which will go to the Far East region where, in Korea and Taiwan alone, there are more men under arms than in the entire United States Army. Obviously, the presence of these trained and well-equipped troops at the present point of greatest danger is immensely reassuring and greatly reduces the number of American troops which we would otherwise have to deploy in that crucial area. That it also greatly reduces the price of our own security is strikingly apparent when we compare the cost of maintenance of United States forces and those of our allies.

For example, the average cost for pay, subsistence, clothing, and housing of an American soldier is now \$3,515; and it costs another \$3,000 to transport him overseas and maintain him there for one year. As against this \$6,515 we would have to spend to station a single American serviceman in the Far East for 12 months after he had been trained and equipped, the cost for pay, subsistence, clothing and housing of a Korean soldier who is already on the spot is \$302 per year-- and for a Chinese nationalist soldier, even more incredibly, only \$147. In the light of these figures, there can be no doubt but that the military assistance and defense support funds applied toward the support of these allied fighting men who stand ready to defend free world interests in the Far East, is a sound investment in collective security.

And no one who has even glanced at recent headlines, or who heard the President's address to the Nation on the situation in the Formosa Straits, can fail to recognize the enormous importance of maintaining and fortifying the defensive posture of our Far Eastern allies. A recent statement made by the Secretary of Defense is particularly pertinent here. He said:

"We intend through our Military Assistance Program to continue to build up the forces of our allies. These are the forces which in many parts of the world would have to take the initial brunt of an aggressor's attack. Dollars spent wisely on them will increase our limited war as well as our unlimited war capabilities and save us many dollars in our own defense expenditures. Our Joint Chiefs of Staff recently stated, with complete unanimity, that they would not want one dollar added to our own defense expenditure if that dollar had to come out of our Military Assistance Program."

Surely there can be no more authoritative nor informed conclusion with respect to the interdependence of our own and the collective security than the foregoing, and it is just as applicable to other regions

of the free world as it is to those we have already considered all too briefly. Even more briefly, therefore, I want to touch on our most urgent and significant objectives and accomplishments in the Near East and South Asia and the Latin American areas. The first of these--Near East and South Asia--is, of course, an area characterized by numerous factors causing unrest and instability; many newly independent countries, extremes of wealth and poverty, primitive conditions, and lack of an industrial base. Because of its vast oil resources and strategic location, the area has long been coveted by the Soviets. Should they be successful in gaining a dominating influence in the Middle East, they would be in a position to deny to Western European civilian and defense industry not only its primary and predominant source of oil, but also its vital sealanes and trade routes through the Suez Canal.

It is important, therefore, that the northern tier countries, from Greece through Pakistan, bordering on the Soviet perimeter, be strengthened and operate as an effective deterrent to overt encroachment from the north. Greece and Turkey are partners in NATO. Turkey, Iran, and Pakistan are linked in the Baghdad Pact, and Pakistan is the western anchor of SEATO. Our membership in NATO and SEATO, and our support for and participation in the activities of the Baghdad Pact, are effective demonstrations of our partnership with these countries in collective security against the threat of aggression from the north.

Under the Mutual Security Program, and in accordance with the policy enunciated in the Joint Congressional Resolution on Peace and Stability in the Middle East, we are providing military assistance to these countries designed to make their defense forces more effective. We are gratified at the progress which cooperatively we have been able to achieve in this objective.

In this regard, emphasis is not only on military hardware supplied to these countries and the accelerated military construction program--particularly in Iran and Pakistan--but on specialized technical training. One of the most important characteristics of the Military Assistance Program in the underdeveloped areas of the world is its emphasis on military training. The building of effective defense forces in this part of the world is, of course, made more complicated by the very underdeveloped character of the countries. Thus, we must take account of the excessive burdens which such forces impose upon inadequate economies. These are burdens in which we also assist.

The material and training provided in this part of the world, coupled with the economic assistance we have supplied, has augmented self-confidence of governments and improved their ability to resist external aggression and maintain internal security. The Military Assistance Program has thus contributed significantly to collective security in the area, and to frustrating direct Communist aggression.

The Latin American picture is brighter and better focused, though not without its own problems. All 20 Latin American countries, by virtue of the collective security arrangements of the Organization of American States, are eligible to participate in the Mutual Security Military Sales Program. Under this sales program, these countries have purchased approximately \$100 million worth of military equipment from the United States. Twelve have signed bilateral defense agreements with the United States to assist in carrying out military missions important to the defense of the Western Hemisphere. These agreements are consistent with and uphold the principles of cooperation from which they stem; and the military assistance provided by the United States enables these countries to improve the capability of selected military units for eventually effective hemispheric defense.

Also through the Mutual Security Program and bilateral agreements with our neighbors to the south, we have been able to secure certain base rights for installations which are a vital part of Western Hemisphere security. Most noteworthy of these are stations in the Dominican Republic and Brazil which are part of the long-range missile proving ground required in our missile development and test programs. In addition to such tangible accomplishments as these--cooperative planning for the common defense and access to essential bases and installations, the Military Assistance Program in Latin America contributes significantly to strengthening mutually beneficial bonds in all our relations with "the Americans of the South" who share with us both the privileges and responsibilities of the Western Hemisphere.

Whenever, as now, I come to the conclusion of a presentation such as this to a group as knowledgeable as yours, I am always uneasily aware of all that I have had to leave unsaid about the Military Assistance Program. But, as I have already pointed out, it is literally impossible within the limits of a single talk to do much more than hit the high spots and hope that I have at least conveyed some idea of the importance of the military assistance undertaking vis-a-vis our own national defense and the international security of the free world. If I have succeeded in making this relationship a little more clear to you, and have given you a somewhat better understanding of our objectives and the manner and

degree of our accomplishments, and our problems, I shall not have talked in vain. I hope, too, that in the discussion period which is to follow this presentation your questions will afford me an opportunity to fill in a number of gaps and to satisfy your interest in aspects of the program either touched upon briefly or merely suggested in this prepared presentation.

I want, therefore, to conclude these remarks with a personal challenge to each of you. It is, quite simply, that you raise your sights from whatever your individual mission may be with respect to the security of the United States, and take a long, close look at the larger picture of international security which is the only hope of the free world in the age of the thermonuclear bomb and the ICBM. Today, every American, soldier and citizen, must widen his horizon and make a conscientious and sustained effort to understand the broader issues upon which peace and life itself may well depend. Senator J. William Fulbright, a ranking member of the Foreign Relations Committee, in an article adapted from a recent speech in the Senate, made the alternative painfully clear when he said:

"Unless we become a nation of statesmen-scientists, we can say goodbye to our whole traditional constitutional system of responsible power. It will be done for, because only a handful of experts will make decisions for the rest of us and we will have no exact basis for knowing whether they decided well.

"All of us must either become more knowledgeable about the world, or else revise our constitutional system, if we are to meet successfully the kind of challenge we are now being subjected to by the Russians."

That is the challenge, gentlemen. And it is one which you here this morning are especially well qualified to meet and master as you go out from this institution to assume ever heavier responsibilities in the service, first, of your country and second, of the U. S. armed services in furtherance of our national objectives of international security and world peace.

Thank you.