Congressional Presentation

for

Building Democracy

Fiscal Year 1995

Prepared by

The Department of State
U.S. Agency for International Development

With The Department of Defense,
Defense Security Assistance Agency

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SECTION I

SECTION I: BUILDING DEMOCRACY FY 1995 BUDGET REQUEST

OVERVIEW

This Congressional Presentation Document, a joint product of the Departments of State and Defense, and the Agency for International Development, addresses the Administration's budget request for one of the President's major foreign policy goals, Building Democracy. While currently under the authority of the Foreign Assistance Act (FAA) of 1961, as amended, this budget request is based on the proposed Peace, Prosperity, and Democracy Act of 1994.

This Presentation also demonstrates the Administration's commitment to streamlining and improving coordination of U.S. democracy promotion programs. It is not intended to replicate the mandated Congressional Presentations of the U.S. Agency for International Development (USAID) and the U.S. Information Agency (USIA). These agency Presentations will provide detailed descriptions of their respective budget requests and proposed democracy programs for the coming year. This document does include detailed descriptions of USAID-managed programs in the New Independent States (NIS) and in Central and Eastern Europe.

The FY 1995 Building Democracy request reflects the Administration's resolve to re-orient U.S. foreign policy, and to reflect and to meet new challenges in the post Cold War international environment. The underlying assumption of this funding request is that new threats to international stability are emerging, and that these threats are best met with a strategy that includes strengthening democratic institutions in key individual countries, while improving international cooperation to contain and resolve conflicts.

To this end, the FY 1995 budget request includes a new Countries in Transition to Democracy account to support emerging democracies which are recovering from civil strife, and have or are moving toward a democratic form of government. These programs were previously carried out under the Security Assistance program. The Countries in Transition to Democracy programs include funding for economic assistance to help cushion the impact of badly needed reforms, allowing emerging democracies to continue the long-term process of securing and consolidating democratic institutions.

These programs will also support the efforts of emerging democracies to develop mechanisms to integrate their armed forces into civilian society. Focusing on the role of the armed forces in a democracy, programs will stress the important distinction between internal security and national defense, supremacy of civilian authorities over the armed forces, and training civilians on security issues.

Building Democracy

The global trend toward democracy, and the ready evidence of the human and physical costs of repression, underscore the Administration's belief that the advance of democracy and human rights is a strategic as well as a moral goal. Established democracies are more reliable international partners, less inclined to wage war against one another, and more likely to advocate and observe international law and agreements. Countries whose democratic systems have solidified are also the most stable internally.

The mid-1990's holds new opportunities, and new urgencies, for securing democratic gains. Although half the world's people now live in countries with some degree of democratic rule, only one-fifth live in established democracies whose foundations are relatively secure. And as with other historic "waves" of democracy, backsliding has occurred in fragile new democracies. Countries that have embarked on the road to democracy, often with a first free and open election, find that considerable obstacles must be overcome before democratic gains are consolidated and democratic institutions are firmly established. Our strategies therefore take into account the slow, intricate, and uneven nature of democratic change.

Moreover, new democracies are challenged by potent transnational threats that can destabilize governments and plunge whole societies into crisis. Narcotics trafficking and international crime are on the rise worldwide, corrupting economies and overwhelming judicial systems. Mass migrations and refugees put economic and political pressure on governments barely able to maintain order within their own populations.

In some democratizing countries, however, the most severe and immediate crisis is the widespread eruption of ethnic conflict. Although established democracies are better able to accommodate the demands of a multi-ethnic society than any other political system, new democratic leaders have obvious difficulties mediating ethnic conflict while they also seek to establish order and guarantee security. The impact of these transnational and internal problems requires a strong program to strengthen democratic institutions and encourage civil society, administered in coordination with other key elements of the Administration's foreign policy.

The United States is the established leader in democracy building programs. In no other nation has the promotion of democratic ideals and human rights been so firmly rooted in foreign policy. New democratic leaders and their societies look to the United States for moral support and technical assistance as they build democracy into their political systems and their cultures.

The FY 1995 budget is intended to strengthen that leadership role, while also improving coordination of democracy programs to achieve greater policy impact and realize cost savings. The Administration views such coordination of democracy programs as a three-pronged effort: (1) U.S. government-funded programs will be more closely coordinated, within and across agencies; (2) consultation with U.S. NGOs also funding or implementing democracy promotion programs will intensify; and (3) closer and more effective coordination with other donor nations, either through consortia of bilateral donors or through international organizations, will also be pursued.

Following are the categories employed in the FY 1995 budget request, drawn from the proposed Peace, Prosperity and Democracy Act, and presented in this document.

New Independent States of the former Soviet Union. This subchapter describes the Freedom Support Act provisions. Our objective is to support democratic and market reforms in these new states.

Central and Eastern Europe. Funding is requested for the Support for Eastern European Democracy Act (SEED).

Countries in Transition to Democracy. The objective of the funding requested for this subchapter is to support the efforts of those countries that have begun transitions to democracy around the world. This category includes programming to enhance civil-military relations and economic support that undergirds democratic transitions.

Information and Exchange. This section provides the objectives of the programs carried out by the United States Information Agency. More detailed budget and program descriptions are provided in the USIA Congressional Presentation.

Support for Democratic Participation. This subchapter provides the objectives of the programs carried out by the U.S. Agency for International Development to support the building and strengthening of democratic institutions in countries where AID is promoting sustainable development. More detailed budget and program descriptions are provided in the AID Congressional Presentation.

Transition Initiative. This subchapter provides the objectives of AID's new initiative to provide mechanisms to rapidly assess the political and economic issues associated with post-disaster transitions, to implement on-the-ground programs to meet short-term needs, and to begin the process of institutional and political recovery.

As forecast during the past few years in similar presentations, the Administration has prepared carefully crafted successor legislation to the Foreign Assistance Act of 1961. In February 1994, the President submitted to Congress the proposed Peace, Prosperity and Democracy Act. This legislation ties democracy funding to the President's foreign, national security, and domestic policy objectives. The Administration looks forward to working closely with Congress to forge a consensus with the American people on the most effective use of their tax dollars.

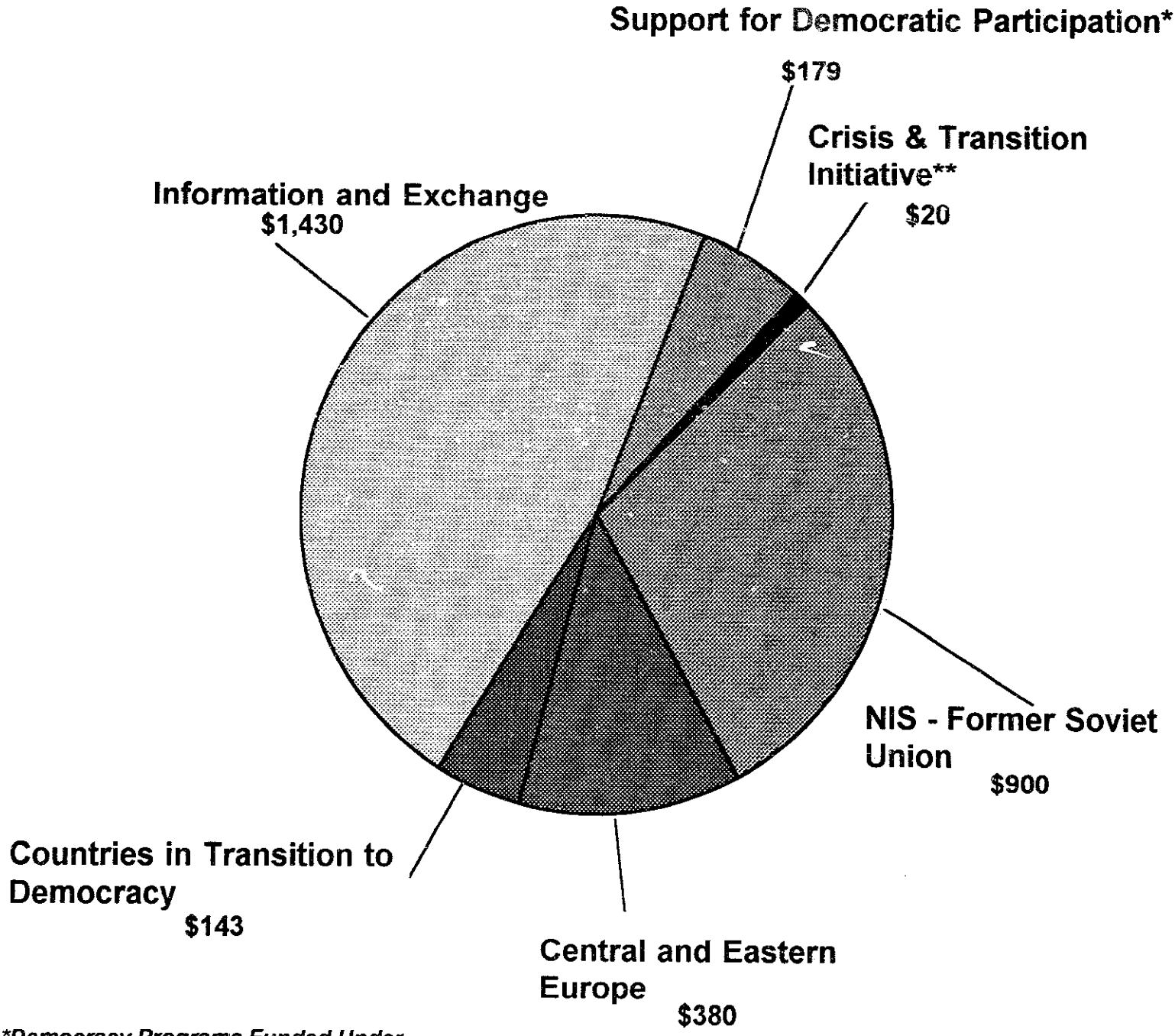
INTERNATIONAL AFFAIRS (FUNCTION 150) BUDGET
FY 1995
BUDGET AUTHORITY
(DOLLARS IN MILLIONS)

	ENACTED FY 1994	PROPOSED FY 1995	DIFFERENCE
PROMOTING U.S. PROSPERITY THROUGH TRADE, INVESTMENT & EMPLOYMENT:			
EXPORT-IMPORT FINANCING	718	796	78
FOOD EXPORT PROMOTION (P.L. 480 TITLE I)	395	312	(83)
TRADE AND DEVELOPMENT	40	45	5
OVERSEAS PRIVATE INVESTMENT CREDIT ACTIVITIES	17	20	3
OVERSEAS PRIVATE INVESTMENT NON-CREDIT ACTIVITIES	(133)	(135)	(2)
SUBTOTAL	1,037	1,038	1
BUILDING DEMOCRACY:			
NEW INDEPENDENT STATES OF FORMER SOVIET UNION	891	900	9
NIS ASSISTANCE (DEFENSE TRANSFERS TO USAID)	919	0	(919)
CENTRAL AND EASTERN EUROPE	390	380	(10)
COUNTRIES IN TRANSITION	124	143	19
INFORMATION AND EXCHANGE	1,353	1,430	77
SUBTOTAL	3,677	2,853	(824)
PROMOTING SUSTAINABLE DEVELOPMENT:			
MULTILATERAL DEVELOPMENT BANKS, IMF, & DEBT REDUCTION	1,485	2,109	624
STATE DEPARTMENT AND USAID PROGRAMS:	2,621	2,591	(30)
BROAD-BASED ECONOMIC GROWTH (INCLUDING P.L. 480 TITLE III)	(1,664)	(1,477)	187
STABILIZATION OF WORLD POPULATION GROWTH	(502)	(585)	(83)
PROTECTION OF GLOBAL ENVIRONMENT	(292)	(350)	(58)
SUPPORT FOR DEMOCRATIC PARTICIPATION	(163)	(179)	(16)
PEACE CORPS AND OTHER AGENCIES	268	274	6
SUBTOTAL	4,374	4,974	600
PROMOTING PEACE:			
REGIONAL PEACE & SECURITY	5,430	5,461	31
OF WHICH: MIDDLE EAST PEACE PROCESS	(5,176)	(5,225)	(49)
OF WHICH: MILITARY LOANS SUBSIDY	(47)	(60)	(13)
PEACEKEEPING PROGRAMS	477	608	131
PEACEKEEPING SUPPLEMENTAL	670	0	(670)
NONPROLIFERATION AND DISARMAMENT	94	111	17
NARCOTICS, TERRORISM, & CRIME PREVENTION	172	252	80
SUBTOTAL	6,843	6,432	(411)
PROVIDING HUMANITARIAN ASSISTANCE:			
REFUGEE ASSISTANCE	720	683	(37)
DISASTER ASSISTANCE (INCLUDING CRISIS & TRANSITION INITIATIVE)	161	170	9
FOOD ASSISTANCE (P.L. 480 TITLE II)	822	773	(49)
SUBTOTAL	1,703	1,626	(77)
ADVANCING DIPLOMACY:			
STATE DEPARTMENT OPERATIONS	2,535	2,623	88
STATE DEPARTMENT SMALL PROGRAMS	49	42	(7)
UNITED NATIONS & OTHER AFFILIATES (ASSESSED)	861	914	53
USAID OPERATING EXPENSES	559	567	8
SUBTOTAL	4,004	4,146	142
OTHER:			
NON-STATE SMALL PROGRAMS	73	74	1
ENACTED RESCISSIONS AND SAVINGS	(474)	(282)	192
PROPOSED RESCISSIONS	(424)	0	424
SUBTOTAL	(825)	(208)	617
TOTAL BUDGET AUTHORITY	20,817	20,861	44

BUILDING DEMOCRACY

FY 1995 BUDGET REQUEST

$ Millions



**Democracy Programs Funded Under Promoting Sustainable Development*

***Programs Funded Under Humanitarian Assistance*

REGIONAL CONSIDERATIONS

This section provides an overview of the regional and functional programs in support of the FY 1995 budget request.

NEAR EAST

The United States regularly raises the importance of democratic development with governments and non-governmental organizations in the Near East. We make clear in our public statements and private dialogues that we support those governments taking steps toward credible elections, independent judiciaries, the rule of law, respecting the rights of minorities, guaranteeing individual and worker rights, and reducing restrictions on the press. At the same time, our policy acknowledges that decisions concerning political structures, procedures, and timing must ultimately be made by the countries themselves, in accordance with their own history and traditions. Beyond these broad approaches, democratization strategies in the Near East are necessarily tailored to each country.

We have made clear to the Palestinians the importance the Administration attaches to democratization as an integral part of the implementation of the Declaration of Principles. We are working closely with non-governmental organizations that are developing proposals to assist the Palestinians to build electoral systems, to devise the means to monitor elections, and to establish the foundations of civil society and rule of law.

Jordan is among the countries in the Middle East which have made measurable progress toward democracy. Its emerging democratic system took a further step forward last November when multi-party elections were held for 80 seats of its lower house of parliament. We have expressed our strong support and encouragement of Jordan's democratization progress; we hold up its successful experience to date as an important demonstration to other governments in the region.

Algeria's suspension of elections in January 1992 was a setback for democracy in the region. We continue to urge the Algerian government to restore democratic processes and to undertake political and structural reforms to incorporate disaffected elements into the country's political system. Our democracy strategy for Algeria takes into account the conflicting objectives of restoring democratic processes, while not wanting to pave the way for an extremist, anti-democratic regime to assume power that would curtail democratic processes and be abusive of human rights.

Several of our democracy programs in Egypt are targeted to promote respect for the rule of law and to strengthen the foundations of democratic governance by assisting Egypt's judicial and legislative branches. Population programs, support for economic reform, and grassroots programs to assist private organizations and local councils serve to enhance democratic structures. Our diplomatic efforts are largely focused on reducing the cycle of violence between the government and its terrorist opponents. We are urging the government to eliminate police torture by speaking out against it more forcefully, looking into all allegations of torture and prosecuting those who practice it.

Yemen's first parliamentary elections took place on April 27, 1993, and were considered free and fair by international observers. We have been working closely with the parties to resolve the unity crisis. Once an agreement is signed, democratic reforms will be next on our agenda.

While recognizing that the Gulf states are not Western-style democracies, we see positive moves toward increased popular participation and seeking the consent of the governed in several of these countries. Participation in government through consultative councils, in keeping with Muslim tradition and practice, has started (Bahrain, Oman, and Saudi Arabia), or is likely to occur.

Kuwait's National Assembly was restored last October by multiparty elections. The Assembly is empowered and is bringing a new level of pluralism to Kuwait decision-making. Suffrage is extremely limited, however, and we are encouraging the government to expand voting rights.

USAID is determining how to provide assistance to the Palestinians as they implement the Declaration of Principles. USAID programs support economic and policy reforms that generate employment and human development, promote economic growth, encourage political freedom, reduce population growth, respond to disasters, and strengthen infrastructures and institutions.

USIA officials estimate that almost one-third of its activities in the region support democratic development. USIA's programs in the Near East include academic and cultural exchanges to strengthen foreign understanding of American society, promote rule of law, obtain greater support of U.S. policies, and increase understanding between the U.S. and other countries.

The International Visitors Program arranges tours in the U.S. for foreign leaders and potential leaders designed to develop and foster professional contacts with their colleagues in the U.S. and provide broader exposure to American social, cultural, and political institutions.

The Defense Department conducts exchanges, contacts, and training programs for military and civilian officials that intend, among other things, to enhance participants' understanding of the role of the military in democratic systems, and to support the concept of civilian authority over the military.

EUROPE

The revolutions of 1989-90 in Central and Eastern Europe (CEE) provided an unprecedented opportunity for the West to engage in democracy building. The overthrow of communism produced change at the top, but the old institutions and ways of thinking remained pervasive in much of the area.

Our bilateral strategy has involved funding systemic change in government institutions, in the political process, in education, and election monitoring through the Support for East European Democracy (SEED) Act. In addition, the U.S. has increased funding to traditional activities in support of democracy, such as exchanges, development of a free media, and direct diplomatic contact. Our objective has been to change radically the way new governments and their publics think about democracy and all its necessary components. USAID offices were established throughout CEE, and the staffing of State and USIA was increased in most of the posts in order to carry out our strategy.

Multilaterally, in cooperation with our allies, we have attempted to support political and economic reform by extending Western institutions to CEE countries. To that end, political and human rights issues are to a great extent addressed in the Conference on Security and Cooperation in Europe (CSCE) as well as our regional dialogue. Economic issues are handled by normalizing bilateral economic relations with CEE countries and encouraging their integration into Europe through membership in the European Union and their association with the major multilateral organizations - OECD, IBRD, and IMF. Security concerns are addressed through inclusion of the CEE countries in NATO's North Atlantic Cooperation Council (NACC) and the Partnership for Peace (PFP) program, and through CSCE activities, including the Forum for Security Cooperation.

To provide humanitarian, financial and technical assistance to support the transition in CEE, the U.S., in cooperation with other bilateral and multilateral donors, has implemented an assistance program coordinated by the G-24. The donors identified strengthening democratic institutions as one of three key assistance priorities. Western assistance was conditioned on CEE governments' progress on democratization issues. For this reason, the Northern Tier countries (Poland, Hungary and Czechoslovakia) were the first targets of Western efforts. As democratization moved southward we began working with Bulgaria, Romania, and Albania. After the breakup of the Soviet Union we started working with the Baltic states on democratization.

Although our basic strategy remains the same, progress in CEE democratization has called for some modification in our programs. The initial effort at strengthening democratic institutions was specifically targeted to assist the conduct of credible elections, support trade union development, provide equipment and technical assistance to nascent legislatures, promote respect for generally accepted human rights, strengthen the rule of law, and support independent media.

Our challenge now is to develop a more targeted approach in each country. In general, this requires us to shift emphasis in the Northern Tier away from the nuts and bolts of holding elections and developing viable political parties and institutions. Rather, our focus is shifting toward support for development of the culture of democracy i.e., those conditions which allow democratic values and practices to flourish.

Two additional issues are being addressed more vigorously: ethnic tension and civil-military relations. Ethnic friction has been an historic cause of conflict in CEE, running the spectrum from forced integration of ethnic minorities to denial of human rights. The Bosnian conflict is the worst example. Therefore, the U.S. is working with the G-24, CSCE, and the Council of Europe to ensure that human, political and economic rights are extended to ethnic minorities. The U.S. emphasis is on individual, rather than group rights.

Civil-military relations is the second issue on which the U.S. and other Western governments must place additional emphasis. The armed forces in many parts of the region are to a great extent still commanded by the uniformed "old guard." We are working to ensure that civilian control of the military prevails and that the officer corps develop an ethic of respect for civilian control. In the past two years the U.S. military has expanded contact with their CEE counterparts, and is providing additional opportunities for officers from those countries to study in U.S. defense schools. In addition, cooperation with NATO forces through the PFP should over time help change the military culture in the region.

Substantial progress has been made in consolidating democracy in CEE. Nevertheless, the greatest danger to continued political reform is growing public disillusionment in some countries with the effects of economic reform as a result of declining living standards. The future of democracy, including ethnic harmony, regional stability, and civil liberties will in part depend on the U.S. and other Western democracies pursuing a long-range course of financial and technical assistance. Nevertheless, greater East-West trade, the opening of Western markets to Eastern products, and opening Western institutions to Eastern membership, are also vital to the consolidation of democracy. The most important factor, however, is the commitment of the governments and peoples of CEE to respect human rights and adhere to democratic government.

NEW INDEPENDENT STATES

The United States will continue and expand support for the development of pluralist democratic societies in the new independent states in FY 1995. Priority will be given to Russia, Ukraine and Kazakhstan but programs will be conducted in all 12 of the new independent states of the former Soviet Union. The primary implementing agency is USAID. USIA and other agencies will also implement NIS programs.

Our support will focus on activities which foster the development of the rule of law, political and social processes, democratic governance, independent media, and grass-roots and non-governmental organizations. In addition, citizens of these states will participate in educational and training programs in the U.S. which will enable them to acquire specific knowledge and skills as well as make relevant contacts in their respective fields.

A consortium comprised of U.S. legal experts and law schools will cooperate with NIS counterparts to strengthen the laws, legal institutions and civic structures which support democratic and market-oriented societies. The consortium will focus on the following areas: development of an independent judiciary; drafting of laws, including commercial laws and commercial codes; improving access to the legal system and bar; promoting public understanding of and respect for the rule of law; and improving legal education. In Russia, support for the re-introduction of the trial-by-jury system will continue. In countries with significant human rights violations, our assistance will focus on respect for human rights.

Our support for the development of political and social processes includes a program of cooperation with the Russian and Ukrainian parliaments which emphasizes member and staff exchanges as well as institutional support through linkages with various organs of the U.S. Congress.

Exchanges of parliamentarians will continue with other states in the region. Funding will be provided to U.S. non-governmental organizations such as the National Democratic Institute, International Republican Institute and the Free Trade Union Institute for technical assistance to the new states on the development of political parties and labor unions as well as effective electoral administration.

In Russia and Ukraine the U.S. will intensify its program of democratic governance through projects designed to assist municipalities in fiscal management. This initiative will be extended to other states in the region. Linkages will be fostered between regional governors in Russia and state governors in the U.S.; reform-minded local officials in the new states will be invited to the U.S. to develop contacts with relevant governmental and private sector representatives and to experience first-hand the strategies U.S. city and state officials develop to solve problems they encounter.

Support for the development of an independent media will continue. U.S. media organizations will advise counterparts on the creation of financially self-sustainable media as well as the regulations and conditions needed for objective state or public media organizations. In addition, NIS journalists will be invited to participate in internships in U.S. media organizations.

U.S. non-governmental organizations will provide technical assistance to not-for-profit civic organizations in the new states. This cooperation will promote the development of a civil society with a strong non-governmental sector.

The exchanges and training program will bring over 5000 individuals to the U.S. for short- and long-term educational and training programs. These programs will target high school students, undergraduates, graduate students, teachers and faculty, entrepreneurs and other professionals. Students will be selected by open competition in key fields such as law, economics, business, public policy, agriculture and computer science. Teachers and faculty will focus on curriculum reform in the social sciences. Professionals will participate in short-term technical skills training, which will focus on health care, finance, banking and securities, tax policies, securities and exchanges regulations, small business development and telecommunications.

The U.S. will also support partnerships between U.S. and NIS educational institutions and professional associations. These programs will foster curriculum development in key fields such as business, economics and public policy in NIS universities and continuing education programs in private sector development and management of energy resources.

AFRICA

Africa has experienced an unprecedented wave of political reform. Although there were only four African democracies in 1989 -- Mauritius, Botswana, Senegal and The Gambia -- multiparty elections have now been held in over twenty states. As the world's oldest democracy, we have an enduring interest in the success of Africa's new democracies.

Our commitment to democracy is being implemented through policy dialogue and a strategic approach to resource allocation in the 48 African countries with which the United States has diplomatic relations. Multilateral, regional and bilateral approaches are being combined to maximize the effectiveness of U.S. efforts. On the multilateral level, for example, the United States and other donors are effectively pressing heads of state toward democratic reform through international financial institutions and joint policy dialogue.

In order to consolidate democratic gains and promote transparent governance, the rule of law and respect for human rights, the United States must help Africans build the institutions of democracy -- independent legislatures, rule of law, transparent bureaucracies and electoral systems -- and create a political culture which will respect and protect those institutions. Technical assistance, training and institutional capacity-building are focused on getting results. Developing a civil society requires a longer-term commitment to efforts to decentralize political power, develop local institutions, and increase the ability of individuals to participate in making decisions that affect their political and economic well-being.

U.S. support for democratic institutions and civil society is being provided through regional programs such as the Africa Regional Electoral Assistance Program (AREAF) administered through U.S. NGO partners, and small grants to African organizations working to promote democracy and human rights, including judiciaries, legislatures and groups in civil society. These regional programs, which are available on a universal basis, supplement bilateral USAID democracy and governance programs which focus resources to those countries in which democratic elections have made the most difference and where democratic culture may thrive.

U.S. missions in Africa have formed interagency democracy and human rights coordinating committees, chaired by the Chief or Deputy Chief of Mission and charged with overseeing every aspect of program planning and implementation. These committees take advantage of the expertise and experience of their team members to design country strategies that outline the mission's democracy and human rights priorities. Guidance to posts underscores the need for top level leadership, innovative approaches that use NGOs and other donor resources, continuity between short-and long-term goals, and a focus on specific objectives (e.g. an increase in participation of women) in achieving more general goals.

The U.S. government has a history of working closely with NGOs and encourages close consultation in democracy and human rights activities in Africa. Country specific strategy plans, for example, include a description of NGO programs and draw on their expertise in implementing mission-initiated activities. In Washington, we meet regularly with the major NGOs engaged in promoting democracy in Africa, and recently moderated the first interactive discussion between AREAF partners and selected African missions through USIA's Worldnet facilities. Both American and African NGOs are key to the strategy to develop democratic institutions and foster the growth of civil society. Thus, the U.S. is seeking to expand its network of NGO partners both in the U.S. and in Africa.

While gains in political reform are encouraging, the continent continues to be plagued by instability and warfare. The United States often bears a heavy share of the burdens brought by humanitarian disasters in Africa. Conflict resolution, military downsizing, and democratic reform of the military and of related governmental institutions must be pursued simultaneously. Military downsizing directly supports efforts to enhance democratization in Africa by reducing the economic burden on the state. Programs such as those proposed under the new Countries in Transition to Democracy program aim to support conflict resolution efforts and mechanisms and to promote the rule of law, respect for human rights, and education on the apolitical role of the military in a democracy.

As we implement these programs, the United States will seek to establish the benchmarks against which to assess a country's progress in meeting its citizens' call for greater democracy and respect for human rights. As a country moves beyond elections to consolidate democracy, reinforce fragile institutions, and develop a stronger civic society, the benchmarks we apply will require more complex thinking and greater flexibility. Each country moves at its own pace, often with setbacks along the way, and must fashion a democratic culture suitable to its own people. The systems that emerge may not be completely familiar to us, demanding a more than superficial understanding before we come to judgment. We have learned, for example, that an election which observers consider less than "fair and transparent" may nonetheless constitute a positive step in a country's transition to democracy. Devising benchmarks that build on existing criteria while responding to new, more complex circumstances is among the goals and challenges faced as the United States works to promote democratic reform on a long term basis.

LATIN AMERICA AND THE CARIBBEAN

The Administration's long-term strategic goals in Latin America and the Caribbean are preserving democratic institutions and processes, fostering respect for human rights and promoting full, vibrant, and economically sustainable democratic societies.

The region has led the way in the global movement toward democracy; in one country after another authoritarian regimes have been replaced with elected civilian governments. The roots of democracy are not deep, however, and many challenges remain. Those include populist demagogues who exploit discontent with social and economic conditions, and narco-traffickers who use their drug money and terror to subvert democratic institutions. We have seen from the events in Peru, Haiti, Venezuela and Guatemala that democratic gains cannot be taken for granted; they can be reversed if not carefully nurtured and vigorously defended. Working bilaterally and multilaterally, particularly through the Organization of American States, the United States seeks to deepen and strengthen the democratic process in the region.

Given the very limited resources available in FY 1995, we intend to concentrate our assistance on a small number of nations where it is critical to the consolidation of democracy. The content of our programs varies greatly throughout the region and is shaped by specific circumstances. A diminished but still significant level of aid will help El Salvador consolidate its remarkable political and economic recovery. U.S. aid to Nicaragua will buttress moderate elements in support of a national consensus on pressing issues and help break up bottlenecks to economic recovery. In Guatemala, aid will help a reformist government move ahead on judicial and administrative reforms that improve public accountability. In Haiti, where the military is the only law enforcement authority, we hope to support the creation and training of a civilian police force, and through the Administration of Justice program, to bolster public and private democratic institutions that reinforce the rule of law. In Peru, our aid will fund a registry of prisoners that will help ensure that their rights are respected. A common thread in our programs is support for human rights and for economic reform that can lay a sound basis for enduring democracy and sustained growth. Moreover, in many cases U.S. assistance has a multiplier effect in obtaining far greater amounts from other donors and international financial institutions.

While all governments in the region (except Cuba) have accepted the validity of international human rights standards, in many countries implementation still lags behind stated commitments. Encouraging greater respect for human rights is at the heart of our assistance. USIA funds provided to the National Endowment for Democracy support the activities of non-governmental organizations and other local advocates for human and worker rights. Human rights training constitutes a significant portion of programs we offer to regional militaries. We also support the Inter-American Institute for Human Rights in Costa Rica, which offers training in human rights to NGOs and to military and other government officials throughout the hemisphere and conducts research on human rights problems and related legal issues. We have a variety of smaller programs in specific countries, including USIA International Visitor program grants that bring professionals active in human rights issues to the United States to meet American counterparts and learn about the U.S. legal system. Support also has been given to develop democratic unions and encourage modern labor-management dialogues.

Elected government is not always synonymous with good government, and in many nations ineffective and corrupt administration serves to undermine democratic institutions. Judicial systems are often antiquated, with many judges vulnerable to bribery or coercion. Honest, corruption resistant governments in the region directly benefit American exporters and investors, who inevitably profit from an institutionalized "level playing field" vis-a-vis extra-hemispheric companies not constrained by the U.S. Foreign Corrupt Practices Act. Good governance in Latin America and the Caribbean demonstrably helps both the region and ourselves. Our regional administration of justice programs offer technical assistance, training and basic commodities to help build the public and private institutions without which democracy cannot thrive. Assistance is provided to electoral bodies, legislatures and justice systems, as well as civic organizations and projects in journalism and public financial management.

In many nations, civil-military relations remain fragile, as military officers view themselves apart from and above civil society and resist civilian control. Our professional military training programs help strengthen bilateral ties with the militaries of the region while instilling the principle of military subservience to civilian authority. Our training programs and courses have been re-oriented to give greater emphasis to issues such as human rights, military justice and an end to military impunity. At the same time, we seek to enhance the ability of civilian authorities to effectively oversee military establishments and budgets, utilizing courses such as defense resources management.

Transnational issues such as counternarcotics, protection of the environment, migration, non-proliferation and international peacekeeping are also high on our agenda for the Hemisphere. They are often interconnected with one another and with democratic governance and economic development and trade. For example, there has been growing awareness throughout the region of the extraordinary threat to democratic institutions posed by traffickers who often are better financed and better armed than host country security forces. Our assistance programs help Latin American nations to build law enforcement institutions trained and equipped to defeat the traffickers while also improving the administration of justice. They also support free market-led and environmentally sound sustainable development to provide an economic context of legitimate employment opportunities.

Our economic aid programs help support countries and their economies make the difficult transition to stable democratization and macroeconomic growth. Our interests are served by promoting the development of political and economic stability in the hemisphere. In a concrete sense, prosperous neighbors are markets of our exports and thus serve to enhance our own economic growth and to stimulate job creation. While our assistance is essential at this time, we increasingly focus on trade, not aid, as the basis of our relationship. We seek to increase economic cooperation with the countries of the hemisphere through trade agreements such as NAFTA which cement economic relationships and institutionalize the mutual benefits to be gained by the exchange of goods and services. Based on reciprocity and mutual benefit, the trade concessions embodied in trade agreements cannot be easily withdrawn and thus enhance the security and certainty so necessary to the activities of the private sector. Under current General System of Preferences (GSP) legislation and the labor side agreement to NAFTA, we will continue to monitor respect for internationally recognized worker rights.

In November 1993, Vice President Gore announced in Mexico that President Clinton would host a summit of the leaders of all the democratic nations of the hemisphere in 1994. While economic issues such as trade, investment and sustainable development will be one of the underlying themes of this Summit, the other will be promoting democracy and good governance. The Summit will be a historic opportunity for the Hemisphere to recognize explicitly the convergence of democratic and free-market values occuring throughout the region. We will encourage agreement on a Summit action plan to ensure continued expansion of these values, and to provide clear direction for our own assistance efforts, those of other donors, and the international financial institutions.

EAST ASIA AND THE PACIFIC

The promotion of democracy and human rights is directly linked to the preservation of security and the pursuit of U.S. national interests in the New Pacific Community. Looking ahead to the 21st Century, no region will be more important to the United States than East Asia and the Pacific. The region contains the world's fastest growing and most dynamic economies. It is the world's largest consumer market and our largest export market. In 1992 over 2.3 million U.S. jobs were related to the $120 billion we exported to the region. The U.S. forward-deployed military presence in East Asia and the Pacific has contributed significantly to the Asian economic miracle by providing the stability essential for economic development and continued U.S. market access.

During his 1993 speeches at Waseda University in Japan and before the Korea National Assembly, President Clinton reaffirmed our commitment to remain actively engaged in East Asia and the Pacific. America is, after all, a Pacific nation, and the best way to promote our foreign policy goals, promote the growth of democratic institutions and values, deter regional aggression, perpetuate the region's robust economic growth, and secure our own maritime and other interests is to be an active presence in the region.

In East Asia and the Pacific, the United States has a unique opportunity. The growing number of democracies in the region provides a basis for pursuing our human rights and democratic development goals increasingly through multilateral means. While not eschewing unilateral approaches, we plan to give greater emphasis to these multilateral efforts. The enlargement of democracy means there are many in Asian governments, as well as in private groups, that share many of our human rights goals. We will reach out to Asian governments, build on the common ground established at the World Conference on Human Rights, seek cooperative approaches in multilateral fora, and gradually expand the scope of agreement and common action on human rights issues. Our efforts with Japan are particularly important and we welcome the response from the new Japanese government.

The U.S. plans to redouble its efforts to enlist the support of Asian democracies to advance these goals through the full panoply of multilateral organizations and fora focused on promoting democracy and human and worker rights, including: ASEAN, UNGA, the UNHRC, the ILO, APEC, and the specialized agencies like UNDP, the World Bank, and the Asian Development Bank.

While not conceding our right to express American views forcefully, we plan to seek to identify areas where we can work cooperatively with Japan and other Asian democracies to promote our common values effectively in an Asian context.

Non-governmental organizations (NGOs) in East Asia and the Pacific are no less important and include: the National Endowment for Democracy, the Asia Foundation, and the Asian-American Free Labor Institute, which are all experienced at promoting the development of democracy at the grass roots level. Asian NGOs such as the ASEAN Interparliamentary Organization, the ASEAN Law Association, and the ASEAN Journalists Association are rooted in the expanding Asian middle class and are growing rapidly. These indigenous NGOs are now becoming a potent force for positive change in their respective societies.

In promoting human rights and democracy in Asia, we need to be sensitive to accusations that we are imposing American standards and values. We emphasize the universality of human rights and of the yearning for democracy throughout the region; evidence that Asian leaders and peoples are themselves seeking to consolidate democracy in Asia; and our identification with indigenous human rights and democracy groups.

We can advance the cause of democracy in East Asia and the Pacific by reinforcing the correlation between democracy and regional security. Open, accountable democratic governments are stabilizing influences throughout the region. One way to implement this concept is to promote discussions on regional security as a means of reducing tensions and preempting costly arms build-ups in the region.

For FY 1995, our modest requests under the Countries in Transition to Democracy program are directly targeted at filling critical gaps in the programs of international organizations and non-governmental institutions which seek to promote democracy in the region. In Mongolia and Papua New Guinea, the small direct training programs are designed to promote a better understanding of civilian control of the military, military justice, and international standards of human rights among these respective militaries. Our requests for Cambodia (one of the democratic success stories of the 1990s) and the Southeast Asia Regional Fund are designed to continue this new government's transition to a more mature democracy and support international efforts to rebuild its physical and economic infrastructure, which was devastated by genocidal war.

One of the most effective tools we have in promoting the development of democratic institutions and values in the region is through direct training assistance. These programs bring foreign military officers to the U.S. and expose them to U.S. democratic institutions and increase their respect for civilian control of the military and international standards of human rights. There are few programs which return so much for such a small investment.

SOUTH ASIA

The heritage of British democratic, legal and institutional structures is shared by several of the nations of South Asia, although the road toward a fully functioning democracy has been more fraught with obstacles for some than others. India and Sri Lanka have enjoyed functioning democratic institutions and processes for more than four decades, while the democracies in Bangladesh and Pakistan are less well entrenched because of their vulnerability to periodic interference by powerful military establishments. In Nepal, a nascent democracy is struggling to institutionalize itself after 30 years of authoritarian rule.

The U.S. must take these differences into account in formulating policy for promoting democratic development in the region. Accordingly, we promote flexible programs which include the widest circle of leadership and link democratization to related policy goals such as human rights, worker rights, and economic liberalization. Our operating assumption is that democracy can flourish only in a climate of economic well-being and social tolerance. An important component of our overall strategy is enhanced contacts with military leaders to convey our belief that the military should remain outside the political process and should be sensitized to human rights concerns.

FY 1995 funds allocated for countries in transition in South Asia are destined for Maldives, Nepal, and Sri Lanka. For example, military justice training in Sri Lanka targeted at improving professionalism and discipline in the military demonstrates U.S. support for reforms which have resulted in a significant decline in the number of human rights violations by military personnel. Similar programs in Nepal further our goal of keeping the military apolitical while supporting our larger global goal of more international peacekeeping training.

USAID is engaged in a variety of democracy initiatives in Bangladesh, Nepal, and Sri Lanka, ranging from supporting public opinion surveys on constitutional issues to governance activities aimed at improving development planning, budgeting processes, and training civil service employees.

SECTION II

SECTION II: PROGRAM DESCRIPTIONS & SUPPORTING INFORMATION

INTRODUCTION, PROGRAMS FOR BUILDING DEMOCRACY

For over forty years the specter of international communism weighed heavily on U.S. economic and military assistance priorities. In the wake of the collapse of this monolithic threat is the recognition that emerging threats to security necessary for the flourishing of democratic governments and free trade are many, diffuse, and sometimes insidious in nature.

The pathway to a more democratic post Cold War order remains to be charted and is fraught with uncertainty. The transition must be marked by flexible and multi-faceted responses. In some instances, the United States may choose to act alone. But in this ever-increasingly interdependent world, it will more often be necessary to work in concert with others.

The United States must work collectively with other nations to resolve conflicts and crises, promote peace, and combat proliferation of dangerous weapons and technologies. The end of the Cold War has unleashed long-suppressed ethnic, religious, and regional conflict in key regions of the world. It has also opened up new possibilities for international cooperation to contain and, far more importantly, to prevent conflict.

Therefore, economic, development, military and other assistance will be vital to the success of our efforts to promote and help sustain democracy during this historic transition in world affairs, and a necessary complement to skillful diplomacy.

Our foreign policy objectives in this area are: to foster a climate in which all nations can live in security and stability; to address threats to democratically elected governments, and regional peace and stability; to prevent proliferation of weapons of mass destruction and dangerous conventional weapons; and, to address global destabilization issues in the areas of narcotics, terrorism and crime.

This section describes those programs which will help build and strengthen democracy -- Freedom Support Act, SEED, and Countries in Transition to democracy. A description of our Information and Exchange programs are followed by a description of those democracy programs funded under sustainable democracy, and finally, programs funded under Humanitarian Assistance.

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FREEDOM SUPPORT ACT

The Freedom for Russia and Emerging Eurasian Democracies and Open Markets Act of 1992, or the "Freedom Support Act," Public Law 102-511, was enacted in October 1992 and is the legislative cornerstone of U.S. aid and related programs for the independent states of the former Soviet Union (NIS). Together with applicable appropriations and DOD legislation, it governs our economic assistance activities and our "Nunn-Lugar" programs.

The FY 1993 Foreign Operations Appropriations Act (Public Law 102-391) appropriated $417 million for NIS assistance and related programs. Under the FY 1994 Foreign Operations Appropriations Act and the Supplemental Appropriations for the New Independent States of the Former Soviet Union Act, 1993 (enacted together as Public Law 103-87), over an additional $2.5 billion will be made available.

Title II of the Freedom Support Act added a new section (Sec 498) to the Foreign Assistance Act of 1961, which serves as the basic authorization for our NIS assistance programs. Under FAA Sec. 498, assistance may be provided in the following categories:

-- meeting urgent humanitarian needs;

-- democracy;

-- free market systems;

-- trade and investment;

-- food distribution and production;

-- health and human services;

-- education and educational television;

-- energy efficiency and production;

-- civilian nuclear reactor safety;

-- environment;

-- transportation and telecommunication;

-- drug education, interdiction and eradication programs; and,

-- migration.

Perhaps the most significant political event of the late 20th century is the effort by the states of the former Soviet Union to become democracies and develop market economies. The United States has provided substantial bilateral assistance to support these efforts, and has encouraged other bilateral aid donors and the major international financial institutions to support this transition. For 1995 the budget calls for $900 million in assistance to the New Independent States to consolidate their gains and continue reform.

New Independent States

FY 1995 Building Democracy Request: $900,000,000

USAID requests a total of $900,000,000: $575,000,000 for market economy activities; $150,000,000 for democracy activities; and $175 million for humanitarian and social sector activities. Approximately $50,000,000 of this request will be used to finance environment programs which cut across the NIS program's core objectives in democracy, economic growth and social sector reform.

Profound geopolitical and economic changes continue to sweep the New Independent States (NIS) of the former Soviet Union. The Cold War is over, but the failure of reform could result in new, unwelcome challenges for the United States.

The FY 1995 appropriations request of $900 million under authority of the Freedom for Russia and Emerging Eurasian Democracies and Open Markets (FREEDOM) Support Act reflects a conviction that U.S. assistance in support of reform is a critical element of our national policy to Russia and the NIS which can make a difference in the outcome during the critical period of transition. Only if reform succeeds can we reap the benefits of these changes:

- the consolidation of our improved security;
- a lasting partnership with Russia and other former Soviet countries in global problem-solving; the opportunity to invest resources in our own future, at home and abroad, rather than in Cold War rivalries; and
- access to each other's markets, resources and expertise.

U.S. Strategic Objectives:

Broad-based Economic Growth: Foster the emergence of competitive, market-oriented economies in which the majority of economic resources are privately owned and managed. Sustainable economic growth requires a transition to market-based systems. USAID will also seek to strengthen economic entities to operate within clear, consistent rules; engender public acceptance of a competitive market economy; provide opportunities for new entrants based on effort and merit; and promote fair and efficient methods of including environmental and social costs in economic decisions.

Macroeconomic stability and efficiency call for legal, regulatory, procedural and institutional changes to support private, market-based activity. USAID activities will include the following:

o Privatization has been the driving force of economic reform in Russia and other republics, and will continue to be a core element of USAID's efforts to promote the transition to market economies. Nearly 70% of Russian small businesses and 40 % of Russian industry are now in private hands. Expansion of land privatization and support to privatization programs in other republics are growing elements of the program.

o USAID's efforts will emphasize complementary post-privatization initiatives to enhance the commercial viability of privatized enterprises. This includes development of commercial law and other legal and regulatory frameworks, capital markets, public education and focused training on market economics, and demonopolization programs. Business development efforts will strengthen the business support infrastructure and address policy constraints and other bottlenecks affecting new enterprises. Enterprise Funds in Russia, Central Asia and western NIS countries will address the need for capital and increased links to U.S. private business.

o Economic restructuring efforts will help create fiscal and financial systems to enhance stability. Comprehensive economic policy support is provided consonant with international financial institutions and other donors. Development of new tax and expenditure systems for local and regional governments is essential to effective decentralization. Development of central and commercial banking systems, and legal and regulatory reform is required for international trade and other links.

o USAID will support governments seeking to restructure their energy sectors and develop market incentives for energy efficiency including technical assistance for regulatory, tax and investment policies to support a competitive environment, promote efficiency and reduce environmental risk. U.S. technologies will be promoted and trade and investment linkages supported.

Building Democracy: Support the transition to democratic political systems, transparent and accountable governance, and the empowerment of indegenous civic and economic organizations that ensure broad-based participation in political life. Systems for selecting governmental leaders and setting policies need to reflect the opinions of society, contain mechanisms to permit change, and be built on respect for fundamental individual rights. The political, legal, and regulatory infrastructure needs to fairly manage and adjudicate legitimate conflicts, and protect civil rights. USAID activities will include:

o Development of participatory political systems, including political parties, civic organizations, independent labor unions and conduct of free and fair elections: U.S. nongovernmental organizations (NGOs) provide training and technical assistance to strengthen local and regional institutions and election monitoring and support. Newly elected leaders in Russian national and local legislatures will receive training in parliamentary processes; civic and political organizations will be strengthened.

o Independent media development (including press, television and radio organizations), for increased governmental accountability, through training, technical assistance and limited equipment: Activities to strengthen independence will assist in building sustainable financial and management capacities, address constraints to production and distribution of unbiased information, and encourage professional standards and responsibility.

o Rule of law efforts -- to create stable legal and political environments, and permit the operation of market-based democracies: Efforts will include technical assistance and training from U.S. institutions in the drafting and analysis of constitutions, laws and regulations; strengthening legislative, administrative and judicial institutions; and in the administration of justice, commercial and criminal law.

o Local governance: USAID support helps national, regional and municipal level public sector institutions become more accountable and responsive to citizen needs. Municipal management and finance is a major focus which will help define appropriate governmental, private and NGO functions at the local level, and strengthen the capacity to finance and deliver services.

o Strengthened civil society: Activities include development of a range of NGOs and private voluntary organizations (PVOs), through partnerships with U.S. organizations. Assistance will help strengthen both administrative and institutional capacities of indigenous NGOs as well as their direct service delivery capabilities. Indigenous NGO development will help provide citizen input to public policy and make government more transparent.

o Exchanges and training programs and institutional partnerships in a wide range of fields support the democratic transition by exposing NIS leaders, business people and private citizens to democratic market systems, Western values, and management principles, and by providing specific skills training.

Redefine public and private sector roles in the management of humanitarian, health, and related social services fundamental to a stable transition. Sustained public support is essential for successful transition to free markets and democratic governance. People must believe that reform will produce improvements in their social and economic circumstances. This will require redefining the role of the public and private sectors at various levels of government, to let the private sector provide social services where market incentives exist, help the public sector develop an ability to direct support where such incentives are weak, and replace old, communist-era mechanisms for social support with those more suited to a market economy. USAID activities include:

o Technical assistance will assist in rationalizing government, private and NGO roles in social sectors, and in delineating responsibilities among federal, regional and local governments. Revenue and expenditure frameworks and management and accounting systems are needed at each level. Fiscal reforms to shift general price subsidies to targeted subsidies focused on the unemployed will stretch the financial capacity of national and local governments to meet legitimate social service needs.

o Indigenous NGO development will help meet the service delivery requirements which governments and privatizing state enterprises can no longer afford.

o Technical assistance to support health financing and service delivery reform will help move toward efficient, market-driven health delivery systems. Indigenous production capacity and rationalized use and distribution of pharmaceuticals, vaccines and medical supplies will help assure secure supplies. Partnerships with U.S health institutions will improve technical and management capacities. Attention will be given to women's health needs, including family planning services.

o In housing, privatization of housing stock, development of private housing finance and construction capacity and privatization of housing maintenance services will allow governments to reduce subsidies which now drain local budgets, and to target allowances to the most vulnerable groups.

o Emergency humanitarian assistance, as needed, will continue to be provided for strife-torn areas such as Armenia, Georgia, Azerbaijan, and Tajikistan to assure that food, fuel and medical emergency needs are addressed and to develop improved local capacities to plan for and deliver humanitarian services.

The Environment: Attention to environmentally sound, sustainable growth is an important cross-cutting objective. USAID's efforts in pursuing this objective are highly congruent with the Agency's broad goals and promote sustainable development. A market economy will remain viable only if it operates on a sustained basis in a way that protects its environment, uses resources wisely, and respects popular concerns for issues of public policy. USAID's programs include:

o Activities to promote energy efficiency and end use conservation.

o Programs to enhance nuclear power plant safety and expansion of alternatives to nuclear power.

o Support to address specific environmental issues such as the Aral Sea.

o Public education and NGO development to enhance public awareness and participation in decision making on key environmental issues.

o Technical assistance to build institutional capacity within government, at all levels, to integrate environmental considerations into key policy decisions.

Duration of the Program: The NIS program was envisioned as a temporary assistance program, designed to see the NIS countries through their difficult transitions to democracy and a market economy. The program remains transitional, though its phase-out and termination will vary according to progress and needs in each country. Generally, we expect to see these programs continue over the next decade, with a shorter time frame likely in Russia, Ukraine, Belarus and Moldova.

USAID Results

Broad-based Economic Growth:

o Through USAID technical assistance to the Russian State Privatization Committee, 150 million vouchers have been issued, entitling Russians to directly participate in and profit from the privatization program. One hundred and ten million Russians have used their vouchers, half to purchase shares in privatized state enterprises, half to invest in voucher mutual funds. A total of 125,000 small businesses have now been privatized, representing fully 70% of the private enterprises in Russia. Privatization assistance to other NIS republics includes voucher distribution programs, auctions of large enterprises, small-scale privatization, pilot programs, capital markets development, information resources, training, and public education programs.

o In Moscow, maintenance and management of over 7,000 housing units have been shifted from the public sector to five private firms. At a similar demonstration site of 2,000 units in Novosibirsk, a recent survey revealed a 100% increase in resident satisfaction with private housing maintenance services.

o A land demonstration project in Ekaterinburg transferred municipally owned land to a private developer through an open competitive process. Technical assistance is being provided to develop real-estate brokerage associations and capacities.

o In Ukraine, USAID has sponsored the first pilot auctions to privatize land in Kharkiv, and has helped Ukraine draft the proposed codes for land ownership, registration and titling, which will soon be considered by a new parliament.

o Working with the Ukrainian Bankers Association and the Central Bank, USAID has established a training program for commercial bankers that introduces market principles into banking operations. The program trains 30 bankers a month and has a long waiting list for applicants. Similar efforts are planned in other NIS republics and will provide a key component to the development of an institutional infrastructure necessary to complete the transition from a centrally planned to a market-determined economy.

Building Democracy:

o The International Republican Institute, the National Democratic Institute, the Free Trade Union Institute of the AFL-CIO and the International Foundation for Electoral Systems have provided training, and technical assistance related to elections has been provided in Russia, Ukraine, Georgia, and Uzbekistan. Grantees also work with nascent political parties and grass-roots civic organizations throughout the NIS to strengthen local and regional democratic institutions and processes.

o Grants and technical assistance to over 300 indigenous nongovernmental organizations are strengthening indigenous NGO capacity and helping build the institutions of a civic society.

Management of humanitarian, health and related social services:

[illegible] FY 1994 USAID will have provided over $75 million in

o USAID is training NIS government institutions and personnel in modern emergency response techniques. Funding for the Centers for Disease Control is putting in place emergency public health surveillance systems in Russia, Kyrgystan, Uzbekistan and Armenia to strengthen their disease information systems and improve the response capacity to crisis situations.

o The Medical Partnerships Program links 21 hospitals and medical facilities in the United States with counterparts in the NIS. Professional, technology and equipment exchanges will expand and strengthen collaboration and increase the standard of health care services in the NIS.

o USAID supports U.S. PVOs working directly with NIS counterparts to address social service needs and create income generation opportunities for at-risk populations.

Environment:

o USAID assisted Armenia in upgrading the Yerevan water supply system, financed an analysis of pollution loading in the Prut River Basin in Moldova and Ukraine, and conducted an environmental liability study for Russia.

o In the Lake Baikal region of Russia, a demonstration project in sustainable land-use planning was conducted, to benefit people in three oblasts: Buryatia, Ust-Orda and Chita.

o In collaboration with the Environmental Protection Agency, USAID is helping Volgograd, a major industrial city in Russia, to assess alternative policies and practices to improve air quality management. This includes issues such as air monitoring, reduction of emissions, evaluation of emissions' impact on global climate change, and establishment of air quality standards.

o A small grants program helps build links between U.S. and NIS environmental NGOs. Thus far, approximately 30 grants have been awarded to Russian NGOs, and joint US-Russian NGO partnerships. Some grants were used for media programs designed to raise awareness of local environmental concerns; others will support development of better management practices for environmental NGOs.

SUPPORT FOR EASTERN EUROPEAN DEMOCRACY ACT

The Support for Eastern European Democracy (SEED) program was designed in 1989 to demonstrate rapid, concrete U.S. support for the democratic forces of Central and Eastern Europe (CEE) as Communism began to crumble. Authorized by Congress in November 1989 for Poland and Hungary, it now stretches to cover over a dozen countries from Estonia to Albania with combined population of more than 135 million.

The unique political and economic situation in CEE called for a faster and more flexible method of delivering assistance; the average two-to-three year gestation period to develop a traditional assistance activity was unacceptable in the face of the foreign policy opportunities and challenges. This resulted in an innovative "regional" program (see below).

The overwhelming need in the region was, and continues to be, the transfer of knowledge and expertise. This, combined with fiscal realities that limit U.S. ability to provide large capital investments, resulted in a focus on providing technical assistance where it was needed in CEE -- often directly to the nascent private sector. By using U.S. private sector contractors, non-governmental (NGOs) and private voluntary organizations (PVOs) we have managed to leverage large amounts of additional assistance through U.S. government funds. President Clinton recently announced a Democracy Network program, which will promote the development of indigenous NGOs in CEE.

Assistance Priorities

-- development of a market economy and private sector
  - removal of legal and bureaucratic constraints to entrepreneurship
  - advancement of privatization and enterprise restructuring
  - provision of capital and technical assistance to new entrepreneurs
  - support for development of financial sector

-- development and strengthening of institutions necessary for sustainable democracy
  - transformation of the public sector to better support democratic development
  - improvement of public administration
  - reform of social benefits and tax systems
  - support for national parliaments, local governments, independent media, etc.

-- improvement of quality of life in selected areas
  - cost-efficient health care and housing systems
  - labor retraining and unemployment services
  - environmental training and policy reform

Organization

The SEED Act called for the President to name a "Coordinator within the Department of State" to oversee an interagency effort in CEE. The original reasons for organizing U.S. assistance under senior political leadership still apply:

-- importance of the region for U.S. interests
-- revolutionary character of the transitions (and their roles as models for the NIS)
-- unique tasks of dealing with misdevelopment rather than underdevelopment

In 1989 we put a premium on getting programs up and running as quickly as possible. In 1990 and 1991, we put in place the building blocks of the program. Some of our successes resulted from directing our assistance to private groups, although this limited the full involvement of Embassies and host governments. This was at a time when USAID offices were embryonic and host governments disorganized.

Now, with nearly four years' experience and host governments more certain of their priorities, the program has evolved. The role of USAID offices in the region has been clarified and strengthened, and we have developed detailed country strategies that specify shared priority objectives and the programs we have to advance those objectives.

Countries in Central and Eastern Europe have made remarkable progress toward democracy and market-oriented economies. Poland, Hungary and the Czech Republic, in particular, are rapidly integrating into the world economy, realizing economic benefits that also promote political stability. The pace of this transition offers hope to reformers in the former Soviet Union. The progress of some Eastern European countries permits a shift of some U.S support to other nations within total budget authority of $380 million in 1995.

Central and Eastern Europe

FY 1995 Building Democracy Request: $380,000,000

In FY 1995, $380,000,000 of Building Democracy funds is requested in the following areas: $241,000,000 for broad-based economic growth; $47,500,000 for building democracy activities; $84,500,000 for improving the quality of life; and $7,000,000 for other activities.

Development of democracy and market economies in Central and Eastern Europe (CEE) remains as important as it was when USAID and other U.S. Government agencies first provided assistance to these newly liberated countries in 1989.

Successful transformation in CEE will provide the best indication to reformers in the New Independent States that democracy and market reform can lead to prosperity. A democratic and more prosperous CEE would also be a more important market for U.S. goods and services -- and a gateway to the vast potential markets further east. The region's success is key to building a peaceful, democratic European order that assures security at lower cost to the United States.

The FY 1995 request is under the authority of the Support for East European Democracy (SEED) Act of 1989, as amended. The overwhelming need in CEE continues to be the transfer of knowledge and expertise. This, combined with budget realities that limit our ability to provide large capital investments, results in a focus on providing technical assistance and training, with a substantial share directed to the nascent private sector.

U.S. Strategic Objectives:

Broad-based Economic Growth:

Foster the emergence of competitive, market-oriented economies in which the majority of economic resources are privately owned and managed. Support will be given to privatization, development of small and medium-sized business, policy and legal reforms, and key sector restructuring through the following activities:

o Assistance in developing and improving privatization programs, carrying out privatization transactions and ensuring the viability of privatized enterprises.

o Assistance to CEE governments and other institutions in restructuring their financial sectors, developing capital and financial markets and creating the necessary legal, regulatory and institutional frameworks.

o Advice on reform of tax policy and administration, anti-trust laws and regulations, and establishment and refinement of commercial law frameworks and telecommunications policies.

o Enterprise Funds to encourage free market economic systems by providing capital and technical assistance to promising private ventures, including those involving U.S. partners.

o Assistance to small, medium and micro-enterprises to develop the technical, management, and economic skills necessary to function in a market economy.

o Assistance to improve and strengthen ability of CEE entrepreneurs and governments to operate an open market system in the agricultural sector.

o Assistance in energy sector policy and regulatory development, investment and energy price reform, efficiency and demand-side management and integrated resource planning, private sector development and environment and nuclear safety.

Building Democracy:

Support the transition to democratic political systems, transparent and accountable governance, and the empowerment of indigenous civic organizations that ensure broad-based participation in political life. Assistance will be provided to improve public administration, promote decentralization, and strengthen local governments, parliaments, independent media and nongovernment organizations through the following activities:

o Cooperating governments at all levels will be assisted in management and organization; budgeting and finance; contracting and procurement; creation of systems which foster the development of an apolitical, transparent and responsive civil service; and tools for policy formulation and analysis.

o Now that many democratic institutions have been established, we will begin efforts to strengthen public policy-oriented nongovernmental organizations (NGOs) as necessary channels for citizen involvement in government beyond the voting booth, emphasizing support to those NGOs concerned with human rights, advocacy and acting as government watchdogs.

o Assistance to strengthen democratic political parties will continue, but emphasis will shift from election-related assistance to strengthening the role of political parties within the parliament and improving communication between members of parliament and their constituents.

o Assistance to establish the rule of law and an independent judiciary through judicial training, drafting or revising constitutions, criminal and civil laws, and developing administrative procedures and regulations which protect individual liberties and human rights.

o Support for the development of commercial and nonprofit radio and television broadcasting and free press (newspapers and journals).

o The adoption of democratic principles and processes into curricula and educational institutions will continue to be supported.

Improvement of the basic quality of life in selected areas by supporting humanitarian, health and related social services fundamental to a stable transition, and programs to improve the environment.

Assistance will be provided to build cost-effective health care and housing, labor retraining programs, unemployment services and other elements of an affordable social safety net; and to develop and implement environmental policy reforms in the public sector and expand the private sector environmental goods and services industry. Humanitarian assistance will be provided. USAID's activities will include the following:

o Technical assistance and training to reform and stabilize health care finance, improve the productivity and responsiveness of health care delivery systems, and modernize health services to reduce preventable death, disease and disability.

o Greater emphasis on activities in the social safety net area to help governments develop, within their fiscal restraints, short- and long-term approaches to assist those most negatively affected by reform programs and to restructure their social service sectors.

o Promotion of environmental policy and legal reforms and public participation; strengthening of public and private sector environmental capacity; and stimulation of more environmental capital investments.

o Assistance in housing sector policy and the development of market-based, housing finance systems.

o Humanitarian assistance through U.S. private voluntary organizations to meet priority requirements for medical supplies and equipment (primarily in the former Yugoslavia) and to improve social services available to Romanian children and to victims of the conflict in Bosnia-Herzegovina.

USAID Results

Broad-based Economic Growth:

o In the Czech Republic, an expert team helped the Ministry of Finance review 300 companies for privatization. 115 companies have been approved with 84 deals completed to date. This represents $1.9 billion in foreign investment, with $.5 billion worth of additional investments pending. U.S. investments account for 40% of this total. The advisors helped develop a fair and transparent process which encouraged investors.

o The Polish-American Enterprise Funds provided over 2,400 loans up to $75,000 each, over $60 million in loans, creating an estimated 7,800 jobs.

o In Romania, a $10 million SEED funded agriculture program is channeling 20,000 metric tons of high protein feed supplement directly to private livestock producers through free-market auctions. This promotes private sector, market-based approaches for agricultural development, and tests a high-value American commercial product in an important agricultural country.

o In Bulgaria, after U.S. technical assistance, the Kozlodny nuclear plant which two years ago was ranked by the International Atomic Energy Commission as one of the worst in Eastern Europe, is now running at 75% of full capacity providing 50% of Bulgarian electricity, and has improved its safety practices.

o In Lithuania, four industrial sites furnished with U.S.- provided, low-cost energy saving equipment, have become models for the rest of the country.

Building Democracy:

o To support free and fair elections in Albania in March 1992, assistance to the major political parties in organizing and conducting national and local elections was provided by three U.S. nongovernment organizations (NGOS). Timely assistance contributed significantly to the successful political transition to democracy in Albania.

o Assistance to Bulgaria's new non-partisan civic organization, Bulgarian Association for Free Elections, and provision of international monitors helped ensure free and fair national parliamentary elections in 1991 and presidential elections in 1992.

o Over the past two years, USAID has provided technical assistance, training and a small amount of equipment to several budding local government associations in CEE through the International City Managers Association. The Association of Polish Cities, the Czech Union of Towns and Communities and the Slovak Association of Towns and Communities each have grown into self-sustaining associations playing an important role as a voice for local governments as their countries decentralize power from the central government to regional and local governments.

o The Secretary General of the Hungarian Lawyers Association attended a technical assistance workshop on Criminal Procedures held by the American Bar Association and, as a result, included certain clauses protecting human rights in the new criminal code. These clauses are likely to stay in the final legislation as many Hungarian parliamentarians also attended the workshop and learned of their importance.

Improvement of the basic quality of life:

o The Czech Republic has had the world's second highest rate of death from heart disease. Through a partnership with the University of California at San Francisco and Stanford University, Czech medical centers and selected communities are working to identify high-risk groups and prevent heart disease. In addition to working directly with patients at risk, the Czech partners have persuaded the dairy industry to produce low-fat milk and yoghurt and are working to change the way food is prepared in the school system.

o In Poland, trauma and other emergencies are a leading cause of death, especially among children. Most patients die before ever reaching the hospital. In partnership with the Milwaukee County medical complex, three Polish cities have undertaken to shorten response time and improve survival rates in pre-hospital emergency care. This has led to better and faster ambulance service and improved training in cardio-pulmonary resuscitation and other life-saving techniques through a training-of-trainers approach. After training all the medical professionals, the Polish centers will begin working with firemen, policemen, drivers and other citizens.

o In Romania, a U.S.-supported pilot vaccination program prevented the spread of endemic Hepatitis B infection to newborn babies.

o In the Hungarian city of Szolnok, a housing allowance program has allowed the city to raise rents in municipally-owned housing toward market levels, while providing a safety net for families unable to afford the increased rents.

o USAID funds leveraged some $30 million of other donors' assistance to support an improvement program for the Danube River. This program affects a number of countries in the region.

o A waste minimization program has generated more than $5 million in annual cost savings for participating plants in the region.

Duration of the Program: The CEE program was envisioned as a temporary assistance program, designed to see CEE countries through their difficult transitions to democracy and a market economy. The program remains transitional, though its phase-out and termination will vary according to progress and needs in each country. There will be a gradual shift in U.S. assistance resources from Poland, Hungary and the Czech Republic to countries such as Romania and Bulgaria which have further to go in their transitions.

Still other countries, notably Albania and parts of the former Yugoslavia, will need assistance programs for many years to come. We will carefully monitor this shift of resources from north to south, as we do not wish to pull out from the more successful countries before being certain that democracy and a market economy are assured there.

COUNTRIES IN TRANSITION TO DEMOCRACY (CIT)

The objective of the $143 million placed under this new category is to promote democracy in those countries that have begun to democratize, or where democracy is threatened. The lion's share of funding is for economic assistance and, to a lesser extent (8 percent of the total), for direct training. Through FY 1994, these programs were carried out as Security Assistance under the authority of the Foreign Assistance Act of 1961, as amended. The major appropriated predecessor programs to CIT were the Economic Support Fund (ESF) and International Military Education and Training (IMET).

Many transition countries are facing economic problems as they implement market reforms in addition to their democratization efforts. Economic assistance which helps cushion the impact of these reforms will allow new and threatened democracies to continue the long-term process of securing and consolidating democratic institutions.

Providing professional education to foreign defense personnel, both civilian and military, particularly in the proper role of the military in a democracy is an effective way to support countries in transition to democracy. This training helps produce a professional and politically neutral armed forces under civilian control. In FY 1995, direct civil-military relations training will: 1) promote the development of institutions and processes that will permit a more thorough integration of the armed forces into the larger national society; 2) encourage military personnel to respect their national constitutional framework, and its implications for the role of the military in a democracy; and 3) promote the development of civilian specialists in military affairs.

The Countries in Transition to Democracy category includes funding for Latin America and the Caribbean, Asia, and Africa. An example of the latter is a request for $20 million for the Africa Regional Electoral Assistance Fund. This will enable us to support the building of transparent electoral systems and enhance the institutional capacity of independent NGO election monitoring groups, nonpartisan civic organizations, political parties, and legislatures.

These programs are depicted in the following table titled FY 1995 Budget Request for Countries in Transition, and described fully in the country and non-regional papers which follow the chart.

BUILDING DEMOCRACY
COUNTRIES IN TRANSITION
FY 1995
BUDGET AUTHORITY

DOLLARS IN THOUSANDS

	PROPOSED FY 1995					
	MILITARY FINANCING					
	CONCESSIONAL	GRANT	TOTAL	DIRECT TRAINING	ECONOMIC ASSISTANCE	GRAND TOTAL
AFRICA:						
AFRICA REGIONAL ELECTORAL ASSISTANCE	0	0	0	0	20,000	20,000
BENIN	0	0	0	100	0	100
BOTSWANA	0	0	0	100	0	100
BURUNDI	0	0	0	100	0	100
CAPE VERDE	0	0	0	75	0	75
CENTRAL AFRICAN REPUBLIC	0	0	0	100	0	100
CHAD	0	0	0	175	0	175
CONGO	0	0	0	150	0	150
COTE D'IVOIRE	0	0	0	150	0	150
DJIBOUTI	0	0	0	150	0	150
ERITREA	0	0	0	200	0	200
ETHIOPIA	0	0	0	250	0	250
GAMBIA	0	0	0	100	0	100
GHANA	0	0	0	200	0	200
GUINEA	0	0	0	150	0	150
GUINEA-BISSAU	0	0	0	75	0	75
KENYA	0	0	0	200	0	200
LESOTHO	0	0	0	50	0	50
MALAWI	0	0	0	125	0	125
MALI	0	0	0	130	0	130
MOZAMBIQUE	0	0	0	125	0	125
NIGER	0	0	0	200	0	200
RWANDA	0	0	0	150	0	150
SENEGAL	0	0	0	100	0	100
SOUTH AFRICA	0	0	0	250	0	250
SWAZILAND	0	0	0	50	0	50
TANZANIA	0	0	0	100	0	100
UGANDA	0	0	0	150	0	150
ZAMBIA	0	0	0	100	0	100
REGIONAL TOTAL	0	0	0	3,805	20,000	23,805
EAST ASIA & PACIFIC:						
CAMBODIA	0	0	0	200	10,000	10,200
MONGOLIA	0	0	0	100	0	100
PAPUA NEW GUINEA	0	0	0	125	0	125
SOUTHEAST ASIA REGIONAL	0	0	0	0	14,546	14,546
REGIONAL TOTAL	0	0	0	425	24,546	24,971
EUROPE:						
ALBANIA	0	0	0	200	0	200
BELARUS	0	0	0	100	0	100
BULGARIA	0	0	0	500	0	500
CZECH REPUBLIC	0	0	0	500	0	500
ESTONIA	0	0	0	200	0	200
GEORGIA	0	0	0	75	0	75
HUNGARY	0	0	0	700	0	700
KAZAKHSTAN	0	0	0	100	0	100
KYRGYZSTAN	0	0	0	50	0	50
LATVIA	0	0	0	200	0	200
LITHUANIA	0	0	0	200	0	200

BUILDING DEMOCRACY
COUNTRIES IN TRANSITION
FY 1995
BUDGET AUTHORITY (CONTINUED)

DOLLARS IN THOUSANDS

	PROPOSED FY 1995					
	MILITARY FINANCING					
	CONCESSIONAL	GRANT	TOTAL	DIRECT TRAINING	ECONOMIC ASSISTANCE	GRAND TOTAL
EUROPE (CONT):						
MACEDONIA	0	0	0	125	0	125
MOLDOVA	0	0	0	50	0	50
POLAND	0	0	0	700	0	700
ROMANIA	0	0	0	500	0	500
RUSSIA	0	0	0	700	0	700
SLOVAKIA	0	0	0	350	0	350
SLOVENIA	0	0	0	125	0	125
TURKMENISTAN	0	0	0	50	0	50
UKRAINE	0	0	0	600	0	600
UZBEKISTAN	0	0	0	50	0	50
REGIONAL TOTAL	0	0	0	6,075	0	6,075
LATIN AMERICA & CARIBBEAN:						
BELIZE	0	0	0	40	0	40
BOLIVIA	0	0	0	350	0	350
ICITAP/AOJ	0	0	0	0	14,500	14,500
COLOMBIA	0	0	0	600	0	600
EL SALVADOR	0	0	0	400	30,000	30,400
GUATEMALA	0	0	0	200	2,000	2,200
GUYANA	0	0	0	75	0	75
HAITI	0	0	0	0	15,000	15,000
HONDURAS	0	0	0	325	0	325
NICARAGUA	0	0	0	100	12,000	12,100
PARAGUAY	0	0	0	125	0	125
PERU	0	0	0	325	1,500	1,825
SURINAME	0	0	0	50	0	50
REGIONAL TOTAL	0	0	0	2,590	75,000	77,590
SOUTH ASIA:						
MALDIVES	0	0	0	50	0	50
NEPAL	0	0	0	100	0	100
SRI LANKA	0	0	0	100	0	100
REGIONAL TOTAL	0	0	0	250	0	250
NON-REGIONAL:						
DEMINING	0	5,000	5,000	0	0	5,000
UN & OAS DEMOCRACY PROGRAMS	0	0	0	0	5,000	5,000
NON-REGIONAL TOTAL	0	5,000	5,000	0	5,000	10,000
TOTAL BUDGET AUTHORITY	0	5,000	5,000	13,145	124,546	142,691

FUNDING FOR DIRECT TRAINING
FY 1995
BUDGET AUTHORITY
(DOLLARS IN THOUSANDS)

	PROPOSED FY 1995			
		PROMOTING PEACE a/		
	BUILDING DEMOCRACY	PEACE-KEEPING	REGIONAL PEACE & SECURITY	TOTAL
AFRICA:				
BENIN	100	0	0	100
BOTSWANA	100	350	0	450
BURUNDI	100	0	0	100
CAPE VERDE	75	0	0	75
CENTRAL AFRICAN REPUBLIC	100	0	0	100
CHAD	175	0	0	175
CONGO	150	0	0	150
COTE D'IVOIRE	150	0	0	150
DJIBOUTI	150	0	0	150
ERITREA	200	0	0	200
ETHIOPIA	250	0	0	250
GAMBIA, THE	100	0	0	100
GHANA	200	0	0	200
GUINEA	150	0	0	150
GUINEA-BISSAU	75	0	0	75
KENYA	200	0	0	200
LESOTHO	50	0	0	50
MALAWI	125	0	0	125
MALI	130	0	0	130
MOZAMBIQUE	125	0	0	125
NAMIBIA	0	0	150	150
NIGER	200	0	0	200
RWANDA	150	0	0	150
SAO TOME & PRINCIPE	0	0	75	75
SENEGAL	100	500	0	600
SOUTH AFRICA	250	0	0	250
SWAZILAND	50	0	0	50
TANZANIA	100	0	0	100
UGANDA	150	0	0	150
ZAMBIA	100	0	0	100
ZIMBABWE	0	0	250	250
REGIONAL TOTAL	3,805	850	475	5,130
EAST ASIA & PACIFIC:				
CAMBODIA	200	0	0	200
KOREA	0	0	10	10
MALAYSIA	0	0	500	500
MONGOLIA	100	0	0	100
PAPUA NEW GUINEA	125	0	0	125
PHILIPPINES	0	0	1,195	1,195
SINGAPORE	0	0	20	20
SOLOMON ISLANDS	0	0	100	100
THAILAND	0	0	1,000	1,000
TONGA	0	0	50	50
VANUATU	0	0	50	50
WESTERN SAMOA	0	0	50	50
REGIONAL TOTAL	425	0	2,975	3,400

FUNDING FOR DIRECT TRAINING
FY 1995
BUDGET AUTHORITY (CONTINUED)

(DOLLARS IN THOUSANDS)

	PROPOSED FY 1995			
		PROMOTING PEACE a/		
	BUILDING DEMOCRACY	PEACE-KEEPING	REGIONAL PEACE & SECURITY	TOTAL
EUROPE:				
ALBANIA	200	0	0	200
AUSTRIA	0	0	15	15
BELARUS	100	0	0	100
BULGARIA	500	0	0	500
CZECH REPUBLIC	500	0	0	500
ESTONIA	200	0	0	200
FINLAND	0	0	15	15
GEORGIA	75	0	0	75
GREECE	0	0	50	50
HUNGARY	700	0	0	700
KAZAKHSTAN	100	0	0	100
KYRGYZSTAN	50	0	0	50
LATVIA	200	0	0	200
LITHUANIA	200	0	0	200
MACEDONIA	125	0	0	125
MALTA	0	0	65	65
MOLDOVA	50	0	0	50
POLAND	700	0	0	700
PORTUGAL	0	0	500	500
ROMANIA	500	0	0	500
RUSSIA	700	0	0	700
SLOVAKIA	350	0	0	350
SLOVENIA	125	0	0	125
SPAIN	0	0	50	50
TURKEY	0	0	1,000	1,000
TURKMENISTAN	50	0	0	50
UKRAINE	600	0	0	600
UZBEKISTAN	50	0	0	50
REGIONAL TOTAL	6,075	0	1,695	7,770
LATIN AMERICA & CARIBBEAN:				
ARGENTINA	0	0	100	100
BELIZE	40	0	0	40
BOLIVIA	350	0	0	350
BRAZIL	0	0	100	100
CHILE	0	0	100	100
COLOMBIA	600	0	0	600
COSTA RICA	0	0	50	50
DOMINICAN REPUBLIC	0	0	200	200
EASTERN CARIBBEAN	0	0	200	200
ECUADOR	0	0	300	300
EL SALVADOR	400	0	0	400
GUATEMALA	200	0	0	200
GUYANA	75	0	0	75
HONDURAS	325	0	0	325
JAMAICA	0	0	170	170
MEXICO	0	0	200	200
NICARAGUA	100	0	0	100

FUNDING FOR DIRECT TRAINING
FY 1995
BUDGET AUTHORITY (CONTINUED)

(DOLLARS IN THOUSANDS)

	PROPOSED FY 1995			
		PROMOTING PEACE a/		
	BUILDING DEMOCRACY	PEACE-KEEPING	REGIONAL PEACE & SECURITY	TOTAL
LATIN AMERICA & CARIBBEAN (CONT):				
PACAMS (SCIATTS)	0	0	425	425
PARAGUAY	125	0	0	125
PERU	325	0	0	325
SURINAME	50	0	0	50
URUGUAY	0	0	100	100
VENEZUELA	0	0	250	250
REGIONAL TOTAL	2,590	0	2,195	4,785
NEAR EAST:				
ALGERIA	0	0	75	75
BAHRAIN	0	0	75	75
EGYPT	0	0	1,000	1,000
JORDAN	0	0	1,000	1,000
LEBANON	0	0	400	400
MALDIVES, REPUBLIC OF	50	0	0	50
MOROCCO	0	0	800	800
OMAN	0	0	110	110
TUNISIA	0	0	800	800
REGIONAL TOTAL	50	0	4,260	4,310
SOUTH ASIA:				
BANGLADESH	0	0	175	175
INDIA	0	0	200	200
NEPAL	100	0	0	100
SRI LANKA	100	0	0	100
REGIONAL TOTAL	200	0	375	575
NON-REGIONAL:				
DEFENSE ADMINISTRATIVE COSTS	0	0	380	380
NON-REGIONAL TOTAL	0	0	380	380
TOTAL BUDGET AUTHORITY	13,145	850	12,355	26,350

a/ Funding for Direct Training is requested in support of Promoting Peace ($13.205 million) and Building Democracy ($13.145 million). For further details on training requested under Promoting Peace, see the Congressional Presentation for Promoting Peace, FY 1995, prepared by the Department of State and the Department of Defense.

SUMMARY OF STUDENTS TO BE TRAINED
DIRECT TRAINING
FY 1995

	PROPOSED FY 1995			
		PROMOTING PEACE a/		
	BUILDING DEMOCRACY	PEACE-KEEPING	REGIONAL PEACE & SECURITY	TOTAL
AFRICA:				
BENIN	7	0	0	7
BOTSWANA	7	21	0	28
BURUNDI	5	0	0	5
CAPE VERDE	3	0	0	3
CENTRAL AFRICAN REPUBLIC	5	0	0	5
CHAD	10	0	0	10
CONGO	9	0	0	9
COTE D'IVOIRE	8	0	0	8
DJIBOUTI	7	0	0	7
ERITREA	7	0	0	7
ETHIOPIA	11	0	0	11
GAMBIA, THE	8	0	0	8
GHANA	14	0	0	14
GUINEA	7	0	0	7
GUINEA-BISSAU	3	0	0	3
KENYA	14	0	0	14
LESOTHO	5	0	0	5
MALAWI	9	0	0	9
MALI	6	0	0	6
MOZAMBIQUE	3	0	0	3
NAMIBIA	0	0	12	12
NIGER	9	0	0	9
RWANDA	9	0	0	9
SAO TOME & PRINCIPE	0	0	2	2
SENEGAL	2	24	0	26
SOUTH AFRICA	10	0	0	10
SWAZILAND	4	0	0	4
TANZANIA	8	0	0	8
UGANDA	14	0	0	14
ZIMBABWE	0	0	19	19
REGIONAL TOTAL	204	45	33	282
EAST ASIA & PACIFIC:				
CAMBODIA	5	0	0	5
KOREA	0	0	2	2
MALAYSIA	0	0	40	40
MONGOLIA	3	0	0	3
PAPUA NEW GUINEA	8	0	0	8
PHILIPPINES	0	0	124	124
SINGAPORE	0	0	4	4
SOLOMON ISLANDS	0	0	20	20
THAILAND	0	0	77	77
TONGA	0	0	6	6
VANUATU	0	0	3	3
WESTERN SAMOA	0	0	2	2
REGIONAL TOTAL	16	0	278	294

SUMMARY OF STUDENTS TO BE TRAINED
DIRECT TRAINING (CONTINUED)
FY 1995

	PROPOSED FY 1995			
		PROMOTING PEACE a/		
	BUILDING DEMOCRACY	PEACE-KEEPING	REGIONAL PEACE & SECURITY	TOTAL
EUROPE:				
ALBANIA	13	0	0	13
AUSTRIA	0	0	2	2
BELARUS	5	0	0	5
BULGARIA	23	0	0	23
CZECH REPUBLIC	24	0	0	24
ESTONIA	20	0	0	20
FINLAND	0	0	2	2
GEORGIA	4	0	0	4
GREECE	0	0	15	15
HUNGARY	30	0	0	30
KAZAKHSTAN	5	0	0	5
KYRGYZSTAN	3	0	0	3
LATVIA	16	0	0	16
LITHUANIA	9	0	0	9
MACEDONIA	7	0	0	7
MALTA	0	0	8	8
MOLDOVA	3	0	0	3
POLAND	38	0	0	38
PORTUGAL	0	0	22	22
ROMANIA	40	0	0	40
RUSSIA	0	0	40	40
SLOVAKIA	19	0	0	19
SLOVENIA	3	0	0	3
SPAIN	0	0	9	9
TURKEY	0	0	69	69
TURKMENISTAN	3	0	0	3
UKRAINE	25	0	0	25
UZBEKISTAN	2	0	0	2
REGIONAL TOTAL	292	0	167	459
LATIN AMERICA & CARIBBEAN:				
ARGENTINA	0	0	16	16
BELIZE	5	0	0	5
BOLIVIA	42	0	0	42
BRAZIL	0	0	13	13
CHILE	0	0	56	56
COLOMBIA	280	0	0	280
COSTA RICA	0	0	11	11
DOMINICAN REPUBLIC	0	0	35	35
ECUADOR	0	0	34	34
EL SALVADOR	60	0	0	60
GUATEMALA	20	0	0	20
GUYANA	9	0	0	9
HONDURAS	51	0	0	51
JAMAICA	0	0	27	27
MEXICO	0	0	31	31
NICARAGUA	4	0	0	4

SUMMARY OF STUDENTS TO BE TRAINED
DIRECT TRAINING (CONTINUED)
FY 1995

	PROPOSED FY 1995			
		PROMOTING PEACE a/		
	BUILDING DEMOCRACY	PEACE-KEEPING	REGIONAL PEACE & SECURITY	TOTAL
LATIN AMERICA & CARIBBEAN (CONT):				
PARAGUAY	19	0	0	19
PERU	13	0	0	13
SURINAME	2	0	0	2
URUGUAY	0	0	9	9
VENEZUELA	0	0	36	36
REGIONAL TOTAL	505	0	268	773
NEAR EAST:				
ALGERIA	0	0	6	6
BAHRAIN	0	0	16	16
EGYPT	0	0	87	87
JORDAN	0	0	100	100
LEBANON	0	0	27	27
MALDIVES, REPUBLIC OF	3	0	0	3
MOROCCO	0	0	62	62
OMAN	0	0	17	17
TUNISIA	0	0	60	60
REGIONAL TOTAL	3	0	375	378
SOUTH ASIA:				
BANGLADESH	0	0	12	12
INDIA	0	0	12	12
NEPAL	7	0	0	7
SRI LANKA	4	0	0	4
REGIONAL TOTAL	11	0	24	35
WORLDWIDE TOTAL	1,031	45	1,145	2,221

a/ Funding for Direct Training is requested in support of Promoting Peace ($13.205 million) and Building Democracy ($13.145 million). For further details on training requested under Promoting Peace, see the Congressional Presentation for Promoting Peace, FY 1995, prepared by the Department of State and the Department of Defense.

AFRICA DEMOCRACY SUPPORT PROGRAM

POLICY CONSIDERATIONS

The Africa Democracy Support Program promotes the advancement of democratic governance and respect for basic human rights in Africa, by providing timely and appropriate assistance to countries undertaking fundamental democratic reforms. Several African countries have established working, yet still fragile, multiparty democracies, and others are at various stages on the path to political pluralism. Reforming countries have actively sought our technical and material support in these efforts.

Funding helps constitutional development, preparation and holding of free and fair elections, establishment of new civic organizations, and improvement in the functioning of legislative bodies, judiciaries, independent media, and other democratic institutions. The fund also assists established democracies to respond to destabilizing economic emergencies. It also offers supplemental budgetary support to countries newly embarked on a democratic course.

PROGRAM DESCRIPTION

1995 grant assistance to the African Regional Electoral Assistance Fund (AREAF) would provide support for elections and observer missions, principally with technical assistance and training, and post-election consolidation and institution building in selected African countries.

ALBANIA

POLICY CONSIDERATIONS

The Government of Albania has made tremendous progress in overcoming years of Stalinist totalitarianism, economic ruin and crippling isolation. Especially during 1992 and 1993, under the programs of President Sali Berisha and the Democratic Party, Albania has sought to establish the rule of law and institutionalize respect for human rights and fundamental freedoms in every corner of society.

BELARUS

POLICY CONSIDERATIONS

U.S. policy seeks to encourage movement toward democratic and economic reform in Belarus and progress in human rights. Since independence, Belarus has been a cooperative partner in international security affairs. It quickly committed itself to the Treaty on Conventional Armed Forces in Europe (CFE), the Treaty between the U.S. and the USSR on the Reduction and Limitation of Strategic Offensive Arms (START) and the Nuclear Nonproliferation Treaty (NPT). Nuclear weapons on its territory are being removed to Russia.

Countries in Transition funding for Belarus is designed to promote values and policies of civilian, democratic control of the military and prudent management of defense resources in a market economy. Such funding can make a significant contribution to the training and development of Belarus' armed forces.

PROGRAM DESCRIPTION

The proposed FY 1995 direct training program for Belarus will concentrate on English language instruction, defense resources management and professional education programs. Education and exchange programs will emphasize civilian control of the military and the values of a democratic society.

BELIZE

POLICY CONSIDERATIONS

U.S. objectives are to support the country's strong democracy, its full integration into the Central American region, and effective efforts to counter increased narcotics trafficking and alien smuggling. Belize has provided leadership on both of the latter issues. Supporting the normalization of relations between Belize and Guatemala is a priority for regional stability. Inviting Belize to the Central Americans's meeting with the President November 30 underscored the importance we attach to these objectives.

PROGRAM DESCRIPTION

The proposed FY 1995 direct training program supports the further professionalization of the Belize Defence Force, a military which is a model for the region for its support of democracy and respect for civilian authority. Direct training will assist the Belize Defence Force to undertake effective actions to counter the threats to democratic stability posed by increased narcotics trafficking and alien smuggling.

BENIN

POLICY CONSIDERATIONS

The Government of Benin moved from a Marxist-Leninist state to a democracy in 1991, when it held multiparty elections. The local human rights situation has improved enormously since the country's democratic transition. President Soglo, the 1993-1994 President of the Economic Community of West African States (ECOWAS), has been supportive of U.S. regional objectives in Liberia.

Benin has chosen the path we encourage other African countries to take. It looks to the U.S. for assistance in developing its young democracy, and for downsizing and professionalizing its military.

PROGRAM DESCRIPTION

The Beninese military establishment exceeds its national defense requirements and dominates scarce public spending. The proposed FY 1995 demobilization support program will enhance democracy by assisting Benin to reduce and rationalize its force structure, and provide other technical assistance in support of demobilization. The proposed training program will provide professional training for military personnel, with a focus on the navy.

BOLIVIA

POLICY CONSIDERATIONS

Bolivia celebrated its third consecutive constitutional transfer of power with the inauguration of Gonzalo Sanchez de Lozada in August 1993. The new president shares U.S. democratic values, market-oriented development goals, and opposition to drug trafficking. His agenda includes the partial selling of parastatal companies to private investors and a plan to eliminate all illicit coca cultivation. Bolivia remains, however, vulnerable to the challenges of widespread poverty, narcotics trafficking, and the presence of small terrorist groups.

While supporting democracy since 1982, the Bolivian military remains a significant political force in the country. The Armed Forces are currently facing a difficult period of transition. Reduced resources due to budgetary austerity, the strengthening of democratic civilian institutions coupled with some resentment over recent personnel shifts among the officer corps, and the lack of an external threat are factors compelling the military to reassess its fundamental role in Bolivian society.

PROGRAM DESCRIPTION

Objectives

- Support democracy by promoting greater military professionalization and respect for civil authority and human rights.
- Improve civil-military relations through education and training.

Status

In previous years Foreign Military Financing (FMF) focussed on assisting the Air Force and Navy in the counternarcotics effort. International Military Education and Training (IMET) provided officers and Non Commissioned Officers (NCOs) technical and professional training and exposed them to U.S. standards, ethics, and the U.S. military code of conduct.

FY 1995 REQUEST

The proposed FY 1995 direct training program will offer professional military education that will have as a major component respect for civil authority, democratic institutions, and human rights. Training in defense resource management will expose students to concepts of good governance and accountability which are necessary for the functioning of a modern military.

BOTSWANA

POLICY CONSIDERATIONS

With more than 25 years of ethnically-mixed, multiparty democracy and respect for human rights, Botswana serves as an important source of stability in the region and as an important democratic model for neighboring states. Botswana has been an active participant in international peacekeeping, with one battalion in Somalia and a second battalion serving in Mozambique. Botswana has also been a successful and enthusiastic partner in combined military exercises. Democratic gains across the continent are undeniable. However, the cases of Angola and Burundi testify to the need for peacekeeping as a way to promote democracy where political change contributes to increased instability. Maintaining a productive partnership with countries willing to help promote democracy through peacekeeping is a critical policy goal.

PROGRAM DESCRIPTION

The proposed FY 1995 direct training program will reinforce democracy through courses which emphasize respect for human rights and the role of the military in a democracy. It will also provide professional military education, technical training, and peacekeeping training for Botswanan military officers to enhance the effectiveness of Botswanan participation in international peacekeeping operations which are crucial to the success of efforts to democratize amid the military instability and lingering tension that now prevail in a number of countries.

BULGARIA

POLICY CONSIDERATIONS

Once one of the former USSR's most loyal satellites, Bulgaria has charted an independent course toward full integration with pan-European and trans-Atlantic structures since 1990. In July 1991, Bulgaria adopted Eastern Europe's first democratic constitution of the post-Communist era. Two rounds of democratic parliamentary elections have been held (June 1990 and October 1991). A presidential election in January 1992 confirmed incumbent President Zhelyu Zhelev, former head of the Union of Democratic Forces, in office for a five-year term. Although domestic political dissension and economic troubles have slowed political and economic reforms to a crawl, Bulgaria firmly remains a constitutional republic ruled by a democratically-elected government. Bulgaria contributed a peacekeeping contingent to UN efforts in Cambodia, where six Bulgarian soldiers died.

As Yugoslavia broke apart and descended into violent ethnic conflict, Bulgaria acquired greater importance to the U.S. as an example of sustained democratic institution building and ethnic tolerance in the Balkans. At significant cost to its own economy, Bulgaria has also enforced sanctions against Serbia/Montenegro. Its moderate foreign policy and respect for CSCE principles serve as a regional counterweight to the disintegrative forces at work in former Yugoslavia, and dissipated the former hostility between Bulgaria, Greece and Turkey. Given the unstable nature of the region, these achievements are inherently at risk. U.S. policy has been to support Bulgarian efforts to consolidate them.

The government formed after the October 1991 elections included a civilian defense minister, who moved energetically to assert civilian control over that ministry. Civilian control has been maintained in successive governments. Initiated in FY 1992, the military training program supported Bulgaria's transition to civilian control of the military, and reinforced developing democratic traditions and respect for human rights. There is a U.S. Military Liaison Team (MLT) resident in Sofia which oversees an expanded program of short-term exchanges and other military-to-military contacts. A Bilateral Working Group to discuss regional security, defense relations, and security assistance was held in January 1994.

PROGRAM DESCRIPTION

The proposed FY 1995 direct training program will provide professional military education and technical training, English-language instruction, and continued exposure to U.S. military practices. Judicial and international defense management training will be continued under the training initiative. A primary focus of training will be to continue efforts to foster respect for civilian oversight of the military. Training will also be used to complement and reinforce cooperation undertaken within the framework of the Partnership for Peace initiative.

BURUNDI

POLICY CONSIDERATIONS

Burundi held successful multiparty elections in June 1993, which resulted in the installation of a new majority government and ended years of military rule. In October 1993, elements of the military attempted a coup d'etat and assassinated the President and other officials, leading to the outbreak of widespread ethnic violence which resulted in the death of tens of thousands of people. The constitutional government survived the coup attempt and the military has pledged fealty to it. The majority Hutu Government, however, lacks confidence in the loyalty of the Tutsi-dominated armed forces.

The Government of Burundi realizes that its military establishment has grown too large for national defense requirements, that it dominates scarce public resources, and that it requires ethnic and regional balance, and significant restructuring and reform.

PROGRAM DESCRIPTION

The proposed FY 1995 direct training program will support the consolidation of democratic traditions by providing training in the role of the military in a democracy and respect for human rights for Burundian military officers. The proposed FY 1995 demobilization support will assist Burundi in reducing and rationalizing its force structure, and provide other technical assistance in support of demobilization.

CAMBODIA

POLICY CONSIDERATIONS

The United States has contributed approximately $900 million in assistance to Cambodia since 1980, including nearly $550 million to the UN peacekeeping mission. For years, the United States has worked with the Cambodians and the international community to help bring peace and democracy to Cambodia and to end the bloody conflict that has claimed more than one million lives and been a major source of instability in the region.

Cambodia is now emerging from the nearly two decades of violence and chaos that followed the fall of Phnom Penh to the Khmer Rouge in 1975. The UN Transitional Authority for Cambodia (UNTAC), which included 16,000 peacekeeping troops and several thousand additional civilian officials, military observers, election observers, and other volunteers, made an indispensable contribution to Cambodia's renewal. UNTAC oversaw Cambodia's historic elections in May 1993, but it was the Cambodian people themselves who defied Khmer Rouge threats of violence and exercised their democratic rights, with more than 90 percent of registered voters participating in the elections.

On the basis of these elections, the Royal Cambodian Government (RCG) was formed in September 1993; the United States immediately established diplomatic relations. The RCG faces enormous challenges. These include strengthening Cambodia's emerging democracy, consolidating impressive recent gains in human rights, and addressing massive economic problems. Cambodia's per capita GDP is approximately $200 annually. Unless the RCG is able to meet the basic needs of Cambodia's population, including 370,000 Khmer repatriated from Thailand, and rebuild a physical and social infrastructure devastated by the genocidal policies of the Khmer Rouge and by prolonged war, Cambodia will remain impoverished and potentially unstable, and Cambodian democracy will be at risk.

We also seek to encourage the RCG to continue its outstanding cooperation in our efforts to account for Americans missing in Indochina. We opened a POW/MIA office in Phnom Penh in the spring of 1992 and have completed numerous successful joint recovery operations throughout the country.

PROGRAM DESCRIPTION

Substantial assistance will be needed to protect the American investment in democracy in Cambodia. Our objectives are to help support democracy and human rights by sustaining long-term development; promoting the growth of democratic and free market institutions; and preventing the Khmer Rouge from returning to power.

Funds requested for direct training will be used to bring Royal Cambodian Armed Forces (RCAF) officers to the United States and to expose them to American institutions and democratic values, and to increase their appreciation for civilian control of the military, military justice, and universal human rights standards.

As a follow-on to the significant progress which Cambodia has made in laying the foundation for a democratic society, there is now a need for assistance in establishing mechanisms for governance. The elected constituent assembly has written and approved the Cambodian constitution and now needs help in setting up systems for developing operating systems and procedures; USAID assistance will work closely with the legislature in establishing systems for governance. USAID also aims to strengthen capacity in the legal services sector, independent media, and human rights organizations, and to continue assistance to democratic political parties.

CAPE VERDE

POLICY CONSIDERATIONS

Cape Verde made the transition to a multiparty democracy in April 1991 and has been unwavering in its commitment to democracy and respect for human rights since that time. Cape Verde continues to support U.S. positions in African and international fora.

The conduct of the Cape Verde military will remain critical to the country's progress on democratization. Cape Verde looks to the U.S. for assistance in developing its young democracy, and for downsizing and professionalizing its military.

PROGRAM DESCRIPTION

The proposed FY 1995 direct training program will reinforce democracy through courses which emphasize respect for the rule of law, human rights, and the role of the military in a democracy. Assistance will also be provided to the Cape Verde Coast Guard to enhance its search and rescue capability and professionalism.

CENTRAL AFRICAN REPUBLIC

POLICY CONSIDERATIONS

The Central African Republic is Africa's newest multiparty democracy, having held legislative and presidential elections during the past year. Immediately after his inauguration on October 22, 1993, President Patasse selected an ethnically and geographically balanced cabinet. Likewise, the National Assembly includes representatives from political parties across the political and ethnic spectrum. The new government has respected human rights and is seeking to implement political and economic reforms. U.S. policy centers on the encouragement of democratization, economic restructuring, and sound and sustainable environmental policies.

PROGRAM DESCRIPTION

The proposed FY 1995 direct training program is designed to expose military officers to the principles of democratic government, including respect for civilian authority and human rights.

CHAD

POLICY CONSIDERATIONS

Despite severe economic problems, an external threat from Libya, and periodic insurgent activities, the Government of Chad continues to pursue democratization, improved respect for human rights, and economic and military reform. Chad established a multiparty legislature in 1993, ending years of single party or military rule. Civic organizations, including human rights organizations, are active.

Following years of war with Libya and internal conflict, the Chadian military establishment is far too large. It dominates scarce domestic resources and impedes further democratic reform.

U.S. policy interests in Chad focus on continued deterrence of Libyan aggression, promoting U.S. investment in oil development, and encouraging democratization, economic reform and military downsizing.

PROGRAM DESCRIPTION

The proposed FY 1995 direct training program will support courses which emphasize respect for human rights and the role of the military in a democracy, as well as technical training for Chadian military officers. The proposed FY 1995 demobilization support program will enhance democratic development by assisting the Government of Chad in reducing and rationalizing its force structure, and providing other technical assistance in support of demobilization.

COLOMBIA

POLICY CONSIDERATIONS

Colombia has maintained a tradition of democracy despite the threat of guerrillas and narcotraffickers as well as endemic violence in the general society. During the last five years, four of the six guerrilla groups have been brought into the political mainstream. Two remaining groups continue a bloody struggle which, lacking any ideology, has evolved into banditry and a dangerous symbiotic relationship with narcotics trafficking organizations. These challenges pose serious challenges to Colombia's democratic institutions. The guerrillas' drug activities are a major source of funding for their continued campaign against government security forces. The military and police are particularly hampered by difficult terrain and extensive areas which as yet have little or no permanent government presence, a situation which fosters lawlessness and impunity. Under its civilian Defense Minister, Colombia is increasing both the size and effectiveness of its security forces while cognizant of its responsibility to defend human rights and take appropriate action against abusers. Colombia is also effecting sweeping changes to the judiciary to create a prosecutorial system to try dangerous terrorism and narcotics trafficking cases.

PROGRAM DESCRIPTION

Objectives

- Support Colombia's efforts to strengthen and sustain democracy with emphasis on improving civil-military relations, professionalism of military, and respect for human rights.

- Encourage joint police-military operations, intelligence cooperation, and airlift sharing.

Status

Previous Foreign Military Financing (FMF) and International Military Education and Training (IMET) funding allowed Colombia to procure fixed wing and rotary aircraft, ground-based radars, spare parts packages, and riverine patrol units, and has provided training in maintenance and logistics in support of its counter-narcotics/counter-insurgency efforts. With previous Economic Support Funds (ESF), we trained judges, prosecutors, and investigators to prosecute narcotraffickers and terrorists more effectively under Colombia's new judicial system, as well as to hold human rights violators accountable for their actions.

FY 1995 REQUEST

The proposed FY 1995 direct training program will train civilians and some 280 senior, mid-level and junior officers in courses which emphasize human rights, democracy, professionalism, and resource management.

CONGO

POLICY CONSIDERATIONS

Congo conducted its transition to multiparty democratic rule in August 1992. Although there have been civil disturbances that have threatened the government since its inauguration, the military has remained apolitical and has supported the political reforms.

Congo is playing a small but active role in international peacekeeping, having designated a detachment of observers to the UN operation in Rwanda. The voluntary Congolese peacekeeping contribution was initiated when the Rwandan operation was established under the auspices of the Organization of African Unity (OAU); the UN subsumed the Congolese contingent upon assuming control of the operation.

PROGRAM DESCRIPTION

The proposed FY 1995 direct training program will provide professional military courses and training in the role of the military in a democracy for Congolese military officers.

COTE D'IVOIRE

POLICY CONSIDERATIONS

Cote d'Ivoire (Ivory Coast) continues to make uneven but steady progress towards democracy. Following the death of President Houphouet-Boigny, who ruled since 1960, the country experienced an orderly, constitutional transition to the new head of government. The conduct of the military during this period of transition from de facto one-party rule will be critical to sustaining the democratization process. The Government of Cote d'Ivoire consistently supports U.S. positions in international fora and actively fosters conflict resolution in Africa.

PROGRAM DESCRIPTION

The proposed FY 1995 direct training program supports democratic development through professional military instruction on issues such as the rule of law, respect for human rights, and the role of the military in a democracy.

CZECH REPUBLIC

POLICY CONSIDERATIONS

In the year since the dissolution of the former Czechoslovakia, the Czech Republic has maintained the remarkable pace of political and economic reforms begun in 1989. The country is now a fully functioning democracy and has largely completed the transition to a free-market economy thanks to the strict macroeconomic reforms instituted by Prime Minister Klaus's stable, center-right coalition.

The Czechs in July 1993 began a radical overhaul of the military, concentrating on appointing nonpolitical officers, improving readiness and training, and restructuring into a corps/brigade system, all by January 1996. Their ultimate goal is a smaller, more mobile, NATO-compatible force. The country also moved to improve transparency in defense budgeting and civilian control of the Defense Ministry, including greater parliamentary oversight.

By providing English language and resource management training as well as greater direct military-to-military contact, the military training program and the Military Liaison Team (MLT) program have directly supported the reorganization efforts of the Czech military and thereby contributed to the growing stability of the Czech Republic and the Central and East European region. The first U.S.-Czech Bilateral Working Group (BWG) also took place in September 1993.

PROGRAM DESCRIPTION

The proposed FY 1995 direct training program for the Czech Republic would focus on promoting the institutionalization of civilian oversight of the military, a key objective during the ongoing restructuring of the Czech defense establishment. Training would also support English language instruction and professional military education and would complement and reinforce cooperation undertaken within the framework of the Partnership for Peace initiative.

DJIBOUTI

POLICY CONSIDERATIONS

U.S. access to Djibouti's strategically located port and airfield facilities has proven important to support of the UN humanitarian and peacekeeping operations in Somalia, as well as useful to U.S. strategic interests in Southwest Asia. Militarily and economically weak, it depends on France for its external security. The government is facing an ongoing, low intensity, ethnically-based civil war which has generated reports of serious human rights abuses. The country is experiencing an erratic transition to democracy.

PROGRAM DESCRIPTION

The proposed FY 1995 direct training program will support respect for human rights and the role of the military in a democracy, as well as professional military and technical training for Djiboutian military personnel.

EL SALVADOR

POLICY CONSIDERATIONS

Under President Cristiani and with extensive U.S. assistance, El Salvador has emerged from a decade of civil war as a functioning democracy with a market economy. The March 1994 election, in which the former guerrillas will participate as a political party, will constitute the successful culmination of the peace process.

Our support for the demobilization of both the armed forces and the guerrillas and for reform projects promotes national reconciliation and serves as a catalyst for enfranchising marginalized groups. Direct training is aimed at improving civil-military relations, human rights observance, and fostering continued respect for democratic order. We seek to promote good governance and economic reform in El Salvador, and U.S. assistance is key to maintaining international donor and IFI support.

PROGRAM DESCRIPTION

Objectives

- Support broad range of political and economic policy reforms and reconstruction projects aimed at building democracy and peace, and addressing the needs of marginalized segments of society.
- Support armed forces respect for civilian authority and human rights.
- Assist Salvadoran ex-combatants reintegrate into society through education and training programs.

Status

The U.S. is active in programs in all of these areas now, partially, but not fully, meeting commitments made to El Salvador and the international community when the Peace Accords were signed in 1992. Ongoing aid has been crucial to expanding voter registration and providing the means to conduct a modern, fair election campaign. Direct training is supporting a successful transition to a new generation of military leaders with respect for civilian rule and human rights. The International Criminal Investigative Training Assistance Program (ICITAP) program is assisting the development and deployment of a civilian, professional police force which respects human rights.

FY 1995 REQUEST

The proposed FY 1995 direct training program will focus on solidifying the transition to democracy and a market economy, including respect for human and worker rights, and civilian control of the military. Assistance to ex-combatants and expanding opportunities for the poorer sectors of the society continues as a priority. Funds will be used to provide technical support, and for studies involving policy analysis of important development sectors. The USAID-managed program will support increased citizen participation in the electoral process, improved protection of human and civil rights by the justice system, and improved public sector financial accountability.

ERITREA

POLICY CONSIDERATIONS

Eritrea, which became an independent country in April 1993 following a peaceful United Nations-monitored referendum, occupies a strategic position along the Red Sea coast. The government has committed itself to establishing a democracy and developing the private sector of the economy.

Eritrea possesses a disciplined, well trained military force that could make a significant contribution to international peacekeeping. U.S. policy goals include encouragement of a transition to democratic rule, market-based economy, and military downsizing.

PROGRAM DESCRIPTION

A democratic Eritrea will have a positive influence on stability in the volatile Horn of Africa. The proposed FY 1995 direct training program will professionalize the Eritrean military, which has emerged from 15 years of warfare for national independence. It will also focus on the role of the military in a democracy.

ESTONIA

POLICY CONSIDERATIONS

Estonia has made remarkable progress in its successful transition from Soviet occupation to a democratic form of government with a well-functioning free market economic system. The World Bank views Estonia as a model for successful economic reform. The Estonian government under President Meri and Prime Minister Mart Laar has set economic revitalization as one of their most important goals. There has been a sizeable reduction in Russian forces in Estonia over the past year. The United States has made it a high priority to promote the withdrawal of the remaining Russian forces from the Baltics.

Estonia is a staunch supporter of United States foreign policy initiatives. It has expressed its willingness to be an active participant in the "Partnership for Peace," and has announced plans to form, along with the other Baltic Republics, a Baltic battalion for potential peacekeeping operations. We plan to engage in expanded military cooperation in the coming years.

PROGRAM DESCRIPTION

Objectives

- Assist Estonia's transition to democratic government, including respect for human rights and the proper role for the military in a democratic society
- Demonstrate to other bilateral and multilateral donors the United States commitment to the success of Estonia's reform efforts
- Encourage the formation of the Estonian security organizations into strong democratic institutions

Status

The United States inaugurated a military training program in FY 1992, with emphasis on instilling democratic values in the newly established military. The "Freedom Support Act" of October 1992 enables Estonia and the other Baltic states to purchase, or to receive grant funding for the purchase of, non-lethal military items. That statute also made Estonia and the other Baltic states eligible to receive non-lethal excess defense articles on a grant basis.

FY 1995 REQUEST

The proposed FY 1995 training program will continue to emphasize the development of democratic values in Estonia's newly formed military. Orientation tours, the exchange of military officers, the exchange of information and experience, professional military education, and management courses are currently planned. Training would also complement and reinforce cooperation undertaken within the framework of the Partnership for Peace initiative.

ETHIOPIA

POLICY CONSIDERATIONS

The Transitional Government of Ethiopia is committed to establishing democracy and opening the economy to the private sector. However, Ethiopia, which is one of the poorest countries in the world, lacks a democratic tradition. We want to assist Ethiopia to develop a democratic form of government and to rebuild its economy so that it can serve as a stable anchor in the Horn of Africa. Ethiopia possesses a disciplined, well trained military force that could make a significant contribution to international peacekeeping.

PROGRAM DESCRIPTION

The proposed FY 1995 direct training program will provide training in basic professional courses on the role of the military in a democracy for Ethiopian military officers.

GAMBIA

POLICY CONSIDERATIONS

The Gambia has been a functioning multiparty democracy since its independence in 1965. Its government respects human rights, supports a regional Human Rights Center, practices free market economics, and is receptive to U.S. views at the UN and other international and regional fora.

With a small but competent and disciplined military, the Gambia has also been an active participant in international peacekeeping operations. The Gambia has maintained a unit of troops in the regional peacekeeping force in Liberia since August 1990. Such operations are crucial to the success of efforts to democratize amid the military instability and lingering tension that now prevail in Liberia and other countries. Maintaining a partnership with countries willing to help promote democracy through peacekeeping is a critical policy goal.

PROGRAM DESCRIPTION

The proposed FY 1995 direct training program will enhance democratic traditions through courses which emphasize the rule of law, respect for human rights and the role of the military in a democracy. It will also provide professional military and technical training for Gambian military officers. The proposed peacekeeping support program would provide materiel assistance and specialized training to enhance the effectiveness of Gambian participation in international peacekeeping operations designed to enhance the chances for successful democratization efforts.

THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA (FYROM)

POLICY CONSIDERATIONS

The Former Yugoslav Republic of Macedonia (FYROM) is the only former Yugoslav republic to have gained independence peacefully and without bloodshed. The FYROM is a functioning parliamentary democracy, with a legislative body elected over three years ago. The FYROM declared its independence from the former Yugoslavia in September 1991 after a public referendum on the issue. A constitution was adopted in November 1991. By January 1994, the FYROM was the only non-combatant Central and Eastern European (CEE) country to lack a military training program.

The U.S. recognized the FYROM in February 1994. The U.S. has been providing the FYROM with both technical and humanitarian assistance since 1992. Aid programs continue to be funded in FY 1994, which will bolster democratic institutions, provide technical know-how, and furnish humanitarian assistance.

Following the departure of the former Yugoslav National Army (JNA) from its territory in 1992, the FYROM began forming its own armed forces. Parliament passed a "Law for Defense" in February 1992 which governs the role, obligations and operations of the country's armed forces. By constitutional mandate, the Ministry of Defense is headed by a civilian. The FYROM armed forces is an ineffective, poorly-trained, and poorly-equipped body of approximately 10,000. Most of its officers corps comes from the ranks of the former Yugoslav National Army (JNA). The concept of civilian authority over the military is new, and, unlike in other Central and Eastern European non-combatant states, U.S. assistance in this area is lacking.

The FYROM suffers from severe economic problems brought on by the transition to a market economy. The situation has been further exacerbated by the enforcement of sanctions against Serbia. The U.S. has thus far been able to offer little in the way of direct economic assistance to the country.

In July, 1993, the U.S. deployed approximately 320 troops to serve with UNPROFOR in the FYROM - to augment the first ever deployment of U.N. peacekeepers to a country prior to the outbreak of conflict. The presence of U.S. soldiers on the FYROM's soil has been welcomed by both the government and the general populace as an element of stability in the region.

PROGRAM DESCRIPTION

The proposed FY 1995 direct training program will focus on fostering a democratic pattern of civil-military relations, civilian control of the military, and respect for human rights in the fledgling FYROM military. Training will also include English language instruction.

GEORGIA

POLICY CONSIDERATIONS

Georgia continues to suffer from the political instability and violent ethnic conflict that have plagued the country since it gained its independence from the former Soviet Union in 1991. Though a complicated task under the circumstances, the United States seeks to promote democratic and market reforms in Georgia, an effort now vigorously led by President Shevardnadze.

In Georgia's situation, the proper conduct of the military can serve as an example and a guide for those involved in nation-building and will be a key element in the creation of a stable political environment. Assisting Georgia's leadership to professionalize the country's officer corps will further U.S. interests in the region. For that reason, Countries in Transition funding for Georgia is designed to promote values and policies of civilian, democratic control of the military and prudent management of defense resources in a market economy.

PROGRAM DESCRIPTION

The proposed FY 1995 direct training program for Georgia will concentrate on English language instruction, training and professional programs, with the objective of enhancing civil-military relations by focusing on the proper role of the military in a democratic society.

GHANA

POLICY CONSIDERATIONS

Ghana, which transitioned to multiparty democracy in December 1992, looks to the U.S. for continued support to consolidate these gains.

It is an important regional political leader, noted for the discipline and professionalism of its soldiers. Ghana has long been an active participant in international peacekeeping. It maintains a peacekeeping battalion in Lebanon, has furnished peacekeepers for other UN operations in the Middle East, and contributed significant numbers of troops to the regional peacekeeping operation in Liberia. Ghana has also agreed to provide the Deputy Commander and one battalion of peacekeepers for the current UN operation in Rwanda.

PROGRAM DESCRIPTION

The proposed FY 1995 direct training program will support democracy by providing training in the role of the military in a democratic society. It will also provide professional military and technical training for Ghanaian military personnel.

GUATEMALA

POLICY CONSIDERATIONS

The successful countering of the attempted auto-coup by former President Serrano last June and subsequent constitutional election of Ramiro De Leon Carpio as president, presented a major opportunity to advance democracy in Guatemala. While progress has been slow, De Leon has taken substantial steps forward: he named a progressive Defense Minister; appointed to head the national police a civilian who was executive director of the presidential human rights commission; disbanded a military intelligence unit in the presidential staff linked to human rights abuses; and announced his intention to convert the Civil Defense Patrols (PACs) into development committees.

Continued U.S. support will promote related policy priorities of good governance, equitable sustainable development, and expanded trade. U.S. aid is essential to maintain international donor community and IFI support ($10 million pledged in FY 1994 helped leverage over $100 million). These objectives and the need to mobilize greater international involvement to offset reduced aid were enunciated as priorities by the President following his meeting with the Central American leaders November 30.

PROGRAM DESCRIPTION

Objectives

- Promote good governance, including reform of democratic institutions and respect for human rights.
- Strengthen civilian control over the armed forces, and armed forces' responsiveness to democratic norms.
- Support continued economic reform leading to equitable sustainable development and expanded trade.

Status

Current bilateral assistance provides urgently needed support for President De Leon's democratic reforms, maintenance of economic reforms, and special programs to address the long-neglected needs of the poorest sectors.

FY 1995 REQUEST

The proposed FY 1995 direct training program will emphasize respect for civilian control of the military and human rights. The USAID-managed program will support activities to strengthen the administration of justice, human rights observance, civic education and training. By 1997, more than 40,000 people will have participated in non-formal human rights education seminars. Major reforms of the judicial sector will have been carried out in three key areas. Improved coverage of oral trial proceedings, prosecutors and investigators using improved techniques, and a legal defenders program will be in place. More than 200 leaders from all sectors of society will have participated in an eight-month course to foster civilian-military dialogue on national stability.

GUINEA

POLICY CONSIDERATIONS

Guinea is in transition from military rule to democracy. Multiparty presidential elections were conducted in December 1993. Legislative elections are scheduled for 1994. Guinea has been an active participant in international peacekeeping, with a reinforced battalion of troops in the regional peacekeeping force in Liberia since August 1990.

PROGRAM DESCRIPTION

The proposed FY 1995 direct training program will support the democratic transition by training students in the apolitical role of the military in a democracy. It will also provide professional military and technical training for Guinean military personnel.

GUINEA-BISSAU

POLICY CONSIDERATIONS

Guinea-Bissau has embarked on the path to multiparty democratic governance. The Government is burdened, however, by a military establishment that greatly exceeds the country's national defense requirements and dominates scarce public spending.

The Government of Guinea-Bissau has also expressed an interest in contributing to international peacekeeping efforts.

PROGRAM DESCRIPTION

The proposed FY 1995 direct training program will support democracy by assisting Guinea-Bissau in reducing and rationalizing its force structure, and will provide other technical assistance in support of demobilization.

GUYANA

POLICY CONSIDERATIONS

Guyana's first free elections in over 25 years were held in October, 1992. Municipal elections are scheduled to be held later in 1994. The new government of President Cheddi Jagan has pledged to continue the economic reforms begun by its predecessor. With IMF and World Bank support, the Government of Guyana's market-oriented Economic Recovery Program has established a free foreign exchange system, invited foreign investment, and moved to privatize state-owned industries. The second poorest country in the Western Hemisphere, Guyana continues to need assistance to institutionalize its still fragile democracy and promote long-term development.

The Guyanese Defense Force (GDF), which was implicated in past electoral abuses, played a non-partisan role in the 1992 elections and has made clear its intention to continue doing so. In recognition of Guyana's return to democracy, in 1993 President Clinton determined that Guyana is eligible to receive U.S. defense articles and services.

PROGRAM DESCRIPTION

Objectives

- Encourage the continued depolitization of the Guyanese military.
- Support continuing market-oriented economic reform to alleviate poverty which, if unchecked, could undermine support for democracy.

Status

Economic Support Funds of $2 million have been obligated but one half of the amount has not yet been disbursed pending final resolution of a dispute between the Guyanese government and an U.S. telecommunications company. International Military Education and Training funds have supported professionalism in the military and respect for civilian authority.

FY 1995 REQUEST

The proposed FY 1995 direct training program will encourage the continued professionalization of the Guyanese military. This assistance will be conditioned on continued military respect for civilian control and the rule of law. Professional military training will include elements designed to help inculcate respect for democratic values and principles and human rights.

HAITI

POLICY CONSIDERATIONS

The Administration and the international community, working through the UN and OAS, are strongly committed to negotiating a settlement to Haiti's political crisis. The Governor's Island Accord remains the best blueprint for the consolidation of democracy and the return of President Aristide to Haiti.

Haiti historically has been highly dependent on foreign assistance due to extreme poverty and political instability. Once democracy is fully restored, Haiti will experience a period of harsh economic structural adjustment. Significant external assistance will be necessary to get the country back on track and to strengthen democratic institutions. The United States is committed to strongly supporting these efforts, and must be a major donor.

PROGRAM DESCRIPTION

Objectives

- Encourage economic structural adjustment upon restoration of constitutional government essential to long-term growth, political stability, and reduction of uncontrolled migration.
- Ease the adverse effects on the poor of structural reform by making contributions to humanitarian assistance programs.
- Encourage sustainable democracy and respect for human rights through the development of viable democratic institutions.
- Promote development of a professional military subordinate to civilian authority.
- Promote development of a police force, and provide training to the Haitian military to foster respect for human rights and civilian authority.

Status

Suspension of diplomatic relations and economic relations with Haiti continues except humanitarian relief. Once an acceptable political settlement is reached, the U.S. and other donors plan to resume direct, bilateral assistance.

FY 1995 REQUEST

The proposed FY 1995 USAID-managed activities will support nongovernmental organizations (NGOs) promoting participatory democracy. With the restoration of constitutional government, USAID will focus on strengthening public institutions, including fundamental reform of the judicial system with the help of the Department of Justice's International Criminal Investigative Training Assistance Program (ICITAP). USAID will be developing specific targets for this MSO upon resolution of the political crisis.

HONDURAS

POLICY CONSIDERATIONS

During the recently concluded Callejas administration, Honduras undertook an extensive economic reform program and made progress consolidating democratic principles, achieving preliminary success in establishing civilian control over the military. Honduras held its fourth consecutive democratic election in November 1993 with the election of Carlos Roberto Reina.

Honduras remains one of the poorest countries in the hemisphere. It suffers from a weak judiciary characterized by lack of independence, poor training, and low public confidence. The new government is expected to continue economic restructuring and to reform the judiciary. Restructuring of the security sector should result in increased civilian control of the military. Honduras requires assistance to enable the new government to continue programs supporting these goals.

PROGRAM DESCRIPTION

Objective

- Support restructuring of the armed forces including downsizing and creation of a reserve force and an all-volunteer army.

Status

Previous assistance increased professionalization of the armed forces and promoted improved civil-military relations and human rights awareness through education and training. Economic support funds have strengthened democratic initiatives and positively influenced sound economic policy formation.

FY 1995 REQUEST

The proposed FY 1995 direct training program will consolidate democracy and provide support for further attempts at reform by the Reina administration. Programs will continue to emphasize civilian control of the military, defense management and technical training. Courses on the proper role of a military in a democracy and human rights will be included.

HUNGARY

POLICY CONSIDERATIONS

Hungary has made impressive progress since its 1989 transition to democracy. Democratic institutions are functioning with maturity and the second parliamentary elections since the end of communism are scheduled for May 1994. A free and vigorous campaign is expected. The U.S. is expending considerable resources to assist Hungary's developing economic, social and political structures, now grappling with a stagnant economy and considerable economic dislocation.

In December 1993, Parliament passed a new defense law, paving the way for substantial military reform. The law gives Parliament budgetary control over the Hungarian Home Defense Force while the executive branch is responsible for defining military policy. Transparency of individual military expenditures, however, is still developing. The U.S.-Hungarian Bilateral Working Group on Defense Matters had its second meeting in September 1993, where Hungary emphasized its desire for NATO interoperability and eventual NATO membership.

Training programs, including military training, have proven a valuable resource, providing, among other activities, English language skills necessary for effective training opportunities. Military training has also educated future leaders of the Hungarian armed forces on the military's role in a democracy. Hungary was the first country in Central and Eastern Europe to host a Military Liaison Team (MLT), which has been highly complementary to military training. The MLT program, providing inter alia military-to-military contacts and seminars, is one of the most active in the region. Hungary was also the region's first country to make a U.S. military sales purchase, resulting in the transfer of $12 million in avionics equipment, and has expressed interest in receiving briefings on U.S. defense equipment including the HAWK missile system indicating potential for an expanded program. Scarce defense resources in Hungary, however, may delay actual procurement.

PROGRAM DESCRIPTION

The requested FY 1995 direct training program will concentrate on defense resources management training and English language instruction for Hungarian military personnel and civilian Ministry of Defense officials. Training will continue to focus on promoting the institutionalization of civilian oversight of the military. The proposed FY 1995 program will also be used to complement and reinforce cooperation undertaken within the framework of the Partnership for Peace initiative.

KAZAKHSTAN

POLICY CONSIDERATIONS

The United States supports the process of social, economic and political reform underway in Kazakhstan. The implementation of these reforms is important to the stability of Central Asia. Kazakhstan has shown progress in protecting human rights, but faces a difficult task in fostering the development of a tolerant, multi-ethnic society.

Kazakhstan has shown every indication of being a cooperative partner in international security affairs. It was the first party to ratify the Treaty between the U.S. and the USSR on the Reduction and Limitation of Strategic Offensive Arms (START) and its parliament has voted to adhere to the Nuclear Nonproliferation Treaty (NPT).

Faced with the prospect of building a defense structure from the ground up, Kazakhstan will benefit from Countries in Transition funding that promotes values and policies of civilian, democratic control of the military and prudent management of defense resources in a market economy.

PROGRAM DESCRIPTION

The proposed FY 1995 direct training program for Kazakhstan will concentrate on English language instruction, and professional training programs, with the objective of enhancing civil-military relations by focusing on the proper role of the military in a democratic society.

KENYA

POLICY CONSIDERATIONS

Kenya has experienced an imperfect transition to democratic governance. Multiparty elections, held in December 1992, returned President Moi to power, but the process was flawed by government manipulation. Since that time, harassment of the opposition, restrictions on freedom of expression and other human rights problems have occurred. The military has not been involved in these abuses.

Kenya continues to play an important role in our security policy for Southwest Asia and the Horn of Africa, as demonstrated by the use of Kenyan facilities to support peacekeeping in Somalia. Kenya has also played a key role in the humanitarian relief program for southern Sudan and in the search for a peaceful settlement of Sudan's civil war.

Kenya has a competent and disciplined military force that has actively participated in international peacekeeping operations in the Middle East, Namibia and the former Yugoslavia.

PROGRAM DESCRIPTION

The proposed FY 1995 direct training program will provide training in the role of the military in a democracy, and professional military and technical training for Kenyan military officers and enlisted personnel.

KYRGYZSTAN

POLICY CONSIDERATIONS

U.S. policy in Kyrgyzstan aims to ensure the continuation of efforts to promote political and economic reform. It has compiled the best reform record in Central Asia. Kyrgyzstan plans to establish a small military force with a defensive orientation. It seeks a military able to cope with natural disasters and able to deliver humanitarian relief.

Faced with the prospect of building a defense structure from the ground up, Kyrgyzstan will benefit from Countries in Transition funding that promotes values and policies of civilian, democratic control of the military and prudent management of defense resources in a market economy.

PROGRAM DESCRIPTION

The proposed FY 1995 direct training program for Kyrgyzstan will concentrate on English language instruction, and professional training programs, with the objective of enhancing civil-military relations by focusing on the proper role of the military in a democratic society.

LATIN AMERICAN AND CARIBBEAN REGIONAL ADMINISTRATION OF JUSTICE PROGRAM

POLICY CONSIDERATIONS

The rule of law is central to the consolidation of democracy. In Latin America, justice systems have historically been the least effective of the three branches of government. In the English-speaking Caribbean in contrast, effective colonial systems have deteriorated since independence. Building and restoring justice systems to their proper role within a democratic society is an essential task for local leaders throughout the region. The administration of justice program encourages and supports these efforts.

PROGRAM DESCRIPTION

Objectives

- To improve the fairness, efficiency and accessibility of justice systems as guarantors of the rule of law.
- To promote the development of analytical capabilities and pilot projects by domestic groups to improve specific aspects of their justice systems.
- To provide training and technical assistance to courts, prosecutors, police forces, and others interested in improving their skills or organization as part of a judicial reform effort.
- To promote the development and assist in the implementation of national justice sector improvement plans.

Status

Projects are underway throughout the region in a wide variety of areas -- from court administration and creation of judicial training programs to implementation of new adversarial criminal procedure codes and alternative dispute resolution. There are also major police development projects ongoing in El Salvador and Panama. Momentum is continuing to build for significant restructuring of justice systems throughout Latin America. While other donors are beginning to enter the arena, the U.S. now has ten years of experience and strong technical relationships with the leading reformers throughout the region. Flexibility to continue the most important ongoing activities is essential to their eventual success.

FY 1995 REQUEST

The proposed FY 1995 USAID-managed regional democracy program complements country activities by building networks among government and non-governmental organizations around the hemisphere to share knowledge about the state of democratic reforms across borders and reinforce each other's efforts. The regional program will provide training on key issues of legal reform, financial management, and human rights. It also supports election assistance, media professionalization, and decentralization support.

LATVIA

POLICY CONSIDERATIONS

Latvia is making a successful transition from Soviet occupation to a democratic form of government with a well-functioning free market economic system. Latvia had its first post-Soviet national elections in June 1993. There has been a sizeable reduction in the number of Russian forces in Latvia over the past year. The United States has made it a high priority to promote the withdrawal of the remaining Russian forces from the Baltics.

Latvia is a dependable supporter of United States foreign policy initiatives. It has expressed its willingness to be an active participant in the "Partnership for Peace," and has announced plans to form, along with the other Baltic Republics, a Baltic battalion for potential peacekeeping operations. We plan to engage in expanded military cooperation in the coming years.

PROGRAM DESCRIPTION

Objectives

- Assist Latvia's transition to democratic government, including respect for human rights and the proper role for the military in a democratic society
- Demonstrate to other bilateral and multilateral donors the United States commitment to the success of Latvia's reform efforts
- Encourage the formation of the Latvian security organizations into strong democratic institutions
- Continue to develop access to the Latvian military establishment

Status

The United States inaugurated a military training program in FY 1992, with emphasis on instilling democratic values in the newly established military. The "Freedom Support Act" of October 1992 enables Latvia and the other Baltic states to purchase, or to receive grant funding for the purchase of, non-lethal military items. That statute also made Latvia and the other Baltic states eligible to receive non-lethal excess defense articles on a grant basis.

FY 1995 REQUEST

The proposed FY 1995 direct training program will continue to emphasize the development of democratic values in Latvia's newly formed military. Orientation tours, the exchange of military officers, the exchange of information and experience, professional military education, and management courses are currently planned. Training would also complement and reinforce cooperation undertaken within the framework of the Partnership for Peace initiative.

LESOTHO

POLICY CONSIDERATIONS

Lesotho, a small, poor, mountainous state in southern Africa, made the transition to multiparty democracy in early 1993 after 23 years of rule by the military. Continuing tension between the ruling party and the army reached crisis proportions in December 1993, when the government proposed disbanding the army. That proposal has since been dropped, but tensions will continue to threaten the consolidation of Lesotho's democracy. Lesotho looks to the U.S. for continued assistance in developing its young democracy, and for professionalizing its military. The country has been a consistent supporter of U.S. positions in international fora.

PROGRAM DESCRIPTION

The U.S. seeks to consolidate the democratic transition and encourage improved observance of basic human rights. The proposed FY 1995 direct training program will help to instill professionalism within the military, and enhance its acceptance of military subordination to civilian rule and respect for human rights.

LITHUANIA

POLICY CONSIDERATIONS

Lithuania has made a determined effort to establish a successful democratic form of government and a well-functioning free market economic system. Following fifty years of Soviet occupation, it declared its independence on March 11, 1990, but only after the failed August 1991 coup was it in a position to rule itself as an independent state. All Russian forces withdrew from Lithuania, as agreed, by the end of 1993.

Lithuania has been a staunch supporter of United States foreign policy initiatives. It has expressed its willingness to be an active participant in the "Partnership for Peace," and has announced plans to form, along with the other Baltic Republics, a Baltic battalion for potential peacekeeping operations. We plan to engage in expanded military cooperation in the coming years.

PROGRAM DESCRIPTION

Objectives

- Promote Lithuania's transition to democratic government, including respect for human rights and the proper role for the military in a democratic society
- Demonstrate to other bilateral and multilateral donors the United States commitment to the success of Lithuania's reform efforts
- Encourage the formation of the Lithuanian security organizations into strong democratic institutions
- Continue to develop access to the Lithuanian military establishment

Status

The United States inaugurated a military training program in FY 1992, with emphasis on instilling democratic values in the newly established military. The "Freedom Support Act" of October 1992 enables Lithuania and the other Baltic states to purchase, or to receive grant funding for the purchase of, non-lethal military items. That statute also made Lithuania and the other Baltic states eligible to receive non-lethal excess defense articles on a grant basis.

FY 1995 REQUEST

The proposed FY 1995 direct training program will continue to emphasize the development of democratic values in Lithuania's newly formed military. Orientation tours, the exchange of military officers, the exchange of information and experience, professional military education, and management courses are currently planned. Training would also complement and reinforce cooperation undertaken within the framework of the Partnership for Peace initiative.

MALAWI

POLICY CONSIDERATIONS

The Government of Malawi has acceded to popular will and agreed to hold multiparty elections, scheduled for mid-1994. During and after the period of transition from one-party rule, the military will be a key ingredient to insuring progress in the democratization process. As the temporary home for some 1,000,000 refugees from the Mozambican civil war, Malawi knows well the torment of war and the utility of peacekeeping and conflict resolution. Malawi possesses a small but competent and disciplined military force, and could make a significant contribution to future international peacekeeping operations. Such operations are crucial to the success of efforts to democratize amid the military instability and lingering tension that now prevail in a number of countries.

PROGRAM DESCRIPTION

The proposed FY 1995 direct training program would provide training to the Malawian military and senior government officials on the role of the military in a democracy, as well as specialized training to improve the effectiveness of Malawian participation in international peacekeeping operations.

MALDIVES

POLICY CONSIDERATIONS

Maldives is a moderate Muslim country which was the first Islamic government to condemn the Iraqi invasion of Kuwait. It serves as a moderate voice among the OIC and has privately expressed concern about radical Islamic states' attempts to gain influence in the region. Direct training (our only regular, direct form of bilateral assistance) allows us to encourage a more accountable democratic political system that will endure the stresses of increasing modernization and Islamic fundamentalism.

FY 1995 REQUEST

Maldives has a growing drug problem and serves as a transshipment point for illegal narcotics. Our proposed FY 1995 direct training program will enhance the professional skills of the Navy and Customs Department to effectively combat narcotics trafficking.

MALI

POLICY CONSIDERATIONS

Mali transitioned to democratic rule in June 1992. Its constitution contains significant human rights guarantees, the government has undertaken economic reform measures, and Mali has increasingly supported U.S. positions in international fora.

Mali is playing an active role in international peacekeeping, with a detachment of observers in the OAU peacekeeping operation in Rwanda and participants in the regional peacekeeping operation in Liberia.

PROGRAM DESCRIPTION

The proposed FY 1995 direct training program will provide instruction on the role of the military in a democracy, and professional military and technical training for Malian military officers.

MOLDOVA

POLICY CONSIDERATIONS

Moldova has embarked on a transition to democracy and economic reform, but the process has been hampered by parliamentary divisiveness and a separatist movement in the eastern part of the country. The U.S. supports the process of reform efforts in Moldova, and believes the practice of democratic values and respect for the human rights of ethnic minorities by the Moldovan defense establishment, will speed Moldova's transition to a stable democracy.

Countries in Transition funding for Moldova is designed to promote values and policies of civilian, democratic control of the military and prudent management of defense resources in a market economy.

PROGRAM DESCRIPTION

The proposed FY 1995 direct training program for Moldova will concentrate on English language instruction, orientation tours and training teams, with the objective of enhancing civil-military relations by focusing on the proper role of the military in a democratic society.

MONGOLIA

POLICY CONSIDERATIONS

Mongolia's successful political and economic transition to a more democratic society, the first in Central Asia, serves as an example of the benefits of reform for other former communist states and developing nations. Mongolia has demonstrated its commitment to democracy, human rights, and economic reform. Nevertheless, Mongolia's democracy is still embryonic, with fledgling democratic opposition parties disorganized and the formerly communist party in power still learning what it means to govern a democratic state. The economy continues to deteriorate, with fuel and energy shortages threatening disastrous winters and exacerbating food supply problems.

PROGRAM DESCRIPTION

The development of a self-sustaining democracy and a viable market-oriented economy continue to be Mongolia's greatest challenges. The U.S. has provided Mongolia technical and humanitarian assistance as well as emergency food aid and balance of payments support. ESF funding has been devoted to refurbishing Mongolia's critical energy system. The modest direct training program requested under Countries in Transition program for FY 1995 will bring Mongolian military officers to the United States and expose them to our democratic institutions, respect for universal human rights, and provide an example of civilian control of the military in a democratic society.

MOZAMBIQUE

POLICY CONSIDERATIONS

Following the conclusion of the 1992 peace agreement ending years of civil war, Mozambique is in transition to multiparty democracy. Mozambique is also faced with the requirement to demobilize the majority of the two opposing military establishments and create, from the rival military factions, integrated new national armed forces. Mozambique is important for the access its transportation lines and port facilities provide to several land-locked countries in southern Africa. Furthering their democratization goals, the government is pursuing free-market economic policies in an ambitious program of reform which includes privatization of parastatal enterprises and adherence to an IMF structural adjustment program.

Mozambique has supported U.S. policy initiatives in southern Africa, serving as an example for negotiators attempting to conclude the long-running Angolan civil war and as a moderate in the influential Front Line States with regard to transition in South Africa.

Mozambique had not been allocated IMET funds lately. The FY 1995 training proposal recognizes the need for resolution of civil and political disorder, and new roles for the integrated Mozambique military.

PROGRAM DESCRIPTION

The proposed FY 1995 direct training program will promote democratic development through courses which focus on respect for human rights and the apolitical role of military in a democracy. Professional military education will be provided to mid-level Mozambican military officers.

NEPAL

POLICY CONSIDERATIONS

In 1990, Nepal reemerged as a democratic nation when a series of popular demonstrations brought an end to a 30-year-old non-party system of autocratic government. Free and fair elections were held in 1991 and a new constitution was drawn up that formally declared Nepal a constitutional monarchy with ultimate sovereignty vested in the Nepalese people. The Royal Nepalese Army (RNA) maintains its traditionally exclusive loyalty to the King, but has so far shown a consistent willingness to remain apolitical in times of national crisis.

Relations between the United States and Nepal traditionally have been good, but are growing stronger as Nepal's commitment to democracy and economic liberalization becomes more evident. Our principal security interest in Nepal is seeing that it remains a neutral buffer between the two nuclear powers of China and India. We also respect and support Nepal's active role in recent years in United Nations peacekeeping operations. The RNA has deployed battalions in Lebanon, Bosnia, and Somalia.

PROGRAM DESCRIPTION

The RNA participates with the U.S. Army in numerous low-level exercises, offering our troops unique training situations in the Himalayas. As the most capable government organization for providing initial emergency disaster relief domestically, the RNA is able to coordinate closely with the U.S. military services on humanitarian relief efforts. The most recent example was the summer 1993 floods in Nepal when the U.S. Air Force airlifted emergency supplies and bridging materials into Nepal where they were received and delivered to affected regions by the RNA.

FY 1995 REQUEST

Our small FY 1995 direct training program in Nepal helps promote civilian control over the military, increased military respect for human rights, and ensures a higher level of competence in officers assigned to U.N. peacekeeping operations.

NICARAGUA

POLICY CONSIDERATIONS

Maintaining limited assistance to Nicaragua is essential to protecting the investment the U.S. has made to help consolidate democracy there since 1990. U.S. support for the democratically-elected government of President Chamorro is critical in its efforts to achieve political reconciliation. The consolidation of democracy in Nicaragua contributes to a stable, developing and democratic Central America. Nicaragua requires continuing balance of payments support to meet obligations to international financial institutions and to purchase essential imports, while the economy recovers from a decade of civil strife and the transition from a centrally planned to a market system is completed.

PROGRAM DESCRIPTION

Objectives

- Establish civilian control over the military to lessen the pervasive influence of the military in the society and improve respect for human rights.

- Contribute to long-term national reconciliation and democratic consolidation.

- Ensure long-term political and economic stability.

Status

Previous economic assistance alleviated immediate distress, and provided a cushion for political reconciliation and economic stabilization processes to get under way. Our continued funding of the International Commission for Support and Verification (OAS/CIAV) is an important factor in developing an indigenous capability to promote human rights, security of person and property, and impartial investigation of human rights abuses.

Disbursement of balance of payments support will be linked to progress toward political reconciliation, respect for human rights, constitutional and judicial sector reform, good governance as well as to economic policies that support macro-economic stability, an improved trade and investment climate, and private sector participation in the economy. Disbursement will also take into account efforts to reduce the fiscal deficit and balance of payments gap, and the status of an IMF Enhanced Structural Adjustment Facility (ESAF).

FY 1995 REQUEST

In FY 1995 we will renew important humanitarian service through military medical training details (MEDRETES) and expand efforts to assist Nicaraguan civilian authorities in establishing control over the military to lessen its pervasive influence in the society and to improve respect for human rights. Expansion of cooperation with the Nicaraguan military will be contingent on enactment of a military reform law in 1994 that strengthens civilian control over the military and ends military impunity.

The USAID-managed program in Nicaragua will address extreme political polarization and lack of democratic traditions by: 1) promoting the basic values and attitudes which support sustainable democracy, and 2) strengthening key democratic institutions to improve confidence in their functions. Activities promote civic education, protection of human rights, improved administration of justice, government accountability, political participation, conflict resolution, and municipal government.

NIGER

POLICY CONSIDERATIONS

Niger conducted a constitutional referendum in late 1992 and multiparty elections in early 1993. While its citizens enjoy a free press and can choose from over 40 political parties, join human rights organizations and speak their minds openly, civilian control over the military remains tenuous.

Niger, which has a competent and disciplined military, has expressed an interest in participating in international peacekeeping operations. In 1991, Niger contributed an infantry battalion to the UN operation in the Persian Gulf.

PROGRAM DESCRIPTION

The proposed FY 1995 direct training program will expose military and defense professionals to democratic principles, including civil-military relations and respect for human rights, through professional military and technical training for Nigerien military personnel.

PAPUA NEW GUINEA

POLICY CONSIDERATIONS

Papua New Guinea is the Pacific islands region's largest, most populous and potentially richest nation. Papua New Guinea is a vigorous democracy with an independent judiciary which nonetheless faces major challenges in extending the rule of law throughout the country. The insurgency on Bougainville and high levels of crime in Port Moresby and other urban towns pose serious threats to democratic institutions and practices.

PROGRAM DESCRIPTION

The proposed direct training program for FY 1995 will support Government efforts to strengthen civilian control over the military and expose these officers to internationally recognized standards of human rights and military justice. The apparent weakness of civilian control led to a series of reported border incursions by Papua New Guinea Defense Forces (PNGDF) posted on Bougainville into neighboring Solomon Islands in 1992 and 1993, although tensions have eased since mid-1993. The training program will also help PNGDF officers familiarize themselves with human rights obligations toward civilian populations, a key element in bringing the Bougainville insurgency to a peaceful end.

PARAGUAY

POLICY CONSIDERATIONS

Paraguay elected its first civilian president in over half a century last year, marking a new stage in its transition to democracy. The requested assistance program provides support to this newly democratic country and provides training to refocus and re-orient the military in preparation for its new role under a civilian government. Our military-to-military ties encourage the Paraguayan armed forces to support democracy, improve respect for human rights, and assist in counternarcotics efforts.

PROGRAM DESCRIPTION

Objectives

- Encourage military support for Paraguay's democratic transition and respect for human rights.
- Strengthen democratic institutions by assisting governmental efforts to curb corruption.
- Improve civil-military relations through education programs in the area of defense resources management.

Status

Military training programs have contributed to increased armed forces professionalism, support for democratization, and respect for human rights through increased ties between the Paraguayan and U.S. militaries.

FY 1995 REQUEST

The proposed FY 1995 direct training program seeks to build on this progress through continued exposure to U.S. military values and practices. The training will focus on the army and air force command and staff, and the ministry of defense, and aims to further the professionalization of those key military institutions, support for democratic institutions, and respect for human rights. This training covers professional military education, management courses and technical training, including engineering/medical training, defense resource management, and aviation-related training.

PERU

POLICY CONSIDERATIONS

In the wake of President Fujimori's April 5, 1992 auto-coup, Peru stands as one of the countries in this hemisphere where democracy is most at risk. Since the auto-coup, a number of positive developments have taken place. Peru's October 31 referendum on the new constitution represented the third consecutive democratic election with a span of twelve months. Nevertheless, much remains to be done to consolidate democracy.

Other key U.S. concerns are Peru's performance on human rights and judicial reform. In recent months, we have seen some progress as the level of disappearances and extra-judicial executions has fallen considerably and the government has enacted legislation designed to afford increased due process to defendants accused of terrorism crimes. International assistance will be needed, however, to modernize Peru's antiquated -- and underfunded -- justice system and to enhance its independence.

PROGRAM DESCRIPTION

Objectives

- Encourage the creation of a democratic system of government capable of confronting the multiple challenges of terrorism, subversion, drug trafficking and economic reform.

- Help the security forces fully support the civilian government and better respect human rights.

Status

We have neither had effective military training nor Foreign Military Financing programs in Peru since the April 1992 auto-coup. In addition, only limited Economic Support Funds have been disbursed since that time. We anticipate that a more normal aid relationship will be possible in FY 1995.

FY 1995 REQUEST

The proposed FY 1995 request will support direct training programs designed to enhance civilian control over the military. This civil-military component, which includes human rights training, is particularly important given the gaps in our contacts with the Peruvian armed forces over the last two years. The proposed program will offer mid-level, junior, and non-commissioned officers human rights instruction as well as professional military education.

The USAID-managed program will support the restructuring of the justice system, credible elections, public sector administrative reform, strengthening municipal and local governments, working with nongovernmental organizations on good governance, and human rights.

POLAND

POLICY CONSIDERATIONS

Though barely four years old, Poland's democratic system is already well established, as shown by the smooth transition of power following the 1993 parliamentary elections. Economic reforms are also bearing fruit, giving Poland perhaps the highest economic growth rate in Europe for 1993. The new government has pledged to keep reform moving forward, while also attempting to mitigate the hardships that have accompanied the transition.

Training programs for Poland have offered an opportunity for the U.S. to support an ongoing transformation from a Communist-indoctrinated military to one that is civilian-run and depoliticized. Poland's size and strategic location make a well-trained, democratically-oriented military even more important. Numerous surveys indicate that the military remains one of the most, if not the most, respected national institutions in the eyes of the Polish public. Unlike his immediate predecessors, the current Defense Minister is not a civilian, but he enjoys the confidence of Poland's civilian authorities and is committed to the development of a depoliticized, professional military and national security apparatus. Nevertheless, the return to military leadership of the Defense Ministry shows that the goals of the military training program remain relevant to Poland's needs.

PROGRAM DESCRIPTION

The proposed FY 1995 direct training program will foster a democratic pattern of civil-military relations and civilian control of the military. Training will also include English language instruction, command and staff college courses and defense resource management. Training will also be used to complement and reinforce cooperation undertaken within the framework of the Partnership for Peace initiative.

ROMANIA

POLICY CONSIDERATIONS

Romania continues its progress toward democratization, a market economy and respect for human rights. Parliamentary and presidential elections in September 1992 were a major step forward in that process. The U.S. Congress voted in October 1993 to restore Romania's Most Favored Nation (non-discriminatory) trade status, just after the Council of Europe voted to admit Romania as a full member.

Eager for NATO membership and close ties with the European Union and the U.S., Romania plays a strongly supportive role in the United Nations and other international organizations, particularly regarding enforcement of UNSC sanctions against Serbia. The Government of Romania has expressed its desire for the fullest possible participation in Partnership for Peace. Romania has begun to control sensitive technology exports, and is intent on meeting the requirements for membership in the various non-proliferation regimes.

The Romanian military has been supportive of Romanian democracy and responsible in relations with Romania's neighbors. Romania contributed a field hospital to the U.N. mission to Somalia, and has designated a battalion to be trained for U.N. peacekeeping operations. Our military to military contact program, established in Bucharest in April 1993, has been extremely successful in building relations between the U.S. and Romanian militaries. The first US-Romania Bilateral Working Group (BWG) took place in January 1994.

PROGRAM DESCRIPTION

Training and other bilateral cooperation with Romania is aimed at consolidating democratic control over the military and helping Romania integrate its forces into a future multilateral peacekeeping framework. Training would also complement and reinforce cooperation undertaken within the framework of the Partnership for Peace initiative. Other goals include enhancing the effectiveness of international non-proliferation efforts and improving military to military ties. Last year, the Romanian IMET program was very successful in targeting education programs at key military and civilian leaders in defense resource management and civilian oversight.

RUSSIA

POLICY CONSIDERATIONS

The United States seeks to make irreversible the reforms underway in Russia that will prevent a return to the political tension and military competition of the Cold War. Support for reform in Russia, indeed, in all of the New Independent States (NIS) of the former Soviet Union, is a U.S. foreign policy priority. Our overall assistance effort seeks to advance democracy, free markets and regional stability.

The Russian military for the foreseeable future will play a role as guarantor of internal stability and in the formulation of national policies. This role will be crucial to Russian success in consolidating the democratic transition and in establishing a durable pattern of cooperation with the West. Russia is expected to be an active participant in NATO's Partnership for Peace. Countries in Transition funding for Russia is designed to support ongoing reforms within the Russian military, by promoting such key concepts as civilian, democratic control of the military and prudent management of defense resources in a market economy.

PROGRAM DESCRIPTION

The proposed FY 1995 direct training program for Russia will center on senior service professional military education for military officers and defense resources management training for civilian defense-related government employees. The rest of the program will consist of ad hoc training requests generated by the Russian Federation. This will continue an effort underway since June 1992. The program has grown to include participation in almost every U.S. military war/staff college and the Defense Resources Management Institute.

RWANDA

POLICY CONSIDERATIONS

After nearly three years of civil war, Rwanda is now experiencing peace as the result of an August 1993 peace accord. As part of the political-military settlement, the country is in transition to multiparty democratic rule and the two rival military forces will be integrated into a single national army. While obstacles remain to complete implementation of the peace accord, the U.S. strongly supports Rwanda's democratic transition.

PROGRAM DESCRIPTION

The proposed FY 1995 direct training program will focus on respect for human rights, the role of the military in a democracy, and provide technical training for Rwandan military officers.

SENEGAL

POLICY CONSIDERATIONS

Senegal has been a thriving pro-Western democracy for more than 30 years. Its relations with the U.S. are excellent; the U.S. enjoys access to Senegal's strategically located port and airfield facilities. Senegal has been an active participant in international peacekeeping operations. It has participated in UN operations in the Middle East and contributed troops to the regional peacekeeping operation in Liberia, making good use of U.S.-provided training and materiel in the conduct of these operations. Democratic gains across the continent are undeniable. However, the cases of Angola and Burundi testify to the need for continued support in an era where forces for political change contribute in some cases to increased instability. Maintaining a partnership with countries willing to help promote democracy through peacekeeping is a critical policy goal.

PROGRAM DESCRIPTION

The proposed FY 1995 direct training program will reinforce Senegalese democratic traditions by supporting courses which emphasize respect for human rights, the rule of law, and the apolitical role of the military in a democracy. It will also provide professional military education, technical training, and peacekeeping training for Senegalese military officers. Senegalese participation in international peacekeeping operations is critical to the success of efforts to democratize amid the military instability and lingering tension that now prevail in a number of countries, such as Liberia.

SLOVAKIA

POLICY CONSIDERATIONS

In the year since its creation in January 1993, Slovakia has made important progress in furthering the political and economic reforms begun in the former Czechoslovakia. The country has laid strong foundations for a pluralistic, democratic society and made important strides toward completing the transition to a free-market economy. The U.S. is committed to helping Slovakia attain these goals, since Slovakia's stability is important to the long-term peace and prosperity of Central and Eastern Europe.

The Slovak leadership has moved to institutionalize key concepts such as civilian control of the military, legislative oversight and transparency in defense programs and budgets. Under the new Defense Minister Kanis, Slovakia has pledged to create a more mobile, NATO-compatible force.

Our bilateral security relationship with Slovakia continues to evolve. In addition to Slovakia's participation in IMET, we held an inaugural Bilateral Working Group (BWG) on regional security, defense relations, and security assistance with the Slovaks in September 1993. In January 1994, the President determined that Slovakia could be made eligible to receive defense articles and services from the United States Government through the Foreign Military Sales (FMS) system. A Military Liaison Team (MLT) has been active in Bratislava since the summer of 1993, organizing short-term, military-to-military contact programs.

PROGRAM DESCRIPTION

The proposed FY 1995 direct training program for Slovakia would focus on promoting the institutionalization of civilian oversight of the military. Training of civilian and military officials would also include English language instruction and professional military education and management training, with an emphasis on orientation tours, command and general staff college courses, and advanced officer training. Training will also be used to complement and reinforce cooperation undertaken within the framework of the Partnership for Peace initiative.

SLOVENIA

POLICY CONSIDERATIONS

Independent since 1991, Slovenia, the most successful and developed of the ex-Yugoslav republics, has established a functional democracy in short order. The country has a multiparty political system, a free press, and a mixed presidential and parliamentary form of government based on a constitution approved in December 1991. Slovenia is run by a center-left coalition government derived from the National Assembly elected in December 1992. Human rights are well-respected and the country seems to have successfully consolidated a democratic system. With a democracy in place and economic reforms proceeding, albeit slowly, Slovenia is well-positioned to achieve its much-desired integration into "Europe."

Training programs for Slovenia have offered an opportunity for the U.S. to support from the start the transformation of a tiny, Communist-indoctrinated military to one that is civilian-run and free of politics. Slovenia's strategic location makes a well-trained, democratically-oriented military even more important. The country has significant, if manageable, security needs and concerns; its neighborhood is dangerous, and its borders are porous, and less than 50 miles from Bosnia at the nearest point. Slovenia was left with little defense capability when the former Yugoslav Federal Military pulled out, along with most of its equipment. At present, however, Slovenia finds it hard to equip its small military adequately due to the U.N. arms embargo, which applies to all the countries that once made up Yugoslavia. This is particularly frustrating for Slovenia, as the country has sufficient funds to buy defense articles and services if the embargo were lifted. Slovenes argue that their right to self-defense under the U.N. Charter is being ignored, despite their non-involvement in the current crisis.

PROGRAM DESCRIPTION

Slovenia is just beginning to transform its military -- now little more than a territorial militia -- into a real army. The proposed FY 1995 direct training program will, early on in this process, foster a democratic pattern of civil-military relations. Training will also include English language instruction, command and staff college courses and defense resource management.

SOUTH AFRICA

POLICY CONSIDERATIONS

President Clinton has declared that successful transition to majority rule in South Africa is among the highest foreign policy priorities for the United States. The integration of numerous previously competing military elements into a unified South African military, responsive to the democratically elected government, is an immediate and significant task. The South African Government and opposition groups now joined in the transitional process have repeatedly requested assistance from DoD for the provision of training, information, and professional military education with a focus on the integration of military forces. The South Africans have also requested technical training on air and sea rescue operations, given the responsibilities their unique geographic position implies.

The conduct of South Africa's integrated National Defence Force will be a key ingredient in the country's democratization process in the difficult period of transition to majority rule. Assuming a successful transition, South Africa will possess a military establishment that potentially could become the most significant resource for peacekeeping and peace support operations in sub-Saharan Africa, in support of U.S. policy objectives for regional solutions to regional conflicts. Such solutions not only enhance the ability of democratic forces to prevail; they will lighten the U.S. peacekeeping burden. The success of this transition will also be critical to the continuity of democratic transitions elsewhere in southern Africa.

PROGRAM DESCRIPTION

The proposed FY 1995 direct training program will provide professional military education on issues such as internationally recognized human rights for officers in middle and upper ranks of the new integrated armed forces.

SRI LANKA

POLICY CONSIDERATIONS

Sri Lanka is a democracy, but has experienced ethnic and civil unrest for more than ten years. The ongoing civil war is a threat to both internal and regional stability. Promoting human rights reform has been one of the most important aspects of our bilateral relationship.

The number of human rights violations committed by Sri Lankan security forces has declined significantly as authorities have moved to implement a number of reforms recommended by international human rights organizations. Military justice training offers a concrete way for the U.S. to support and assist with recommended military-related reforms and share the benefits of our expertise in this area.

FY 1995 REQUEST

Our proposed FY 1995 direct training program focuses on improving professionalism and discipline in the military and in strengthening adherence to rule of law in the military justice system.

SURINAME

POLICY CONSIDERATIONS

Since the installation of a democratically-elected civilian government in 1991, Suriname has struggled to consolidate democracy. In 1993 the government successfully removed the Armed Forces Commander, who had twice overthrown democratically elected governments. The new Commander is committed to transforming the military into a professional, apolitical body subordinate to civilian control. After more than a decade of mismanagement and corruption, however, the government faces a formidable task in professionalizing its armed forces and ensuring its support for democratic rule.

The government is also striving to reform a faltering economy, implement a structural adjustment program, and combat narcotics transshipment activity backed by former elements of the military. Consistent with U.S. interests in strengthening democratic institutions throughout the hemisphere, we actively support the Suriname government's efforts to reform its armed forces.

FY 1995 REQUEST

The proposed FY 1995 direct training program will provide professional military training to help build a core of professional junior and mid-grade officers who respect human rights and accept civilian control of the military and democratic rule. The program will enhance, through professional military training, Surinamese understanding of the proper role of the military in a democracy.

SWAZILAND

POLICY CONSIDERATIONS

Swaziland plays a useful regional political role as a moderate and stable state in a region experiencing significant political and economic turbulence. U.S. policies are directed at encouraging the expansion of civil and political freedoms.

PROGRAM DESCRIPTION

The proposed FY 1995 direct training program supports democratic development by offering Swazi military and senior civilian officials courses which emphasize democratic concepts, respect for human rights, and the appropriate role of the military in a democracy.

TANZANIA

POLICY CONSIDERATIONS

Tanzania is moving from single-party socialism to a multiparty democratic state with a market economy. As part of the transition, the government has also decided to depoliticize and reduce the size of its military. Tanzania was of critical importance in mediating a negotiated end to the civil war in Rwanda, and has expressed an active interest in participating in international peacekeeping operations. Tanzania has committed to sending one battalion to the African regional peacekeeping effort in Liberia; an advanced element of this force was the first to arrive in Monrovia in late 1993 to support expanded operations and disarmament of combatants agreed to in the Cotonou Accords.

The Government of Tanzania realizes that its military establishment has grown too large for national defense requirements and that it dominates scarce public resources. The government desires to downsize the military, but requires outside funding assistance to implement a demobilization program.

PROGRAM DESCRIPTION

The proposed FY 1995 demobilization support program will enhance democracy by assisting Tanzania to reduce and rationalize its military force structure, and provide other technical assistance in support of demobilization.

TURKMENISTAN

POLICY CONSIDERATIONS

Progress toward a more democratic society in Turkmenistan has been limited, as the government has emphasized stability over reform. The U.S. has urged a more rapid pace toward an open and democratic society. The U.S. sees Turkmenistan, which has long borders with Afghanistan and Iran, as a potential stabilizing force in the region and a counterweight to fundamentalist Iran.

Countries in Transition funding for Turkmenistan is designed to promote values and policies of civilian, democratic control of the military and prudent management of defense resources in a market economy. Such funding can make a significant contribution to the training and professional development of the country's armed forces.

PROGRAM DESCRIPTION

The proposed FY 1995 direct training program for Turkmenistan will concentrate on English language instruction, orientation tours and training teams, with the objective of enhancing civil-military relations by focusing on the proper role of the military in a democratic society.

UGANDA

POLICY CONSIDERATIONS

Uganda continues to make progress towards constitutional democracy, economic development, and military demobilization. The human rights situation is improving, with few abuses by military personnel reported. Uganda has also expressed an active interest in participating in international peacekeeping operations. It is sending one battalion of troops to the UN operation in Somalia, and has committed to sending one battalion to the African regional peacekeeping effort in Liberia.

PROGRAM DESCRIPTION

The proposed FY 1995 direct training program will focus on respect for human rights, the apolitical role of the military in a democracy, and provide professional military education and technical training for Ugandan military personnel. The peacekeeping support program would provide materiel assistance -- primarily communications equipment, vehicles and flak vests -- and specialized training to enhance the effectiveness of Ugandan participation in international peacekeeping operations.

UKRAINE

POLICY CONSIDERATIONS

Despite suffering from an acute economic crisis, Ukraine continues to make progress toward strengthening democracy and human rights. President Kravchuk has reiterated his government's intentions to abide by its commitment to become a non-nuclear weapons state and has taken steps to deactivate a number of the nuclear weapons on Ukrainian territory. The United States strongly supports the independence and sovereignty of Ukraine, and believes that a prosperous, democratic Ukraine will greatly strengthen stability in Europe.

Countries in Transition funding for Ukraine is designed to promote values and policies of civilian, democratic control of the military and prudent management of defense resources in a market economy. A well-trained and professional military in Ukraine will enhance confidence in its ability to maintain the country's independence and to contribute to a cooperative European security structure.

PROGRAM DESCRIPTION

The proposed FY 1995 direct training program for Ukraine will concentrate on English language instruction, defense resources management and orientation visits to U.S. facilities. There will be several slots for Ukrainian students at the U.S. military war/staff colleges. This training will enhance civil-military relations by focusing on the proper role of the military in a democratic society.

UZBEKISTAN

POLICY CONSIDERATIONS

With the largest population base in Central Asia, and a leadership committed to secular government, Uzbekistan is critical to the overall stability of the region. Since it gained its independence upon the break-up of the former Soviet Union, however, progress toward democratic and economic reform has been halting. The United States has urged Uzbekistan toward a more rapid pace of reform.

Countries in Transition funding for Uzbekistan is designed to promote values and policies of civilian, democratic control of the military and prudent management of defense resources in a market economy. Such funding can make a significant contribution to the training and professional development of the country's armed forces.

PROGRAM DESCRIPTION

The proposed FY 1995 direct training program for Uzbekistan will concentrate on English language instruction, orientation tours and training teams, with the objective of enhancing civil-military relations by focusing on the proper role of the military in a democratic society.

ZAMBIA

POLICY CONSIDERATIONS

Zambians elected an opposition-led government in October 1991, ending nearly two decades of single party rule. U.S. policy objectives include supporting the consolidation of democracy and reinforcing the government's commitment to free market economic policies. Zambia is an active participant in international peacekeeping, with one battalion of troops serving under UN auspices in Mozambique.

PROGRAM DESCRIPTION

The proposed FY 1995 direct training program will address the role of a military in a democracy, and provide professional military and technical training for Zambian military officers.

UN DEMOCRACY PROGRAMS

The Administration's $1.8 million request for UN Democracy Programs includes a new initiative and provides continued support for strengthening multilateral institutions that play critical roles in building democracy and promoting human rights.

The **UN Voluntary Fund for Advisory Services and Technical Cooperation ($1.025 million).** This Fund provides human rights assistance to governments at their request. Strengthening human rights institutions and promoting the human rights culture are important elements of the democratic transitions underway in many countries. At the 1993 UN Human Rights Commission and again at the World Conference on Human Rights, the United States strongly advocated the expansion of the UN Human Rights Center's Advisory Services Program to provide assistance to countries for improving their human rights performance.

The **UN Voluntary Fund for Victims of Torture ($500 thousand).** This Fund provides medical and psychological assistance to victims of torture and their families. U.S. contributions to the Fund are important to our multilateral human rights objectives in the UN Human Rights Commission and supplement U.S. bilateral human rights efforts. The very nature of the Fund singles out for censure those nations that chronically violate human rights.

The **UN Educational and Training Program for Southern Africa ($175 thousand).** UNETPSA provides comprehensive financial assistance for education and training of students from Southern Africa and the former Portuguese territories in Africa. UNETPSA helps develop a cadre of specialists, technicians, and administrators to assume leadership positions and to support the development of their countries. Consistent with the independence of the former Portuguese territories and Zimbabwe, and with the phasing out of scholarships to students from those countries, we have reduced our request for UNETPSA with a view toward phasing it out following the election of a non-racial government in South Africa.

The **United Nations Trust Fund for South Africa ($100 thousand).** This Fund provides legal assistance, education, humanitarian and refugee relief aid to persons persecuted under repressive and discriminatory legislation in South Africa and to their dependents. UNTFSA receives voluntary contributions from governments, organizations, and individuals. The Fund disburses grants to voluntary organizations and other bodies concerned with assistance to victims of apartheid. In view of the democratic transition underway in South Africa, we have begun to phase out this request.

ORGANIZATION OF AMERICAN STATES

The establishment of the OAS Unit for the Promotion of Democracy in 1991 added a major, new activity dedicated to strengthening democratic institutions and the effective exercise of civil rights. It was established as a preventive measure aimed at consolidating emerging, freely-elected governments throughout the hemisphere.

In its first two years, the Unit has monitored successful, democratic elections and provided electoral assistance in several member states (Venezuela, Peru, Honduras, Paraguay and Nicaragua are pending) and played an important role in negotiating and implementing a peaceful solution of conflict and disarming of combatants in Suriname. The Unit has held seminars in election monitoring and has provided grants for advanced training and specialization in parliamentary procedures, electoral processes, and judicial matters.

Requests for services and assistance from member states have increased dramatically as a number of newly emerging democracies, oftentimes lacking institutional preparedness, resources and strength to support free and open elections, have sought OAS help.

FY 1994 funding has supported the expansion of the Unit for the Promotion of Democracy's programs of electoral support, legislative strengthening and civic education. The Unit is currently expanding to carry out these vital programs. The proposed FY 1995 funding will support the continued expansion of programs designed to strengthen the hemisphere's democracies and reduce internal threats to democratic order. This expansion will greatly enhance the OAS capability to mobilize multilateral political support in achieving the goal of promoting and strengthening democracy in the hemisphere.

DEMINING

There are millions of uncleared landmines scattered across the world. These landmines significantly hinder the achievement of U.S. foreign policy objectives in a number of countries important to our interests, such as Afghanistan, Cambodia and Nicaragua. They inhibit the repatriation of refugees, delay the reconstruction of economies, and present a public security problem in countries that attempt to recover from years of regional conflict or civil strife to evolve into democracies.

The UN estimates that to locate, remove and destroy uncleared landmines costs between $440 and $1,000 per mine. The objectives of the demining program include providing demining training to foreign government personnel, and equipment and logistics support for foreign demining efforts.

The initial demining allocation funded programs in Afghanistan and Central America. These projects are scheduled to remove and destroy thousands of landmines over the next eight months. The Central American project included a DOD demining course that trained 15 Latin American instructors who successfully established demining operations in Nicaragua. This course serves as the model for additional training courses we propose to conduct in the future.

The proposed $5 million demining program for FY 1995 would provide demining assistance to the UN Organization for the Coordination of Humanitarian Assistance to Afghanistan (UNOCHA); to the Cambodian Mine Action Center (CMAC); to the Organization of American States Inter-American Defense Board (OAS/IADB) for programs in Nicaragua, Honduras, and Costa Rica; to Eritrea, to Rwanda, to Mozambique, to Liberia, and possibly to El Salvador, to Somalia, and to Laos. These countries comprise some of the most densely mined areas in the world where the costs in terms of human tragedy and suffering are the highest.

HISTORICAL PROGRAMS

Through FY 1994, the security assistance programs were carried out under the authority of the Foreign Assistance Act of 1961, as amended, and the Arms Export Control Act. Major appropriated programs were Foreign Military Financing, the Economic Support Fund, International Military Education and Training, Peacekeeping Operations and Nonproliferation and Disarmament.

- The **Economic Support Fund (ESF)** provided economic assistance to allies and strategically important developing countries. Grants were available to aid the balance of payments, to finance infrastructure and capital projects, to carry out developmental projects benefitting the local population, and in some instances to support counter-narcotics activities.

- **International Military Education and Training (IMET)** provided military education, management and technical training on a grant basis to students from allied and friendly nations. IMET promoted military-to-military relations and exposed foreign military and civilian officials to U.S. values and democratic processes.

The following tables depict ESF and IMET security assistance programs for FY 1993 and FY 1994.

INTERNATIONAL MILITARY EDUCATION & TRAINING PROGRAM
BUDGET AUTHORITY
(DOLLARS IN THOUSANDS)

	ACTUAL FY 1993
AFRICA:	
BENIN	112
BOTSWANA	469
BURUNDI	340
CAMEROON	329
CAPE VERDE	173
CENTRAL AFRICAN REPUBLIC	219
CHAD	371
COMOROS	137
CONGO	146
COTE D'IVOIRE	215
DJIBOUTI	213
ETHIOPIA	167
GABON	115
GAMBIA	107
GHANA	305
GUINEA	191
GUINEA-BISSAU	202
KENYA	650
LESOTHO	131
MADAGASCAR	258
MALAWI	112
MALI	199
MAURITIUS	65
MOZAMBIQUE	205
NAMIBIA	297
NIGER	351
NIGERIA	139
RWANDA	150
SAO TOME & PRINCIPE	175
SENEGAL	750
SEYCHELLES	125
SIERRA LEONE	296
SWAZILAND	148
TANZANIA	176
UGANDA	199
ZAMBIA	152
ZIMBABWE	403
TOTAL	8,792
AMERICAN REPUBLICS:	
ANTIGUA-BARBUDA*	16
ARGENTINA	300
BAHAMAS	75
BARBADOS*	37
BELIZE	140
BOLIVIA	1,075
BRAZIL	250
CHILE	288
COLOMBIA	2,126
COSTA RICA	228
DOMINICA*	42
DOMINICAN REPUBLIC	754
ECUADOR	800
EL SALVADOR	300

	ESTIMATED FY 1994
MIDDLE EAST PEACE:	
EGYPT	800
JORDAN	800
LEBANON	300
TOTAL	1,900
PROMOTION OF DEMOCRACY & HUMAN RIGHTS:	
ALBANIA	140
BELARUS	75
BULGARIA	240
CAMBODIA	90
CZECH REPUBLIC	400
EL SALVADOR	400
ERITREA	75
ESTONIA	110
ETHIOPIA	100
GEORGIA	50
GUATEMALA	125
HUNGARY	550
KAZAKHSTAN	100
KYRGYZSTAN	50
LATVIA	110
LITHUANIA	110
MACEDONIA	75
MOLDOVA	50
MONGOLIA	50
POLAND	550
ROMANIA	240
RUSSIA	750
SLOVAKIA	200
SLOVENIA	100
TURKMENISTAN	50
UKRAINE	500
TOTAL	5,290
COUNTERNARCOTICS:	
BOLIVIA	400
COLOMBIA	900
ECUADOR	375
TOTAL	1,675
REGIONAL STABILITY & DEFENSE COOPERATION:	
ALGERIA	50
ANTIGUA-BARBUDA*	20
AUSTRIA	10
BAHRAIN	50
BARBADOS*	25
BELIZE	50
BOTSWANA	350
CAMEROON	100
CHAD	225

INTERNATIONAL MILITARY EDUCATION & TRAINING PROGRAM (CONTINUED)
BUDGET AUTHORITY
(DOLLARS IN THOUSANDS)

	ACTUAL FY 1993
AMERICAN REPUBLICS (CONT):	
GRENADA*	49
GUATEMALA	190
GUYANA	99
HONDURAS	1,357
JAMAICA	450
MEXICO	722
PACAMS/SCIATTS	798
PARAGUAY	349
ST. KITTS & NEVIS*	59
ST. LUCIA*	49
ST. VINCENT & GRENADINES*	76
TRINIDAD & TOBAGO	49
URUGUAY	339
VENEZUELA	226
REGIONAL TOTAL	11,243
EAST ASIA & PACIFIC:	
KOREA	273
MONGOLIA	108
PAPUA NEW GUINEA	100
PHILIPPINES	2,548
SINGAPORE	20
SOLOMON ISLANDS	20
THAILAND	2,349
TONGA	62
VANUATU	31
WESTERN SAMOA	48
REGIONAL TOTAL	5,559
EUROPE:	
ALBANIA	180
BELARUS	97
BULGARIA	279
CZECH REPUBLIC	466
CZECHOSLOVAKIA	58
ESTONIA	88
GREECE	256
HUNGARY	697
KAZAKHSTAN	163
LATVIA	111
LITHUANIA	148
MALTA	53
POLAND	689
PORTUGAL	1,000
ROMANIA	310
RUSSIA	471
SLOVAKIA	127
SLOVENIA	95
SPAIN	240
TURKEY	3,100
UKRAINE	413
REGIONAL TOTAL	9,041

	ESTIMATED FY 1994
REGIONAL STABILITY & DEFENSE COOPERATION (CONT):	
COSTA RICA	100
DJIBOUTI	100
DOMINICA*	40
DOMINICAN REPUBLIC	300
FINLAND	10
GREECE	100
GRENADA*	40
GUINEA	125
HONDURAS	500
JAMAICA	200
KENYA	280
KOREA	10
MALAWI	125
MALAYSIA	300
MOROCCO	500
NAMIBIA	200
NIGER	200
OMAN	50
PHILIPPINES	875
PORTUGAL	500
SENEGAL	450
SINGAPORE	10
SPAIN	50
ST. KITTS & NEVIS*	40
ST. LUCIA*	50
ST. VINCENT & GRENADINES*	50
THAILAND	875
TUNISIA	500
TURKEY	1,000
ZIMBABWE	250
TOTAL	8,710
PROMOTE PROFESSIONAL MILITARY RELATIONSHIPS:	
ARGENTINA	100
BANGLADESH	175
BENIN	100
BRAZIL	100
CHILE	100
CONGO	100
COTE D'IVOIRE	150
GAMBIA	100
GHANA	200
GUINEA-BISSAU	100
INDIA	150
MALI	130
MEXICO	200
NEPAL	100
PACAMS/SCIATTS	425
PAPUA NEW GUINEA	50
PARAGUAY	75
RWANDA	75
SOLOMON ISLANDS	10
SRI LANKA	100

INTERNATIONAL MILITARY EDUCATION & TRAINING PROGRAM (CONTINUED) BUDGET AUTHORITY

(DOLLARS IN THOUSANDS)

	ACTUAL FY 1993
NEAR EAST & SOUTH ASIA:	
ALGERIA	137
BAHRAIN	103
BANGLADESH	460
EGYPT	1,754
INDIA	362
JORDAN	500
LEBANON	576
MALDIVES	104
MOROCCO	1,140
NEPAL	154
OMAN	100
SRI LANKA	387
TUNISIA	1,216
REGIONAL TOTAL	6,993
NON-REGIONAL:	
GENERAL COSTS	872
NON-REGIONAL TOTAL	872
TOTAL BUDGET AUTHORITY a/	42,500

	ESTIMATED FY 1994
PROMOTE PROFESSIONAL MILITARY RELATIONSHIPS (CONT):	
TANZANIA	120
TONGA	15
TRINIDAD & TOBAGO	40
UGANDA	120
URUGUAY	150
VANUATU	15
VENEZUELA	200
WESTERN SAMOA	15
ZAMBIA	75
TOTAL	3,290
GENERAL COSTS	385
TOTAL BUDGET AUTHORITY a/	21,250

* These countries comprise the Eastern Caribbean. See Eastern Caribbean narrative in Section II for a discussion of specific country programs.

a/ In FY 1995, Defense training programs support Building Democracy ($13.1 million) and Promoting Peace ($13.2 million).

SUMMARY OF STUDENTS TRAINED UNDER IMET

	ACTUAL FY 1993
AFRICA:	
BENIN	8
BOTSWANA	38
BURUNDI	17
CAMEROON	16
CAPE VERDE	6
CENTRAL AFRICAN REPUBLIC	10
CHAD	23
COMOROS	6
CONGO	9
COTE D'IVOIRE	12
DJIBOUTI	11
ETHIOPIA	8
GABON	3
GAMBIA, THE	9
GHANA	21
GUINEA	10
GUINEA-BISSAU	9
KENYA	47
LESOTHO	13
MADAGASCAR	14
MALAWI	8
MALI	10
MAURITIUS	4
MOZAMBIQUE	6
NAMIBIA	24
NIGER	16
NIGERIA	10
RWANDA	9
SAO TOME & PRINCIPE	5
SENEGAL	33
SEYCHELLES	5
SIERRA LEONE	26
SWAZILAND	14
TANZANIA	15
UGANDA	19
ZAMBIA	16
ZIMBABWE	29
TOTAL	539
AMERICAN REPUBLICS:	
ANTIGUA-BARBUDA*	3
ARGENTINA	48
BAHAMAS, THE	23
BARBADOS*	4
BELIZE	20
BOLIVIA	131
BRAZIL	20
CHILE	159
COLOMBIA	881
COSTA RICA	52
DOMINICA*	7
DOMINICAN REPUBLIC	133
ECUADOR	93
EL SALVADOR	45

	ESTIMATED FY 1994
MIDDLE EAST PEACE:	
EGYPT	70
JORDAN	80
LEBANON	21
TOTAL	171
PROMOTION OF DEMOCRACY & HUMAN RIGHTS:	
ALBANIA	8
BELARUS	4
BULGARIA	11
CAMBODIA	2
CZECH REPUBLIC	20
EL SALVADOR	57
ERITREA	3
ESTONIA	16
ETHIOPIA	5
GEORGIA	2
GUATEMALA	13
HUNGARY	24
KAZAKHSTAN	5
KYRGYZSTAN	3
LATVIA	9
LITHUANIA	5
MACEDONIA	4
MOLDOVA	3
MONGOLIA	2
POLAND	29
ROMANIA	9
RUSSIA	45
SLOVAKIA	11
SLOVENIA	2
TURKMENISTAN	3
UKRAINE	22
TOTAL	317
COUNTERNARCOTICS:	
BOLIVIA	50
COLOMBIA	375
ECUADOR	44
TOTAL	469
REGIONAL STABILITY & DEFENSE COOPERATION:	
ALGERIA	4
ANTIGUA-BARBUDA*	3
AUSTRIA	1
BAHRAIN	11
BARBADOS*	3
BELIZE	7
BOTSWANA	28
CAMEROON	5
CHAD	14

	ACTUAL FY 1993
AMERICAN REPUBLICS (CONT):	
GRENADA*	10
GUATEMALA	19
GUYANA	12
HONDURAS	216
JAMAICA	74
MEXICO	111
PARAGUAY	31
ST. KITTS & NEVIS*	10
ST. LUCIA*	8
ST. VINCENT & GRENADINES*	15
TRINIDAD & TOBAGO	3
URUGUAY	33
VENEZUELA	33
REGIONAL TOTAL	2,194
EAST ASIA & PACIFIC:	
KOREA	69
MONGOLIA	4
PAPUA NEW GUINEA	7
PHILIPPINES	265
SINGAPORE	4
SOLOMON ISLANDS	2
THAILAND	183
TONGA	5
VANUATU	2
WESTERN SAMOA	1
REGIONAL TOTAL	542
EUROPE & CANADA:	
ALBANIA	12
BELARUS	3
BULGARIA	13
CZECH REPUBLIC	23
CZECHOSLOVAKIA	5
ESTONIA	12
GREECE	78
HUNGARY	30
KAZAKHSTAN	8
LATVIA	9
LITHUANIA	7
MALTA	7
POLAND	36
PORTUGAL	44
ROMANIA	15
RUSSIA	28
SLOVAKIA	7
SLOVENIA	2
SPAIN	42
TURKEY	213
UKRAINE	18
REGIONAL TOTAL	612

	ESTIMATED FY 1994
REGIONAL STABILITY & DEFENSE COOPERATION (CONT):	
COSTA RICA	23
DJIBOUTI	5
DOMINICA*	6
DOMINICAN REPUBLIC	50
FINLAND	1
GREECE	30
GRENADA*	8
GUINEA	7
HONDURAS	79
JAMAICA	33
KENYA	20
KOREA	2
MALAWI	9
MALAYSIA	35
MOROCCO	39
NAMIBIA	16
NIGER	9
OMAN	8
PHILIPPINES	91
PORTUGAL	22
SENEGAL	20
SINGAPORE	2
SPAIN	9
ST. KITTS & NEVIS*	7
ST. LUCIA*	8
ST. VINCENT & GRENADINES*	10
THAILAND	68
TUNISIA	38
TURKEY	69
ZIMBABWE	18
TOTAL	818
PROMOTE PROFESSIONAL MILITARY RELATIONSHIPS:	
ARGENTINA	16
BANGLADESH	13
BENIN	7
BRAZIL	13
CHILE	56
CONGO	6
COTE D'IVOIRE	8
GAMBIA, THE	8
GHANA	14
GUINEA-BISSAU	4
INDIA	9
MALI	7
MEXICO	31
NEPAL	7
PAPUA NEW GUINEA	3
PARAGUAY	7
RWANDA	5
SOLOMON ISLANDS	1
SRI LANKA	4

SUMMARY OF STUDENTS TRAINED UNDER IMET (CONTINUED)

	ACTUAL FY 1993
NEAR EAST & SOUTH ASIA:	
ALGERIA	12
BAHRAIN	23
BANGLADESH	33
EGYPT	153
INDIA	21
JORDAN	50
LEBANON	40
MALDIVES	6
MOROCCO	89
NEPAL	11
OMAN	16
SRI LANKA	15
TUNISIA	92
REGIONAL TOTAL	561
WORLDWIDE TOTAL	4,448

	ESTIMATED FY 1994
PROMOTE PROFESSIONAL MILITARY RELATIONSHIPS (CONT):	
TANZANIA	10
TONGA	1
TRINIDAD & TOBAGO	2
UGANDA	11
URUGUAY	15
VANUATU	1
VENEZUELA	29
WESTERN SAMOA	1
ZAMBIA	8
TOTAL	297
WORLDWIDE TOTAL	2,072

* These countries comprise the Eastern Caribbean. See Eastern Caribbean narrative in Section II for a discussion of specific country programs.

ECONOMIC SUPPORT FUND
OBLIGATION AUTHORITY/OBLIGATIONS
(DOLLARS IN THOUSANDS)

	ACTUAL FY 1993	
	OBLIGATION AUTHORITY	OBLIGATIONS (GRANT)
AFRICA:		
AFRICA DEMOCRACY SUPPORT PROGRAM	3,000	3,000
AFRICA REGIONAL	500	500
BURUNDI	1,000	1,000
LIBERIA	500	0
MOZAMBIQUE	2,000	2,000
NIGERIA	0	0
REGIONAL TOTAL	7,000	6,500
AMERICAN REPUBLICS:		
ANDEAN NARCOTICS INITIATIVE:	149,692 a/	70,797 a/
BOLIVIA	(41,500)a/	(41,500)a/
COLOMBIA	(11,161)a/	(11,161)a/
PERU	(97,031)a/	(18,136)a/
EL SALVADOR	104,500	95,700
GUATEMALA	1,500	1,500
GUYANA	2,000	2,000
HAITI	5,000	5,000
HONDURAS	4,300	4,300
JAMAICA	2,000	2,000
LATIN AMERICA & CARIBBEAN REGIONAL	6,412	6,412
NICARAGUA	55,000	55,000
PANAMA	6,000	2,342
REGIONAL TOTAL	336,404	245,051
EAST ASIA & PACIFIC:		
BURMESE STUDENTS	1,000	0
CAMBODIA ECONOMIC DEVL	10,000	9,000
MONGOLIA	8,000	8,000
PHILIPPINES	25,000	5,000
SOUTH PACIFIC TUNA TREATY	14,000	14,000
SOUTHEAST ASIA REGIONAL	25,000	24,000
REGIONAL TOTAL	83,000	60,000
EUROPE:		
CYPRUS	15,000	10,000
TURKEY	125,000	125,000
REGIONAL TOTAL	140,000	135,000
NEAR EAST & SOUTH ASIA:		
AFGHAN HUMANITARIAN	10,000	10,000
EGYPT	815,000	747,000
ISRAEL	1,200,000	1,200,000
JORDAN	15,000	15,000
LEBANON	2,800	2,800
MIDDLE EAST REGIONAL COOPERATION	7,000	7,000
MOROCCO	20,000	17,000
OMAN	5,000	0
TUNISIA	3,000	0
WEST BANK/GAZA	25,000	25,000
REGIONAL TOTAL	2,102,800	2,023,800
NON-REGIONAL:		
FHA/OFDA	1,200	200
NON-REGIONAL TOTAL	1,200	200
TOTAL OBLIGATION AUTHORITY/ OBLIGATIONS	2,670,404 b/	2,470,551

	ESTIMATED FY 1994	
	OBLIGATION AUTHORITY	OBLIGATIONS (GRANT)
MIDDLE EAST PEACE:		
EGYPT	815,000	815,000
ISRAEL	1,200,000	1,200,000
JORDAN	9,000	9,000
LEBANON	4,000	4,000
MIDDLE EAST REGIONAL COOPERATION	7,000	7,000
MOROCCO	3,000	3,000
MULTILATERAL PEACE PROCESS	1,000	1,000
TUNISIA	1,000	1,000
WEST BANK/GAZA	25,000	25,000
TOTAL	2,065,000	2,065,000
REGIONAL SECURITY AND DEFENSE COOPERATION:		
TURKEY	120,000	120,000
TOTAL	120,000	120,000
ECONOMIC DEVELOPMENT:		
AFGHAN HUMANITARIAN	2,000	2,000
CAMBODIA ECONOMIC DEVL	8,000	8,000
EASTERN CARIBBEAN	1,000	1,000
EL SALVADOR	45,000	45,000
MACEDONIA	5,000	5,000
NICARAGUA	10,000	10,000
TOTAL	71,000	71,000
COUNTERNARCOTICS:		
ANDEAN NARCOTICS INITIATIVE:	35,000 a/	35,000 a/
BOLIVIA	(25,000)a/	(25,000)a/
COLOMBIA	(1,000)a/	(1,000)a/
PERU	(9,000)a/	(9,000)a/
TOTAL	35,000	35,000
DEMOCRATIC DEVELOPMENT:		
AFRICA DEMOCRACY SUPPORT PROGRAM	15,000	15,000
HAITI	12,000	12,000
LATIN AMERICA & CARIBBEAN REGIONAL	6,562	6,562
PANAMA	4,000	4,000
SOUTHEAST ASIA REGIONAL	7,000	7,000
TOTAL	44,562	44,562
MISCELLANEOUS:		
CYPRUS	15,000	15,000
SOUTH PACIFIC TUNA TREATY	14,000	14,000
TOTAL	29,000	29,000
TOTAL OBLIGATION AUTHORITY/ OBLIGATIONS	2,364,562	2,364,562

a/ Preliminary allocation of Andean Narcotics Initiative funds.
b/ Does not include $19,704 thousand for Ireland.

FUNDING
(Dollars in Thousands)

INTERNATIONAL MILITARY EDUCATION & TRAINING PROGRAM

	Actual FY 1993	Estimated FY 1994	Proposed FY 1995
IMET Program	42,500	21,250	-
Unobligated Programs	(245)	-	-
Total Obligations	42,255	21,250	-
Unobligated Balance Lapsing	245	-	-
Budget Authority	42,500	21,250	-
Net Outlays	35,838	25,625	18,075

ECONOMIC SUPPORT FUND

	Actual FY 1993	Estimated FY 1994	Proposed FY 1995
Country and Regional Programs	2,857,275	2,687,263	-
Total Program (Obligations)	2,857,275	2,687,263	-
Recovery of Prior Year Obligations	(74,033)	(104,000)	-
Unobligated Balance Available, Start of Year	(534,206)	(421,701)	-
Unobligated Balance Available, End of Year	421,701	-	-
Unobligated Balance Lapsing	5,096	-	-
Budget Authority	2,675,833	2,161,562	-
Appropriation:	2,670,000	2,364,562	-
Rescission	(37,500)	(203,000)	-
Transfers	424	-	-
Appropriation (Adjusted)	2,632,924	2,161,562	-
Reappropriation	23,172	-	-
Net Outlays	3,230,847	2,868,569	1,228,574

(Dollars in Thousands)

INTERNATIONAL MILITARY EDUCATION & TRAINING PROGRAM

Fiscal Year	Executive Branch Request	Authorized	Appropriated
1976 a/	37,000	33,750	28,750
1977	32,200	30,200	25,000
1978	35,000	31,000	30,000
1979	32,100	31,800	27,900
1980	32,900	31,800	25,000 d/
1981	32,500	34,000	28,400 d/
1982	42,000	42,000	42,000
1983	53,700 o/	43,000	46,000
1984	56,532	56,452	51,532 d/
1985	60,910	r/	56,221 d/
1986	65,650	56,221	54,490 s/
1987	68,830	56,000	56,000
1988	56,000	v/	47,400
1989	52,500	w/	47,400
1990	54,500	y/	47,196 A/
1991	50,500	B/	47,196
1992	52,500	C/	47,196 G/
1993	47,500	H/	42,500 I/
1994	42,500	J/	21,250 J/

NOTE: (1) The Military Assistance Program included International Military Education and Training Program prior to FY 1976.
(2) The Administration has not proposed Military Assistance Programs subsequent to FY 1990.

a/ The Mutual Security Act of 1959, P.L. 86-108, approved July 24, 1959, states "There is hereby authorized to be appropriated to the President for the fiscal year 1961 and 1962 such sums as may be necessary from time to time to carry out the purpose of this chapter, which sums shall remain available until expended."
b/ Foreign Assistance Act of 1961 authorized $1,700,000 thousand; no executive branch request for authorization was required.
c/ Does not include MAP drawdowns of $75,000 thousand in FY 1965 and $300,000 thousand in FY 1966, or Section 506(a) drawdowns of $1,000 thousand in FY 1980; $26,000 thousand in FY 1981; $55,000 thousand in FY 1982; $25,000 thousand in FY 1983; $40,000 thousand in FY 1986; and $25,000 thousand in FY 1987.
d/ CRA limitation.
e/ Includes funds requested separately for proposed International Military Education and Training Program finally authorized and appropriated as part of the Military Assistance Program. Does not include $2,500,000 thousand for Section 506 drawdown authority.
f/ Includes $5,000 thousand transferred to AID.
g/ Does not include $75,000 thousand for Section 506 drawdown authority.
h/ Includes transitional quarter (FY 197T).
i/ Does not include $275,000 thousand for Section 506 drawdown authority.
j/ Includes $40,200 thousand subsequently rescinded.
k/ Includes a $50,000 thousand supplemental for Turkey.
l/ Includes a $1,700 thousand Senate supplemental for Sudan.
m/ Does not include $7,100 thousand reimbursement for Section 506 drawdown authority.
n/ Reflects the amended budget request but not the $187,000 thousand supplemental budget request.
o/ Reflects initial budget request; excludes $1,000 thousand supplemental request.
p/ Reflects initial budget request; excludes $259,050 thousand supplemental request for Central America.
q/ Includes supplemental appropriation of $201,750 thousand for Central America.
r/ Authorization waived in Continuing Resolution (P.L. 98-473).
s/ Reflects amounts appropriated under P.L. 99-190 (final CRA). Pursuant to P.L. 99-177 (Gramm-Rudman-Hollings) $33,626 thousand of MAP and $2,343 thousand of IMET are not available for obligation.
t/ Includes supplemental appropriation of $50,000 thousand for the Republic of the Philippines.

MILITARY ASSISTANCE PROGRAM AND INTERNATIONAL MILITARY EDUCATION & TRAINING PROGRAM (Continued)

u/ Includes a supplemental request of $261,000 thousand.
v/ Authorization waived in Continuing Resolution (P.L. 100-202).
w/ Authorization waived in P.L. 100-461.
x/ P.L. 101-45 transferred $2,000 thousand to contributions for international peacekeeping activities (Budget Account 19-9-1124).
y/ Authorization waived in P.L. 101-167.
z/ Administrative costs formerly designated as MAP General Costs (1080 account) are included in the Foreign Military Financing Appropriation (1082 account) effective 1 October 1989.
A/ Congress appropriated $47,400 thousand which was reduced by .43% for use in the control of illicit drugs, resulting in $47,196 thousand available to the IMET program.
B/ Authorization waived in P.L. 101-513.
C/ Authorization waived in P.L. 102-109 and P.L. 102-145.
D/ P.L. 102-298 rescinded $6,750 thousand of prior year balances and $5,760 thousand of previously disbursed amounts.
E/ P.L. 102-298 rescinded $20,164 thousand of prior year balances.
F/ Amount proposed for rescission against FY 1993 and prior year programs/appropriations.
G/ P.L. 102-266 appropriated $47,196 thousand for FY 1992. P.L. 102-298 rescinded $1,925 thousand and P.L. 102-381 reduced it an additional $698 thousand for a net availability of $44,573 thousand.
H/ Authorization waived in P.L. 102-391.
I/ P.L. 102-391 appropriated $42,500 thousand for FY 1993.
J/ P.L. 103-87 appropriated $21,250 thousand for FY 1994. The Authorization was waived.

ECONOMIC SUPPORT FUND

Fiscal Year	Executive Branch Request	Authorized	Appropriated
1964	435,000	380,000	330,000
1965	405,000	405,000	401,000
1966	754,000	684,000	684,000
1967	750,000	715,000	690,000
1968	720,000	660,000	600,000
1969	595,000	410,000	365,000
1970	515,000	414,600	395,000
1971	600,000	414,600	414,600
1972	800,000	618,000	550,000
1973	848,800	a/	600,000 a/
1974	732,000	629,000	611,500
1975	1,425,300	1,377,000	1,200,000
1976	1,923,300	1,856,200	1,739,900
197T	50,200	464,100 b/	279,700 b/
1977	1,893,500	1,895,000	1,757,700
1978	2,232,200	2,235,000 c/	2,219,300 c/
1979 d/	2,204,400 e/	2,202,000	2,282,000
1980	2,115,100 e/f/	1,935,000	1,946,000 g/
1981	2,030,500	2,065,300	2,104,500 g/
1982	2,931,500	2,973,500	2,926,000
1983	2,886,000 h/	2,873,500	2,962,250 g/
1984	2,949,000 i/	3,074,000	3,254,250 g/j/
1985	3,438,100	k/	6,084,000 l/
1986	4,024,000	3,800,000	3,800,000 m/n/
1987	4,390,800 o/	p/	3,600,000 q/
1988	3,600,000 r/	3,200,820 r/	3,200,820 r/
1989	3,281,000 r/	3,258,500	3,258,500
1990	3,849,100 s/	3,916,510 t/	3,916,510 t/
1991	3,358,000 u/	3,175,000 v/	3,175,000 v/
1992	3,240,000 w/	3,216,624 g/	3,216,624 g/
1993	3,123,000 x/	2,670,000	2,670,000
1994	2,582,000	2,364,562	2,364,562

a/ CRA level - $618,000 thousand. There was no authorization level in FY 1973.
b/ Section 506 of the International Security Assistance and Arms Control Act of 1976, P.L. 94-329, quarter not to exceed one-fourth of the total amount authorized in that Act for FY 1976.
c/ Includes $300,000 thousand for Portugal; also $20,000 thousand for Lebanon, authorized as Disaster Assistance, but appropriated in the Security Support Assistance (SSA) account.
d/ Includes a $300,000 thousand supplemental for Egypt and $100,000 thousand for Turkey.
e/ Executive Branch request included ESF and PKO in one account--Security Supporting Assistance (SSA).
f/ Includes an $80,000 thousand supplemental for Central America.
g/ CRA limitation.
h/ Reflects initial budget request. Does not include the $294,500 thousand supplemental budget request.
i/ Reflects initial budget request. Does not include the $340,500 thousand supplemental appropriation for Central America or the $10,000 thousand for Poland.
j/ Includes supplemental appropriation (P.L. 98-332).
k/ Authorization waived in Continuing Resolution Authority (P.L. 98-473 for FY 1985, and P.L. 99-500 for FY 1987).
l/ Includes FY 1985 Supplemental of $2,258,000 thousand.
m/ Reflects amounts appropriated under P.L. 99-190 (final CRA). Pursuant to P.L. 99-177 (Gramm-Rudman-Hollings), $159,358 thousand not available for obligation.
n/ Includes $100,000 thousand supplemental for the Republic of the Philippines.
o/ Includes a supplemental request of $297,000 thousand.
p/ The International Development and Security Act of 1985 (P.L. 99-83) authorized $3,800,000 thousand for both FY 1986 and FY 1987.
q/ Includes $50,000 thousand deobligation/reobligation reappropriation.
r/ Includes $12,500 thousand deobligation/reobligation reappropriation estimate.
s/ Includes $18,000 thousand deobligation/reobligation reappropriation estimate and a $500,000 thousand supplemental for Panama.

ECONOMIC SUPPORT FUND (Continued)

t/ Includes $20,000 thousand for Ireland (less $145 thousand sequestration pursuant to P.L. 99-177), minus $50,000 thousand pursuant to P.L. 101-167 and $755,000 thousand supplemental (P.L. 101-302) for Panama, Nicaragua, Namibia and South Africa.
u/ Includes $14,000 thousand reappropriation estimate.
v/ Includes $14,000 thousand reappropriation estimate and $30,200 thousand transferred to other accounts. Includes $20,000 thousand for Ireland.
w/ Includes $12,000 thousand reappropriation estimate.
proposed for rescission.
x/ Includes $11,000 thousand reappropriation estimate.

SUPPORT FOR DEMOCRATIC PARTICIPATION

USAID considers the transition to and consolidation of democratic regimes throughout the world a critical element in promoting sustainable development. Democracy facilitates the protection of human rights, informed participation, and public sector accountability. USAID's success in the other core areas of sustainable development, therefore, is inextricably related to democratization and good governance.

USAID programs will aim at establishing democratic institutions, an informed populace, a civic society, and a relationship between state and society that encourages pluralism, inclusion, and peaceful conflict resolution. Emphasis will be placed on promoting respect for the rule of law and human rights, free and fair electoral processes, an enhanced civil society, and accountable and transparent government institutions.

USAID seeks to replicate and expand recent successes in the democracy area such as:

- the creation of a network of independent television stations in Ukraine that now has a larger viewership than Ukrainian state television and that produces more than two hours of daily news programming (through grants supporting the efforts of Internews' International Media Center in Kiev);

- the establishment of local government associations, including the Association of Polish Cities, the Czech Union of Town and Communities, and the Slovak Union of Towns and Communities, which now play an important role in promoting decentralization (through the efforts of the International City Managers Association);

- support for the formation of the Inter-American Institute for Human Rights, located in San Jose, Costa Rica, which is now the premier institution in the Western Hemisphere for research and education on human rights and, through a subsidiary, on election matters;

- promotion of judicial reform in Colombia, Argentina, Uruguay and several other Latin American countries has resulted in constitutional and legislative changes in prosecuting criminal cases, the creation of alternative dispute resolution mechanisms and, generally, a more independent judiciary and a more "human rights" literate population; and,

- support for work directly with human rights and other non-governmental organizations in South Africa, thus allowing these groups to play a key role in voter education and election monitoring programs as part of the transition process underway.

USAID will not only provide democracy support to sustainable development countries, but will also respond to opportunities to expand democracy in other countries in political transition.

Democratization is ultimately an internally driven process. Sustainable democracy is a fact when indigenous forces within a society can maintain and strengthen democracy without external support. USAID's programs will aim at this outcome.

USAID is requesting $179 million in Sustainable Development funds in FY 1995 to finance democratic participation activities. **The Agency's Congressional Presentation provides a detailed description of its budget request and proposed programs for the coming year.**

TRANSITION INITIATIVE

The United States has a long and generous tradition of providing assistance to the victims of man-made and natural disasters. USAID's FY 1995 funding request consists of International Disaster Assistance, including $20 million for a new Transition Initiative.

In many complex and prolonged disasters, particularly those with political origins, a transition to new political and economic institutions is essential for effective recovery. This initiative will provide mechanisms to rapidly assess the political and economic issues associated with the transition, implement on-the-ground programs that answer urgent short-term needs and begin the process of institutional and political recovery, and ensure a coordinated U.S. Government and international donor response.

Examples of activities which might be financed under this initiative include:

- demobilization and reintegration of soldiers, including employment, housing and retraining programs;
- electoral preparations, including the establishment of an election commission, civic education, voter registration, election monitor training and international election observation;
- constitutional development, including the formation of a constituent assembly, a referendum on the adoption of a constitution, and related civic education; and
- reestablishment of the rule of law, including local security.

This Transition Initiative provides tools for a rapid, short-term response as soon as it is clear the transition has sufficient momentum to permit effective action. Once the situation is stabilized, these short-term activities would be phased out and, if appropriate, traditional economic assistance programs begun.

USAID is requesting $20 million in Humanitarian Assistance Funds in FY 1995 to finance the new Transition Initiative. **The Agency's Congressional Presentation provides a detailed description of its budget request and proposed Transition Initiative activities for the coming year.**

INFORMATION AND EXCHANGE

The United States Government has engaged in foreign information programs, international broadcasting, and publicly funded educational and cultural exchange programs since World War II. These public diplomacy activities evolved throughout the 20th century as the U.S. became a world power and as communications technology advanced.

Since 1952, the United States Information Agency (USIA) has been charged with the conduct of public diplomacy within the foreign policy parameters set by the Secretary of State. The Director of USIA reports directly to the President. Principal authority for U.S. public diplomacy is contained in the Smith-Mundt Act of 1948 and the Fulbright-Hays Act of 1961.

The organization of the Agency has changed over time, and mission statements have varied in thematic emphasis, but the core purposes have remained constant:

- To explain and advocate U.S. policies in terms that are credible and meaningful in foreign cultures;
- To provide information about the United States, its people, values and institutions;
- To build lasting relationships and mutual understanding through the exchange of people and ideas;
- To advise the President and other policy makers on the conduct of public diplomacy and on foreign public opinion and its implications for proposed policies.

USIA constitutes a key element of U.S efforts to promote democracy by increasing foreign understanding of the U.S. and of democratic values, processes, and policy. USIA conducts exchange programs for foreign leaders and scholars, distributes books and operates resource, information and cultural centers. The consolidation of U.S. international radio broadcasting under the agency's management in 1995 will reduce costs and increase flexibility to meet the information needs of a rapidly changing world.

One time consolidation costs and the integration of all broadcasting funds under USIA will increase budget authority for the Agency to $1.4 billion. Outlay savings from this consolidation will total more than $260 million by the end of 1997. USIA is also restructuring internally to streamline core programs, consistent with the National Performance Review, leading to budget savings of over $15 million in 1995.

USIA's Congressional Presentation provides a detailed description of its budget request and proposed programs for the coming year.

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