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31 May 1979

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INTERNATIONAL ISSUES REVIEW

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This is the first in a series of articles that will review key issues and country attitudes toward the World Administrative Radio Conference in September. [Redacted]

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[REDACTED]

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[REDACTED]

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Qadhafi has modified his country's role as a patron of international terrorism directed at the West, but he still underwrites Arab guerrillas as well as other Third World "national liberation" groups.

[REDACTED]

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[Redacted]

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Littoral State Attitudes Toward Indian Ocean

Arms Control*

[Redacted]

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Arms control in the Indian Ocean centers on two general objectives:

- A negotiated limitation of the US and Soviet military presence.
- Establishment by the regional states of a "Zone of Peace."

For several reasons, the Indian Ocean littoral states will probably express their views on these topics more forcefully during the coming months than before. Even though nearly all of them voice support for a zone of peace and the eventual exclusion of the superpower military presence, their positions on specific issues vary considerably. They will thus have difficulty in harmonizing their views at the first formal meeting of Indian Ocean littoral and hinterland states, to be held in early July.

[Redacted]

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* * *

During the last decade, there has been both a gradual buildup of Soviet and US military presence in the Indian Ocean and an acceleration of multilateral diplomacy intended to remove or limit this presence. Littoral states have become increasingly discontented with the lack of progress in the US-Soviet negotiations on the Indian Ocean that were suspended in February 1978. The USSR has abetted this discontent by voting in favor of the last two zone of peace resolutions in the UN General Assembly and publicly blaming the United States for the lack of progress. The Iranian revolution and the recent deployment of a US carrier task force to the Indian Ocean,

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together with continuing conflict in the Horn of Africa and the Yemens, have further heightened the interest of the littoral states in the superpowers' intentions in the area. Against this backdrop, preparations for the meeting in July have already begun in the UN Ad Hoc Committee on the Indian Ocean. [REDACTED]

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Security Concerns of Individual States

Littoral state attitudes toward Indian Ocean arms control vary because of the complexity of the issues involved and because many of these states consider the subject secondary to more parochial security concerns:

- Australia shares most US interests but has special concerns about US freedom of action to defend Western Australia.
- Members of the Association of Southeast Asian Nations (ASEAN) are active in regional arms control efforts but are more interested in Southeast Asia than in the entire Indian Ocean. They favor a continued US presence to offset Soviet forces in the region.
- South Asian littoral states' views reflect India's dominance in the region. India strongly supports removal of the superpowers' presence, and the other littoral states are more ambivalent and increasingly look to outside powers to check India's ambitions.
- Iran's new government probably will become more active in supporting nonaligned themes, including a zone of peace.
- Moderate Arab states like Egypt and Saudi Arabia are apprehensive about Soviet intentions and desire a continued, although not conspicuous, US presence in the area.
- Radical Arab regimes are partial to a continued Soviet military presence in the Indian Ocean. South Yemen favors, and Iraq tolerates, such a presence in order to counter US support of the moderate states.

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- African states have widely varied ideologies, and their views are shaped by conflicts in the Horn, Uganda, and Southern Africa. On Indian Ocean issues, they tend to support whatever great power supports positions of concern to them.
- The island republics have diverse ideologies but share a high interest in Indian Ocean arms control. [REDACTED]

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Responses to US-Soviet Negotiations

Because the littoral states resent their exclusion from the bilateral negotiations, they will probably continue to criticize the talks even if they show progress. Public attitudes of many littoral states toward the bilateral talks differ from their private views, however.

[REDACTED]

If the United States formally terminated the talks, littoral state rhetoric on the subject would change little, probably becoming only somewhat more critical of the United States. Resumption of the negotiations would dampen criticism of the superpowers only slightly and would not preempt efforts to involve regional states more directly in Indian Ocean arms control. Although virtually all littoral states would acknowledge a US-Soviet agreement as a positive step, the extent of public enthusiasm would chiefly depend on whether the agreement:

- Committed the superpowers to future reduction and eventual elimination of their military presence, rather than merely freezing the level of forces in the Indian Ocean.
- Provided for littoral state participation in regional arms control, and preferably accepted the concept of a zone of peace and the need for a full-scale conference on the Indian Ocean in the near future. [REDACTED]

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Private attitudes toward a resumption or termination of the talks or a bilateral agreement would depend more on the balance between US and Soviet forces in that region. Further setbacks in the talks would disappoint

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moderate littoral states that wish to control arms in the region and restrain their radical neighbors from taking more extreme positions. These same states would welcome a resumption of negotiations but would look for signs--particularly in the two superpowers' naval activity--that the United States was becoming unwilling to counter the Soviet presence in the region. Their desire for reassurance in this regard might lead most of them to view US termination of the talks as the best response to any further buildup of Soviet forces in the Indian Ocean. [REDACTED]

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Littoral states have a special interest in issues in the bilateral negotiations that either involve possible military activity on their own territories or that have been specifically mentioned in multilateral diplomacy on the Indian Ocean. Australia, for example, is keenly interested in the superpowers' definition of the region, that is, the extent of the waters around Australia that would be subject to an agreement. Several pro-Western states would view with concern any restriction on the use of land-based strike aircraft. Even more states would be interested in the utilization of facilities by US and Soviet warships, and most of them would support the US position that utilization of a port beyond routine port calls should be defined and limited. [REDACTED]

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Diplomacy of the Zone of Peace Concept

The proposal for an Indian Ocean zone of peace is part of the general demand for greater progress in disarmament that the less developed countries (LDCs) have made on the industrialized world and thus has broad support among LDCs, including those outside the Indian Ocean region. There are significant differences among the littoral states, however, on the meaning of a zone of peace. Such a definition will be based on a 1971 UN General Assembly resolution, but that document is only a framework. [REDACTED]

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The littoral states agree to the eventual exclusion from the Indian Ocean of any great power military presence. There is disagreement, however, on:

- The definition of military presence (should it include such activities as intelligence gathering).

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- The limits of the zone (should it include the littoral and hinterland states, as well as all foreign controlled islands).
- The timing of great power withdrawal (either a freeze on deployments and a graduated reduction of forces, or immediate withdrawal).

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There is more serious disagreement over the extent of the restriction of littoral state military activity. Such disagreement is manifested most clearly in Pakistan's proposal--rejected by India--that the littoral states should maintain forces in a "reasonable ratio" to those of their neighbors and in the questions of establishing an Indian Ocean collective security system and a regional code of conduct. The disagreement stems from differences in military strength and concern about the intentions of countries excluded from the zone of peace or deliberations on it (for example, the concerns of ASEAN over Vietnam, India over China, the Arab states over Israel, and the Frontline States over South Africa).

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The littoral states generally agree that great power military withdrawal should include the exclusion from the Indian Ocean of foreign nuclear weapons. Pakistan, however, has argued that a zone of peace should include a binding renunciation of nuclear weapons by the littoral states. Most other littoral states believe that nuclear proliferation should be examined in a broad context that includes the need to reduce the nuclear arsenals of the superpowers. They would, therefore, probably oppose a formulation that placed them under a special nonproliferation obligation.

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Although the meeting in July is intended to harmonize the views of littoral states, the task will be difficult. The document currently being prepared for the meeting is a declaration that will probably be little more specific than the resolution in 1971 of the UN General Assembly--particularly in regard to the obligations of littoral states. Some littoral states, especially India and Australia, which believe that negotiation of specifics should be deferred to an Indian Ocean conference or to a time when all great powers are ready to accept a zone of peace, would find such a result satisfactory. There

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may be some pressure to set a date (perhaps as early as 1980) for a conference, but both the disagreements among the littoral states and the reservations of the great powers will encourage further delay.

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The Committee on Disarmament Charts Its Course



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The initial three-month meeting in Geneva of the new Committee on Disarmament (CD), which ended on 27 April, was devoted mostly to writing the Committee's agenda. The agenda received this attention because it became a vehicle for debating the Committee's proper relationship with other multilateral bodies and the degree of its involvement in the negotiation of arms control agreements. This debate, an extension of one that took place a year ago at the UN General Assembly's Special Session on Disarmament, was also part of a broader contest for influence in the disarmament process.



The agenda that was adopted is structured to accommodate a variety of concerns, but is generally more favorable to the West than to the Soviet bloc or the nonaligned states. The issues that underlay the agenda contest have not been resolved and will probably resurface in the future. The result suggests, however, that the new committee--like its predecessor, the Conference of the Committee on Disarmament (CCD)*--will deliberate more than it will negotiate. That is, it will discuss arms control issues but will be less important in the writing of agreements than more restricted East-West forums.



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Nonaligned Objectives

The nonaligned states had most strongly favored reforming the CCD. Its metamorphosis into the CD, which included an expansion of membership and abolition of the

*The CCD was one of a series of bodies designated as multilateral negotiating forums for disarmament. It replaced the Eighteen-Nation Disarmament Committee in 1969 and held its final session last year.



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US-Soviet cochairmanship, appeared to give the nonaligned countries a greater opportunity to influence its work. To profit from this opportunity, the nonaligned states approached the initial CD session with three principal objectives:

- To make the CD a true negotiating body, rather than a mere deliberative appendage to negotiations among the major powers.
- To strengthen the Committee's link to the UN General Assembly, whose broad membership and voting produce decisions that usually lean far toward the nonaligned viewpoint.
- To establish the Committee's competence to address a broad range of disarmament issues. 25X1

The first objective implies a short agenda--a manageable list of topics on which the CD could realistically expect to make progress in the near future. The second objective implies that these topics should be tied to decisions of the UN General Assembly. Accordingly, the Group of 21 (the nonaligned caucus in the CD) prepared a preliminary draft agenda containing only seven substantive items, all but one of which were keyed to resolutions of the 33rd UN General Assembly. 25X1

A more extensive agenda, however, would better establish the committee's right to examine a large number of issues. These conflicting goals generated a split in nonaligned ranks. Several members of the Group of 21 were dissatisfied with the preliminary draft agenda because they had wanted to include most of the program of action adopted by the Special Session and obtain a broad definition of CD authority. Others believed that a more selective agenda was required to make the new negotiating body work. 25X1

Eastern and Western Objectives

Although neither the Western group nor the Soviet Bloc shares the desire of the Group of 21 to make the CD both wide-ranging and influential, they took sharply contrasting approaches toward the agenda. The East presented a draft with three specific items and maintained

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that all items should be subject to discussion this year. The West favored a long, general agenda to serve as a semipermanent menu from which topics could be selected in drawing up each year's work program. [redacted]

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Differences within the Western group were over individual agenda items, rather than the document's overall form and length. The most contentious of these was verification; the Netherlands wanted, and the US resisted, language that could be taken as support for the Dutch proposal of establishing an international agency to monitor arms control agreements. A compromise, included in the Western draft agenda, referred more generally to "appropriate international verification methods and procedures." [redacted]

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The long Western draft included several items not found in the provisional nonaligned draft: conventional weapons, regional disarmament, verification, arms control in outer space, and confidence-building and other collateral measures. The introduction states that the agenda only "took into account" the proposals of committee members and recommendations of the UN General Assembly, rather than being "based exclusively" on them as was the Group of 21's draft. It also described the individual items as subjects "to consider" in "its future work at appropriate stages," and made no commitment to debate any one of them at a particular session. [redacted]

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The Solution: The Three-Level Agenda

To bridge the differences within the Group of 21, and between it and the other groups, Mexican Ambassador Garcia Robles proposed a three-part document, to include:

- An introductory statement of the subjects the committee considered itself competent to address (the "decatalogue").
- The subjects to be considered in 1979.
- A work program for the first portion of the 1979 session. [redacted]

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Garcia Robles' formula was cumbersome but was adopted because it accommodated the variety of objectives at stake, or at least permitted the more contentious of the issues imbedded in the agenda debate to be sidestepped for the time being.* The "decatalogue" satisfied those who wanted to place on the record a broad mandate for the CD even if some of the subjects were not ripe for negotiation. The items are worded in such general terms that none can be tied to a particular initiative that would be insupportable to some states. The separate annual agenda defers to those who believe a negotiating body should concentrate annually on only a portion of its mandate. The agenda lists items that "would be considered" in conformity with the CD's rules of procedure--ambiguous wording that enables the West to maintain the distinction between the agenda and the work program but still permits the interpretation that every agenda item would at least be "considered" this year. [REDACTED]

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Specific Items

Because some issues are difficult to phrase without implying how they ought to be resolved, a debate on an agenda can often slide into one on substance. Agreement on the overall form of the CD's agenda opened the way for such debates on several specific items. [REDACTED]

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One such issue was a nuclear test ban. Discussion indirectly raised the questions of peaceful nuclear explosions (PNEs), and Chinese and French adherence to a test ban agreement. The West favored the wording "comprehensive test ban," but the USSR preferred a reference to a "general" ban (that is, including China and France) on nuclear "weapons" testing (that is, excluding PNEs). India's compromise language--"nuclear test ban"--was finally adopted. [REDACTED]

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A similar disagreement concerned nuclear disarmament. The USSR wanted this item to incorporate the Soviet proposal for negotiations on the production and stockpiling of nuclear weapons that had been introduced in the committee in early February. The Group of 21 included the Soviet proposal in its draft, but the West opposed specific reference to it. The committee eventually agreed

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*The final agenda is reproduced in the annex to this article. [REDACTED]

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to the neutral phrase, "cessation of the nuclear arms race and nuclear disarmament," which mentioned neither the Soviet initiative nor a proposal, included in the Western draft, of a production cutoff of fissionable material for weapons purposes. [REDACTED]

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The final issue of debate was whether to make explicit mention of verification methods in the decalogue. The USSR argued that the subject could not be discussed separately. France, however, which had already agreed in the Western group to forgo a specific reference to its proposal for an international verification agency, insisted that it could. The Soviets tried to use the "neutron bomb" as a bargaining chip and offered not to press for a reference to it, if the West would concede on verification. Mexico proposed a package deal whereby the issue of the neutron bomb would be left out of the agenda and verification would be relegated to a chairman's interpretative statement about "collateral measures." The United States maintained, however, that a reference to the neutron bomb was totally unacceptable and could not be considered as a trade-off for anything. The French were adamant about including verification in the decalogue itself, and the Soviets, who were probably reluctant to offend them on the eve of President Giscard's visit to Moscow, acquiesced to a reference to verification methods "acceptable to all parties concerned." [REDACTED]

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Reasons for the Outcome

The structure of the CD agenda appears at first glance to defer to nonaligned wishes. The decalogue defines the committee's mandate broadly, and the annual agenda contains only five substantive items. Closer inspection, however, reveals that its content is more satisfactory to Western states: It is not based on UN General Assembly resolutions, and the items are worded in the most general possible terms, with no explicit mention of Soviet or nonaligned proposals. [REDACTED]

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This outcome was partly due to disunity in the Group of 21. The nonaligned were divided on the overall objectives to be emphasized and on specific issues. Some members opposed cataloguing all UN General Assembly stands on disarmament because they were opposed to some

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of the Assembly resolutions and wanted to keep the agenda manageable. Others spoke in plenary session in favor of topics that had already been discarded in the Group of 21's caucus (for example, Mexico's discussion on regional disarmament.) Greater harmony existed within the Western group; even France, an assertive committee member, avoided positions far removed from those of its allies. [REDACTED]

To a large extent, the outcome was an unavoidable product of the logic of agenda-writing, which often requires vague language or outright omission to avoid a stalemate over substantive issues. In other words, an agreed agenda is a least common denominator. This is why the 1979 CD agenda contains few items and why they are worded in such general terms. [REDACTED]

Implications of the Outcome

The agenda fight demonstrated how nonaligned participation in disarmament is limited by fundamental East-West differences. In most debates on specific issues, the nonaligned members were spectators or, at most, mediators. For nonaligned states to insist that a major power accept language that it finds unacceptable on an issue like nuclear testing ignores the realities that have so far prevented an agreement on the subject. The Group of 21 did insist on a cosmetic change to the verification item, but this was merely a showing of the flag to emphasize that the nonaligned states still yearn to participate meaningfully in CD decisions. [REDACTED]

Once the decalogue and the annual agenda were complete, the work program for the first portion of the 1979 session was easily adopted. This was chiefly because the battle over the annual agenda left only seven working days before the CD recessed. It was also due to a general reluctance to reopen any of the issues that the Committee had belabored. An attempt by the USSR and its allies to reintroduce the language of Moscow's nuclear weapons proposal quickly died from lack of support, and the more general language from the annual agenda was used for the work program as well. [REDACTED]

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25X1 Writing a work program will probably not be as easy for the summer portion of the 1979 session, which opens on 12 June. Disagreement over the CD's proper role has been deferred, not resolved. There is still pressure to involve the Committee more directly in the negotiation of agreements, particularly one that deals with chemical weapons. [REDACTED]

25X1 Nevertheless, the agenda points to a CD that, like the CCD, will be a deliberative forum more than a negotiating body. The agenda permits members to discuss their favorite proposals and to ignore those of others. The members of the Group of 21 have undoubtedly reached a similar conclusion; they have seen that their disunity and division--not collusion--between the superpowers resulted in the failure to chart a more precise course for the Committee. They may have already lowered their hopes for what the Committee can achieve and consequently might look more to the larger Disarmament Commission and the UN General Assembly to convey their messages on disarmament. The USSR, which failed to gain more attention for its proposal on nuclear weapons, is also less likely to carry out any plans it had to make more extensive use of the CD. It will probably continue the conservative approach it took in the CCD--that is, seek mainly to minimize any damage that the multilateral body might do to Moscow's image or to the security objectives it pursues in negotiations with the United States. [REDACTED]

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ANNEX

AGENDA OF THE COMMITTEE ON DISARMAMENT

The Committee on Disarmament, as the multilateral negotiating forum, shall promote the attainment of general and complete disarmament under effective international control.

(DECALOGUE)

The Committee, taking into account, inter alia, the relevant provisions of the final document of the first Special Session of the General Assembly devoted to disarmament, will deal with the cessation of the arms race and disarmament and other relevant measures in the following areas:

- I. Nuclear weapons in all aspects.
- II. Chemical weapons.
- III. Other weapons of mass destruction.
- IV. Conventional weapons.
- V. Reduction of military budgets.
- VI. Reduction of Armed Forces.
- VII. Disarmament and development.
- VIII. Disarmament and international security.
- IX. Collateral measures; confidence-building measures; effective verification methods in relation to appropriate disarmament measures, acceptable to all parties concerned.
- X. Comprehensive program of disarmament leading to general and complete disarmament under effective international control.

(1979 AGENDA)

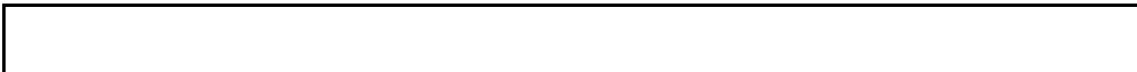
Within the above framework, the Committee on Disarmament adopts the following agenda for 1979 which includes items that, in conformity with the provisions of Section VIII of its Rules of Procedure, would be considered by the Committee:

1. Nuclear test ban.
2. Cessation of the nuclear arms race and nuclear disarmament.
3. Effective international arrangements to assure nonnuclear weapon states against the use or threat of use of nuclear weapons.
4. Chemical weapons.
5. New types of weapons of mass destruction and new systems of such weapons; radiological weapons.
6. Consideration and adoption of the annual report and any other report as appropriate to the General Assembly of the United Nations.

(WORK PROGRAM)

In compliance with Rule 28 of its Rules of Procedure, the Committee also adopts the following program of work for the first part of its 1979 session:

1. Cessation of the nuclear arms race and nuclear disarmament: April 19-23.
2. Chemical weapons: April 24-27.





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ASEAN-US Relations: Security Assistance



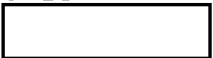
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During the last six months, turmoil in Iran and Indochina has given impetus to reexaminations of individual security policies by each of the five member governments of the Association of Southeast Asian Nations--Indonesia, Malaysia, the Philippines, Singapore, and Thailand. Defense officials advocate accelerating current--or embarking upon new--programs to expand and modernize their modest armed forces. There are indications that most of these governments contemplate additional defense expenditures but that they hope to avoid any substantial reallocation of resources. Economic and social development is still viewed as the best "defense." Hence, the funding of envisaged military programs will require relatively generous foreign credits in order to spread the costs over a number of years and to keep expenditures around 5 to 7 percent of GNP.



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The ASEAN states will look first to the United States for the additional military, economic, and political support that they believe they need. In talks with the US Secretary of State in July, the foreign ministers of these countries are likely to address regional security concerns and their expectations of the US role in the region. At the same time, however, the ASEAN states can be expected to seek additional (or easier) credit and quicker delivery of desired weapons from other suppliers in order to diversify their sources of arms and to reduce dependence on an uncertain US supplier.



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In the longer term, should the tangible response of the United States and other suppliers to local security concerns fall short of expectations or should the threat from Vietnam be perceived to worsen, the ASEAN states would probably reevaluate their security policies once again. In that event, a number of them

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might feel compelled to cut back on their economic development programs and to spend a substantially higher percentage of their scarce funds on defense. [REDACTED]

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National Defense Policies Reexamined

The desire to combat domestic insurgencies and to maintain internal security, as well as to bolster national pride, self-confidence, and prestige, have been the primary impulses behind the long-term armed forces modernization plans that have been on the books in all the ASEAN countries since the mid-1970s. Only Thailand perceives an immediate threat, but the events in Iran and Indochina have created new concerns among all these countries about internal threats to their stability and have led to a new emphasis on upgrading conventional warfare capabilities in case of external attack. They would like more equipment but political and economic priorities and financial constraints preclude larger expenditures. They have moved cautiously in buying arms and look first to the United States to provide additional military assistance--particularly Foreign Military Sales (FMS) credits. [REDACTED]

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Thailand is concerned that Vietnam will use its new foothold in Kampuchea both to increase subversion in Thailand and ultimately to try to seize the north-east portion of the country. In 1979 the military government contemplates adding \$400 million to the \$950 million already budgeted for defense; this would total roughly 21 percent of its 1979 national budget and 4.5 percent of its GNP. Some foreign affairs officials oppose such expenditures for fear of provoking Vietnam.

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[REDACTED] the amounts contemplated could seriously curtail necessary economic and social programs. [REDACTED]

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On 1 March 1979, the Malaysian armed forces announced a major new program to expand the army to double its present size by adding three divisions and one tank regiment by the end of 1983. It had previously been decided to upgrade maritime and aerial surveillance of the coastline. These decisions were prompted by assessments of

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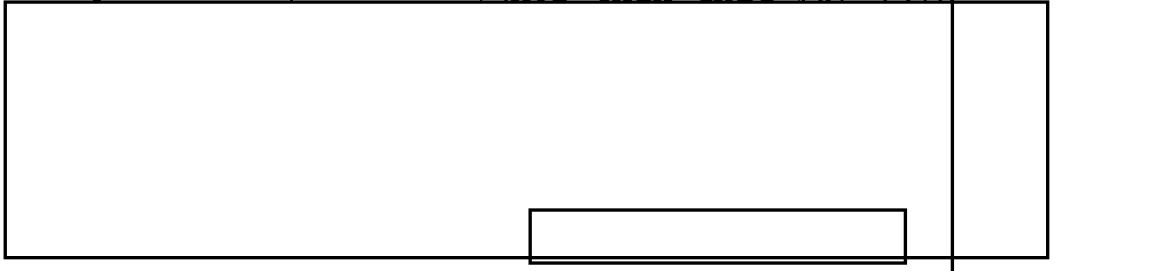
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Communist terrorist and extremist Muslim activity (abetted from abroad), labor disputes exploited by the Communists, and longer range fears of invasion or systematic subversion from Vietnam and/or China. The relative ease with which Vietnamese refugee boats have found their way to the Malaysian coast has also demonstrated Malaysia's vulnerability to attack from the sea.

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Some government officials--especially those concerned with foreign affairs and economic development--have questioned the need for, and additional cost of, such a radical expansion program--reportedly adding about \$165 million over three years to an already steadily increasing defense budget. The 1979 defense budget is 63 percent higher than that for 1978.

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The Singaporean Government perceives an expansionist Vietnam with Soviet support as the long-term threat. As a wealthy city-state on the strategic Malacca Straits surrounded by large and poor countries, Singapore is particularly concerned about potential air and naval strikes by superpowers and by neighboring states. It is expected to continue its high level of defense spending (approximately 25 percent of total government expenditures and 6 percent of GNP) with purchases of sophisticated air and naval defense missile systems.

In January 1979, the Indonesian Government reacted to the Chinese-Vietnamese border conflict and to developments in Iran by launching an ambitious long-term (1979-83) program to accelerate the development of 60 augmented battalions into a strike force capable of handling all contingencies. The plan also calls for the construction of two bases--in South Sumatra and South Sulawesi--to block potential invasion routes. In addition, Indonesia is continuing a longstanding program to improve its counter-insurgency and sea defense/surveillance ability in order

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to protect its "archipelagic" claim to the interisland seas and to control smugglers, pirates, and Indochinese refugees. [REDACTED]

Indonesia's cash and credit problems and commitment to economic development limit its ability to fulfill its ambitions. Over the next five years, it reportedly plans to spend \$200 million more than the yearly defense allocation which has increased slowly since 1977 to become nearly \$1.7 billion in 1979 and has represented a steady 3 to 3.5 percent of GNP.* [REDACTED]

The Philippine Government has been relatively sanguine about the near-term threat to its security arising from events in Indochina. The armed forces continue to be concerned mainly with internal security, in which they include the defense of Kalayaan Island (one of the Spratleys). Philippine military leaders, unable to deal effectively with debilitating Muslim insurgency in the south, were concerned by the fall of the Shah's government in Iran. Budgetary constraints, caused in part by the high price of imported oil and inflation, led to the decision to reduce the 1979 defense budget--by \$36.4 million from the 1978 level--to \$764.3 million or 14.6 percent of the national budget. Defense spending has averaged 3.5 percent of GNP since 1976. [REDACTED]

ASEAN Perceptions of the US Role

The individual governments of ASEAN have assessed their security threats and required responses somewhat differently. In general, however, they expect the United States to:

- Remain politically willing and militarily able to influence the balance of power in the region.

*The defense portion of the 1979 budget actually declined slightly from the 1978 level due to a currency devaluation. Public figures may be misleading, however, because an undetermined but probably sizable amount finds its way into military programs through extra-budgetary means. [REDACTED]

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Asia and provide additional military assistance to them under the Five Power Defense Arrangement. The ASEAN governments for the most part have a realistic appreciation of the limitations of the United States as a reliable arms supplier and are prepared to sacrifice-- and have done so in the past--their preference for US equipment and to buy from other suppliers, particularly France, West Germany, the United Kingdom, Taiwan, Yugoslavia, and South Korea. While the quality of the equipment is not always as good, the price and delivery terms-- and the absence of political "strings"--are often more attractive. [REDACTED]

Crisis of Confidence

As a result of the conflict among the Communist powers in Indochina, the ASEAN governments are undergoing a general "crisis of confidence" both in themselves and toward the United States--a crisis not unlike the soul-searching that ensued in 1975-76 after the Communist victory in Indochina and the US withdrawal from Thailand. Upgrading their modest individual defense capabilities--with or without US assistance--is one facet of the ASEAN states' reaction to what they perceive as a new balance of power in Southeast Asia. They will continue to rely on political and diplomatic initiatives to attenuate Vietnamese hostility and on economic and social development strategies to thwart domestic instability. However, should they feel more directly threatened--either externally or internally--or should they fail to secure the desired levels of military, political, and economic support from the United States and other Western security partners and suppliers, most of the ASEAN states would feel compelled to spend a higher percentage of their scarce resources on defense. [REDACTED]

[REDACTED]

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ASEAN Defense Budgets, 1975-79
(Millions of US Dollars)

<u>FY</u>	<u>Defense Budget*</u>	<u>Percent of Central Government Budget</u>	<u>Percent of GNP</u>
<u>INDONESIA</u>			
1975	708.7	18.9	3.5
1976	1,100.0	16.7	3.8
1977	1,261.9	14.0	3.0
1978	1,513.5	14.8	3.0
1979	1,691.5	14.5	3.3
<u>MALAYSIA</u>			
1975	477.1	15.5	5.5
1976	500.0	17.3	4.9
1977	547.6	12.5	4.4
1978	1,060.3	19.9	7.3
1979	1,107.0	18.0	NA
<u>PHILIPPINES</u>			
1975	529.2	27.4	4.0
1976	524.1	16.8	3.1
1977	674.8	18.0	3.4
1978	800.7	17.2	3.6
1979	764.3	14.6	3.3
<u>SINGAPORE</u>			
1975	268.2	14.7	4.8
1976	386.3	18.5	6.1
1977	413.5	18.5	5.9
1978	411.2	16.6	5.6
1979	NA		
<u>THAILAND</u>			
1975	377.9	16.1	4.0
1976	515.1	16.7	3.2
1977	603.9	17.9	3.8
1978	804.2	20.3	3.6
1979	950.0	20.6	4.5

*There are undoubtedly other funds for defense hidden in the national budgets or supplied from nonbudgetary sources.



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China and the World Administrative Radio Conference



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In September in Geneva the International Telecommunications Union will open the first full-scale review since 1959 of radio frequency allocations and rules regulating telecommunications. The World Administrative Radio Conference (WARC) is scheduled to last 10 weeks and preparations by participating governments have been under way for some time. This article is the first in a series that will review key issues and country attitudes toward WARC.



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China's policy on specific WARC issues is only now being formulated. It probably will be strongly influenced by the ambitious domestic modernization program and should give priority to economic and technical rather than international political goals. This means in the first instance that various domestic communications interest groups are likely to have a significant influence on Chinese policy at WARC. Second, China is unlikely to play a major role in any North-South confrontation that might develop at WARC, because some of its economic and technical interests at the conference will coincide with those of the developed countries, while others will place it in the ranks of the less developed countries.



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The Influence of Modernization

The importance to the Chinese leadership of the comprehensive modernization of the economy and, more specifically, of the communications sector provides the underpinning to understanding the Chinese approach to WARC. Heightened attention to domestic economic growth already has had an appreciable impact on China's foreign economic posture. China has adopted a more flexible and open trade policy toward private Western firms and has established stronger ties with Western governments through a series of commercial, financial, and scientific and technological cooperation agreements. Moreover, Beijing

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has modified its past negative attitude toward important international laws, such as the Paris Convention for the Protection of Industrial Property, and has increased its activity in such international social and economic organizations as the United Nations Education, Scientific and Cultural Organization (UNESCO), the United Nations Industrial Development Organization (UNIDO), and the United Nations Development Program (UNDP). [REDACTED]

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Last summer the Chinese Government signed a contract with Japan for the acquisition of color television technology and manufacturing capability. In December 1978, it initiated discussions with the Swedish telecommunications firm L.M. Ericsson to modernize portions of the Chinese telephone network. In February, Beijing concluded a long-term agreement on cooperation in space technology with a West German firm and in May began discussions with the Communications Satellite Corporation (COMSAT) about the establishment of an extensive domestic satellite system in China. [REDACTED]

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Although dwindling foreign exchange reserves have led to a slowdown in the drive to acquire Western technology, China clearly recognizes the importance of technology transfer to the development of the communications sector and continues to solicit technical and educational assistance from Western governments. In part to facilitate the importation of sophisticated communications technology, Beijing recently created the Great Wall Corporation, which deals with space and ground station equipment and technology. [REDACTED]

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Although China's modernization program depends on good relations with the West, it also aims at close ties with the LDCs. Part of the reason is economic; China looks to LDCs to some extent for export markets and shares interests with them in many multilateral economic negotiations. Part of the reason is political, stemming from China's self-perception as a member, if not necessarily a leader, of the developing world. [REDACTED]

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Defining Needs and Politics

China's domestic drive for modernization will continue to affect its attitudes toward WARC on at least two levels: the national because of increased competition

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among domestic telecommunications; and the international because of China's increasingly complex role in multi-lateral economic and technological negotiations.* [REDACTED] 25X1

At the national level, the attention given to modernizing the communications sector, has resulted in the political awakening of rival communications services sponsored by such various ministries, as that of Defense, of Communications, of Posts and Telecommunications, and of Education. Each service group can now compete more freely in seeking influence over major policy decisions.

[REDACTED]

It is impossible to predict with confidence the degree of influence any one service will have over another in determining Chinese policy at WARC, but several services will undoubtedly enjoy some special consideration:

- Broadcasting services must be expanded to handle growing overseas requirements and to support an ambitious national education campaign designed to reach China's remote regions by radio and television.
- Maritime and Aeronautical communications must be developed to provide support to an expanded merchant fleet and to increased civil air traffic, both resulting from a more active foreign trade.
- Military Communications networks will continue to receive priority attention especially in the light of hostilities with Vietnam, tensions with Kampuchea and Laos, and the continuing Soviet threat.

*For purposes of the WARC, the eight most important communications service users (along with concrete examples of each) are: Defense (radar); Aviation (control tower to aircraft); Maritime (ship-to-shore); Broadcast (radio and television); Land Mobile (police and emergency vehicle services); Fixed (point-to-point domestic and international communications such as telephone and telegraph via terrestrial and/or satellite stations); Scientific (radio astronomy); Amateur (ham radio).

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-- The desire for Satellite expansion to facilitate the growth of domestic television broadcasting and burgeoning international communications traffic has been noted in ongoing negotiations for technological assistance and equipment purchase with US and West European business and government leaders. [REDACTED]

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Discussions at the WARC that will concern Chinese interests such as expanded aeronautical and maritime communications capabilities are likely to be highly technical, involving little or no political controversy. The issues involving allocations for military use are apt to be more political and to involve both a conflict among potential domestic users of national allocations and international debates on which services (e.g., fixed, mobile, broadcasting) will receive emphasis. [REDACTED]

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China's Role in North-South Issues

Many other issues at the conference, however, could pit the industrial countries, which monopolize communications capability and potential, against the LDCs, which want to improve their own communications infrastructure and limit the ability of others to disseminate information within their borders. Because China has characteristics of both a major power and an LDC, its interests on some of these questions will sometimes coincide with those of the North and at other times with those of the South. It will probably not be a consistent member of any coalition at WARC or take a highly visible political role at the conference. [REDACTED]

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China is already one of the six most active international broadcasters. Like the developed countries, it would, therefore, like to preserve the status quo in national access to High Frequency (HF) broadcasting, that is, spectrum assignments. Most LDCs favor a priori planning for HF broadcasting and want to impose constraints on the active international broadcasters. This means placing limitations both on the power of transmissions in certain geographic areas such as the Middle East where local broadcasters are overridden by high-powered European transmitters, and on assignments so as to exclude international broadcasters from operation in

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certain saturated regions whose nations are now developing capabilities in HF out-of-band broadcasting; this is a sensitive issue in the tropical zone region. [REDACTED]

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The HF band is also allocated between broadcasting and fixed services. The industrial states would like greater relative allocation to broadcasting. Most LDCs want the opposite, or at least the maintenance of the status quo, because of the economy of HF fixed services and the low level of technology required. On this question as well, China's interests should coincide with those of the industrial states because of its ability to substitute more advanced technologies for HF fixed applications such as microwave, land lines, and satellite, and because of its international interests as a major power. [REDACTED]

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On satellite communications, China's interests tend to coincide with those of the more advanced developing countries. China has been a member of INTELSAT since August 1977 and it is currently developing a domestic communication satellite system. As a relative newcomer to the Super High Frequency (SHF) band--the portion of the radio spectrum primarily used for radar and satellite communications--China can be expected to demand more extensive entry, especially in terms of fixed satellite expansion. The major developed countries--the current heavy users of the SHF band--will seek to maintain the international status quo, in part by encouraging the utilization of even higher frequency levels of the spectrum, which may be objectionable to the LDCs because of the requirement for expensive, sophisticated technologies. [REDACTED]

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A final contentious issue at WARC will be that of "spectrum management," that is, the means by which frequencies are registered and coordinated. The LDCs want a planned system, which would guarantee them entry into various spectrum frequencies either now, or--more relevantly--when they are able to take advantage of it. The developed countries, which are the present and not just potential users, want the preservation of a system of

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flexible coordination (the existing system distributes frequencies by and large on a first-come, first-served basis).*

China's interests in the question of spectrum management vary according to the spectrum involved. Because China is already a heavy user of the HF band, it would like retention of the present system there. On the SHF band for satellite usage, however, China's interests would be best served by a planned system that guaranteed entry into the lower frequency range. China could resolve these conflicting interests by favoring a limited planned system that would make allocations on the basis of noninterference and most efficient utilization of spectrum--but would guarantee entry to only a small number of potential users, that is, a system involving a priori frequency assignments. China would resist any "equitable" distribution that would result in an inefficient utilization or wastage of available spectrum.

Moderate Posture

China's bifurcated interests in the specific issues under discussion at WARC, as well as its wider international political and economic aims, indicate that it will adopt a low profile at the conference. It would not want to do anything at the conference that could jeopardize its effort to acquire Western technology, but neither would it want to harm its relations with the LDCs. It will, therefore, probably try to keep discussions at a technical level and avoid being drawn into any North-South political confrontation.

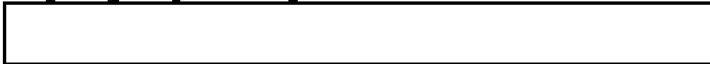
*The present system is embodied in Article 48.1 of the ITU convention, which provides:

"All stations, whatever their purpose, must be established and operated in such a manner as not to cause harmful interference to the radio services or communications of other Members or Associate Members or of recognized private operating agencies, or of other duly authorized operating agencies which carry on radio service, and which operate in accordance with the provisions of the Radio Regulations."

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China could quite possibly play a moderating role at the conference. It could, for example, advocate a limited planned system of spectrum management that would satisfy at least the short-term aims of both the developed and developing countries. It could also provide useful technical assistance to the developing nations in areas where its technical sophistication is sound, and where technical solutions may exist to problems that LDCs now perceive as political. Such assistance would probably be welcome to many LDCs, as well as to the developed countries who have an interest in down-playing the political contents of the issues at WARC.



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Libya's Changing Role as a Patron State



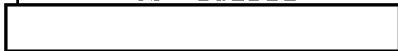
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Libya's Colonel Qadhafi continues to operate as a major patron of terrorist organizations. Since late 1977, however, there have been some noteworthy changes in Libyan activities, which at least temporarily redound to the benefit of Western industrial states. Qadhafi still seeks the destruction of Israel, the undermining of certain "enemy" Arab governments, and the strengthening of militant Islamic causes worldwide--and he is still willing to provide considerable material support to terrorist groups pursuing like ends. But he seems to have recently realized that his wholesale support of terrorist movements has significantly hurt his international image--particularly in the West--and could even be weakening his political position at home. 

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In any event, he evidently has decided to risk fewer resources and to involve less of his prestige in sponsoring terrorist operations, at least those directed against the industrial democracies. He has even expressed to Western officials a willingness to cooperate in curbing the activities of groups based in such countries. This stance has been in response to considerable Western pressure and, in good measure, has been handled as a public relations gambit. But it probably also reflects his political insecurity and a degree of personal disillusion with some anti-Western terrorist groups. 

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Qadhafi's somewhat more discriminating support of terrorism is more a change of tactics than a change of heart, and even now he is not consistent in his activities. Because of his mercurial political style, he could quickly reverse his course especially if he reassessed the significance of the pressures raised against his patronage of terrorists. 

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