

3 Defuse

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AMERICA'S ALLIES CONTINUE TO JOIN THE STRATEGIC DEFENSE INITIATIVE

(Updating Backgrounder No. 425, "Strategic Defense and America's Allies," April 16, 1985.)

Allied support for the U.S. Strategic Defense Initiative is increasing rapidly. At the end of 1985, only Great Britain was working with the U.S. on research on advanced strategic defense systems. In the past year, the list has lengthened to include West Germany, Israel, Italy, and Japan. Allied nations have received a total of \$106 million in SDI contracts since the program began, laying the groundwork for a truly international strategic defense effort. This progress should not be hindered by legislative constraints on foreign contacting of SDI projects.

One key aspect of the U.S.-allied effort addresses the growing threat to Western Europe from such Soviet short- and intermediate-range missiles as the SS-20, SS-21, SS-22, and SS-23. Last month, seven multinational industry teams including 29 European firms were awarded U.S. SDI contracts at \$2 million each to study and recommend multilayered ground- and space-based concepts for countering these Soviet missiles. Theirs will be the first step in creating what is called an anti-tactical ballistic missile (ATBM) system. The industrial teams will emphasize improving surveillance capabilities with better radars and satellites, developing adequate missile interceptors and command and control systems, and adapting existing air defense systems for use against ballistic missiles. Further, a NATO committee is simultaneously looking at ways to protect European air defense sites from short-range missile attack.

This is an impressive effort. It demonstrates the seriousness with which America's European allies view the SDI research program.

The countries participating in SDI research include:

West Germany: The West German government agreed to join the SDI program last March 19, allowing private firms to conduct SDI research. A major motivating factor was commercial interest in the

highly profitable technological spin-offs expected from SDI research. Another factor, of course, is that improving West Germany's air defense and ballistic missile defense enjoys the clear support of Defense Minister Manfred Woerner and the West German military establishment.

Israel: On May 6, 1986, Israel became the third U.S. ally to join the SDI research program. U.S. Defense Secretary Caspar Weinberger signed an agreement with Israeli Defense Minister Yitzhak Rabin outlining contract bidding rules, safeguards against leaks of sensitive data, and proprietary rules ensuring U.S. licensing rights to the products of SDI research. On November 5, Israel signed its first SDI contract for \$5.1 million to work on defensive systems capable of intercepting and destroying short-range ballistic missiles.

Japan: The Japanese government agreed to participate in the SDI program on September 9, 1986. Negotiations now are underway to set specific guidelines for sharing and using the findings of SDI research. The Japanese clearly do not want to be left out of the technological breakthroughs expected from SDI research. For its part, the U.S. hopes to gain from Japan's advanced technology in lasers, microchips, computers, and other equipment needed for a strategic defense system.

Italy: On September 19, 1986, the Italian Foreign and Defense Ministries signed an agreement with the U.S. Department of Defense to participate in the American SDI research program. So far U.S. officials have expressed interest in more than two dozen research projects proposed by Italian companies. The Pentagon has stated that "Italian participation in SDI research will contribute significantly to the SDI, helping to increase the program's effectiveness, reduce its overall cost and accelerate its schedule."

The gains from winning allied support for SDI, however, could be jeopardized. One danger was the Glenn amendment to the fiscal 1987 defense authorization bill, which would have awarded SDI contracts to foreign companies only if no comparable U.S. firm could be found. This amendment passed the Senate by a vote of 64 to 33 but a less stringent version, limiting to 3 percent the foreign apportionment of SDI funds, was turned down in the House-Senate Conference. Restricting foreign contracting would hamper SDI research by blocking U.S. access to foreign technology and by undermining allied political support for the program.

A strategic defense will protect not only the U.S. but its allies as well. Recognition of this is what propels America's friends to join the SDI research and development efforts. SDI will benefit enormously from the allies' technology and creativity. Congress must understand this when it considers measures that would constrain U.S. access to valuable foreign technical expertise, slow SDI, increase overall costs, and present the Soviet Union with a divided Western front on the question of strategic defense.

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