



## **The Bush Administration's Nonproliferation Policy: Successes and Future Challenges**

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[\[Remarks](#) to Panel I of Hearing]

Thank you, Mr. Chairman, for the opportunity to testify today before this Committee to discuss what the Bush Administration is doing to keep our country and our friends and allies safe from the threat of weapons of mass destruction. President Bush has stressed repeatedly that "the greatest threat before humanity today is the possibility of secret and sudden attack with chemical or biological or nuclear weapons." We take this threat very seriously, and are working diligently to protect the American people from it.

### **Why Ousting Saddam Hussein Bolstered International Security**

Until the U.S.-led Coalition took action last year, the world faced a serious security threat with Saddam Hussein in power in Iraq. Here was a dictator who had used chemical weapons against his own people and against his neighbors, had defied more than a dozen Security Council resolutions, had ambitions to reconstitute his weapons arsenal, had obstructed and deceived international inspectors for the better part of twelve years and did so to the end of his regime, had twice invaded neighboring countries, and who had harbored and supported terrorist groups. Eliminating his dictatorial regime, while far from solving all of Iraq's or the region's problems, has nonetheless manifestly made the region and the world safer and more secure.

Much has been made of the fact that the United States has not yet found chemical or biological weapons in Iraq. Sadly, however, there has been inadequate attention to what has been found, evidence of significant and dangerous WMD programs that I believe clearly justified Operation Iraqi Freedom. David Kay last fall testified to the House Permanent Committee on Intelligence ("HPSCI") that Iraq's WMD programs spanned more than two decades, involved thousands of people and billions of dollars, and were elaborately shielded by security and deception operations that continued even beyond the end of the major combat-phase of Operation Iraqi Freedom. The discoveries Kay reported to HPSCI included:

- Dozens of WMD-related program activities and significant amounts of equipment that Iraq had concealed from the United Nations during the inspections that began in late 2002;
- A prison laboratory complex that may have been used for human testing of BW agents;
- New research on BW-applicable agents, including Brucella, Congo Crimean Hemorrhagic Fever, and research on aflatoxin and ricin that was not reported to the UN;
- Plans and advanced design work for new long-range missiles with ranges up to at least 1,000 kilometers -- well beyond the 150 kilometer range limit imposed by the UN; and
- Interest in acquiring from North Korea technology for even longer range missiles.

In particular, Saddam Hussein's aggressive missile program begs two important questions: What was the purpose of these missiles? Were WMD payloads planned for them?

CIA Director George Tenet's provisional bottom line in his Georgetown University speech was that although Iraq was not in possession of a nuclear weapon, Saddam Hussein still wanted one, and Iraq intended to reconstitute a nuclear program at some point. I believe this is consistent with a statement Hussein made in September 2000 calling on his "nuclear mujahedin," Iraq's nuclear scientists, to "defeat the enemy."

He noted that a senior Iraqi official confirmed that Iraq had misled inspectors about two groups that were working on a number of unmanned aerial vehicle ("UAV") designs. Some UAV programs, in the past, had

likely been intended to deliver biological weapons. Although Tenet conceded that the jury is still out on whether Iraq intended to use its newer, smaller Unmanned Aerial Vehicles to deliver biological weapons, he also stated that a senior Iraqi official admitted that their two large Unmanned Aerial Vehicles—one developed in the early 90s and the other under development until late 2000—were intended for delivery of biological weapons. Tenet noted that Saddam Hussein had dual-use facilities that could quickly produce biological agents and provisionally concluded that Saddam Hussein had the capability and the intent to quickly convert civilian industry to chemical weapons production.

To date, we have not found post-1991 chemical and biological weapon stockpiles and there are numerous outstanding questions raised by UNSCOM about Iraq's WMD program. Some of these questions, reported in UNSCOM's final comprehensive report in January 1999, include:

- Iraq claimed it had "lost" 550 mustard-gas filled artillery shells.
- The mustard in the few CW artillery shells found by the UN was of very high purity.
- UNSCOM could not verify how much VX Iraq had produced but Iraq claimed it had produced 3.9 tons. Although Iraq denied it had weaponized VX, UNSCOM together with a panel of international experts found chemical evidence to the contrary.
- Concerning biological weapons, the UNSCOM report stated, "For half of the eight-year period of the relationship between Iraq and the Special Commission, Iraq declared that it had no biological weapons program. When that claim was no longer tenable, Iraq provided a series of disclosure statements all of which have been found by international experts, on multiple occasions, to be neither credible nor verifiable."
- Importantly, UNSCOM documented that Iraq's deceptions, which UNSCOM called a concealment effort, continued well into the mid-1990s and was never able to confirm that they had ended.

Some have said that not finding WMD in Iraq -- to date -- proves that Saddam was not an imminent threat, and that, therefore, our Coalition military action was not justified. These criticisms miss the mark. Saddam's continued defiance of UN resolutions requiring Iraq to disarm and his continued interest in developing weapons of mass destruction justified coalition action. Our concern was not the imminence of Saddam's threat, but the very existence of his regime, given its heinous and undeniable record, capabilities, and intentions. President Bush made this point forcefully in his 2003 State of the Union address:

"Some have said we must not act until the threat is imminent. Since when have terrorists and tyrants announced their intentions, politely putting us on notice before they strike? If this threat is permitted to fully and suddenly emerge, all actions, all words, and all recriminations would come too late. Trusting in the sanity and restraint of Saddam Hussein is not a strategy, and it is not an option."

David Kay has said that because of the fact that Iraqi officials clearly had acquired WMD know-how and were in contact with terrorist organizations, and because Saddam clearly was growing increasingly desperate and losing control over his regime, Iraq in many ways was an even greater threat than before:

"I quite frankly think we were on the verge of Iraq becoming more dangerous as it decayed into this storehouse of huge amounts of military equipment, including WMD capability and technology, just at the time that other groups and countries were seeking that. ... I think, if Saddam had remained in power and this regime continued to crumble, you could have gone there and got it [WMD] in one-stop shopping. And people would have sold it, not fearful of a Saddam regime that would have kept them from it. He was less and less in control of it. So I think by removing that, we've removed that threat. That doesn't make the world safer completely, but it does take one major threat down."

We acted in Iraq because we were not willing to trust our security, and the security of our friends and allies, to the supposed restraint and circumspection of a dictator committed to acquiring deadly weapons of mass destruction, a history of using chemical weapons, and a twelve-year track record of defiance. The risks of continued inaction were simply too high. As President Bush said in his speech earlier this month to U.S. military personnel at Fort Campbell, Kentucky, "my administration looked at the intelligence, and we saw a threat. Members of Congress looked at the intelligence, and they saw a threat. The United Nations Security Council looked at the intelligence, and it saw a threat." The President concluded, "I had a choice to make, either take the word of a madman, or take such threats seriously and defend America. Faced with that choice, I will defend America every time."

Kenneth Pollack, a former staff member of the Clinton National Security Council (NSC), now at the Brookings Institution, well summarized how the evidence of Iraq's WMD program was widely seen as compelling before the war. He wrote in a February 2004 article in *The Atlantic* that "[s]omewhat remarkably, given how adamantly Germany would oppose the war, the German Federal Intelligence Service held the bleakest view of all, arguing that Iraq might be able to build a nuclear weapon within three years. Israel,

Russia, Britain, China, and even France held positions similar to that of the United States; France's President Jacques Chirac told *Time* magazine last February, '[t]here is a problem—the probable possession of weapons of mass destruction by an uncontrollable country, Iraq. The international community is right ... in having decided Iraq should be disarmed.' In sum, no one doubted that Iraq had weapons of mass destruction." Pollack also observed that despite the criticism of the 2002 National Intelligence Estimate on Iraq, "the report accurately reflected what intelligence analysts had been telling Clinton Administration officials like me for years in verbal briefings." People may have disagreed about what to do about the Iraqi threat, but there was unanimity on the dangers of the Saddam regime.

When we think about Operation Iraqi Freedom, it is important to remember that it was Saddam Hussein who was defying the international community and violating UN Security Council resolutions that required him to disarm and cooperate with UN inspectors. Iraq harassed inspectors and concealed its WMD/missile programs in direct violation of UN Security Council Resolution 687. Saddam wasted untold billions building "presidential palaces" that he declared "off limits" to UN inspectors, rather than buying food at a time that Iraq was spending less on food than the UN recommended. Operation Iraqi Freedom was amply justified by Saddam's behavior and his calculation that he could flout the UN Security Council and the United States and not be held accountable. He was wrong.

## Libya

We face significant challenges in other parts of the world from terrorist-sponsoring regimes that are developing weapons of mass destruction in many forms. Rogue states whose pursuit of weapons of mass destruction, reckless behavior, and repressive ideologies make them hostile to U.S. interests, will learn that their covert programs will not escape either detection or consequences. The government of Libya came to this conclusion in early 2003 as the United States was preparing to go to war with Iraq. And while we will pursue diplomatic solutions whenever possible, as in the case of Libya, the United States and its allies must be willing to deploy more robust techniques, such as the interdiction and seizure of illicit goods, the disruption of procurement networks, the imposition of sanctions, or other means. If rogue states are not willing to follow the logic of nonproliferation norms, they must be prepared to face the logic of adverse consequences. It is why we repeatedly caution that no option is off the table.

On December 19, 2003, Libya announced that it would voluntarily rid itself of its WMD equipment and programs. Libya also declared that it had "decided to restrict itself to missiles with a range that complies with the standards of the Missile Technology Control Regime." Libya declared its intention to comply in full with the Nuclear Non-Proliferation Treaty ("NPT") and the Biological Weapons Convention ("BWC"), and that it intended to sign the International Atomic Energy Agency (IAEA) Additional Protocol and accede to the Chemical Weapons Convention ("CWC"). All of these remarkable steps, Libya announced, would be undertaken "in a transparent way that could be proved, including accepting immediate international inspection."

Libya appears to be living up to these commitments. In cooperation with the United States, the United Kingdom, and the IAEA, Libya has dismantled its declared nuclear weapons program. Libya has destroyed more than 3,000 unfilled chemical munitions. They are planning to destroy their stockpile of approximately 23 tons of sulfur mustard gas under the supervision of the Organization of the Prohibition of Chemical Weapons, ("OPCW") which would have gone into those bombs. The declared SCUD-C missile program has been removed. Within the last few months, with Libya's cooperation, the United States and the United Kingdom removed:

- Nuclear weapon design documents;
- Gas Centrifuge components designed to enrich uranium;
- Containers of uranium hexafluoride (UF<sub>6</sub>);
- Five Scud C-s, two other partial missiles and related equipment; and
- Approximately 15 kilograms of fresh high-enriched uranium reactor fuel that was removed by Russia with U.S. and IAEA support.

This month, Libya submitted its first declaration under the CWC, and signed its IAEA Additional Protocol in Vienna. Questions still remain regarding certain aspects of Libya's WMD programs, and long-term verification issues also remain open, but we are working with Libya to resolve these questions as quickly as possible.

There has been much speculation about Libya's reasons for making this historic decision. Here are the facts: In March 2003, as we were preparing to invade Iraq, Libya approached the United Kingdom seeking to discuss its WMD program with the United States and the United Kingdom. In October, as we and our allies stopped a large shipment to Libya that would have advanced their uranium enrichment effort, Libya

agreed to allow visits by U.S. and UK teams. Finally, in December 2003, Libya announced that it would voluntarily rid itself of its WMD equipment and programs. I believe the conclusion is obvious. As Col. Qaddafi himself put it, weapons of mass destruction now clearly “represents a danger to the country which has them.”

## Iran

Libya recognized that the United States and the international community would not tolerate their development of nuclear weapons. Iran has not. But our resolve on the continuing threat posed by Iran's nuclear weapons program has brought this issue to the attention of the world.

Although Iran has robust BW, CW, and missile programs, today I will focus just on its nuclear weapons efforts. The United States has worked hard over the last three years to garner international support to require Iran to admit and to end its almost twenty-year-long covert nuclear weapons program. That Iran has such a program is the inescapable conclusion not just of our intelligence findings, but of four reports by the IAEA Director General that disclose Iran's repeated failure to abide by its safeguards obligations and Tehran's two-decades long record of obfuscation and deceit vis-a- vis the IAEA. All four IAEA reports are now on the public record.

Despite strong actions taken by the IAEA Board of Governors over the past year, there is no reason to believe that Iran has made a strategic decision to abandon its nuclear weapons program. The recent discovery of Iran's development and testing of uranium enrichment centrifuges of an advanced design is a clear indicator that Iran continues its quest for nuclear weapons. Following an all-too-familiar pattern, Iran omitted this information from its October, 2003 declaration to the IAEA -- a declaration that Tehran maintained was the “full scope of Iranian nuclear activities” and a “complete centrifuge R&D chronology.”

Iran's known civil nuclear power program currently consists of a single nuclear reactor under construction by Russia at Bushehr. Over the past three years, President Bush and his Administration have had intensive discussions with Russian authorities, from President Putin on down, on the threat posed by the Iranian nuclear weapons program. Russian leaders have repeatedly assured us that they will not supply fuel for the Bushehr reactor until agreement is reached with Iran to return all spent fuel to Russia, the subject of difficult and protracted negotiations that are not complete. The Russian government won't ship the initial fuel load for the Bushehr reactor before next year, with the commissioning of the reactor well after that. These delays and postponements are significant, and we intend to continue to work closely with Russia on Bushehr.

Iran's ambitious nuclear reactor program is a remarkable venture for a country whose oil and gas reserves will last several hundred years at current extraction rates. In my testimony on June 4, 2003, I displayed charts showing that Iran's uranium resources are so small that nuclear power cannot materially increase exports of Iran's vast oil and gas resources. There is no conceivable economic justification for Iran to build costly nuclear fuel cycle facilities to support this small “nuclear power” program. We can only conclude that the primary role of this program is to serve as a cover and a pretext for the import of nuclear technology and expertise that can be used to support nuclear weapons development.

Iran has embarked, moreover, on a massive and, until recently revealed, largely clandestine effort to put in place all the elements of a nuclear fuel cycle. Iran is developing a uranium mine -- after receiving IAEA assistance in uranium prospecting -- and is constructing a facility for conversion of yellowcake into other uranium compounds, including uranium hexafluoride and uranium metal. Uranium hexafluoride is the feedstock for the centrifuge enrichment process. Uranium metal is the feedstock for the laser enrichment process, and also has important nuclear weapons applications.

Iran has pursued two separate approaches to uranium enrichment. It has established a number of workshops for the manufacture and testing of centrifuge components (most of which, according to a recent IAEA report, are owned by military-industrial organizations), a pilot enrichment facility designed for 1,000 centrifuges, and a large, partially underground facility at Natanz intended to house up to 50,000 centrifuges. In parallel, Iran has pursued another program to enrich uranium with lasers, a complex and difficult technology few countries have mastered. Laser technology is not used commercially for uranium enrichment even in the most advanced countries because it is considered uneconomical in commercial applications. Both of these programs were covert until their existence was publicly disclosed by an Iranian opposition group.

In addition to this effort to produce enriched uranium, Iran also has a program to produce plutonium, which represents an alternate path to nuclear weapons. Iran is building a large heavy-water production plant, which was also covert until disclosed by an Iranian opposition group in 2002. Its purpose is to supply heavy water for a “research reactor” that Iran plans to begin constructing this year. The technical characteristics of

this heavy water moderated "research reactor" Iran plans to build are well-suited for producing weapons-grade plutonium. Not by coincidence, Iran was also forced to admit earlier this year that it had secretly conducted experiments in plutonium reprocessing that involved uranium "targets" irradiated at the Tehran research reactor. Iran is also pursuing a reprocessing capability, a necessary step to separate plutonium from irradiated fuel.

Another potential source of plutonium for weapons is the Bushehr reactor. That reactor is under IAEA safeguards, and Iran and Russia are discussing an agreement to return spent fuel to Russia, but if Iran should withdraw from the Nonproliferation Treaty after three years of operations, the reactor and spent fuel would contain enough plutonium for dozens of nuclear weapons.

There can be no economic reason for such a massive investment in facilities encompassing all aspects of the nuclear fuel cycle other than to produce fissile materials for nuclear weapons.

Another unmistakable indicator of Iran's intentions is the pattern of repeatedly lying to and providing false reports to the IAEA. The IAEA Director General has reported on several such instances, including some where Iran had to change its story after being confronted with evidence by the IAEA that it had not been truthful in its disclosures. Recent press reports suggest that Iran's nuclear denial and deception efforts continue and are very elaborate.

Despite Iran's massive deception and denial campaign, the IAEA has uncovered a large amount of information indicating numerous major violations of Iran's treaty obligations under the NPT and its IAEA Safeguards Agreement. The list of serious violations discovered by the IAEA increased over the last few months and the results of several 2004 IAEA inspections of Iranian facilities have not yet been reported to IAEA member governments. To date, violations cited by the IAEA include:

- Iran denied testing centrifuges with uranium, denied the existence of a laser enrichment program, and denied producing enriched uranium. In each of these cases, Iran later backtracked and confessed the truth only when confronted with irrefutable technical evidence from IAEA inspections;
- Iran failed to report the production of plutonium by covertly introducing uranium targets into the safeguarded Tehran Research Reactor;
- Iran reprocessed irradiated targets to separate plutonium;
- Iran failed to report the use of imported uranium hexafluoride for testing centrifuges and producing enriched uranium;
- Iran failed to report the use of imported uranium metal for laser enrichment experiments, including producing enriched uranium;
- Iran failed to report the production of uranium hexafluoride and other uranium compounds;
- Iran failed to provide required information about centrifuge, laser, and uranium conversion facilities;
- The discovery by the IAEA of irradiation of bismuth in the Tehran research reactor to produce polonium-210, an isotope that could be used in conjunction with beryllium, as a neutron initiator in some designs of nuclear weapons;
- On at least one occasion, moreover, after IAEA inspectors asked to visit a suspect facility at which it turned out centrifuges had secretly been operated, Iran delayed the visit for months while the interior of the entire facility was torn out, repainted, and tiled over in an effort to defeat IAEA testing for radioactive particles.

On the basis of the evidence collected by IAEA inspectors and exhaustively documented in his reports, the Director General concluded in his November 20, 2003 report to the Board of Governors that, "it is clear that Iran has failed in a number of instances over an extended period of time to meet its obligations under its Safeguards Agreement...."

The international community has reacted strongly to the revelations contained in the Director General's reports. The IAEA Board of Governors' most recent resolution, adopted on March 13, "deplores" the omission of advanced P-2 uranium enrichment centrifuge development and testing from Iran's October, 2003 submission to the IAEA, a declaration that was supposed to be the correct, complete, and final story of Iran's past and present nuclear activities.

Nonetheless, Iran has repeatedly sought to "close the file" at the IAEA, and get out from under the international spotlight. Iran seems determined to pursue its nuclear weapons program in an undisturbed and clandestine fashion, and so that it can more easily obtain critical nuclear technology that it needs for its weapons program. An important feature of the March 13 IAEA resolution, however, is precisely that it does not "close the file" on the problems that have been uncovered to date in Iran. Instead the resolution decides that the next meeting of the Board of Governors in June will consider the omissions already uncovered, in addition to whatever is contained in the next report of the Director General, or whatever other information

becomes public by then.

The IAEA statute requires that non-compliance with safeguards obligations be reported to the United Nations Security Council. In the U.S. view, this standard was clearly met as early as June of last year: Iranian noncompliance with safeguards obligations has been manifest for many months, and both the Board and the Director General have noted Iran's multiple breaches and failures in this regard. We did not press for such a report at the recent March meeting, in part because the Board had considerable work to do on Libya, including a report to the Council on Libya's non-compliance and its voluntary decision to eliminate all elements of its nuclear weapons program. The Board's handling of the Libya issues sets an important contemporary precedent for the responsible handling of nuclear weapons programs that violate the NPT. Similarly, the IAEA Board will at some point, in order to uphold the effectiveness and credibility of the entire NPT regime, need to fulfill its responsibility under the IAEA Statute to report the safeguards failures found in Iran to the UN Security Council. If Iran continues its unwillingness to comply with its NPT and IAEA obligations, the Council can then take up this issue as a threat to international peace and security. If the Security Council is unable to do so, it will not only be a blow to our efforts to hold Iran accountable, but also a blow to the Council itself.

Prior to the November, 2003 meeting of the IAEA Board, the Foreign Ministers of the United Kingdom, France, and Germany went to Tehran. The result was a publicly agreed to statement committing Iran to suspend uranium enrichment activities, as defined by the IAEA, something the IAEA Board had already called for in its September 2003 resolution. The same parties reached a further elaboration of this agreement just prior to the March Board. The revelations in the Director General's most recent report in February that the production of centrifuge components had not stopped in Iran, and that IAEA inspectors uncovered undisclosed work on a more advanced centrifuge design months after Iran's commitment to suspend all of its enrichment activities and provide a full accounting of its nuclear program, raise serious doubts about Iran's commitments to the Europeans. If Iran has followed through on these commitments, why did it postpone inspections scheduled for earlier this month? Was it afraid of what they would find? Repeated public statements by senior Iranian officials that the suspension of enrichment activities is only temporary, and that their enrichment program will resume once the issues with the IAEA are resolved, raise further questions whether the undertakings between Iran and the Europeans are having the intended effect of turning Iran away from its nuclear weapons effort.

For example, Supreme Leader Ali Khamenei said on November 2 that Iran would not "give up" enrichment "at any price." Hasan Rowhani, the head of Iran's Supreme National Security Council, has been consistent and explicit that the suspension of enrichment is temporary, stating on November 29, 2003, that "a permanent suspension has never been an issue and will never be," and as recently as March 7, 2004, that "there is nothing permanent ... when to resume is in the hands of our system." He has been equally clear Iran expects European cooperation and support while retaining the right to continue its nuclear program. "Iran will not accept restrictions on its peaceful nuclear program," he said on January 22 in Paris, and continued that, "Iran expects its European friends to honor their commitments." Rowhani has been remarkably candid on Iran's goals and intentions -- to get out from under the scrutiny of the IAEA and press on with its nuclear program. He said on March 7, on the eve of the IAEA Board meeting, that Iran had two goals: "We must arrive at a stage where the Board of Governors totally close the file and list of concerns on the Iranian nuclear program," and "the international community has to accept Iran in the world nuclear club."

The Iranian nuclear weapons program, compounded by the Iranian effort to develop long-range missiles, is one of the most serious proliferation challenges we face today. It is clear that Iran draws from many of the same networks that supplied Libya with nuclear technology, components, and materials, including the A.Q. Khan black market network. Destroying this network is a priority objective of the United States.

Our strategy is to use bilateral and multilateral pressure, and to secure international consensus against Iran's pursuit of enrichment and reprocessing capabilities. If Iran does not comply with its NPT and IAEA obligations, the IAEA Board of Governors must do its duty and -- based on the facts already reported by the Director General, along with whatever else he reports and other public information -- report to the Security Council Iran's noncompliance with its NPT safeguards obligations. If that occurs, we expect the Security Council would then call on Iran to comply with IAEA demands, and would use its authority to reinforce the IAEA's efforts.

### **North Korea**

Ensuring a Korean peninsula free of nuclear weapons remains a central Bush Administration focus. The quickest and easiest route to achieving this goal would be for North Korea to make the same historic decision that Libya made, and abandon the pursuit of WMD in a verifiable way. North Korea should take note that Libya opened itself up voluntarily to full transparency about its weapons programs, and that, with

continued cooperation with the United States and the United Kingdom, a completely transformed relationship with the United States may be possible.

Absent a Libya scenario, we believe that the best way to achieve our goal of a nuclear-free Korean Peninsula is through the Six-Party Talks. But let me be clear -- the Six-Party Talks are a means to an end. We are not talking simply for the sake of talking. As Secretary Powell has stated, we want and expect "tangible" progress and results, which will serve the national security goals of the United States, and which coincide with those of North Korea's neighbors. Nonetheless, the dangers presented by North Korea's ongoing nuclear weapons program -- not to mention risk that Pyongyang might export nuclear expertise, technology, fissile material, or even transfer nuclear weapons, which they have threatened to do -- are too serious to ignore.

The greatest obstacle to a successful conclusion for the Six-Party Talks remains North Korea's unwillingness to date to address the problem honestly. The DPRK dictatorship contends that the lack of progress in the Six-Party Talks is because the U.S. refuses to abandon its "hostile" policy. It cites the presence of U.S. troops in South Korea and activities such as the Proliferation Security Initiative as examples of this "hostile" policy. As for the presence of U.S. troops in South Korea, they are there because both the United States and South Korea want them there to deter North Korean aggression. Moreover, Pyongyang's criticism of the Proliferation Security Initiative is akin to drug lords complaining about drug laws. If North Korea has a problem with the Proliferation Security Initiative, there is an easy solution -- get out of the proliferation business. It is time for North Korea to embrace the principles of the free market in industries besides weapons of terror and illegal narcotics.

The real obstacle to progress in the Six-Party Talks remains North Korea's unwillingness to commit to the complete, verifiable, and irreversible dismantlement of its nuclear programs. Setting aside the crucial issue of verification for a moment, let me discuss what the United States and our allies mean when we talk about the complete and irreversible dismantlement of the North's nuclear weapons program.

In order for dismantlement to be "complete," North Korea must give up not only all elements of its path to nuclear weapons based on the reprocessing of plutonium, but also its nuclear weapons path based on highly-enriched uranium. And, in order to ensure that the world will not continue to be at risk from the threat of the DPRK's ongoing nuclear-weapons activities, this dismantlement must be "irreversible," which will require North Korea to abandon both its so-called "civil" and "peaceful" nuclear programs and permit the removal of all critical items.

North Korea also does not accept our definition of "irreversible." In December and January, Pyongyang offered some indication through public pronouncements that it would be willing to "freeze" its plutonium program, including the five-megawatt reactor at Yongbyon. This was only a freeze, mind you, which would, by definition, be neither complete nor irreversible, but North Korea wasn't willing to stick with even this tepid promise. At the last round of Six-Party Talks, however, the DPRK reversed course, claiming that only those facilities directly related to the weapons program would be subject to a freeze, assuming, of course, that adequate compensation were provided. The idea that the Yongbyon facility serves any peaceful purpose is untenable. The amount of electricity it could produce is minimal, and it is questionable that North Korea even has the necessary infrastructure in place by which to distribute it.

North Korea must declare and fully account for all of its nuclear activities and subject them to effective verification measures. While the exact modalities of this verification regime are to be worked out -- in part because of its decision to withdraw from the NPT last year and the removal of international inspectors and monitoring equipment -- one could reasonably expect some of the five legitimate nuclear weapons states, which are also the five permanent members of the UN Security Council, would play a role in dismantling the weapons and extracting all weapons design information from North Korea. Other inspectors, with the IAEA playing an essential role, would undoubtedly assist in verifying the dismantlement of North Korea's plutonium and uranium-based nuclear weapons programs.

Unfortunately, North Korea continues to make clear that they have no intention to dismantle their facilities in a complete, verifiable and irreversible way, claiming as recently as last Saturday, "How can our Republic accept such a thing?" In this statement, their clearest to date, North Korea made the absurd claim that inspectors would "ransack" their country as a pretext for U.S. intervention. They also unequivocally stated that they would not dismantle their so-called peaceful nuclear reactors. In the eyes of North Korea, the solution is for us to "compensate" them, even for just a "freeze" of the weapons aspect of its nuclear program. It would appear, as President Bush has stated before, that North Korea is "back to the old blackmail game." This time, however, it will not work. We will not follow the mistaken path of the 1994 Agreed Framework because as Secretary Powell has said, "we bought that horse once." We will not provide inducements or reward the North Koreans to come back into compliance with their international obligations. Fundamentally, North Korea needs to understand that the end state is not a freeze, but the

complete, verifiable and irreversible dismantlement of all their nuclear programs, including the Yongbyon facility.

While I have focused my remarks on the nuclear programs of the DPRK, the Six-Party Talks have also provided a vehicle to identify other critical issues of concern. These issues, which the United States and others have raised in both previous sessions of the Six-Party Talks, include the disposition of conventional forces along the demilitarized zone, North Korea's other WMD programs involving chemical and biological weapons, and its outward proliferation record, with particular regard to missiles constraints on DPRK's indigenous missile programs that threaten the U.S. and its Asian allies, and its dangerous exports of destabilizing missiles and missile technologies. Moreover, we must also deal with North Korea's abysmal human rights record, such as the abduction of Japanese citizens. We do not raise these issues because we want to set the bar higher for any negotiated settlement with North Korea. While our long-term goal remains the peaceful reunification of the peninsula, we know that any interim solution will require a comprehensive change in North Korean behavior. Given its past violations of agreements, its extensive, well-documented program of deception and denial, its dangerous proliferation activities, as well as its terrorist activities and its egregious human rights record, North Korea must know that relations with the United States can only become fully normalized when it deals with all of our concerns. They must make this strategic decision themselves, or face continued isolation and other unwelcome consequences. The Six-Party Talks can help to persuade North Korea and its neighbors that such a decision is in its own interests as well as those of its neighbors and the international community as a whole. The choice is Kim Jong Il's.

## Syria

As I testified to this Committee last fall, we are concerned about Syria's nuclear research and development program and continue to watch for any signs of nuclear weapons activity or foreign assistance that could facilitate a Syrian nuclear weapons capability. We are aware of Syrian efforts to acquire dual-use technologies -- some, through the IAEA Technical Cooperation program -- that could be applied to a nuclear weapons program. In addition, Russia and Syria have approved a draft program on cooperation on civil nuclear power. Broader access to Russian expertise could provide opportunities for Syria to expand further its indigenous capabilities, should it decide to pursue nuclear weapons. Syria is a party to the NPT, and has a standard safeguards agreement with the IAEA, but has not yet signed or, to our knowledge, even begun negotiations on the IAEA Additional Protocol. The Additional Protocol, if fully implemented by Syria, could enhance the IAEA's ability to verify whether Syria has been conducting clandestine nuclear weapons research barred by the NPT.

The President signed the Syria Accountability and Lebanese Sovereignty Restoration Act last December, which provides for the imposition of sanctions if the President determines that the Syrian government has not ended its pursuit of weapons of mass destruction, as well as ceased providing support for international terrorist groups, ended its occupation of Lebanon, and ceased any support for terrorist activities inside Iraq. Syria has not met these requirements, and the President will soon announce tough sanctions against Syria under the Act. The Bush Administration intends to impose further sanctions if Syrian behavior does not improve.

In addition, Syria's failure to demonstrate a consistent effort against foreign fighters reaching Iraq increases the threat to Coalition forces. We saw Syria take a series of hostile actions toward Coalition forces in the days before the war and shortly after hostilities began, such as allowing equipment to flow into Iraq. Syria also permitted foreign fighters to transit on their way to Iraq, volunteers who sought to attack coalition forces. Although the Syrian Government has taken steps to secure their Iraqi border, Syria remains a preferred hub for foreign fighters on their way to Iraq and more needs to be done.

## Cuba

Cuba is a special security concern to the United States, lying just 90 miles from the U.S. mainland. This totalitarian state has long been a violator of human rights, earning it a place on the State Department's list of state-sponsors of terrorism. We said last year in the *Annual Report on Human Rights Practices for 2003* that human rights abuses in Cuba worsened dramatically last year when 75 peaceful dissidents were sentenced to prison terms averaging 20 years for trying to exercise their fundamental rights. The Cuban Government continues to violate systematically the fundamental civil and political rights of its citizens. Citizens there do not have the right to change their government peacefully. Prisoners die in jail due to lack of medical care. Members of the security forces and prison officials continues to beat and otherwise abuse detainees and prisoners. The Government denies its citizens the freedoms of speech, press, assembly and association.

Havana has long provided safe haven for terrorists, and has collaborated in biotechnology -- including

extensive dual use technologies with BW applications -- with state sponsors of terror. The country is known to be harboring terrorists from Colombia and Spain. Colombia's two largest terrorist organizations, the Revolutionary Armed Forces of Colombia and the National Liberation Army, both maintain a permanent presence on the island. Perhaps the clearest evidence that Cuba is ruled by a criminal regime is the fact that it is providing refuge to over 70 fugitives wanted by the FBI. Many have committed serious crimes, including assassination, murder, bombings, and narcotics trafficking. Three have killed American policemen.

The Bush administration has said repeatedly that we are concerned that Cuba is developing a limited biological weapons effort, and called on Fidel Castro to cease his BW aspirations and support of terrorism. Existing intelligence reporting is problematic, and the Intelligence Community's ability to determine the scope, nature, and effectiveness of any Cuban BW program has been hampered by reporting from sources of questionable access, reliability, and motivation. In early 2002, the intelligence community approved the following unclassified language on Cuba's BW efforts for an unclassified speech I was planning to give:

"The United States believes that Cuba has at least a limited developmental offensive biological warfare research and development effort. Cuba has provided dual-use biotechnology to other rogue states. We are concerned that such technology could support BW programs in those states. We call on Cuba to cease all BW-applicable cooperation with rogue states and to fully comply with all of its obligations under the Biological Weapons Convention."

In March and June 2002, Assistant Secretary Carl Ford used the above IC language in testimony to the Senate Foreign Relations Committee. I used the same language in a May 2002 address to the Heritage Foundation, although I dropped the word "developmental" since I thought it was superfluous.

Castro has repeatedly denounced the U.S. war on terrorism. He continues to view terror as a legitimate tactic to further revolutionary objectives. In 2000, Castro visited Iran, Syria, and Libya. He made the following disturbing comments in mid-2001 at Tehran University: "Iran and Cuba, in cooperation with each other, can bring America to its knees. The U.S. regime is very weak, and we are witnessing this weakness from close up."

Incredibly, a major U.S. intelligence analysis in 1998 concluded that Cuba did not represent a significant military threat to the United States or the region. It went only so far as to say that, "Cuba has a limited capacity to engage in some military and intelligence activities which could pose a danger to U.S. citizens under some circumstances." Why was the 1998 report on Cuba reach so narrow a conclusion? Why did it underplay the threat Cuba posed to the United States? A major reason is Cuba's aggressive intelligence operations against the United States, which included recruiting the Defense Intelligence Agency's senior Cuba analyst, Ana Belen Montes, to spy for Cuba. Montes had a hand in drafting the 1998 Cuba report. She also participated in interagency coordination of a national intelligence estimate on BW, and passed some of our most sensitive information about Cuba back to Havana. Additionally, Monte's espionage materially strengthened Cuba's denial and deception efforts; the data Montes passed gave Havana ample opportunity to generate controlled information that could, via defectors and émigrés, reach Washington. Montes pleaded guilty to espionage for Cuba against the United States, and was sentenced to a 25-year prison term in 2002.

For four decades, Cuba has maintained a well-developed and sophisticated biomedical industry, supported until 1990 by the Soviet Union. This industry is one of the most advanced in Latin America, and leads in the production of pharmaceuticals and vaccines that are sold worldwide. Some analysts and Cuban defectors, however, have long cast suspicion on the activities conducted in these biomedical facilities. Nor can we forget what was learned after the collapse of the USSR about the biological warfare research and development work carried out by ostensibly "civilian" facilities belonging to the Cuban biotechnology industry's Soviet patrons.

As I said earlier, I believe the case for the existence of a developmental Cuba BW R&D effort is strong. The Administration believes that Cuba remains a terrorist and BW threat to the United States. The Bush Administration continues to watch this rogue state very closely. While my remarks so far have focused on rogue states, I would also like to take this opportunity to discuss our non- and counterproliferation dialogue with India and with Pakistan. Both could assemble a limited number of nuclear weapons in a relatively short period, and have air-delivered bombs and land-based missiles capable of delivering such weapons, and India is pursuing a sea-based ballistic missile capability. We believe this has diminished, not strengthened, security on the subcontinent.

## India

With respect to India, in September, 2001, the Bush Administration lifted nuclear-related sanctions imposed on India following its 1998 nuclear weapons tests. This decision resulted not from a diminution of U.S. concerns regarding India's development of nuclear weapons, but reflected the Administration's view that a different approach, including regular engagement on nonproliferation issues, would prove more effective in advancing our nonproliferation goals. We have embarked on an intensive program of cooperative technical exchanges on export controls, which both sides have found useful. While there has been progress in some notable cases, U.S. sanctions remain in place against proliferating entities in India, such as NEC Engineers, and its president, Hans Raj Shiv. We are gratified by the ongoing Indian prosecution of NEC and are following the case with interest. On January 12th of this year, President Bush and Prime Minister Vajpayee announced the "Next Steps in Strategic Partnership" ("NSSP") initiative to expand cooperation in the areas of civilian nuclear and civilian space applications, high-technology commerce, and dialogue on missile defense. This important initiative reflects our growing strategic relationship with India. As part of the expanded cooperation, India will undertake meaningful steps to improve its export controls systems, and work with the U.S. in pursuit of shared nonproliferation goals. Consistent with its obligations under U.S. law and international commitments, the United States is offering no assistance to India's nuclear weapons or missile programs.

### **Pakistan and the A.Q. Khan Network**

The United States Government is working cooperatively with Pakistan to improve its export control regimes and nonproliferation policies. While Pakistan has not conducted nuclear explosive tests since 1998, it continues to develop nuclear weapon and missile programs. The sanctions imposed in 1998 were lifted in September, 2001, and a more cooperative approach to achieve our mutual nonproliferation goals has since been implemented.

Our recent nonproliferation focus with Pakistan is to work with the government to eliminate once and for all the network of Abdul Qadeer Khan, the so-called "father" of Pakistan's nuclear weapons program. Recent revelations have implicated Khan in leading an international network working in Europe, Asia, and Africa that sold uranium enrichment technology and equipment to rogue states. As the President laid out in great detail in his NDU speech last month, we have been concerned about the scope and the breadth of Khan's activities for quite some time. What we have learned about the international black market in weapons of mass destruction shows how sophisticated WMD proliferators are, and how skilled they are at deception and camouflage. The complexity of the Khan network illustrates the need for a multi-faceted approach to ultimately defeat the WMD black market. This approach will require using all the tools we have available, including close cooperation with our allies and friends.

Khan's recent admissions that he provided uranium enrichment expertise to North Korea and Iran has put the lie to protestations by these states about their covert uranium enrichment programs. President Musharraf has assured the United States that he will provide us, and the IAEA with information from Khan and his associates that we can use to advance our investigations into the Khan network and worldwide trading in nuclear weapons technology.

### **President Bush's Counterproliferation Initiatives**

In his speech at the National Defense University last month, President Bush said, "There is a consensus among nations that proliferation cannot be tolerated. Yet this consensus means little unless it is translated into action. Every civilized nation has a stake in preventing the spread of weapons of mass destruction." The President made seven proposals to strengthen the world's efforts to stop the spread of deadly weapons:

- Expanding the work of the Proliferation Security Initiative;
- Passing a UN Security Council Resolution calling on all nations to strengthen laws and international controls against WMD and missile proliferation;
- Expanding the G8 Global Partnership recipients, donors, and funds to prevent WMD proliferation worldwide;
- Closing a loophole in the Nuclear Nonproliferation Treaty that allows states to pursue fissile material for nuclear weapons under peaceful cover;
- Limiting the import of peaceful nuclear technology to states that have signed the IAEA Additional Protocol and calling on the Senate to quickly ratify the protocol;
- Reorganizing the IAEA to create a special IAEA committee to that will ensure all states comply with NPT obligations;
- Barring states under investigation for violating their IAEA obligations from serving on the IAEA Board of Governors or on the new IAEA special committee.

## The Proliferation Security Initiative

Foremost among President Bush's efforts to stop WMD proliferation is the Proliferation Security Initiative. The United States and ten other close allies and friends have worked assiduously from May 2003 to develop this initiative, which seeks to combat proliferation by developing new means to disrupt WMD trafficking at sea, in the air, and on land. Our goal is to create a more robust approach to preventing WMD, their delivery systems, and related materials flowing to and from states and non-state actors of proliferation concern.

The PSI has been a fast-moving effort, reflecting the urgency attached to establishing a more coordinated and active basis to prevent proliferation. The Proliferation Security Initiative is unique in that it is not an organization but an activity. Countries will participate in a variety of ways. On September 4, we published the PSI "Statement of Interdiction Principles" and shared it with countries around the world. Already, more than 60 countries have signaled that they support the PSI and are ready to cooperate in interdiction efforts. States are becoming involved in PSI efforts in a number of different capacities -- operational, political, or both -- to help build the initiative. Three additional countries -- Canada, Norway, and Singapore -- joined the PSI core group at the most recent PSI plenary meeting in Lisbon earlier this month.

As PSI has developed, countries have worked together under PSI auspices to prevent additional shipments of illicit materials. The most recent example of this cooperation, noted by the President in his February 11 address, involved the United States working with the United Kingdom, Italy, and Germany to stop and seize a shipment of centrifuge parts useful for uranium enrichment bound for Libya.

In mid-April, PSI operational experts will gather in Ottawa, Canada, to develop further the work of the December meeting hosted by the United States, where PSI participants agreed on a growing series of sea, air, and ground interdiction training exercises. Six have already taken place, and four additional exercises will occur in the coming months. Most recently, the United States led an exercise in January in the Arabian Sea, known as "Sea Sabre," and the Italians hosted an air interception exercise in February. PSI nations have now trained for maritime interdictions in the Mediterranean, the Arabian Sea, and the western Pacific Ocean, all areas that are particularly prone to proliferation trafficking, and are beginning to evolve our collective ability to conduct air interceptions. Meanwhile, as we speak, Germany is hosting the first airport-based law-enforcement-focused interdiction training exercise, "Operation Hawkeye." Poland will host the first ground interdiction training exercise in April; Italy will host a maritime interdiction exercise in April; and France will host an air interdiction exercise in June.

As the PSI moves forward, other countries will join in training exercises to enhance global capabilities to respond quickly when governments receive intelligence on proliferation shipments. Our ally, Japan, has worked closely with the United States as it deployed expert missions to each of the ASEAN nations to encourage support and active involvement in the PSI. We have been in close discussions in these capitals, including visits I have made to two key countries, Malaysia and Indonesia.

President Bush has made clear that the long-term objective of the United States is to create a web of counterproliferation partnerships through which proliferators will have difficulty carrying out their trade in WMD and missile-related technology. With this in mind, we are making progress in negotiating ship-boarding agreements with key flag states. Liberia was the first country to sign an agreement, and cited its desire to work with us so that its ships were understood to operate under high standards. The Administration also is discussing with the United Kingdom and others, proposals to deny ships known to have unacceptable proliferation records from entry into ports.

Our PSI interdiction efforts rest on existing domestic and international legal authorities. The national legal authorities of each participant will allow us to act together in a flexible manner, ensuring actions are taken by participants with the most robust authorities in any given case. By coordinating our efforts with other countries, we draw upon an enhanced set of authorities for interdiction. Experts will work to improve our ability to share information with law enforcement and military operators in a timely and effective manner, in order to allow operators to increase the number of actual interdictions.

In his February address, President Bush directed that we work with other participants to expand PSI's mission to target not only shipments and transfers of WMD, but the entities and networks involved in illicit proliferation activities more aggressively. Such steps will require greater cooperation not just among intelligence and military services but in law enforcement as well. Specifically, PSI participants will focus more broadly on those who traffic in deadly weapons, and work to shut down their labs, to seize their materials, to freeze their assets, to disrupt the middlemen, the suppliers and the buyers.

Work has already begun to build support for this expanded PSI effort. At the most recent plenary meeting in

Lisbon, Portugal, the Chairman's Conclusions contain a strong statement of political support for the President's call to expand PSI's role. Participants agreed to pursue greater cooperation through military and intelligence services and law enforcement to shut down proliferation facilitators and bring them to justice. PSI participants agreed on some practical first steps to: 1) identify national points of contact and internal processes developed for this expanded goal; 2) develop and share national analyses of key proliferation actors and networks, their financing sources, and other support structures; and 3) undertake national action to identify law enforcement authorities and other tools or assets that could be brought to bear against efforts to stop proliferation facilitators.

We are nearing the first anniversary of President Bush's announcement of PSI in Krakow, Poland. To commemorate the anniversary, the Government of Poland will host a meeting in Krakow, where they anticipate participation by many of the governments supporting PSI, and ready and willing to participate in PSI activities. This meeting will demonstrate PSI's global scope and the strong resolve of nations to take robust actions to deny proliferators the ability to trade in the most deadly weapons and materials. As the President said in his February address: "Our message to proliferators must be consistent and it must be clear: We will find you, and we're not going to rest until you are stopped."

### **Strengthening Laws and International Controls Governing Proliferation**

In his February address and also in his September address to the U.N. General Assembly, the President called upon the Security Council to pass a resolution calling for each nation to require all states to criminalize proliferation, enact strict export controls, and secure all sensitive materials within their borders. After months of difficult negotiation, the Permanent Five members of the Security Council reached agreement last week. We have circulated a draft resolution to the rest of the Council, and we hope that the full Council will move quickly to adopt this resolution.

### **WMD Sanctions**

The front lines in our nonproliferation strategy need to extend beyond the immediate states of concern to the trade routes and entities that are engaged in supplying the countries of greatest proliferation concern. In support of this "forward" policy of nonproliferation, we are employing a number of tools to thwart and counter countries' weapons of mass destruction and missile programs, including sanctions, interdiction, and credible export controls. Most of these states are still dependent on outside suppliers and expertise. Thus, we can slow down and even stop their weapons development plans by implementing a policy that seeks to disrupt their procurement attempts.

Proliferating states and entities are employing increasingly sophisticated and aggressive measures to obtain WMD or missile-related equipment, materials, and technologies. They rely heavily on the use of front companies and illicit arms brokers in their quest for arms, equipment, sensitive technology, and dual-use goods for their WMD programs. These front companies and brokers are expert at concealing the ultimate destination of an item, and in making an illicit export appear legitimate -- in essence hiding the export in the open. Proliferators take other measures to circumvent national export controls, such as falsifying documentation, providing false end-user information, and finding the paths of least resistance for shipping an illicit commodity. If there is a loophole in a law or a weak border point, those responsible for rogue states' WMD programs will try to exploit it. All too often they succeed.

Economic penalties or sanctions are an essential tool in a comprehensive nonproliferation strategy. The imposition or even the mere threat of sanctions can be a powerful lever for changing behavior, as few countries wish to be publicly labeled as being irresponsible. Sanctions not only increase the costs to suppliers but also encourage foreign governments to take steps to adopt more responsible nonproliferation practices and ensure that entities within their borders do not contribute to WMD programs.

The Bush Administration has imposed WMD sanctions an average of 22 times per year and 32 times per year in 2002 and 2003. Compare that with the average number of sanctions imposed per year during the last Administration -- eight -- and you will see that this Administration is very serious about using sanctions as a nonproliferation tool. We have imposed measures under the Iran Nonproliferation Act, the Iran-Iraq Act, the Arms Export Control Act, and Executive Order 12938 among others. While we see sanctions as an effective policy tool, most of these sanctions are required by law and we will implement them as Congress intended.

Consider a recent case involving Macedonia. In December, 2003, the United States imposed nonproliferation penalties pursuant to the Arms Export Control Act and E.O. 12938 on the Macedonian entity, Mikrosam, and Macedonian citizen, Blagoje Samokovski. Penalties were imposed because the United States Government determined that these entities contributed materially to the efforts of the end-

user to use, design, develop, produce, or stockpile missiles capable of delivering weapons of mass destruction. The Macedonian Government understands the importance of dealing with these issues and has recently completed a first draft of a new Macedonian export control law.

Our perspective on sanctions is clear and simple. Companies around the world have a choice: trade in WMD materials with proliferators, or trade with the United States, but not both. Where national controls fail, and when companies make the wrong choice, there will be consequences. U.S. law requires it, and we are committed to enforcing these laws to their fullest extent.

For example, the forthcoming report that the Department of State will soon submit to Congress pursuant to the Iran Nonproliferation Act illustrates how we are implementing the Act to advance our nonproliferation goals. We will be announcing 13 new sanctions for transferring WMD technology to Iran.

### **Restricting Dangerous Materials and Continuing the Nunn-Lugar Cooperative Threat Reduction**

Another important Administration initiative is the Global Partnership Against the Spread of Weapons and Materials of Mass Destruction, launched by the Leaders of the G-8 at the Kananaskis Summit in June, 2002. The G-8 Leaders pledged to raise up to \$20 billion over ten years for nonproliferation, disarmament, and nuclear safety cooperation projects to prevent dangerous weapons and materials from falling into the wrong hands.

The United States will contribute half of this total -- \$ 10 billion -- through projects funded and implemented by the Departments of Defense, Energy, and State, most of which were begun under the Nunn-Lugar Cooperative Threat Reduction program. Of the remaining \$10 billion to be committed by other G-7 countries, approximately \$7 billion has already been pledged. Last year the G-8 welcomed the participation of six additional donor countries -- Finland, the Netherlands, Norway, Poland, Sweden, and Switzerland -- and we have recently invited a number of additional nations to join this important enterprise.

The initial focus of the Partnership has been on projects in Russia, with formal recognition anticipated for other states of the former Soviet Union, but the problems of dangerous weapons, materials, and expertise extend to many other countries. The United States already has nonproliferation projects underway in Ukraine, Kazakhstan, Uzbekistan, Georgia, and other FSU states, and counts this assistance toward our Global Partnership commitment. Some other Global Partnership countries already have assistance in the FSU as well. The United States has recently begun assistance in Iraq and Libya. We are encouraging our partners to undertake their own projects in such states and to expand the Global Partnership into these areas. The United States has new legislative authority to devote a portion of Department of Defense CTR resources to countries beyond the former Soviet Union, and we are looking to expand the scope of our efforts accordingly.

In the decades after World War II the United States and the Soviet Union built research reactors that used highly enriched uranium for fuel in dozens of locations around the world. As a result, substantial amounts of highly enriched uranium fuel are stored at or near such reactors under security arrangements that vary widely in quality. Both the United States and Russia want to convert such reactors to low enriched uranium fuel, and to remove highly enriched uranium. In recent months we have worked with Russia to remove highly enriched uranium fuel from Yugoslavia, Bulgaria, Romania, and Libya, and continue to plan for additional removals. Our goal is to reduce to an absolute minimum international commerce in weapons-usable uranium throughout the world.

Another important nonproliferation instrument, our Export Control and Related Border Security Assistance program ("EXBS"), is our primary vehicle for providing other governments the advice, training, and equipment they need to bring their export control systems up to international standards. The EXBS program also initially focused on the former Soviet Union and nearby transit states, but in recent years has expanded to over forty countries in South Asia, Southeast Europe, and key transshipment states from the Mediterranean to the Middle East to Southeast Asia. Foreign governments receiving this assistance have passed new export control laws and interdicted shipments of arms, radioactive materials, and other sensitive items destined for suspicious end-users.

The Dangerous Materials Initiative ("DMI"), responds to the President's February 11th call to strengthen efforts against the spread of deadly weapons. The DMI is a project-based international assistance initiative that will help criminalize proliferation, remove and/or secure dangerous materials, enact stricter export controls, expand G-8 nonproliferation efforts beyond Russia and help implement the Proliferation Security Initiative. We have already conducted DMI projects in Libya to remove nuclear materials and related material, and in Iraq to control dangerous materials. We are seeking DMI partnerships with other countries, on a pilot basis, to strengthen national controls over biological and nuclear materials, including sensitive

technology and equipment. We encourage other countries to participate in similar partnerships in Iraq, Libya, and elsewhere.

### **Closing NPT Loopholes and Strengthening the IAEA**

President Bush is committed to ensuring that all IAEA members and all states parties to the Nuclear Nonproliferation Treaty honor their treaty obligations, and that banned activities are reported to the United Nations Security Council. The President is determined to stop rogue states with secret nuclear weapons programs from benefiting from peaceful nuclear technology. President Bush has proposed creating a special committee of the IAEA to “focus intensively on safeguards and ...[and] ensure that nations comply with their international obligations.”

The President also wants to stop states that are suspected of having covert nuclear weapons programs from holding seats on the IAEA Board of Governors from which they now can sit in judgment of their own programs as well as the weapons programs of other rogue states. For example, it was outrageous that Iran actually was a member of the Board last year while that body was deliberating how to deal with Iran’s nuclear weapons effort. Ensuring that suspect states do not sit on the IAEA Board is particularly important given the Board’s tradition of trying to reach decisions by consensus – which is obviously impossible when the fox helps guard the henhouse.

### **Stopping MANPADS Proliferation**

The Administration is also actively seeking to address the threat posed by the terrorist use of Man Portable Air Defense Systems (“MANPADS”) through bilateral and multilateral initiatives. At the June 2003 G-8 Evian Summit, leaders agreed to a U.S.-initiated MANPADS Action Plan that includes: providing assistance and technical expertise for destroying excess MANPADS; adopting stringent national controls on production of and export of MANPADS and their essential components; banning transfers to non-state actors; exchanging information on uncooperative countries and entities; and examining for new MANPADS the feasibility of adding specific technical performance or launch control features that preclude their unauthorized use. During the October 2003 APEC summit, APEC economies issued a statement on MANPADS similar to the G-8 Action Plan. In December 2003, the Wassenaar Arrangement adopted strengthened guidelines for control over MANPADS transfers. We are continuing efforts in all of these *fora* this year. New MANPADS initiatives are also being proposed in the OSCE and other regional organizations.

We are also engaged on a bilateral basis with countries that have a combination of excess MANPADS stocks, poor controls, and a demonstrable risk of proliferation to terrorist groups or other undesirable end-users. The existing NADR Small Arms and Light Weapons Destruction Program is funding programs to destroy obsolete weapons which have little military value, but could be lethal against civil aviation in the hands of terrorist organizations. NADR also strives to improve safety and security of weapons which may be needed for legitimate self-defense purposes; and improve standards of inventory control and accountability to ensure that remaining stocks are not stolen or illicitly transferred.

Many countries participating in the bilateral MANPADS reduction programs have requested that we treat their activities as confidential. Public success stories include the destruction of nearly 6000 MANPADS in Bosnia-Herzegovina. After a State Department-led assessment, Prime Minister Hun Sen of Cambodia declared that Cambodia would destroy its entire stockpile of 233 MANPADS. The State Department also disabled and will destroy 45 MANPADS in Liberia. 7,922 MANPADS have been destroyed in eight countries in Africa, Eastern Europe, and Latin America since the beginning of 2003. We have received commitments for the destruction of almost 2,500 more and continue to pursue efforts worldwide.

### **Conclusion**

We are making steady progress in the war against WMD proliferation and terrorism. We have broken up the Khan network, worked in partnership with Libya to dismantle its WMD programs, put the international spotlight on Iran’s nuclear program, moved North Korea into multilateral negotiations, eliminated Saddam Hussein’s regime in Iraq, and successfully used the Proliferation Security Initiative to stop WMD shipments. We are turning up the pressure on Syria to end its WMD efforts, and by all these efforts are seeking to deter other would-be proliferators. We have worked with our G-8 partners to spend billions of dollars to safeguard dangerous materials and weapons left over from the Cold War. We are strengthening the Nunn-Lugar program and the G-8 Global Partnership and we are assisting other countries to develop and enforce effective export controls. India and Pakistan have committed to strengthen their export controls to prevent transfers of sensitive technology and have launched a dialogue of their own that we hope will lead to the reduction of nuclear risks on the Subcontinent.

These efforts are bearing fruit. Proliferation is today becoming riskier and more uncertain, and we are now sending the message that the pursuit of WMD brings not security but *insecurity*. At the same time, we have made clear that countries that abandon such dangerous pursuits can enjoy the prospect of improved relations with the United States and our friends.

President Bush said in February, "We've shown that proliferators can be discovered and can be stopped. We've shown that for regimes that choose defiance, there are serious consequences." But while the United States has made progress in stopping WMD proliferation, the threat is far from being eliminated. It would be irresponsible to believe that stopping WMD proliferation will be any easier than the war against terrorism, or that it will be resolved any sooner. Only by sustained efforts over a protracted period will we achieve our goals of allowing America and its allies to be free from the continuing threat of blackmail and terrible destruction that these weapons pose.

[End]

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