

**STATEMENT OF ROBERT G. JOSEPH  
UNDER SECRETARY OF STATE FOR ARMS CONTROL AND  
INTERNATIONAL SECURITY**

**Senate Armed Services Committee  
Sub-Committee on Emerging Threats and Capabilities  
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**U.S. Strategy to Combat the Proliferation of Weapons of Mass Destruction**

I am pleased to have the opportunity to provide a written statement to the Sub-Committee regarding the threat to U.S. national security from the proliferation of weapons of mass destruction (WMD) and delivery means, and the Administration's strategy for combating that threat.

Almost immediately upon assuming office, President Bush emphasized that WMD proliferation was the major security threat of the 21st century, requiring a new, comprehensive strategy. In a speech at the National Defense University on May 1, 2001, the President said:

...this is still a dangerous world, a less certain, a less predictable one. More nations have nuclear weapons and still more have nuclear aspirations. Many have chemical and biological weapons. Some already have developed the ballistic missile technology that would allow them to deliver weapons of mass destruction at long distances and incredible speeds. And a number of these countries are spreading these technologies around the world.

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Today's world requires a new policy, a broad strategy of active nonproliferation, counterproliferation and defenses. We must work together with other like-minded nations to deny weapons of terror from those seeking to acquire them. We must work with allies and friends who wish to join with us to defend against the harm they can inflict. And together we must deter anyone who would contemplate their use.

A year later, in his first National Security Strategy of the United States and the National Strategy to Combat Weapons of Mass Destruction, the President expanded both on the requirements to meet today's threats and on the tools we would marshal against them. The National Strategy to Combat WMD is the first of its kind -- a broad strategy uniting all the elements of national power needed to

counter the full spectrum of WMD threats. Previous U.S. approaches had focused almost exclusively on nonproliferation. The Bush Administration has dramatically expanded U.S. nonproliferation efforts to prevent acquisition of WMD, related materials and delivery systems by rogue states or terrorists. At the same time, the President recognized the reality that preventive efforts will not always succeed. Therefore, the National Strategy to Combat WMD put new, and necessary, emphasis on counterproliferation – to deter, detect, defend against, and defeat WMD in the hands of our enemies. Further, the National Strategy also focused on consequence management, to reduce as much as possible the potentially horrific consequences of WMD attacks at home or abroad.

The three pillars in the National Strategy of counterproliferation, nonproliferation and consequence management do not stand alone, but rather come together as seamless elements of a comprehensive approach. Underlining that point, the National Strategy identified four cross-cutting enabling functions that are critical to combating WMD: intelligence collection and analysis; research and development; bilateral and multilateral cooperation; and targeted strategies against hostile states and terrorists.

To succeed in our effort to combat WMD proliferation, we must apply all elements of national power – diplomatic, economic, intelligence, law enforcement, and military.

### Diplomatic Tools

The Bush Administration has given new vitality to the use of diplomatic tools to prevent the proliferation of weapons of mass destruction. U.S. assistance to other countries to reduce and prevent the proliferation of weapons of mass destruction and delivery vehicles -- through DOD's Cooperative Threat Reduction (CTR) program, the Department of Energy's nuclear nonproliferation programs, and the smaller but nonetheless important State Department programs -- has been at record funding levels. The President has committed an average of \$1 billion a year to these critical efforts; we greatly welcome the consistent, strong support of the Subcommittee, the Committee, the Senate, and the House of Representatives, for these essential programs. Moreover, with the proposal in 2002 for the G-8 Global Partnership Against the Spread of Weapons and Materials of Mass Destruction, the President successfully called on our foreign partners to commit their fair share to the effort to meet what is a global responsibility. We continue to work closely with the other G-8 members to realize fully the potential of this critical commitment. Although much remains to be done, the Global Partnership has

already had important success in increasing non-U.S. funding for securing and eliminating sensitive materials, technologies and weapons.

While the bulk of U.S. nonproliferation assistance remains focused on the states of the Former Soviet Union, we have also expanded our efforts to address proliferation threats more broadly. It is noteworthy how these programs have evolved to meet today's threats, from an early focus on denuclearizing Ukraine, Belarus and Kazakhstan and on reducing the former Soviet strategic arsenal, to an increasing concentration on measures to prevent the proliferation of weapons of mass destruction and related materials. Landmark DOE programs include the Global Threat Reduction Initiative to reduce fissile and radioactive material worldwide, and the Second Line of Defense and Megaports programs to install radiation detection capability at major seaports, airports and land crossings. While the statutes authorizing the CTR program give it less flexibility than its DOE counterparts for work outside the former Soviet states, DOD is taking full advantage of the flexibility it has been given to eliminate chemical weapons in Albania.

The United States has also spearheaded the effort for the United Nations Security Council to take on its responsibilities to maintain peace and security against WMD threats. A major milestone was the passage in April 2004 of United Nations Security Council Resolution (UNSCR) 1540. In adopting UNSCR 1540, the Security Council – for only the second time since its founding – invoked its Chapter VII authorities to require nations to act against a general, as opposed to a specific, threat to international peace and security. In particular, UNSCR 1540 requires all states to prohibit WMD proliferation activities, such as we witnessed with the A.Q. Khan network. It further requires that states institute effective export controls, and enhance security for nuclear materials on their territory. The United States stands ready to assist other states in implementing UNSCR 1540; here too, DOE and DOD nonproliferation assistance programs, as well as those of the Department of State, are key instruments for the Administration's strategy to combat WMD.

The United States also has led the way to strengthen the International Atomic Energy Agency's ability to detect nuclear proliferation. We instituted a successful effort to increase the IAEA's safeguards budget. We have strongly supported the IAEA Additional Protocol, to strengthen the Agency's ability to uncover clandestine nuclear programs. The President submitted the U.S. Additional Protocol to the Senate, which gave its advice and consent to ratification in 2004, and called for all other countries to adhere to it as well. The President also

successfully urged the creation of a new special committee of the IAEA Board of Governors to examine ways to strengthen the Agency's safeguards and verification capabilities.

In addition to the President's proposals to strengthen the IAEA institutionally, he challenged the international community to rectify the greatest weakness in the nuclear nonproliferation system: the ability of states to pursue nuclear weapons under the cover of peaceful energy programs. The lesson of Iran and North Korea is clear: some states will cynically manipulate the provisions of the Nuclear Nonproliferation Treaty to acquire sensitive technologies to enable them to pursue nuclear weapons capabilities – the very capabilities the treaty is intended to deny.

To close this loophole, the President has proposed that uranium enrichment and plutonium separation capabilities – the two primary paths to acquiring fissile material for nuclear weapons -- be limited to those states that already operate full-scale, fully-functioning facilities. In return, he called on the world's nuclear fuel suppliers to assure supply, in a reliable and cost effective manner, to those states which forego enrichment and reprocessing. We are working with other fuel provider states and with the IAEA to put in place assurances that will convince states with power reactors that their best economic interest is not to invest in expensive, and proliferation risky, fuel cycle capabilities. The Department of Energy plays a critical part in developing these Presidential initiatives and working with other nations to bring them to fruition.

DOE's Global Nuclear Energy Partnership (GNEP), which Secretary Bodman announced last month, offers the promise for the longer term of enhancing global access to nuclear energy while strengthening nonproliferation. An important emphasis of the initiative is to provide a basis for states to benefit from civil nuclear power while avoiding the costs and challenges of enriching fresh fuel on the front end of the fuel cycle and disposing of spent fuel on the back end. To that end, GNEP envisions a cradle-to-grave fuel leasing regime under which states that currently have the full fuel cycle would provide fresh fuel for nuclear power plants in user nations. The spent fuel would then be returned to a full fuel-cycle nation and would be recycled using a process that does not result in separated plutonium. The Department of State is working closely with DOE to engage international partners to participate actively in GNEP.

## Defensive Measures

We refer to another set of tools as “defensive measures.” A key requirement of counterproliferation is to protect ourselves from WMD-armed adversaries. Combating WMD requires both offensive and defensive capabilities, to deter, detect, defend against, and mitigate the consequences of WMD and missile attack. As the President stressed in May 2001, we require new methods of deterrence against the proliferation threats of today. A strong declaratory policy and effective military forces are essential elements of our contemporary deterrent posture, reinforced by effective intelligence, surveillance, interdiction and law enforcement. Because deterrence may not always succeed, our military forces must be able to detect and destroy an adversary’s WMD before they are used, and to prevent WMD attack from succeeding through robust active and passive defenses and mitigation measures. All of those requirements place particular demands on the Department of Defense. Major milestones in implementing the Administration’s comprehensive approach to combating WMD were marked in: January 2005, when the Secretary of Defense designated U.S. Strategic Command as the lead combatant command for this mission; in January 2006, when General Cartwright announced the initial operating capability of the new STRATCOM Center for Combating Weapons of Mass Destruction in partnership with the Defense Threat Reduction Agency; and in February 2006, when the Department of Defense issued the first National Military Strategy to Combat WMD.

Another critical defensive measure undertaken by the Bush Administration to combat weapons of mass destruction is the Proliferation Security Initiative (PSI), which shows the close interaction among – and the creative use of – diplomatic, military, economic, law enforcement, and intelligence tools to combat proliferation. Within the U.S. Government, the Department of Defense, Intelligence Community and the Department of State all play essential roles in PSI. The participating countries are applying laws already on the books in innovative ways and cooperating as never before to interdict shipments, to disrupt proliferation networks, and to hold accountable the front companies that support them. PSI has now expanded to include support from more than 70 countries, and continues to grow. It is not a treaty-based approach, involving long, ponderous negotiations which yield results only slowly, if at all. Instead, it is an active -- and proactive -- partnership, to deter, disrupt and prevent WMD proliferation. And it is working.

Economic and financial tools are also key elements of our defensive measures. Adopting many of the means developed in the war against terrorism, we are now working with our partners to cut off the financial flows that fuel proliferation. UNSCR 1540 requires states to take and enforce effective controls on funds and services related to export and transshipment that would contribute to WMD programs. Consistent with UNSCR 1540, in July 2005, G-8 Leaders called for enhanced efforts to combat proliferation through cooperation to identify, track and freeze financial transactions and assets associated with proliferation-related activities.

President Bush augmented U.S. efforts in this area when he issued in July 2005 a new Executive Order, which authorizes the U.S. Government to freeze assets and block transactions of entities and persons, or their supporters, engaged in proliferation activities. Currently 16 entities – 11 from North Korea, 4 from Iran, and one from Syria – have been designated under the Order, and we are actively considering additional ones.

Our efforts to combat proliferation can also be aided by other financial tools which are not specifically designed against WMD proliferation. For example, in September, the Treasury Department applied authorities under the USA PATRIOT Act against an Asian bank that provides financial services to North Korean illicit activities, such as counterfeiting and drug trafficking. In designating Banco Delta Asia as a “primary money laundering concern” under the USA PATRIOT Act, Treasury acted to protect U.S. financial institutions while warning the global community of the illicit financial threat posed by the bank.

### The Challenges Ahead

I would emphasize three proliferation challenges to illustrate the path ahead.

The first is to end the North Korean and Iranian nuclear weapons programs. The President has made clear repeatedly that, while all options remain on the table, our strong preference is to address these threats through diplomacy.

In the Six-Party Joint Statement of September 2005, North Korea committed to abandoning all its nuclear weapons and existing nuclear programs. This was a notable development, but we still must agree on, and implement, the detailed requirements of North Korean denuclearization and its verification. That task will be difficult. Indeed, North Korea’s demand for a light water reactor immediately after the Joint Statement was issued, and its more recent refusal to return to

negotiations until the United States rescinds what Pyongyang calls “economic sanctions,” underscore the problems ahead. We have made it clear that we are committed to pursuing successful Six Party negotiations, and we continue – with essential input from the Departments of Defense and Energy – to develop our detailed concepts for the verified denuclearization of North Korea. At the same time, we must and will continue our defensive measures, and expand them as required, to ensure that we can protect ourselves from the proliferation actions of the North, as well as from its illicit activities such as money laundering or counterfeiting.

In some ways, the challenge Iran poses to the nuclear nonproliferation regime is even more daunting and complex than the North Korean threat. We have now moved to a new phase, in which the Security Council can add its considerable authority to the international effort to counter Iran’s quest for nuclear weapons. The Council will not supplant the IAEA effort, but reinforce it – for example, by calling on Iran to cooperate with the Agency and to take steps the IAEA Board has identified to restore confidence, and by giving the IAEA new, needed authority to investigate all aspects of the Iranian nuclear effort.

The Council should make clear to the Iranian regime that it will face increasing isolation and pressure if it does not reverse course, take the steps called for by the IAEA Board, and return promptly to negotiations. We will continue to consult closely with the EU-3 and the European Union, with Russia, China, and many other members of the international community as this new diplomatic phase proceeds. Indeed, Secretary Rice is meeting tomorrow in Berlin with her colleagues from the United Kingdom, France, Germany, Russia, and China to discuss the way forward.

Absent even more provocative actions by Iran, we envision a graduated approach by the Security Council, interacting closely with the IAEA. The Security Council can take progressively firmer action, to the extent necessary, to induce Iran to come into complete compliance with its NPT and safeguards obligations, suspend all its enrichment- and reprocessing-related activities, and cooperate fully with the IAEA. We have been negotiating a Statement by the President of the Security Council that would send a clear message to Iran that it must abandon its nuclear weapons ambitions. If Iran defies the Security Council Presidential Statement, as it has the IAEA Board of Governors resolutions, we will urge a Council resolution to put increased pressure on Iran to comply. The resolution could be grounded in Chapter VII of the UN Charter, given the threat to international peace and security posed by Iran’s nuclear program. In issuing such a resolution, the Council could

require Iran, within a specified short period of time, to comply with all elements of the IAEA Board resolutions, as well as with additional Council requirements such as opening up to substantially increased IAEA investigative authority. If Iran still does not comply, we will look to even firmer Council action. Our aim is that Iran will be persuaded to reverse course by the obvious resolve of the international community, shown first in the IAEA Board of Governors and beginning this month in the Security Council.

The second challenge is to end proliferation trade by rogue states, individuals and groups. As I described, we have made progress over the last few years. We have moved from the creation of international export control standards to their active enforcement – through enhanced national legislation, PSI interdictions, international law enforcement and financial cooperation. We have shut down the world's most dangerous proliferation network. We are steadily reducing the opportunities available to proliferators. But we must continue to expand and deepen our efforts – using all available national and international authorities and, where necessary, creating new ones -- until the proliferation trade has been effectively ended.

The final challenge that I would mention is the need to prevent terrorist acquisition and use of WMD, and especially of biological and nuclear weapons. If terrorists acquire these weapons, they are likely to employ them, with potentially catastrophic effects. The biggest hurdle that a well-organized terrorist group with appropriate technical expertise would have to overcome to make a crude nuclear device is to gain access to sufficient quantities of fissile material. Although terrorist use of other weapons is more likely, the consequences of a terrorist nuclear attack would be so catastrophic that the danger requires particular attention. On the biological weapons side, with today's dual-use capabilities and access to particular, dangerous pathogens – many of which exist in nature or could be relatively easily obtained and cultured -- the bioterror challenge presents a low-cost means to prosecute a potentially high-impact attack.

Many of the tools we have in place to combat proliferation by rogue states are relevant against WMD terrorism. A few examples are: reducing the global stocks of fissile material and securing those which remain; improved nuclear and biological detection capability; and the interdiction of trafficking in nuclear weapons and biological weapons components. A key difference, however, is one of scale. We cannot rest as long as enough material for even one nuclear weapon remains unsecured.



While many of the tools are the same, preventing WMD terrorism requires different approaches from those we have followed against state WMD programs or against conventional or non-WMD-related terrorism. For example, intelligence collection and action against the proliferation of WMD have traditionally focused on state-based programs, while anti-terrorist intelligence has focused on individuals and groups. Intelligence regarding the nexus of terrorism and WMD must cover the full range of state and non-state threats and their interrelationships. We are working hard to close any remaining gaps and to ensure that the intelligence process supports our strategic approach to combating WMD terrorism.

That strategic approach entails working with partner nations to build a global layered defense to prevent, detect and respond to the threat or use of WMD by terrorists. To prevent, we will undertake national, multilateral and global efforts to deny terrorists access to the most dangerous materials. To protect, we will develop new tools and capabilities with partner nations to detect the movement of WMD and to disrupt linkages between WMD terrorists and their facilitators. Because we can never be certain of our ability to prevent or protect against all potential WMD terrorist attacks, we will cooperate with partners to manage and mitigate the consequences of such attacks, and to improve our capabilities to attribute their source. Thus, we will work to harness, in an effective multinational way, all relevant collective resources to establish more coordinated and effective capabilities to prevent, protect against, and respond to the global threat of WMD terrorism.

### Conclusion

The strategic approach to combat WMD proliferation which the President first laid out almost five years ago continues to provide an essential guide to action against this paramount threat. Our strategy, supported by the new measures we have adopted to implement it, is flexible and dynamic, suited to the changing nature of the proliferation threat. Under the overall interagency leadership of the National Security Council, the Departments of State, Defense, and Energy work closely together at all levels – along with the Departments of Treasury, Commerce, Homeland Security, and the Intelligence Community -- to ensure the full and coordinated implementation of the President's strategy. While we have made substantial progress in countering today's proliferation threats, we cannot be satisfied. We must continue to heed the warning which the President gave in 2002: "History will judge harshly those who saw this coming danger but failed to act. In the new world we have entered, the only path to peace and security is the path of action."