



Building International Partnerships to Combat Weapons of Mass Destruction

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Introduction

Good afternoon. Let me begin by thanking NDU and Dr. John Reichart for the opportunity to participate in this week's symposium on "Building International Partnerships to Combat Weapons of Mass Destruction."

Upon assuming office, President Bush identified weapons of mass destruction proliferation as a major security threat of the 21st century requiring a new, comprehensive strategy. Under President Bush's direction, the United States embarked on a new, comprehensive approach to dealing with the evolving threat posed by WMD proliferation. The result has been that the United States, working in concert with the international community, has reformed and re-invigorated existing tools and has developed a number of new tools to combat the spread of WMD.

The WMD threat is real and our actions to combat it must be comprehensive and relentless. We have had some significant recent successes in our efforts to combat the proliferation of weapons of mass destruction, most notably the decision by Libya to give up its weapons of mass destruction programs, and the detection and ongoing dismantlement of the A.Q. Khan nuclear black-market, but the actions of Iran and North Korea, as well as terrorists, to acquire nuclear weapons present the international community with some of the most difficult - and most dangerous -- security challenges the world has ever faced.

This symposium rightly emphasizes the importance of building international partnerships to combat the spread of WMD. What I would like to do now is to describe in detail some of the new efforts the United States, in concert with our international partners, has developed in the past five years to combat the proliferation of weapons of mass destruction: the Proliferation Security Initiative (PSI), the Global Initiative to Combat Nuclear Terrorism (GI), Missile Defense (MD), the Global Nuclear Energy Partnership (GNEP), and new financial measures undertaken to deny proliferators the means to do business. Collectively, these initiatives demonstrate the breadth, and the international nature, of the tools we must use -- political, economic, intelligence, financial, military, science and technology -- to combat today's WMD threats.

The Proliferation Security Initiative (PSI)

President Bush launched the Proliferation Security Initiative (PSI) in May 2003 as a cooperative, international effort whose goal is to halt the proliferation of Weapons of Mass Destruction. PSI creates a common framework for like-minded nations, to work together to halt the trafficking in WMD and their means of delivery, including through interdicting WMD-related proliferation shipments. The United States has worked with PSI partners in Europe, Asia, and the Middle East. Its successes include, for example, the blocking of some exports to Iran of controlled equipment relating to its missile programs, dual-use goods, and heavy water.

PSI began with 11 nations, but today more than 80 countries on six continents have endorsed the PSI Statement of Interdiction Principles. States' actions are governed by their national legal authorities and are fully consistent with international laws and frameworks. PSI created the first global exercise program, with more than 25 exercises to date, testing and expanding national capabilities of participants to undertake interdictions by air, land, and sea.

Participation in PSI also provides an effective means for countries to implement their obligations with key UN Security Council Resolutions such as UNSCR 1540 and UN resolutions 1718, 1737 and 1747, which deal with the nuclear and missile programs of North Korea and Iran.

The Global Initiative to Combat Nuclear Terrorism (GI)

The Global Initiative marks a new leadership effort by President Bush, in partnership with Russian President Putin, to combat the threat of nuclear terrorism. The Initiative also marks the beginning of a more strategic approach to combating the threat of WMD terrorism on a global basis, by bringing together the combined expertise from both the terrorism and WMD combating communities. Presidents Bush and Putin launched this initiative when they met in St. Petersburg last July 2006, on the eve of the G8 Summit. Similar to the flexible nature of the PSI, the goal of the Global Initiative is to establish a partnership among nations committed to developing their individual and collective capabilities to detect and defeat an extremely dangerous threat we face - nuclear weapons in the hands of terrorists.

Designing a new foundation against the threat of nuclear terrorism demands a sustained commitment to cooperation with international partners. In this spirit, partner nations of the Global Initiative gathered in Rabat, Morocco last October to establish a Statement of Principles for the work of the Initiative. By agreeing to and endorsing the Statement of Principles, all partners committed themselves to:

1. Strengthen nuclear material accounting, control, and physical protection;
2. Enhance the security of civilian nuclear facilities;
3. Research and develop national detection capabilities that are interoperable;
4. Enhance search, confiscation, and safe control capabilities;
5. Deny safe haven and financial resources to those facilitating nuclear terrorism;
6. Ensure adequate civil and criminal legal frameworks to deter nuclear terrorism;
7. Improve response, investigation, and mitigation capabilities; and
8. Promote information sharing among participants, while protecting confidentiality.

Strengthening our new foundation against nuclear terrorism requires more than a commitment to a set of principles; it demands sustained action aimed at achieving concrete results. It was precisely for this reason -- for action and for results -- that partner nations in the Global Initiative met in Ankara, Turkey in February of this year. In reviewing an initial Plan of Work, the participants established a clear roadmap for the next two years that will bring together the world's leading technical and operational experts together to share experiences, train together, and develop ongoing information sharing relationships to make sure that no terrorist succeeds in acquiring or using nuclear or radiological devices.

In Ankara, we also discussed the importance of outreach to the private sector and the public, and welcomed statements of support for the Initiative from private sector organizations and local governments as well as their participation in appropriate expert-level activities. It is noteworthy that Hutchison Ports, the world's largest port and terminal operator, has recently made a strong statement in support of the Global Initiative.

We are off to a good start. The third meeting will take place in Kazakhstan next month, where we will welcome new partners and refine the Plan of Work for the growing partnership of nations, including through the use of scenario-driven activities, such as tabletops and exercises to test capabilities, develop new operational concepts, and enhance overall preparedness.

33 nations are now partners in the Global Initiative, including many represented here at today's symposium. We look forward to even more states joining before the meeting in Kazakhstan.

Missile Defense (MD)

Each of the three pillars of our national strategy - nonproliferation, counterproliferation, and response -- reinforces the others. Our nonproliferation diplomacy has strengthened our security by diminishing the likelihood that our adversaries will gain access to sensitive materials and technologies. Despite these prevention efforts -- and the efforts of our allies and partners in the international community -- proliferation continues -- in Iran, North Korea, and elsewhere. A central component of our counterproliferation strategy is missile defense. Today's missile threat from hostile states is fundamentally different from Cold War era threats and risks. Consequently, a different approach to deterrence is needed, and to deter these threats effectively, additional tools for defending ourselves are required.

Today, roughly two dozen countries possess ballistic missiles of varying ranges and the trend is toward ballistic missiles of increasing ranges, lethality, payloads, and sophistication. Therefore, missile defenses are indispensable as part of the Administration's multi-faceted counter-proliferation efforts. Under the *National Strategy to Combat Weapons of Mass Destruction*, the Administration has pursued a number of efforts, as I have discussed, to secure materials and technology at their sources through cooperative threat reduction efforts and export control assistance. While just one element of a broader counterproliferation effort, missile defenses have an important role to play and can reduce the incentives for missile proliferation by undermining the military utility and attractiveness of ballistic missiles. While the missile defense element of U.S. strategy can deter the acquisition and use of ballistic missiles, it also provides an appropriate response to the possible use of ballistic missiles. Missile defense is our ultimate insurance policy if our diplomacy, export controls, threat reduction assistance, arms control and non-proliferation regimes, and counter-proliferation programs fail. History teaches us that, despite our best efforts, there will be military surprises, as well as failures in diplomacy, intelligence, and deterrence. Missile defenses are highly desirable because they both reinforce deterrence and hedge against its failure.

NSPD-23, signed by President Bush in December 2001, instructed the Defense Department to develop and field missile defenses capable of defending not only the United States and our military forces overseas, but also friends and allies. It is critically important to U.S. foreign policy interests to assure allies and friends that ballistic missile threats will not deter the U.S. from fulfilling its security commitments, nor allow aggressors the means to undermine the cohesiveness and political stability of our coalitions or alliances. A wide range of missile defense-related efforts are currently underway with foreign governments as well as with foreign industry.

Global Nuclear Energy Partnership (GNEP)

The U.S. Secretary of Energy announced the Global Nuclear Energy Partnership (GNEP) in February last year. Under GNEP, the United States, in partnership with other nations with advanced nuclear technology, will accelerate the development of new technologies to recycle nuclear power reactor spent fuel without separating plutonium.

The goals of GNEP are twofold: (1) to expand the global use of nuclear energy for peaceful purposes in a safe and secure manner -- and in a way that supports economic development in a more "environmentally-friendly" way than fossil fuels; and (2) to reduce the risk of nuclear weapons proliferation that might otherwise result from an expansion of nuclear power. GNEP, as well nearer-term initiatives regarding nuclear fuel supply address, and seek to resolve, a conundrum that the world has faced since the dawn of the nuclear age over a half-century ago, that is, how to balance and utilize the peaceful potential of the atom while simultaneously containing and preventing its exploitation and proliferation in weapons of mass destruction.

International cooperation is clearly essential to the success of this effort. Initial consultations on international cooperation were held last year with five potential partners -- Russia, France, Japan, China, and the United Kingdom. On the margins of the 2006 G-8 Summit, Presidents Putin and Bush noted the commonality of views on the essential role of nuclear energy in promoting energy security and took positive note of GNEP and of President Putin's initiative for international fuel centers. The U.S. and Russian governments are in discussions about further nuclear energy cooperation right now.

Initial international reaction to GNEP from other states has been positive. Japan has issued a strongly positive public statement, and we have held several rounds of detailed discussions on research cooperation with Japan and France. China has indicated its clear interest in GNEP, as well. We have also had detailed discussions with Canada and South Korea and are discussing possible projects with them.

A related initiative is President Bush's proposal, announced here at NDU in February 2004, for a ban on transfers of enrichment and reprocessing technologies to additional states. The U.S. believes that assurances of reliable access to nuclear fuel are important to reduce interest in acquisition of ENR technology. We have worked with other supplier states to put forward a concept for a fuel supply back-up mechanism at the IAEA, and are working with others to develop this and other mutually supportive proposals for assuring reliable access to nuclear fuel for countries that choose not to develop indigenous enrichment and reprocessing. We will be working with the Congress as well on a number of bills that seek to support these efforts.

Financial Measures

In the past few years, the Bush Administration increasingly has used financial tools to support our counterproliferation efforts. The international community is becoming increasingly sophisticated in how it applies financial and other economic defensive measures to combat international security threats. This new era requires that governments and private sectors work together in close collaboration along with international partners to proactively identify threats to international security and ensure that such threats are effectively isolated. Our diplomacy is targeted at augmenting this collaboration and ensuring that the international commercial and financial system does not wittingly or unwittingly support proliferation networks.

Key among our tools is Executive Order 13382, entitled "Blocking Property of Weapons of Mass Destruction Proliferators and Their Supporters", which the President issued in June 2005. E.O. 13382 is designed to freeze proliferators' assets that come under U.S. jurisdiction and to deny proliferators access to the U.S. financial system in order to prevent their exploitation of U.S. financial institutions and structures. To date, the designation of more than 30 entities and two individuals, including in Iran, North Korea, and Syria, has had the effect of impeding these proliferators' access to international financial markets.

U.S. efforts have been greatly enhanced through multilateral actions to similarly freeze the assets of Iranian proliferators and require financial institutions not to support North Korean proliferation activities. While the United States has the authority to take actions unilaterally with significant impact, an important element of our effort has been to broaden and deepen international cooperation to strengthen the impact of our actions. Key to this effort is the work we have done to multilateralize these efforts through the UN Security Council Resolution and bilateral diplomacy.

- UN Security Council Resolution 1540, adopted in 2004, creates broad Chapter VII legally binding requirements on all states to criminalize the proliferation of WMD, including the financing of proliferation.
- UN Security Council Resolutions 1695 and 1718, adopted in 2006, prohibit states from supporting North Korea proliferation and provides a process for designating specific entities for an asset freeze.
- UN Security Council Resolutions 1737 and 1747, adopted in 2006 and 2007, specifically designates 50 entities and individuals and requires nations to freeze their assets.

As part of our diplomacy we have worked with Treasury to engage foreign governments and private firms, reminding them of the financial and reputational risks of doing business with Iran. When possible, we have shared information with governments of proliferation-related transactions to ensure financial institutions have a full understanding of the activities of their customers. This has yielded results. Many responsible financial institutions have decided on their own, as a result of our continued diplomacy and exposure of North Korean and Iranian entities involved in proliferation illicit behavior, to cease business dealings with these entities.

Applying the Tools: Iran and North Korea

Iran

Some of these new tools I've discussed as well as traditional diplomacy are essential to our approaches to Iran and North Korea. As President Bush and Secretary Rice have reiterated, the United States remains committed to pursuing a diplomatic solution to the challenges posed by Iran and North Korea. We are pursuing comprehensive strategies to block Iran's pursuit of a nuclear weapons capability, and to ensure the complete, verifiable, and irreversible denuclearization of North Korea. The active support of the international community is vital to these efforts.

The United States and international partners have offered both Iran and North Korea a clear choice. They can abandon their nuclear weapons efforts and reap important political and economic benefits, or they can deepen their isolation, at great cost to their people.

In that regard, the United States welcomed the unanimous adoption of UN Security Council resolutions 1737 and 1747, but regrets their necessity. The Security Council imposed these additional Chapter VII sanctions because Iran failed to comply with the requirements of UNSCR 1696. Through Resolutions 1737 and 1747, the international community is sending an unambiguous message to Iran that it must fulfill its international obligations as set out in each of Resolutions 1696, 1737 and 1747, or face increased isolation.

Tools like PSI interdictions, restricted access to the international financial system, and denial of dual use goods that support Iran's nuclear and missile programs make it increasingly difficult for Iran to undertake business as usual in pursuit of its nuclear and ballistic missile capabilities. These targeted measures aim to isolate and slow the Iranian nuclear weapons program, and shift the strategic calculation of the Iranian regime with regard to its pursuit of a nuclear weapons capability. We have no wish to impose hardships on the people of Iran, but to demonstrate to the Iranian regime that its actions in defiance of the international community have consequences. We hope Iran will comply with its obligations and enter into constructive negotiations.

Additionally, in the event Iran continues on its path of isolation and rejection of international requirements, we will continue to take steps to diminish the threat and mitigate it. The Global Initiative to Combat Nuclear Terrorism aims to ensure that nuclear materials are appropriately safeguarded and terrorists are denied access to nuclear materials and know-how, and further steps are essential in this regard.

North Korea

Similarly, with North Korea, the United States has used these tools to support our broader diplomatic efforts to seek the complete, verifiable, and irreversible elimination of North Korea's nuclear weapons and existing nuclear programs. We continue to press for the full and effective implementation of UN Security Council Resolution 1718, which prohibits North Korean proliferation of WMD and most conventional arms.

The United States has engaged in broad diplomacy to ensure that all nations meet the UN Security Council requirements, including those in UN Resolution 1696 requiring states not to support the financing of proliferation. Our 311 action against Banco Delta Asia and designation of North Korean entities, including Tanchon Commercial Bank, under Executive Order 13382 have led most financial institutions around the world to understand the risks of doing business with North Korea and deny them access to financial institutions.

With our partners in the Six-Party Talks -- Russia, Japan, China, and the Republic of Korea -- we are working to ensure concrete action toward implementation of the September 19, 2005, Joint Statement, in which the D.P.R.K. committed to abandon all nuclear weapons and existing nuclear programs and to return, at an early date, to the NPT and to IAEA Safeguards.

We welcomed the February 13 agreement on "Initial Actions for the Implementation of the Joint Statement," as well as IAEA DG ElBaradei's subsequent visit to Pyongyang. The United States has done its part to ensure that the first phase of the February 13 agreement is implemented on schedule, including by resolving the Banco Delta Asia issue. As agreed in the February 13 agreement, the parties convened five working groups to address denuclearization of the Korean peninsula, economic and energy cooperation, a Northeast Asia peace and security mechanism, normalization of U.S.-D.P.R.K. relations, and normalization of Japan-D.P.R.K. relations.

The D.P.R.K. has reaffirmed its commitment to carry out the initial actions of the February 13 agreement, including the shut down and sealing of the Yongbyon nuclear facility, and inviting back IAEA personnel for monitoring and verification. It is essential that the D.P.R.K. now follow through on its public affirmations and commitments. The D.P.R.K. must act rapidly to fulfill its first phase commitments, and move rapidly on implementing the next phase. Any further delay would be harmful to the process.

Conclusion

The initiatives I have just described are a good start, but they are not enough to fully isolate Iran and North Korea and deny their proliferation activities. Continued vigilance, adaptation to the actions of proliferators, ready deterrence and preparations for responding to the use of WMD will be essential. The United States has consistently promoted universal adherence and full compliance with the various international agreements that constitute the current global nonproliferation regime. The regime is critical and should be reinforced, yet faced with a new order of threats, the U.S. must be prepared to continually respond with a new menu of tools. This array consists of new approaches combined with a re-invigoration of existing structures and organizations. Our future depends on working with like-minded countries around the world to prevent rogue states and non-state terrorist actors from ever acquiring weapons of mass destruction. Thank you.

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