

THE DEUTCH COMMISSION REPORT: AN OVERVIEW

by Suzanne E. Spaulding

Suzanne E. Spaulding was the Executive Director of the Commission to Assess the Organization of the Federal Government to Combat the Proliferation of Weapons of Mass Destruction (the Deutch Commission). Before that, she served as General Counsel to the Senate Select Committee on Intelligence and as an attorney on the staff of the CIA Nonproliferation Center.

The threat posed by the proliferation of weapons of mass destruction is real and urgent. Combating this threat requires a new and comprehensive approach by the federal government. It requires sustained leadership at the top and an organizational structure that can set policies and objectives for combating proliferation; develop integrated, government-wide plans to implement those policies and objectives, including plans for acquiring necessary technology; make appropriate decisions regarding how resources should be allocated to carry out those plans; and regularly evaluate the effectiveness of our policies, programs, and operations. There is no such comprehensive approach today.

These were the overall conclusions contained in the *Report of the Commission to Assess the Organization of the Federal Government to Combat the Proliferation of Weapons of Mass Destruction* (also known as the Deutch Commission, and hereafter referred to as the Commission). The Commission was established by Congress to examine current US government efforts to combat proliferation and make recommendations for improvements. The Commission's Report was delivered to Congress on July 14, 1999. That same day, the President issued a statement calling on his National Security Advisor to convene an interagency task force to review the Report and return to him within 60 days with advice on specific steps. In addition, Senator Arlen Specter (R-PA), Commission Vice Chairman and original sponsor of the legislation establishing the

Commission, has introduced two bills to implement aspects of the Commission's recommendations. One of these bills, which addresses the need to enhance use of the automated export licensing system (especially electronic filing of shipper's export declarations) in order to improve our ability to control items going to worrisome end users, was co-sponsored by the Chairman and Ranking Member of the Senate Foreign Relations Committee, and is part of that committee's authorization bill for FY2000 (as of late September 1999, this bill was in conference committee).

ASSESSING THE NATURE OF THE THREAT

The Commission began its inquiry by assessing the nature of the threat posed by proliferation. Since the end of the Cold War, the spread of nuclear, chemical, and

biological weapons and their delivery systems to countries and sub-national groups has become a paramount US national security concern. President Clinton in 1994 declared a national emergency to deal with the “unusual and extraordinary” threat to US citizens and military forces posed by the proliferation of these weapons of mass destruction (WMD). Echoing this, Secretary of Defense William Cohen called the proliferation problem “grave and urgent,” and last year, Director of Central Intelligence George Tenet placed WMD at the top of his list of challenges to contemporary US security policy. A host of interrelated threats, including terror-

ist interest in acquiring WMD, the deteriorating security of the former Soviet nuclear weapons complex, and the potential for turmoil and instability in the Middle East and other regions of the world, underscore the dangers to vital US national interests at home and abroad inherent in the spread of WMD.

Equally essential to understanding and addressing these dangers is the recognition that “weapons of mass destruction” do not present a single, undifferentiated threat. Nuclear, chemical, and biological weapons each present unique challenges in terms of control, detection, and response.

Box 1. Commission History and Membership

Congress established the Commission in October 1996 and charged it with assessing the current structure and organization of the various federal government agencies and departments involved in nonproliferation activities, as well as the effectiveness of US cooperative efforts with foreign governments, and making recommendations for improvements.

The legislation that established the Proliferation Commission was the Intelligence Authorization Act for FY1997 (P.L. 104-293), which was signed into law on October 11, 1996. It called for the appointment of eight commissioners, four to be selected by the President and one each by the Speaker of the House of Representatives, the House Minority Leader, the Senate Majority Leader, and the Senate Minority Leader. The Commission was charged with issuing a final report within 18 months of the legislation’s enactment.

The eight appointments were finally made on December 17, 1997, allowing the Commission to begin its work in January 1998. President Clinton named as commissioners former Director of Central Intelligence John M. Deutch, who was elected by his fellow commissioners to serve as Chairman of the Commission, Robert L. Gallucci, Dave McCurdy, and Daniel Poneman. Senate Majority Leader Trent Lott appointed Senator Arlen Specter, who was elected as Vice Chairman. House Speaker Newt Gingrich appointed Henry F. Cooper. Senate Minority Leader Tom Daschle appointed J. James Exon, and House Minority Leader Richard Gephardt appointed Anthony C. Beilenson. The Commission sought to amend P.L. 104-293 to reflect its delayed start, and to extend the report’s due date to 18 months from the initial January 1998 meeting. This amendment passed the Senate unanimously, but failed to reach the floor of the House before the earlier deadline for the life of the Commission had passed. The Commission ceased operation in June 1998.

The Commission’s deadline was subsequently extended to July 18, 1999, by the Omnibus Consolidated and Emergency Supplemental Appropriations Act for FY1999 (P.L. 105-277), and, in November 1998, the Commission reconvened. The legislation expanded the number of commissioners to twelve, with two new appointees each from the Speaker of the House and the Senate Majority Leader. The new Commissioners included Stephen A. Cambone and William Schneider, Jr., named by House Speaker Dennis Hastert, and M.D.B. Carlisle and Henry D. Sokolski, named by Senate Majority Leader Lott. Robert L. Gallucci, who had resigned from the Commission during its hiatus, was replaced by Janne E. Nolan. The legislation also introduced new restrictions prohibiting the Commission from reviewing, evaluating, or reporting on “US domestic response capabilities with respect to weapons of mass destruction,” and “the adequacy or usefulness of United States laws that provide for the imposition of sanctions on countries or entities that engage in the proliferation of weapons of mass destruction.”

The Commission submitted the report of its findings and recommendations, “Combating Proliferation of Weapons of Mass Destruction,” to Congress on July 14, 1999.

The complexity of the proliferation threat and its changing strategic context require that any strategy aimed at combating it must go beyond a focus on prevention. To succeed, the government's efforts must encompass all aspects of combating proliferation, including impeding the development of enhanced capabilities, responding to proliferation as it occurs, strengthening our capacity to defend against such weapons, and preparing to respond if these weapons are used against us at home or abroad.

COMMISSION'S REVIEW OF THE CURRENT EFFORT

In assessing the effectiveness of the current organization of the federal government, the Commission examined the proliferation-related programs and activities of the responsible federal agencies and departments as well as the way these entities interact through the interagency process. The Commission reviewed the efforts of the Intelligence Community, the Departments of State, Defense, Energy, Commerce, Justice, Treasury, Agriculture, and Health and Human Services, the Nuclear Regulatory Commission, and relevant White House offices.

The examination was timely, since several of these agencies were undergoing reorganizations affecting their nonproliferation efforts. For example, the Arms Control and Disarmament Agency was being integrated into the Department of State, and the Department of Defense was consolidating several agencies into a single organization, the Defense Threat Reduction Agency, devoted to counterproliferation, cooperative threat reduction, and on-site arms control inspections. In addition, the Intelligence Community was taking steps to strengthen community-wide nonproliferation intelligence collection and analysis in response to recommendations by the Commission to Assess the Ballistic Missile Threat to the United States (the Rumsfeld Commission), the Commission on the Roles and Capabilities of the United States Intelligence Community (the Aspin/Brown Commission), the President's Foreign Intelligence Advisory Board, and the report issued by Admiral David Jeremiah to evaluate actions taken by the Intelligence Community prior to India's nuclear test in May 1998. Further, the Department of Energy was in the midst of a major reorganization of its security programs following revelations of foreign espionage at the DOE National Laboratories and the release of a report

of the President's Foreign Intelligence Advisory Board on structural and management problems in DOE's security and counterintelligence operations.

In conducting its assessment, the Commission sent a "Baseline Survey of Proliferation-Related Activities" to all federal agencies involved in combating proliferation. The survey was a detailed questionnaire requesting information on all aspects of the agency's proliferation-related efforts, including programs, organizational structure, resource allocation, personnel, and interagency activities. In addition to drawing upon the responses to the baseline survey, the Commission held approximately 125 meetings with Cabinet-level and other senior officials, former senior officials, and non-governmental specialists. Staff members of the Commission conducted additional, informal interviews with working-level officials and action officers.

FINDINGS OF THE COMMISSION

The Commission found that the US government currently is not effectively organized to combat WMD proliferation and that it lacks a coordinated, comprehensive approach to this problem. The agencies involved are numerous and have overlapping jurisdictions and resource requirements. For example, WMD technology acquisition efforts today occur in several departments and agencies and are often redundant and not well integrated. No overarching architecture exists for policy planning and budget formulation, and no single person has the authority or responsibility to provide leadership in these areas. With no one specifically tasked to manage the interagency process and ensure the development and implementation of coordinated, government-wide strategies, programs, and operations related to proliferation on a daily basis, no one is ultimately accountable to the President and to Congress on this critical issue. Thus, the current system fosters parochialism and allows agencies to set their own agendas and priorities rather than contribute their full efforts to an overall plan for achieving broader nonproliferation objectives.

Further, the existing structure is too cumbersome to permit the flexible reprogramming of resources or the development of a rapid, coordinated response from multiple agencies as new contingencies arise, thereby potentially impeding or jeopardizing the achievement of important nonproliferation goals. In this regard, the Commission noted in its deliberations the long planning

required to develop, and difficulty encountered in identifying adequate resources for, Operation Auburn Endeavor, which resulted in the removal in 1998 of five kilograms of highly enriched uranium from Georgia to the United Kingdom.

Another key problem identified by the Commission is that no one in the federal government can identify or track all the money being spent to combat proliferation. There is no cross-cutting budget for program elements and activities related to proliferation and no means of ensuring that funds are allocated optimally and used efficiently and effectively. The absence of a cross-cutting budget review means that individual agencies and corresponding committees and sub-committees of Congress make their program and resource decisions independently of any overarching plan or objective. Inefficiencies, redundancies, and inadequate attention to important nonproliferation programs and priorities are often the result.

Complicating the picture is the fact that congressional-executive branch interactions have been less effective and productive as a result of the large number of congressional committees with oversight and budgetary responsibility for proliferation-related programs. In the House of Representatives, at least ten committees share responsibility for the funding and oversight of proliferation programs in the departments and agencies, with an even greater number of sub-committees involved in some aspect of the issue. A similar problem exists in the Senate. With responsibility so widely dispersed, it is difficult for Congress to deal with proliferation in a consistent and coordinated fashion. The relationship has been further burdened by the requirement that the executive branch submit scores of reports on proliferation to Congress on both an ad hoc and a regular basis.

KEY RECOMMENDATIONS

To address these and other broader problems associated with the operation of interagency relationships and to improve the structure and function of the individual agencies with respect to combating proliferation, the Commission's report sets forth a number of recommendations. Together, these aim to bring about four major objectives:

- **Presidential leadership:** The President must exercise effective leadership on this issue and take immediate action to ensure that government-wide efforts to combat proliferation are part of a coherent and con-

sistent strategy. Toward this end, the President should consider assigning the Vice President a special role in the National Security Council to ensure that adequate attention and resources are devoted to countering the WMD threat.

- **Central direction and coordination:** A new post of National Director for Combating Proliferation should be established within the National Security Council structure. The National Director would carry the rank of Deputy Assistant to the President and would advise the President and Vice President, through the National Security Advisor, on proliferation matters. The National Director would also lead an interagency group, the Combating Proliferation Council (CPC), in the development, coordination, and execution of proliferation-related policies and programs. The CPC would be composed of senior-level, Senate-confirmed officials from each agency with responsibility in this area. These individuals would be designated by the heads of their agencies and represent the agencies' lead officials for proliferation-related matters.

In directing the CPC, the National Director would be responsible for the interagency policy process on proliferation and export controls and would oversee the development of a coordinated national strategy addressing the proliferation threat, including integrated plans for technology acquisition, resource allocation, intelligence collection and analysis, and domestic response. In short, the National Director would ensure that every agency is supported in its proliferation mission with clear policy guidance, adequate resources, and efficient leveraging of the capabilities of other agencies.

- **Improved execution of policies and programs by responsible agencies:** Each agency must streamline and adjust its internal organization, programs, and resources in ways that conform to and reinforce the goals of a comprehensive, government-wide plan to combat proliferation. Specific recommendations are outlined below.

- **Integrated planning and budgeting of resources:** Careful allocation of resources and tracking of expenditures for combating proliferation is essential to an effective interagency effort. As such, the Commission recommends the creation of a separate budget sub-function in the National Defense function (also known as Federal Budget function 050) for proliferation-related programs and activities. The Commission

further recommends that the National Director work with the Director of the Office of Management and Budget to direct an annual proliferation-related budget-building and review process, and oversee proliferation-related transfers and reprogrammings in coordination with the agencies.

The Commission report acknowledges that the goals enshrined in these recommendations will be more achievable with the energetic and informed involvement of Congress. The urgent nature of the threat makes it essential that not only the executive branch, but Congress, as well, take immediate action. Accordingly, the Commission recommended that Congress take stock of its organization with the goal of streamlining its consideration of proliferation-related matters and the reporting requirements it levies on the executive branch. As an immediate and practical step, the Commission recommended that the House and Senate Appropriations Committees designate a staff person with responsibility for coordinating the consideration by each of the subcommittees of proliferation-related resources.

KEY INTERAGENCY ISSUES

In addition to budget formulation and resource allocation, the Commission gave special consideration to several other cross-cutting issues that bear on the proliferation problem and fall within the purview of multiple agencies and departments, notably technology development, international cooperative efforts, and export controls.

Technology Acquisition

Though the 1991 Persian Gulf War provided a stark reminder of our need for more advanced technologies to address the WMD threat, the Commission found that there has been relatively little progress in any of the areas vital to combating WMD proliferation. For example, we still can detect only a handful of the thousands of possible chemical and biological threats, and those few that can be detected require the use of many sensors of limited range. In fact, there is currently no integrated, government-wide plan to acquire technologies to combat the WMD threat. Such technology acquisition efforts are sponsored by several departments and agencies, including the Department of Defense, the Department of Energy, and the Intelligence Community, but they are not well coordinated, resulting in redun-

dancies and gaps. Moreover, there is all too often a disconnect between technology producers and the ultimate consumers. This is perhaps most notable in the area of biological sensor development, in which there has been a profusion of programs with little result. In fact, in most cases, no end user has been willing to field the biosensor technology, casting doubt on the utility of these efforts. Other problems with respect to technology acquisition include a failure to leverage private sector know-how and long delays in the acquisition cycle, which now averages ten years from the research and development stage to deployment in the field. Current efforts to coordinate technology requirements and acquisition among various agencies are useful for sharing information, but are not structured to develop a government-wide plan or to optimize efforts across agencies. In recognition of these deficiencies, the Commission report makes the following recommendations:

- The President should direct the National Director for Combating Proliferation to oversee the creation of a government-wide technology acquisition plan.
- The Combating Proliferation Council should coordinate interagency requirements across the federal enterprise to ensure effective implementation of this plan and enhance connectivity between federal technology users and producers.
- The head of each department or agency involved in the development of technology used to combat WMD, particularly the Secretary of Defense, should personally reinvigorate the use of private-sector technology in these efforts, while simultaneously increasing the speed by which technology transitions to fielded systems.
- The National Director should direct development and implementation of a plan to harmonize electronic communications and data retrieval and exchange among the departments and agencies involved in combating proliferation.
- The President should establish a panel of independent experts to provide advice to the National Director and the CPC on technology acquisition in the Federal Government.

International Cooperative Efforts

Another area requiring greater interagency coordination and focused attention is our cooperative efforts with allies and other nations to stem the proliferation threat. Such cooperation takes many forms, including the pro-

vision of information, expertise, and funding to international organizations to monitor compliance with multilateral agreements; helping other nations to protect, control and account for nuclear weapons-usable materials; and employing diplomacy to deter or prevent the acquisition of WMD. The Commission examined four aspects of international cooperative efforts to combat WMD proliferation: (1) cooperation with foreign governments through diplomacy and assistance programs, (2) cooperation with international organizations, (3) intelligence sharing with foreign governments and international organizations, and (4) cooperative enforcement efforts.

The Commission found that while our diplomatic efforts with foreign governments are extensive and coordinated, our programmatic response has often proven inadequate to the task. For example, all of the agencies assessed by the Commission are involved in programs to assist Russia and the Newly Independent States (NIS) in combating proliferation. The US Coordinator for Assistance to Russia and the NIS is responsible for ensuring that resources are allocated efficiently among the departments, but the Coordinator is not equipped to oversee the management of these programs. Consequently the assistance programs are balkanized: each department conducts its activities according to its own conception of how it can best contribute to overall US foreign policy goals. Further, program planning is often hampered by serious delays in funding, and strategic planning is weak.

Consequently, the Commission concluded that the National Director, working through the Combating Proliferation Council, should play a leading role in coordinating these efforts. The Commission also noted that, while proliferation-related diplomacy is primarily the responsibility of the State Department, the National Director should have a key role in diplomatic contacts with foreign governments and should help to ensure that proliferation-related matters are included on the agenda for the President's and Vice President's meetings with foreign leaders. The Commission recommended that the Director of Central Intelligence (DCI) exercise more leadership in this area by introducing a disciplined procedure for approaching key allies and international organizations for the purpose of expanding intelligence cooperation in support of our nonproliferation policies.

Export Controls

The Commission report emphasizes that export controls can make a significant contribution to the overall effort to combat proliferation. They are helpful in several ways. First, the process of developing export controls within a nation, or negotiating an export control regime multilaterally, educates government officials and private companies about technologies, materials, and equipment that could be diverted for proliferation-related purposes. This process facilitates the broad-based voluntary compliance by exporters so critical to an effectively functioning system. Second, export controls, and the enforcement apparatus that supports them, can prevent sensitive goods from reaching their intended destinations and thereby help slow down proliferation. In addition, export controls provide a legal basis for punishing violators. An exporter's failure to comply may result in fines, denial of export privileges, or, in some cases, prison sentences. The Commission concluded that export controls properly administered will continue to be one of the principal tools in combating proliferation and that the following recommendations can help increase their effectiveness:

- Target US export controls and enforcement efforts on end users of concern (suggestions for improving our ability to do so include increased use of the Automated Export System, greater emphasis on open source research, mechanisms to increase sharing of information within the government and with industry regarding worrisome end users, and improvements in post-shipment verifications).
- Strengthen multilateral coordination and enforcement of export controls.
- Enhance discipline in the US export control system through increased transparency (any agency should have the right to review an export license with the corresponding duty to express a view or have its silence deemed as consent), clear deadlines for action on a proposed license, and clear decision procedures to assure that the review process defaults to a decision (through escalation to higher-ranking officials if necessary) rather than gridlock.
- Rationalize functions common to the dual-use and munitions export control systems where appropriate and give consideration to unifying both systems under a single management structure.

AGENCY-SPECIFIC RECOMMENDATIONS

Department of State

The Department of State has preeminent authority for the conduct of US foreign policy. Thus, State should have primary responsibility for communicating to foreign governments US policy on WMD proliferation and should play a central role in defining and coordinating this policy. The integration of the Arms Control and Disarmament Agency (ACDA) into the State Department in April 1999 resulted in the consolidation under the Department's purview of a number of new international security affairs and arms control functions. Arms control and nonproliferation are now under the day-to-day jurisdiction of a new organization headed by the Under Secretary for Arms Control and International Security Affairs. The Department has reorganized itself accordingly, replacing the Bureau of Political-Military Affairs with three new bureaus designed to accommodate new missions, as well as the substantial increase in personnel, resulting from the absorption of ACDA. The Commission report notes that this reorganization has the potential to improve the Department's ability to address the long-term challenges it faces in combating the WMD proliferation threat. In addition, it makes the following recommendations:

- The Department of State should take advantage of its new organizational structure to create country-specific strategies that combine regional and functional perspectives concerning WMD proliferation. Instructions to Chiefs of Mission should reflect these strategies.
- The National Director, working with the Under Secretary of State for Arms Control and International Security Affairs, should conduct an organizational and resource review to identify the changes and resources needed to take advantage of opportunities to prevent proliferation or to mitigate the consequences of proliferation that has already occurred.
- The National Director, the Secretary of State, and Congress should consider ways to enhance the use of the Foreign Assistance and Security Assistance programs to achieve proliferation-related objectives, including reducing existing constraints on how the funds can be used, as well as ways to use the flexibility provided by the Nonproliferation and Disarmament Fund (NDF) more aggressively, and to expand

the precedent established by the NDF authorities more broadly in international affairs accounts.

- The National Director, in consultation with the Director of Central Intelligence, should establish a decisionmaking process regarding the use of intelligence in a demarche to ensure timely decisions and a careful evaluation of the policy benefits and the risks to sources and methods.

Department of Defense

The Department of Defense (DOD) has the most resources applied to the widest variety of programs for combating proliferation of WMD and their means of delivery. DOD combats proliferation in a number of ways: the application of military power to protect US forces and interests; intelligence collection and analysis; and support to diplomacy, arms control, and export controls. It is the only agency involved in all aspects of responding to the WMD threat, including prevention, deterrence, defense, and limiting the damage in case of use.

The Commission found that DOD's organization with respect to proliferation could be greatly improved. Currently, responsibility for proliferation-related issues is widely diffused, and there is no one below the level of the Deputy Secretary with sufficient authority to integrate the multitude of separate plans, policies, requirements and programs. This problem is particularly acute with respect to technology acquisition. Though all proliferation-related acquisition programs have been brought together in the new Defense Threat Reduction Agency (DTRA), the Commission found that the director of the agency lacks authority to set priorities among research and development programs of the military departments and the Defense Advanced Research Projects Agency. With technology acquisition so integrally related to our ability to protect our forces against the range of WMD threats, the consequences of such diffuse authority and organization are potentially dire. The Commission expressed particular concern over vulnerabilities in our military preparedness to meet the chemical and biological weapons threat and the downgrading of nuclear program oversight in DOD.

To help remedy these deficiencies and improve the ability of DOD to combat proliferation, the Commission made the following recommendations:

- The Secretary of Defense should reorganize the Office of the Under Secretary of Defense for Policy, establishing the position of Assistant Secretary of Defense for Combating Proliferation/Policy to be the focal point for policy on combating the proliferation of WMD and related emerging threats, with the responsibilities of this official to be aligned with those of the National Director.
- The President should direct the Secretary of Defense to establish a Joint Proliferation Operations Plans Group, under the Assistant Secretary of Defense for Combating Proliferation/Policy, to work closely with the military Commanders-in-Chief (CINCs), the CIA, and the FBI to conduct planning in support of specific operations to combat proliferation.
- The Secretary of Defense should establish an Assistant Secretary of Defense for Combating Proliferation/Acquisition to be responsible for technology acquisition programs bearing on combating proliferation. This individual would be dual-hatted as director of the Defense Threat Reduction Agency and would be responsible for developing a comprehensive architecture for technology acquisition to counter the WMD threat.

Department of Energy

The Commission's recommendations with respect to the Department of Energy's (DOE) role in combating proliferation seek to focus DOE more closely on nuclear proliferation-related activities in which the Department, primarily through its national laboratories, has unique expertise. To this end, the Commission Report makes the following recommendations:

- All nuclear nonproliferation programs should be consolidated under one Assistant Secretary, who would serve as the Department's senior representative on the Combating Proliferation Council.
- DOE activities in the nonproliferation arena, including DOE's intelligence program and its role in the export control process, should be focused on nuclear matters.
- The Department's expertise in nuclear matters should be made more accessible to other agencies, particularly elements of the Intelligence Community, such as the Nonproliferation Center, whose mission is primarily proliferation-related analysis.

- Proliferation-related research and development should conform to a government-wide technology acquisition plan.
- Regulatory and other barriers that make it difficult for the national laboratories to perform work for other agencies should be removed.

The Commission recognized the chemical- and biological-defense related expertise of the DOE labs but recommended that most of the funds currently allocated to DOE for such research and development should instead be given directly to consumers of the technology. Improved "work for others" processes could then enable these consumers to contract directly with the labs.

Intelligence Community

In its assessment of the Intelligence Community (IC), the Commission found that, while much has been done to strengthen US intelligence capability over the years, further progress is necessary to meet policy needs. It cited the unexpected Indian nuclear test in May 1998 and North Korea's test of a three-stage ballistic missile in August 1998 as stark reminders of the need for improvement. In light of the many security challenges posed by WMD proliferation, the Commission emphasized that proliferation-related intelligence should include the following:

- Earliest possible warning of imminent and emerging WMD threats;
- Accurate information and assessments about the WMD programs and operational practices of nations and sub-national groups, including identification of vulnerabilities;
- Greater understanding of the particular strategic, regional, and internal factors that motivate a country or sub-national group to acquire, or use, WMD capabilities, and identification of key points of leverage for influencing such decisions;
- Identification of critical nodes in the web of selling, buying, and brokering WMD technology and materials, including vulnerabilities in those networks; and
- Resource allocation in the IC reflecting the high priority accorded to combating WMD proliferation.

To better achieve these objectives, the Commission made the following recommendations:

- The DCI should ensure that regular conferences between policymakers and intelligence officers are

maintained, with a sharpened focus on providing useable intelligence.

- The DCI and the National Director should develop and apply clear standards of evidence for warnings, current intelligence reporting, and longer-term analyses.
- The DCI should direct the creation of a single, integrated proliferation intelligence plan covering collection, analysis, and intelligence production for all elements of the IC, pursuant to guidance established by the National Director, for adoption by the President and review by the relevant committees of Congress.
- The DCI should conduct an assessment of the IC's proliferation-related analytical capabilities and assign lead responsibility for proliferation analysis.
- The DCI should task the Nonproliferation Center to prepare a plan to enhance the technical capability for proliferation-related intelligence collection and to develop new technology for detecting signatures of nuclear, chemical and biological agents at suspect facilities.
- The National Director and the DCI should develop a process for resolving disputes regarding the use of proliferation intelligence.

Department of Commerce

The Department of Commerce manages and enforces export controls on dual-use technologies and goods, including those that have a direct application in the design, development, production, or use of weapons of mass destruction and their means of delivery. The Commission found that Commerce's export license review and enforcement activities could be streamlined and improved to better prevent illicit trade in WMD-related technologies and goods. Accordingly, it made the following recommendations:

- Congress should enact, and the President should sign, a new Export Administration Act containing substantially greater penalties than now apply to export control violations.
- Commerce's Bureau of Export Administration, which establishes, manages, and enforces export controls on dual-use items, should expand its post-shipment verifications to encompass technologies of proliferation concern. Congress should ensure that the Bureau has the requisite resources and discretion to implement an effective and aggressive post-shipment verification program.

- Congress and the executive branch should develop a mechanism for ensuring that Congress has greater access to export licensing information to facilitate oversight of the administration's implementation of dual-use export controls.
- The National Director should work with the Under Secretary of Commerce for Export Administration to improve information sharing between the Bureau of Export Administration and the Intelligence Community, and should develop mechanisms by which special agents in the field can request and receive end-user information from US government sources.
- The Bureau of Export Administration should take steps to enhance the expertise of its licensing officers in technologies and goods related to WMD.

Department of Treasury

The Department of Treasury has several offices and bureaus that deal with WMD proliferation, including the US Customs Service, the Office of Foreign Assets Control, the US Secret Service, and the Office of International Investment. Specific recommendations for some of these offices and bureaus, most of which fall under the purview of the Under Secretary (Enforcement) include the following:

- The Customs Service should create an office dedicated to the detection and interdiction of weapons of mass destruction.
- Congress should require all exporters to file their Shipper's Export Declarations electronically via the Automated Export System—a requirement that should be phased in over a period of several years.
- The Secretary of the Treasury, in consultation with the National Director, should lead an interagency review of current mechanisms for exercising financial or economic leverage to combat proliferation, and develop recommendations for improving our use of such leverage, including any legal changes that might be required. This review should focus on positive and negative incentives.
- The Committee on Foreign Investment in the United States (CFIUS), chaired by Treasury, should continue to take steps to prevent foreign individuals and groups that engage in or assist in WMD proliferation from acquiring US firms. In doing so, CFIUS should view its mandate broadly, relying as appropriate on the expertise of interested agencies to aid CFIUS in considering both the potential for transfers of WMD by

means other than direct sales, and the possible transfer of dual-use items.

Department of Justice

Combating WMD proliferation is essentially a national security issue, but one in which the law enforcement community has a potentially useful role, e.g., by blocking certain proliferation activities and responding to WMD use. In its response to the Commission's baseline survey, the Department of Justice stated that it does not have a specific proliferation-related mission. However, the Commission found that the Attorney General's role as the nation's chief law enforcement officer and principal law enforcement advisor to the President puts the Department in a unique position to help ensure that appropriate law enforcement assets and efforts are targeted against this threat. As such, the Commission put forth the following recommendations:

- The National Director should work with the Attorney General to determine the legal authorities needed to deal with the threats from terrorist use of WMD.
- The Department of Justice, together with the National Director, should assess the national security implications of information developed in its investigations, and identify appropriate ways to communicate these to executive branch agencies while preserving the integrity of its investigations.
- The National Director should coordinate efforts to improve the relationship between the Intelligence Community and law enforcement in their respective efforts to detect, disrupt, prevent and prosecute those who seek to acquire or use WMD.

Federal Bureau of Investigation

The Federal Bureau of Investigation's (FBI) role in countering espionage by foreign powers now includes responding to efforts sponsored by nations, sub-national groups, or terrorists to acquire chemical, biological, or nuclear weapons, or to deploy these weapons against US interests at home and abroad. In recent years, the FBI's authority to investigate and prosecute violations of law prohibiting the use of WMD has been expanded by several statutes which grant it significant extraterritorial jurisdiction, and its organization has evolved to help counter the proliferation threat. The Commission found that the various FBI units working the proliferation issue, including the National Security and Criminal

Divisions, could benefit from more centralized authority, greater coordination of activities, and more extensive and efficient information sharing. These changes in current FBI organization and procedures would allow for more effective collaboration with elements of the Intelligence Community and with other law enforcement agencies involved in assessing and responding to the proliferation threat. Toward the achievement of these objectives, the Commission made the following recommendations:

- The FBI should designate a single program manager to coordinate the efforts of all units within the Bureau with responsibility for combating WMD proliferation. This manager should be close enough to actual operations to identify priorities, coordinate activities, and ensure information sharing.
- The FBI should initiate training programs to raise the level of technical expertise of its agents and analysts in detecting, countering, and investigating proliferation and uses of WMD, e.g., building a cadre of experts with knowledge of the technologies of emerging threats and relevant foreign languages to improve the quality of analysis and human source reporting.
- The FBI should develop and implement an automated information management system that allows for electronic distribution, search, and retrieval of intelligence and investigative information. Such a system would provide units of the FBI and elements of the Intelligence Community and other law enforcement agencies with better access to such information than currently exists, thereby improving the likelihood that proliferation-related activities can be detected in a timely manner and prevented.
- The FBI should continue to improve coordination with the Intelligence Community and establish mechanisms to resolve problems created by overlapping jurisdiction and competing interests.

Departments of Health and Human Services and Agriculture

Two key players in our efforts to meet the challenges posed by the threat of biological weapons are the Department of Health and Human Services (HHS) and the Department of Agriculture. These departments' proliferation-related resources mainly involve response to an attack against the US civilian population or economy, a subject that Congress expressly removed from the scope of the Commission's charter. Nonetheless, these depart-

ments perform substantial work that does bear directly on WMD issues relevant to the Commission's inquiry. For example, both are involved in efforts to convert biological warfare facilities in the former Soviet Union to legitimate pharmaceutical uses. In light of the growing scope and significance of their work to the overall US government effort to combat proliferation, the Commission made the following recommendations:

- The National Director should ensure that the HHS budget includes resources for the Director of the National Institutes of Health to establish a comprehensive program in vaccine development and other means of protection and treatment that makes use of the huge private sector store of knowledge and technology.
- The Departments of Agriculture and Health and Human Services should continue to work closely with the US Army Medical Research Institute of Infectious Diseases (USAMRIID) and others in the national security community to ensure that their cooperative efforts with the former Soviet Union do not inadvertently enhance or sustain any offensive biological or chemical weapons capability.

CONCLUSION

The Commission believes that the adoption of the recommendations set forth in its report will substantially improve the ability of the US government to confront the proliferation problem and thereby reduce the risks to the people of the United States from WMD proliferation. In this regard, the Commission's recommendations promote:

- A national strategy that will more effectively employ a broader range of policy instruments in both bilateral and multilateral diplomacy, from export controls to foreign assistance;
- Greater efficiency, accountability, and capability for defense against and response to weapons of mass destruction, from biological agent detection to reducing the risk of leakage from the Russian nuclear stockpile;
- Better intelligence about the intentions and capabilities of proliferators;
- Enhanced capability to conduct timely and effective operations that could deter or prevent the use of WMD; and
- A more transparent process for reviewing and tracking proliferation-related resources to ensure that they

are used for their intended purposes, for coordinating interagency efforts, and for evaluating progress toward achieving program goals.

The Commission recognizes that organization alone will not determine the overall success or failure of our efforts to combat proliferation. However, good organization and good leadership will have a profound impact on our prospects for success. They constitute the cornerstone of a comprehensive, integrated approach to the WMD problem that will be indispensable to safeguarding our vital national security interests and protecting our military forces and citizens at home and abroad.