International Security
Nonproliferation
Arms Control

DIGEST OF THE RUSSIAN JOURNAL

YADERNY KONTROL

(NUCLEAR CONTROL)

Volume 5, № 2

Spring 2000

PUBLISHER: PIR - CENTER FOR POLICY STUDIES IN RUSSIA

Moscow, 2000

Contents

DIGEST OF THE RUSSIAN JOURNAL

YADERNY KONTROL
(NUCLEAR CONTROL)

International Security. Nonproliferation. Arms Control.

Volume 5

N 2 (14)

Spring 2000

Published four times a year since 1996

Contains selected analytical articles from *Yaderny Kontrol*, a journal published in Russian six times a year

Printed in Russia

Address: P.O. Box 17, Moscow, 117454, Russia
Phone: +7+095-335-1955
Fax: +7+503-234-9558
E-mail: info@pircenter.org
Internet: http://www.pircenter.org

Subscriptions worldwide (Russian and English editions): please, send requests to fax +7+095-234-9558 or e-mail: info@pircenter.org. Checks or wire transfers. Express mail delivery.

Circulation:
Russian journal: 2,000 copies
English Digest: 800 copies
Signed for printing
on March 15, 2000

- The editors wish to express special thanks to the Center for Nonproliferation Studies at the Monterey Institute of International Studies for making this publication possible through its support of the PIR-Center for Policy Studies in Russia

Publisher: PIR–Center for Policy Studies in Russia
Amb. Roland Timerbaev, Executive Council Chair
Dr. Vladimir A. Orlov, Director, and Executive Council Member
Dr. Vladimir A. Mau, Executive Council Member
Prof. Yuri Fyodorov, Executive Council Member

Editorial

WHAT HAS TO BE DONE BY A NEWLY ELECTED STATE DUMA?

What to do? and *Who is to blame?* are the questions that will be an eternal dilemma for Russia even in the next millenium. We have not only passed a historical line, entering a new century, but we have also got a newly elected State Duma.

The previous State Duma devoted much time and efforts to the problems of arms limitation and reduction. However, the results are more than modest. In fact, the only significant document ratified (in 1997) was the *Chemical Weapons Convention* (CWC). Nonetheless, the agreement became a historic precedent and the endeavors of different branches of power should be praised, since for the first time in the Russian legislative practice the Duma not only approved the CWC but instructed the executive on the course of its implementation, dividing the powers among various government agencies.

At the same time, the previous Duma has left to the newly elected deputies a vast legacy of non-ratified agreements. Most notable among these is START II. It was practically ready for ratification in spring 1999, the Duma and the executive branch agreed on the appropriate bill, but the NATO operation in the Balkans delayed the process of ratification. The new Duma will have to take up this issue as a matter of priority, although substantive attendant factors aggravate the situation. The most principal of them is the US intention to develop its national missile defense system, whose deployment may start in June 2000. The system, which is presented as a shield against a limited missile attack, will have a potential for deploying the ABM system of the territory that runs counter to the 1972 ABM treaty. Naturally, this may make Russia take all necessary countermeasures, including asymmetric. In June 1999, the two presidents agreed in Cologne to start consultations on START III and the ABM treaty but these discussions are being conducted inertly, without spirit. Sometimes it occurs to the politicians: why not *step over* START II and agree on START III providing for a lower levels of strategic offensive arms (about 1,000–2,000 warheads for each party, as has recently been suggested by the Democratic Party's presidential candidate Bill Bradley)? Why not take decisions on missile defense and other parameters that would suit both states, would maintain and strengthen nuclear stability? By the way, the USA has not ratified START II completely. The important additional agreements signed in New York in 1997 have not yet been submitted to the Senate by the Clinton administration.

The problem of strategic arms and missile defense is not only decisively important from the point of Russia's security interests but is an extremely urgent issue. It is necessary to preserve the ABM treaty by all means, and the UN General Assembly has reaffirmed the treaty's extraordinary significance in its recent resolution. Perhaps, it would be reasonable to amend the provisions of the treaty, taking into account Russia's interests, in order to preserve the ABM accords? Anyway, the newly elected Duma should without delay give a thorough and comprehensive consideration of all issues concerning strategic offensive and defensive arms and try to formulate a mutually acceptable approach.

President Yeltsin submitted the CTBT to the State Duma for consideration in mid-November 1999, soon after the negative decision by the US Senate (dominated by Republicans) on this matter, which had been caused chiefly by domestic political reasons. Shall the Duma accelerate the process of CTBT ratification even though the USA and China haven't ratified the treaty and India and Pakistan haven't even signed it?

The logical answer is *no*, until the US Senate determines its final attitude towards the treaty. On the other hand, Russia's ratification will enable Moscow to revive its traditional initiative and active position in the area of international security and disarmament. The ban on nuclear tests meets Russia's national interests. Nowadays and in the foreseeable future, Russia will have no means to compete with other powers in developing and testing new generations of nuclear weapons, while the present-day arsenal is enough to maintain our security. The newly elected Duma should hold hearings on the CTBT and discuss it in depth in order to formulate its approach to this complicated problem.
.

PIR Center News

Spring 2000

2000, February 21-26. Director of the PIR Center Vladimir Orlov stayed in Oslo at the invitation of the Norwegian MFA. In the course of his trip he met the senior officials of the ministry in charge of the Russian policy, the cooperation between Norway and Russia in the nuclear area, the problems of security, arms control, nonproliferation and export controls. Vladimir Orlov held the meetings with Amb. Torbjorn Norendal, Leif Ulland, Steinar Gil, and Turid Skancke.

Dr. Orlov also had consultations with the Assistants to the Minister of Defense Erik Breidlid and Tom Eudesen, Counselor of the Ministry Brita Schawlann and discussed the prospects of Russian-Norwegian relations.

Vladimir Orlov got acquainted with the employees and work of the International Peace Research Institute (PRIO) and Bellona Environmental Foundation.

Dr. Orlov had a conversation with the staff of the Norwegian Institute of International Affairs (NUPI) and its Director Sverre Lodgaard. The participants touched upon the topical issues of nuclear nonproliferation and the problems of nuclear arms reduction and missile defense.

The PIR Director also met Secretary-General of Der Norske Atlanterhavs Komite Chris Prebensen and made some comments on nuclear security and nuclear cooperation at the seminar of the Committee attended by the military attaches accredited in Norway. The seminar discussed the alternatives to the Norwegian security policy, taking into account the changing geopolitical conditions, the new place of Norway in the system of European security, given that it is not the EU member, the way to overcome the consequences of marginalization of Norway in the NATO structures and plans (key-note speaker - Senior Research Associate of the Institute of Defense Studies at the Ministry of Defense Bjorn Olav Knutsen). The participants also studied the problems of radiation and environmental situation in the Barents and Kara Seas (speaker - Director of the Norwegian Radiation Security Agency Dr. Ole Harbitz).

Dr. Orlov had an interview with Russian Ambassador to Norway Yuly Kvitsinski and PIR Research Council member, Counselor-Minister Mikhail Kokeyev.

2000, March 7. Today the PIR Center has summed up the financial results of its 1999 activities and has completed the internal auditing of accounts for 1994-1999.

The total income of the PIR Center in 1999 amounts to $274,615. The annual balance is positive and is $17,116.

Moreover, in just the first two months of 2000 alone, the PIR Center received or was authorized to receive $475,000 in grants.

During its six years of work, the total income of the PIR Center has amounted to $1,031,551. The money has come from grants, gifts, and the rendering of information and consultative services in compliance with the objectives and principles of the organization stated in its charter. The financial resources have been expended on the implementation of research, information, publishing and educational projects.

In 1994-1999, the five largest grant donors of the PIR Center were the MacArthur Foundation, the W. Alton Jones Foundation, the Ploughshares Fund, the Center for Nonproliferation Studies of the Monterey Institute of International Studies, and the John Merck Fund. The PIR Center obtained support from foundations, governmental organizations, scientific and research institutions, banks, corporations and individuals from Russia, the USA, the UK, the Netherlands, Norway, and Germany.

The PIR Center - Center for Policy Studies in Russia - is the leading Russian non-profit organization focusing on international security studies, arms control and WMD nonproliferation. The PIR Center's largest project is the publication of the *Yaderny Kontrol Journal*.

At present, the Center comprises 24 employees engaged in a total of 20 long-term and short-term projects. Beside the Russian-based organization, the PIR Center has the US-registered and active partner non-profit organization - the Center for Policy Studies in Russia with legal status 501 (c) (3).

'The fulfillment of the internal auditing for the past six years is a significant stride. The principal figures characterizing the Center's development year by year since its foundation have been defined more precisely. Now we are able to fully assess, to within $1 or 1 ruble, the efficiency of the PIR activities, the cost-efficiency of this or that direction of research and publishing,' said PIR Director Vladimir Orlov, when the auditing was complete.

'The major problem in carrying out such comprehensive auditing was the need to take into consideration the requirements of the Russian accounting system, Western accounting standards, and the particular requirements, recommendations and requests of each of our 20 grant donors,' pointed out Assistant Director on Finance Vyacheslav Zaytsev. 'We had to revise the exchange rates, which rapidly changed throughout the year, and to compare the dates on which the grants were awarded with the dates of their actual reception. We also took into account that, in 1997, the PIR Center was registered as autonomous non-profit organization in accordance with the Russian law "*On Non-Profit Organizations*". Finally, the calculations concerning the Russian-based organization and the US-registered institution were conducted separately. In general, a substantial number of figures have been defined more precisely.'

'The draft report on the results of the PIR internal financial auditing for 1994-1999 indicates that the Center is a financially sound, transparent and dynamically developing organization, which carries out its activities in full compliance with the charter and the legislation on non-profit organizations and scrupulously cares for preserving its high reputation,' said PIR Executive Council Member Vladimir Mau, a leading Russian economist, Doctor of Economics and Director of the Working Center of Economic Reforms at the Russian Government.

The PIR Executive Council is the supreme body of the organization, which supervises and oversees the PIR Center's activities.

A detailed report on the results of the PIR Center's financial activities in 1994-1999 will be submitted for the consideration and approval of the annual Executive Council meeting on April 14, 2000. After that, it will be translated into English and, on April 30, the date of PIR Center's foundation, will be published and sent to all PIR grant donors and partners. The report will be available to all organizations and individuals concerned. 'By pursuing a policy of complete financial transparency, which is not typical of the Russian non-governmental sector, the PIR Center will be a pioneer in initiating a good and important tradition,' maintained Vladimir Mau.

2000, March 10. The PIR Center published the analytical report "*Russians on Nuclear Weapons and Nuclear Challenges*".

This report is based on the all-Russian public opinion poll "*Examining the Attitudes of Russians towards Nuclear Weapons*" conducted by the *Obzhestvennoye Mneniye* Fund upon the request of the PIR Center and the Center for Nonproliferation Studies at the Monterey Institute of International Studies.

The present report is an unprecedented attempt of comprehensive research into the Russians' attitude towards various problems concerning nuclear weapons, nuclear threats, nuclear policy, and disarmament.

The author of the study and the coordinator of the research is PIR Research Associate Ivan Safranchuk, who directs the project "*Nuclear Weapons and Their Future*". The editorial board consists of Dr. Vladimir Orlov, Director of the PIR Center; Dr. William Potter, Director of the CNS; Amb. Roland Timerbaev, PIR Senior Advisor; Dr. Clay Moltz, Director of the CNS NIS Nonproliferation Project; Dr. Dmitry Evstafiev, PIR Senior Research Associate, Director of the Program "*Domestics Politics and Russian Security*"; Dr. Nikolai Sokov, CNS Senior Research Associate.

The report is available **in English**.

Summary

Yaderny Kontrol (Nuclear Control) Journal of the PIR Center for Policy Studies Volume 49, No. 1, January-February, 2000

Vadim Kozyulin in his analysis "*Export Potential of Land-Based and Space Defense: Russia's Secret Weapon*" states, 'In order to protect itself from high-precision weapons of the future, Russia has only one way out - to develop air defense and missile defense systems or, in other words, to create a so-called *space umbrella* similar to the US SDI. The USA and Russia are the only powers that can develop today *smart* weapons and create a complex system of aerospace defense.'

Dmitry Polikanov in his review "*The Future of the Treaty of Pelindaba*" says, 'The African Nuclear-Weapon-Free Zone Treaty is a significant step from the point of strengthening the international nonproliferation regime and promoting nuclear disarmament. However, the treaty ratification is being delayed, due to the impact of internal and external factors. In current circumstances, we can't expect the ratification process to intensify.'

Nikolai Detinov and Alexander Saveliev in their article "*Decision-Making Mechanism in the Area of Arms Control in the Soviet Union*" maintain, 'It is obvious that any negotiations on arms limitation and reduction affect to a certain extent not only the state security interests, but the particular interests of many ministries and agencies concerned. In the USSR, these agencies were the CPSU Central Committee, the MOD, the MFA, the KGB and the Commission of the Presidium of the Council of Ministers on Military-Industrial Affairs. These agencies played a key part in decision-making and their positions were stated at the negotiations with the USA over a period of more than 20 years. The established decision-making mechanism in the USSR was aimed at promoting concerted efforts of various agencies inside the country and only then at coordinating the decision with its partner at the negotiations. Such an approach created a situation when inside the Soviet power institutions there were practically no active forces that could impede this process.'

The issue contains the *Library* section with a book review by Ivan Safranchuk concerning "*Russia's Strategic Nuclear Arms*" (ed. by P. Podvig, M., 1998).

Polemics

NONPROLIFERATION POLICIES: SHAPING AGENDA FOR THE COMING DECADE

Below we are publishing the conference records from the international conference "Nonproliferation Policies: Shaping Agenda for the Coming Decade" held by the PIR Center and the London-based International Institute for Strategic Studies (IISS) in late 1999.

We can't reflect a complete picture of the polemics at the conference, because of the large number of speeches and reports delivered in the course of discussion. This is why we are publishing an abridged version of the records, trying to draw your attention to some of the most urgent and significant problems. All participants of the conference spoke as individuals and their opinion does not necessarily represent with the views of the organizations they represented.

[This article was originally published in Russian in *Yaderny Kontrol*, No. 1, Vol. 49, January-February, 2000]

Russia and the West: Partners or Rivals in Shaping New Nonproliferation Agenda?
VLADIMIR ORLOV, PIR CENTER: In my opening address to the conference, I would like to point out that, at present, the international WMD nonproliferation regime is suffering a crisis. This results from 1) the lack of adequate response of the world community to the fact that India has *de facto* joined the nuclear *club*; 2) the US Senate refusal to ratify the CTBT; 3) the delay in START II ratification; 4) the attempts to undermine the ABM treaty; 5) the inefficiency of the international efforts to prevent the missile technology proliferation. In the course of discussion, I suggest that the participants should express their views on the following question: are there any ways out of this crisis?

DMITRY EVSTAFIEV, PIR CENTER: Russia is often blamed for politicizing the WMD nonproliferation problems. But I

would like to say that Russia was not the first to introduce this politicization. It started in the late 1970s, when the US administration worked out and set forth the concept of *responsible* and *irresponsible* proliferation regimes. According to this concept, the *responsible* regimes (above all, Israel) may have nuclear weapons, while the *irresponsible* proliferation regimes may not possess WMD. Nowadays, only a few experts remember about this theory but *de facto* the West, and the USA in particular, continues to pursue this double standard policy at the regional level.

Another aspect of politicization, which determines many of the trends in WMD nonproliferation, is that the majority of the global endeavors in this area are based on political (and not technical or legal) grounds. The NPT extension was a political move, since none of the objectives laid down before the 1995 NPT Review and Extension Conference were achieved, except extension. There is a dangerous illusion that in the process of negotiating nonproliferation issues with regional powers it is possible to exert any amount of pressure to achieve any goal. Enormous pressure on a number of Arab states enabled the Conference to extend the NPT. This is a truly lamentable precedent. Brute force can't replace the serious negotiations, the collective security system, etc.

Finally, nonproliferation issues, especially at the regional level, have become an element of foreign policy rhetoric. This is the worst thing that has befallen nonproliferation in recent years. For example, I can mention the actions of Richard Butler, former head of the *de facto* disbanded UNSCOM. Mr. Butler dared to make astonishing accusations concerning Russia that went far beyond the common ethics of international relations, and yet none of our Western partners criticized him. On the contrary, he was praised, he was widely cited and his actions were considered to be good propaganda. So, our Western partners should not feel hard done by, with the increased politicization of nonproliferation issues. They got what they wanted.

Now, I would like to ask a *blasphemous* question that will raise objections from the other participants (but I believe this question will be useful for the discussion): why should Russia pursue a nonproliferation policy together with the West? The words about *indispensable international cooperation*, the *common interest* of Russia and the West in *the joint efforts* - all this is merely a commonplace.

In present-day Russia, practically all officials speaking on international affairs argue that Russia's relations with the West have been spoiled in all spheres but there is one issue, one area, where the cooperation is steadily growing, which has extremely bright prospects and in which both parties are interested. As you may guess, this sphere is WMD nonproliferation. Not at all! If we study the actual evidence of Russian-Western nonproliferation interaction in specific areas, I must say that the confrontation in this sphere emerged long before than in other spheres.

Nowadays, more and more experts in Russia ask if Russia really needs cooperation with the West in this area. But another question may arise: why does the West need this cooperation? In the last few years, there have been several episodes when the West managed to cope with the situation independently, on its own. I am referring to Iraq and an *incredible* situation on the Korean Peninsula…

The international community has lost momentum in exploiting the positive impulse in the area of nonproliferation. The 1995 NPT extension was a positive move, which could have been developed. However, the result was practically *wiped out*. Everyone began short-term localized political maneuvers, which resulted in the India-Pakistan nuclear tests. I presume that the current attempts to wage a controlled conflict in Korea will fail and will have unpredictable consequences.

Another dangerous trend is the US attempt to link some Russian domestic policy issues (such as Chechnya) with the process of further strategic arms reduction. Fortunately, this trend is yet to dominate and during the

October visit of Deputy Secretary of State Strobe Talbott to Moscow, such linkages must have not been proposed. If this had occurred, we might as well have forgotten about arms reduction for the next 10 years.

The struggle against WMD proliferation should become more practical. In my opinion, we should start with two measures: the first is export controls, the second is the resumption of a serious discussion on establishing the WMD-free zone in the Middle East.

As far as the export controls are concerned, we have to admit that progress in bio-technologies, dual-use technologies and in other WMD-related spheres has become essential for determining the directions of industrial development. Obviously, some developing states are on the threshold of a significant industrial and technological breakthrough. And we should think about the nature of export controls in the 21st century. How will the international trade be regulated in future? How can we contain the technological progress of some nations? Is this possible? Are there any alternatives?

Now, about the WMD-free zone in the Middle East. Why in the Middle East? Firstly, the UNSCOM activities had not only negative aspects, but also many positive results, including the development of monitoring technology, technology for revealing clandestine programs, etc. Secondly, the peace process in the Middle East is under way and a direct military confrontation there is less likely than a medium-intensity conflict in South Asia. Finally, the Middle East has a sufficient number of R&D programs concerning nuclear arms control and the monitoring of the military-political situation, which surpass the achievements of South and East Asia.

Russia will find it difficult to claim for an equal or comparable role with the USA, Great Britain or the EU in the nonproliferation process in the Middle East, if it starts. Nonetheless, Russia understands that dialogue on nuclear and WMD nonproliferation issues is quite possible in the Middle East and it might take a multilateral form.

PAVEL ZOLOTAREV, INTER-REGIONAL PUBLIC FOUNDATION TO SUPPORT MILITARY REFORM: If we give this issue thorough consideration and try to decide whether Russia and the West are partners or rivals the answer will be ambiguous. As far as the solution of nonproliferation problems is concerned, we are allies. And when nonproliferation is used as a foreign policy tool we are adversaries or, at least, not allies.

What hampers the solution of nonproliferation problems? I would name three factors.

Firstly, the generally decreasing role of the nuclear deterrence factor resulting from the emergence of high-precision weapons, which enable the state to accomplish the same mission with an efficiency similar to that of nuclear weapons, and the development of weapons based on new physical principles. The poor states face a dilemma: they can't acquire or develop such high-tech weapons, hence, they prefer cheaper nuclear arms. This factor contributes to their eagerness to possess nuclear weapons.

Secondly, the NATO aggression in defiance of international law forces states to seek nuclear weapons. If the NATO aggression against Yugoslavia was a mistake it is one thing, if it was the implementation of a new strategic concept - it's another story. In that case, it is a long-term factor and we'll have to face its consequences even in the area of nonproliferation.

Thirdly, the policy of double standards manifested in the Middle East.

OLEG GRINEVSKY, MONTEREY INSTITUTE OF INTERNATIONAL STUDIES (USA): Let's just imagine that Yugoslavia had nuclear weapons. Would NATO dare to start bombings in the Balkans? NATO would not have dared, and the neighboring states would not have given their consent. The NATO air raids against Yugoslavia demonstrated to the international community: if you have an A-bomb you will

be able to prevent such operations. If we really think that at present, the worst global challenge is the peril of nuclear and WMD proliferation, we have to admit that NATO has given a false signal to the *threshold* states, provoking the erosion of the WMD nonproliferation regime.

As for the WMD-free zone in the Middle East and other nuclear-weapon-free zones, their establishment doesn't solve the key problems concerning the decision-making process in this or that state over whether to acquire nuclear weapons. Perhaps, this traditional positive approach towards NWFZ as a unique remedy is out of date.

MIKHAIL SHELEPIN, DIPLOMATIC ACADEMY, RUSSIAN MINISTRY OF FOREIGN AFFAIRS: I won't agree with the opinion that the NWFZ concept is obsolete. The Tlatelolco Treaty has been effective for 32 years, the Rarotonga Treaty for 14 years. There is the Bangkok Treaty (South-East Asia), the Treaty of Pelindaba (Africa), and the process of establishing a NWFZ in Central Asia is under way. Besides, I would remind you of the Byelorussian initiative to establish a *nuclear-free zone* in Central and Eastern Europe. This concept was resented by some states, because it had been proposed by President Lukashenko. But the idea itself has a historical basing. And the realization of this plan is quite possible in the current circumstances. Moreover, after the Cold War, in the new conditions in Europe, we could speak about NWFZ on the OSCE territory: all 52 non-nuclear weapon states could commit not to deploy nuclear weapons on their territories. Obviously, the USA will have to make some concessions and to remove its nuclear weapons from the territory of its NATO allies in Europe.

ANDREI ZOBOV, MOSCOW *CARNEGIE* CENTER: I have a recent statement on Iran by Gen. Shebarshin, one of Russia's most famous Oriental Studies specialist, and former head of the Russian Foreign Intelligence Service. When asked about the threat of WMD proliferation in Iran, he said, 'The Iranian leadership is no less responsible and reasonable than the US leadership.' I.e. Iran pursues a responsible nonproliferation policy.

Since practically all our British guests at the conference cite the *Iranian factor* as an obstacle for the nonproliferation regime, they must have some data on the Iran's nuclear weapons program. The thing is that Russian Minister of Atomic Energy Yevgeny Adamov and other Russian officials have repeatedly asked the USA what information it has on this matter. The data submitted by the USA has been regarded as insufficient or improbable. Maybe, the British have more convincing information? Or do they rely on the intelligence data of Israel used by the USA? Perhaps, the British officials don't want to unveil this information for some reason? Then why? Why not make this information public in order to help the Russian political and *nonproliferation* elite to make a better assessment of the situation? What if Iran is really preparing to develop nuclear weapons? Yevgeny Adamov believes that the USA has no proven data, otherwise it would publish this information immediately. And it wouldn't be a case of *selling out* the sources of information. Just say in public that Russia has transferred this or that material to Iran either officially or unofficially. In my opinion, the Russian *nonproliferation* community has reached a consensus that the Russian Government adopts the correct position when fulfils its commitments under Article IV of the NPT to provide the developing countries with assistance in peaceful nuclear energy uses. In this connection, I would like to emphasize that at the 2000 NPT Review Conference this issue of Article IV will cause a serious discussion to be initiated by Iran and by those states that support Cuba, which also has the right to the peaceful use of nuclear energy.

OLEG GRINEVSKY: I used to deal with Iran when I worked in the Russian MFA. Yes, Tehran had some nuclear ambitions even during the Shah's rule (to become a leading regional power to resist the Soviet expansion). But would it be right to mix up all suspicions? Each state requires an individual approach. Nowadays, Iran is witnessing the emergence of a new middle class, i.e. people, who want to develop

commerce. They do not care about an *Islamic bomb* or an *Iranian bomb*; they want to sell and buy. And the major potential trade partners are in the West. Let's analyze if the current Western policy (the US course in particular) takes into account these new developments, realizes the necessity to back this middle class with mutual trade, which will be the best assurance against any nuclear weapon. Some endeavors are being undertaken in Europe, especially in France. The US policy strives for opposite goals. It maintains a policy of embargo. The USA should work out a new approach to Iran.

ARZAMAT KULMUKHAMETOV, RUSSIAN MINISTRY OF FOREIGN AFFAIRS: The discussion seems to be fruitful as far as clarifying the prospects of survival for the WMD nonproliferation regime is concerned. A useful example to draw on is the cooperation between Russia and the West in maintaining the nonproliferation regime with respect to Iraq. Naturally, I will not go into thorough scientific detail, but present some brief thoughts on the Russian attitude towards the existing situation.

First of all, it would be reasonable to question the validity of the *Russia-West* dichotomy in this very case. In the process of negotiating the parameters of the post-crisis settlement in the Persian Gulf, in the process of discussing and passing UN Security Council Resolution 687, in the process of its implementation, Russia and other parties concerned have never called into question the primary objective - to ensure the elimination and non-revival of the Iraqi WMD force. Differences remain, in assessing the ways forward and the degree of success of this noble mission. However, even in these matters, the division lies not in Russian-Western contradictions, but slightly differently.

The continuing consultations in the UN Security Council, especially within the *P-5*, managed to achieve the rapprochement of the parties' positions on some aspects of these two important issues.

For instance, we can speak about the common understanding that it is necessary to resume the international verification of the prohibited Iraqi military might through establishing an enhanced monitoring system and suspending economic sanctions afterwards. Hence, the problem of setting up a new verification authority (instead of UNSCOM) emerges. There is a necessity to exploit the capabilities of the existing international verification mechanisms in the area of WMD nonproliferation.

At the same time, the substantial contradictions concerning the terms of suspending the sanctions remain. Some proposals contain wording that links the suspension with the solution of so-called *unspecified* disarmament tasks. We proceed from the assumption that such a linkage will be illegitimate, since the full clarification of unresolved issues in accordance with Resolution 687 would lead to the lifting of sanctions and not their suspension.

This is why we stand for clearing up this range of issues within the existing monitoring regime and not as a condition for suspending the sanctions. We believe that the list of yet *unspecified* matters should be brief, specific and feasible. It is important to ensure the UN Security Council assessment of Baghdad's steps towards clearing up these issues.

It is understood that the would-be suspension of the embargo should cover the Iraqi export and the civilian import, all related financial transactions and the use of air and sea transport. Evidently, this stage should not include a suspension of the ban on military cooperation and should preserve the control (as provided in the UN Security Council Resolution 1051) over dual-use supplies to Iraq.

We presume that the existing differences can be overcome if all parties focus on the task of resuming the international verification of the Iraqi WMD might. In our practical work, including our activities in the UN Security Council, we proceed from this objective. And we can't agree with those activities that have nothing to do with making Iraq join the global nonproliferation regime, and run counter to the existing norms and principles

of international law and the appropriate UN resolutions.

The world community should realize that to strengthen the global WMD nonproliferation regime, it is necessary to be persistent in promoting respect for international law.

NATALYA KALININA, RUSSIAN GOVERNMENT OFFICE: So far, we speak here about traditional proliferation challenges. But they are followed by a new threat - terrorism using WMD components. If earlier we listed the nonproliferation priorities as nuclear weapons and then chemical and biological weapons, nowadays, it's vice versa regarding terrorism. The gravest concerns arise with respect to biological weapons, chemical weapons and only then, nuclear-related matters. This shift is evident and is connected with the possibility of control over the development of these menaces: the easier it is to control the threat the easier it is to prevent it. The nuclear nonproliferation mechanisms are established and rather efficient. As far as the biological weapons are concerned, there are practically no such mechanisms. And the CW nonproliferation procedures seem unrealistic to prevent the development of chemical terrorism: there are no sensitive devices; there are no means to detect small doses or small concentrations.

VLADIMIR DVORKIN, RUSSIAN DEFENSE MINISTRY: It is necessary to make a hierarchy of challenges, to distinguish btween them, to see the difference between terrorism and hostilities with the use of WMD. These are two completely different matters.

From the point of hostilities with the use of WMD, the nuclear weapons will maintain their priority, since they are more effective. This is why India and Pakistan strove for acquiring nuclear weapons: not for terrorist activities, but for conducting combat operations, for deterrence.

And if we mix it all up, then the situation will remind me of my conversation with Vladimir Zhirinovsky. He visited the SMF units, looked at our models, learned the approximate yield of our warheads and said, 'Why do you mount only nuclear warheads on your missiles? Why don't you add here chemical and biological warheads, some insects?' I had to tell him that there were some difficulties with that…

As far as the WMD terrorism is concerned, the struggle against this threat can unite us with the USA and with the West, despite any bad strategic relations. There are real challenges and we should not wait for another *Tokyo subway* incident.

IVAN SAFRANCHUK, PIR CENTER: I find it strange that Russia and the West are getting bogged down in the hopeless discussion over who needs the nonproliferation regime more. Above all, this debate has no prospects for the West. The arguments of our Western partners, saying that the majority of *rogue* states are situated near Russia, are quite understandable. However, these *rogue* states develop their arsenals not against Russia but to protect themselves from the distant powers, i.e. from the West. The West would rather stop this dispute, since Russia may eventually withdraw from the regime and the argument will be ceased, not theoretically but practically, with quite unpleasant consequences.

Russia doesn't challenge the nonproliferation values, it calls into question the methods to defend these values and the price our country has to pay for this nonproliferation. Obviously, if the price is sanctions against Russian enterprises, the Russian Government will never agree to this price. I don't understand why the Western partners don't realize this (or pretend to not realize).

It's high time we started a new discussion. We have often discussed ways to strengthen the nonproliferation regime and have been taking into account the position, maintained by some third parties, that nonproliferation can't be guaranteed without substantial progress in disarmament. Nowadays, the situation has changed. Unless the nonproliferation regime is restored and strengthened, it will be difficult to speak about further nuclear arms reduction. This

inversion is very important. The Western nonproliferation tactics provoke WMD proliferation, on the one hand, and an arms race at the regional and, perhaps, global level, on the other hand.

The arms control regime and the WMD nonproliferation regime were set up during the Cold War to meet the particular conditions at the time. In the 1990s, the major players on the world stage pretended that there had been no changes in the world; they didn't revise the regimes and continued to follow Cold War logic. Naturally, these circumstances resulted in the aforementioned erosion of the nonproliferation regime. And this erosion has led to the situation when it is dangerous, not to be a *rogue* state, but to be a slowly developing *threshold* state. To get a *carrot* from the West, such a state should develop the WMD or, at least, the delivery systems at the earliest possible date. For instance, North Korea receives nuclear power plants in exchange for canceling its nuclear program. Then, what incentives do we give to the third world states? We force them to develop quietly and quickly their nuclear programs to avoid sanctions or any other *sticks*, so that in the future they may expect to get a *carrot*!

The Nuclear Weapon States' Commitment to Nuclear Arms Reduction and the Viability of the ABM Treaty

VLADIMIR DVORKIN: The system of strategic stability based on the mutually agreed process of strategic offensive arms reduction has not suffered such an uncertainty since 1983, when Ronald Reagan declared the launch of the *star wars* program.

First of all, I would like to draw your attention to the correlation between the nuclear arms reduction agreements and the WMD nonproliferation measures, the control over missiles and missile technology proliferation in particular. The important step in this direction is the mutual agreement between the US and Russian presidents to establish the Center for exchange of information on missile launches. The parties are considering the possibility of multilateral notifications. Russia believes that the system should be multilateral and provide for voluntary accession to it by other states.

The principal objectives of the Center have been approved. The primary mission is to use the missile attack early warning systems of Russia and the USA for global control. There is a number of technical problems, since these systems were developed to detect the ICBM and SLBM launches, which are much easier to control and detect due to the enhanced energy characteristics of the missiles. Some additional efforts are required to enable the systems to control the launches of sub-strategic missiles (no less than two-four years). The USA, which regards missile technology proliferation as a major threat, is interested in the use of Russian missile warning systems (especially those located in the south of Russia). We could work out the technology of cooperation in this very area.

The negotiations are under way but they are not going smoothly. At the same time, this issue is so sensitive that it may at any time remain undecided due to considerable uncertainty in US-Russian strategic relations on the whole.

I believe that, at present, the main obstacle that may hamper and ruin the process of strategic offensive arms reduction is the collapse of the ABM treaty. And it's not only a matter of the treaty, since the recent developments have clearly demonstrated how easy it is for the parties to abandon prior official agreements. Just remember the Helsinki agreements, the New York agreements… They were signed by the presidents, and unequivocally state the steadfast character of the 1972 ABM treaty. And what are we witnessing in recent months? The US decision on deploying the national missile defense system is regarded as inevitable and irreversible.

Russia considers this issue in the context of the NATO expansion (contrary to the unofficial Western commitment) and in the context of Yugoslavian developments (which resulted in the violation of the UN Charter). Under such circumstances, the undermining of the ABM treaty creates serious uncertainty

about the character of the future strategic relationship in general.

The uncertainty relating to the strategic offensive arms agreements or their collapse will be an additional impetus to impede the process of containing missile technology and WMD proliferation.

There is no doubt that the US Senate's negative decision on the CTBT poses a serious threat to a fragile and intertwined process of strategic arms reduction and prevention of the WMD nonproliferation regime's erosion.

Nonetheless, we should try to solve these problems. There are mechanisms to preserve the strategic offensive arms reduction process and to control proliferation.

Much can be done with the concerted efforts of nuclear weapon states (Russia, the USA, and Great Britain) in terms of jointly assessing and analyzing the challenges. The data available to us and our Western partners demonstrates that missile proliferation poses a potential threat to Russia and to US allies in the Asia-Pacific region but not to the USA. This is why our joint study and the coordinated forecasts concerning missile technology development might affect the time of deployment of the US NMD system. I would prefer to say "*affect the decision on deployment*" but many our experts suppose that this process is irreversible. If this is the case, we can only lament.

I would like to say a few words about the sanctions. It is understood that the when the USA imposes sanctions it proceeds from its national security interests. However, it would be more reasonable to propose collective sanctions instead of unilateral steps. We can't preclude the use of collective enforcement sanctions against those states with *irrational* regimes, with which it is impossible to conduct negotiations and whose ICBMs, intermediate-range missiles and sub-strategic missiles production facilities must be destroyed.

I've started with the pessimistic statements, then described the policy of *small deeds*, which may prevent the aggravation of Russian-Western strategic relations and their movement towards deadlock. Nonetheless, the policy of *small deeds* and the hopes for its success do not give cause for great optimism. There are no grounds for such optimism and I have to conclude my speech in pessimism.

PAVEL PODVIG, MPhTI: We have to admit that START II has practically no chance of becoming effective. Even if the State Duma ratifies the treaty (which is hardly likely) the US Senate will never ratify the 1997 New York agreements, which require the ratification of measures related to the ABM treaty.

As a result, in June 2000 (when the USA has to determine whether to deploy or not the NMD system), we will find ourselves in a situation when START II is not effective and is not ratified. The US decision, then, will be aimed at developing the NMD system partially or in full. After this, START II will never be ratified.

There is another aspect of this problem, which concerns the fate of START II. If we analyze the evolution of the situation (from the early 1980s to the present) the ABM treaty negotiations have resumed in recent years and reached their climax in January 1999. Then the US administration declared its willingness to propose Russia to discuss amendments to the ABM treaty enabling Washington to deploy the NMD system. Meanwhile, the Secretary of Defense said that if Russia didn't agree to the amendments the USA might use its right to withdraw from the treaty or to denounce it. It is clear that at that time, the USA understood that Russia would never agree to the amendments.

In my opinion, the Russian position on missile defense issues is clear, understandable and correct. The USA speaks about the amendments only. At first sight, these amendments seem to be innocent, like the installation of some equipment in Alaska. But I'm sure that the experts, who know the essence of the ABM treaty, understand that any changes allowing the NMD deployment will mean abandoning the fundamental

principles of the treaty. The Russian position is therefore well-grounded and understandable. In recent years, we have increasingly heard our politicians say that the *washing out* of the ABM treaty, which is the *cornerstone* of strategic stability, will inevitably ruin the whole system of agreements ensuring this stability.

Nonetheless, it is not quite right to argue that the ABM treaty is the cornerstone of the whole system of relations. The ABM treaty (as well as all other SALT and START agreements) had a different cornerstone - an approximate US-Soviet parity in nuclear arms and delivery systems. The negotiations to conclude the ABM treaty started in 1969, soon after the Soviet massed deployment of land-based ICBMs and intensive program of SSBN development, which enabled the USSR to reach quantitative parity with the USA. We may discuss the adequacy of the parity of capabilities but the USSR unambiguously demonstrated then its eagerness, willingness and ability to achieve a real strategic parity with the USA.

As a result, the parties signed the ABM treaty, SALT I, SALT II and START I (I would not include START II in this list).

After the collapse of the Soviet Union or, more precisely, before this collapse, this cornerstone began to break down and it is not surprising that we are now witnessing the death of this parity, which served as a basis for the strategic offensive arms limitation and reduction. The ABM problems, the START I problems (there is a problem of START I implementation in the USA) - all these matters result from the simple fact that the Russian capability of developing and maintaining the strategic nuclear forces cannot be even compared with the current US capability.

Some time ago (before 1995-1996) there was a chance that, despite this lack of equality, the USA and Russia would keep on track the process of strategic disarmament, since it had been fixed in the legally binding documents (the ABM treaty, START I are international treaties!). However, the developments of the last two-three years have shown that the parties have failed to come to an agreement on this matter.

At present, there is a high possibility that the nuclear arms reduction process launched by the Soviet Union and the USA may finish after the START I fulfillment or even earlier.

Hence, Russia faces a complicated dilemma: to insist on the formal preservation of the major provisions under ABM and START I, i.e. to follow the framework of the agreed existing treaties, or to make efforts to preserve not the *shell* of the former parity but the parity itself.

The Russian leadership seems to incline to take up the first scenario when Russia insists on the compliance with all provisions of all treaties, including the ABM treaty. In this case, the USA will anyway withdraw from the treaty, one way or another, and Russia will have an opportunity to accuse the USA of disrupting disarmament. In my opinion, this strategy can hardly be carried out due to political reasons, for I can't imagine the Russian leaders daring to abandon START I in response to the US withdrawal from the ABM treaty.

The second scenario will obviously mean US concessions but it implies the US understanding and agreement to significantly review the parameters of arms reduction treaties (one of the steps is a complete refusal to continue START II ratification endeavors). The parties should agree to start new negotiations that will be suitable for Russia and the USA.

Despite the attitude towards the two scenarios, it is evident that the continuation of the current US-Russia policy (i.e. the attempts to manage the problems *as usual*) will bear no fruit. Therefore, we will have to take a step back, to restore trust and to revive the mechanism of arms control and reduction, which still exists at present, but is on the edge of collapse.

OLEG GRINEVSKY: The problem of concluding the ABM treaty was raised by the USA. We didn't want to sign this agreement:

what for? Finally, we agreed to sign the ABM treaty in exchange for the SALT I parity.

In 1983, after Reagan's statement, a new situation emerged. Yury Andropov called us and assigned a new mission. He asked if it was possible to develop a missile defense system. At that time, there were different opinions but none could maintain that it was impossible. Then Andropov changed his question. He said that it was not a question of parity but rather the Soviet ability to ensure unacceptable damage even if the USA developed the missile defense system. He pointed out that this should have been the basis for parity. A special inter-agency commission was established (the so-called *big five*). We came to the conclusion that, to solve this problem of assured unacceptable damage, the Soviet Union required two things. Firstly, any missile defense *shield* can survive only a certain number of missiles, for instance, 2,000. If you possess 3,000 the system won't work. The USSR could carry out this condition without any problem at that time. Secondly, any missile defense system can protect against an attack from above. But what if you make a strike from *below*, e.g. an underwater launch? Thus, one can develop a missile defense system but it is also possible to develop systems to penetrate this missile defense. And the USSR had such ideas and inventions.

Nowadays, the fuss about developing the NMD system is just an irrational policy on the part of the USA. And more and more US specialists (I have recently discussed this problem many times in the USA) come to the conclusion that this course is irrational.

Finally, what constitutes unacceptable damage? In May 1989, when we were drafting START I, we found out that it would be the destruction of 200 facilities on the US territory. And that our nuclear forces could guarantee this result even after a 50% reduction. In 1999, I discussed this issue with the Americans in Stanford University. And they said that in the current post-Cold War conditions (or, as they say, after the US victory in the Cold War), even a single nuclear explosion would be unacceptable damage for the USA. This is the reality to take into account in Russia and in the USA.

VLADIMIR DVORKIN: Russia and the USA need a balance in the number and military capabilities of nuclear forces. The collapse of this balance (we propose to maintain it at the minimal level) will lead to the instability of the two nuclear powers. In critical situations, it is more difficult to predict the actions and decisions of the weaker. I would like to stress this idea.

I would like to draw the attention of our British colleagues to the steps they may take to accede (at least, partially) to the strategic arms reduction process, to promote transparency achieved by START I. This US-Russian transparency is unprecedented, since the USA has no such relations with its allies. I understand that the USA and Great Britain has no need to exchange all data on strategic arms, for both states are armed with Trident. But there are many other matters concerning notification, exchange of information, technical characteristics that do not result today in reductions but may serve as a stage for involving nuclear weapon states in the process of providing transparency.

Now about unacceptable damage. I have always regarded the discussions on this issue as a chimera, since I read all reports of the military-industrial commission, which had to state what the unacceptable damage was. We knew what to destroy in the US and the UK, what share of industrial potential should be ruined, what number of nuclear warheads to use and what the casualties would be. But we could not determine the exact figure. It's not a question of economy, it is connected with history, culture, social-psychological factors - all this prevented us from calculating this damage. In fact, its level has been decreasing all the time.

About deterrence. Today, the USA argues, 'The ABM treaty was signed in 1972, much time has passed! Why do you need it so much?' The world has changed, the Cold War is over but the USA, Russia, the UK, France, and China still have nuclear deterrence. We can treat the models of deterrence differently, but the concept itself is preserved. The deterrence between Russia and the USA reflects itself in the practice of reciprocal exchanges (although it

may sound strange). This is why the ABM treaty should not be destroyed so easily.

NIKOLAI VOLOSHIN, RUSSIAN MINISTRY OF ATOMIC ENERGY: Today, we discuss the failures concerning the CTBT, START II, the ABM treaty… It seems that we propose to cure metastases instead of the tumor itself.

I understand that this proposal is ambitious. But in fact, why should we speak about a nuclear test ban? It's a specific issue. Let's speak about a ban on nuclear weapons.

This will be a long process but the solutions to be found in the course of this general process will enable us to forget about a number of issues (secrecy, *reverse potential*, missile defense), which have emerged while nuclear arms have been in existence.

If you manage to kill this *hydra*, then you solve all particular problems. I don't call for immediate disarmament but let's think about setting about this task in the late 2010s. Chemical weapons have been prohibited, as have biological. Maybe, it's high time we took up nuclear disarmament? I know that this proposal has been voiced many times, I realize the difficulties. But only this strategic approach will show the world that nuclear powers are striving to become non-nuclear weapon states. So far, the lack of such striving gives the wrong message to some non-nuclear weapon states.

Expanded Threat Reduction: Now Between Russia and Europe

VLADIMIR FROLOV, RUSSIAN DEFENSE MINISTRY: There are many areas of military-to-military cooperation that can strengthen security and mutual trust. The strengthened confidence-building measures have resulted in a number of agreements between Russia and some European states on enhancing the security of nuclear weapons.

For instance, Great Britain and France have developed and produced supercontainers for arms transportation. Italy, Germany, and France have supplied Russia with various equipment to monitor the environment and to eliminate the consequences of emergency situations involving nuclear weapons.

In addition to the 1992 framework agreement, the US DOD and the Russian MOD have signed two implementing agreements on cooperation in the area of fulfilling the appropriate military-to-military interaction programs. As a result, the MOD has received supercontainers, emergency equipment kits, computers to improve the MPC&A systems, equipment to verify the reliability of personnel, equipment to create the information-analytical decision-making system for the emergency situation involving nuclear weapons, computers to assess the security of nuclear weapons storage facilities, dosimeters for the personnel, etc. The programs have mainly been implemented and their fulfillment has significantly contributed to enhancing the security of nuclear weapons storage and transportation.

Cooperation on the following directions is under way: to create a training base for modeling the advanced means of physical protection of nuclear weapons storage facilities; to supply the equipment to improve the skills of the nuclear facilities guard; to furnish additional equipment to install the security systems along the perimeter of nuclear weapons storage facilities.

One of the most important problems for the Russian Federation at the current stage is the problem of fissile material management, since nuclear material is ceasing to be usable in the process of nuclear disarmament.

To solve this problem, Russia participates in a number of bilateral and multilateral agreements aimed at providing safe and secure storage and disposition of weapon-origin plutonium. Such agreements include the agreement between the Russian Federation, Germany, and France on cooperation in the area of peaceful uses of weapon-origin plutonium designated as no longer required for defense purposes, the agreement between the USA and Russia on scientific-technical cooperation in managing plutonium released from nuclear military programs. The principal objectives of the aforementioned agreements are to develop the principles of managing and disposing of weapon-origin plutonium, to develop the equipment and technologies for MOX fuel production for the peaceful nuclear energy sector, to conduct small-scale experiments to produce MOX fuel, to exchange scientific-technical information and to protect the intellectual property of the parties to the agreements.

At present, the MOD takes part in the MFA preparatory work on working out Russia's proposals for expanding cooperative threat reduction programs with European states. More active participation of the European countries in the international endeavors to assist Russia and to develop cooperative threat reduction programs will be an important contribution to strengthening the international security and stability.

VALERY SEMIN, MINISTRY OF FOREIGN AFFAIRS: After declaring the *Expanded Threat Reduction Initiative* in January 1999, President Clinton appealed to all *G-8* leaders and the EU leadership, but no country, except Japan, announced its decision to appropriate extra funds for ETRI purposes.

The *G-8* summit in Cologne in 1999 was supposed to open a new page in this sphere and to result in a declaration of intentions from the leading industrially developed economies to join the Initiative. We thought that the leaders would announce the specific amount of funding and the projected time of its appropriation but this didn't happen.

In June 1999, 27 states held the first working meeting in Brussels. This meeting was held in the US embassy in Brussels and touched upon the ETRI directions; the USA tried to clear up the essence of its new program. The potential recipients (Russia, Ukraine, Georgia, Moldova, and Kazakhstan) attended the meeting. Some states shared their experience of cooperation in this area and described the assistance they rendered to the NIS, including Russia. The hosts of this meeting expected a breakthrough. The USA hoped to gain the support of Great Britain, France, and some other countries, and hoped to give a practical impetus to its initiative. The meeting failed to accomplish this mission, although it was a good exchange of information and the meeting was full of optimistic forecasts.

Nevertheless, we believe in the ETRI prospects. We expect that the cooperation under this Initiative will develop in four major spheres: nuclear security, non-nuclear WMD, nonproliferation in the area of science and technology, and cooperation in the re-deployment of armed forces and military equipment disposal. This assistance may help to eliminate the ammunitions in the Trans-Dniester region and to remove the Russian forces from Moldova and Georgia. Each area of cooperation has particular tracks such as submarine spent nuclear fuel disposition, what is a serious problem.

Interesting discussions are under way within the framework of the international nuclear environmental program, uniting 15 states (mostly European countries). The program is being developed in conformity with the declaration of March 5, 1999. The aim of the program is to assist Russia's regions near Severodvinsk, Archangelsk and Murmansk to manage the radioactive wastes and spent fuel of nuclear-powered submarines and surface ships. There is a list of 24 top-priority projects. Their estimated costs amount to $2.2 billion for five years. The negotiations with the potential donors (Norway, Sweden, Finland, Great Britain, France, the EU Commission and the USA) are very difficult.

In the course of this and similar negotiations, we have to solve some problems, mostly of a legal nature. For instance, the donor states lay down strict requirements, for they don't want to carry any responsibility for any damage. This runs counter to our legislation. According to the Civil Code of the Russian Federation, the state or the organization providing assistance can be exempt from responsibility for all damage unless it's deliberate.

The donor states request diplomatic privileges and immunities (equivalent to the Vienna Convention on Diplomatic Relations) for the personnel implementing the programs of assistance. We are not able to persuade them that the Vienna Convention covers only the staff of the embassies and similar organizations and has nothing to do with the programs of assistance, official representatives of the donor states, their contractors, and subcontractors.

Another problem is access to our classified enterprises and providing confidential information on our nuclear complex. Russia

has certain laws and regulations on this matter. Sometimes the donor states say: if you want to receive aid you must open all gates; no full access - no assistance.

In recent years, we and our partners have obtained considerable experience and have faced some problems hampering the implementation of the programs' objectives. One of the problems, which are still in the focus of discussion, is our sluggishness and bureaucratized way of granting tax-exempt status to the foreign assistance. The Russian Government takes every effort to solve this problem, which impedes the development of cooperation. In May 1999, Russia passed a new Federal Law "*On Grants to the Russian Federation*" providing for a considerable amount of privileges. On September 17, 1999, the Government Resolution concerning this issue was adopted and the procedure was set up. The Ministry of Economics is responsible for granting certificates on foreign aid; the special commission chaired by the minister has been established. We presume that the mechanism of implementation of the law clearly shows the way for the foreign assistance to follow in order to avoid any problems with taxation and customs.

The most difficult negotiations concern the multilateral agreements. Each state has its rules, including ministerial and office practices. At the same time, the problem of managing radioactive wastes and spent nuclear fuel of the Navy is very environmentally sensitive and dangerous. The longer the discussions last, the riskier the situation becomes; and all the threats we mention may become true.

Finally, what is the amount of assistance? It is not clear yet. They say: give us all privileges and then, we'll speak about the amount of aid. We don't believe that this approach is fruitful.

In conclusion, I would like to say that Russia supports the ETRI and hopes for expanded cooperation with the European donor states in this area to solve the problem of strengthening global security, which is significant for the whole international community.

Commentary

US PROGRAMS OF MPC&A ASSISTANCE TO RUSSIA: *'MUTUAL TRUST HAS BEEN QUESTIONED'*, SEMINAR PARTICIPANTS CLAIM

The PIR Center and the Center for Nonproliferation Studies (Monterey, USA) held a seminar for Russian specialists on "Nonproliferation and MPC&A Sustainability" on November 11-12, 1999.

The notes below from the seminar sessions are based on the PIR Center staff records and do not represent neither final concluding remarks of the seminar participants nor a joint position of the PIR Center and the CNS and are responsibility of the PIR Center only.

The seminar participants highlighted the following problems of US-Russian cooperation in the area of MPC&A systems:

- The US assistance was recognized to be 'decisively important'. 'There are many objections of routine character but if we try to answer a *needed-or-needless* dichotomy there is no doubt that the aid is needed and we do not reject it.' 'The USA has advanced material protection practices and technologies, and our cooperation with the Americans in this area, and assistance rendered, means the inheritance of valuable experience.' 'The participation of the US representatives enabled us to solve efficiently the problem of improving MPC&A. As far material protection is concerned, it has always been the most costly part of work and the USA gave a significant impetus to our activities in this sphere.' In general, the seminar drew a conclusion that, without the US aid, the majority of enterprises would have started modernizing the MPC&A systems in 1999 at best and would have solved the problem only partially. Some speakers emphasized that, according to their

assessments, if it had not been for the US assistance, nothing would have been done at their enterprises. This is true with respect to the educational institutions, which are under-financed by the Ministry of Education.

- 'Will we cope with the problem of maintaining and modernizing the equipment on our own? Yes, we will. But at what price? We should not forget that at best we'll have to expend the money appropriated to pay wages to the workers and security personnel of the enterprises.'

- The participants had different views on how thought-out the concept of the program was. Some of them argued, proceeding from their own experience, that 'the program lacks a real concept and Minatom and US DOE are partly to blame for it.' 'A substantial amount of money is spontaneously expended on material protection. Sometimes we do not understand the logic of rendering assistance.' Russia 'should persistently propose its own plans to the USA and not wait for its initiative. Russia has no concept, no plan, no goals.' Others disagreed, 'If at the early stage Russia sets forth a thought-out and well-grounded motion, the USA normally takes it into account.'

- The representatives of the enterprises spoke about an alarming situation as regards the program. According to one of them, 'I am inclined to assess the current situation as urgent. It's not the first time the program has had difficulties but this time the situation is much more dramatic.' Another Russian speaker agreed with his US counterparts that 'the trust is under pressure but it hasn't been undermined.' At the same time, he added, 'it is necessary not to postpone the decisions, as happens now, but to take them. The problems won't disappear by themselves.'

- As far as VNIIEF and VNIITF are concerned, the USA has suspended the programs of assistance. The official explanation is American distrust of its Russian partners regarding the spending of appropriated means and using granted equipment, which, as a result, leads to the demand for changing (facilitating) the access procedures. The Russian specialists argue that the work should be based on the current effective document on providing assured use of US equipment, which may undergo some amendments. Russia believes that the problem of access is mostly 'far-fetched' and the US insistence in this matter is 'arousing suspicions'. According to one of the speakers, 'the problem may seem to be dealing with finance only. However, it is a matter of partnership between the US and Russian laboratories. We are expecting not only discussion of the problems (which is necessary) but also real steps to follow this discussion.'

- The US aid, especially the assistance provided for the MOI units responsible for guarding the facilities, is not always efficient and coordinated. 'The MOI units are often re-deployed or reduced. The corresponding decisions are taken without notifying the enterprises. In case of re-deployment, the US aid leaves the facility together with the re-deployed unit. To improve the security of enterprises, it is necessary to work not with the MOI units but with the enterprises and via enterprises. The aid should be included in the accounting balance of the enterprise and should be granted for temporary use.'

- The participants marked a substantial progress in the last two-three years in solving the problem of where the US assistance remained - in Russia or in the USA. At the same time, the speakers supported the tough estimates of the US General Accounting Office suggesting that only one sixth of the MPC&A assistance to the Minatom enterprises had reached Russia. As one of the participants said, 'according to the statistics we are following, the program assistance is growing and the US Congress is demonstrating generosity. In fact, what we see now is that the amount

of aid is decreasing… We can hear DOE accusations of the Congress and the Congress Staff reproaches the DOE officials. Sometimes it seems to us that all these bureaucratic fuss results in losing the aim out of sight, i.e. preventing the risks of nuclear material proliferation from the Russian enterprises.' Another participant said, 'In some cases, although more rarely than before, we still have to acquire expensive US equipment, which at some sites is left packed. The enterprises take it because it is free of charge but then they realize that when the program is over they won't afford the maintenance costs.' On the other hand, the speakers pointed out that in some cases when Russian manufacturers could not offer cheaper analogous equipment the US equipment was relevant and necessary. But anyway, it is necessary to insist on providing rather cheap US equipment that can be maintained by the enterprise on its own.

- The specialists of Russian enterprises are astonished at the sweeping reshuffles of US DOE staff in charge of Russian programs and the lack of coherence. 'The managers are being changed every year. The problem of continuity exists and each new official starts all from the very beginning. We lose much time and the efficiency of discussing the matters is lower, since a new manager will be replaced soon.' So far, 'much time is wasted on fruitless discussions with the US working groups.'

- The proposals on consolidating nuclear material was regarded as 'good idea'. At the same time, the participants stressed that 'the situation has changed recently: if earlier the enterprises were happy to get rid of nuclear material burden, now they are not in a hurry, for they consider the fissile material to have a substantial material value.'

- The seminar emphasized the importance of the *Nuclear Cities Initiative*.

- The participants welcomed a new trend of cooperation between the US DOE and local authorities.

- The participants were cautious but optimistic about the possibility of increasing Russian budgetary funding for the MPC&A activity in the next year (in accordance with the corresponding federal program). They noted that it was the first time that they had had more confidence in the growing role of the federal budget in solving MPC&A urgent problems. At the same time, there is certain distrust in the promises of the Russian Government and Minatom.

- The participants attached particular importance to training young specialists in the area of MPC&A systems. At the enterprises in Siberia and the Urals there is a trend of hiring young specialists and the growing interest in working at the enterprise in the MPC&A area. However, so far, it is unrealistic to expect that Moscow students will go to the distant enterprises of the industry after graduating from university. This is why it is important to train young specialists in the local institutes and in the branches of Moscow universities (MEPhI) and to send the students from CATU to study in Moscow. At the same time, the participants pointed out the urgent need for the Ministry of Education's approval of a new qualification "nonproliferation of nuclear weapons (nuclear material)".

- The seminar came to an agreement that there was a necessity to make such meetings regular and to hold them annually or every six months. 'The combination of theory and practice makes the work of the seminar fruitful.' 'Some essential issues may be solved in the course of such seminars.' 'Minatom and DOE should provide for more active participation in such seminars.'

Analysis

COOPERATION BETWEEN THE GTK AND THE US DOE UNDER THE "*SECOND LINE OF DEFENSE*" PROGRAM

by Alexander Gromov,
Deputy Head,
Department for Customs Control over Fissile Material,
State Customs Committee (GTK)

[This article was originally published in Russian in *PIR Study Paper*, No. 13, 2000]

The GTK was charged with a mission to prevent illicit trans-border movement of nuclear and radioactive materials in 1995. Earlier this task was the responsibility of the Federal Frontier Guard.

When the GTK started this work, taking equipment from the Frontier Guard and assessing its capabilities, it drew the following conclusion: the equipment didn't comply with the requirements of due customs control technologies. That's why in 1995-1996 much work was carried out to produce modern equipment for customs control. Such equipment was developed and tested (even, at some Minatom enterprises, with real nuclear materials). It's important that due to the lack of Russian state standard requirements this equipment was tested in compliance with US requirements, involving the participation of US representatives (US laboratories gave the GTK a certificate of compliance indicating that Russian equipment even surpassed US standards).

Since 1996, Russian borders have begun to be equipped with new Russian detection devices to prevent illicit nuclear trafficking. Naturally, it will take many years to seal the border with these systems, taking into account the lack of funding. That's why when in 1998 the US DOE asked the GTK to cooperate in preventing illicit nuclear trafficking, we backed this initiative and in June 1998 signed a protocol on cooperation with the DOE.

The first step was the launch of the "*Second Line of Defense*" program, in accordance with the *Protocol on Cooperation between the US Department of Energy and the Russian Federation State Customs Committee* of June 18, 1998. The major strands of this cooperation are:

- upgrading existing systems and equipment to detect nuclear materials through joint efforts to improve their quality and reliability;
- expanding deployment of detection equipment at border checkpoints and its harmonization within a single network;
- enhancing the capabilities of Russian customs educational institutions to train specialists in the area of detecting and identifying nuclear and nuclear-related dual-use materials and goods through training personnel, elaborating educational programs, and providing necessary equipment;
- enhancing the capabilities of search and identification of nuclear material.

It is noteworthy that the customs authorities are equipped with technical means of radiation control developed and manufactured by Russian enterprises. The Russian systems were developed, in accordance with the GTK technical assignment, and passed numerous tests which involved US participation. This is why the USA agreed that the border should be armed with the Russian equipment, although previously it had been planned to use the US devices.

In 1998-1999, in the framework of the "*Second Line of Defense*" program, the USA financed the equipping of the *Sheremetyevo-1* airport and a number of Astrakhan seaports with radiation control devices and video-control systems. Different variants of the *Yantar* system were installed - for those crossing the border on foot, by car or by train. Moreover, branches of the Russian Customs Academy were also equipped with the necessary devices for radiation control and computers to facilitate the training of customs officials in organizing and performing customs control over nuclear and radioactive materials.

In 1999, a number of checkpoints in the Northwestern, North Caucasian and Far Eastern regions were equipped.

As the customs authorities become better equipped with stationary and portable systems and devices of radiation control, the number of

cases of discovered illicit trafficking grows. The number of incidents relating to illicit export is nearly equal to that of illicit import of nuclear materials.

In May 1999, Head of the GTK Department of Technical Control and Transportation of Nuclear Materials Nikolai Kravchenko participated in the exhibition of technologies and equipment used in the struggle against WMD and terrorism proliferation, organized by the US DOE in Washington. The exhibition was held in the US Senate on the eve of a debate on the FY2000 budget. The idea was to show Congress the practical utilization of the funds appropriated in 1998 for nonproliferation of nuclear materials.

The program of cooperation with the GTK - "*Second Line of Defense*" - occupied a separate stand at the exhibition. It demonstrated Russian operational customs devices (*Yantar* stationary system, RM-1401, MKS-A02-01 portable devices) and photos of installation of this equipment in *Sheremetyevo-1* and the Astrakhan seaport. In his speech, US Secretary of Energy Bill Richardson emphasized the importance of further continuation of the program and pointed out that the DOE was planning to participate in equipping a number of Russian checkpoints with the radiation control systems.

Taking into account that the June 18, 1998 protocol is provisional and is a protocol of intentions, the parties should sign a long-term international treaty between the agencies to strengthen this cooperation. Such a treaty would enable Russia to attract additional financial resources to equip the customs border with technical means, to improve customs control technologies, and to use allocated US funds more efficiently by granting tax-exempt status to the supplied equipment and services. The draft of the treaty has been considered by the USA and is now being considered by the Russian MFA.

The GTK is in charge of preventing the illicit movement of nuclear and radioactive materials and hazardous wastes. The hazardous wastes are those outlined in the Basel Convention, or those prohibited for import in the Russian Federation, or requiring licensing for their export from the Russian Federation. Nowadays, more and more attention is drawn to the export control over chemical and biological substances. The customs officers of this unit often face the problem of classification and identification of the goods passing the customs border: if the material is under their control or not.

It is known that the solution to the nonproliferation problem and the efficiency of efforts to prevent WMD proliferation depends on the availability of methods of control. US counterparts have visited Russia many times, engaged in consultations and tried to determine the priorities of nonproliferation challenges from the point of performing control. If we take this criterion it will turn out that the easiest area to control is nuclear proliferation, for there are clear methods, ways, devices, and well-established mechanisms of control. However, nowadays, we are faced with new threats concerning CW and BW terrorism.

To solve the problem of implementation, reference guides were worked out, including definitions of chemical and physical characteristics of these materials. The guides were sent to all local customs authorities so that they might assess the suspicious goods, at least by appearance.

Efforts have been made to assess the identification and detection means developed and manufactured in Russia and abroad. However, this is a difficult problem and there are no complete solutions at present. Our meetings at different levels with the representatives of other states have demonstrated that this problem is still topical abroad as well. It would be unrealistic to set up chemical laboratories for the customs authorities. This is why the customs officials will hardly make any chemical analyses right on the border. This is not the GTK mission. Its task is to discover the goods of this category and to hand them over to the expert body, which can define if the export and import of these commodities are prohibited or not.

In 1999-2000, the GTK plans to perform R&D activities to create tentative samples of equipment – express analytical mini-laboratories, which will be used by the customs officers at the border checkpoints to identify the goods in accordance with their characteristics. This work is very complicated. While radioactive material has certain typical characteristics and is easily identified, the chemical and biological substances require a much more complex identification procedure.

If in 1995, when we started to set up the units to prevent the illicit nuclear trafficking, we detected only six cases, nowadays, we reveal dozens times more such incidents annually. And as the customs authorities become better equipped the number of cases of discovered illicit trafficking increases. The number of incidents relating to illicit export is nearly equal to that of illicit import of nuclear materials. Russia imports many radioactive substances, which are not fissile material, of course. In the case of nuclear material, it's not so much a matter of illicit trafficking as a matter of careless or dubious customs declarations and violation of customs procedures.

The systems of control installed at the US and Russian expense play an important role from the viewpoint of Russia's environmental security, since the customs authorities detect much radioactive scrap metal in construction materials, and other sources of radiation in various equipment. These cases are numerous.

The decision on equipping this or that checkpoint is taken by the GTK together with the US DOE officials. In the course of selection, the US colleagues suggest to equip the most dangerous sites, bearing in mind the threat from Iran, Iraq, China, and North Korea. At the moment, we are planning to arm these checkpoints with modern equipment. However, the GTK doesn't always agree with the choice of the US representatives. These issues are considered jointly and we usually take a common decision.

The cooperation with the GTK and the US DOE is fruitful, useful and profitable for Russia. However, this interaction has some negative aspects. The worst thing is that the money is appropriated in July-August, i.e. several months before the end of the US fiscal year, when it is necessary to submit reports on the year's expenditures. It is necessary to carry out a set of activities during this period in order to use the appropriated funds. This is quite problematic, since it invloves producing and assembling the complicated technological equipment, training the customs officials to operate it, etc. The production cycle for the required equipment is nearly six months. The GTK has repeatedly asked the USA to form new mechanisms for the more efficient use of appropriated funds.

Viewpoint

DEALING WITH CUBAN DEMONS

by Jonathan Benjamin-Alvarado

 Abridged version

Recently press stories have surfaced reporting that Cuba is engaged in the following: completing its '*Chernobyl-like nuclear reactor*' a mere 200 miles from South Florida; manufacturing biological weapons for a doomsday confrontation with the United States; unleashing its unwashed and unwanted masses on us to raft across the Straits of Florida; and is serving as a major conduit for Colombia's narco-trafficking into North America. If all these stories contain some shred of truth we could be faced with a radiation contaminated landscape populated by a society afflicted with unknown deadly viruses, deepening drug addictions and hordes of new arrivals straining our social services and our patience. This sobering scenario is heightened in our minds because of our general distrust of the Castro regime. Indeed, because of the Cuban regime, we were drawn perilously close to a nuclear conflagration with the Soviets in 1962 that effectively would have ended humankind, as we know it. In the past, Castro has conveniently used '*rafter crises*' to rid the island of '*criminals, undesirables, and political enemies*,' and there are prospects for more of the same as Cuba struggles stay economically afloat during the coming months and years.

Yet something is also seriously amiss in what passes for our present policy dialogue on Cuba that invites such wild speculation. Since the fall of the Berlin Wall and the ending of the Cold War, Cuba has ceased to be the national security threat that it was and has become very much like its some of Caribbean neighbors, poor and in need of serious economic re-mediation. In the absence of any credible threat to our security interests, Cuba policy has been effectively commandeered by elements within this country that would have the American

population believe that there can never be a rapprochement with the Castro government on any issue. Thus in the absence of any real discussion, the dialogue has fallen prey to gossip, rumor mills and *Radio Bemba* where if something is said loud enough and long enough it is transformed into the *truth*. So it comes as no surprise that we are endlessly confronted with a series of worst-case scenarios.

As we unpack the facts behind these scenarios, it becomes readily apparent that there are a number of truths available to choose from and with no need for accountability or verification, rectitude and posturing have become the order of the day. So what choice or remedy does the American population have to combat the circulation of these various farces and half-truths? Frankly there is little because even when factual information is presented, it is disregarded because it doesn't come from a *credible* source.

This lack of options is clearly demonstrated in the actions of the Clinton Administration. In the period since 1992 a number of laws have been enacted directly aimed at ostensibly *bringing democracy* to Cuba while simultaneously ridding the world of the Castro brothers once and for all. It is easy to say that Fidel Castro does not want to *negotiate* when we have a law that clearly states that no successor Cuban government can have either Castro brother represented in any capacity. If nothing else, the posture serves to fulfill the prophecy.

Are we then to accept this present state of affairs? We have done little to increase our inchoate awareness of what is really at stake in Cuba. Sadly we have neglected to consult the largest stakeholder in all of this, the Cuban people. By not speaking to their government representatives, as reprehensible as they might be, we effectively eliminate any chance of being able to influence change. But in this case where rumors have been elevated to truth, and then that truth into law and specific policy action, we would be derelict if we were not to question the validity of these scenarios now trumpeted as fact.

Since 1980, Cuba has been attempting to build a nuclear energy reactor at Juragua in Cienfuegos province in Cuba. This Russian designed pressurized water reactor has faced a number of difficulties in its design and construction, most devastating was the loss of funding from the Russian Federation in 1992. The construction site has stood mostly silent since that time while the Cubans have attempted (although in vain) to attract investment to complete the much needed energy source. Cuba has had to find creative ways to keep it oil-for-sugar swaps with the Russian Federation alive to ensure economic viability. Fortunately for Cuba, oil prices have been low, even so oil imports consume about 35 percent of Cuba's export earnings. Also since the early 1990s, there have been reports of the potential for a "Chernobyl-like" conflagration at the reactor should it ever become operable. The plume of radioactive particles from the reactor explosive *could* reportedly reach as far north as the Washington, D.C. area. Government policies clearly state that the United States would hope that the reactor at Juragua never sees a day of operation, and the *Helms-Burton* law goes even further by stating that the completion of the reactor would be seen as an '*act of aggression*' should it ever become operable, and would require that appropriate force be taken to eliminate that threat in an *Osirak*-like raid. But much of this is wildly speculative about a project that while desperately needed by Cuba is far from being the clear and present danger that some would have the American public believe. Most experts concur on is that Cuba's vaunted nuclear *Juragua* reactors are only partially completed. The prospects for their completion are dimmer now than at any time since the withdrawal of funding by the Russians in 1992. There are a number of reasons as to why this is so, but we need note only a few to provide ample evidence to suggest that the huffing and puffing is largely unwarranted and ultimately serves to shift the focus away from deeper infrastructure problems looming on the horizon for Cuba.

First, Cuba has neither the financial or material resources to complete construction of the reactors. Cuba would have to find an

investment partner willing to spend up to four years and nearly $1 billion on the project and then hope to recoup a return from a cash-strapped and teetering economy. Cuba does not possess any nuclear fuel, nor does it possess the technological capability of producing nuclear fuel. Under its current agreement with the Russian Federation, the Russians would be the responsible party for the provision of nuclear fuel for Cuba, but Russia does not possess the means of delivering these sensitive materials to Cuba. This gives one cause to wonder why the United States has constructed the *Caribbean Radiation Early Warning System* (CREWS), if Cuba has neither the money to complete the reactors, or materials needed to operate the reactor if the construction is somehow completed. What is even more interesting about this turn of events is that no one in Washington is willing to claim responsibility for this piece of political pork that was attached to the Department of Defense Appropriations Bill for 1998-1999. While initially costing $2 million, this project demonstrates how far afield some elements of our Cuba policy really are. It is truly astounding that a non-existent threat requires expenditure of taxpayer money to fund a detection system for radiation from a nuclear reactor that doesn't exist. This system serves as a monument to the emptiness of the United States' policy toward Cuba.

Second, for all of its efforts to keep its nuclear ambitions alive Cuba has been forced to re-focus its energy development efforts in thermoelectric generation. Cuba's President Fidel Castro has made public statements to this effect twice in the past year and yet the '*imminent dangers*' of Cuba's nuclear program still persist in the minds of a number of analysts, journalists, legislators as indicated by the numerous commentaries, articles and opinion pieces circulating over the past six months. In September 1998, Castro stated that further construction on the *Juragua* facility has been suspended indefinitely—for '*a long time, a very long time*.' Even so, press reports of the May's Russian-Cuban agreement to complete construction of the reactors at Juragua again triggered speculation over the looming *Cuban Chernobyl*. Coincidentally, the Chernobyl plant was a RBMK-graphite moderated reactor, whereas the design of the *Juragua* reactor is a VVER-pressurized water reactor therefore making it impossible for a Chernobyl-like occurrence. A better comparison would to United States' very own Three-Mile Island nuclear accident.

If anyone has been paying attention, they also would have noticed that Cuba and Russia have been signing economic cooperation agreements regularly since 1995. While plausible, the teetering economies of both countries make these agreements little more than unsecured promissory notes. Moreover, Cuba's main partner, the Russian Ministry of Atomic Energy has recently admitted that its own economic woes have all but eliminated its efforts to expand internationally. Again, when it comes to Cuba policy, if you say something loud enough and long enough, it is transformed into a tenet of truth.

Another recent example of this logic are the rumors casting suspicion on Cuba's burgeoning biotechnology industry. Some of these rumors suggest that Cuba harbors a more nefarious rationale for the development of biotechnological capabilities than just marketing interferon—that is, to produce biological and chemical weapons! While there is no doubt Cuba does possess the capability to produce biological weapons, US intelligence sources including the CIA are skeptical of allegations that Cuba is producing and stockpiling biological agents for use as a '*poor man's atom bomb*' in a final showdown with the United States. Moreover, the weaponization of these agents require resources and materials far outside of the grasp of the Cubans and US intelligence sources would be able to detect such activity almost immediately should it occur. But much of these allegations dismiss the fact that Cuba's first-rate biotechnology industry has become a commercially-viable sector and the Institute of Genetic Engineering and Biotechnology, outside of Havana, is producing vaccines and pharmaceuticals for sale on the international market with relative success. Interestingly the Cubans regularly give tours of this *open* facility to US legislators, scientists and students often

inviting these visitors to participate in conferences and joint research projects.

These examples are not intended to minimize the expanse of legitimate concerns American legislators and analysts have regarding Cuba, yet they highlight how some issues, especially those involving advanced technology are prone of misrepresentation and half-truths. The effect of these allegations, especially the nuclear program, is to cloud some deeper issues that will confront Cuba long after Fidel Castro. Cuba today, as in the past, is almost completely reliant on oil imports to fuel its economy. So it should come as little surprise that Cuba sought to develop a nuclear energy capability to offset its dependent status.

Cuba first planned to develop a nuclear energy capability in the 1950s with assistance from American and British firms. This plan was cut short by the Cuban Revolution. One can easily conjecture that if Cuba and the US might have found some kind of political accommodation in the early 1960s that the Cuba might now be home to a network of nuclear energy reactors across the island. Cuba's Cold War failure was predicated by the choice of its investment and construction partner. The Russians were simply no replacement for the Americans. But as a result of this failure to maintain secure sources of energy for the island, the Cuban government faces constant energy shortages that leave portions of the island with its eleven million inhabitants without electricity. Adding to this problem is the deteriorating infrastructure that will saddle any successor regime with the monumental task of replacing most of the countries electrical transmission and delivery systems, in addition to modernizing its existing thermoelectric generation stations as well as adding new ones to the national grid. This doesn't lessen Cuba's dependence on imported oil, and they, as well as we, should pray that world oil prices remain low.

But Cuba's leaders in the next century will face similar public policy dilemmas of replacing and modernizing water and sewage systems, roads and housing. Some American policy forecasters have already identified these sectors as important areas for investment and development in the post-Castro Cuba. But waiting for Fidel (who has seen eight US presidents leave office!) to leave the scene is a foolhardy gambit because each day that we wait for the end to come, the price tag for revitalizing Cuba's infrastructure is driven higher. It is easy enough to place the blame at Castro's feet, but a more enlightened approach would suggest that the assessments for that work begin on the ground in Cuba today. This is vitally important to the United States because it will bear the brunt of the cost to do this work which promises to rise into the billions. And adding an unstable and debilitated Cuba to the roster of regional problems further exacerbates existing regional problems of immigration, drug trafficking and corruption (read Mexico).

Business concerns will certainly be drawn to the post-transition Cuba, but U.S. government agencies, and multilateral lending institutions—such as the Inter-American Development Bank, the World Bank and the International Monetary Fund—will be called upon to provide the billions of dollars in funding for the long-term redevelopment of Cuba. This places American taxpayers at the core of this program, if by nothing more than default. And yet the Cuban *demons* of deception paraded about today only serve hide the real demons that call for our immediate attention and the better *angels* of our nature.

Analysis

RUSSIAN LEGISLATION IN THE AREA OF CHEMICAL WEAPONS DISMANTLEMENT

by Prof. Natalya Kalinina,
PIR Research Council Member

[This article was originally published in Russian in *Yaderny Kontrol*, No. 6, Vol. 48, November-December, 1999]

The problem of chemical weapons dismantlement in the Russian Federation covers a wide range of tasks in the area of international law, economy, science, politics, medicine, biology, and environmental studies. The Russian Federation possesses the largest stockpiles of different CW and toxins and is interested in their dismantlement, for the solution of this problem is extremely important for providing Russian national security.

The forming of Russian legal basis in the area of CW dismantlement has passed through three stages. The first stage dates back to the late 1980s and early 1990s when the Soviet leadership took a political decision on eliminating CW production and stockpiles. This was a preparatory stage when the state was elaborating the basic legislation. The second stage started on January 13, 1999, when Russia signed the CWC, and lasted till November 5, 1997, when the Convention was ratified. At that time, two federal laws ("*On Chemical Weapons Destruction*" and "*On the Ratification of the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction*") came into force (on May 6, 1997 and November 5, 1997 respectively). The third stage began in late 1997 and remains in progress, when the legal basis is being improved and the state authorities are working out legislation to develop and specify the aforesaid federal laws.

The whole number of legal acts on CW dismantlement adopted in the last 10 years amounts to several dozens of various laws and regulations. If we arrange the documents in accordance with their objectives and scope we can divide them into a few categories. Some documents are of administrative character (presidential and government directives) and regulate only certain aspects of ministerial activities in the area of CW destruction. These documents are normally of limited term and are aimed at solving a specific problem. Other legal acts (government resolutions) regulate certain tracks of activities. The third group of documents (government resolutions and presidential decrees) states in a legally-binding form the requirements for all parties involved in CW dismantlement, specifying the powers and duties of federal and regional executive authorities. There is a number of so-called auxiliary legal acts (presidential and government instructions) that are used by the concerned agencies to prepare the drafts of presidential and government decisions in the area of regulating CW destruction. The most significant are federal laws and international treaties (conventions, accords, and other types of international agreements), whose implementation is obligatory for all authorities, individuals and corporations, subjects of the Russian Federation, and all organizations irrespective of their ownership.

We should emphasize that in the process of forming the legal basis for CW dismantlement the legislature and the executive take into account that some issues can be regulated by a number of already effective federal laws. For instance, the problems of concluding international agreements on the matter (e.g. international agreements on financial and technical assistance) should comply with the provisions of the Federal Law "*On the International Treaties of the Russian Federation*". General requirements relating to public health and the environment in the areas of CW storage and destruction are incorporated in the Federal Laws "*On the Environment Protection*", "*On the Atmospheric Air Protection*", "*On the Sanitary and Epidemiological Well-Being of the Population*" and other regulations in the area of

environment protection. Under the Federal Law "*On the Environmental Examination*", technical decisions on the construction of CW dismantlement facilities should obtain an Environmental Impact Statement (EIS). The system for preventing and eliminating the consequences of accidents and emergency situations relating to CW storage, transportation, and dismantlement should comply with the provisions of the Federal Law "*On Protecting the Population and Territory from Emergency Situations of Natural and Technical Character*". The Law "*On the Safety of Hazardous Industrial Facilities*" contains the technical and operational requirements to the CW dismantlement industrial facilities. All kinds of violations fall under the *Criminal Code of the Russian Federation*, *Civil Code of the Russian Federation*, *Administrative Code of the Russian Federation*, and other corresponding legislation.

In this article we are not going to study all the documents in this area. Its aim is to analyze the legal acts that have substantial (sometimes even historic) importance to the problem of CW dismantlement.

Legal Regulation of CW Dismantlement at the Preparatory Stage

It is known that Russia cancelled CW production in 1987 when its CW stockpiles amounted to 40,000 tons. It will be important to say that the breakup of the USSR didn't affect the declared amount of chemical agents, for all CW had always been stored on the Russian territory. By that time the international community was finishing work on the CWC text. The general atmosphere of *detente* in the late 1980s promoted the CWC's elaboration. Another factor contributing to this process was the global understanding that further production and storage of chemical weapons had no future from the military standpoint and was becoming more and more dangerous for the environment of CW states and their neighbors.

The most significant documents of the preparatory stage are the following:

- Presidential Decree No. 160 of February 19, 1992 "*On Establishing the Presidential Committee on Conventional Problems of Chemical and Biological Weapons*". The decree states that the Committee is set up to solve the conventional problems of chemical and biological weapons, and to manage the issue of international and domestic control over CW development, production, storage, and elimination.
- Presidential Decree No. 523 of May 25, 1992 "*On the Work of the Presidential Committee on Conventional Problems of Chemical and Biological Weapons*". The decree contains the provisional statute of the Committee and names its major functions. Among them are the coordination of activities in the area of shaping and implementing the coherent state policy to solve the conventional problems of chemical and biological weapons; and control over the fulfillment of Russian international commitments provided for in international treaties and domestic legislation.
- Presidential Directive No. 304-rp of June 12, 1992 "*On the Top-Priority Measures to Prepare for the Implementation of Russia's International Commitments in the Area of Chemical Weapons Dismantlement*". In accordance with this document, the Committee was charged with preparing the Russian Federation for the implementation of international commitments in the aforesaid area. Besides this, the Committee was responsible for working out and submitting to the Government the proposals on the step-by-step establishment of the CW dismantlement facilities' network and on the ways of financial, material, technical and personnel support for these works. It is noteworthy that in this document the President instructed the Committee to focus on social security measures and comprehensive development of social infrastructure in the dismantlement facilities' locations to improve the welfare of the population.

In the late 1980s and early 1990s, the Russian MOD and some other ministries concerned prepared several drafts of the state complex programs for CW destruction. However, these drafts remained unfinished, due to cardinal political and economic reforms in

Russia, which impeded the preparatory process. Along with the elaboration of complex programs (which, by the way, didn't tie the would-be dismantlement facilities to the regions of CW storage), Russia completed the construction of a CW dismantlement plant in Chapayevsk (near Samara) in 1989. However, the plant was abandoned in the face of public outcry, since the locals didn't want to live near the hazardous facility. Later the Chapayevsk plant was converted into the Training and Testing Center for developing CW dismantlement technologies and training the personnel for other CW destruction facilities. Besides, in the early 1990s some subjects of the Russian Federation adopted regional legislation prohibiting the transit of hazardous goods (including CW) via their territory. This situation made the federal authorities review the concept of constructing CW dismantlement facilities. It was decided to build them in the areas of CW storage. In accordance with Government Resolution No. 207-r of February 12, 1993, the MOD became the main state contractor placing the orders for works on CW dismantlement.

International cooperation in the area of CW destruction was based on bilateral agreements with the United States. The official start of this cooperation was marked with the signature of the *US-Russian Wyoming Memorandum* of September 23, 1989 providing for the exchange of data on the CW capabilities of the parties. On June 1, 1990, the parties concluded an agreement on destruction and non-production of chemical weapons and on the measures to promote the CWC. The fate of this document is vague for it hasn't entered into force and hasn't been submitted for the State Duma ratification. Moreover, many of its provisions have become obsolete since the CWC came into force.

On June 17, 1992, the two states signed the "*Agreement between the United States of America and the Russian Federation Concerning the Safe and Secure Transportation, Storage and Destruction of Weapons and the Prevention of Weapons Proliferation*" providing for the measures to assist Russia in eliminating its WMD arsenals. Article 10 of the agreement states, 'The United States of America, its personnel, contractors, and contractors' personnel may import into, and export out of, the Russian Federation any equipment, supplies, material or services required to implement this Agreement. Such importation and exportation of articles or services shall not be subject to any license, other restrictions, customs, duties, taxes or any other charges or inspections by the Russian Federation or any of its instrumentalities.'

The signing of this agreement became possible, thanks to the US Congress decision of December 12, 1991 (the *Nunn-Lugar Program for Cooperative Threat Reduction*), which empowered the US President to expend approximately $400 million of the DOD obligated funds on assisting Russia in WMD elimination. The agreement was signed for seven years (until June 17, 1999, when the parties signed the protocol to extend the agreement). The Protocol specifies the 1992 provisions on customs and taxation privileges, and the privileges and immunities of US personnel. These privileges differ from those envisaged by the Russian legislation, hence making the Protocol subject to ratification. It is doubtful that the State Duma will ratify the Protocol before the parliamentary elections; that's why its entry into force will be postponed. However, we rest our hopes for prompt ratification on the Federal Law "*On the Grants to Russian Federation*", which has recently come into effect.

To specify the 1992 agreement, US DOD and the Committee signed an inter-agency agreement on safe, secure and environmentally friendly CW dismantlement, expiring on June 17, 1999. Nonetheless, we presume that the inter-agency agreement won't be extended since the Protocol covers amendments to the 1992 agreement relating to the destruction of chemical weapons and corresponding production facilities.

Generally, all aforesaid agreements are extremely important for the implementation of Russia's international commitments on CW destruction because the state budget provides only 2-5% of required funding. For

instance, in 1998, the budgetary financing was planned to reach 500 million rubles (while the request was 3.5 billion rubles), while the actual funding was less than 40% of the planned. In FY1999, the Government appropriated 500 million rubles (with a 6-billion-ruble request) and expended only 50% in the first eight months of the year. We have to admit that the situation with the budgetary financing is improving but Russia is still unable to fulfil its conventional commitments in time and on its own. The experts believe that Russia will delay CWC implementation for 2-4 years. If international assistance doesn't dramatically increase in the near future, Russia will frustrate the plans of CWC fulfillment. Russia will fail to finish the first stage of CW dismantlement (400 tons by April 29, 2000) as well as all other stages, for we can't expect a sudden improvement in the economic situation in the foreseeable future.

We would like to point out that in 1992-1999, the total amount of declared foreign assistance to Russia in eliminating CW was $330 million, about 70% of which were donated by the USA. According to experts' estimates, the Russian CW dismantlement program requires about $6 billion. Besides the USA, assistance is rendered by Germany, Sweden, Netherlands, and Finland; the EU, Italy, and Great Britain have taken principle decisions on the matter; Canada, Norway, and Belgium are exploring the possibility of granting aid to Russia. The increase in the number of donor states results to a certain extent from holding an international meeting in Moscow in June 1999 organized by the Russian MFA upon the Government's decision. Representatives of 27 states, the OPCW and EU leaders participated in the meeting. We can only hope that all participants will join the process of assisting Russia in this area, otherwise Russia may call into question the CWC implementation as such. On June 11, 1999, the State Duma passed Resolution No. 4096-II GD on unsatisfactory implementation of Russian commitments under the CWC, while many regional leaders (members of the Council of Federation) also addressed the Government with just criticism. This relates to the regions where the CW storage and dismantlement facilities are situated or are to be built.

Basic Legislation of the Russian Federation in the Area of CW Destruction

As we have said above, the main stage of forming a legal basis for CW dismantlement spans the period of 1994-1997. The most significant documents of that time were:

- Government Resolution No. 1470 of December 30, 1994 "*On the Works on Constructing the Dismantlement Facility for the Chemical Agents Stored on the Territory of Saratov Region*". This was the first document establishing a new concept of CW dismantlement facilities' building (in the areas of CW storage) and containing new provisions on developing social infrastructure before constructing the facility (as the public and Russian regional leadership insisted). Later this approach was stated in the Federal Law "*On Chemical Weapons Destruction*".
- Government Resolution No. 289 of March 22, 1995 "*On the Works on Destroying Stockpiles of Lewisite on the Territory of Kambarka District of the Republic of Udmurtia*".
- Presidential Directive No. 621-rp of December 7, 1994 "*On Controlling the Export of Peaceful Chemicals, Equipment, and Technologies That Can Be Used in Chemical Weapons Production*". Along with Government Resolution No. 50 of January 16, 1995 establishing the system of export controls in this area, the Directive contains the list of chemicals, equipment, and technologies, whose export is subject to licensing and control. These documents envisage that in each deal with dual-use equipment, materials, and technology the commitments of the importer should be stated in a national (international) import certificate or a similar document. Time has proved the efficiency of these legal acts: since their inception, there have been no conflicts or disputes in this area.
- Presidential Decree No. 314 of March 24, 1995 "*On Preparing the Implementation of International Commitments of the Russian Federation in the Area of Chemical Disarmament*". The document approves the division of labor among the federal

executive bodies in the aforementioned area and establishes the Inter-Agency Commission on Chemical Disarmament. The Decree names the executive agents for carrying out CW dismantlement: the Committee (disbanded later), MOD, MFA, State Committee on Chemical and Oil-Chemical Industry (disbanded, functions passed to the Ministry of Economics), State Committee on Defense Industries (disbanded, functions passed to the Ministry of Economics), Ministry of Health, State Committee on Sanitary and Epidemiological Control (disbanded, functions passed to the Ministry of Health), Ministry of Nature (disbanded, functions passed to the State Committee on Environment), MOI, Ministry of Emergency, State Committee on Statistics, and the Committee on Specialized Construction (disbanded, functions passed to the Russian Committee on Specialized Construction) - and divides the responsibility.

The Committee shall coordinate the activities of federal executive bodies and subjects of the Russian Federation on determining the main directions of work in this area; serve as a National Authority in conformity with the CWC provisions; provide for national and international control; conduct joint inspections with the MOD and concerned federal executive bodies; and shall be responsible for international cooperation in the area of verification procedures.

The MOD shall be the state contractor to chose optimal technologies for the CW dismantlement and to hold tenders for Russian and foreign manufacturers; project and build CW dismantlement facilities and develop social infrastructure, including facilities for protecting environment and public health; operate the CW dismantlement facilities together with other concerned agencies; and shall inform the population and non-governmental organizations on the measures to provide for the safe and environmentally friendly storage and destruction of chemical weapons.

The MFA, in collaboration with other ministries, shall shape the position of the Russian Federation at bilateral and multilateral negotiations on CW prohibition and destruction and shall conduct such negotiations.

The Ministry of Economics shall be responsible for the development of technologies and equipment for CW dismantlement and shall provide scientific and technical support for the works on assembling the equipment, developing and producing means of protection and monitoring for the CW dismantlement facilities.

The Ministry of Health shall maintain state sanitary control over planning, building and operating the CW dismantlement facilities; work out and approve sanitary and hygienic norms and regulations; work out and approve the methodological documents on diagnostics and treatment of acute and chronic diseases caused by chemical agents; and shall provide the healthcare services for the facilities' personnel and local population in areas of CW storage and dismantlement.

The State Committee on Environment shall issue the EIS on federal and regional programs for CW destruction and on construction plans and other appropriate documentation; maintain environmental control and make sure that legislation on the protection of the environment is adhered to.

The MOI shall provide for the fire safety of CW dismantlement objects.

The Ministry of Emergency shall carry out measures to prevent and eliminate emergency situations during CW storage, transportation, and dismantlement.

The State Committee on Statistics shall set up a system for collecting information on production, consumption, and reprocessing of chemicals subject to declaration and verification under the CWC.

The Russian Committee on Specialized Construction shall perform the construction of CW dismantlement facilities.

We must emphasize that the current

distribution of powers does not correspond with the Decree, which has not been abrogated yet, despite numerous changes in the structure of federal bodies and their responsibilities. The MOD began to concentrate most of the administrative functions, gradually replacing the Committee. This process resulted in the takeover of the Committee, which was disbanded by the Presidential Decree No. 651 of May 25, 1999 "*On the Structure of Federal Executive Organs*" and replaced with the newly established Russian Munitions Agency. Government Resolution No. 906 of August 6, 1999 "*On the Issue of the Russian Munitions Agency*" vests the powers of the Committee with the agency and appoints it to be the National Authority provided in the CWC. It's high time the President reviewed the powers and duties of federal executive bodies participating in the process of CW destruction and streamlined the structure of state control over this process.

- Presidential Decree No. 1079 of November 6, 1995 "*On the Inter-Agency Commission on Chemical Disarmament*". The major functions of the Commission are to elaborate recommendations and proposals to the President and the Government on major tracks and organization of works for preparing Russia for chemical disarmament; to provide for efficient interaction of federal and regional executive bodies participating in CW dismantlement; to consider the budgetary requests for financing CW destruction, determine the top-priority areas of spending and supervise the efficient use of funds; and to consider the issues relating to international cooperation in the area of CW disarmament. The Decree appoints the staff of the Commission comprising representatives of the aforesaid ministries and agencies.

The Decree envisages that the Commission's decisions are binding only for the executive authorities represented in the Commission. However, the Commission doesn't include the Ministry of Finance and the Ministry of Economics. This is why its most urgent decisions relating to financing the CW dismantlement and placing the state defense contracts were not obligatory for the ministries in charge of these matters. This affected the efficiency of the Commission's work. In recent years, since the basic legislation on CW dismantlement entered into force, the Commission has lost its key role in this process. Moreover, the Commission's staff hasn't changed since its establishment, although many of its members have left the Commission after leaving their posts in the Government or for some other reason. At present, the Commission has no Chairman because former Presidential National Security Aid Yury Baturin no longer works in the President's Office. Thus, the Commission exists only *de jure* (it has held no sessions in the last two years). Some of its functions are performed by the Inter-Agency Commission of the Security Council on Environmental Safety, which has dealt with the CW dismantlement since 1993.

The provisions of the Presidential Decree No. 314 were later developed in a number of documents regulating the preparation for CWC ratification and implementation of its primary obligations. The CWC was to be submitted for ratification in late 1995 but the actual work on preparing the Convention for ratification ended in March 1997. Russia didn't conduct in time some preparatory activities relating to the implementation of its international commitments in the area of CW dismantlement.

- Government Resolution No. 1007 of October 13, 1995 "*On Sending the German Side the Note of Agreement of the Government of the Russian Federation on Distribution of Gratuitous Allocations Appropriated by the Government of the Federal Republic of Germany to Dismantle the Chemical Weapons in the Russian Federation in 1995*". Germany has been rendering this assistance since 1993 in the framework of the *Inter-Agency Agreement between the Presidential Committee on Conventional Problems of Chemical and Biological Weapons and the Federal Ministry of Foreign Affairs of the Federal Republic of Germany Concerning the Cooperation in the Safe and Environmentally Friendly Destruction of Chemical Weapons* signed on October 22, 1993. Since 1993, German

assistance has amounted to DM 51.2 million (including DM 9.5 million in 1999). Germany provides funding and services, including work on producing, testing and furnishing the equipment for a CW dismantlement facility being constructed in Gorny (near Saratov).

- Government Directive No. 1178-r of July 27, 1996 enabling the Russian MOD to use extra-budgetary means invested by *Tekheco* Foundation (the fund for stabilization of the economic situation of the enterprises and scientific institutions of the defense industry). The Directive instructed the MOD, the Ministry of Economics, the State Property Committee, and the Ministry of Finance to set up a scheme to compensate the invested means with the products of CW disposal.

This document appeared at the time when the Government felt a lack of budgetary means on CW dismantlement and called for a search for extra-budgetary sources (which haven't been found yet). The investment proposals of other funds usually turn out to be mere hot air. When it comes to specific projects of CW dismantlement, these funds prefer to serve as middlemen and to provide for their own existence profiting from this mediation. CW dismantlement is not attractive for the investors, and hence, is not cost-efficient. The only chemical agent (lewisite) may be reprocessed to get pure arsenic, which can be used in electronics and some other industries. The Directive was passed with the intention of starting arsenic production. However, the document was a non-starter because so far, the authorities haven't made up a scheme of compensation for the potential investors. Besides, the CW disposal products will be used in the national economy only in the distant future, for the most optimistic forecasts say that the first CW dismantlement facility will start to operate in late 2000.

The only Russian NGO assisting in chemical disarmament is the branch of the International Green Cross. This organization conducts annual public hearings in the regions of CW storage to form a positive public attitude, has established regional information centers for the locals, publishes popular booklets on CW dismantlement, and conducts research on the state of public health and environment in the appropriate regions. Unfortunately, many other NGOs are passive and their biased criticism provokes a negative public attitude to the problem (e.g. the *Union for Chemical Security*).

- Government Resolution No. 1447 of December 7, 1996 "*On Establishment of the Central Laboratory for Chemical and Analytical Control over Chemical Disarmament Activities*". At first, the plan was to set up this laboratory in one of the institutions of the Russian Academy of Sciences but later it was decided to establish the laboratory on the base of the State Scientific Research Institute of Organic Chemistry and Technology, which was the principal academic institution in charge of developing CW destruction technologies. Under a separate agreement between the Committee and the US DOD (July 30, 1992), Americans committed to render financial and technical assistance in equipping the laboratory and reconstructing the building. So, the work to implement this resolution is under way.
- Government Resolution No. 305 of March 21, 1996 on approving the Federal Program "*Destruction of Chemical Weapons Stockpiles of the Russian Federation*" and Presidential Decree No. 542 of April 13, 1996 on granting presidential status to the Program.

The program was worked out and adopted after signing the CWC but before its ratification and entry into force. The program contains the following sections: essence of the problem, program objectives, program activities, financing, personnel, program management and control over its implementation, executors, program efficiency, and socioeconomic and environmental consequences of its implementation. Besides these, the program includes detailed data on the distribution of CW stockpiles among the Russian regions and storage facilities.

The program was supposed to start in 1995 and to be accomplished by 2009. This period covered preparatory work and the construction of top-priority facilities; 10 years for carrying out specific works on CW dismantlement; and four years (after dismantlement) to perform conversion of the CW dismantlement facilities and to decontaminate their equipment and surrounding area.

However, the economic crisis had a negative impact on the course of program implementation. At present, its fulfillment falls behind the planned deadlines. Russia hasn't yet finished the preparatory stage, including the selection of safe, environmentally friendly and cost-efficient technologies for CW dismantlement, elaboration of technical economic basing for the dismantlement facilities, establishing environmental safety requirements, etc. The construction of the first CW dismantlement facility in Gorny has started early this year and it will become operational only in late 2000.

According to the Russian MOD, the main reason for delay is the lack of funding. Nonetheless, the representatives of other concerned ministries believe that other reasons are the miscalculations during its elaboration, inefficient use of budgetary appropriations, inter-agency differences, the lack of a streamlined structure for managing the CW destruction, etc. Many experts question the appointment of the MOD as the state contractor in this area. This may hamper the program implementation due to the psychological phenomenon of *military mentality*, implying that these tasks may reduce the combat readiness of the Russian Armed Forces. The legal documents regulating MOD and General Staff activities have no indication that these agencies should eliminate the decommissioned arms and equipment, including chemical weapons.

Nonetheless, we would like to point out that the state contractor (MOD) makes no amendments to the program, hence, reducing the role of this basic document regulating works on CW dismantlement.

- Government Directive No. 1949-r of December 28, 1996 on beginning preparatory works to built the CW dismantlement facility in Shchuchye. The USA will render financial and technical assistance in constructing this facility. Two years have passed since the adoption of this Directive but the building hasn't started yet. It may begin in 2000 when all preparatory work, including EIS, will be finished. The slow pace of this process is harshly criticized by the USA, whose leadership does not understand why the Russian MOD can't deliver the timely use of rendered aid. We can't rule out the possibility that the USA will reduce the amount of assistance instead of increasing it (as Russia expects), for the USA doubts the Russian sincere willingness to take a responsible approach to chemical disarmament. According to some publications in the press, US Congress has already started to consider this issue, which is overblown with the money-laundering scandal.
- Federal Law "*On Chemical Weapons Destruction*". This law provides a legal basis for work on CW dismantlement and for maintaining the safety of public health and the environment in the course of these activities. The process of its elaboration was long and complicated because the law affected the interests of several concerned ministries and agencies and six subjects of the Russian Federation possessing seven CW storage facilities. The law was submitted to the State Duma on September 16, 1995, adopted on December 27, 1996, rejected by the Council of Federation in January 1997, reviewed and passed again by the State Duma on April 25, 1997, signed by President Yeltsin on May 2, 1997, and came into effect on May 6, 1997. The law is a new phenomenon in Russian legislation, for it's the only law worked out and approved before starting the CW dismantlement, i.e. before emergence of relations requiring legal regulation. The scope of the treaty is its other peculiarity, for it is the first time in Russian legal practice that the law has stated a legal basis for work on eliminating some kind of WMD.

The law consists of eight chapters and 28 articles. The most important provisions are:

- CW dismantlement shall be carried out on the territory of the subjects of the Russian Federation possessing CW storage facilities (Article 2);
- the list of priority works on CW storage, transportation and destruction (Article 4);
- the ownership of CW, CW storage and dismantlement facilities, and waste (Article 5);
- financing of CW dismantlement (Article 6);
- the powers vested with the federal bodies of the Russian Federation, subjects of the Russian Federation, and local governance authorities (Articles 7-9);
- the control and supervision of work in the area of CW destruction (Article 10);
- the principles, requirements and list of tasks to provide for the safety of public health and environment in the course of CW storage, transportation, and elimination (Articles 12-14);
- the requirements to prevent emergency situations relating to handling chemical weapons (Article 15);
- the rights of locals living in the area of CW storage and dismantlement, including rights to social benefits and compensation, preferential medical care, restitution of damage inflicted by emergency situations, etc. (Articles 16-19);
- the right of corporations and individuals to obtain information on works relating to CW dismantlement and storage and to access the corresponding facilities (Articles 20-21);
- the responsibility of federal executive authorities in charge of security during CW storage, transportation, and destruction (Articles 22-24).

Some provisions refer to the appropriate legal acts of the Russian Government and subjects of the Russian Federation and, thus, will become effective only after adoption of the corresponding regulations. For instance, the Russian Government should issue legal acts stating the schedule of works on CW storage, transportation, and destruction (Article 2); the sequence of granting social benefits and their amount (Article 17); the order of providing access to CW dismantlement and storage facilities (Article 21); the size and requirements for zones of protection for each CW dismantlement and storage facility (Article 1); etc.

The law asserts the Russian position on full-fledged commitment to the cause of CW elimination, shapes the economic policy in this area, and provides for financing of these activities from the federal budget and for social benefits of the personnel of hazardous facilities and local population.

- Federal Law "*On the Ratification of the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction*". This law was submitted to the State Duma on March 17, 1997, adopted on October 31, 1997, approved by the Council of Federation on November 5, 1997, signed by the President on November 5, 1997 and entered into force upon signature.

It may seem that the law was passed in a short time. Nonetheless, discussions on the CWC ratification started in January 1993, after signing the Convention, and lasted for more than four years. The debate covered a wide range of political and economic issues. The CWC entry into force in April 1997 (when 65 states, including the USA, ratified the Convention) became the impetus for Russian legislature. The situation became equivocal because the CWC entered into force without Russia, which possessed the largest CW stockpiles. This made Russia take urgent measures to speed up the process of ratification. Otherwise the multilateral international treaty would have lost its significance, foreign policy matters would have been aggravated and Russia would have lost the opportunity to join the OPCW leading bodies, to influence the process of disarmament and to defend its national interests in this area.

All branches of power were involved in the process of boosting ratification. The State Duma adopted the address to the CWC

member states explaining the reasons that impeded prompt ratification and asking the international community to increase the assistance for CWC implementation to enhance Russian limited financial capabilities. Meanwhile, the State Duma, the Council of Federation, the President's Office and the Government established the preparatory commission for elaborating the bill on CWC ratification. For the first time in the history of Russian ratification practice the law includes more than one provision. Its five articles divide the responsibility for the implementation of CWC commitments among the President, the Government, the chambers of the Federal Assembly and the regional authorities, and states the conditions for suspension or withdrawal from the CWC.

According to the law, the President shall formulate the guidelines for Russian policy in the area of chemical disarmament providing for environmental and population safety; state the deadlines for CW destruction, taking into account CWC provisions, the economic situation in the Russian Federation, and the necessity to use the most safe technologies for CW dismantlement; provide for the Russian ability to prevent the development, production and stockpiling of chemical weapons by other states; direct Russian activities in the OPCW and set up a unified system for managing chemical disarmament. The Government of the Russian Federation shall state the sequence of works; provide financing for the CWC implementation from budgetary and extra-budgetary sources; work out the legal basis for CWC implementation; promote the development of social infrastructure in the regions of CW storage and dismantlement; to ensure Russian economic interests in the process of CWC fulfillment, including the problems of converting CW production facilities and reducing the costs of international inspections; to submit to the Federal Assembly an annual information report on CWC implementation covering the wide range of issues provided in Article 3 of the law. The Federal Assembly shall participate in forming a legal basis for CWC implementation; take part in making decisions on financing chemical disarmament and environmental activities and granting social benefits to the population; consider the annual information report of the Government on CWC implementation and corresponding information from the regions; instruct the Board of Auditors of the Russian Federation on inspecting the use of allocated funds. Article 4 of the law envisages that extraordinary events jeopardizing the supreme interests of the Russian Federation will allow Russia to suspend CWC implementation or to withdraw from the treaty, using procedures provided for in the Russian legislation on international agreements.

Thus, the law provides conditions enabling Russia to become a full-fledged CWC member. On November 5, 1997, Russia deposited its instrument of ratification and started CWC implementation. Russia has submitted to the OPCW the declaration on the CW stockpiles, CW storage facilities, former CW production facilities, provided for carrying out initial international inspections, etc. So far, the OPCW has no reasons to reprimand Russia for any delays with respect to CWC implementation. However, it is still not clear whether Russia will be able to fulfil the CWC requirements. This will depend on the economic and political situation in Russia.

Ways of Improving the Legal Basis in the Area of Chemical Disarmament

After inception and implementation of the basic laws regulating chemical disarmament, the legal basis continued to develop to specify the principles and provisions of the aforesaid legislation. The major document include:

- Government resolution No. 334 of March 21, 1998 "*On Approving the Plan of Major Activities to Implement the Federal Law 'On the Ratification of the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction' and the Federal Law 'On Chemical Weapons Destruction'*".

The aforesaid plan includes major provisions for elaborating legal acts regulating the organization of international verification procedures at military and industrial facilities, distribution of duties among federal executive authorities; instructing the Russian representative to the OPCW on defending Russian interests in the process of CWC implementation; setting forth proposals on

financing chemical disarmament from extra-budgetary sources; working out the statute of protection zones; establishing the licensing procedures; working out the concept of monitoring public health and the environment; determining the order and amount of social benefits and free healthcare for the facilities' personnel and other citizens in the zone of protection; etc.

The experience of this resolution's fulfillment demonstrates that the aforesaid elaboration of legal acts is delayed. This results in new resolutions extending the term for preparation of the required documents. For instance, the Government hasn't yet worked out the resolution on the organization of international verification procedures at military and industrial facilities. The Presidential Decree on distribution of duties among federal executive authorities is not ready either. The reason for delay is the complicated process of taking a decision on designating the National Authority, which should have been declared a month after CWC ratification, i.e. in December 1997. As we mentioned above, this problem was solved only after disbanding the Committee and establishing the Russian Munitions Agency. However, the lack of a coherent system of state management of chemical disarmament results in protracted and new inter-agency differences over various issues.

- Bill "*On the Social Security for the Citizens Involved in Works with Chemical Weapons*". There are two variants of the bill, one of which has been drafted by the Government while the other has been set forth by the Chuvash Republic, which used to possess a CW production facility. Both drafts were submitted for the State Duma, which passed the Chuvash variant in the first reading and rejected the Government motion. The difference between the drafts is that the Chuvash bill contains an extended list of social benefits and corresponding categories of personnel. It may be passed by the State Duma when the election campaign is underway as a populist move.

However, the Government does not support the bill, for the bill has no financial-economic grounding, hasn't got approval of the concerned federal executive authorities, etc. The Government draft provided for the social security of the personnel involved in work with chemical weapons and citizens who were injured or caught professional diseases due to intoxication regardless of the time of injury. The social benefits would have been granted depending on the degree of danger. The draft ensured an increase in payment, a reduced working day, additional paid leave, free medical care, free medicines and medical-prophylactic nutrition, free medical treatment in sanatoriums, and means of protection. This bill incorporated the proposals of Udmurtia and Chuvashia, Bryansk, Volgograd, Kirov, Kurgan, Nizhny Novgorod, Perm, Penza, Saratov, and Samara oblast, i.e. of all subject of the Russian Federation possessing CW storage and production facilities. The bill obtained the approval of the Ministry of Finance, Ministry of Economics, Ministry of Labor, MOD, Ministry of Justice, Ministry of Health, State Committee on Environment, Committee on Chemical and Biological Industries, Pension Fund, Social Security Fund, and the general approval of the Government of the Russian Federation. Expenditure would have amounted to 3 billion rubles (in 1998 prices) appropriated for 10 years.

The current situation forces the Government to submit to the State Duma its proposals as amendments to the Chuvash variant of the bill. Successful adoption of the bill will have to be a compromise between two drafts. By October 1, 1999, the State Duma hasn't yet passed the bill in the second reading but the public hearings in late September showed that a compromise was still to be found. The bill was sent for revision and the State Duma is unlikely to pass the law before the parliamentary elections.

- Government Resolution No. 402 of April 17, 1998 "*On Top-Priority Work for Constructing the Chemical Weapons Dismantlement Facilities in the Russian Federation*". The Resolution states the deadline for work on the technical-economic basing for the construction of CW dismantlement facilities (for Saratov and Kurgan oblast - December 1, 1998; for Bryansk, Kirov, Penza, and Udmurtia (Kambarka and Kizner) - December 30, 1999). The document empowers the Russian MOD (as the state contractor) to carry out preparatory work relating to the development of a social and engineering infrastructure in the areas of further construction of CW dismantlement facilities. This work can be performed

before inception of the technical-economic basing. This decision caused apprehension among ecologists but was backed by the regional authorities, who link the permission to build CW dismantlement facilities with the progressive development of social infrastructure in the corresponding areas. In practice, this provision of the Resolution means that, before constructing the relevant hazardous facility, the MOD should provide for lines of communication (electricity, gas and water), build roads, provide housing and take some other measures. This work has been started in practically all regions but its extent depends on the financial capabilities of the state contractor and is harshly criticized by the regional leadership unsatisfied with the low pace of construction.

- Government Resolution No. 143 of February 8, 1999 "*On the Order of Visiting Chemical Weapons Storage and Dismantlement Facilities*". The document provides for the order of visiting the aforesaid facilities and contains the list of those with access to these facilities. The order envisages the visits of citizens, federal executive authorities responsible for control and supervision, regional authorities, local governance authorities and non-governmental organizations. The list includes the personal staff of visiting officials in accordance with their rank and the types of facilities. Common citizens and NGOs can visit the facilities after filling in application and registration forms, which should be approved by authorities of the specific military district and FSB officials. A decision on the possibility of visiting or a grounded refusal should be taken within 30 days after application. The regional authorities have already insisted on making amendments to the Resolution to expand the list of officials enjoying the right to visit the CW storage and dismantlement facilities.
- Government Resolution No. 208 of February 24, 1999 "*On Adopting the Statute of Zones of Protection Established around the Chemical Weapons Storage and Dismantlement Facilities*". This document is important for the personnel and local population living in the zone of protection, since the Federal Law "*On Chemical Weapons Destruction*" provides social benefits only for those who live inside such zones. In accordance with the law, the zone of protection is the territory around the CW storage and dismantlement facilities that undergoes a set of activities to ensure the collective and individual safety of the population and protection of the environment from contamination resulting from emergency situations. The statute contains the set of measures to be taken and a list of basic data necessary to define the limits of the zone. The Resolution sets the deadline for creating the principles of zone delimitation, specifies the time for calculating the zone size, provides for the necessity of getting approval of the concerned subjects of the Russian Federation, and contains the requirement that each zones should be established by a separate governmental decision. The document is being implemented. The principles of delimitation have been adopted and, at present, the size of zones around CW storage facilities is being calculated. The calculations and drafts of appropriate resolutions should have been submitted to the Government in late 1999. As for the zones around CW dismantlement facilities, they will be calculated later, after approving the project documentation for construction of such facilities.

Other legal acts regulating certain aspects of chemical disarmament include:

- Government Resolution No. 171 of February 10, 1998 "*On Establishing the Center of the Ministry of Defense of the Russian Federation for Training Specialists for the Chemical Weapons Dismantlement Facilities*";
- Government Directive No. 471-r of April 21, 1998 "*On Organizing Training of the Candidates for International OPCW Inspections on the Basis of the Saratov Military Engineering Academy of Chemical Defense and the Center for Training Specialists for the Chemical Weapons Dismantlement Facilities*";
- Government Resolution No. 1418 of December 1, 1998 "*On Signing the Agreement between the Government of the Russian Federation and the Government of the Kingdom of the Netherlands on the Assistance of the Netherlands in Eliminating the Stockpiles of Chemical Weapons in the Russian Federation*". The Agreement provides for gratuitous assistance of 25 million guilders.
- Government Directive No. 36-r of January

9, 1999 "*On Conducting Negotiations and Signing the Amendment to the Agreement between the Presidential Committee on Conventional Problems of the Chemical and Biological Weapons and the Department of Defense of the United States of America Concerning Secure, Safe and Environmentally Friendly Destruction of Chemical Weapons of July 30, 1992*". The amendment provides for increasing the gratuitous assistance on $53.4 million.

- Government Resolution No. 1082 of September 22, 1999 "*On Establishing the Consultative Diagnostics Centers for the Citizens Living or Working in the Zones of Protection around Chemical Weapons Storage and Dismantlement Facilities*". The regions have been longing for this document, since the centers will provide for high medical standards in the diagnosis of citizens, revealing diseases at early stages and making examination to establish the connection between the disease and the functioning of CW storage and dismantlement facilities.

In 1999, the Government should have finished the process of working out the government decisions on the following matters:

- approving the *Federal Program on Dismantlement and Conversion of the CW Production Facilities* (the draft of the program has been submitted to the Government and is under consideration);
- establishing the order of using the products of CW disposal and wastes that can be employed in the national economy (the elaboration of the draft is nearly finished);
- establishing the order of granting social benefits and compensations for the citizens living the zones of protection (this legal act is difficult to pass due to the lack of budgetary financing).

The Committee has worked out the draft Federal Bill "*On Additional Compensation for the Damage Inflicted by Toxic Agents to the Public Health, Property and Interests of the Individuals and Corporations and Resulted from Emergency Situations Relating to Chemical Weapons Storage, Transportation and Destruction*", which is getting the approval of all concerned ministries and subjects of the Russian Federation. This approval is hard to obtain, for the law's fulfillment will require certain expenditures that naturally face the resistance of Russian financial agencies in a time of economic crisis. Hence, we can't make any forecasts about the time of its submission to the State Duma for consideration.

The executive bodies concerned are discussing the possibility of working out a special law on CWC implementation specifying the procedures for fulfilling CWC provisions. The draft of this law has been set forth by the Committee but hasn't been submitted to the Government for consideration.

Conclusion

A brief analysis of the legal problems of chemical disarmament makes us conclude that the legal basis allows for conducting specific work in this area, although it requires further improvement.

We can mention such unsolved issues as:

- the issue of establishing a coherent unified state system for managing the process of chemical disarmament. The lack of such a system hampers the elaboration of legal acts and negatively affect the efficiency of Russian cooperation with the OPCW and other Convention signatories and ratifiers;
- the lack of a legal act on licensing in the area of CW dismantlement;
- the lack of provisions in the Russian *Criminal Code* concerning liability for developing new forms of chemical weapons and for other actions in violation of the Convention. At present, the Criminal Code contains only two articles (Articles 335 and 356) providing punishment for illicit WMD handling, including chemical weapons;
- the lack of regulations in areas of chemical disarmament which should be under the jurisdiction of the *Civil Code of the Russian Federation* and the *Administrative Code of the Russian Federation*;
- the lack of a mechanism to collect information about the commercial activities of chemical and pharmacological enterprises producing chemicals from the control lists, which are subject to international verification under the Convention.

The aforesaid list of problems is not exhaustive and we have no doubt that the practice of implementing the existing legal acts will reveal many issues requiring state regulation and the adoption of appropriate legislation.

Analysis

ESOA PROGRAM IN RUSSIA: RESULTS AND PROBLEMS OF IMPLEMENTATION

by Ivan Safranchuk,
PIR Research Associate

[This article was originally published in Russian in *PIR Study Paper*, No. 13, 2000]

The "*Elimination of Strategic Offensive Arms*" (ESOA) program is one of the largest and most successful tracks of the CTR implementation. The program's objective is to assist Russia in implementing its START I commitments, providing for the following quantitative parameters (the figures below relate only to the launchers and do not relate to deployed warheads, for assistance is provided to carry out the conditions of the treaty with respect to the launchers): by December 1997, Russia should have possessed 2,100 deployed ICBMs and ICBM launchers, SLBMs and SLBM launchers, and heavy bombers; by December 1999 - 1,900; by December 2001 – 1,600, including 154 deployed heavy ICBMs and ICBM launchers.

Funding

According to Russian estimates, $327.68 million have been expended on the program. According to the DTRA Office in Moscow, the signed contracts amount to $361.15 million. Russian sources confirm this data. Thus, the program is close to reaching its financial limit - the obligated sum of $387.2 million. At the same time, the funds authorized within the US DOD budget for ESOA by FY1999 were $529.6 million[1].

Analysis of US documents shows that there have been no problems with financing this program. While other CTR aid was conditioned by certain issues, the ESOA program was not, and the budgetary requests of the administration received congressional support.

Such a situation with the ESOA program gives its Russian opponents another opportunity to claim that the USA seeks to disarm Russia through the CTR program[2]. US representatives respond to such reactions by saying that, first, the ESOA program is a real priority for the USA[3] and, second, the USA is not doing anything contrary to Russian demands. The amount of funding is based on the requests of the Russian side, which are taken into account in the planning process.

It is necessary to point out that it is very complicated to analyze financial issues in Russia[4]. During negotiations with the USA, Russian specialists use US terms derived from the US accounting system[5]. In Russia, the bookkeeping practice is different, and the use of US terms is practically impossible. Thus, we get two systems of terms, one of which is used only for Russian domestic accounting for both financial and political reasons. Moreover, in the Russian agencies participating in the program, financial issues are considered to be confidential - only for internal use.

There are no reasons to think that in the near future the US attitude towards the ESOA program will change. The USA is ready to finance this program to the amount requested by the Russian side. That is why if, previously, the US representatives consistently pointed out that the program was financed to comply with START I commitments[6], they are now ready to finance the ESOA activities beyond the original START I provisions[7]. A good example is the modernization of the SS-18 elimination facility in Surovatikha to make it suit the implementation of START II commitments.

At the same time, we can't rule out the probability that in the next two years some will want to cut ESOA funding in the USA. Before FY1998, CTR financing was appropriated without any time constraints on the use of appropriated funds. Hence, the money appropriated in 1992-1997 can be expended in any of the next fiscal years unless otherwise decided by the House of Representatives. Since FY1998, the funds

appropriated are available for obligation for three fiscal years.

Since the FY1999 funds contain financial surplus (the money appropriated in prior fiscal years but not spent for various reasons), the order of spending emerges as a problem. To avoid the withdrawal of appropriated budgetary means, it is necessary to spend first the money, appropriated for three years and only then those means appropriated without any time limitation. However, some DTRA officials didn't rule out the possibility of a conflict on this matter: the House of Representatives may demand the consecutive spending of CTR funds - the rest of the prior fiscal years first and only then the money of the current fiscal year. In this situation, the program may lose some of its funding. But due to political reasons, this scenario has little chance of occurring.

The Russian Participants in the Program

The *Agreement between the United States of America and the Russian Federation Concerning the Safe and Secure Transportation, Storage and Destruction of Weapons and the Prevention of Weapons Proliferation* was signed at the presidential level. However, according to Article 3 of the agreement, each party designated an executive agent for its implementation - the US DOD and the Russian Minatom. The article states that these are executive agents '*with respect to nuclear weapons*'. Since the CTR program relates not only to nuclear weapons, Article 2 envisages that 'the Parties, through their Executive Agents shall enter into implementing agreements as appropriate to accomplish the objectives set forth in Article 1 of this agreement.'

As for the ESOA program, such an agent was designated in Russia in 1993: the State Committee on Defense Industries (Gosoboronprom). The USA charged the US DOD with this mission. In August 1993, both agencies signed the implementation agreements, which contained: a) a description of the activities to be undertaken; b) provisions concerning the sequence of activities; c) provisions concerning access to material, training or services provided at sites of their use, if possible, for monitoring and inspection.

In the provisions, concerning the ESOA program, the 1993 agreement between the US DOD and Gosoboronprom can be called a framework agreement, for it covers only the scope of works and the approximate sequence of their implementation. Annually, the ministries concerned sign additional protocols to the 1993 agreement, covering the specific amount of work for the next fiscal year[8].

In the 1990s, Russia carried out reforms resulting in constant changes in the structure of the executive power: some ministries were dissolved, some were established and the functions were redistributed. This process affected the coordination of the ESOA program in Russia.

In the USSR the enterprises that produced missiles also carried out their elimination. Major enterprises manufacturing strategic ballistic missiles were integrated into the structure of the Ministry of General Machine-Building. In 1991, the ministry was dissolved, and a number of agencies were established, including the RSA and the Ministry of Industry (Minprom). The RSA assumed control over the civilian space programs, while Minprom received the majority of the enterprises of the military-industrial complex (about 3,000 enterprises). Later Minprom was reorganized and the Committee on Defense Industries of the Russian Federation (Roskomoboronprom) emerged[19], which took charge of some military-industrial complex enterprises, including those engaged in the production and disposition of land-based and sea-based ballistic missiles. After some time, Roskomoboronprom transformed into Goskomoboronprom. This first so-called *reorganization* didn't affect the executive agents of the program in Russia. In 1996, Goskomoboronprom was converted into the Ministry of Defense Industry (Minoboronprom), but again, this didn't affect the ESOA program either. This reorganization raised the status of the agency.

In all three agencies the same person, Nikolai Shumkov, directed the implementation of the ESOA program. At different times he headed either the department or the directorate in charge of the strategic offensive arms disposition, including nuclear-powered submarines and heavy bombers. Moreover, in 1993, he was appointed the chief coordinator of the ESOA program in Russia. The department headed by Nikolai Shumkov directed the elaboration of the *Federal Program for Industrial Disposition of Arms and Military Equipment until 2005*.

From the very beginning, a centralized structure of program executors emerged in Russia: its head was Roskomoboronprom, Goskomoboronprom and then Minoboronprom. This allowed for combining all works in this track under unified control, in order to implement the START I commitments. Taking into account the inter-agency coordination of work, there were no organizational difficulties at that time.

In the process of disbanding Minoboronprom, some of its enterprises were transferred to the Ministry of Economics, including those engaged in eliminating ballistic missiles and disposing nuclear-powered submarines. In June 1998, the Government issued a resolution (in accordance with the Presidential Decree) making the RSA responsible for all enterprises of the missile industry. The RSA underwent reorganization and set up the directorate with a department designated to maintain 'supervision and control over the work in the area of land-based and sea-based missiles disposition conducted by the enterprises of the industry'.

The Presidential Decree on dissolving Minoboronprom envisaged that Minoboronprom functions would be passed over to the Ministry of Economics[9]. In accordance with this decision, the ministry assumed responsibility for maintaining international contacts within the ESOA program. For that purpose, the ministry established a special department, which in autumn 1997 was reorganized into the Directorate for the Implementation of International Treaties on Elimination and Disposition of Arms and Materiel headed by Alexander Zhuchkov since 1998.

In May 1998, Government Resolution No. 518 charged Minatom with the disposition of nuclear-powered submarines within the ESOA framework. Although Minatom itself lobbied for this decision, the ministry officials and Minister Yevgeny Adamov were not completely satisfied with the resolution. According to the minister, he wanted Minatom to be charged with only a specific amount of work on disposal - re-loading spent fuel from the reactors - for '*no one else will cope with this task better than the ministry specialists*'[10]. However, the resolution made Minatom responsible for the disposition of nuclear-powered submarines without specifying the scope of the work.

At the same time, the international contacts regarding nuclear-powered submarines disposal became the responsibility of the Ministry of Economics, while Minatom was only in charge of carrying out the work.

The Russian MFA doesn't take part directly in the implementation of the CTR program, but it had to perform its diplomatic and foreign policy duties. For instance, the MFA participated in drafting the 1992 framework agreement. MFA officials also assisted Roskomoboronprom in preparing the agreement with the US DOD signed in August 1993. However, in 1998-1999, the ministry began to show more interest in the program. This must be connected to the fact that in June 1999 the term of the 1992 agreement was expiring, and it needed to be extended. There was no doubt that the MFA official had to sign the new protocol on extension.

Thus, there is no single coordinator for the ESOA program - a division of labor exists. The structure of the Russian participants in the ESOA program and their functions are outlined below.

The Ministry of Economics takes control of ESOA planning (taking into account the CTR program), contacts with the USA, and negotiations. Representatives of this ministry annually sign supplements to the 1993

framework agreement, supervising the negotiation process and planning. The Ministry of Economics forms the Russian delegation that goes to the USA within the ESOA program framework, and its representative heads the delegation. The ministry also receives US delegations visiting Russia within the framework of the program.

Minatom manages the disposal of nuclear-powered submarines and, hence, coordinates the work of specific enterprises[11].

Rosaviakosmos (former RSA) enterprises are responsible for the actual disposition of land-based and sea-based ballistic missiles[23].

The changes in the structure of Russian executive agents for the program have been stated in the *Protocol to the Agreement between the United States of America and the Russian Federation Concerning the Safe and Secure Transportation, Storage and Destruction of Weapons and the Prevention of Weapons Proliferation*. Article 2, paragraph 2 of the Protocol amends Article 3 of the 1992 agreement maintaining that 'with respect to the elimination of strategic offensive arms and chemical weapons production facilities the Executive Agent shall be the Russian Federation Ministry of Economics'.

The ESOA program does not involve the supreme commands of the Armed Services that possess nuclear weapons - the SMF, the Navy, and the Air Force, - for the commands don't take part in elimination and disposal activities. They perform their regular functions on decommissioning the systems for elimination and transfer them to industry for disposal. The only exception is the SMF. In accordance with the existing practice, some missiles are destroyed in industry and some - with liquid-fuel propellants - at the military sites. At the same time, the Rosaviakosmos enterprises are in charge of all works on preparing the infrastructure for elimination of liquid-fuel missiles. The facilities themselves are subordinate to the military.

The MFA officials constantly stress that their ministry has always participated in the program and that all documents had to get the MFA's approval[12]. This statement is more or less true, for at the initial stage of the program – before signature of principal agreements in 1993 – the MFA actively participated in elaborating and approving the documents. But later, the ministries concerned acted on their own risk and independently from the MFA, in accordance with the concluded agreements. The MFA officials would like to return to active participation in the program. They point out that they are not claiming the right to coordinate it, and envisage only two functions for themselves: political and diplomatic. In other words, they want to be in charge of political, diplomatic and other non-technical issues, and negotiations.

The increased MFA activity in the CTR program has raised the suspicions of the Ministry of Economics. As the coordinator of foreign policy activities (as stated in the presidential decree) the MFA has an exclusive right to mediate in international contacts within the CTR program, including the ESOA program. At present, these duties are the responsibility of the Ministry of Economics. We can't rule out the possibility that the MFA will try to contest the Ministry of Economics' powers. The latter has its own arguments. The international contacts and planning of the program cannot be separated, and the MFA is objectively unable to take on this mission. Rosaviakosmos believes that it is impossible to separate the planning and the practical implementation of the program, since they are intertwined.

In our opinion, organizational difficulties are inevitable, for the CTR's management structure is not perfect. It seems that organization was best during Minoboronprom's existence. However, the current organizational structure, despite all contradictions and conflicts among various agencies, seems to be rather efficient. Its disruption through bureaucratic struggle, which seems rather likely, would result in the emergence of a new, less efficient structure.

We believe that the intensive bureaucratic struggle may involve yet more interested parties. For instance, the former head of the

National Nuclear Threat Reduction Center (NNTRC) believes that the US experience is quite acceptable for Russia and has demonstrated that its structure '*is more convenient and efficient*'[13]. Following this logic, some functions and powers within the ESOA and CTR programs should have been vested with the NNTRC. At present, though, this agency has not been noticed participating in the bureaucratic struggle for the programs[14].

Other Sources of Financing

The internal financial source for the ESOA program is the Russia's federal budget. In the opinion of all Russian agencies concerned, Russia has no domestic sources to fully fund the ESOA program. They point out, however, that this is the case because of the present political and socioeconomic situation in Russia. Many specialists agree that 'Russia could fulfil its START I commitments without US assistance but with it would take much more time.'[15]. At the same time, MFA representatives admit that '*Russia has no money to implement START I and II.*'[16].

Some parts of the ESOA program may expect assistance from abroad in the area of nuclear-powered submarines disposal. So far the USA is the only state, however, that has demonstrated its interest in the ESOA program, and this is appreciated and understood in Russia.

Thus, the ESOA program doesn't have any alternative source of financing - neither internal, nor external. Such a situation is dangerous for the program's development and sustainability.

In all US National Defense Authorization Acts that appropriate CTR funding, the primary condition is that Russia will make a substantial investment into CTR implementation. Russia's difficult economic situation may lead to a growing financial burden for the USA. Although neither law specifies what is a '*substantial investment*' of Russia's resources, the new proportions in the program's financing and the decreasing Russian contribution may be used to block the program. It seems highly unlikely in the current political situation, but, in principle, it is quite possible.

Financial Crisis Impact on Program Implementation

The Russian financial crisis of August 1998 didn't have a serious impact on the implementation of the ESOA program because the money is transferred to the Russian enterprises only after fulfillment of the agreed amount of work. This means that the enterprise can't receive the money, invest them in state bonds instead of financing the current works, and then lose the money.

However, the enterprises had some limited losses resulting from financial operations; they changed the money into rubles and lost them due to devaluation. These losses, nonetheless, happened only occasionally.

We can speak about an indirect effect of the crisis on program implementation – through the collapsed banking system. The recipient enterprises have accounts in hard currency in different banks, and some of them could not get their money because the banks delayed the payments. After the crisis this situation was typical because the banks redistributed the money to fulfil their commitments to other clients and creditors, to pay taxes, etc.

The representatives of the enterprises receive assistance in solving these problems from the corresponding Russian agencies – RSA and Minatom. They found an efficient way of preventing delays in payments. The support of the senior government officials and the Central Bank leadership enabled them to exert pressure on the banks, warning the latter of withdrawal of their licenses if they delayed the payments within the CTR framework. Such threats became an efficient means of getting the money from the banks.

Political Crisis in US-Russian Relations and Its Impact on Program Implementation

Russian experts were pessimistic about the future of the CTR program[17]. There were many hard-liners that proposed to review a number of Russian commitments, including Russian participation in the CTR program.

During the Balkan crisis, none of the ESOA programs was suspended. The representatives of Russian agencies participating in the program are proud of

this fact: '*the politicians can do what they want, but we are professionals who work.*'

A top-ranking official of the Ministry of Economics maintained that those patterns of CTR and ESOA implementation would work even during a sharp and continuous crisis in the US-Russian relations.

Attitude to the Program in Russia

The majority of the military-industrial complex employees in Russia, who are major recipients of the CTR and ESOA assistance, were critical about the program. It results from a negative attitude to the USA – the principal adversary during the Cold War.

However, if in the early 1990s the military-industrial bosses could afford to openly criticize the program, in the course of its implementation such statements became rare. But it doesn't mean that the general attitude has changed.

The attitude to the part of the program that relates to the elimination of Russian nuclear weapons, corresponds with the general approaches to the CTR, though there is some difference. It is more difficult to find any double-dealing in the ESOA program than in other CTR parts. Although in this area assistance is still aimed at *disarming* Russia, the military-industrial complex generals do not dwell on this issue. They believe that this part of the CTR program carries no double standards; Russia has to implement the START I commitments, and the US assistance serves this purpose[18]. As a result, Russian officials state '*a full coincidence in US-Russian attitude to the objectives of the ESOA program*', implying that it's a matter of START I implementation, which is absolutely necessary.

Meanwhile, the attitude of the majority of the military-industrial elite towards the USA and its policy (as well as towards the Russian ruling elite) remains critical. However, military-industrial bosses are ready to accept aid and consider US conditions to be fair, although in private talks they admit that less politics surrounding the CTR program would help facilitate their work. '*The thing is, we'll always come to an agreement with the US professionals, but as for politicians…*' – this is a typical phrase for the officials of Russian ministries concerned.

Another popular opinion in Russia and abroad is that the US redistribution of funds among Russian and US participants in the program is rather unfair. Foreign experts sometimes argue that about 70-80% of the assistance never leaves the USA. Some Russian experts actively use this information to criticize US approaches to the CTR program. The MFA officials, for example, believe that Russia receives from 20 to 40%, depending on the specific track of the CTR program (they refer to the GAO data): '*Russia gets a weak financial inflow.*'[19]. As a rule, this can be heard with respect to the CTR program but not the ESOA.

As far as the ESOA program is concerned, there is no such problem. The distribution of funds for this program is quite satisfactory. For the Russian contractors it is technically difficult to participate in the US tenders: preparation of documents in accordance with US standards, translation, knowledge of US judicial practice, etc. The US companies, winning the tenders for production and delivery of equipment and services, eagerly hire Russian subcontractors from the military-industrial complex, and this is enough for the Russian participants in the program. There is no negative attitude to the administrative expenditures connected with the inspections: 'The USA spends on these purposes as much as it is necessary to be sure that the money is spent rationally. No problem with that.'[20].

Thus, the Russian participants formally agree with the US conditions and regard them as fair. Russia shares in the US approach that the international commitments under START I should be fulfilled.

Another critical remark is that the USA pursues intelligence goals within the CTR and ESOA framework[21]. US officials visit closed facilities and enterprises during their trips performed in the program framework; they visit the same facilities as the US inspectors. However, in accordance with the existing procedures, the inspectors are under

severe control during their stay in the country, which rules out the possibility of subversive activity. As for ordinary CTR visitors, the procedures are less strict and don't differ much from the regular practice of receiving foreigners in Russia. What's more, Russian participants of the program argue that the USA tracks all delivered equipment with the national technical means and gives the program's opponents another pretext to label the program a cover for US espionage.

Social Matters

Russia attaches much importance to the social issues within the CTR framework. The USA prefers to neglect this problem[22], although in the early stages of the program, the USA appropriated money for some social issues (housing, above all). In the mid-1990s, the USA officially recognized the problem and agreed that the social problems should be fully addressed[23].

The ESOA program doesn't provide for the solution of social problems. However, due to continuing economic difficulties, one can't rule out that ESOA work will become the principal activity for the enterprises, given the lack of state contracts. In this case, the importance of the social factor will grow.

Problem of Money-Equipment Ratio in the ESOA Program

Most of the US politicians and researchers constantly emphasize that the CTR program was not created to finance Russian disarmament, but to provide equipment and technologies for carrying out works on disarmament[24]. The article stating these conditions was included in all US laws that authorized funds for the program till FY1995, when it was decided not only to provide equipment and services but to work directly with Russian (also with Kazakhstani, Byelorussian, and Ukrainian) contractors and subcontractors. It was allowed if it would lead to a more efficient use of funds[25].

However, for a long time this US position was misunderstood and the widespread opinion was that '*the essence of the program is to make the Pentagon compensate for the Russian spending on arms elimination.*'[26].

The USA didn't hide the fact that the CTR program served US economic interests, for it created new jobs and opened new markets for US businesses[27]. All this plays in favor of those who think that the USA uses the CTR program to serve its own interests.

So far, the USA has delivered only general-purpose equipment – excavators, bulldozers, cranes and cutting equipment for the dismantlement of bombers and submarines. This equipment can be used to take strategic arms off active duty, to transport them to a certain location and for disposition.

According to Russian practice, the missile should be disposed by the same enterprise that has produced it (except liquid-fuel land-based missiles). If the pace of disposition is to be increased, the production facilities should be modernized, and hence, the enterprises will require equipment that the USA can't supply. As a result, the USA will have to finance the work of Russian enterprises. This financing will go through US contractors, who will redistribute the means among Russian subcontractors.

Problem of Russian Contractors

This problem has already been mentioned above. However, it requires more attention, for the predominance of US contractors in the ESOA program becomes one of the most important arguments for opponents of the program.

The participation of Russian firms and enterprises in US tenders is technically difficult and requires financial costs, which won't be repaid if the tender is lost.

In the near future we can expect an increase in the share of assistance provided for by Russian enterprises in the form of payment for work. In fact, it would be more rational for further program implementation to eliminate the launchers in Russia at US expense[28]. At first sight, it seems to be an additional argument in favor of attracting Russian contractors. In practice the consequences are likely to be completely different.

The necessity to increase the number of Russian contractors will require some political disguise, for it would contradict the initial objectives of the program, which garnered support from both US Republicans and Democrats. If these initial principles change, the US Government may expect a wave of criticism for '*financing the Russian military-industrial complex*'[29].

In this connection there is an urgent need for US companies to serve as direct contractors. The direct contractor not only creates so-called added value (doing this inconvenient and busy work for the US administration – the client) but also assumes responsibility instead of the client. If the program develops in this direction, US direct contractors will become middlemen, who will redistribute the money among Russian subcontractors and cover the US administration from the aforementioned criticism.

At the same time, the traditional arguments of US representatives against the growing number of Russian direct contractors irritate the agencies concerned in Russia. The main argument is the following: the involvement of a Russian direct contractor creates a problem of accounting. Actually, there is no such problem with the Russian direct contractors participating in the ESOA program, for the conditions are the same as for Russian subcontractors – first, work, then, visits of the US representatives to make sure that the work is satisfactory, and only then, the money transfer. The difference is that the direct Russian contractors receive money from the US DOD, while the subcontractors are paid by US contractors. Russian direct contractors and subcontractors do not receive advance payments from the customer, while the US contractors receive advance payments (immediately after signing the contract) to start the work.

Conclusions

The implementation of the program is quite successful. The declared goals are being fulfilled; at present, START I implementation is running two years ahead of schedule. In the opinion of US and Russian representatives, this is the result of ESOA implementation.

There are a number of problems, which may have a negative impact on the program's further fulfillment:

- The attitude of the program's participants and experts has changed. However, they are not entirely satisfied with certain US moves, which can be then cited by program opponents.
- Current favorable conditions for the program's implementation result not from established terms of program fulfillment but from the political situation in Russia and the USA. It is impossible to guarantee that the succeeding ruling elites in the USA and Russia won't change the approach.
- The existing organizational structure in Russia is not ideal but its possible modernization may result in the emergence of a less efficient structure.

The current conditions and terms of CTR implementation run counter to the ESOA program objectives. The main problem here is the ratio between money and equipment. At present, the most large-scale ESOA projects are at the initial stage of implementation, and this problem is less urgent. But we may foresee that the contradictions will worsen. The attempts to solve this dilemma may break political consensus in the USA on the terms of the program, which would then make it impossible to continue or, at least, to develop the program in the future.

---

[1] Information received in an interview with the Head of the CTR Support Office in Moscow Colonel Robert N. Boudreau, June 16, 1999.

[2] It seems that this very argument makes Russian specialists think that the program is more necessary for the USA. Interview with the former head of the National Nuclear Threat Reduction Center Lieutenant-General (retired) Vladimir Medvedev, June 2, 1999.

[3] US documents emphasize the priority character of the ESOA program. See: Cooperative Threat Reduction. 1995 Annual Defense Report. http://www.dtic.mil/execsec/adr95/toc.html).

[4] At the PIR Center seminar "*CTR: Prospects of Development*", July 1, 1999, the MFA representative said that "*the MFA doesn't know all the figures*."

[5] Representatives of the Russian agencies involved in the program use US terms. However, sometimes the usage is not correct, and the meaning of the term doesn't correspond with the named object.

[6] See: News Release, Office of Assistant Secretary of Defense (Public Affairs), reference number: No. 192-97, April 23, 1997

[7] There is such a precedent. In the Ukraine the ESOA assistance went beyond the limits of START I implementation. Dunbar Lockwood, Nunn-Lugar Program: It's not the Time to Plug off. *Yadernoye Rasprostraneniye*, Issue 9, September 1995, p. 4.

[8] We have to point out that the 1993 agreement and all its additional protocols haven't been published in Russia. They have the status of inter-agency agreements, enter into force upon signature and are not subject to obligatory publication (under existing procedure, one copy is deposited with the MFA). At the same time, they are not secret, and the USA believes that they are quite available for the public.

[19]The military-industrial complex enterprises subordinate to the Ministry of General Machine-Building and located outside Russia became the property of other FSU states.

[9] Interview with a top-ranking official of the Ministry of Economics, June 15, 1999.

[10] Report by Yevgeny Adamov at the seminar "*US-Russian Nuclear Cooperation*", Moscow Carnegie Center, May 20, 1999.

[11] In reality, this part of the resolution is not observed. According to the MOD officials, the resolution implementation is delayed since Minatom is unable to perform these duties. Report by a Navy representative at the PIR seminar "*CTR: Prospects of Development*", July 1, 1999. In connection with this report, a representative of the Government Staff emphasized that Minatom, when lobbying for the Government resolution, acted in its own interests, and it didn't serve the cause of the program.

[23]In 1999, the RSA was transformed into Rosaviakosmos and gained control over all aircraft industry enterprises.

[12] Report by the MFA representative at the PIR seminar "*CTR: Prospects of Development*", July 1, 1999.

[13] Interview with the former NNTRC head, Lieutenant-General (ret.) Vladimir Medvedev, June 2, 1999.

[14] When Vladimir Medvedev headed the NNTRC, the Center was planning to reorganize itself into a sort of state structure, which would raise its status and, in accordance with bureaucratic logic, lead to expansion of its functions and powers. The Center is part of the General Staff structure, and its work is coordinated by the First Deputy Chief of the General Staff. The Center's capabilities in the bureaucratic battle are limited due to the specific structure of the MOD and General Staff. We can't rule out the possibility that in certain circumstances the Center's leadership may return to the projects of its former head. Then we may expect the intensification of Center participation in the bureaucratic struggle, including the battle for ESOA or CTR programs.

[15] Interview with Vladimir Medvedev, June 2, 1999.

[16] Report by the MFA representative at the PIR seminar "*CTR: Prospects of Development*", July 1, 1999.

[17] Vladimir Medvedev, War Shot the Faith in Agreements. *Nezavisimoye Voennoye Obozreniye*, No.15, April 23-29, 1999, p. 3.

[18] Program Objectives. http://www.ctr.osd.mil

[19] Report by the MFA representative at the PIR seminar "*CTR: Prospects of Development*", July 1, 1999.

[20] Interview with a RSA official, April 13, 1999.

[21] Interview with Vladimir Medvedev, June 2, 1999.

[22] Interview with the former head of the 12th GUMO, Colonel-General (retired) Yevgeny Maslin, May 5, 1999.

[23]Cooperative Threat Reduction (Part IV)/1995 Annual Defense Report (http://www.dtic.mil/execsec/adr95/). The social issues were mentioned in *An Integrated Approach* section of the aforementioned US DOD report. However, in the 1996 report (Cooperative Threat Reduction (Chapter 8)/1996 Annual Defense Report (http://www.dtic.mil/execsec/adr96/) social issues were mentioned with respect to the Ukraine while other participants of the program were not mentioned.

[24] See: Defense Viewpoint, Volume 13, No. 34. Nuclear deterrence Force Still Essential. Prepared statement by Edward L. Warner III, Assistant Secretary of Defense for Strategy and Threat Reduction, before the Strategic Forces Subcommittee, Senate Armed Services Committee, March 31, 1998 (http://www.defenselink.mil/speeches/1998/di 1334.html) См. также: Cooperative Threat Reduction (Chapter 7)/1997 Annual Defense Report (http://www.dtic.mil/cgi-bin/multigate/retrieve?u=z3950r://dtics14:1024/execsec!F35.../htm)

[25] National Defense Authorization Act (Act 103-337), October 5, 1994, Section 1209, paragraph b, sub-paragraph 3.

[26] Vladimir Nedelin, The US and Russian Military Build the Bridge of Confidence. *Izvestiya*, May 17, 1997, p. 3.

[27]Cooperative Threat Reduction (Part IV)/1995 Annual Defense Report. (http://www.dtic.mil/execsec/adr95/). See also: Cooperative Threat Reduction (Chapter 7)/1997 Annual Defense Report (http://www.dtic.mil/)

[28] Report by the RSA representative at the PIR seminar "*CTR: Prospects of Development*", July 1, 1999.

[29] After the well-known GAO 1995 report that critically analyzed the CTR program, US DOD representatives always emphasized that Russia got only equipment and services and no money (Assistant Secretary for International Security Policy Dr. Ashton Carter). DOD News Briefing, Tuesday, May 23, 1995 - 2:30 p.m. (http://www.defenselink.mil/cgi-bin/dlprint).
He said it in the financial year when it was permitted to use Russian contractors and subcontractors (National Defense Authorization Act (Act 103-337), October 5, 1994, Section 1209, paragraph b, sub-paragraph 3).
Moreover, there are examples when certain work carried out with US assistance provides only money and not equipment.