

James Martin Center for Nonproliferation Studies Remarks

Rep. Ellen O. Tauscher

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Thank you Sandy for your kind introduction, your friendship, and your leadership as deputy director of the Center for Nonproliferation Studies.

And thank you Steve. Your work on the *Nonproliferation Review* has helped set the standard for debate in Washington on weapons of mass destruction.

I would also like to recognize the James Martin Center for Nonproliferation Studies and the work you do to advance the goal of nonproliferation.

It is my honor to share this day with the winners of the Nonproliferation Challenge Essay Contest.

Your efforts have shed new light on deterrence, changed how we discuss proliferation, questioned our assumptions in the nuclear dialogue, and examined new regional models to address proliferation.

These remarkable essays provide new thinking for Congress and the next administration.

And new thinking is what I'd like to discuss today.

President elect Obama and I share a common bold agenda on nonproliferation.

He wants a credible missile shield that protects us and our allies. He wants to work toward the elimination of nuclear weapons. And he wants to ensure that nuclear material around the world is safe from theft or misuse.

As Chair of the Strategic Forces Subcommittee of the House Armed Services Committee, I have long worked to implement this agenda and welcome a new partner in the White House who shares my goals.

Among the challenges facing our new President, none is quite as daunting as the exploding global demand for energy.

That demand for energy is leading many nations to pursue nuclear power.

Regrettably our current tools and norms are woefully insufficient for channeling the demand for nuclear power into safe and secure outcomes.

I want to make the case today for a new, international, multilateral compact that would offer safe and reliable electricity through nuclear power, while keeping the most sensitive parts of the fuel cycle under International Atomic Energy Agency supervision.

Just three weeks ago Secretary of Defense Robert Gates spoke about the goal of continuing to “keep the number of nuclear states as limited as possible.”

This same goal was outlined in the June 2008 National Security Strategy.

However, the global arms control regime is under siege, in part, from the ever increasing demand for low cost nuclear energy.

Nuclear energy has a number of advantages: it’s carbon free; provides reliable electricity; its price is generally stable and not subject to changing climate conditions; and it can help create potable water and hydrogen.

The IAEA expects global nuclear power capacity to double by 2030.

Fifty countries have expressed interest in nuclear power and have asked the IAEA for technical guidance.

Currently, four hundred thirty nine nuclear power reactors operate in thirty countries, with thirty-six new plants under construction.

Of the reactors under construction, seventeen are in developing countries with varying levels of security.

Unfortunately building nuclear power plants gives countries access to weapons material.

The United Nations warns of the sixty states currently operating or constructing nuclear power or research reactors, at least forty possess the industrial and scientific infrastructure to build nuclear weapons on relatively short notice.

Once countries master uranium enrichment and plutonium separation, they have overcome a significant hurdle to developing nuclear weapons.

Furthermore, the National Academy of Sciences reports global stocks of plutonium are increasing.

And nuclear energy creates disposal and spent fuel management challenges.

Most startling, IAEA Director General El Baradei recently reported there had been nearly two hundred and fifty incidents of theft or loss of nuclear material from June 2007 to June 2008.

These are serious threats to global security. The instability created by the drive for nuclear energy is a direct threat to non-proliferation efforts.

Not coincidentally potentially hostile countries have learned the best way to get the world's attention is to start a nuclear weapons program.

Countries such as North Korea and Iran realized, rather quickly, that the legal pursuit of nuclear energy can be a backdoor means to developing weapons capabilities.

Our current efforts are insufficient to halt these illicit developments.

In the case of North Korea, the Six Party talks failed to prevent it from producing enough fissile material for building twelve weapons, up from two in 2003.

There is also the risk North Korea could sell surplus nuclear material to terrorists, or other black market buyers.

Iran has refused to give up their country's uranium enrichment activities and to give the IAEA all relevant information about its nuclear program.

While North Korea and Iran are the most visible actors in this nuclear play, they are by no means the only ones.

Solutions to address the proliferation of nuclear capabilities must reach across the globe and beyond our old thinking.

Existing arms control regimes are important and should be updated.

It's time for a new international compact, one that would guarantee safe and reliable electricity through nuclear power, and keep the most sensitive parts of the fuel cycle under IAEA supervision.

There has been some progress on this issue, most notably from the Director General of the IAEA and the Nuclear Threat Initiative which has raised funds to create a Low Enriched Uranium stockpile.

Now the world should begin a serious pursuit of a multilateral fuel cycle compact and a new nonproliferation bargain.

With an Obama administration, a new opportunity to finally deal with this issue has arrived.

We must devise an arrangement that again engages three sets of actors:

Nuclear weapons states

Civilian nuclear powers with the capability to develop nuclear weapons

Non-nuclear powers that are actively pursuing civilian capabilities that could yield nuclear weapons.

IAEA chief El Baradei has set out the broad outlines of a multilateral solution. His concept faces many challenges but moves the debate over nuclear energy and proliferation in the right direction.

In his first detailed statement on the topic five years ago, El Baradei challenged the world to imagine a “framework of collective security that does not rely on nuclear deterrence.”

It is critical that we seize the opportunity of greater global goodwill under President-elect Obama to finally act on his initiative.

El Baradei proposed a new grand bargain that would guarantee reliable, affordable nuclear energy supplies to countries that pledge to forgo nuclear weapons development.

El Baradei's proposal recognizes the political reality that emerging economies will continue to turn toward nuclear energy.

The proposal calls the bluff of countries like North Korea and Iran that are developing weapons programs behind the veil of peaceful energy production.

El Baradei offered a mechanism that has three parts.

First, he proposed limiting the processing of weapons-usable material to facilities under multinational surveillance.

Second, he urged that proliferation-resistant nuclear energy facilities be deployed.

Third, he called for a multinational solution to the management and disposal of spent fuel and radioactive waste.

The combination of these proposals would add proliferation controls to the most sensitive aspect of the fuel cycle, and broaden the benefits of nuclear technology to more countries.

Any new initiative must also have involve appropriate incentives and take into account the various circumstances of each country.

At heart is the idea that there is no absolute need for countries to possess their own enrichment or reprocessing facilities, the two most sensitive stages of the fuel cycle.

Furthermore, according to the IAEA, the commercial market currently satisfies demand for fuel services, so there is no need for additional national capabilities.

One of the most interesting ideas being considered is a fuel bank overseen by the IAEA.

The setup would be rather straight-forward.

The IAEA would maintain a regular supply schedule and ensure prompt payment. As a guarantor, the IAEA would provide oversight. It would judge whether conditions for supply are being met, assess the nonproliferation status of the recipient, oversee suppliers and generally act as a broker between the supplier and recipient.

To make this model possible, I will work with President-elect Obama to undertake several steps in the short term.

The most immediate is a new commitment by the United States to lead negotiations toward a fissile material cutoff treaty.

This isn't a nice-to-have; it's a have-to-have.

We agreed to this commitment at the 2000 NPT Review Conference.

Under the treaty, production of fissile material would end and all enrichment and reprocessing facilities in nuclear weapons states would be subject to international verification.

Following through on this agreement would make it easier to manage the fuel cycle and reduce the risk of theft of nuclear material.

Second, we must establish clear penalties for withdrawal from the Nonproliferation Treaty.

It took three years for the international community to condemn North Korea after it withdrew from the NPT in 2003.

Instead of being allowed to act with impunity, I recommend that the Security Council prospectively adopt a resolution under chapter seven that states that if a nuclear power, after being found by the IAEA to be in noncompliance with its safeguard commitments, withdraws from the NPT, such a withdrawal would then automatically trigger sanctions.

Third, the U.S. should immediately ratify the Comprehensive Test Ban Treaty.

The United States Senate's failure on yet another commitment undertaken under the NPT directly undermines U.S. leadership on nonproliferation.

Next, the U.S. needs to engage in immediate and unconditional direct negotiations with North Korea and Iran, the two rogue nations who are currently posing the greatest threat to nuclear nonproliferation.

In both cases, the new administration should lay out clear options for normalizing relations. We could offer membership in a new multilateral fuel cycle compact in return for normalized status.

If both countries reject an option that gives them the ability to pursue peaceful nuclear energy, then there will be clear and credible grounds for more forceful action.

Finally, the A.Q Khan nuclear black market network proves how ineffective current export control regimes are at controlling proliferation of nuclear parts and technology.

It is long past due for our Pakistani friends to give us full access to A.Q Khan so the world may gain a complete understanding of the damage he has caused.

We must also provide assistance to countries outside the Nuclear Suppliers Group to enact, implement and enforce export control legislation required under UN Security Council Resolution 1540.

Finally, the Proliferation Security Initiative needs strengthening and an independent budget.

Needless to say that this isn't an exhaustive list of steps and such an enterprise will not be easy.

Outstanding questions and challenges remain, ones which will require your active participation.

For example, can we muster the political will, at home and abroad, for such a program that may assist former bad actors to access nuclear energy?

Which of the participating nations will agree to house nuclear fuel and/or the evitable waste it creates?

Can we come to an agreement on a way to transport such materials?

And finally, how can we promote a balance in energy production around the world, avoiding an over reliance on nuclear energy?

Before the next NPT Review conference in 2010, we must take a fresh look at our arms control toolkit. The ever-present threats around the globe mean the clock is ticking.

I believe the United States must play a leadership role in making a multilateral fuel cycle compact a reality while reducing the threat of nuclear weapons.

I ask for your help in this endeavor.

Thank you for allowing me to share some time with you today. I am happy to answer a few questions.