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**THE BALLISTIC MISSILE THREAT
TO THE UNITED STATES**

HEARING
BEFORE THE
COMMITTEE ON FOREIGN RELATIONS
UNITED STATES SENATE
ONE HUNDRED FIFTH CONGRESS

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THE BALLISTIC MISSILE THREAT TO THE UNITED STATES

TUESDAY, OCTOBER 6, 1998

U.S. SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, DC.

The committee met, pursuant to notice, at 2:40 p.m. in Room SD-419, Dirksen Senate Office Building, Hon. Jesse Helms, Chairman of the Committee, presiding.

Present: Senators Helms, Coverdell, Hagel, and Grams.

The CHAIRMAN. The meeting will come to order. These are the closing throes of a session, and both policy committees are meeting today. I am trying to ascertain whether Joe Biden is out of his yet, and I apologize for my tardiness. You were here ahead of me.

Senator COVERDELL. That is unusual, is it not.

The CHAIRMAN. We will wait just a moment. I will use the time for my statement and Joe can make his when he gets here.

Today's hearing is focused on the remarkable, unanimous conclusions reached by the Rumsfeld Commission regarding the threat of ballistic missile attacks on the United States and the capacity of the U.S. intelligence community to keep abreast of those developments.

This afternoon's distinguished witness is the Honorable Donald H. Rumsfeld, former Secretary of Defense under President Ford and Chairman of the distinguished commission that was established pursuant to the National Defense Authorization Act for fiscal year 1997.

Mr. Secretary, we appreciate your coming. It is always good to see you. It brings back a lot of good memories that I am not experiencing these days.

At the outset, I will observe that there is no greater threat to America's national security than the proliferation of ballistic missiles tipped with nuclear, chemical or biological warheads.

We had a closed meeting yesterday on this very subject. I was alarmed about some of the things that I heard.

At least 10 countries have operational ballistic missiles with ranges greater than 300 miles. That is today.

That number will grow by half again within the next 10 years, and many of these nations, for example, Iran, Iraq, Libya, Syria and North Korea, are clearly hostile to the United States.

Given North Korea's recent flight test of a three-stage intercontinental ballistic missile, it is an absolute irrefutable fact that a hos-

tile tyrant will soon possess missiles capable of exterminating entire American cities.

Now, I have watched in disbelief as the Clinton Administration and the U.S. intelligence community have willfully and repeatedly ignored the handwriting on the wall.

Like many, I was appalled by the National Intelligence Estimate on Missile Threats, NIE 95-19, which simply made too many intellectual errors, all of which underestimated the looming threat, to not have been politically skewed.

NIE 95-19, as Senators may recall, made a number of ludicrous assumptions, such as that concentrating on indigenous development of ICBMs adequately addresses the foreign missile threat to the United States; that foreign assistance will not enable countries to significantly accelerate ICBM development, and that the Missile Technology Control Regime will continue to significantly limit international transfers of missiles, components and related technology, that no country with ICBMs will sell them, that no country other than the declared nuclear powers are capable of developing ICBMs from a space launch vehicle program will do so, nor will, they decided, will space launch vehicle programs enable third countries to significantly accelerate ICBM development.

They also decided that a flight test program of 5 years is essential to the development of an ICBM, that development of short and medium range missiles will not in turn speed ICBM development; that no country will pursue a biological warhead as opposed to a nuclear warhead, for an ICBM; and that the possibility of unauthorized or accidental launch from existing nuclear arsenals has not changed significantly over the last 10 years.

I continue to shake my head in puzzlement and in astonishment that for the last 3 years, our national security policy has been driven by these assumptions, not one of those claims stands up to any scrutiny at all.

We established your Commission, Secretary Rumsfeld, due to our frustration over the intelligence community's refusal to give us a straight answer, at least a straight answer on the record, and true to all of our expectations, your bipartisan commission has served as a breath of fresh air, for which I for one am most grateful.

In the wake of your report, the intelligence community has begun a long awaited, desperately needed revision of its estimates relating to the emerging ballistic missile threat.

Certainly, much remains to be done and the changes in the community's estimation process will leave much to be desired.

For example, rather than eating humble pie, the latest National Intelligence Estimate vainly clings to a variant of the formulation first used in NIE 95-19.

The unclassified key judgment of the 1998 NIE is, and I quote, "beyond the North Korean TD-2, we judge it unlikely, despite the extensive transfer of theater missile and technology, that other countries, except Russia and China, as mentioned, will develop, produce and deploy an ICBM capable of reaching any point of the United States over the next decade."

It is beyond me why the intelligence community cannot simply say within the next decade, North Korea is likely to join Russia

and China as a country that has ICBMs capable of threatening the United States.

This second statement is equally accurate, but heaven forbid that the intelligence community convey a sense of urgency regarding the emerging missile threat.

I am going to close, Mr. Secretary. I think we should all be agreed that the missile threat is real and it is threatening.

I look forward to your presentation of the Commission's key judgments and a chance to discuss the intelligence community's latest NIE with you and the other distinguished members of the Commission.

Let me ascertain for sure whether Senator Biden, our distinguished ranking member of our committee, is able to be with us. I am informed that Senator Biden has been detained on another committee matter, and he suggests that we proceed.

Mr. Rumsfeld.

**STATEMENT OF THE HONORABLE DONALD H. RUMSFELD,
FORMER SECRETARY OF DEFENSE, REPRESENTING THE
BALLISTIC MISSILE THREAT COMMISSION**

Mr. RUMSFELD. Thank you very much, Mr. Chairman, members of the committee. I am very pleased that Dr. Barry Blechman and Dr. Bill Graham are able to be with me today to present the unclassified version of our report to your committee.

Dr. Blechman is the founder of the Henry Stimson Center and a former Assistant Director of the Arms Control and Disarmament Agency in the Carter Administration.

Dr. Graham is the former Science Advisor to President Reagan and was also Deputy Director of NASA.

We are hopeful that Dr. Paul Wolfowitz will join us as well. Paul is the Dean at the Johns Hopkins School of International Affairs, the Nitze School.

Other members of the Commission were Lee Butler, former Commander of the Strategic Air Command. Dr. Richard Garwin of IBM, a scientist with a long record of service on Federal commissions. Dr. William Schneider Jr., former Undersecretary of State for Security Assistance in the Reagan Administration, and General Larry Welch, former Chief of Staff for the Air Force and currently the CEO of the Institute for Defense Analysis.

Last, the Honorable James Woolsey, former Director of the CIA in the Clinton Administration.

I must say that we could not have had a more knowledgeable, experienced and talented group of commissioners than the names I just read. They certainly deserve my respect and appreciation and they have it in full measure.

As you know and said, the Commission was established by Congress. We delivered our report in July including a brief, unclassified executive summary that you all have before you. It is some 36 pages. The actual report is 306 pages, I believe, plus a couple of hundred pages of classified back-up.

I would ask, Mr. Chairman, the unclassified Executive Summary be placed in the record at this point.

The CHAIRMAN. There is no objection. So ordered.

A copy of the unclassified *Executive Summary* of the Commission's report will be maintained in the Committee's files. The *Executive Summary* is also available on-line at:

<http://www.house.gov/nsc/testimony/105thcongress/BMThreat.htm>

Mr. RUMSFELD. The members of the Commission were nominated by the House Democratic and Republican leadership and the Senate Democratic and Republican leadership.

Our work covered more than 6 months and included some 200 briefings. As General Welch observed at one point, the facts finally overrode all of our biases and opinions that we came into our work with and literally drove us to our unanimous conclusions.

As required by the charter, we looked only at the emerging and current ballistic missile threat to the United States, not to other threats, such as terrorism or cruise missiles. We concentrated on the threat to the United States of America as opposed to U.S. forces overseas or friends or allies.

We examined the ballistic missile countries, both as buyers and sellers, as well as users of technology, and the state of their capabilities, including biological and nuclear weapons.

We consulted with technical, area, functional and policy experts. We commissioned work to look at technical aspects as to what is possible in the various approaches in missile development, and we examined the availability of nuclear and biological weapon capabilities.

I will summarize briefly our conclusions. First, that China and Russia continue to pose threats, although different in nature. Each country is on a somewhat uncertain, albeit a different path.

With respect to North Korea and Iran, we concluded that each could pose a threat to the United States within 5 years of a decision to do so, and that the United States might not know for several years whether such a decision had been made.

We concluded that Iraq could pose a threat to the U.S. within 10 years of a decision to do so, and that the U.S. might not know for several years when such a decision was made. That view was based on the assumption that the UNSCOM sanctions and inspections would be in place and effective. It is now increasingly likely that they will not be in place or effective.

Therefore, we would place Iraq with North Korea and Iran as capable of posing a threat within 5 years of making such a decision, and we underline that we might well not know for several years if such a decision had been made.

We concluded unanimously that the emerging capabilities are broader, more mature and evolving more rapidly than they had been reported, and that the intelligence community's ability to provide timely warning is being eroded.

We concluded that the warning time of deployment of ballistic missile threat to the United States is reduced. Indeed, under some plausible scenario's, including re-basing or transfer of operational missiles, sea and air launch options, shortened development programs that might include testing in a third country, or some combination of these, we concluded that the U.S. might well have little or no warning before operational deployment.

All of these possibilities have happened, so they are hardly unlikely.

One important reason for reduced warning is that the emerging powers are secretive about their programs and are increasingly sophisticated in deception and denial. They know considerably more than we would like them to know about the sources and methods of our collection, in no small part through espionage. They use that knowledge to good effect in hiding their programs.

We have concluded that there will be surprises. It is a big world. It is a complicated world and deception and denial are extensive.

The surprise to me is not that there are and will be surprises but that we are surprised that there are surprises. In my view, we need to recognize that surprises will occur and take the steps and investments to see that our country is arranged to deal with the risks that the inevitable surprises inevitably will pose.

The second key factor is the extensive foreign assistance, technology transfer and foreign trade in ballistic missile and weapons of mass destruction capabilities.

Foreign trade and foreign assistance are in our view not a wild card. They are facts. The contention that there are nations with indigenous ballistic missile development programs is in our view not correct. We do not know of one such nation that in fact has what could be correctly characterized as an indigenous ballistic program. There may not have been a truly indigenous ballistic missile development program since Robert Goddard. The countries of interest are helping each other. They are doing it for a variety of reasons, some strategic, some financial, but technology transfer is not rare, it is not unusual, indeed, it is pervasive.

The intelligence community has a difficult assignment. There are more actors, more programs and more facilities to monitor than was the case during the Cold War. Their assets are spread somewhat thinly across many priorities.

Methodological adjustments relative to collecting and analyzing evidence is in our view not keeping up with the pace of events.

We approached our assignment not as intelligence analysts, but as policymakers with decades of experience in dealing with the intelligence community and its products.

As such, we approached it in a way that was different from the normal intelligence analyst's approach. Therefore, it should not be surprising that our conclusions diverged from earlier community estimates.

Specifically, Russia and China have emerged as major suppliers of technology to a number of countries. There is the advent and acceleration of trade among second tier powers to the point that development of these capabilities may well have become self sustaining.

For example, today they each have various capabilities that others do not. As they trade, whether it is knowledge, systems, components or technicians, the result is that they each benefit from each other and are able to move forward on development paths that are notably different from ours or that of the Soviet Union, and they are able to move at a more rapid pace.

To characterize the programs of target nations as “high risk,” it seems to me is a misunderstanding of the situation. These countries do not need the accuracies the U.S. required. They do not have the same concerns about safety the U.S. has, nor do they need the high volumes the U.S. acquired.

As a result, they are capable of using technologies, techniques and even equipment that the U.S. would have rejected as too primitive as long ago as three decades.

Whether called “high risk” or not, let there be no doubt that they are rapidly and successfully developing the capabilities necessary to threaten the United States.

Since January 1998, when we began our assignment, we have seen the Pakistani Ghauri missile launch, the Indian nuclear tests, the Pakistani nuclear tests, Iran’s Shahab 3 test, and most recently, the North Korean TD-1 space launch vehicle effort, to mention only the unclassified events.

There has not been a month that has passed where there has not been some event or new information that has reinforced the reality of the extensive technology transfer that is taking place or a new surprise because of the sophistication of these countries’ deception and denial, and their increasing skill at keeping the U.S. from knowing what it is they are doing and where they are doing it.

The recent TD-1 space launch vehicle test is an object lesson but it is also a warning. Many were skeptical for technical reasons that the TD-1 could fly at all. It had been the conventional wisdom that staging and systems integration were too complex and difficult for countries such as North Korea to accomplish in any near time-frame. Yet, North Korea demonstrated staging twice.

The third stage solid motor and the satellite were both a surprise. The U.S. was aware that a launch was going to take place but not that the TD-1 would have a third stage, and certainly not that it would attempt to put a satellite in low earth orbit. While anticipating a flight of a TD-1, the IC did not anticipate this type of flight.

The question is does this bring North Korea to an ICBM capability. The intelligence community is estimating that the system tested is somewhere between 4,000 and 6,000 kilometers. ICBM range is in that neighborhood. That means that a three-staged TD-1 might be able to reach Alaska and parts of the western most Hawaiian Islands. This range, however, was not what was expected of a TD-1. Rather, what was expected of their follow on missile, the TD-2.

How much further might a three-staged North Korean TD-1 fly? That, of course, is a function of the payload type and size, the weight of the materials used and the number of stages.

It would not be surprising if the range/payload calculations suggest that a three-staged TD-1 has a potential greater than that of 5,500 kilometers, the ICBM range. Overcoming the failure in the third stage should be manageable and re-entry vehicle technology is on the open market.

Even if calculations indicate that the TD-1 cannot reach beyond Alaska and Hawaii with a useful payload, their recent launch does

suggest that because of their demonstrated technical proficiency, the TD-2 will be considerably more capable than had been thought.

In short, the likelihood that a TD-2 will be successfully tested has gone up considerably since the August 31 flight. The likelihood that a TD-2 flight will exceed 5,000 to 6,000 kilometers in range with an useful payload has gone up as well. The likelihood that we will not know very much in advance of a launch what a TD-2 will be capable of continues to be high.

What I have said about North Korea is important but given the reality of technology transfer, what happens in North Korea is also important with respect to other countries, for example, Iran.

If North Korea has the capability it has now demonstrated, we can be certain they will offer that capability to other countries, including Iran. That has been their public posture. It has been their private behavior. They are very actively marketing ballistic missile technologies.

In addition, Iran not only has assistance from North Korea but it also has assistance from Russia and from China, which creates additional options and additional development paths for them.

What does all this mean by way of warning? It powerfully reinforces our Commission's conclusions that technology transfer is pervasive and that deception and denial work.

Further, it points out the fact that the longer range ballistic missiles are increasingly attractive to a number of countries, because the world knows from the Gulf War that combating Western armies and navies is not a wise choice.

This reality makes threats such as terrorism, ballistic missiles and cruise missiles more attractive. They are cheaper than armies and air forces. They are attainable. Ballistic missiles have the advantage of being able to arrive at their destination undefended.

We concluded unanimously that we are in an environment of little or no warning. We believe that arguments to the contrary are not supported by the facts.

This led us to our unanimous recommendation that U.S. analyses, practices and policies that depend on expectations of extended warning of deployment be reviewed, and as appropriate, revised to reflect the reality of an environment in which there may be little or no warning.

Specifically, we believe the Department of State should review its policies and priorities, including non-proliferation activities, the intelligence community should review U.S. collection capabilities, given their more complex task, and last, that the defense establishment should review both U.S. offensive and defensive capabilities and any strategies that are based on extended warning.

In short, we are in a new circumstance and the policies and approaches that were appropriate when we could rely on extended warning no longer apply.

Mr. Chairman, I thank you. Dr. Blechman and Dr. Graham and I are prepared and available to respond to questions.

The CHAIRMAN. Mr. Secretary, this is a frightening report.

I was sitting here thinking as you proceeded that it would be very advantageous if some of the television times lamenting the conveying of some Federal officials, at least one, if there could be

some attention paid to the risks and the threat to the security of this country of ours.

Have you offered to make this information available to the administration?

Mr. RUMSFELD. We have offered to make the information available to the administration. We have offered to brief the Pentagon, the Chiefs, the State Department and the National Security Council.

We have a meeting scheduled to brief the senior officials of the intelligence community at the CIA and the DCI has requested that we meet.

We had a brief meeting with Secretary Cohen prior to the release of our report and with the Chairman of the Chiefs, General Shelton. We have not briefed them on the report.

The CHAIRMAN. I am particularly interested in all of them, of course, but particularly so in the reaction of our fellow North Carolinian, the Chairman of the Joint Chiefs, Hugh Shelton. The media refer to him as Henry Shelton. Nobody calls him Henry except people who do not know what he is called back home.

You have offered a full classified briefing on the results of your Commission findings to the Chairman; is that correct?

Mr. RUMSFELD. Yes, we have. I believe we have scheduled a meeting for next month with General Hughes, the Director of the Defense Intelligence Agency.

The CHAIRMAN. Bill Cohen, with whom I enjoyed serving in the Senate, he has not apparently been interested either?

Mr. RUMSFELD. We have not met with him since issuing our report.

The CHAIRMAN. I am going to defer my further questioning until my colleagues—

Mr. RUMSFELD. I should add, if you will excuse me, that we did meet also with the National Security Advisor to the President, Mr. Berger, prior to issuing our report, to give him a review of what we were thinking and spent some time with him, but we have not given a full briefing to him or his staff on our report since it's been issued, nor have we talked to anyone in the executive branch after they have had a chance to read the classified version. The most constructive way to do it, would be to have them read the classified version and then have the members of the Commission meet with them.

The CHAIRMAN. Senator Coverdell, I am going to defer to you to begin the questioning.

Senator COVERDELL. I apologize for the fact that I had to leave for a moment. Mr. Secretary, we were chatting a little before the hearing. I would like to have your observations, and maybe the Chairman has already asked, just generally the response in the intelligence community, an overview.

It was a pretty shattering report. What is the general response among the professionals that you are talking to, (a), and (b) how is it that—I mentioned it, I cannot cite it exactly, but basically we have had on the heels of this report an Administration ratification of no requirement to accelerate a time table dealing with this kind of threat.

I would just like your observations or any of your colleagues' observations to this point.

Mr. RUMSFELD. I will open by saying that there is a lot of anecdotal information I can find in terms of people's reaction.

I think some people just wish the problem would go away. There have been two written documents that have occurred since our report that bear on our report. One was by Mr. Gannon and one by Mr. Walpole, both unclassified, and each reflect that they have read the report carefully and their comments indicate that the IC is migrating away from prior community positions to positions more closely approximating what we have submitted in our report.

I would say our report is having an effect in the intelligence community.

One other written document was this letter from General Shelton, the Chairman of the Joint Chiefs of Staff, to Senator Inhofe. It has a series of statements in it.

One was that after reading the report, they remained confident that the intelligence community can provide the necessary warning of the indigenous development and deployment by a rogue state of an ICBM threat to the United States.

The problem with that statement, with all respect, is that we don't believe there are any indigenous development and deployment programs in the world. Therefore, the fact that they remain confident that the intelligence community can provide the necessary warning of such indigenous development and deployment by a rogue state of an ICBM threat to the United States is not relevant.

Second, the letter says that the Commission points out that through unconventional high risk development programs and foreign assistance, rogue nations could acquire an ICBM capability in a short time, and the intelligence community may not detect it.

That's true. We did point that out and we did point out that the intelligence community may not detect it. But, they go on to say we view this as an unlikely development. The problem with that statement is that we do not believe it is an unlikely development. It is not only not unlikely in our view, but it is a fact that each of those have happened, so they can hardly be "unlikely."

There have been countries that have purchased entire missile systems. There have been countries that have launched ballistic missiles from ship board. There have been countries that have tested missiles on other countries' soil.

There have been countries, including the United States, that have placed their missiles on other people's real estate. And, the Soviets tried to do it in Cuba.

If tomorrow Iran announced they were placing a ballistic missile system in Libya to defend Libya, they would be 1,000-plus kilometers closer to the United States, so they could threaten us with an abbreviated development program.

The most disturbing part of the sentence I quoted is it says that through unconventional high risk development programs and foreign assistance, and then it goes on to say they view that as an unlikely development.

Foreign assistance is not an unlikely development. It's a fact. It is happening all over the world as we sit here. Russia is helping India. Russia is helping China. China is helping Pakistan. China is helping Iran. North Korea is helping Pakistan. These countries are trading with each other, and they each provide assistance that brings the other countries along faster than otherwise would be the case.

In answer to your question as to what has been the reaction to our report, this is one of two written reactions, and we find it disturbing.

Senator COVERDELL. It is a denial or it comes close.

Mr. RUMSFELD. The Pentagon has to worry about budgets and they have to worry about other threats beyond ballistic missiles. They can't look at just the ballistic missile threat. They have to look at the full range of threats—conventional threats, terrorism, cruise missiles, what have you.

That's true. Therefore, in my view, the thing to do is then say that that is the fact.

Senator COVERDELL. Only in deference to the rest of the committee, if the others want to comment on this, I would welcome it. Is that appropriate, Mr. Chairman?

Mr. CHAIRMAN. That is fine.

Senator COVERDELL. Dr. Blechman.

Dr. BLECHMAN. I thought that was a very good response. I would only add that I believe the issue of the administration's reaction and so forth is complicated by the intense partisan nature of the debate on this issue.

As a citizen, I find it very unfortunate among the people in the administration that I interact with, people on the sub-Cabinet level, there is a great acceptance of the report and of the indisputable facts behind it as witnessed by events like the North Korea launch recently.

I think there is an opportunity in the new year for a change in positions and for constructive movement toward more reasonable policies.

Senator COVERDELL. Dr. Graham.

Dr. GRAHAM. I think it has all been said, Senator.

Senator COVERDELL. I yield.

The CHAIRMAN. Senator Grams.

Senator GRAMS. Thank you very much. Mr. Secretary, thank you for being here. Gentlemen, appreciate your opportunity to join us today.

When you talked about no indigenous programs—by the way, I think your report is just another warning signal that we have been receiving of our increased vulnerability of not paying attention to the defense of this country, which of course, is the first and foremost charge, I think, of the Federal Government, over and above everything else.

When you talked about no indigenous programs, technology transfers, partnerships for different reasons, strategic or economic, why do you think the Chinese or the Russians would be involved?

Some of this is posing probably as big a threat to them because today's allies could be tomorrow's opponent.

What would cause them to be part—I can see Iran, Iraq and some of the developing countries wanting to latch onto this technology, but why countries like Russia and China being involved in this type of exchange?

Dr. GRAHAM. I think Russia and China have some different interests and different concerns than ours, and they are reflected in their activities in this area very directly.

For example, states that we call rogue states, Iran, Iraq, Syria, Libya, might better be characterized as client states to Russia and China as well, North Korea certainly fits in that.

Those are states with which they have in the past and I am sure hope to continue to exercise some political and diplomatic and possibly military influence, so they see them very differently than we do, and look to greater interaction and cooperation with them than we would.

Second, of course, in the case of Russia and to some degree, China, and certainly North Korea, there is good money in selling ballistic missiles and ballistic missile technologies and at least by implication, the technology that supports the warheads for missiles as well, which in their most effective form are weapons of mass destruction, nuclear, biological and chemical weapons.

This is an area where even a country as backwards as North Korea, as poor and as isolated as North Korea is, can find a significant market in the world for its ballistic missile technologies, and for the same reason that Chairman Rumsfeld mentioned, ballistic missiles have an appeal to the developing part of the world, the ability to sell to the developing part of the world has good economic potential.

For all of these reasons, for influence, for the economics or military cooperation and involvement, and in some cases, just to provide the ability for the engineering and scientific cadres to survive in Russia today and possibly other countries as well, North Korea, the potential to transfer this technology looks very appealing.

Mr. RUMSFELD. I would add that, clearly, China's interest in helping Pakistan is strategic. They have a long border with India and they have had border wars and they would rather have India occupied on the other side.

The other thing I would point out is that the United States and Western Europe are major technology transferrers as well. We live—

Senator GRAMS. Intentionally or unintentionally, like the missile technology transfer that may be in a different hearing?

Mr. RUMSFELD. I would say both, but mostly unintentionally. We live in the post-Cold War world which is relaxed. All kinds of students train in our country and other western countries. Numerous international scientific symposia, leaks of classified information, espionage, and the demarches the U.S. makes end up supplying information to other people as to how they can do a better job of deceiving us.

The reality is that these technologies, over time, are going to get in other people's hands. We ought to try to stop it. We ought to do

what we can to delay it, but the reality is that our country is going to have to recognize that other nations are going to have increasingly sophisticated capabilities.

Thinking we can plug all the holes is a mistake. I don't think we can plug all the holes. I think we are going to have to be willing to invest so that we can live with the increased risks that are inevitably going to follow increased sophisticated weaponry in the hands of people who do not wish us well.

Senator GRAMS. Just quickly before my time runs out, former CIA Director, Robert Gates, had a different conclusion. He said we did not face any long range missile threat before the year 2010. Why do you think your Commission reached such a different conclusion?

Mr. RUMSFELD. I would say first that I think if you talked to him today, he would have a different answer. I shouldn't speak for him and I can't, but a great deal has happened in our world since he issued his report.

Time has passed. There have been many events that have occurred. We are living in a situation where I think people are increasingly aware and will become even more aware over the coming 6 to 8 months. I suspect you will see the intelligence community views evolving.

I can't believe you will see another letter like this one out of the Pentagon.

Senator GRAMS. But today's facts are better than yesterday's estimates, we know more today than we did?

Mr. RUMSFELD. We do.

Senator GRAMS. Thank you very much.

The CHAIRMAN. Senator Hagel.

Senator HAGEL. Mr. Chairman, thank you. Gentlemen, welcome and we are all grateful for the good work you have done here. You have advanced a very serious issue in considerable ways and you are continuing to work, and that is not, as you know, always the case. We are all better off for what you are doing. Thank you very much.

Mr. Secretary, would you and your colleagues give me your thoughts on this Administration's current ballistic missile defense position, if there is one?

Dr. BLECHMAN. Yes, sir. The Commission, of course, did not look at this issue and discuss it and we don't have a position as a commission. My personal view is that the U.S. should be deploying a limited missile defense, as the technology becomes feasible.

These deterrents, there is always a weak read, and in the case of the Soviet Union, it was the best we could do, given the size of their missile forces, but against these smaller forces now emerging, we can provide effective defenses as a supplement to deterrents.

However, I think we should do this in a way which doesn't jeopardize relationships with the Russians. We need to start talking with them, to have a strategic dialog and to move to alter the arms control regime, both on the offensive side and the defensive side, to modify the ABM Treaty or replace it with something else, do this cooperatively, but make clear from the outset, we are doing this, we are deploying this limited defense system, that we hope you will

move with us in a cooperative relationship so that all of us can live in a safer world.

Senator HAGEL. In your opinion, does that require changing the 1972 ABM Treaty, as Ronald Reagan once said, a nation now assigned to the dust bin of history, is that treaty relevant?

How can you move forward with a defense system unless you engage the treaty?

Dr. BLECHMAN. The treaty is relevant to our relationship with the Russians. Since Russia is a powerful country militarily and has very large nuclear forces, I think it's only sensible to not tear up the treaty but rather to change it in a cooperative way with them.

It depends what specific system you want to deploy. If, for example, as has been suggested, we should deploy our national missile defense system in Alaska, that would require a change in the treaty. That shouldn't be an insurmountable obstacle.

Senator HAGEL. Thank you.

Dr. GRAHAM. This Administration has stated several times that the ABM Treaty is a cornerstone of our national security. I believe if that is the cornerstone upon which the policy is based, then we will never have an effective ballistic missile defense either at the theater level or at the national level.

As far as the Soviet or Russian response is concerned, I believe that as a practical matter, there is no way that Russia or anyone else could construe a light missile defense that we might build in the next few years, as being something which would threaten their ability to destroy the United States whenever they wished to do so.

Personally, I think it is a terrible point of national security policy that we grant them the ability to destroy our country any time they wish to do so, and have only the ability to destroy their country as our response to that.

Even if you accept that chain of logic, then there is no way anything we are going to build in the next few years will go to that level of defense.

Nonetheless, we could defend ourselves against threats from developing countries and China within the next few years. However, the ABM Treaty prohibits us from doing that very explicitly. It says we may not construct a territorial defense.

That treaty was negotiated and written by diplomats in the currency of diplomacy, although I'm an engineer, I have come to learn as ambiguity, so everyone can agree to it, once there is a treaty, that is then interpreted in the United States at least by our lawyers who deal in precedent and precision in the language, so suddenly this document born in ambiguity is being interpreted in a very precise way, usually with the greatest possible constraints imposed.

The product that comes from that process is given to the engineers to build and the currency of their realm is cost, schedule and performance. If they don't know what they are allowed to do and what they aren't allowed to do, it's very hard to make something that has a known cost, schedule and performance, and if anything comes out of that process, and not much has, it is handed to the military to try to operate and defend the country with.

I don't think I could invent a worse way to defend the country if I spent all month trying to think about it.

Senator HAGEL. Thank you. I think that was rather clear.

Mr. Secretary.

Mr. RUMSFELD. Very briefly, as Dr. Blechman said, we did not take this as a Commission assignment, so these are personal views.

Weakness is provocative. It encourages people to do things that they otherwise would not think of doing. The reason ballistic missiles are so attractive is because they can arrive at their destination undefended.

Therefore, countries look around the world and asking themselves, how can they assert influence in our region and dissuade other nations, the United States included, from involving themselves to our disadvantage in those regions.

What can they do that will give them that kind of weight. They know their armies cannot do it, their air forces cannot do it. The answer they come to is ballistic missiles.

It seems to me by not addressing that as a country, we are encouraging nations. I do not know what the number is today, but it is somewhere between 20 and 30 countries that either have, have had, or are acquiring ballistic missiles of various sizes and shapes, the ranges of which are going to increase over time and the warheads of which are going to become more powerful over time.

I come out right where our recommendation is. First, three plus three, it seems to me, is overtaken by events. One can not favor ballistic missile defense for other reasons, such as budgets or the technology, but not because they believe three plus three is credible, in my view.

I would think it is important for the administration to study the report, to look at our recommendation and have a systematic review of their positions. I would hope they would change and reflect the reality of the little or no warning environment we are in.

Senator HAGEL. Thank you. Mr. Chairman.

The CHAIRMAN. You two gentlemen go ahead and vote and then come back. Paul Coverdell will be here shortly and he can succeed me for a while.

One of the great issues today in the political arena is the very thing we are talking about. There is a tendency among some to say, look, nobody is dumb enough to start a war. I hope nobody is dumb enough to believe that.

Yesterday, we had a thorough discussion of it. The thing that bothers me is the chief executive of our country diverted in terms of his attention to other things and he is not thinking straight on the question of the defense of this country. There are a lot of people who believe that most sincerely.

On my part, Mr. Secretary and gentlemen, my belief is that the Clinton Administration's non-proliferation policy has collapsed so completely that the administration genuinely, perhaps, but obviously mistakenly, believes that the leaders of foreign countries have at heart the same basic interests we do. They do not. They do not think like we do. Their goals are not the same.

On that assumption flows the belief that if only we could give them all the information they need, they would seek out and termi-

nate the activities of those who are misbehaving. Anybody who believes that is overdosed on dumb pills.

As a result, the administration has been sharing a deluge of sensitive intelligence information. I wish I could go into it this afternoon and I cannot. Intelligence information in the form of diplomatic statements and questions with Russia and China.

I want to have your opinion of what effect all of this sharing of information has had upon the U.S. intelligence community's ability to monitor missile proliferation. Do you want to take a crack at that, Mr. Secretary?

Mr. RUMSFELD. Sure. I have been told that the United States probably makes more demarches around the world than all the other countries on the face of the earth combined.

There is no question if you go to another country and tell them you would like them to do something based on some information you have, it is not surprising they are going to ask for the information, the evidence. To the extent that you give them the information and it reveals sources and methods of intelligence collection in ways that enable those countries to know that a specific channel of communications is compromised, they will likely use different channels.

The one effect of a demarche is that the information that you have that is confidential is now in the hands of the other people and they then use that information to close down that channel. It leads the people who are doing the proliferating to follow a different path.

The second point you made I think is correct, that countries do have different interests. There are countries that we have intimate relations with that we are not going to change because some other country comes over and tells us we should. Every country has countries like that, that they have intimate relationships with. They are not going to sever relationships with such countries simply because the United States comes and asks them to do so. It is expecting too much.

I should begin by saying anti-proliferation has been a good thing. That is to say we have achieved some successes in keeping countries from not developing nuclear weapons and/or not having ballistic missiles.

On the other hand, it is far from perfect and over time, we have to face reality. We are not going to live in a world that is static. Other countries are going to get advanced weapons.

The CHAIRMAN. I am going to vote and I will be back, if you will take over, Senator.

Senator COVERDELL. All right, Mr. Chairman. I am going to proceed with the formal questions that were prepared for the Chairman, but before I do, now that we have a public demonstration of the launch now in the public sector, the launch of the three-stage ballistic missile by North Korea over the land mass of Japan, subsequent to your report, any observations about the public nature of that demonstration and what particular note the United States and the free world ought to make of that?

Dr. GRAHAM. One of the arguments that was made in favor of it taking 15 years to develop ICBM capability by these developing

world countries, such as North Korea, although in their case, they may be the undeveloping world, since they seem to be going backward in their economics and other dimensions except for missiles, but in any case, one of the points made was that missile staging was difficult and sophisticated and required systems integration and advanced capabilities, which they had not yet acquired and had not demonstrated, and it would take them a long time and many tests to show they could do missile staging.

What the Taepoe Dong 1 launch showed after the U.S. intelligence community finally figured out what the data collected meant was that in fact the missile had not successfully staged once but it had successfully staged twice. The second stage had worked and the second to third stage had worked.

What this meant in terms of the advancement of the program was enormous because it said now they understand enough about multi-stage missiles to build them and in this case, have the staging part of the flight work the first time they tried it, a very impressive accomplishment.

It also gives the Taepoe Dong 1 a capability to shoot a small payload, probably in the 10's of kilograms region, to intercontinental missile ranges, which are above 5,500 kilometers, but potentially, as the Chairman said, out to 6,000 and potentially even beyond that.

These are probably payloads that once you get beyond 6,000 kilometers at least, they are small enough that they are not suitable for most nuclear weapons, but they are certainly suitable for biological weapon deployment. Perhaps more ominous yet, the North Koreans have in development a Taepo Dong 2 missile, which is a much larger missile, which had been estimated to be a two stage missile by the intelligence community up until now, but if operated and configured as a three-stage missile, would be clearly an ICBM capable of delivering nuclear warheads to essentially any location in the United States.

One way to look at that is that we are one Taepo Dong 2 three-stage missile launch away from the North Koreans having clearly demonstrated a nuclear capable ICBM, and I think that is of great concern and there is no reason to believe that is in the distant future and in fact, there is no reason to believe it couldn't happen with little warning at essentially any time, as we say in our report.

Dr. BLECHMAN. I might add the North Korean launch is very interesting. Its impact is perhaps greater on the not so free world in that I understand the Chinese are furious at the North Koreans because the test, of course, pushed Japan forward into developing jointly with us missile defenses for Japan, something the Chinese had hoped to avoid.

The North Korean program tells us, one, the enormous priority they give to developing these kinds of capabilities. After all, this is a country that we are told is starving and millions of people are starving, and yet somehow they find the resources to pour into these programs, which as you know, are not inexpensive.

Second, the audacity of launching over Japan, over Japanese air space and triggering the kinds of reactions it has had in Japan and elsewhere.

Third, the willingness to risk their relationship with us in the small steps that had been taken toward some cooperation with us. It tells us that they are very serious about this program. They give it a high priority and have good reasons of their own which we probably don't understand very well. We know very little about it. We were surprised, again, at it having a third stage, at the type of engine this third stage had, at the satellite attempt, attempt to launch a satellite. We know very little about North Korea. We know very little about its programs and we certainly know very little about its motives.

Mr. RUMSFELD. Three quick comments. There is no question but that to the extent Japan and Korea have, over decades, arranged themselves under the umbrella of the United States and thereby avoided doing certain types of things, including the development of nuclear capabilities, the concern in Japan about this is real and it has to raise questions on their part about U.S. intelligence capabilities to defend them, because they know ballistic missiles are undefendable. So, that is a factor that will affect behavior in North-east Asia.

Second, from the standpoint of the North Koreans, it was a fine advertisement. The launching of the TD-1 told the world that they have an advanced capability that the rest of the world didn't think they had, and that it's for sale, to Iran or whoever, to the extent they want it, they can buy it. That is an important complicating factor.

What happened in North Korea is interesting and important for North Korea, but it is also exceedingly interesting and important from the standpoint of other nations that can abbreviate their programs toward acquiring those kinds of capabilities.

Senator COVERDELL. Mr. Secretary and to the others, now that the report is out and we have had it in the world of debate for a period of time, your report was not commissioned to do so, but I would be interested if the President or the Secretary of Defense, the congressional leadership, were to ask you what do you think as a result of this report the United States should do or change, what would be your response?

Mr. RUMSFELD. We would not have a Commission response because as you say, we didn't address that. We do have one response as a Commission, and that is our recommendation that they ought to sit down and look at the world as it really is, not the way they wish it were, and review all of our policies that are anachronisms, that go back to an earlier time when we had extended warning, when we had overwhelming capabilities, when we had different degrees of deterrent effect, when we were conceivably somewhat less vulnerable to some of these asymmetric responses by other nations.

I think that is the first task.

Dr. BLECHMAN. I was struck by the opportunity afforded to me by service on this Commission and to see the vast array of information on proliferation by the extent to which the knowledge and techniques to develop and build weapons of mass destruction of various types and the missiles to deliver them has spread and continues to spread around the world.

To my view, there is no threat in the same league to the United States and its security than the threat of weapons of mass destruction on ballistic missiles.

Although we give a lot of rhetoric to this issue, to my mind, this Administration or any administration before it has given that threat the seriousness with which it requires. This is a threat that can kill us, kill many millions of Americans, and we talk about it and we take halfway measures, and that is about it.

It requires comprehensive policies. No defense is going to provide total immunity against these forces. No defense is perfect and no proliferation, non-proliferation or anti-proliferation policy is perfect. It takes a comprehensive policy that covers diplomatic approaches, including arms controls. It requires defense strategies. It required offensive means. It might require conventional actions, military action.

If you take the threat seriously, you have to begin to look seriously at the range of options. To my mind, any administration and any congressional leadership should look comprehensively at these threats and how we might deal with them in a serious way.

Senator COVERDELL. Just to comment on that, then I will come to you, Dr. Graham, I agree with you that is one that does not rest at the feet of any one administration, with one exception, and that is your report.

Your report is changing the dynamics. Everything up until your report is based on the language that was in General Shelton's letter, that is parroting what former presidents have been told.

I agree with you, Mr. Secretary. Japan has to be looking at this in a very different way because prior to that missile going over their air space, they were reading the same reports that former presidents, former national security councils, et cetera, were reading. You have changed the paradigm.

Dr. Graham, do you want to comment on this?

Dr. GRAHAM. Yes, Senator. I agree with my colleagues that from the Commission point of view, our single recommendation is the course that we would pursue. Beyond that, personally, I agree with Dr. Blechman that the U.S. needs a comprehensive policy to deal with the ballistic missile and by association probably the cruise missile and other external threats to the U.S. That is very clear and well stated and formidable. We do not have such a policy at this point.

In addition to that, I have watched the effect of the various arms control constraints and in particular the ABM Treaty, upon our ability to develop and deploy ballistic missile defense systems, both theater range and longer range, for both regional defense and for national defense for many years.

I looked at it when I was President Reagan's Science Advisor in his second term. I was the Chairman of the SDIO outside advisory committee for 3 years during the Bush Administration.

I must tell you, the ABM Treaty, as it is interpreted by the U.S. and implemented by both Republican and Democratic Administrations, has a corrosive effect upon our ability to defend ourselves against ballistic missiles.

Just as one example, there is an office in the Department of Defense called the compliance review group, the CRG, which looks at whether defense systems we are considering developing are in fact compliant with the ABM Treaty. It is actually an interagency group chaired by an individual in the Office of the Secretary of Defense.

When you approach them with a ballistic missile defense system concept, what you are told is they do not deal in conceptual systems. They want to see a specific system design and then they will judge whether it is compliant with the ABM Treaty or not.

The compliance review group probably cost a few hundred thousand dollars a year to run. The development of a ballistic missile defense system costs a few hundred million dollars a year to run, and sometimes it is \$1 billion.

What you are doing is you are putting in jeopardy a few hundred million dollars a year in system development while the compliance review group waits until you have a sufficiently well specified system, so that they have what they consider to be a development program in hand, which they can then judge the compliance.

This has a completely backward order of doing things. What it does is it forces the defense system designers to be extremely conservative in how close they approach to the limits of the ABM Treaty, and in fact, they usually come down quite a way from it so they won't be torpedoed at the last moment by the compliance review group.

This is just one of about a dozen examples I could cite to you of not always obvious and not always flagrant, but subtle corrosive effects this Treaty has on our ability to develop defense systems. I believe the Treaty has made a major contribution to the delay and the cost of building defense systems to this point in time.

Mr. RUMSFELD. I would like to come back to that question. If you think about the circumstance of the Japanese and the Korean people, their governments, and defense establishments, when North Korea launches their missile, and the helplessness that they have to feel about the situation. They do not currently have the ability to do anything about the fact that North Korea is developing those capabilities except preemption.

Similarly with Israel. If you think of the feeling of helplessness in Israel when the scud missiles were coming in during the Gulf War, and consider how they feel about the Iranian missile launches of the Shahab-3.

When such events occur, those countries reconsider their positions. Japan and South Korea are now in the process of manifesting their concern, discussing and deciding to do something about that.

Israel is in the process of doing something about that vulnerability.

It says something about warning. Does the United States need to have missiles raining down on us like Israel did before we decide that we ought to do something about it? Does the United States need to have missiles launched over the continental U.S., as Japan recently has, before we decide to do something about it?

The question of warning is a fascinating subject. What is it? How much of it do you need to have it? What do you do with it? When does information become actionable? When does something so register in our minds, collectively, as a body politic, that we decide yes that is sufficient warning?

The important book by Roberta Wohlstetter about this subject suggests that there was a great deal of warning, depending on how you define the word “warning,” before Pearl Harbor. There was an enormous amount of information.

Was there information explicitly that they were going to attack Pearl Harbor? No. Was there just an enormous amount of information that things were happening, attacks could occur a number of places, that there were activities that reasonable people could take as warning? Yes, an enormous amount.

It is interesting to ask one’s self, what do you suppose it will take for the United States to decide that the nature of the threats in the world have changed and we really ought to do a systematic, thoughtful, constructive, bipartisan review and analysis of how we want to be arranged in this new and different circumstance.

Senator COVERDELL. I could not agree more. For one, I do not need any more warning. I think there is a factor here that responds to the question you raise, and that is it is my interpretation anyway that a large number of the American people do not realize that there’s not an effective—they have always assumed there was a defense mechanism and do not know even today that there is not.

My guess is the answer to your question is when enough people like yourselves or myself build a large enough audience to understand the vulnerability, that the policy will begin to change.

I am perplexed, as I said to you before the hearing began, that the initial response, and I do not say this in a partisan way, but the original response of the administration is not unlike that letter that Senator Inhofe got from General Shelton. That is a question that you wonder what does it take.

My conclusion is that what it takes is a population in this country that recognizes the vulnerability, and I suspect when that happens, you will really begin to see a momentum to change and to address the issue your report has raised.

Mr. Chairman, I became a lone ranger here and got off on some matters that are not really in the official questions.

The CHAIRMAN. Thank you, Paul.

Senator COVERDELL. Thank you, Mr. Chairman. I will apologize to the panel. I appreciate very much the work you have accomplished, the service that you represent and continue to do for our country. I will excuse myself at this point. Thank you.

The CHAIRMAN. Gentlemen, it is good to be with you again. Walking back and forth is a wonderful thing and I hope I get to do it again. People say, what is wrong with you. I say, well, what do you think? Having double knee replacement is an interesting experience. Howard Baker told me that it would be, and he was exactly right.

Let us talk about dual use technologies for just a minute. I belong to kind of a conservative element who believes that it is folly for the United States to ignore the fact that the increasing avail-

ability of dual use technologies, particularly through space launch programs, will enhance the ability of countries to produce ballistic missiles and re-entry vehicles.

As a matter of fact, we have already mentioned here this afternoon that we particularly discovered this fact with respect to the satellite launches from China.

I want to know how your Commission assesses the intelligence community's confidence levels in monitoring space launch programs to ensure that they do not contribute to a ballistic missile program.

Mr. RUMSFELD. It's a subject we have talked about.

The CHAIRMAN. Have you already covered this?

Mr. RUMSFELD. No, not today, in our Commission hearings, we have talked about this. Dr. Graham was one of the two skilled technical people on the Commission and in the Commission hearings, he contributed a lot on this subject.

Dr. GRAHAM. Space launch rockets and ballistic missile rockets are essentially identical up to the point that they deploy their payloads. In the case of the space launch vehicle, the payload is a satellite, and in the case of a ballistic missile, it's one or more re-entry vehicles.

All of the machinery to get you into space is the same and in fact, I believe all of the U.S. large space launch vehicles today, except for the shuttle, are derived from ballistic missile launchers.

In the case of Russia and China, there are also a number of space launch vehicles which were derived from ballistic missiles.

It's also possible to go the other way, make a space launch vehicle and then derive a ballistic missile from that.

There is a great deal of overlap and similarity in the technology, some of it essentially complete and identical. Anything that helps a space launch vehicle capability will certainly help an ICBM capability based on that or similar technology. If the space launch vehicle doesn't need help, then it already has the capability. If it needs help, then probably an ICBM that is similar to that also needs help and if you help the space launch vehicle, you will help the ICBM capability or ballistic missile capability as well.

It's a deeper issue than that because it goes on back through the technology of not only making the launcher but educating the technical and other personnel to operate the systems and conduct the launches, monitor the payloads before they are launched and so on.

There is a great deal of technical information that has to flow back and forth between countries, for example, if we are going to launch one of our satellites on another country's boosters, that country has to know a great deal about the mass distribution, the structural response, the way the satellite is put together mechanically, so that they can be sure it will survive and the rocket will survive to launch it into space.

Finally, going back even further, in the U.S., probably the greatest technical transfer we make is the one the Chairman mentioned earlier. We have over 100,000 foreign graduate students in the U.S. at any given time, many, many of them in the fields of advanced technology, studying in our universities, and while our public schools, elementary and high school level aren't always the best, by the time you get to our graduate universities, you have the best

schools in the world teaching all of these individuals the most advanced technology in the world.

Some of these people stay here and are very constructive members of our society and some of them go back to Iran or back to other countries, Russia, China, many, many from China, where they take this technical capability with them. That is the foundation of any technical infrastructure and high technology country, the people who understand the field and are competent at it.

Their graduate students are as good as our graduate students. They learn as much as our students do. Unfortunately, when they are given Visa's to come in to study, the actual field that they end up studying is not tracked by the Government, so we don't know what they do once they get through the Immigration and Naturalization Service as far as being university students.

As far as I can determine, there is nothing reported back to the Immigration and Naturalization Service or the State Department other than perhaps the fact they are still students.

They can change majors, audit courses, study what they like once they get here, and we have no knowledge of it. It is very hard for us to even know what we are teaching them and follow that, much less control it.

You could make this process too restricted, but in my view, it has gone completely the other direction at the moment and we are far too unrestrictive in who we educate and what we educate them in and what we know about what we are educating them in today.

Mr. RUMSFELD. You can see why I selected Dr. Graham to answer that question.

The CHAIRMAN. I was smiling because I was remembering an episode that occurred to me back when George Bush was President. I got a call from the White House, what kind of universities do you have down there which specialize in engineering and other technical things.

I said we have North Carolina State University, where there is no better anywhere, and that's true.

Arrangements were made and the President invited me to accompany him to my home town and we went to North Carolina State University, and all the students waved to him and blew him kisses and all the rest of it, and then we went over to a very technical engineering section.

On the way, he said who attends, who are the dominant students who attend this university. I told him about the farm boys from eastern North Carolina and all the rest. We got in there, and vow that this is correct, there were nine students, all in their white laboratory jackets and smiling and waving to the President, and seven of them were Oriental's. He said, all these grew up on a farm in eastern North Carolina, I suppose. [Laughter.]

The CHAIRMAN. Let us talk a little bit about the dual use technologies. I am interested in the space launch programs and you may have covered this while I was gone. We have discovered that the space launch program will enhance the ability of countries to produce ballistic missiles and re-entry vehicles.

Tell me, how does the Commission assess the intelligence community's confidence levels in monitoring space launch programs to ensure that they do not contribute to a ballistic missile program?

Dr. BLECHMAN. I don't think we have looked specifically at the programs that are in place to monitor these cooperative programs that go on, and I know personally I am awaiting the results of the investigation going on in the other House at this point.

I think this question of cooperation in space projects is a difficult one. There is absolutely no doubt that space launchers and ballistic missile launchers are based on the same technology and improving one potentially improves the other for the other side.

On the other hand, isolating these countries' space industries' infrastructures and in some ways, provide them with more incentive to work with countries that we would prefer not to get these capabilities.

You have the Russian program, for example. The American aerospace companies and satellite industries, association members have testified as to the benefits the U.S. gets from its cooperative programs with the Russians, both in terms of cost savings and in terms of technology coming into here. The Russians are very good at rocket engines, for example, and are utilizing some of that technology.

Also, we are providing work for Russian missile engineers, missile engineers who might otherwise go to work for North Korea or Iran or add to the Russians who might already be in these countries.

It's a difficult question. There is certainly the risk of compromise. I wouldn't want to see any American companies or individuals working with Iran, Iraq or North Korea, countries directly hostile to us, but whether there should be a succession, termination, curtailment of our cooperative programs with Russia or China, commercial programs, I really don't know at this point. I think it deserves a serious look.

The CHAIRMAN. Let me ask it another way and maybe you answered it earlier. Let us say Russia were to construct a space launch facility or facilities in countries already receiving massive Russian ballistic missile assistance, like China and Iran.

What will be the effect on the speed of the development of those countries' ballistic missile programs? Would it hasten them or have any effect?

Mr. RUMSFELD. There's no question but that it would hasten them to the extent that Russia assists another country with a space launch activity like Iran or Iraq.

As Dr. Graham indicated, the dual use aspects of so many elements and so much of the knowledge have to accelerate their ballistic missile development programs.

The CHAIRMAN. What do you think is the intelligence community's ability to monitor such developments as I have described?

Mr. RUMSFELD. We really didn't focus on that. We looked at the intelligence community's ability to monitor ballistic missile development itself, but not necessarily directly relating to space launch vehicles and the interplay between the two.

Our general view on the intelligence community's ability to monitor ballistic missile developments in the target countries was that those capabilities have eroded and are eroding.

The CHAIRMAN. The 1998 NIE assumed, and I am quoting, "unauthorized or accidental launch of a Russian or Chinese strategic missile is highly unlikely as long as current security procedures and systems are in place."

I think you touched on this earlier, but I think we ought to elaborate on it. What do you think, in view of the fact that this statement is at odds with a September 1996 CIA report, which according to the media articles, concluded, and I am quoting, "the Russian nuclear command and control system is being subjected to stresses it was not designed to withstand and that the command posts of the Russian strategic rocket forces have the technical capability to launch without authorization of political leaders or the general staff. Given time, all technical security measures can be circumvented, probably within weeks or days, depending upon the weapon involved."

I would like your analysis of that.

Mr. RUMSFELD. We had briefings directly on that point.

The CHAIRMAN. Good.

Dr. GRAHAM. We were and are very concerned about that. We went back and reviewed incidents that we had in the 1979/1980 timeframe, when we had gotten false indications on our warning systems, and then took the analysts who are currently responsible for looking at Russian capabilities with us, so that they would understand the experience the U.S. had, so we could discuss that issue in a common framework.

We have pursued that and generally, it was our conclusion from the intelligence data we were presented that the Russians are seriously concerned about the possibility of accidental launch, that they have attempted to configure their systems so that their rockets, their ICBMs, could not be launched accidentally or launched capriciously by some lower level of command.

I would say two caveats to that. One, I agree with the general notion that if you have a long enough time with an ICBM in your possession, you should be able to make it launch, particularly if among your personnel are the people who maintain that ICBM and therefore know a lot about its technical implementation and functioning.

It seems to me possible that one or some ICBMs might be launched that way but difficult to launch a huge number of them. Nonetheless, one ICBM can take out more than one city. This is not a small matter, even when it comes to one ICBM.

Second, even since we wrote our report, the stresses in the Russian system seem to be increasing substantially. I saw a report in the press this morning in which the First Deputy Minister was basically making a threat, that he demanded the IMF pay Russia the next increment of loans, and then in the next breath he seemed to say that it was important that Russia continue to make modern and increasingly accurate ballistic missiles.

This is a country which is basically going bankrupt or perhaps already bankrupt.

I think it is a serious worry and I think the situation there is very dynamic and even if we thought they had a reasonable control system 3 months ago when we wrote the report, I would want to go back and look at the data again before I thought they had one today, and I would watch the pace of change of their social structure as a key indicator as to the stability of that system.

Mr. RUMSFELD. We also have a small section in our report, both the classified and unclassified versions, concerning the year 2000 computer problem, and the issue that could interplay in one way or another, either with the missiles, the control systems, the external infrastructures or the warning systems, in a way that could be worrisome.

In your question, you used the phrase "as long as current security procedures are in place." Just to underline what Dr. Graham said, if you are not paying your army salaries and you are not paying the Navy salaries and you are not paying the Air Force or the rocket forces' salaries, and you are not paying Customs and Border guards' salaries, it doesn't take a lot of imagination to figure out what is going to happen over a period of time.

People are going to feel they are not getting paid, therefore, they are going to be "entrepreneurial," to feed and support their families.

It has to be a worry that the salaries are not being paid in the governmental structure. One would hope that people who are in charge of nuclear weapons are being paid faster than people who are not.

The CHAIRMAN. Even if they are being paid, when was it, 1995, I think, Norway launched a meteorological rocket and what some have said was the closest call of the nuclear age. In the midst of this crisis, what happened? The Russians' strategic and nuclear force control terminals, I think they called them nuclear footballs, were reportedly switched to alert mode for several minutes.

Did your Commission look into that and do you have an opinion about the implications?

Mr. RUMSFELD. We did look at it, and then a series of events followed. People are of two minds on it. One view is that the concern about that Norwegian sounding rocket moved too far up the chain toward Mr. Yeltsin. The other view is that the warning system worked and that in fact, nothing was done that should not have been done.

Unfortunately, a good deal of it is classified, the briefing we received, and I do not know that I can say much more about it.

Dr. GRAHAM. I might add one thing. The official U.S. position has been, as far as I can tell, that everything worked as it should have there and control was maintained. Clearly, they didn't launch anything. The message by which Russia was notified of this launch was delivered several days in advance to their Foreign Ministry and apparently didn't make it from the Foreign Ministry to the missile warning people before the launch occurred. That indicates some unraveling of the infrastructure there.

If you compare it with the U.S. situation, and I believe it was 1979, we had a technical problem that resulted in a few minutes

of false warning at our North American Air Defense Headquarters in Cheyenne Mountain at Colorado Springs.

The indication of warning did not go as high as the President in that event. It did go as high as the Commander and Chief of the Strategic Air Command, and as a result of that, very substantial and widespread changes were made throughout our missile warning and defense system. That was considered a major event and in fact, a major problem, and to this day, they live with the changes that were made because of that.

When it happened to us, it was a very big thing. My view is since the message seems to have gotten all the way to President Yeltsin in Russia, it was a very big thing in Russia.

The CHAIRMAN. We have kept you folks here too long, but it has been very helpful to me. I am going to try to make it helpful to a lot of people who will read our report on what you have said here today. I think all Americans ought to read it. Maybe enough people will to stir up a little interest in something besides what happened at the White House on a certain night.

The last question I am going to ask you, I was concerned to note that one of the Commission's key conclusions was that the intelligence community's ability to provide accurate estimates of ballistic missile threats to the United States is eroding, quoting.

The Downey report warning was that the Clinton Administration has imposed policy restrictions on the recruitment of intelligence sources, which, and I quote "may hamper the effects or the efforts of national intelligence agencies and lead to what they call intelligence gaps."

I asked Jim Woolsey about this. He warned that the intelligence community has erected formidable barriers to the recruitment of sources having questionable backgrounds.

I believe, if my memory serves me right, he cautioned that the United States should not think that it can simply recruit Boy Scouts to spy on terrorists. That is an interesting statement.

My question to you, and I want you to respond as extensively as you will, did the Commission find that these arbitrary policy restrictions have had a negative impact upon our ability to monitor the ballistic missile programs of rogue nations.

Dr. BLECHMAN. I couldn't answer that specifically. I would say that we did find that our human intelligence sources needed to be strengthened, that it was increasingly difficult to obtain information by technical means on the targets.

North Korea, Iran, other countries have learned a great deal about how our technical systems work. They do things underground now or above ground when satellites are not present. They don't blab on the phone the way they used to. They go to closed circuits and so forth.

There is no substitute for good human intelligence and we certainly need to strengthen those sources in any way we can.

Mr. RUMSFELD. Mr. Chairman, those two countries, Iran and North Korea, are of course closed societies. We do not know a lot about the decisionmaking process in those countries. They are as secretive, and successfully so, as any countries in the world.

We have prepared a letter, a side letter, that will be made available to the intelligence committees, and we would be happy to make it available to you with some observations on the intelligence community. While it's not a comprehensive review, it is a collection of the observations that we made as a result of our 6 months of study.

It's a classified document at the present time, and we just completed it this morning. We will be submitting it to the appropriate chairmen of the committees, and we would be happy to include you.

The only other thing I would say on submitting questions for us to supply answers for the record, our Commission is disbanded. The staff is gone. We have all gone back to our day jobs.

I hope that the questions are not too many and I hope you will not expect "a Commission response," because we are not meeting together any more. The responses might be Barry's, or Bill's, or mine as opposed to a fully coordinated one.

The CHAIRMAN. I suggest that the staff can help guard against abuse of length and all that. Do the best you can. Your information has been startling, even though I feel sometimes we are in dire jeopardy.

We have kept you here for 2 hours and 15 minutes, and it has been one of the most helpful 2 hours and 15 minutes that I have spent. I am sorry that more Senators were not here. At least we had three or four on our side.

I want to thank each one of you for devoting your time to this and devoting your time to the now defunct Commission, and I hope it becomes activated in January, 3 years from now.

I thank you for coming. Before you leave, I see fairly regularly as Chairman of this committee, as we end a Committee meeting, the best speeches I ever made are when I am driving home after the speech. [Laughter.]

The CHAIRMAN. I wish many times that I could go back and say, wait a minute, folks, do not leave yet.

Let me suggest that if you have anything on your mind that we have not covered that you think should be covered, will you do that now? Do you have further comment?

Dr. BLECHMAN. No. Thank you very much.

The CHAIRMAN. I appreciate that. Do you?

Mr. RUMSFELD. No, sir. I think we have covered a great deal.

The CHAIRMAN. It has been a special pleasure seeing you again, Mr. Secretary. You are a good guy and I enjoyed our relationship in better political times. That is the only partisan statement I am going to make.

There being no further business to come before the committee, we stand in recess.

[Whereupon, at 4:20 p.m., the committee was adjourned.]