U.S. Export Reform Proposals May Jeopardize Arms Control

By TAMAR GABELNICK

The White House, with the Pentagon at the helm, is barreling down the road toward an unnecessary, ill-advised and potentially dangerous overhaul of U.S. arms export licensing policy.

While the licensing system may have bureaucratic problems, it is not broken and does not need major repairs. By going through with the far-reaching reforms being discussed in the press, the administration of President Bill Clinton may irreversibly damage a system that has helped control the proliferation of advanced armaments and technology, and thus limited conventional arms threats against the United States.

The first problem with the administration’s arms export reforms is that the proposed solutions are much broader in scope than the identified problems.

For instance, the Pentagon seeks to address the defense industry’s complaints about the delays in, and lack of transparency about, arms export decisions. The logical answer is to increase the number, pay grade and training level of licensing officers at the Department of State, and to create a primary contact office at the Department of Defense.

The solution to an inability to handle large numbers of licenses is not — as the administration is proposing — to eliminate many license requirements, but rather to enhance the ability of the bureaucracy to process them.

In addition, given the administration’s predilection toward easing arms exports, they have proposed reforms that overemphasize the liberalization of barriers to trade while failing to address the real issues at hand. For example, many reforms are intended to promote transnational defense cooperation to foster competition, innovation and interoperability with U.S. allies.

The barriers to further cooperation, as identified by the Defense Science Board’s (DSB) December report, include: a lack of a clear DoD position on international mergers, restrictive rules for foreign-owned or -controlled defense firms operating in the United States, long reviews of foreign investment applications, and a perception that U.S. rules on military technology transfers, arms exports and re-export authorizations are too rigid.

The reform proposals largely ignore the first three items, and instead the administration is emphasizing the last problem, seeking to reduce U.S. barriers to trade in a way that will effectively reduce our standards to the lowest level of our allies.

But the worst element of the proposed reforms and the rationale provided by the DSB is that the Pentagon intends to abdicate most of its power to judge sales on national security grounds.

The DSB report claims that because of economic pressures to export, very soon “with few exceptions, advanced conventional weapons will be available to anyone who can afford them.” Therefore, the Pentagon should not continue “clinging to a failing policy of export controls.”

In other words, the Pentagon is planning to throw in the towel on preventing conventional arms proliferation. Never mind the impact on U.S. security, never mind how the weapons might be used to provoke, prolong or intensify conflicts worldwide.

Gone are the aspirations for the United States to lead the fight against the spread of sophisticated weaponry. The Pentagon apparently believes that if you can’t beat them, join them.

The DSB reports that due to fierce international competition, the United States essentially had to provide the United Arab Emirates with a more capable radar for its recent order of F-16s than America has in its own arsenal.

While admitting this was a “significant and controversial concession,” nothing in the report or in the proposed export reforms signals a desire to reign in the free-for-all in the current international arms market.

In the rush to adopt reforms before the May NATO ministerial meeting, policy-makers are ignoring the long-term impact of their proposals on U.S. interests and security overseas.

Blanket licenses, Canadian-style exemptions and loosening of third party exports may appease NATO allies, but they significantly would reduce U.S. authority to control the re-transfer of U.S. arms and technology.

In the Canadian example, loose arms export controls led to the transfer of U.S. technology to Iran, a U.S. adversary, and to China, a country under U.S. arms embargo because of human rights abuses and regional instability.

Many other allies permit the transfer of arms and technology to states that the United States would not sell to for security or policy reasons. In addition, within NATO only Belgium and Denmark formally have agreed to accept U.S. authority over transfers of U.S.-origin equipment.

Finally, differences in political systems and export practices (especially in the European Union) mean there is often less political and physical oversight of arms transfers. For all these reasons, opening up a quasi-free trade area for arms and technology would be a short-sighted move that could spur long-term problems.

In a letter to U.S. Secretary of State Madeleine Albright dated March 10, the chairman and ranking members of the House International Relations and Senate Foreign Relations committees firmly opposed expanding a failed system of license exemptions, stating: “any exemption initially granted for allied use could be a step down a dangerous slope.”

They argue that “it is important to ensure that such proposals will not result in additional diversions of technology and will not weaken, generally, enforcement of export controls.”

The question that should be on everyone’s minds right now is why the Clinton administration no longer shares the same concerns.