

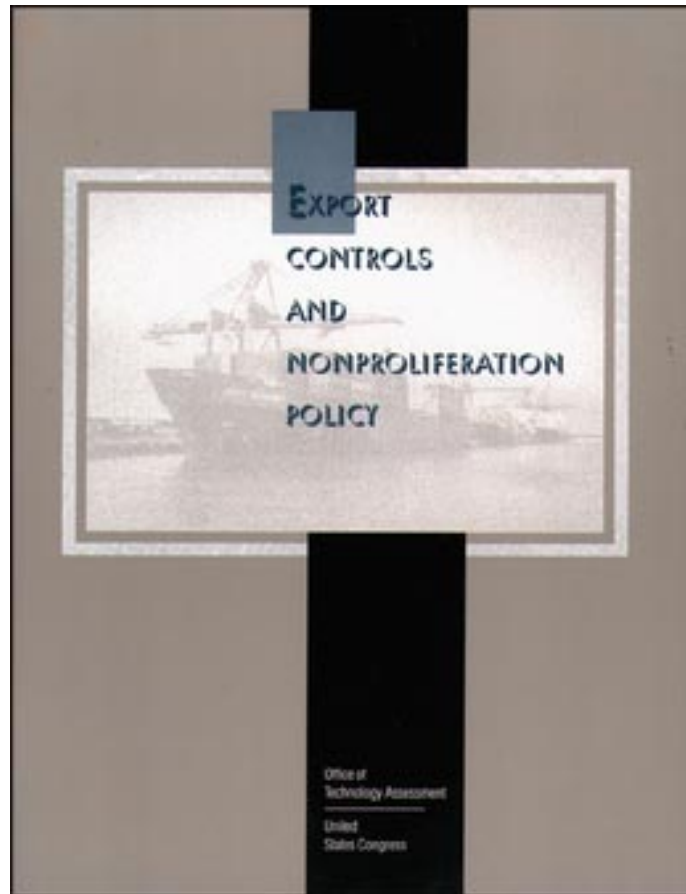
Export Controls and Nonproliferation Policy

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Foreword

Export controls on dual-use goods, technology, and software will continue to be one useful tool in U.S. efforts to stem the proliferation of weapons of mass destruction and missiles that can deliver them. Export controls cannot completely block such proliferation. However, they make a proliferant's task harder; by increasing the cost and the difficulty of weapon programs, they can buy valuable time for broader nonproliferation efforts to take effect.

The benefits of export controls, and their ultimate effectiveness, are hard to measure. They depend on several factors, most importantly the degree to which nations capable of supplying key weapon technologies cooperate in controlling their supply. Controls also impose costs, which—like the benefits—are difficult to quantify. These costs are borne primarily by companies producing controlled goods.

The difficult task for both Congress and the executive branch is to design an export control system that serves U.S. security interests but also takes due account of economic interests and fairness to regulated exporters.

The primary purpose of this report is to identify options for enhancing the effectiveness of export controls in slowing or preventing the spread of capabilities to develop and produce weapons of mass destruction. Nevertheless, reducing the burdens of export regulation on U.S. exporters has been a major focus of discussions about revising the Export Administration Act. Therefore, the report also examines policy options directed mainly toward the goal of reducing these burdens, but with special emphasis on their implications for nonproliferation policy.

OTA prepared this report as part of an assessment on the proliferation of weapons of mass destruction, which was requested by the Senate Committee on Foreign Relations and the Senate Committee on Governmental Affairs, and endorsed by the House Permanent Select Committee on Intelligence, the House Committee on Foreign Affairs, the Senate Committee on Banking, Housing, and Urban Affairs, and the House Committee on Armed Services.



ROGER C. HERDMAN
Director

Advisory Panel

James F. Leonard¹

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The Brookings Institution

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Joshua Lederberg⁴

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Center for International Security
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Barbara Hatch Rosenberg
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Lawrence Scheinman⁵
Associate Director
Peace Studies Program
Cornell University

Leonard S. Spector
Senior Associate
Carnegie Endowment for
International Peace

Sergio C. Trindade
President
SE²T International, Ltd.

¹panel member until June 1, 1993; panel chair after June 1, 1993.

²Resigned to become Chief U.S. Negotiator for Safe and Secure Dismantlement of Nuclear Weapons.

³Resigned Jan. 29, 1993 to join National Security Council staff.

⁴Ex-officio, Member of Technology Assessment Advisory Council.

⁵Resigned Aug. 13, 1993 to become Counselor for Nonproliferation in the U.S. Department of Energy.

Note: OTA appreciates and is grateful for the valuable assistance and thoughtful critiques provided by the advisory panel members. The panel does not, however, necessarily approve, disapprove, or endorse (his report. OTA assumes full responsibility for the report and the accuracy of its contents.

Project Staff

Peter Blair

Assistant Director
*Industry, Commerce, and
International Security Division*

Alan Shaw

Program Director
*International Security and Space
Program*

PROJECT STAFF

Gerald L. Epstein
Project Director

THOMAS H. KARAS

Anthony Fainberg

CONTRACTOR

Dan Fenstermacher

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Administrative Secretary

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Department of Commerce
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American Electronics Association
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John Harvey

Center for International Security
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Stanford University
Stanford, CA

Michael Pocalyko

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Henry Sokolski

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The Middle East Data Project
Kensington, MD

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