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Keynote Address to Working Session II:
Challenges in the Politico-Military Aspects of Security Dimension
Presented by
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Thank you, Mr. Chairman, colleagues. We are grateful for the opportunity to make this presentation this morning.

I would like to provide a short overview of why the United States is pursuing a missile defense system in Europe. My presentation will focus on:

- what the system is and is not;
- how the system complements NATO's efforts;
- what are the ideal circumstances for moving forward with this system;
- and our outreach efforts to our Allies, Russia and the U.S. Congress.

During our question session, we expect to touch upon some of the most commonly asked questions or concerns with missile defense. I will be more than happy to provide answers.

Mr. Dennis Mays is with me. He has been involved in this project from the beginning. He works for the Missile Defense Agency. I work directly for the Secretary of Defense. Dennis is prepared to cover some of the technical aspects of the system.

I would like to start with the basic question - why is the United States pursuing a missile defense system in Europe? The Bush Administration made the decision upon coming into office to move from a national missile defense policy that had been started under the Clinton Administration to a broad missile defense policy. This policy would ensure that our Allies in the Pacific and our Allies in Europe would be covered by the United States' missile defense assets. It goes to the basics of the indivisibility of security the United States shares with its European Allies.

While technologically we have the ability to protect the United States, we did not want to restrain or withhold that protection from our Allies. So, beginning early in the 2001-2002 period, we started looking at ways in which we could extend coverage to our European Allies and American forces in Europe. This decision was made in recognition of the growing ballistic missile threat that faces the United States and its Allies.

Intelligence indicates that there are approximately 20 state or non-state actors that are seeking to acquire ballistic missile technology. Iran is of our greatest concern with respect to acquiring this technology. While there are different estimates between us and the Russians on when Iran may likely be able to acquire the technology, there is no dispute, disagreement between the United States and Russia on the basic issue. Both agree that Iran is actively trying to acquire the technology and at some point in the future, whether it is 5-10 years or 10-15 years, will likely have that technology. This is a great concern to us.

The system that we are fielding, overall the missile defense system we have been fielding, has proven to be successful in the tests. We use a variety of means to test the system, but because the system has been successful, because there is a threat, we believe we need to press on with adding a European component to the missile defense system.

There are good reasons for pressing now. One, it takes time to build and deploy a system. I am going to get into the timeline in a few seconds that will indicate how many years it takes, but it's clearly not something that can be done tomorrow. Second, as I have already mentioned, we have a growing ballistic missile threat. Third, we believe that not only will the system destroy any incoming missiles, if necessary, but it will actually serve as a deterrent as well.

If those countries that are seeking to develop ballistic missile technology or are able to acquire that technology and are considering launching ballistic missiles, the idea that the United States system has been proven technically feasible and can knock these ballistic missiles out of the sky will deter a country from actually considering the use of them.

This leads to the point of why we are doing it now. Intelligence estimates have been wrong. Most notably in 1998, our intelligence community estimated that the North Koreans would not have the ability to launch a ballistic missile for about a 5 to 10 year window. One month after that report was released, the North Koreans launched a ballistic missile over the Sea of Japan.

So, intelligence estimates are frequently inaccurate when it comes to ballistic missile developments. When someone is focused and has the financial means, this technology can be developed or acquired.

Some of this technology is available on the open market, and everything can be fast-forwarded in terms of a timeline. This consideration is important because we don't want the United States or our European Allies to be held hostage or blackmailed by a country or an actor with a ballistic missile capability. The longer it takes to deploy this system, the greater that vulnerability could potentially be.

In the big picture for Europe, the system consists of three pieces. As currently envisioned, it consists of a radar in the Czech Republic, an interceptor site in Poland, and then a third piece, which would be a forward-based radar within a thousand-kilometer band in Southeastern Europe. Again, the system that we envision to build in Europe is based upon a threat emanating from the Middle East and that's why the location of certain pieces in the Czech Republic, Poland, and then in the thousand-kilometer band in Southeast Europe makes sense. By placing those pieces there, the greatest coverage from North to South, East to West of all of Europe can be provided. Again, this presumes the threat is coming from the Middle East.

These next few points are very important because there has been confusion even though we emphasized these points known from the get-go. The missile defense system is a defensive only system. It has 10 interceptors that are hit-to-kill, meaning it's basically one bullet ramming into another bullet. There are no warheads on these interceptors. The kinetic energy of one interceptor missile slamming into a ballistic missile will pulverize it outside the atmosphere. The system is meant to detect, deter, and defend.

The system poses no threat to Russia. Our system cannot catch Russian missiles. In no way, shape, or form does the United States system plans for missile defense in Europe alter Russia's strategic deterrent or serve as a catalyst for a new arms race. Again, our system is a purely defensive system.

As many of you know, Russia also has its own missile defense, antiballistic missile defense capability. It has had it for some time. There are 80 nuclear-tipped missiles that surround Moscow, which is a non hit-to-kill technology. We are seeking to provide a defensive only system for Europe.

The United States will pay for this system entirely. In the Czech Republic and Poland, the approximate price tag is slightly more than 3 billion dollars. We are currently working with Congress on the funding aspects of this system. As we mentioned previously, the Bush Administration believes a missile defense in Europe will reaffirm the more than half-century old promise of maintaining the indivisibility of security between the United States and Europe.

The United States system is complimentary to NATO's ongoing work of its own Active Layered Theater Ballistic Missile, ALTBMd as it is referred to in NATO language, which is a short and medium range system. NATO approved this in 1999 and initial deployment hopefully can be around 2010. Our system, the

United States system, will provide the long range compliment to NATO's system. When all three aspects of our system are deployed, along with NATO's ALTBMD system, the entire area, Transatlantic or NATO territory, will be covered from all short, medium, and long range ballistic missile threats.

The U.S. currently has started discussions with the Allies on what the command and control system would be between the NATO system and U.S. system. The United States will retain the command and control of the long range system, but we are looking at ways to integrate both systems into a command and control, so there isn't any question when a missile is launched and the trajectory gets altered, either through technology or deliberate means. This would not be the time for a trade-off in phone calls to determine who now has command and control over the situation.

Let me briefly get to the next piece. The next piece is who is involved in this system. In terms of Allies and partners, it is the United States; it is the UK, which has a radar system; it is Denmark, which has radar, and now we are in bilateral discussions with the Czech Republic and Poland. As I just mentioned, we also have ongoing discussions with NATO as to how our efforts can be done in parallel, in complimentary, to what NATO has undertaken.

Our decision timeline- we gave our first briefing to NATO Allies back in November just before the Riga Summit. In January 2007, the President of the United States made a decision for us to approach the Czechs and the Poles to begin discussions on seeing if we could get approval for missile defense components in those countries.

Following President Putin's remarks in Munich in February where he questioned certain aspects of the system, and based on a phone call between Chancellor Merkel and President Bush, we intensified our outreach efforts in Europe to explain what our system is and it is not.

Since February, the NATO-Russia Council has been briefed three times now. Again, we provided more and more technical data, answering all the questions. We have done an intense sweep through Europe, talking to many different Allies, many different forums, NATO Parliament Assembly, the OSCE today, and a variety of different individual countries, explaining again what our system is and is not and how it complements NATO's efforts.

We have begun the first rounds of talks with the Poles and the Czechs. They started last May; there will likely to be another round sometime before the end of the month or beginning in July. Our goal is to be able to complete negotiations with both countries by the end of this year.

At some point in the first quarter of next year, we would hope that both governments, the Polish and the Czech governments, will be able to take a

positive decision on allowing the system to go forward. If that is to occur, then the United States would like to begin construction at some point later in 2008, reach initial operating capability at some point in 2011, and then ideally reach full operating capability in 2013.

The United States will only go forward with this system in the Czech Republic and Poland if both governments say yes. If one of the governments says no, both say no, then the U.S. will not go forward with its system in those countries and will reassess. When we were at the NATO Parliamentary Assembly, there seemed to be a common misunderstanding that the U.S. would go forward in the Czech Republic and Poland no matter what, and that is not the case. In the United States we respect the sovereign governments of Poland and Czech Republic and can only go forward with missile defense plans if both governments say yes.

The final piece that I want to comment on is the Russia dimension to our missile defense plans and outreach. For over two years, the Department of Defense has been engaging Russians on our system plans. In fact, we were talking to the Russians before we were even talking to the Allies. I have been part of these conversations with Secretary Rumsfeld and now been part of them with Secretary Gates. Throughout this period we have always offered full transparency, rationales, explanations, sharing of why we believe the threat needs to be countered. Along the way we have offered a variety of different cooperative initiatives, projects, that we would do with Russia to help ensure transparency and to make sure the Russian government did not feel in any way that this missile defense system was directed toward or against them. Along the way, we have invited Russian officials to come and visit our missile defense sites in Alaska and California. We have also suggested jointly undertaking a test bed experimentation, and sharing radar picture data.

Until two weeks ago at the G8 summit, all of our offers to the Russian government had not been accepted nor rejected. Two weeks ago, President Putin proposed that we could possibly work together at the Qabala radar in Azerbaijan; something the United States had proposed conceptually awhile back. We very much welcome the acceptance suggested by this offer from President Putin. In our mind, in our view, it reflects one - Russian understanding that Iran does propose a threat, which is something, again we have agreed for a while, but it is the timelines on which we have a difference of opinion. So that's very important.

Number two - we are currently looking at the technical aspects of this system and that we hope, as Secretary Gates had proposed awhile ago back in April, that the Russian government will accept our offer of having our experts get together to walk through the technical aspects of our missile defense system; what it is and it's not. We continue to believe there are some technical misunderstandings that the Russian side may have with our system. So we would like to have experts

get together and walk through that, and then, we could develop a better understanding as to what the Qabala radar can and cannot do. We know it is an early warning radar, which is a critical piece. As you remember me saying earlier, we need a third piece that would be in that thousand-kilometer band in Southeastern Europe that would be an early warning radar. What we hope to do is to get a better understanding of the technical aspects of it, and then see how this radar can compliment, not substitute, but compliment the other pieces in the Czech Republic and Poland.

And finally, the third piece to President Putin's offer is, which I guess I just previewed, that this will not deter us from our efforts in negotiating with Poland and the Czech Republic, but we hope to get a better understanding to how this can all integrate together.

So, I wanted to leave everyone, with just a few key points. The U.S. has been very proactive in explaining what our missile defense is. It is defensive only in character. Second, NATO is onboard and understands that this complements NATO's ongoing short and medium range system development. And third, for some time now, we have been working with the Russian government to explain what our system is and offering full transparency and cooperative projects.

Thanks.