STATEMENT OF DEPUTY ASSISTANT SECRETARY OF DEFENSE FOR EUROPE AND NATO POLICY DANIEL FATA BEFORE THE U.S. COMMISSION ON SECURITY AND COOPERATION IN EUROPE

Mr. Chairman and Members of the Committee,

I appreciate the opportunity to appear before you to day. I will focus my testimony largely on the issue of missile defense, while my colleague, Deputy Assistant Secretary of State Kramer, will discuss other aspects of European security, including the OSCE role.

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

- What the system is and is not;
- How the system complements NATO's efforts;
- The circumstances in which we hope to move forward;
- and., finally our outreach efforts to our allies and friends in Europe, as well as to Russia.

I would like to start with a 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 the national missile defense policy under the Clinton Administration to a broader-based approach. The idea was to ensure that the missile defense assets the United States is developing will also be capable of protecting our allies. This approach is based on the belief that the security of the U.S. and of its allies is indivisible and it recognizes the growing ballistic missile threat facing us. Beginning early in the 2001-2002 period, we started considering how to extend missile defense coverage to allies and American forces in Europe.

There are over 20 states that possess ballistic missiles, and others are seeking to acquire them. As a threat to Europe, Iran is our most immediate concern. The missile defense system against long-range ballistic missiles that we have been fielding in the U.S. has been successful in tests using a variety of means. Given that success and because there is a threat, we believe we need to press on with adding a European component to our system.

There are good reasons for urgency. It takes time to build and deploy a system. Clearly this is not something that can be done in just a year or two. Second, the ballistic missile threat is growing. Third, we believe that the system will not only destroy incoming missiles; it will also serve as a deterrent.

The knowledge that the United States has a proven, viable system capable of destroying incoming missiles may serve to dissuade some countries from embarking on the effort to develop long-range ballistic missiles. Moreover, the existence of such defenses could

help deter a country that has developed long-range ballistic missiles from launching such missiles in a crisis, since an attack would be unlikely to achieve its objectives, and would result in certain retaliation.

Why the urgency? Intelligence has previously underestimated the pace of ballistic missile developments. Most notably in 1998, our intelligence community estimated that the North Koreans would not have the ability to launch a long-range ballistic missile for about 5 to 10 years. One month after that report was released, the North Koreans launched a three-stage ballistic missile over the Sea of Japan. Although the launch failed to put a satellite into orbit, it demonstrated the potential to deliver a small payload to an intercontinental range.

Despite our efforts to limit its spread through the Missile Technology Control Regime, ballistic missile technology is freely exported by some countries such as North Korea, allowing development to be accelerated. This is an important consideration. We don't want the United States or its European Allies to be held hostage by a country or an actor with a ballistic missile capability. The longer it takes to deploy defenses, the greater the potential vulnerability.

In Europe, the system we envision consists of three parts: a radar in the Czech Republic, an interceptor site in Poland, and a third component, which would be a smaller forward-based radar within a thousand kilometers of likely launch points in the Middle East. The system would be focused on a threat emanating from the Middle East and would provide a defense to much of Europe against longer-range missiles, as well as additional protection to the United States.

The next few points, which we have emphasized from the outset, are important to avoid confusion. The missile defense system is just that - a purely defensive system. It includes 10 interceptors that are hit-to-kill, meaning essentially that they are analogous to a bullet designed to intercept anther bullet. The kinetic energy of an interceptor missile will pulverize an attacking warhead outside the atmosphere. The interceptor carries no explosive warhead of its own. In short, the system is meant to deter, detect, and defend.

The system poses no threat to Russia. It cannot catch Russian missiles, and the ten interceptors we propose to deploy in Poland would be no match for hundreds of Russian missiles with over a thousand warheads. In no way, shape, or form do plans for missile defense in Europe affect Russia’s strategic deterrent or serve as a legitimate catalyst for a new arms race.

As many of you know, Russia has its own antiballistic missile defense capability. It has had it for decades. There are approximately 80 nuclear-armed interceptor missiles that surround Moscow. This contrasts with what we seek to provide to Europe - a system with no warheads at all. And we can assert with confidence that the Moscow ABM system poses no threat to US strategic deterrent forces, which – if necessary – could easily overwhelm these defenses

The United States would pay for the system to be deployed in the Czech Republic and Poland, which would also help defend the United States. The approximate price of the proposed system would be about 4 billion dollars. As you well know, we are working closely with Congress on the funding aspects of this system.

The United States system would complement NATO's ongoing work on its own Active Layered Theater Ballistic Missile Defense, or ALTBMD, whish is intended to provide command and control for defense of deployed forces against short and medium range ballistic missiles. NATO approved this system in 1999, and we hope initial deployment can occur around 2010. The United States system will provide the long range complement to NATO's system. The combination of the US system and NATO's ALTBMD program could lay the groundwork for defense of NATO territory against short, medium, and long range ballistic missile threats. The U.S. currently is working to ensure that the command and control of the NATO and U.S. systems will be compatible.

Who is currently involved in this system against long-range ballistic missiles? Among Allies and partners, it is the United States; the UK, which has a radar system that has just been upgraded to support this mission; and Denmark, which has a radar that is about to be upgraded. We are now in bilateral discussions with potential new partners, the Czech Republic and Poland.

We have been discussing deployment of long-range missile defenses with NATO allies for years. In January 2007, the President made a decision to approach the Czechs and the Poles to begin formal negotiations aimed at obtaining approval for missile defense deployments in those countries.

We have also discussed this issue with the Russians. Following President Putin's remarks in February questioning certain aspects of the system, we intensified our outreach efforts in Europe, including with Russia, to explain our aims.

Since February, we have conducted intensive briefings of allied and other European countries, both bilaterally and in multilateral fora, including in the NATO Russia Council, The NATO Parliamentary Assembly, and the OSCE, where I gave a keynote address on missile defense to the Annual Security Review Conference. We have supplied technical data and explained what our system is and is not and how it complements NATO's efforts.

The talks with the Poles and the Czechs have been underway since earlier this year. Our goal is to be able to complete negotiations with both countries by the end of this year.

At some point early next year, we would hope that both governments will be able to take a positive decision to host the U.S. assets. If we are successful, then the United States would hope to begin construction at some point late in 2008, reaching initial operating capability several years later, and ideally full operating capacity in 2013.

The United States will go forward only if those governments agree. There seems to be a common misunderstanding that the U.S. would somehow impose its will on the Czech Republic and Poland. That is simply not the case. We are dealing with sovereign governments, and only they can decide whether to permit deployment of missile defense systems on their territories.

In fact, we have made steady progress in our negotiations with both countries. Acting Under Secretary of State Rood has led interagency negotiating teams to Warsaw and Prague. The teams have been working with their Polish and Czech colleagues on draft missile defense basing agreements. We have steadily identified areas of agreement and areas where further discussion is required. Although our negotiations are not complete, the U.S. is pleased with the serious and constructive approach our counterparts have taken to these negotiations, and we remain confident that we will be able to reach agreements with each.

The last aspect I want to cover is the Russian dimension of our missile defense planning and outreach. For over two years, the Department of Defense has been engaging Russia on our system plans. In fact, we were talking to the Russians almost as extensively as we were talking to the Allies. I have been part of these conversations with Secretary Rumsfeld and more recently with Secretary Gates. Throughout this process, we have offered full transparency on the threat, why it needs to be countered, and our plans for doing so. We have offered a variety of ideas and projects for cooperation with Russia to provide transparency and reassure the Russian government that our missile defense system is not directed toward or against them. We have invited Russian officials to visit our missile defense sites in Alaska and California. We have suggested jointly undertaking test bed experimentation, and the sharing of radar data. Last April, a U.S. team traveled to Moscow with a comprehensive proposal for cooperation across a broad spectrum of missile defense activities.

Until last June, our offers to the Russian government had been neither accepted nor rejected. In June, President Putin proposed that we might use data from the Qabala radar in Azerbaijan to monitor the Iranian ballistic missile program, instead of deploying U.S. missile defense assets to Europe. Although we do not plan on suspending plans and negotiations for missile defenses in Europe, we have welcomed the Russian proposal and continue to analyze it. Since then, in September, a U.S. team visited the Qabala radar on a fact-finding mission.

Last July, Presidents Bush and Putin agreed to hold experts' meetings to find common ground for missile defense cooperation. Three such meetings were held since July, leading up to the October “2+2" meeting of our Secretaries of State and Defense with their Russian counterparts. Although we continue to disagree in key areas, including how soon Iran could possess long-range ballistic missiles, both sides presented ideas for cooperation and have had an exceptionally open exchange of information regarding Iranian ballistic missile development programs and the potential threats they pose.

At the recent 2+2 meeting in Moscow, the U.S. put forward proposals which would further transparency and information sharing on our proposed missile defense system.

Secretary Gates told his Russian colleagues the U .S. will continue negotiations with Poland and the Czech Republic on the deployment of missile defense assets. We did not accept the Russian position that the U.S. freeze these negotiations, a point Secretary Rice also made clear in her public statements. We told the Russians that our intent to complete these negotiations and construction of the proposed system need not be an impediment to further discussions with Russia about how we might cooperate on missile defense. The U.S. proposed to develop a joint regional missile defense architecture that could incorporate both U.S. and Russian missile defense assets. This architecture could eventually incorporate U. S., Russian, and European missile defense elements with the aim of defending the U.S., Europe, and western Russia from missile attack.

The U.S. also expressed its willingness to work with the Russians to provide assurances to address Russian concerns. We discussed transparency efforts, such as the potential for visits to U.S. and Russian missile defense sites. Possible Russian visits to missile defense sites in Poland and the Czech Republic would, of course, require prior host nation agreement before we negotiated such an idea with the Russians.

We also discussed the possibility of "phasing" the activation of missile defense assets in Europe, based on further developments in the Iranian threat. We continue to further develop this proposal. The concept is that we would continue with negotiations and current plans for construction, but perhaps phase the activation of the system with Iranian development of intermediate and long range ballistic missiles.

Although we did not resolve our differences at the 2+2, we did agree on a way forward:

- We will continue and intensify our expert-level talks in order to flesh out the newest U.S. proposal and to give Russia the opportunity to contribute its own ideas.

- We will work toward a new Strategic Framework document that will outline a strategic partnership on a number of issues.

- We will conduct another 2+2 meeting in Washington in about six months to review our progress.

I wanted to leave you with just a few key points on missile defenses in Europe: The U.S. has been very proactive in explaining what our missile defense is and that it is defensive only. Second, NATO understands the intent of our system and that it 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.

Although I have devoted most of my testimony to missile defense, I would like to add just a few remarks to those of my colleague regarding the conventional arms control agreements with which the Defense Department has been most actively involved. An early contribution of the OSCE, when the Cold War was in full swing, was the development of confidence and security building measures. These measures, which are part of today's Vienna Document, provided transparency that played an important role in preventing dangerous miscalculation and misunderstanding about military forces and their activities.

These measures were a step on the road to later agreements, including the Conventional Armed forces in Europe Treaty, known as CFE, which remains a cornerstone of European security. That Treaty, as you know, played a key role in hastening the process of post-Cold War conventional arms reductions and in building confidence that lower levels would be maintained. Under the Treaty, Europe saw the reduction of over 60,000 pieces of treaty-limited equipment – tanks, artillery, armored combat vehicles, combat aircraft, and attack helicopters. As a result, the Treaty has contributed to a more stable situation in Europe and has helped to reduce a once heavy military burden on the United States. Today the U.S. retains in Europe only a few hundreds of treaty limited-items in each category and is well below CFE limits.

The Department of Defense was an integral part of the process of negotiating the Adapted CFE Treaty, which adjusted CFE provisions to better reflect the situation in post-Cold War Europe. We have actively participated in, and supported, the current negotiating process. We hope it succeeds. If we are successful, DoD will fully support the ratification of the Adapted Treaty.

We must preserve the gains we have made in reducing the conventional threat, while responding effectively to new challenges that affect both the Unites States and our European allies. That concludes my prepared remarks. Mr. Chairman I look forward to your questions.