

**PROLIFERATION SECURITY INITIATIVE:
AN EARLY ASSESSMENT**

HEARING
BEFORE THE
SUBCOMMITTEE ON
INTERNATIONAL TERRORISM AND
NONPROLIFERATION
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PROLIFERATION SECURITY INITIATIVE: AN EARLY ASSESSMENT

THURSDAY, JUNE 9, 2005

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON INTERNATIONAL TERRORISM
AND NONPROLIFERATION,
COMMITTEE ON INTERNATIONAL RELATIONS,
Washington, DC.

The Subcommittee met, pursuant to call, at 2:08 p.m. in room 2172, Rayburn House Office Building, Hon. Edward R. Royce (Chairman of the Subcommittee) presiding.

Mr. ROYCE. This hearing, on Proliferation Security Initiative: An Early Assessment, will come to order.

President Bush unveiled the Proliferation Security Initiative, or PSI as we refer to it, 2 years ago in Krakow, Poland. The PSI is a post-9/11 U.S.-originated multilateral initiative aimed at stemming the proliferation of weapons of mass destruction and of WMD-related materials. It aims to interdict WMD cargo on the land, in the air and at sea.

Under Secretary of State for Arms Control and International Security, John Bolton, who spearheaded its creation, has called this Proliferation Security Initiative foremost among President Bush's efforts to stop WMD proliferation. Today, there are 60 countries supporting this initiative.

PSI is an aggressive response to increasingly sophisticated proliferators who do pose a grave threat to our national security. PSI's most high-profile operation has been the interception of the *BBC China*. Now, the *BBC China* was a ship delivering WMD components, significant centrifuge parts, to Libya in 2003. It was a joint U.S.-U.K. operation. This contributed to Libya's decision to renounce its WMD program, and it contributed to the unraveling of Dr. A.Q. Kahn's nuclear proliferation network.

In general, PSI has received good grades from analysts from other countries and from the U.N. Secretary General, who has endorsed the PSI concept. There can be only partial grades, however, because the Administration recently reported that 11 successful PSI interdictions took place in the last 9 months. And while details are sketchy due to intelligence security concerns, this number included a shipment of material and equipment bound from ballistic missile programs in countries of concern, including Iran.

This number of reported interdictions does suggest a worrisome level of proliferation activity. The PSI grade is not complete because we obviously have no idea what proliferation PSI is missing. Intelligence collection is the foundation of PSI. Director of National

Intelligence, John Negroponte, recently said, "PSI makes intelligence actionable." Yet the Robb-Silverman Commission Report, released in March, noted that the U.S. intelligence community is ill-equipped to support PSI.

As the intelligence community retools, supporting programs like PSI should be central to their mission. Last year, a Pentagon group reported that nuclear knowledge, materials and weapons are oozing out of control. Some have suggested that PSI risk deflecting attention from other nonproliferation efforts, including the Non-Proliferation Treaty, which recently concluded an unfruitful review conference. Nonproliferation treaties, threat reduction programs, export control regimes and other efforts should not be short-changed. We need to be using all tools in the toolbox. PSI might be the hammer, but we need the screwdriver and saw, too.

PSI has been described as an activity, not an organization. It has little institutional structure and no official membership or headquarters. No permanent staff. This brings advantages. It avoids red tape. It avoids a lowest common denominator approach when taking action. It avoids the possible political acrimony over selecting interdiction targets. PSI is nimble.

There are possible drawbacks, though. There are some concerns about PSI's staying power as governments change abroad. PSI does not have its own funding base in the State Department budget, even though it aims to expand. John Bolton drove the PSI's creation, showing great commitment, skill and perseverance. He is now ready to go to New York as our Ambassador to the United Nations. New leadership will have to press ahead. We should continually reassess this critical activity, this activity of WMD interdiction, and we should ask if it is best situated outside the type of organizational framework that is brought to most other diplomatic challenges. And that is what we are doing today.

I will now turn to the Ranking Member for his statement, Mr. Brad Sherman from Sherman Oaks.

Mr. SHERMAN. Thank you. I thank my colleague from Fullerton for holding these hearings, and I thank the staff for working hard to make them happen, given how busy the Full Committee has been this week.

I thank Assistant Secretary Rademaker for joining us again. Let me take this opportunity, just as we were talking informally, to remind you, Assistant Secretary, that you promised that at the conclusion of the Non-Proliferation Treaty review conference in New York, which has been over for a couple of weeks now, that you would provide us with a letter on which countries were helpful and which countries were not helpful in achieving our objectives there. And every morning, I check my mailbox with great anticipation in awaiting that letter.

In addition, we can have some informal conversations, but what would be useful to the Congress is something formal. Because me knowing something is not as important as the entire Congress knowing it. Although we can talk informally as well, that may be useful.

I can think of no better way for a country to demonstrate friendship to the United States than to work with us on nonproliferation issues. Those countries that do should receive our gratitude, and

those who hinder our efforts should become known to this Congress formally or informally.

Our topic today is the PSI, which has been touted by the Bush Administration as one of the most successful multilateral efforts at nonproliferation during the tenure of this President. And as pointed out by the Chairman, it was John Bolton who has been spearheading this effort.

PSI is a pretty loose coalition of the willing. The Administration says we have 60 supporting countries, although what it means to be a supporting country is somewhat of a mystery. Absent a handful of universally recognized scourges, such as slave trading and piracy, there is virtually no legal authority for the United States or any other power to hail over and board an international ship outside its own territorial waters. So even if we know a ship cruising in international waters is carrying centrifuges destined for Iran, unless we have an agreement with the flag country or unless that ship enters a friendly state's territorial waters and that country grants us the right to board, we do not have the legal authority to board that ship.

I might point out that given a choice between letting the centrifuge get to Iran or get to North Korea, on the one hand, and boarding the ship without legal authority, on the other, I would certainly advise the second course. But it is always nice to have legal authority, and it is nice to have diplomats around the world getting us that authority.

This problem of legal authority can be solved significantly by getting that authority from the major flag carriers, especially the flag of convenience jurisdictions. We should commend Cyprus for joining PSI, and the Government of Nicosia for giving us that authority. Panama is a participant, so is Liberia, but I will be asking the Assistant Secretary to describe our efforts to get other friendly countries who flag a significant number of ships, including the Marshall Islands, especially given the very large amount of foreign aid we provide per capita there, but also Honduras, Belize, Sri Lanka and Jamaica.

I would point out that this Congress is being asked to approve CAFTA, and these countries are not cooperating with us on stopping nuclear proliferation? Those who choose to vote for CAFTA will have to explain why they are willing to take that action.

I note South Korea is not a member of PSI. While Japan has aggressively used its authority to inspect North Korean ships in its territorial waters, South Korea's lack of PSI membership is certainly disappointing to me, and I look forward to having the Assistant Secretary explain our efforts vis-a-vis South Korea.

The Chinese, likewise, play a critical role in nonproliferation. Of course, it should not surprise us that they have not joined PSI. China has not been very cooperative in limiting proliferation. It continues to subsidize North Korea, and we, of course, are absolutely unwilling to even hint to the Chinese that their failure to help us on nonproliferation issues could have the slightest impact on trade. The reason is that that huge trade deficit that sucks jobs out of America makes some Americans that are very powerful very rich. And for this reason, we have a President who has said that if we cannot invade it, we are not going to do anything about it ex-

cept send the diplomats without the power to do anything, such as hint about trade.

I know I have gone on for a while here, and I would look forward to hearing the Assistant Secretary.

Mr. ROYCE. Stephen G. Rademaker is the Assistant Secretary for Arms Control at the State Department. In addition to his duties at the Bureau for Arms Control, Secretary Rice has given Mr. Rademaker the duties of Assistant Secretary for Nonproliferation.

Before joining the State Department, Mr. Rademaker worked as the Chief Counsel for the Committee on Homeland Security and as the Deputy Staff Director and Chief Counsel for our Committee on International Relations.

Secretary Rademaker, we saw you 6 weeks ago, and we thank you for joining us today. Please proceed.

**STATEMENT OF THE HONORABLE STEPHEN G. RADEMAKER,
ASSISTANT SECRETARY, BUREAU OF ARMS CONTROL, U.S.
DEPARTMENT OF STATE**

Mr. RADEMAKER. Mr. Chairman, Mr. Sherman, other Members of the Committee, it is a pleasure for me to appear before you again today.

Mr. SHERMAN. If I can interrupt you for just a second, I had it wrong on the Marshall Islands. They are a participant, and I am sorry about that mistake.

Mr. ROYCE. And the good news is that most of these developing countries that are these convenient states have been signed on by the Administration, and so that is certainly a lawful activity in terms of the legality of the process, with this being underwritten.

But as Congressman Sherman suggests, we will certainly be attentive to making certain that all other developing countries that are still in the category of countries of convenience see the light on this.

But please proceed, Mr. Secretary.

Mr. RADEMAKER. Yes, Mr. Chairman. Thank you.

Mr. Chairman, the RMI is not only a participant in the PSI, they have signed a shipboarding agreement with the United States as well.

As I was saying, I very much appreciate the opportunity to appear before the Subcommittee again. I have submitted a prepared statement for the record. I will not insist on reading it, if that is okay with you. Instead, I would like to make a few introductory comments and then respond to whatever questions the Members may have.

The PSI has been a big success, and I would say, at least for myself, an unexpected success, or the degree of success has been unexpected. It was announced just 2 years ago, and as of today, we have over 60 countries that participate in one form or another in the PSI. What we have done is tap into a very strong desire on the part of many countries to do something, to participate in some way in efforts to combat weapons of mass destruction.

I think what we have to say about this is that, at a deep intuitive level, many governments understand, especially post-9/11, the grave risks to all civilized countries posed by the nexus of terrorists who are intent on killing as many people as possible in order to

make political statements, state sponsors of terrorism who lend assistance to these kinds of organizations, and the fact that many of these state sponsors of terrorism are also in the business of seeking to develop weapons of mass destruction. And if such governments ever obtained weapons of mass destruction, they will be sorely tempted to pass those weapons into the hands of terrorists who would not hesitate to use them.

And for that reason, there has been a very high degree of interest in many countries all over the world in acting collectively to confront this threat that faces us. The PSI has served as a vehicle to attract and channel this enthusiasm to do something, and I think that accounts for the large number of countries that are participating, the very high level of activity that takes place under the PSI in terms of planning and exercises and developing patterns of cooperation that can be used in discreet interdictions that the PSI may seek to effectuate as cases emerge, and the success we have actually achieved in interdicting shipments of weapons of mass destruction.

We have said repeatedly that the PSI is an activity, not an organization, and I do think that is an important concept for all of us to bear in mind. There is no secretariat, no headquarters, no staff of the PSI. Instead, it is an informal coalition of countries that, as I said, get together, work together, and develop patterns of cooperation that they can use when the need to work together on a discreet interdiction arises. And we have had successes.

Secretary Rice, in her address on the second anniversary of the PSI, just 10 days ago, alluded to a number of them, and you, Mr. Chairman, relayed correctly what she said about the successes that we had over the last 9 months. I would comment, however, that successful interdictions are not ultimately the best measure of the success of the PSI. The best measure of success of the PSI will be the interdictions that never happen because the weapons of mass destruction or the components of weapons of mass destruction were never shipped in the first place because the PSI successfully deterred or dissuaded would-be proliferators from engaging in this kind of activity in the first place. And we will never have a number. We will never be able to quantify how many shipments of weapons of mass destruction never took place because of the PSI, but we believe the PSI is already having a deterrent effect, and we think it will increasingly have that effect in the future.

The PSI, of course, is just one element of the Administration's overall strategy to combat weapons of mass destruction. It is complemented by and it complements other elements of that strategy. Resolution 1540, adopted by the U.N. Security Council a little over a year ago, required all governments to adopt export controls and to assert or exercise their sovereign responsibility to try to prevent transfers of weapons of mass destruction and their components. This regime, under resolution 1540, works hand in glove with what we have established under the PSI.

PSI and resolution 1540 are highly complementary. One provides a legal basis within countries for stopping these kinds of shipments, and the PSI serves as an international safety net that can act in cases where shipments take place, notwithstanding the prohibitions found in resolution 1540.

We are working diplomatically to increase international participation in the PSI. As I said, we have over 60 participants today. That number continues to grow. Just yesterday—I will not name the country—but I was contacted by an Ambassador here in Washington from a country not currently participating in the PSI but who wanted additional information because his government is thinking about adhering to the PSI.

We are in the process of signing shipboarding agreements, which are not as central to the ability of the PSI to interdict shipments of weapons of mass destruction, but they can facilitate interdiction operations that will save us time, and that is why we are seeking to negotiate them. We have signed four to date, including with the Marshall Islands, also with Panama, Liberia and, most recently, Croatia. And we are seeking many additional ones. Negotiations are in various stages, but there are many countries that are interested in working with us on these agreements.

There are additional countries where we are not seeking agreements because we do not think such agreements are necessary. A lot of the original participants in the PSI have an informal understanding among themselves that they will very quickly provide approval to any interdiction of their flagships. And so among original participants in the PSI, there is no effort to negotiate these agreements. We are working with other countries that came subsequently to the PSI with these agreements.

I could respond to some of the comments that were made by the Chairman and the Ranking Member in your opening statements, or I could stop at this point and respond to questions.

[The prepared statement of Mr. Rademaker follows:]

PREPARED STATEMENT OF THE HONORABLE STEPHEN G. RADEMAKER, ASSISTANT
SECRETARY, BUREAU OF ARMS CONTROL, U.S. DEPARTMENT OF STATE

Testimony by A/S Rademaker before the
House International Relations Committee

PSI: A Record of Success

Thank you, Mr. Chairman. I welcome the opportunity to appear before your committee again to discuss another important element of the Bush Administration's innovative approach to combating the threats of the 21st Century.

Today, we are just 10 days into the Proliferation Security Initiative's third year. I would like to use this opportunity to describe our actions through the Proliferation Security Initiative – the PSI – to stop trafficking in weapons of mass destruction, their delivery systems and related materials to and from states and non-state actors of proliferation concern.

The Administration's overarching nonproliferation and arms control approach to counter the threat of weapons of mass destruction falling into the hands of the world's most dangerous regimes or terrorists was articulated by President Bush in 2002 in the National Strategy to Combat Weapons of Mass Destruction. President Bush recognized that the threats of the 21st Century require a fundamental change from the past and a focus on counterproliferation activities.

As a result, just over two years ago, in Krakow, Poland, President Bush announced the establishment of the PSI, to serve as an enduring framework for global cooperation to counter proliferation-related trafficking. PSI partners have built a network of cooperation aimed at building national capacities to act with speed and effectiveness and in partnership to stop WMD trafficking on the land, at sea, and in the air. We count over 60 countries as supporters of the PSI. Most recently, Argentina, Iraq and Georgia have joined this global effort against proliferation by endorsing the PSI Statement of Interdiction Principles.

The Vision of PSI

In developing the PSI, our main goal has been a simple one -- to create the basis for practical cooperation among states to help navigate this increasingly challenging arena. Our goal is based on an equally simple tenet -- that the impact of states working together in a deliberately

cooperative manner would be greater than states acting alone in an ad hoc fashion.

We often say “PSI is an activity, not an organization.” This is not hard to understand, but is unusual. We think it is a fundamental reason for PSI’s success to date. PSI builds on existing nonproliferation treaties and regimes. In doing so, PSI reflects the reality that, even as we continue to support and strengthen the existing nonproliferation architecture, proliferators and those facilitating the procurement of deadly capabilities are circumventing existing laws, treaties, and controls against WMD proliferation. Through PSI, we create the basis for action to ensure that, if proliferators manage to place their deadly cargoes aboard a ship, plane, or truck, we are prepared to stop them in their tracks.

When PSI first emerged, it was criticized inaccurately as an initiative with a shaky legal underpinning. In fact, the foundation of our ability to act in support of PSI activities is our respective national legal authorities and relevant international law and frameworks. There is ample authority to support interdiction actions at sea, in the air, and on land. States around the world have concurred with this fact and lent their support to the PSI. Importantly, the unanimous passage of UN Security Council Resolution 1540 establishes clear international acknowledgement that cooperation, such as PSI, is both useful and necessary.

The PSI has been a fast-moving effort, reflecting the urgency attached to establishing a more coordinated and active basis to prevent proliferation. On September 4, 2003 we published the PSI “Statement of Interdiction Principles” and shared it with countries around the world. Countries will participate in a variety of ways.

WMD-related trafficking threatens the security of the United States and the world community, the lives of our citizens, and legitimate commerce. By cynically offering the materials that could support the development of weapons of mass destruction to the highest bidder, this trade threatens to facilitate the development of weapons of mass destruction capabilities without regard to the potential grave damage to international security. This scheme of proliferation for profit can only be stopped through coordinated and continuous efforts by all like-minded governments.

We are all aware of the dangers of proliferation. The A.Q. Khan network sold nuclear know-how to proliferators in flagrant violation of international

export control norms and national laws. While the Khan network is the most prominent example, other proliferators and middle men across the globe continue to procure sensitive technologies for states and non-state actors willing to pay their price.

Many proliferators operate in the open, making use of laws designed to facilitate free and open trade, finding opportunities in countries with weak laws or enforcement, or simply hiding their cargo in the massive volume of legitimate commercial trade, sometimes masking their activities with false documentation. The United States as a supplier of sophisticated technologies is on constant watch. We seek out entities that are manipulating export laws. We seek out middlemen who attempt to dupe legitimate companies into serving as unwitting suppliers to those seeking WMD.

Quietly countering proliferation

In the last nine months alone, the United States and 10 of our PSI partners have quietly cooperated on 11 successful efforts. As noted by Secretary Rice in her May 31 remarks on the second PSI anniversary, PSI cooperation stopped the transshipment of material and equipment bound for ballistic missile programs in countries of concern, including Iran. PSI partners, working at times with others, have prevented Iran from procuring goods to support its missile and WMD programs, including its nuclear program. And bilateral PSI cooperation prevented the ballistic missile program in another region from receiving equipment used to produce propellant.

Our successes cannot all speak for themselves, since the details often involve sensitive intelligence matters. But we can say that the PSI is putting proliferators on notice and weeding them out from those engaged in legitimate trade. Our PSI efforts are also cutting off funding to entities engaged in WMD-related trafficking, and to countries seeking to use proliferation to fund their own proliferant activities. And our PSI efforts are stopping shipments that could support the development of weapons of mass destruction to and from states and non-state actors of proliferation concern.

PSI participants are fighting proliferation networks by building a counterproliferation network of our own. Proliferators move quickly in the global economy, attempting to develop markets, exploit loopholes and find safe harbors. But counterproliferators are learning through the PSI to be flexible and quick in response, denying any respite to those who would

auction off WMD, delivery systems, and related. Proliferators seek the gaps and weaknesses among all of our countries' individual actions to stop WMD-related trafficking. But counterproliferators know that cooperation and collaboration are the only means to ensure that there is no weakest link in our chain.

Building the Operational Capacity for Cooperative Action

PSI participants are building a foundation for cooperative action that is making it increasingly difficult and costly to engage in WMD trafficking. PSI participants are training together, sharing information, and performing interdictions. We are building a network to weave our individual efforts into a coordinated whole. Our customs and law enforcement officials are enforcing a wide range of laws already on the books to hold would-be proliferators accountable and we are engaged in a broad review to determine what additional authorities would be helpful. And our militaries and other operational agencies are helping to interdict suspicious shipments. Partnerships are being forged, contacts are being made, and operational readiness is being improved – we are creating a lasting basis for cooperative action against proliferation.

Over the past two years, we have worked tirelessly to build this coalition against WMD-related trafficking. By coordinating our efforts with other countries, we draw upon an enhanced set of authorities for interdiction. Experts are working to improve our ability to share information with law enforcement and military operators in a timely and effective manner, in order to allow operators to increase the number of actual interdictions.

Our current efforts are aimed at building our capacity to undertake air interdictions. As the Danish Ambassador to the United States said during the recent PSI anniversary meeting in Washington regarding Denmark hosting the next expert meeting in early July, "Having made noteworthy achievements in the maritime domain it is our aim that the upcoming meeting also will make a significant contribution to interdictions in aviation: An advanced aviation scenario is in the making that will aim at facilitating progress on operational, intelligence and legal aspects of air interdiction."

At that meeting in Copenhagen, participants will continue the efforts begun at the March meeting hosted by the United States, where PSI participants began work in earnest on the air interdiction challenge and continued their

efforts to refine a series of sea, air, and ground interdiction training exercises.

Last week, the Czech Republic and Poland co-hosted a successful land interdiction exercise with 28 states in attendance – the first PSI exercise hosted on a “non-PSI Operational Expert Group” state’s territory. The event was held in conjunction with the PSI Second Anniversary and received positive widespread publicity in the Central and Eastern European region. Additionally, Spain just yesterday hosted an air interdiction exercise to further increase the interoperability of PSI partners. PSI nations have trained for interdiction operations around the globe.

In his February, 2004 address, President Bush directed that we work with other participants to expand PSI’s mission to target not only shipments and transfers of WMD, but the entities and networks involved in illicit proliferation activities more aggressively. Such steps will require greater cooperation not just among intelligence and military services but in law enforcement as well. Specifically, PSI participants will focus more broadly on those who traffic in deadly weapons, and work to shut down their labs, to seize their materials, to freeze their assets, to disrupt the middlemen, the suppliers and the buyers.

Work continues to build support for this expanded PSI effort. Participants have agreed to pursue greater cooperation through military and intelligence services and law enforcement to shut down proliferation facilitators and bring them to justice. PSI participants agreed on some practical first steps to: 1) identify national points of contact and internal processes developed for this expanded goal; 2) develop and share national analyses of key proliferation actors and networks, their financing sources, and other support structures; and 3) undertake national action to identify law enforcement authorities and other tools or assets that could be brought to bear against efforts to stop proliferation facilitators. Recognizing their critical role in the Initiative, participants worked at the most recent Operational Experts meeting in Omaha, Nebraska, to ensure greater involvement of law enforcement agencies from all partner states.

We are further operationalizing the PSI by pursuing and concluding bilateral ship-boarding agreements, a tool specifically encouraged in the WMD Commission Report issued last March. We have so far signed four such agreements, with Liberia, Panama, the Marshall Islands, and – just last week

– with Croatia. In addition to establishing key points of contact and procedures to facilitate requests to board suspect vessels, these agreements also serve to deter proliferators that might consider the use of a flag with which we have a ship-boarding agreement. We have engaged a number of other countries seeking to conclude similar agreements and will aggressively continue to promote these efforts to create additional tools to facilitate PSI operations.

Our long-term success depends on these exercises and the other efforts we have undertaken to organize the many nonproliferation and counterproliferation tools that PSI partners have at their disposal into a strong network to stop WMD-related trafficking.

Broadening International Participation

We are working to broaden the circle of countries that count themselves as PSI supporters, by urging all like-minded countries to endorse the PSI Statement of Interdiction Principles and intensify cooperation with countries that are already participating in the PSI.

We do so for several reasons. Building a strong foundation for cooperation in stopping proliferation is clearly in the national security interests of the United States and in the interests of international security more broadly. In addition, actions to stop WMD-related trafficking fulfill the expressed will of the international community as reflected in the United Nations and in many other international groups.

International support for the PSI is steadily growing. United Nations Security Council Resolution 1540 calls for international cooperation against WMD trafficking. More recently, the UN High Level Panel endorsed the PSI and stated that “all states should be encouraged to join.” Likewise, in a speech in Madrid last March, UN Secretary General Kofi Annan praised the PSI.

To participate in the PSI is, of course, each nation’s choice. But in WMD proliferation, we face a threat that doesn’t recognize the will of the international community, national borders, or our shared efforts to increase the security of all our citizens.

Participation in PSI activities – from exercises to actual interdictions – remains a voluntary national decision. Each country’s endorsement of the Statement of Interdiction Principles is seen by all other PSI participants as a simple commitment – each new endorsee says with their endorsement “you can count on us to help stop proliferation.”

PSI partners seek to learn from new participants what legal authorities they have available in the area of interdictions. We seek to identify the assets that each country has that could contribute to PSI efforts. And we seek an ongoing commitment to fight WMD-related trafficking alongside our PSI partners.

Involvement in actual interdictions will differ, depending on each country’s respective capabilities, national decisions and real-world circumstances. PSI partners have pledged to undertake each PSI action consistent with national legal authorities and international law and frameworks. States participating in an interdiction can only be expected to act to the fullest extent permissible under their respective national authorities and international law and frameworks, and not beyond. As we and our PSI partners review our respective laws and authorities, we are discovering that a creative and robust application of these authorities provides us with a broad basis for action against proliferators. We are also forging new partnerships within our respective governments to bring all our capabilities to bear.

We’re building a foundation for cooperation, a network for fast action when fast action is required. Together, PSI partners can demonstrate that the international community is united against proliferation in word and in deed. We will not stand by as middlemen and opportunists endanger our security for their monetary gain.

I would be glad to answer any questions you may have.

Mr. ROYCE. Feel free. We have plenty of questions, Assistant Secretary Rademaker, that we will follow up on. So if you would like to make some observations based upon our opening statements, do that, and we will then follow up with a discussion.

Mr. RADEMAKER. Certainly.

Mr. Chairman, you commented that the recent report of the Silverman Commission had indicated that the intelligence community was not sufficiently organized to support the PSI. Changes are being adopted within the intelligence community to increase its ability to support the PSI.

They have recently established something called the Suppliers and Interdiction Group, which is an entity within the intelligence community that will seek to provide intelligence support to the PSI.

Mr. ROYCE. Why don't you tell us what needs to change there, in your opinion? We know the overall conclusion of the Robb-Silverman Commission, and we understand they are responding. But in your opinion, what needs to change in that environment?

Mr. RADEMAKER. Well, the Suppliers and Interdiction Group is a change, so I think it would be premature for me to call for further change until we see how this change plays out. But I have already seen evidence that this group is having an effect and is increasing the level and usefulness of intelligence support to the PSI.

You had expressed a concern, with the departure of Under Secretary Bolton, there might be less high-level attention to the PSI within the Bush Administration. I am quite confident that will not be the case. As you know, Under Secretary Bolton just last week was replaced by Under Secretary Robert Joseph. I can assure you that Robert Joseph's commitment to the PSI is no less firm than Under Secretary Bolton's.

Under Secretary Joseph came from the NSC staff, where he had an instrumental role in helping to establish the PSI. And he is fully familiar with it and fully committed to it. So I would expect to see no interruption or change whatsoever in the high-level support for and commitment to the PSI.

Mr. Sherman, you expressed concerns about the legal authority under which the PSI operates. We have made clear to participants in the PSI that it is not the intention of the PSI to act contrary to international law or to ask countries to act contrary to the best legal authorities of their governments and the various entities within their governments that are involved in PSI activities. That does not mean, however, that the PSI is severely limited in its ability to interdict shipments of weapons of mass destruction.

One of the early collective activities within the PSI was to assemble legal experts from participating countries to carefully analyze the international and domestic legal authorities available to the participating governments with an eye to first identifying what authorities exist and, second, to identifying areas in which participating governments could enhance their domestic legal authority through the enactment of additional legislation to more fully equip or enable them to exercise jurisdiction available to them under international law.

And what has emerged is that, if we take all of the legal authorities that are available, there will certainly be cases where it is dif-

difficult or impossible to find legal authority to stop a particular shipment, but in the vast majority of cases, it appears that some legal authority can be found.

You commented about one important source of authority under international law to interdict shipping, and that is with the consent of the flag state. And, of course, that is an ample authority under international law, provided the consent of the flag state can be obtained. It can be obtained on an ad hoc basis, which we have done on many occasions, or it can be obtained on an expedited basis through a shipboarding agreement. And because having consent on an expedited basis can save time, we are seeking to negotiate these agreements.

But that is a very important source of legal authority, though we do have to understand there may be some flag governments that will refuse to give such consent. But even in such cases, there are other authorities available. Custom authorities have authority over ships in port. Coastal states have legal authority to stop shipping in their territorial waters.

Another factor which played importantly in the *BBC China* case is that ships have owners, and those owners often do not come from the same state as the flag state. But if the owners of the ship direct the crew of the ship to pull into a particular port, that can then provide authority for the customs authorities in that port to conduct a search.

That is in fact exactly what happened in the case of the *BBC China*. That ship was an Antiguan-flagged vessel, but it was owned by a German company. And the German Government approached their citizens who owned the ship and asked them to direct the vessel into an Italian port, and Italian customs authorities then carried out the search, which discovered the centrifuge, which led to unraveling both of the covert Libyan nuclear program and the covert A.Q. Kahn nuclear proliferation network, a big success carried out by states participating in the PSI.

I know there has been a quarrel about whether it was officially a PSI operation or not. I think that is actually a silly discussion to engage in because since the PSI is not an organization to begin with, it becomes difficult to say whether a particular operation involving PSI participants was in fact carried out under the PSI.

Mr. ROYCE. Well, you have got an informal arrangement here and you have got four participants in PSI all involved in that informal arrangement: Italy, Germany, the United States and the U.K., so it is obviously a PSI operation, by definition.

Mr. RADEMAKER. Fundamentally, the PSI creates patterns of cooperation. And when those who have established those patterns of cooperation in fact cooperate to carry out an interdiction, we would count that as an operation under the PSI.

Mr. ROYCE. Well, states have the power to stop and seize cargo, as you say, in their territory or in their territorial seas, and certainly these flag of convenience states, usually developing countries, have the ready ability to sign on to an initiative.

Earlier, my colleague, Congressman Sherman, asked you about getting back to us on the question of which countries were helpful and which were not with regard to the Non-Proliferation Treaty review conference. Maybe we could amend that to discuss these flag

of convenience states, and if you could give us those that are not being helpful, I am sure Members of this Subcommittee and on the Committee on International Relations would be very interested in following up and focusing on that issue.

I wanted to ask you a couple of questions having to do with which State Department official is charged with PSI. So let's start there.

Mr. RADEMAKER. The lead responsibility within the State Department for the PSI resides with the Under Secretary for International Security and Arms Control who is Robert Joseph. Below him, the Bureau on Nonproliferation has the lead. And within the Bureau of Nonproliferation, we have an office that devotes a considerable portion of its time to working on the PSI.

Mr. ROYCE. Let me ask you how we can measure how often requests we make of other countries to act on intelligence that we provide are denied? I think we, as Members of this oversight panel, would be very interested.

And I think I have a question here as a follow-up to that. Have we actually acted on information provided by other countries that are allied with us on PSI?

Mr. RADEMAKER. Have we acted on?

Mr. ROYCE. On intelligence information. Or is this all our own intelligence information that we have been able to act on to date? Or if you would like to discuss that in a classified setting, that is all right with me.

Mr. RADEMAKER. I am afraid you may be getting into matters that may be discussed better in the Intelligence Committee.

In the intelligence world, among the PSI participants, as I said, the objective is to establish patterns of cooperation, and that would include patterns of information sharing. And a significant portion of the information that needs to be shared would fall into the category of intelligence information.

Mr. ROYCE. Well, one of our focuses here on the International Relations Committee, is to try to get a measure on the requests that we are making of other countries to act on intelligence that we provide and then where, on the high seas or on land or at the airport, these requests that we have raised about our concern over WMD are denied.

And I do not know whether you can share that or any information with me at this point or whether you would like to answer in writing on that. But, it is a question I have of you.

Mr. RADEMAKER. It is a very difficult question for me to address, particularly in a public setting such as this. Not all of our requests are honored, but, surprisingly, a large number are. And if you want more detail than that, I think we would have to go into a classified setting.

Mr. ROYCE. We will do that.

In February of last year, President Bush made an announcement that we were looking at expanding PSI. And he said we were going to deal with more than just shipments and transfers. And this expansion would, his words were, would involve shutting down facilities, seizing materials and freezing assets.

I was going to ask you how the President's proposal on this front has been followed up on?

Mr. RADEMAKER. Within the Executive Branch, we are mindful of directives we receive from the President, such as the one you just referred to, so we have certainly been pursuing those objectives. I have nothing to announce for you today, but I can assure you that we are mindful of the President's commitment here, and we are working diligently on it. I should add, it will be something that will work or can best be achieved in cooperation with other governments.

Mr. ROYCE. I mentioned Mr. Bolton, and in the context of the fact that PSI does not have a formal framework, you basically had his initiative, his driving force behind organizing this informal arrangement, and I was going to ask you about the benefits of keeping PSI informal.

I know the greater flexibility that you argue we get from that, and I spoke to that in my opening statement. But there are two sides to the issue. And the other side is, what does PSI lose by being informal? What could be better institutionalized? I thought I would ask you that question.

Mr. RADEMAKER. Mr. Chairman, that is a very good question, and it is something that we have considered as the PSI has evolved. On balance, we are satisfied that PSI will be most successful if it remains relatively informal.

Mr. ROYCE. What you lose in that are regularized budgets and formalized intelligence sharing. Formal membership might entice more countries to participate. Maybe not, I do not know.

Mr. RADEMAKER. That may be true to a certain degree, although we do not think, in reality, those concerns you just pointed to pose practical obstacles to the PSI's success.

Mr. ROYCE. I see.

Mr. RADEMAKER. On the other hand, we are concerned that to formalize the PSI to a greater degree, to institutionalize it, could introduce bureaucracy, procedural obstacles to the success of the PSI.

For interdictions to be carried out successfully, speed is often of the essence. And we are reluctant to go down a path that would result in the drafting of regulations, requirements, a formalized procedure before an interdiction can be carried out. We would not want to have a review process that had to be complied with before the PSI could be activated.

And as you know, we are seeking broad participation in the PSI. If we formalized the PSI and brought into it countries whose commitment to nonproliferation principles was debatable, we would have to be concerned whether they were using those kinds of procedures to frustrate the objectives of the PSI. And we do not want to be limited in our ability to bring additional governments into the PSI. We do not want to have to worry that, by bringing them into the PSI, we are positioning them to interfere with the success of the PSI.

Today, when a particular PSI operation is undertaken, the only involvement is with respect to those countries who are necessarily involved. The country that provides the information; the country that, for territorial reasons or because it is the flag state, has jurisdiction over the particular vessel or the aircraft; or the country

whose military or customs authorities or law enforcement authorities are in a position to act.

So it can be a streamlined operation in the current form, and we need not worry that there may be other countries in the PSI who are participating in the PSI and prepared to cooperate with the PSI.

Mr. ROYCE. There is no veto power in this arrangement.

Mr. RADEMAKER. Correct. The current arrangement enables us to expand the PSI very broadly without concern that countries we bring in might cooperate on particular operations but be less cooperative in others. And, today, that is an immaterial consideration.

Mr. ROYCE. Well, Assistant Secretary Rademaker, this is a good program. It is a critical issue. Our goal here is to look at creating the best program possible and assisting you in whatever way we can in our efforts to do that.

So we wish you well with this big challenge, and we congratulate PSI on its successes to date. And I will now turn to the Ranking Member, Mr. Sherman, for his questions. Thank you.

Mr. SHERMAN. Thank you, Mr. Chairman.

My first request is that you get to us, hopefully within 1 week, just a list of all the CAFTA countries, whether they are PSI participants and, much more importantly, whether they have signed a fully adequate shipboarding agreement.

We are going to be asked, perhaps the week after next, to make an important decision about the CAFTA countries, and just about any country can claim to be in PSI. It does not mean anything. What means something is if they have signed a shipboarding agreement.

Now, I realize at times ad hoc permission may be almost as good as a shipboarding agreement. But it is so ephemeral that, you know, you either signed a shipboarding agreement or you did not. So that is obviously very important for Honduras, which is the one CAFTA country I have been able to identify that is on the list of 32 flag of convenience countries listed by the International Transport Workers Federation. But I am told Honduras is not even in PSI, let alone a shipboarding agreement.

So if you can get us a list, just list each country: PSI yes or no; shipboarding agreement yes or no. And then if you want to tell us whether the shipboarding agreement is fully adequate or not, that would be helpful.

Next, also on the CAFTA countries, and I know you just got back from New York a couple of weeks ago, you had the discussions of the Nuclear Non-Proliferation Treaty, which CAFTA countries—and this would be a separate letter, and I realize a little more difficult to draft because it is not so easily objective. I mean, that first letter you can give to a GS-10 and they can whip it up, but this one would be: Which of the CAFTA countries was outstandingly helpful in using its voice and vote toward a consensus or toward the position that article IV does not allow full fuel cycle?

Because, as I understand it, that is the heart of the U.S. concern with that treaty and its interpretation. And one would hope that each and every one of the CAFTA countries were fighting with each other as to who could be the loudest Spanish language voice in sup-

port of our position of article IV. I look forward to finding out which countries were the most helpful on that.

Continuing with my concern about the treaty discussions up in New York, perhaps you could comment for us here diplomatically, and maybe we will talk privately as well: Did Egypt support our position with regard to full fuel cycle and the interpretation of article IV?

Mr. RADEMAKER. As I am sure you have read from the accounts of the NPT review conference in New York, we encountered a series of procedural obstacles along the way that prevented us from having the substantive discussion of a number of these issues that we would like to have had.

Mr. SHERMAN. So I would ask you, in your analysis, both of the CAFTA countries and of Egypt, to look at their position on procedural issues leading up to that, were important to the United States, any procedural issue. We in the House certainly know the procedural votes are arguably the most important votes.

Mr. RADEMAKER. I can recall no instance where the CAFTA countries were unhelpful on procedural matters.

Mr. SHERMAN. Can you recall any instance where they were particularly helpful; loud, demonstrative, lobbying other countries and bringing them on board?

Mr. RADEMAKER. The fundamental procedural problem we had at the review conference was occasioned largely by Egypt, and most other countries were simply spectators to Egypt's conduct at the review conference.

On your question about—

Mr. SHERMAN. So Egypt was not just one of those that was not terribly helpful; Egypt was the loudest voice, in general, on efforts to frustrate us procedurally in New York?

Mr. RADEMAKER. Certainly on procedural issues, Egypt was second to none in creating obstacles.

Mr. SHERMAN. Let me bring a smile to your face here, at least a little bit of a silver lining. The Prime Minister of Egypt met with us on the Committee; it must have been only a week, week and a half ago. He promised me orally, informally, that I would be happy with what they did in New York. He also urged us to not make a change in our aid program but continue to provide the majority of aid, or almost exclusively, the aid to the military and not civilian.

And in this room just yesterday, we decided to at least shift the aid, if not reduce it. And I think we were aware—I mean, you are putting it even more crisply than I had realized of Egypt's leading role in frustrating our efforts to control nuclear weapons, at least a leading role up at this New York conference.

How helpful was Saudi Arabia?

Mr. RADEMAKER. I do not recall them figuring importantly in these procedural debates that took place in New York.

Mr. SHERMAN. And what about Brazil?

Mr. RADEMAKER. The president of the review conference was a Brazilian diplomat, and I think, for better or worse, the Brazilian delegation took a lower-profile role, played a lower-profile role in this review conference than in past review conferences. I think primarily because they did not wish to diminish the success of the president of the review conference.

Mr. SHERMAN. I know that, later this year, we will have a chance to even see whether we should reduce aid to Egypt, and that is not something I have ever been willing to do before, but this is—it is very hard to frustrate our efforts here and then try to be the number two recipient of United States aid.

Let's shift a little to the legal rights on boarding ships. First, how big are these centrifuges? Could they easily be shipped by air or is ocean transport an important part of the process of moving them around?

Mr. RADEMAKER. Certainly some could be shipped by air, but—

Mr. SHERMAN. You need hundreds to make a nuclear bomb, don't you?

Mr. RADEMAKER. Thousands. But I should stress that the PSI is not limited to the stopping of ships.

Mr. SHERMAN. A little tougher to do planes.

Mr. RADEMAKER. It is tougher but not impossible. I have not talked about the exercises we have had under the PSI, but we have had 16 exercises since the founding of the PSI. We have about another dozen planned in the next year or so, and a number of them focus on interdiction of air shipments.

Mr. SHERMAN. Yes, but if you do not have an agreement in advance, an ad hoc agreement to do something vis-a-vis a plane while it is in the air is diplomacy at light speed. It could happen, but it would have to be a very friendly government and a very efficient government as well.

But I think you have answered my question. Some could be shipped by air, but given that you need thousands, ocean transport is an important part of the process.

And you have talked about the owners of the ship being important. In one case, you mentioned that owners voluntarily agreed. Can PSI countries impose duties on those who own ships even if the flag is of a different color? That is to say, could German law or American law say, "You own a ship, you cooperate with PSI, you allow boarding, and we do not care that you have a Mongolian flag on your ship?"

Mr. RADEMAKER. I think yours is a question that would have to be put to the lawyers. I suspect the answer is that there are things that the government with sovereignty over the owners of a vessel could ask of those owners.

Mr. SHERMAN. We compel people in this country that own things, even if they own them in other countries, all the time. And I would hope that we would not be looking just for ad hoc agreements to beg owners to cooperate, but we would look for laws in countries that allow their governments to require such cooperation.

We were lucky on what was the most important step we took that we had owners that were amenable to suggestion. And I would hope you would work toward achieving something more than that.

Also, though, do we have the right to stop a ship that is on the high seas because it is imperiling the safety of navigation and surrounding ships; a ticking time bomb on the ship? Does maritime law allow us to stop a ship for that reason?

Mr. RADEMAKER. I believe there is some basis under international law for some action. I should also mention in this connection that there is an international treaty. We call it the SUA. It

stands for suppression of unlawful acts against the safety of maritime navigation, and there is currently an effort under way to amend the SUA to increase the international jurisdiction available to address shipments related to terrorism or weapons of mass destruction.

Mr. SHERMAN. Well, I would hope that you would enlighten us as to which countries are being helpful to us in those SUA negotiations as well. There should not be a disconnect between our diplomats who have to deal with these matters on the one hand, and a Congress that has to decide what is our overall level of positive feeling and action toward individual countries on the other. And, I would hope that the United States would recognize that nuclear items on a ship imperil that ship. They imperil the safety of the high seas and, by themselves, may justify what has to be done under extreme circumstances.

I know you will try to find a sounder legal basis than that, but any port in a storm is a maritime rule.

I yield back.

Mr. ROYCE. Thank you, Mr. Sherman. We are going to go to Mr. Weller of Illinois.

Mr. WELLER. Thank you, Mr. Chairman.

And Mr. Rademaker, good to see you again. Thank you for your time before our Subcommittee.

And just to begin with some comments, I noted my good friend's comments regarding our friends in Central America. Of course, many of us consider the countries of Central America and the Dominican Republic good allies and good friends of the United States. Not only are they democratically-elected governments—particularly since they succeeded in kicking Fidel Castro and the Commies out back in the 1980s—but they have been partners in a lot of ways.

El Salvador, Honduras, Nicaragua, the Dominican Republic all provided military personnel as part of the coalition of the willing in Iraq. Salvadorans have served particularly with distinction in combat, and are still there. So I think it is important to acknowledge the contribution they have made to the United States' policy initiatives.

But when it comes to security, recently having been to Honduras, I remember the conversations we had with President Maduro and other government officials about the desire of the Honduran Government to participate in the container security initiative in their ports. So I think it is important to note, they are not only our friends, but they are our partners, and we particularly appreciate the cooperation of the Salvadorans in providing a location for aircraft to monitor the narco traffickers who are using the air around Central America to transport their goods as well as the waterways as they try to enter the United States.

That really ties in with my questioning. Myself and others, as we look at our best friends and neighbors to the south, South America, Central America, the Caribbean, unfortunately, our southern border, our third border, as many label it, is somewhat porous. There are those that are finding their way to bring narcotics into our country, they are bringing human cargo into our country, the smuggling of humans, but also the smuggling of illegal aliens into the United States from south of our borders. And I think common

sense would say, if you can bring in narcotics, if you can bring in a person, the odds are you can bring in other dangerous things, as well as the people committed to activating those devices.

I wanted to get a sense from you, Mr. Rademaker, as we move forward on the Proliferation Security Initiative, which there is so much focus on shipboarding, but it is also air, land and sea. So there are other initiatives. Tell us about the cooperation you are receiving south of the border, particularly in the Caribbean and in Latin America.

I should say at the outset that in construction of PSI we had focused correctly on countries, you might call it rogue state countries, that are as far as we are aware interested in acquiring weapons of mass destruction and therefore are in the business of importing the components and the materials they need to build such weapons.

We know who these countries by and large tend to be in the Middle East. There is one in Northeast Asia. And so in seeking to enlist countries in the PSI, we have focused on countries that are best situated geographically to act against shipping or air or land transit to those countries. There are no countries in Latin America today that we put in this category of seeking to develop weapons of mass destruction, and so diplomatically our focus has not been on signing up countries in Latin America for participation in the PSI.

That is not to say we are uninterested in their cooperation. In the case of Panama, for instance, Panama is one of the top flag state countries, and that is why we sought shipboarding agreement with Panama.

Mr. WELLER. But when it comes to this priority, we also talk about WMD-related materials, and some of these countries that may be interested in acquiring weapons of mass destruction may not necessarily be interested in assembling them in their own territory. Instead, they may desire to assemble them where their target may be, which in this case would be the North American continent, particularly the United States. And, you know, I note in the map that our staff provided here, they showed the various jurisdiction exercises here, and of course the red-colored countries are those who are active participants, members of the core membership, and then green denotes publicized participation exercises. And there are three green countries: Brazil, Argentina and Panama. And all the rest, including our closest neighbor, Mexico, are white, which means they don't participate. Again, the question being if our focus is solely on looking for materials being transported to the so-called rogue states, why would we not monitor the trafficking and transportation of materials that could actually be then assembled as well as the people that would activate them, you know, assembled onsite at their intended target?

Mr. RADEMAKER. I did not mean to suggest that we are uninterested in working with Latin America and the Caribbean countries on the PSI. To the contrary, we are interested in working with them. One of the most recent adherents to the PSI was Argentina and we very much welcome their decision to endorse the statement of interdiction principles. We did have a PSI exercise. One of the 16 PSI exercises that have taken place to date took place in No-

vember 2004, and it was called Exercise Chokepoint, and it involved Argentina, Chile, Panama and Mexico in its operation in the Caribbean.

That said, in the establishment of the PSI, we necessarily had to focus our resources, our limited resources on the biggest problem areas, so we have made a bigger effort with regard to countries that we know from past experience are more directly involved as either countries of origination of these kinds of components and technologies, or transit countries, or countries that are in a position to interdict shipments to the countries that we are most concerned about. And as a geographical matter, most of those countries where in the past this activity has taken place are not countries located in Latin America.

So the larger focus diplomatically to date has been on regions other than Latin America, and I think that might account for the fact that you would find a disproportionately large rate of participation outside of Latin America.

Mr. WELLER. You know there has been—recently there was the apprehension of individuals allegedly connected to the Sandinista element, which of course ruled Nicaragua back in the late 1970s and early 1980s, that was trafficking surface-to-air missiles capable of shooting down jetliners. Much of the trafficking that occurs in Latin America, of course, is tied in with the FARC in Colombia, and of course those networks are established.

Would you agree that, as we monitor and look to prevent the transportation of WMD-related material and personnel, we should be equally concerned about those who may be attempting to transport the components of WMD to within our borders, within the United States as well as to so-called rogue nations?

Mr. RADEMAKER. Absolutely, and you mentioned the case of Nicaragua and the MANPADS, Man Portable Air Defense Missiles, and we have a program under way with the Nicaraguan Government where we are seeking to work with the Government of Nicaragua to destroy the large inventory of these weapons that they inherited from the Sandinista regime.

Mr. WELLER. Of course the surface-air missiles I referred to were not in inventory that the Nicaraguan Government is aware of. They didn't have any of the matching serial numbers that identified them as being part of the known collection of SAMs left over from Sandinista times. But again, the point is the question I am trying to ask of you, you know, in level of priority is the monitoring as well as the interdiction of WMD-related materials and personnel, do we give equal priority to an effort to prevent that from coming into our borders? Not just, you know, in comparison to the transportation to nations and countries in which we suspect an attempt to assemble a WMD? Is it equal priority, less priority, higher priority? Where did you rank it in your priority?

Mr. RADEMAKER. I think it is important to distinguish between the various elements of our policy to protect America from the threat of terrorism and weapons of mass destruction. To the extent we are talking about shipments into the United States of these kinds of weapons or components of weapons, the Container Security Initiative is a very important policy where we seek to make it much more difficult for that kind of activity to take place.

The Container Security Initiative is separate from the Proliferation Security Initiative. The focus of the Proliferation Security Initiative is not primarily on shipments into the United States. Rather, it is on shipments, the primary focus is on shipments destined for the countries that we know are seeking to develop weapons of mass destruction.

Mr. WELLER. And from the standpoint of our policy, on balance, do we give equal priority to interdiction, as well as monitoring of any attempts to transport material, as well as personnel into the United States into our borders? Do we give the same level of priority as we do to monitoring the shipments of materials as well as personnel to those countries? That is the question I am trying to get answered here. From a level of priority, is it equal or do we give higher priority to watching what is going on in someone else's neighborhood?

Mr. RADEMAKER. Your question goes beyond the Proliferation Security Initiative and addresses other aspects of our policy, and I think if you look at it at the level of overall United States policy, certainly we attach at least as much and probably more attention and more priority to preventing these dangerous things from coming, certainly weapons of mass destruction coming into the United States and terrorists coming into the United States, as compared to shipments to states that are seeking to develop weapons of mass destruction.

The PSI, as a tool, is primarily devoted to the shipments headed to states seeking to develop these weapons. We have other tools that we use to try to prevent the shipments of weapons and terrorists into the United States. The PSI is not primarily adapted to serve as such a tool.

Mr. WELLER. Thank you, and thank you, Mr. Chairman, for the opportunity.

Mr. ROYCE. Mr. Rademaker, I wanted to ask you, I know the PSI plans—one last question—to conduct exercises in the Los Angeles area, I think in September. And I was going to ask you what you could tell us about those exercises, who would be involved in them, where the focus would be.

Mr. RADEMAKER. Give me 1 second, Mr. Chairman.

Mr. Chairman, I am told for the record by my staff that the activity you are referring to in Los Angeles is not an activity being conducted under the auspices of PSI. It is an activity organized by the Department of Homeland Security and it has a slightly different focus.

Mr. ROYCE. Okay, well, I appreciate that information. I want to thank you again for coming before us today, and you have a critical portfolio, and I was going to raise the issue of perhaps myself and the Ranking Member and perhaps Mr. Weller as well—who has a keen interest in Latin America, South America, Central America—if he could join us as well to discuss some of the additional details that we have gone over today, get into some issues that we didn't bring up with you but concerns that we would like to talk to you about in private and some information we would like to receive as well.

This PSI program is of vital importance to this country. So far it has had some astounding successes, but we are interested in a

few more details, and we appreciate very much you appearing here again. We saw you just 6 weeks ago. Thank you for sharing this information with us.

Mr. RADEMAKER. It was a pleasure for me to appear, Mr. Chairman, and we would be delighted to arrange a briefing along the lines that you just described.

Mr. ROYCE. Thank you, Assistant Secretary Rademaker, and this hearing is adjourned.

[Whereupon, at 3:12 p.m., the Subcommittee was adjourned.]

