

Non-proliferation and the FY 2005 budget request

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An estimated total of \$1.043 billion has been asked for international non-proliferation programs in the Bush administration's fiscal year 2005 (FY 05) budget request: \$439.2 million for the Department of Energy, \$409.2 million for the Department of Defense, and \$195 million for the Department of State. While this sum barely meets the U.S. obligation of providing \$1 billion a year to the G-8 Global Partnership Against the Spread of Weapons and Materials of Mass Destruction, it falls very short of the \$3 billion a year called for by the 2001 Baker-Cutler report. Moreover, this spending is mitigated by the funding put into new nuclear weapons programs, as other countries will be less likely to cooperate with the United States on non-proliferation projects if we act counter to those objectives. Finally, while the Bush administration has been heavily promoting its Proliferation Security Initiative as a new model for action on this matter, it is unclear who is responsible for carrying out the PSI or funding it.

Department of Energy Non-proliferation Spending

The total requested for DoE's non-proliferation programs in the FY 05 budget is \$1.35 billion, an increase of \$14.6 million from the FY 04 appropriations of \$1.33 billion (or an increase of 1.1 percent). However, not all of the DoE's non-proliferation spending goes toward Russia and former Soviet republics – some of it is used domestically for fissile materials disposition or to secure sources of nuclear material for homeland security purposes. According to the DoE, roughly \$439.2 million of its budget request for FY 05 is applicable to the Global Partnership program, but it is difficult to determine what exactly the breakdown is.

Department of Energy Nuclear Nonproliferation Spending (numbers are in millions)

<u>Program</u>	<u>FY 2004</u> <u>Approp.</u>	<u>FY 2005</u> <u>Request</u>	<u>Difference</u>	<u>Percent</u> <u>Difference</u>
Nonproliferation and Verification R&D	\$232.2	\$220.0	-\$12.0	-5.2%
Proliferation Detection	\$126.1	\$111.5	-\$14.6	-12.6%
Nuclear Explosion Monitoring	\$96.6	\$101.9	+\$5.3	+5.5%
Supporting Activities	\$9.2	\$6.5	-\$2.7	-29.3%
Nonproliferation and International Security	\$114.1	\$124.0	+\$9.9	+8.7%
Nonproliferation Policy	\$57.6	\$63.2	+\$5.6	+9.7%
Export Control Operations	\$15.7	\$22.2	+\$6.5	+41.4%
International Safeguards	\$34.0	\$31.3	-\$2.7	-7.9%
Treaties and Agreements	\$2.8	\$3.2	+\$0.5	+17.9%

Nonproliferation Programs with Russia	\$1,034.0	\$999.1	-\$34.9	-3.4%
International Nuclear Materials Protection and Cooperation	\$258.5	\$238.0	-\$20.5	-7.9%
<i>Navy Complex</i>	\$38.0	\$15.0	-\$23.0	-60.5%
<i>Strategic Rocket Forces</i>	\$24.0	\$45.0	+\$21.0	+87.5%
<i>MinAtom Weapons Complex</i>	\$32.5	\$43.0	+\$10.5	+32.3%
<i>Material Consolidation and Conversion and Civilian Nuclear Sites</i>	\$48.0	\$44.0	-\$4.0	-8.3%
<i>Radiological Dispersion Devices</i>	\$36.0	\$25.0	-\$11.0	-30.6%
<i>National Programs and Sustainability</i>	\$28.0	\$27.0	-\$1.0	-3.6%
<i>Second Line of Defense (SLD)</i>	\$52.0	\$39.0	-\$13.0	-25.0%
Russian Transition Initiatives	\$39.8	\$41.0	+\$1.2	+3.0%
HEU Transparency Implementation	\$17.9	\$21.0	+\$3.1	+17.3%
Elimination of Weapons-Grade Plutonium Production	\$65.0	\$50.1	-\$14.9	-22.9%
Fissile Materials Disposition	\$652.8	\$649.0	-\$3.8	-0.6%
<i>U.S. Surplus Fissile Materials Disposition</i>	\$605.8	\$585.0	-\$20.8	-3.4%
<i>U.S. Surplus Fissile Materials Disposition O&M</i>	\$192.7	\$184.7	-\$8.0	-4.2%
<i>Construction</i>	\$413.1	\$400.3	-\$12.8	-3.1%
Russian Plutonium Disposition	\$47.0	\$64.0	+17.0	+36.2%

Offsite Source Recovery Program	\$2.0	\$5.6	+\$3.6	+180.0%
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Use of prior year balances and other adjustments	-\$48.0	N/A	+\$48.0	+100.0%
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Total DoE Nonproliferation Activities	\$1,334.0	\$1,348.6	+14.6	+1.1%
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Sources: Department of Energy FY 2005 Budget Request to Congress, CD-ROM, Office of Management, Budget, and Evaluation/CFO, Department of Energy, February 2004; Department of Energy FY 2005 Congressional Budget Request: Budget Highlights, Office of Management, Budget, and Evaluation/CFO, Department of Energy, February 2004.

Department of Defense Non-proliferation Spending

The Department of Defense's Cooperative Threat Reduction (CTR) budget request for FY 05 is \$409.2 million, a decrease of \$41.6 million from the 2004 appropriations of \$450.8 million (or a decline of 9.3 percent). Most of that funding drop can be attributed to a reduction in the chemical weapons program (specifically the controversial Shchuch'ye chemical weapons destruction project). There was a one-third increase in funding for an initiative to improve the border security of former Soviet republics other than Russia and to help them detect any weapons of mass destruction which cross their borders.

**Department of Defense Cooperative Threat Reduction Spending in FY 05
(numbers are in millions)**

CTR Program	FY 2004 Approp.	FY 2005 Request	Difference	Percent Difference
Strategic Offensive Arms Elimination – Russia	\$66.6	\$58.5	-\$8.1	-12.2%
Strategic Nuclear Arms Elimination – Ukraine	\$4.9	\$0	-\$4.9	-100%
Weapons Storage Security – Russia	\$48.0	\$48.7	+\$0.7	+1.5%
Weapons Transport Security – Russia	\$23.2	\$26.3	+\$3.1	+13.4%
WMD Proliferation Prevention Initiative	\$29.4	\$40.0	+\$10.6	+36.1%
BW Proliferation Prevention	\$54.2	\$55.0	+\$0.8	+1.5%
CW Destruction Facility – Russia	\$200.3	\$158.4	-\$41.9	-20.9%
Defense Contacts	\$11.1	\$8.0	-\$3.1	-27.9%
Other/Admin. Support	\$13.1	\$14.3	+\$1.2	+9.2%
Submarine Dismantlement in Russian Far East	[\$10.0]	\$0	[-\$10.0]	[-100.0%]
Total CTR Programs	\$450.8	\$409.2	-\$41.6	-9.2%

Original source: “Preliminary analysis of the U.S. Department of Defense’s Fiscal Year 2005 Cooperative Threat Reduction Budget Request,” Russian-American Nuclear Security Advisory Council, Feb. 10, 2004, <http://www.ransac.org/Documents/fy2005dodbudgetprelim.pdf>

Department of State Non-proliferation Spending

The Department of State’s non-proliferation request for FY 05 is \$195 million, an increase of \$7.6 million from the FY 04 appropriations of \$187.4 million (or an increase of 4 percent). The Science Centers/Bio Redirection program was zeroed out in FY 2005 and reborn under the overall heading of “Nonproliferation of WMD Expertise;” funding for that effort remained essentially static.

Department of State Non-proliferation Spending in FY 2005 (numbers are in millions)

Nonproliferation Program	FY 2004 Approp.	FY 2005 Request	Difference	Percent Difference
Nonproliferation and Disarmament Fund	\$29.8	\$34.5	+\$4.7	+15.8%
Export Control and Related Border Security Assistance	\$35.8	\$38.0	+\$3.0	+8.4%
Science Centers/Bio Redirection	\$50.2	\$0	-\$50.2	-100.0%
IAEA Voluntary Contribution	\$52.7	\$53.0	+\$0.3	+0.6%
CTBT International Monitoring Sys	\$18.8	\$19.0	+\$0.2	+1.1%
Nonproliferation of WMD Expertise	\$0	\$50.5	+50.5	+100.0%
Total Nonproliferation Programs	\$187.4	\$195.0	+\$7.6	+4.1%

Source: Department of State’s FY 2005 Budget Request, February 2004

Non-proliferation Regimes

On June 27, 2002, the G-8 announced its Global Partnership against the Spread of Weapons and Materials of Mass Destruction. The Global Partnership is also known as the "10 plus 10 over 10." In this program, the United States is committed to putting up \$10 billion for non-proliferation projects in Russia over 10 years; its funding is to be matched by the rest of the G-7 over the same period of time. A scorecard of promised funding to date is available at <http://cns.miis.edu/research/globpart/index.htm>. Currently \$18.62 billion has been pledged for the Global Partnership program, but this includes \$2 billion of Russia's money, funding which the United States and Russia argue should not be counted as part of the total available. Either way, there exists considerably less than the \$20 billion that is supposed to be used for this project.

The Global Partnership attempts to rectify concerns raised by the Jan. 10, 2001, report card on the DoE's non-proliferation programs with Russia. This "Baker-Cutler report" (named after co-chairs Howard Baker and Lloyd Cutler) concludes, "The most urgent unmet national security threat to the United States today is the danger that weapons of mass destruction or weapons-usable material in Russia could be stolen and sold to terrorists or hostile nation states and used against American troops abroad or citizens at home." Because of this, the Baker-Cutler report recommended that the United States spend \$3 billion over 8-10 years, or a total of \$30 billion, to shore up Russia's nuclear materials program and prevent its scientific expertise from being exploited abroad for weapons programs. Looking at the breakdowns of nuclear non-proliferation programs listed earlier, it is apparent that the United States falls quite short of that counsel. The United States had previously allocated roughly \$7 billion for non-proliferation activities as part of its Nunn-Lugar program from 1992-2002. A Nunn-Lugar scorecard can be found at http://www.dtra.mil/ctr/ctr_score.html.

The United States' Proliferation Security Initiative (PSI) was announced with great fanfare on May 31, 2003, as a "broad international partnership of countries which, using their own laws and resources, will coordinate their actions to halt shipments of dangerous technologies to and from states and non-state actors of proliferation concern... The PSI will reinforce, not replace, other nonproliferation mechanisms." The PSI originally had 11 members, but five more joined in December for a grand total of 16 participating countries at present. The Bush administration claims the PSI as a major reason why Libya has recently wound up its WMD programs, and been pushing it as a new model for the United States to follow in non-proliferation efforts. However, it is unclear where the funding is coming from for this program, not to mention how much of a budget it has. While PSI is mostly a political alliance, several interdiction exercises have been held, so some expenses have been generated by it.

Nuclear Weapons Activities

DoE's FY 05 budget request for nuclear weapons activities is \$6.57 billion, an increase of \$340 million from the FY 04 appropriation of \$6.23 billion (or an increase of 5.5

percent). However, this number does not adequately represent the gains new nuclear weapons research and development would receive if the budget request is granted. These controversial programs would see their budgets rocket upward, reflecting a dogged determination by the administration to enhance U.S. nuclear capabilities. For example, the bunker-buster program, which was appropriated \$7.5 million in FY 04, will see a budget request in FY 06 for roughly \$95 million. The concern is that other countries will see this funding commitment as an indication that the United States is not serious about cooperating on non-proliferation programs since it continues to augment its own nuclear weapons programs.

Department of Energy Nuclear Weapons Spending in FY 2005 (numbers are in millions)

Weapon Program	FY 2004 Approp.	FY 2005 Request	Difference	Percent Difference
Stockpile Services Advanced Concept Initiative	\$6.0	\$9.0	+\$3.9	+50%
Robust Nuclear Earth Penetrator	\$7.44	\$27.58	+\$20.04	+270%
Increased Test Readiness	\$24.7	\$30.0	+\$5.3	+21.4%
Modern Pit Manufacturing Facility (MPF)	\$10.8	\$29.8	+\$19.0	+175.9%
Total Nuclear Weapons Activities	\$6,230	\$6,570	+\$340	+5.5%

Source: Department of Energy's Nuclear Nonproliferation FY 2005 budget request, February 2004, <http://www.cfo.doe.gov/budget/05budget/content/defnn/nn.pdf>.

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