Controlling the Transfer of Strategic Technology

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Background: The purpose of controlling the export of strategic militarily relevant technology is to deny Warsaw Pact and certain other countries access to technology that would increase the effectiveness of their military establishments. Because development of sophisticated weapons today depends on many advanced supporting technologies that have dual use (civilian as well as military), it is increasingly necessary to identify and control those commercial technology transfers that could threaten U.S. national security. U.S. regulations require a license to be issued before any technology can be transferred to a potential adversary country. This requirement permits a review of the potential military utility of the technology, to ensure that transfers of militarily relevant technologies do not occur under the guise of civil-use projects. The need to maintain more effective controls on the transfer of Western technology to the East is highlighted by conclusive documentation of the USSR's past and continuing reliance on Western high-technology know-how in furthering its military buildup and in strengthening those elements of the Warsaw Pact industrial base that directly support Soviet war-making capability.

The Soviet Union is determined to obtain controlled Western equipment and technology by any means it can--including circumvention of export controls. The U.S., acting alone, could not prevent such diversions of controlled items, because in many cases we are no longer their sole producer. The cooperation of the Coordinating Committee for Multilateral Export Controls (COCOM) is therefore of greater importance than ever. As evidence of Soviet diversion efforts mounts, the COCOM nations' determination to improve enforcement capabilities has grown, and additional resources are being applied to this task.

Organization and major functions of COCOM: COCOM, established in 1949, now includes the U.S., Canada, Japan, and 13 European countries [Belgium, Denmark, France, Greece, Italy, Luxembourg, Netherlands, Norway, Portugal, Spain, Turkey, United Kingdom, and West Germany]. Spain was the latest member to join, in late 1985. COCOM has no formal relationship with NATO. Although COCOM is not based on any treaty or executive agreement, there have been few instances when a member country has deviated from commitments made in COCOM.

A permanent COCOM secretariat is located in Paris, staffed by dedicated and highly experienced professionals. All 16 member countries have permanent delegations to COCOM, also based in Paris. The U.S. delegate and his deputy are Department of State officers. Their permanent staff is joined by teams of U.S.-based government technical experts and interagency policy-level personnel during negotiations on new or revised export control definitions and other substantive meetings.

COCOM is principally a coordinating and decision-making mechanism. Agreements are put into effect jointly by its member countries. As enacted, each member's publication of the agreed control definitions carries the force of law or of export control regulation, so that the definitions may be administered and enforced effectively. The controlled products may be grouped into three categories--direct military use, dual use, or atomic energy use. COCOM also reviews potential shipments of specific embargoed items to proscribed countries. All comments by other COCOM delegations are considered by the exporting member, which permits the export only when the risk of diversion to military use of the product or technology is deemed acceptably small. Equipment

capabilities may have to be altered in order to gain acceptance for shipment. Finally, the COCOM member countries act to harmonize their licensing practices on export controls and to coordinate their export control enforcement activities.

Improving COCOM's effectiveness: COCOM faces continued Soviet and Warsaw Pact efforts to obtain militarily sensitive equipment and technologies. At the July 1981 Ottawa summit, President Reagan raised the problem of transferring Western technology to the Soviet Union. These discussions led to a high-level COCOM meeting in Paris in January 1982, the first such Under Secretary-level COCOM meeting since the late 1950s. Subsequent high-level meetings took place in April 1983 and February 1985. Lower-level consultations are held regularly, as the U.S. is cooperating actively with other COCOM members for improvement in each of the three above mentioned functional areas. About $2 million is now being spent to upgrade the computer equipment, software, and other facilities for the COCOM secretariat.

Relations with non-COCOM countries: One problem facing COCOM is how to protect against the export or re-export of embargoed commodities from non-COCOM countries to the countries of concern. The U.S. deals with this problem in part by requiring licenses for re-exports of U.S.-origin embargoed products. COCOM members also maintain continuing dialogues with a growing number of other countries regarding cooperation on export controls and avoidance of diversions. Some countries could choose to adopt full COCOM membership. Others that produce or trade in embargoed high-technology products have established methods for cooperating in the protection of militarily relevant items.