

MONTEREY INSTITUTE OF INTERNATIONAL STUDIES
GRADUATE SCHOOL OF INTERNATIONAL POLICY STUDIES

IP 526
NONPROLIFERATION TOOLS: EXPORT CONTROLS

Spring 2008

Class Time: WF 8am-10am; January 23-March 7
Classroom: Casa Fuente (CF) 452

Instructors:

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INTRODUCTION

Strategic trade controls—particularly export controls—are important instruments available for international nonproliferation efforts. These controls when used effectively can raise the cost of WMD acquisitions, prolong the time needed for development, and deny proliferant actors easy access to items and technologies necessary for WMD programs. Making trade controls effective requires both multilateral regimes and domestic systems to be comprehensive and responsive to changing technologies.

Controls based on existing international nonproliferation regimes such as the NPT and CWC have had greater legitimacy and therefore relatively more ready acceptance among exporters and importers alike. However, recent trends have seen domestic systems shifting away from focusing only on selected items and technologies towards giving greater attention to potential destabilizing military applications in prospective end-users or

end-uses. For this trend to remain viable, information sharing and cooperation at the international level must be strengthened.

This course will broadly focus on three important issues. One is how states balance between the pursuit of wealth and security. Second is the issue of cooperation among states on nonproliferation-related trade controls in light of a globalized economy. The third is the effectiveness of strategic trade controls as instruments in supporting nonproliferation objectives given the changing nature of technology and the global trade environment. The theoretical debate on these issues continues to revolve around the question of how states initiate, implement, and sustain international cooperation against the competing pressures of trade, domestic politics, and national security.

Assigned and Supplementary Readings

Please consult the course outline below for the reading assignments for each class session. These documents should be read before the relevant class session. The instructors may also post supplementary readings to the course conference and to Moodle. These additional readings should be considered recommended readings and will not necessarily be required for any given class session.

All course readings will be available on-line or on e-reserve. Students are **not** required to buy any books for this class; however a number of books may be of particular interest for those wanting a deeper understanding of a number of issues in the course. Most of these books will be made available on reserve throughout the semester. These include (but are not limited to):

- Yann Aubin and Arnaud Idiar, *Export Control Law and Regulations Handbook: A Practical Guide to Military and Dual-Use Goods, Trade Restrictions and Compliance*
- Michael D. Beck et al., *To Supply or To Deny: Comparing Nonproliferation Export Controls in Five Key Countries*
- Gordon Corraera, *Shopping for Bombs*
- William Langewiesche, *The Atomic Bazaar: The Rise of the Nuclear Poor*
- Daniel Joyner ed., *Non-proliferation Export Controls: Origins, Challenges, And Proposals for Strengthening*

- Richard Cupitt, *Reluctant Champions: U.S. Presidential Policy and Strategic Export Controls, Truman, Eisenhower, Bush and Clinton*

Useful on-line sources for this course include:

- *International Export Control Observer* -- <http://www.cns.miis.edu/pubs/observer/index.htm> (plus *NIS Export Control Observer* (<http://cns.miis.edu/pubs/nisexcon/index.htm>) and *Asian Export Control Observer* (<http://cns.miis.edu/pubs/observer/asian/index.htm>))
- *Inventory of International Nonproliferation Organizations & Regimes* -- <http://www.cns.miis.edu/pubs/inven/index.htm>
- Export Control sections of WMD 411 -- http://nti.org/f_wmd411/f1b4.html
- 1540 Committee website -- <http://www.un.org/sc/1540/>
- *NTI Website Resources on Nuclear Trafficking* -- http://www.nti.org/e_research/e3_special_nucltrafficking.html
- *The Monitor* -- <http://www.uga.edu/cits/publications/monitor.htm>
- ExportLawBlog -- <http://www.exportlawblog.com/>
- International Trade Law News -- <http://www.tradelawnews.com/>
- US Department of Commerce Bureau of Industry and Security (BIS) website -- <http://www.bis.doc.gov/index.htm>
- U.S. Export Administration Regulations Database -- http://www.gpo.gov/bis/ear/ear_data.html
- ExportControl.org (EXBS sponsored site) -- <http://www.exportcontrol.org/>
- Roadmap to Responsible Export Controls (ISIS) -- <http://www.exportcontrols.org>
- Wisconsin Project website -- <http://www.wisconsinproject.org/>
- Harvard Managing the Atom Project, "Interdicting Nuclear Smuggling," NTI website -- http://www.nti.org/e_research/cnwm/interdicting/index.asp.
- Center for Information on Security Trade Control (CISTEC) -- <http://www.cistec.or.jp/> (Japanese and English)
- China's Ministry of Commerce Export Control website -- <http://exportcontrol.mofcom.gov.cn/> (Chinese only)

Assignments and Grading

Students are required to participate in one group project and to write one research paper:

- (1) **Group Project** (30% of grade): Each student will be assigned by the instructors to a group of five to six students; assignments will be given in class on February 1. Each group will prepare a 15-minute briefing on a topic assigned by the instructors. The assigned topics will cover international supplier regimes and other related nonproliferation efforts. Group presentations will occur on February 20 & 22. A portion of the grade for this project will be based on peer assessments.
- (2) **Research Paper** (50% of grade): Each student will write a research paper of approximately 10 pages in length (double-spaced). The paper should contain an introduction, presentation and discussion of data, analysis, and a conclusion. A **research outline** (one to two pages) should be given to the instructors via email before the beginning of class February 29. Instructors will be available throughout the course to consult with students on their topics. **All papers are due by 5pm March 20.** *Late papers will be accepted but 5 points will be deducted from the grade for each day it is late.*

Appropriate topics for the paper include: analysis of a particular export control system or aspects of a particular system; analysis of a multilateral export control regime; an assessment of other trade control mechanisms (such as PSI, CSI, CTPAT, or WCO Framework); or illicit trafficking-related case studies with an analysis of the case's impact on trade controls.

- (3) **Class Participation** (20% of grade): The instructors will structure the lectures so as to allow plenty of time for discussion. Students are expected to have done the assigned readings before each class and actively participate in these discussions.

Course Outline

January 23

General Course Introduction

The Politics of Trade Controls: Trade, Technology Transfers, and National Security

- Michael Beck and Seema Gahlaut, "Introduction to Nonproliferation Export Controls", Chapter 1, *To Supply or To Deny: Comparing Nonproliferation Export Controls in Five Key Countries* (The Hague: Kluwer Law, 2003), pp. 1-21.
- Joanne Gowa, "Introduction," Chapter 1, *Allies, Adversaries and International Trade* (Princeton, NJ: Princeton University Press, 1995), pp. 3-10.
- Ron Smith and Maria Garcia-Alonso, "The Economics of Arms Export Controls," *Non-proliferation Export Controls* (Burlington, VT: Ashgate, 2006), pp. 29-48.

January 25

Balancing Trade and Security

The U.S., COCOM, and Trade Controls during the Cold War

- Michael Mastanduno, "The Political Economy of CoCom" Chapter 1, *Economic Containment: CoCom and the Politics of East-West Trade* (Ithaca and London: Cornell University Press, 1992), pp. 1-38.
- Richard T. Cupitt and Suzette R. Grillot, "COCOM is Dead, Long Live COCOM: Persistence and Change in Multilateral Security Institutions," *British Journal of Political Science*, Vol. 27, No. 3. (July 1997), pp. 361-389.

WMD Proliferation and Trade Controls in the Post-Cold War Era

- Michael Lipson, "The Reincarnation of COCOM: Explaining Post-Cold War Export Controls," *Nonproliferation Review*, Vol. 6, No. 2 (Winter 1999), pp. 33-51.
- Michael Moodie, "The Challenge of Technology Diffusion," *The Washington Quarterly*, Spring 1995, pp. 183-202.

January 30

Multilateral Export Control Regimes and other Nonproliferation Tools

- Center for Nonproliferation Studies, *Inventory of International Nonproliferation Organizations & Regimes*, <http://cns.miis.edu/pubs/inven/index.htm> – All pages under “Nonproliferation Export Control Regimes”
- Center for International Trade and Security, *Strengthening Multilateral Export Controls: A Nonproliferation Priority* (September 2002) pp. 5-27, http://www.uga.edu/cits/documents/pdf/regime_report.pdf.
- Seema Gahlaut, “Multilateral Export Control Regimes: Operations, Successes, Failures and the Challenges Ahead,” *Nonproliferation Export Controls* (Burlington, VT: Ashgate, 2006), pp. 7-28.

February 1

Globalization, Technological Diffusion and the Challenges of Strategic Trade Controls

- Gordon Corra, Chapters 3 & 5, *Shopping for Bombs* (New York: Oxford University Press, 2006).
- William Langewiesche, “The Wrath of Khan,” *Atlantic Monthly*, November 2005, <http://www.theatlantic.com/doc/200511/aq-khan>.
- “AQ Khan and Onward Proliferation from Pakistan,” Chapter 3, *Nuclear Black Markets: Pakistan, AQ Khan and the Rise of Proliferation Networks*, IISS Report, pp. 65-91.
- “Globalization and Control of Intangible Technology Transfers: A Major Challenge to Export Controls in the 21st Century,” *The Monitor: Nonproliferation, Demilitarization and Arms Control*, Vol. 6, No. 3 (Summer 2000), pp. 20-26.

February 6

WMD Proliferation Since 2001: Challenges and Responses

- United Nations Security Council Resolution 1540, http://www.un.org/Docs/sc/unsc_resolutions04.html.
- Merav Datan, “Security Council Resolution 1540: WMD and Non-state Trafficking,” *Disarmament Diplomacy* Issue No. 79 (April/May 2005), <http://www.acronym.org.uk/dd/dd79/79md.htm>.

- John R. Bolton, "The Bush Administration's Forward Strategy for Nonproliferation," *Chicago Journal of International Law* 5:2 (Winter 2005), pp. 395-404.
- Wade Boese, "Proliferation Security Initiative: A Piece of the Arms Control Puzzle," *Georgetown Journal of International Affairs* 6:1 (Winter 2005), pp. 61-69.
- Michael Wolfe, "The Dynamics of Supply Chain Security," *The Monitor*, Summer 2004,
http://www.uga.edu/cits/documents/pdf/monitor/monitor_su_2004.pdf.
- Kenley Butler, et al., "The Khan Network, Where is the Justice?" *Bulletin of Atomic Scientists*, November/December 2006.

February 8

Evaluating Export and other Trade Control Effectiveness: Best Practices and National Comparisons

- Richard T. Cupitt and Scott A. Jones, "Harmonization and Development of National Export Control Systems," *To Supply or To Deny?* pp. 163-176; and Appendices 1 & 2, Evaluation Criteria, *To Supply or To Deny?* pp. 177-184.
- Peter Crail, "Implementing UN Security Council Resolution 1540: A Risk-Based Approach," *Nonproliferation Review*, July 2006,
<http://cns.miis.edu/pubs/npr/vol13/132/132crail.pdf>
- "Best Practices and Reference Papers," ExportControl.org (official EXBS website),
http://www.exportcontrol.org/index.php/page_type/htmlpage/id/1347.html. (all links from this page)
- Monica Isbell, "Supply Chain Security: Is Your Company Complacent or Engaged?,"
<http://www.sdexec.com/online/article.jsp?id=6609&pageNum=1>.

February 13 & 15

Trade and Security in the U.S. System

- Richard T. Cupitt, "Nonproliferation Export Controls in the United States," in *To Supply or To Deny: Comparing Nonproliferation Export Controls in Five Key Countries* (The Hague: Kluwer Law International, 2003), pp. 23-64.
- Dennis J. Burnett, "United States of America," (Sections 1, 2, & 3 required; remainder supplemental), Aubin and Idiart, editors, *Export Control Law and Regulations Handbook* (The Hague: Kluwer Law International, 2007).
- Richard T. Cupitt, "Introduction," *Reluctant Champions: U.S. Presidential Policy and Strategic Export Controls* (London: Routledge, 2000).
- "Major Cases List," US Department of Commerce Bureau of Industry and Security, August 2005, <http://www.bis.doc.gov/complianceandenforcement/majorcases050505.pdf>.
- GAO, "Container Security: A Flexible Staffing Model and Minimum Equipment Requirements Would Improve Overseas Targeting and Inspection Efforts," April 2005, (pp. 1-35 required; appendices supplemental), <http://www.gao.gov/new.items/d05557.pdf>.
- GAO, "Maritime Security: Substantial Work Remains to Translate New Planning Requirements into Effective Port Security," June 2004, (pp. 1-32 required; appendices supplemental), <http://www.gao.gov/new.items/d04838.pdf>.

February 20 & 22

Group presentations

February 27

Trade Controls and Illicit Trafficking in the Former Soviet Union

- Michael D. Beck, Maria Katsva, and Igor Khripunov, "Nonproliferation Export Controls in Russia," *To Supply or To Deny: Comparing Nonproliferation Export Controls in Five Key Countries* (The Hague: Kluwer Law, 2003) pp. 95-116.

- Iliya Zotkin, Clemence Bastien, Gregory Mardian, "Russian Federation," (Sections 1 – 3), Aubin and Idiart, editors, *Export Control Law and Regulations Handbook* (The Hague: Kluwer Law International, 2007), pp. 261-268.
- William Langewiesche, "Nukes without Nations," *The Atomic Bazaar: The Rise of the Nuclear Poor* (Farrar, Strauss, Giroux, New York: 2007), pp. 17-69.

February 29

[Research paper outlines due]

Strategic Trade Controls in Asia

- "Review of East Asian Government Implementation of UNSCR 1540," *Asian Export Control Observer*, Issue 6 (February/March 2005), pp. 19-23
http://cns.miis.edu/pubs/observer/asian/pdfs/aeco_0502.pdf
- Jay Nash and Richard Young, "East Asian Export Control Update: Continued Development of Key Supplier and Transit States," *International Export Control Observer*, March/April 2007,
http://www.cns.miis.edu/pubs/observer/pdfs/ieco_10e.pdf
- Scott Jones, "Current and Future Challenges for Asian Nonproliferation Export Controls," *East Asian Review*, Vol. 15, No. 2 (Summer 2003), pp. 3-26
- Bates Gill, Kensuke Ebata, and Matthew Stephenson, "Japan's Export Control Initiatives: Meeting New Nonproliferation Challenges," *The Nonproliferation Review*.4:1 (Fall 1996), pp.30-42.
<http://cnsinfo.miis.edu/npr/vol04/41/gill41.pdf>
- Evan S. Medeiros, *Chasing the Dragon* (Santa Monica: RAND, 2005), (Chapters 2, 3 and 5 required; Chapters 4 and 6 supplemental)..
http://www.rand.org/pubs/monographs/2005/RAND_MG353.pdf;
- Stephanie Lieggi and Masako Toki, "The Mitutoyo Case: Will Japan Learn from its Mistakes or Repeat Them?," NTI Issue Brief,
http://www.nti.org/e_research/e3_90.html
- Yasufumi Shiroyama and Mika Yamanaka "Japan," Chapter 9, (Sections 1 -5), Aubin and Idiart, editors, *Export Control Law and Regulations Handbook* (The Hague: Kluwer Law International, 2007).

March 5

Trade Controls in the European Union's "Harmonized" System

- Scott Jones, "EU Enlargement: Implications for EU and Multilateral Export Controls," *Nonproliferation Review* 10:2 (Summer 2003), pp. 80-89, <http://cnsinfo.mii.edu/npr/vol10/102/JONES.pdf>.
- Sibylle Bauer and Mark Bromley, *The European Union Code of Conduct on Arms Exports* (pp. 1- 33 required; annexes supplemental) <http://editors.sipri.se/pubs/policypaper8.pdf>.
- Ian Davis, "The EU Dual-Use Regulation: breaking the supremacy of national sovereignty in arms and dual-use export controls" and "Common European measures for controlling conventional weapons: the EU Code of Conduct on Arms Exports," *The Regulation of Arms and Dual-Use Exports: Germany, Sweden, and the UK* (Oxford: SIPRI, 2002).
- Yann Aubin, Arnaud Idiart, Aude de Clercq, and Laurent Papiernik, "European Union," Chapter 4, (Sections 1 -4), Aubin and Idiart, editors, *Export Control Law and Regulations Handbook* (The Hague: Kluwer Law International, 2007).

March 7

Future of Nonproliferation Trade Controls

- Tamar Gabelnick and Rachel Stohl, Chapter 12, *Challenging Conventional Wisdom: Debunking the Myths and Exposing the Risks of Arms Export Reform* (FAS and CDI: Washington, DC, 2003), pp. 202-223.
- Daniel H. Joyner, "Restructuring the Multilateral Export Control Regime System," Chapter 11, in *Nonproliferation Export Controls* (Burlington, VT: Ashgate, 2006), pp. 213-243.
- Dominique P. Lamoureux, "The Certified Enterprise: A Response to Changing Export Controls," *The Monitor*, pp. 9-10, http://www.uga.edu/cits/documents/pdf/monitor/monitor_fa_2004.pdf.
- "Global Efforts to Stop Illicit Nuclear Trade," Chapter 7, *Nuclear Black Markets: Pakistan, AQ Khan and the Rise of Proliferation Networks*, IISS Report.
- "SAFE Framework of Standards: To Secure and Facilitate Global Trade," World Customs Organization, (pp. 1-10 required; 11-63 supplementary),

http://ec.europa.eu/taxation_customs/resources/documents/customs/policy_issues/customs_security/normes_WCO_en.pdf.

FINAL RESEARCH PAPERS DUE ON MARCH 20, 5pm.