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**THE NUNN-LUGAR CTR PROGRAM'S  
ROLE IN THE ADMINISTRATION'S  
ASIA-PACIFIC "REBALANCING" INITIATIVE**

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A MINORITY STAFF REPORT

PREPARED FOR THE USE OF THE

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# CONTENTS

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	Page
Letter of Transmittal .....	v
Introduction .....	1
Findings .....	1
Setting the Stage for Concern .....	1
Country Overview—Thailand .....	2
Nunn-Lugar CTR Cooperation in Thailand .....	3
On the U.S. Side .....	4
Country Overview—Philippines .....	4
Nunn-Lugar CTR Cooperation in the Philippines .....	5
On the U.S. Side .....	5
Country Overview—Indonesia .....	5
Nunn-Lugar CTR Cooperation in Indonesia .....	6
On the U.S. Side .....	6
The “Pivot” is . . . Intentionally Ambiguous .....	6
Recommendations .....	8



## LETTER OF TRANSMITTAL

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UNITED STATES SENATE,  
COMMITTEE ON FOREIGN RELATIONS,  
*Washington, DC, December 17, 2012.*

DEAR COLLEAGUES: During the October recess I led a Congressional delegation to Southeast Asia where I met with officials in Indonesia, the Philippines, and Thailand, to encourage continued expansion in our bilateral relationships of the Nunn-Lugar Cooperative Threat Reduction Program (CTR) as part of the renewed strategic emphasis by the United States on relations with the countries of the region.

In recent remarks at the Cooperative Threat Reduction Symposium held at the National Defense University in early December 2012, Deputy Secretary of Defense Ash Carter outlined three points of evolution of the Nunn-Lugar CTR program, each of which holds relevance and application to the U.S. “rebalancing” strategy toward Southeast Asia. Secretary Carter stated:

The first [point of evolution] is the geographic expansion of the Nunn-Lugar program. The disaggregation and increasing sophistication of terrorist organizations, coupled with leaps in technology that reduce the barriers to WMD acquisition, has required the U.S. and our partners to increase the global reach of the program beyond the former Soviet Union to close to 80 countries in all.

Second, the CTR program has increased its emphasis on countering the threat of biological and chemical weapons. Countering these threats was always part of the Nunn-Lugar program, but scientific and technological advancements have made these weapons more dangerous and more widespread.

And the third is to keep the most dangerous pathogens on Earth consolidated and secured in the minimum number of well-guarded facilities.

Southeast Asia represents a major intersection of global trade and commerce by water and air. The ten countries comprising the Association of Southeast Nations (ASEAN) represent the fourth largest export market for the United States. By the same token, North Korea maintains an intricate network of global trading companies which are active in this Southeast Asian nexus of trade and commerce exchange. These companies also serve as available vehicles for promoting North Korean WMD proliferation activities.

A separate but related threat in the region is composed of smugglers who engage in the more traditional illegal activities but also are available to facilitate the movement of WMD and associated materials. And then there are the cells or groups of terrorist organizations operating in the region.

Congressional delegation meetings with U.S. embassy and foreign officials in Southeast Asia also provided an opportunity to discuss the Obama administration's "pivot" or "rebalancing" strategy toward the Asia-Pacific region, the details of which remain sketchy in many respects. As the administration keys on the means by which to implement its rebalancing approach to Southeast Asia, it is important that the Nunn-Lugar CTR program be singled out as a priority policy tool. But while officials in Indonesia, the Philippines, and Thailand expressed their commitment to the objectives of the Nunn-Lugar CTR program, the level of coordination with its projects is limited by the degree of interaction with CTR officials permitted by U.S. embassies.

I trust that you will find the additional details in the attached report of interest.

Sincerely,

RICHARD G. LUGAR,  
*Ranking Member.*

**THE NUNN-LUGAR CTR PROGRAM'S  
ROLE IN THE ADMINISTRATION'S  
ASIA-PACIFIC "REBALANCING" INITIATIVE**

INTRODUCTION

U.S. Senate Foreign Relations Committee Ranking Member Dick Lugar travelled to Indonesia, the Philippines, and Thailand to encourage continued global expansion of the Nunn-Lugar Cooperative Threat Reduction (CTR) program.

In discussions with Southeast Asia officials, the Senator stated that cooperation is essential to identify and to interdict the possible flow of weapons of mass destruction throughout the region. In meetings Lugar emphasized, "Sources of nuclear, chemical or biological weapons or precursor materials could be states or rogue terrorist elements. Southeast Asia is a major intersection of global trade and commerce by water and air. U.S. strategic economic and foreign policy needs to become more robust in the Asia-Pacific region and Nunn-Lugar Global Cooperative Threat Reduction will be an important tool for our diplomatic and military leaders as we seek a more integrated approach to the region."

FINDINGS

- Officials of Indonesia, the Philippines and Thailand agree with the importance of the Nunn-Lugar CTR program.
- Implementation of the Nunn-Lugar CTR program is at varying levels within the three countries.
- U.S. officials in Indonesia, the Philippines, and Thailand are committed to the objectives of the Nunn-Lugar CTR program. The level of coordination and implementation varies within each U.S. Embassy.
- Officials have concern about freedom of navigation of the seas throughout the region.
- Officials welcome plans by the Obama administration to rebalance U.S. resources and assets, including military and security, toward East Asia. However, a sense of uncertainty lingers over the reliability of the U.S. to sustain the "pivot."
- Officials throughout the three countries are uncertain as to the full implications of the pivot or rebalance of U.S. assets for their respective countries. While the pivot is favorably viewed as a symbolic gesture, questions remain in terms of details and sustainability.

SETTING THE STAGE FOR CONCERN

The ten countries comprising the Association of Southeast Asian Nations (ASEAN)—Brunei, Burma-Myanmar, Cambodia, Indo-

nesia, Laos, Malaysia, Philippines, Singapore, Thailand, and Vietnam—represent a population of 600 million. ASEAN is the fourth largest export market for the United States. The Straits of Malacca is a virtual super-highway of global ocean commerce.

In addition to serving as an intersection of massive trade and commerce exchange, ASEAN's neighbor to the north, North Korea, maintains an intricate global and regional network of trading companies. Although largely serving as an acquisition mechanism for North Korea's military infrastructure, the North Korean trading company web poses as a potential means of proliferation. While considerable focus has been placed on North Korea's nuclear program, the country also maintains a chemical and biological infrastructure. In recent years, North Korean officials attempted to access the biological research program of at least one country within ASEAN.

A separate threat within Southeast Asia is found among smugglers, such as those on the Malaysia-Thailand border who emphasize profit, whether that be smuggling humans for labor or sex, moving drugs, or any other "commodity" deemed to have commercial value. The business maxim "the greater the risk the greater the financial reward," is not lost on Southeast Asia smugglers, potential conveyors of WMD or related materials.

Not to be forgotten are the cells or groups of terrorist organizations operating out of Indonesia, the Philippines, Thailand, or elsewhere in the region.

In addition to the hub of Southeast Asia serving as a potential nexus for the transport of WMD and related materials, the interconnectivity of the region makes the spread of infectious disease a major threat to the region. The detection, diagnostics, and response to infectious diseases all have significant similarities to a deliberate biological threat and therefore fall within the scope of countering WMD.

#### COUNTRY OVERVIEW—THAILAND

2013 will mark the 180th anniversary of Thailand-U.S. relations. The enduring bilateral civilian and military relationship has covered a plethora of topics and issues from its inception. In writing to U.S. President Buchanan (or his successor) in 1861, King Mongkut offered to send elephants to the United States so that American citizens would be able to use them as "beasts of burden making them benefit to the country." President Lincoln, occupier of the White House when the King's letter was received, graciously declined the offer.

The contemporary Thailand-U.S. relationship is buttressed by the 1833 Treaty of Amity and Commerce between Siam and the United States (the latest iteration being the 1966 Treaty of Amity and Economic Relations). Both countries are among the signatories of the 1954 Manila Pact for the former Southeast Asia Treaty Organization (SEATO). While SEATO was dissolved in 1977, the Manila Pact remains in force and along with the Thanat-Rusk communique of 1962, constitutes the basis of U.S. security commitments to Thailand. The United States designated Thailand as a Major Non-Nato Ally in 2003.<sup>1</sup>

Thailand has been an essential partner of the United States in times of peace and of war. However, with China's re-emergence throughout Southeast Asia and on a global basis, Thailand undergoes continual calibration of its relationship with China and separately with the United States. As one Thai official confided to Senator Lugar, Thailand is a small country caught between two elephants. Translation—Thailand will attempt to balance its relationships with China and the United States in the future which over the long-term may result in a diminishment of the strength of its military relationship with the United States.

Presently, the bilateral relationship is robust on the economic and security fronts. More than 700 U.S. companies will have a combined investment of US \$40 billion in Thailand by the end of 2012 and 65 percent of those companies plan to expand their investments in Thailand.<sup>2</sup>

The Thailand-U.S. military relationship has been active and long-standing. Notably, Thailand sent troops to participate with U.N. forces during the Korean War and has been an active military partner of the United States since that time. Thailand has received U.S. military equipment, essential supplies, training, and assistance in the construction and improvement of facilities and installation since 1950. Also, as a part of their mutual defense cooperation, both countries have developed a vigorous annual joint military exercise program which averages 40 joint exercises per year and engages all the military services of each nation.<sup>3</sup>

Senator Lugar's visit to Thailand included meetings with Foreign Minister Surapong Tovichakchaikul, Defense Minister Sukumpol Suwanatat, and senior representatives from the Thai National Security Council (NSC).

He noted deep concern with all Thai officials over chemical and biological threats, such as ensuring security for laboratories and other areas that might store dangerous pathogens. Thai officials took note of Senator Lugar's work countering proliferation and WMD threats, and offered Thailand's support for his global efforts. The Senator asked Thai officials how the U.S. government could bolster Thai capacity to counter security threats. Defense Minister Sukumpol credited U.S. military training, such as through International Military Education and Training (IMET), as well as defense material through the Excess Defense Articles (EDA) program as playing a major role in bolstering Thai capacity. NSC officials requested continued U.S. assistance developing Thailand's export controls, and countering narcotics and human trafficking, as well as on financial crimes.

#### *Nunn-Lugar CTR Cooperation in Thailand*

Thailand is a key partner of the United States in efforts to counter biological threats and avert chemical, biological, radiological, and nuclear (CBRN) disasters. The Nunn Lugar (CTR) Cooperative Bioengagement Program (CBEP) utilizes U.S. government relationships with the Armed Forces Research Institute of Medical Sciences (AFRIMS), the Centers for Disease Control and Prevention, and the U.S. Department of Agriculture to partner with Thailand on biosurveillance, biorisk management, and infectious disease research.

The Consequence Management Assistance Program (CMAP) supports the Thai government in improving military and first responder CBRN disaster preparedness through training, workshops, and consultation. Initial projects have included high-level bilateral discussions and tabletop exercises with Thai officials.

Thailand is a key international trade hub and is home to one of the top 50 ports in the world in terms of container traffic. Nunn Lugar CTR Programs and DTRA/SCC-WMD are prepared to support future requests for assistance by the Thai government. DTRA has observed, participated and administered CBRN incident response exercises at Thailand port facilities for a couple of years.

*On the U.S. Side*

U.S. Ambassador Chris Kenney pledged to ensure effective coordination among U.S. government agencies so as to partner with Thailand toward the effective implementation of the Nunn Lugar CTR program.

COUNTRY OVERVIEW—PHILIPPINES

Because of his role as the head of a U.S. observer team sent by President Ronald Reagan to monitor the 1986 election, Senator Lugar maintains a special relationship with the Filipino people and with President Benigno Aquino. The Scarborough Reef incident between the Philippines and China was very much on the minds of Filipino leaders during Senator Lugar's visit.

The United States recognized the Philippines as an independent state beginning in 1946. The two countries have maintained an active and strong relationship from that time. U.S.-Philippines relations are based on strong historical and cultural links and a commitment to human rights and democracy. The security ties are close between the two countries and the Philippines has been designated as a Major Non-Nato Ally to the U.S. The U.S.-Philippines Mutual Defense Treaty which is the basis for the security relationship was reaffirmed in 2011 by "The Manila Declaration."

Strengthening our security alliance is one of our key objectives with the Philippines. Emphasis is being placed on reaching agreement on the increased rotational presence of U.S. forces and opportunities for more joint exercises in the Philippines while concurrently assisting with the build-up of the Philippines' external defense.

In recent weeks, President Aquino announced agreement between the government of the Philippines and the Moro Islamic Liberation Front (MILF) to end a 40-year insurgency which has killed as many as 200,000 people and discouraged investors from the mineral-rich area in Mindanao. If the framework agreement endures, military resources committed to Mindanao will be available for other assignments.<sup>4</sup> At the present time, the improved security situation in Mindanao has allowed the Philippine government to modify the Armed Forces of the Philippines (AFP) from internal security of the country to national defense. This is especially significant given the crisis in the South China Sea where a confrontation commenced in mid-April. Philippine ships sought to stop Chinese fishermen from harvesting coral and protected marine species at the reef, claimed by both the Philippines and China. Even though Phil-

ippine ships withdrew from the area, Chinese ships have maintained a continual presence creating an ongoing point of irritation with the Philippines.

Philippine defense modernization efforts and attention to external threats have increased the government's openness to greater security engagement with the United States. The Aquino administration sees the U.S.-Philippine alliance as providing a defense against potential external threats. Maritime security, domain awareness, and humanitarian assistance/disaster relief are key areas of potential cooperation between the two countries. There may be an increase in the level of U.S. forces visiting the Philippines for training and exercises.

#### *Nunn-Lugar CTR Cooperation in the Philippines*

- The Nunn-Lugar CTR program is partnering with the Philippines to develop a maritime domain awareness project in the country in 2013.
- U.S. officials are also partnering with the Philippines to develop their National Coast Watch System and Center.
- The Nunn-Lugar CTR program is working with Philippines' officials to increase biosafety, biosurveillance, and health security capabilities in its public and veterinary health sectors.
- The Nunn-Lugar CTR program is developing a partnership with the Philippines to provide consequence management awareness seminars and workshops.

#### *On the U.S. Side*

From the U.S. perspective, Ambassador Harry Thomas oversees active and integrated cooperation with the Philippines on the Nunn-Lugar front.

### COUNTRY OVERVIEW—INDONESIA

The United States established relations with Indonesia in 1949. The U.S.-Indonesia Comprehensive Partnership of 2010 has fostered consistent high level engagement on issues related to strengthening education and security ties, improving governance, improving trade and investment, cooperating on health, partnering on international issues, and supporting environment sustainability.

The military-to-military partnership is robust, and there is cooperation on law enforcement and counter-terrorism capacity building. The U.S.-Indonesia military relationship has been impacted by past human rights abuses among the ranks of security forces. While Indonesian officials are making progress on the human rights area progress has been uneven toward holding lower-ranking soldiers responsible.

The U.S. focuses engagement efforts with the Indonesian military (TNI) in four distinct mutually agreed upon areas to include: Professionalization/Reform/Modernization; Maritime Security; Peacekeeping Operations; and Humanitarian Assistance/Disaster Response.

Indonesia's location makes it pivotal to counter transnational threats including terrorism, piracy, proliferation, trafficking in persons, and infectious diseases.

U.S. officials were complimentary of bilateral cooperation on the front of identifying and interdicting WMD and related materials. In addition to the active interaction with the Indonesian military, the U.S. stands ready to assist appropriate Indonesian governmental departments and agencies toward creating capability to address potential infectious disease and other biological-related threats to the population. The Nunn-Lugar (CTR) Cooperative Bioengagement Program (CBEP) is among the U.S. Government programs available to support both civilian and military ministries in improving biosecurity and biosafety.

*Nunn-Lugar CTR Cooperation in Indonesia*

- Like Thailand and the Philippines, Indonesia is an active partner with the United States in efforts to enhance the capability to prevent, deter, and interdict illicit trafficking in WMD and related materials and technology. Indonesia is adopting the Incident Command System (ICS) method of response used by the U.S. government.

*On the U.S. Side*

U.S. Ambassador Scot Marciel reaffirmed his commitment of encouraging interagency cooperation toward the implementation of Nunn-Lugar CTR goals and objectives so as to partner with Indonesia to identify and to interdict WMD and related materials.

THE “PIVOT” IS . . . INTENTIONALLY AMBIGUOUS

Officials of the three countries visited expressed satisfaction and appreciation for the Obama administration’s announced “pivot” or rebalancing of assets toward Asia. However, full details of the pivot application for each country were unclear.

When the pivot was announced in the fall of 2011, administration officials sought to connect with the Asian mindset which places a premium on symbolism. The United States announced it will be giving more attention to the region—a gesture deeply appreciated by officials of many countries.

However, translating the meaning and application of the pivot to any given country has proven to be a challenge, as foreign officials have received few authoritative explanations.

One U.S. official in the region sought to articulate the concept of the pivot—a reallocation of focus and resources with greater emphasis on economic, security, and other relations. However, none of the U.S. Embassies have received a concise, detailed outline of the pivot’s definition, cost, or implementation specifics. Nor does it appear that the input of U.S. officials in the region has been solicited in any active or systematic way.

Commenting on Defense Secretary Panetta’s mid-November trip to Cambodia, Australia, and Thailand, a Department of Defense (DOD) spokesman referred to the pivot (again), in general terms:

“The United States is inextricably tied to the region . . . and the whole point of the rebalance is to keep doing what we have been doing.”<sup>5</sup>

“The rebalance is part of a process, . . . We are playing the long game here.” “This is something that’s going to

take years to do, but it doesn't take away from the fact that ... we're off to a fast start."<sup>6</sup>

In his remarks at CSIS in Washington prior to President Obama's November trip to Southeast Asia, National Security Advisor Tom Donilon outlined the President's rebalancing toward Asia in general terms:

"The President ... made a critical decision ... at the very outset of the administration to increase our focus on the Asia Pacific, in terms of resources; diplomatic activity and engagement, both with nations and with regional institutions; and in terms of policy."

"He laid out our vision in Canberra last year. In short, our overarching objective is to sustain a stable security environment and a regional order rooted in economic openness, peaceful resolution of disputes, democratic governance, and political freedom."

"The rebalancing of our posture toward the Asia Pacific harnesses every element of our national power."

"... our rebalancing ... is defined by far more than defense posture. It will continue to be defined by deeper economic and political engagement. That includes standing up for the freedom and dignity of the people of the region."

While administration officials may have been determined that there is a strong case to be made for not disclosing their pivot cards, there are high risks associated with such a stance. Many officials in Southeast Asian countries are not fully convinced as to the pivot's meaning or durability; they lack details over the longer term. On the other hand, the notion that additional specifics on the pivot or rebalancing exercise will lessen or dampen any incentives on the part of Southeast Asian leaders to "normalize" relations with the current Chinese leadership is equally suspect. With China's reemergence as a major actor in Southeast Asia, regional leaders will strive to engage with China in ways that will maintain national sovereignty and freedom of navigation of the seas. While they welcome the express commitment by the United States to apply greater resources and an enhanced presence, including military, to the region, a "balance" as defined by each country's leadership, will be sought. The pivot will suffer as an integrating factor if it is ever perceived to be a catalyst for Chinese interference or intrusion into the territory or affairs of a neighboring sovereign country.

Congressional delegation meetings with U.S. and foreign officials in Southeast Asia did little to contradict some of the concerns raised by a CSIS Study Group over the administration's rebalancing or pivot efforts: "We found no durable operational framework guiding the specific efforts toward that goal, and without that framework, we found many discontinuities." The CSIS study opined:

"The project team concluded that DoD has not adequately articulated the strategy behind its force posture planning nor aligned the strategy with resources in a way that reflects current budget realities. DoD needs to explain

the purposes of force posture adjustments in light of the new security challenges in the Asian Pacific region.”

#### RECOMMENDATIONS

- To instill confidence among Southeast Asian leaders and extend more credibility to the pivot or rebalance toward Asia, U.S. administration officials should convey not only vision, but specific points of anticipated pivot/rebalance content, including those areas not directly related to security and defense that go beyond existing bilateral engagement between the U.S. and each of the countries.
- The Nunn-Lugar CTR program should be an integral part of the “rebalance” to Asia strategy by the Obama administration.
- Regarding the implementation of the Nunn-Lugar CTR program, greater coordination is encouraged among the Departments of Agriculture, State, Defense, Health and Human Services (Centers for Disease Control), and other appropriate departments and agencies to ensure seamless implementation of efforts to identify and interdict WMD or associated components.

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#### NOTES:

<sup>1</sup> U.S. Department of State.

<sup>2</sup> “Phuket Business: Thailand—U.S. Trade Reviving,” *Phuket Gazette*, September 10, 2012.

<sup>3</sup> “U.S. Relations with Thailand—Fact Sheet,” Bureau of East Asian Affairs, U.S. Department of State, July 31, 2012.

<sup>4</sup> “Philippine Deal May End Violence, Lure Investors: Southeast Asia,” *Bloomberg News*, Joel Guinto and Daniel Ten Kate, October 8, 2012.

<sup>5</sup> “Panetta’s Asia-Pacific Trip Seeks to Broaden Rebalance,” *American Forces Press Service*, Cheryl Pellerin, November 12, 2012.

<sup>6</sup> *Ibid.*