

Subsidizing Russia's Nuclear Scientists

Nearly six years ago, Congress and the Clinton administration launched a visionary scheme to help the scientists and engineers who had been part of making and designing the Soviet weapons of mass destruction to put their skills to civilian use. The goal was to prevent them from working for rogue regimes such as Iran, Iraq or North Korea. As this Department of Energy effort progressed, the administration assured Congress of success upon success.

Those assurances were ripped apart recently in a devastating new congressional study. In a yearlong investigation, the General Accounting Office, or GAO, found the \$63 million emergency program to be directionless, wasteful and riddled with abuse. Even more, the GAO reported that the program, Initiatives for Proliferation Prevention, or IPP, actually has paid the salaries of personnel working on Russia's nuclear-weapons modernization and development of its clandestine and illegal chemical and biological weapons.

The GAO has been warning about similar problems for years. What's new is that this time some in Congress are starting to pay attention (see *waste & abuse*, p. 45). Senate Foreign Relations Committee Chairman Jesse Helms of North Carolina knew something was wrong but couldn't get straight answers from the administration, so he commissioned the GAO investigation. The GAO found:

- After five years, the IPP has not even developed "program goals and a strategic plan."
- Bureaucracy and administration costs on the U.S. side consumed nearly two-thirds of the funds intended for the former Soviet scientists. Russian taxes and overhead ate much of the rest.
- Despite such huge administrative and oversight costs, there is almost no accounting for the money sent to Russia: "Neither DOE [Department of Energy] nor its laboratories require any receipts or other explanation from the Russian institutes to show how the funds sent to Russia are allocated." Nobody can account for how much actually went to pay the scientists, as the IPP requires no payroll records.
- The DOE doesn't even know who it is paying in the former USSR. Some program officers told the GAO "that information on the backgrounds of the [former Soviet] scientists and engineers was not relevant to the project's business." In two instances, they said it was none of their business.
- "Some scientists currently working on Russia's weapons of mass destruction are receiving program

funds." American tax dollars are paying Russian personnel as they modernize nuclear, chemical and biological weapons. And the GAO got some of this information from the Russians themselves.

- The DOE doesn't even know how many scientists it is funding. And, "generally, the principal investigators [at DOE labs] did not believe their role included verifying the number of scientists working on a project or trying to determine if the scientists were performing weapons-related work while receiving IPP funding."

- DOE isn't thinking things through. Asked if one IPP project might enhance Russian military capabilities, an Energy Department lab officer "noted that he had not given the possibility much thought." The GAO added, "There is no U.S. government-side comprehensive, consolidated list of critical institutes and scientists that the program needs to engage." A top Russian participant told the GAO that the Energy Department seemed to be running the program "ad hoc, with no real strategy in mind."

- The IPP cannot gauge whether it is preventing scientists from emigrating to rogue states. The GAO reports that the emigrant scientists are moving to the United States, Israel and Germany — not Iraq or Libya. But, according to one DOE lab, "accurately tracking the number of scientists employed on projects was not considered very important at the start of the program. As a result, efforts to develop these figures were not a priority."

- IPP programs have an extremely low success rate. Only two of the 400 IPP programs are self-sustaining as the law intends.

- "Despite the limited success in commercializing IPP projects, DOE officials told us that the program has been successful because it has at least temporarily employed thousands of weapons sci-

entists." The GAO findings show that there is no way to substantiate that claim.

While GAO was conducting its probe, Vice President Al Gore was hammering out a deal to expand the concept tenfold. His \$600 million Nuclear Cities Initiative would fund Russian scientists who produce their weapons of mass destruction and set up commercial projects in the secret "nuclear cities" through 2007. As Gore was working on the details, GAO investigators tried to visit one of those nuclear cities, Sarov, to monitor an IPP project there. The former KGB barred them from even entering the city.

"U.S. Embassy officials in Moscow have questioned large funding commitments to the nuclear cities at this time," the report concludes, adding, "GAO believes that the Nuclear Cities Initiative is likely to be a subsidy program for Russia for many years rather than a stimulus for economic development."

Congress virtually has ignored GAO's previous warnings about similar schemes and gave the administration carte blanche to spoil any promising national-security fruits of the IPP. Now, thanks to Helms and the GAO, it can stop the rot from spreading.

By J. Michael Waller



A GAO investigation found the Clinton administration has been subsidizing modernization of Russian nuclear weapons.