

Opening Statement of
The Honorable Ralph Hall, Ranking Republican
Committee on Science and Technology
Hearing on “*Impacts of U.S. Export Control Policies
On Science and Technology Activities and Competitiveness*”
February 25, 2009

Thank you, Mr. Chairman, for calling today’s hearing on the implementation of the International Traffic in Arms Regulations program, and the serious, unanticipated consequences it has imposed on industry and academia, as well as on our national security and technological readiness.

But first I want to thank our distinguished panel of witnesses for taking time out of their busy schedules to appear before the Committee. I know you have put in long hours to prepare for your appearance this morning, and we are grateful for the wisdom and insights you bring to today’s discussion.

Mr. Chairman, export controls are crucial and necessary to prevent the proliferation of militarily-useful technologies from falling into the wrong hands, and it’s critically important that we continue, to the best of our abilities, to deny the transfer of these technologies to our adversaries.

In today’s global marketplace, as our witnesses will soon point out, it’s important that export control regulations recognize technologies that are no longer ours alone to control. Export controls must also permit the rapid sharing of emerging R&D technologies with our friends and allies, if we’re to stay abreast of technological advances. Based on a number of scholarly studies, including the National Academies’ *Beyond Fortress America* report, it is clear to me that the current export control regime fails to meet these standards.

Industry and academia endure enormous costs in an effort to comply with ITAR. The price of direct compliance is easy to calculate, but the more difficult cost is the self-imposed conservatism put into place by industry and academia, because they do not

understand what is – and is not – a violation of unclear and evolving standards. Technology is a constantly shifting landscape; what is cutting-edge today may be outmoded six months or a year from now. So too are the threats posed by our adversaries, and for the matter, the adversaries themselves.

As a consequence of these uncertainties and the lack of transparency within the export licensing bureaus, and the threat of enormous fines, penalties, and disbarment, industry and academia are shying away from bringing products and ideas into the international arena – or collaborating with our friends and allies – whenever there is doubt about their military applicability. The result is less business and less engagement with leading researchers the world over. It is, in essence, a system that is designed to slowly erode our technological superiority.

Congress and the Administration owe it to our research and development community to erase the enormous degree of subjectivity and uncertainty that now drives the export licensing process. From the vantage point of applicants, the current system has no transparency, and as a result, export licensing is bogging down the very same R&D enterprise that made our economy the largest in the world. We need a system that adapts quickly to evolving technological advances, and that quickly and conveniently permits collaborations with our friends and allies.

As I stated a moment ago, we must continue to deny our adversaries access to emerging technologies, but I am convinced the current export control regime is working against our own national self-interest.

Thank you, Mr. Chairman.