OPPORTUNITY 08

Independent Ideas For Our Next President

Stemming Nuclear Proliferation

Prevent and Manage the Rise of New Nuclear Powers

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Summary

In the 2004 presidential race, John Kerry and George Bush agreed that nuclear proliferation was the top security threat facing the United States. They were right then, and the same thing will be true in 2008 and beyond. Among other measures, our next president should:

- undertake a major international push to convince North Korea to abandon external threats and internal repression and become a more normal regime, like Vietnam, promising more help if it will move in that direction while creating the basis for more pressure if it does not
- employ economic coercion to move Iran off its nuclear course, even though this could drive up global oil prices
- make the Bush Administration's recent agreement with India the basis for bringing the two non-NPT but nuclear capable states, Israel and Pakistan, into a non-proliferation "half-way house," supporting civilian uses of nuclear energy in exchange for firmer controls on proliferation and
- become generally more actively involved in South Asia, in order to keep Pakistan's nuclear weapons and technologies under control and reduce tensions in the Subcontinent

Context

North Korea's October 9, 2006, nuclear test serves as a sharp reminder that preventing the spread of weapons of mass destruction must stand at or near the apex of America's foreign policy agenda. Fortunately, people in the United States and other countries understand the importance of keeping the world from being saturated with arsenals of mass extinction.[1]

The twin proliferation-control challenge is to prevent more countries, like Iran, from acquiring nuclear weapons and, at the same time, to manage the consequences of proliferation by coping with those states, like India and Pakistan, that already have them.[2] Meeting this double challenge requires skill and commitment in assembling a full menu of diplomatic techniques, military instruments, assurance of sustained high-level attention, cooperation with foreign governments, and development of a domestic policy consensus.

Proliferation clearly is advancing. Fifteen years ago there were three undeclared nuclear weapons states (NWS)—Israel, India, and Pakistan—in addition to the five declared NWS: the United States, Russia, Britain, France, and China. In 1998 the two South Asian states tested nuclear devices and declared themselves possessors of nuclear weapons. Pakistan subsequently was revealed to have aided the nuclear programs of several countries. North Korea and Iran have flaunted their violations of the Non-Proliferation Treaty (NPT), and the latter is on track to become the 10th NWS.

The North Korean tests now raise the specter of rapid proliferation, particularly in Northeast Asia. Taiwan is a prospective NWS, as is South Korea, and Japanese officials have privately talked about their own "option." Elsewhere, a cluster of Middle Eastern states, led by Iran but followed by Turkey, Egypt, and Saudi Arabia, may be

[1] Recent polling by the Chicago Council on Global Affairs, in cooperation with the Asia Society and others, indicates that the U.S. public ranks nuclear weapons proliferation the greatest threat after terrorism, and respondents in Australia, India, China, Japan, and South Korea also put nuclear proliferation at or near the top of their list of threats. (*The United States and the Rise of China and India: Results of a 2006 Multination Survey of Public Opinion*; http://www.thechicagocouncil.org/UserFiles/File/GlobalViews06Final.pdf)

[2] For a recent overview of the proliferation problem, see George Bunn and Christopher F. Chyba, eds. 2006. *U.S. Nuclear Weapons Policy: Confronting Today's Threats*. (Washington, DC: The Brookings Institution).

chomping at the bit. North Korea's record of weapons sales abroad—as well as Iran's record of supporting terrorist groups beyond its borders—pose the post-9/11 nightmare scenario of nuclear weapons in the hands of undeterrable extremists.

Why do countries seek nuclear weapons? The United States initiated nuclear arms possession, and use, to end a World War II on terms that would be speedier and less costly to its own people in blood and treasure (and, perhaps, to strengthen its diplomatic hand in the post-war world). Britain and France sought influence and prestige within an alliance structure, although most American allies were content to shelter under Washington's nuclear umbrella. Existential security concerns appear to have driven the Israeli, Indian, Pakistani, North Korean, Iranian, and (since renounced) South African programs. Pyongyang and Tehran may be insecure governments persuaded that nuclear weapons would shield against outside attempts to induce regime change; these regimes also may harbor aggressive designs and want nuclear weapons for belligerent purposes—if not to attack their neighbors, then at least to be able to bluster and intimidate them with greater impunity and effectiveness

History draws three key lessons about proliferation. *First,* the more insecure and volatile the regime and neighborhood, the greater is the incentive to proliferate. *Second,* deeply insecure or aggressive states find nuclear weaponry ideal in building popular support, extorting concessions from the international community in aid and attention, and deterring the use of destabilizing force by other countries. As a government gets closer to owning an actual weapon, it gains protection from possible external attack and regime-change intrusions. *Third,* these insecure regimes have less compunction about sharing nuclear technology with others. Although the experience of China suggests that states can eventually "learn" responsible behavior, this may not always be true. The North Korean and Pakistani experiences so far suggest that the incentives to proliferate sometimes may increase as a young program matures. Such exporters of nuclear technologies care little about global non-proliferation norms, even though they are quick to cite violations of global norms by others to justify their own nuclear programs.

Take Calibrated Moves to Control Global Proliferation

Policymakers sometimes talk about proliferation as if one straightforward approach—deployment of missile defenses, more money for cooperative threat reduction, or a tighter and universal adherence to relevant treaties, notably the NPT—would magically meet the threat. Each of these policies has its place, but addressing the complex and diverse proliferation problem requires comprehensive efforts, enriched with innovation and adherence to sound strategic principles.

President Bush, in addition to deploying a limited national missile defense system initiated under President Clinton (and in earlier forms, Reagan), has taken three significant actions to restrain nuclear proliferation:

- Obtaining adoption in April 2004 of UN Security Council Resolution 1540, which applied the NPT and the Convention on Physical Protection of Nuclear Materials to terrorism and theft and required nations to prohibit the transfer of nuclear material to unauthorized persons
- Launching the Proliferation Security Initiative in May 2003 to provide a legal basis for stopping ships at sea and inspecting them in port if they are suspected of carrying sensitive materials or technology, and
- Most controversially, agreeing in July 2006 to provide aid in building civilian nuclear capacity to India in return for India's separation of its military and civilian nuclear programs.

What else should the United States do to prevent further proliferation and manage existing nuclear threats? Five steps are needed:

(1) Vigorously reaffirm America's commitment to its obligations under the NPT, including ratification of the Comprehensive Test Ban Treaty (which was linked to NPT renewal in the 1990s as part of an international deal), and insist that other states live up to their own commitments under the NPT, the Nuclear Suppliers Group (the leading restriction on transfer of nuclear materials), and the International Atomic Energy Association (IAEA)

(2) Maintain robust military alliances to deter adversaries and reassure friends that they need not pursue nuclear weapons of their own

(3) Keep the option of preemptive attack on the table and demonstrate technical capability of striking a missile or nuclear facility anywhere in the world, while returning to the tradition of speaking more softly about the potential role of preemption

(4) Expand cooperative threat reduction efforts beyond their current scope and beyond the important initiatives with Russia, to guard existing nuclear weapons and materials from theft and illegal diversion, and

(5) Continue to deemphasize the role of nuclear arms in American security policy, concentrating instead on the core mission of deterring nuclear weapons and pressing on with reductions in the arsenals of existing NWS.

Stop North Korea's Nuclear Progress

By starting to develop a uranium enrichment program in the late 1990s, the Democratic People's Republic of Korea (DPRK, or North Korea) violated the 1994 Agreed Framework with the United States, under which it pledged not to develop or possess nuclear weapons, as well as the Nuclear Non-Proliferation Treaty and the 1991 North-South denuclearization pact with Seoul. The Bush Administration was right to challenge Pyongyang once learning of this behavior in 2002. North Korea then claimed to withdraw from the NPT, but only after violating it. President Kim Jong-Il's regime also expelled IAEA inspectors, putting itself further into contravention of its NPT obligations and removing necessary transparency. Subsequently, in addition to keeping its secret uranium enrichment program (which is probably not yet producing enough uranium for a weapon), the DPRK reprocessed the plutonium in the spent fuel at the Yongbyon site, increasing the estimated size of its likely nuclear arsenal from one or two bombs to, perhaps, eight or even more.

There are several reasons why such an arsenal poses a grave risk. The DPRK might sell nuclear technology or even materials to terrorists or other states. If the regime collapses, its nuclear materials could fall into the hands of unscrupulous arms dealers.

Deterrence of North Korea could also be weakened. Should war result, the more bombs North Korea possessed, the greater its odds of successfully delivering a nuclear warhead against Seoul, Tokyo, or even (probably by means other than a missile attack) Washington, Seattle, or New York. Finally, North Korea's nuclear program could ripple through Northeast Asia, provoking Japan, South Korea, and Taiwan to develop their own nuclear weapons, seriously damaging the global non-proliferation structure and transforming East Asia's strategic balance.

After the October 2006 test, Washington led the way in getting new UN Security Council sanctions, but these have loopholes (they do not cover China-North Korea trade, and China refused to go along with boarding ships on the high seas). China and South Korea will not support sanctions that might tip the Pyongyang regime into chaos, at least not until they are convinced there is no other choice.

The next U.S. President should make a major push to reverse North Korea's nuclear progress—especially progress occurring under the Bush Administration. This push will be extremely difficult, since the threat of military force is no longer useful to eliminate the country's dangerous supply of plutonium. That material has now been reprocessed and moved, probably in 2003. In addition, the world has largely accepted a *de facto* North Korean nuclear arsenal. The accord signed in early 2007 that effectively commits North Korea to cap its nuclear program in exchange for energy supplies is a viable first step, if it is truly implemented. But it does not address the underlying problem that North Korea will retain a nuclear arsenal of perhaps ten weapons, as well as a possible underground uranium enrichment program. A new American President will have to move quickly and credibly to lay down a strategy that rolls back the arsenal, which must remain our goal.

Framework for Agreement

In this situation American policymakers should accept North Korea as a distasteful regime, tone down the rhetoric, and talk directly with the North—ideally within the structure of the six-party talks that President Bush correctly prefers. America should

use these conversations to make clear that a North Korean regime verifiably and meaningfully committed to transform its policies and outlook will *not* be a target. The United States should work with other aid donors to encourage deeply impoverished North Korea to reform in the style of Vietnam. If Pyongyang refuses these appeals, Washington will be better positioned to convince other countries to apply more iron-clad sanctions.

The job boils down to convincing Pyongyang that it is in its interest to abandon internal repression and external threats as the basis of regime legitimacy and, instead, to morph over the next decade into a "normal" autocracy. Toward this end the United States—backed by South Korea, Japan, China, and Russia—should offer a set of inducements coupled with a clear threat that the nuclear *status quo*, or worse, cannot and will not be tolerated. On the one hand, the five countries should offer enough aid to finance a transition to a Vietnam-style economy—that is, total aid packages in the range of $2-3 billion a year for several years to build infrastructure, revitalize agriculture, improve public health, and modernize education. The offer could include lifting U.S. bans on trade and investment, provisionally at first and later permanently, and establishing a temporary U.S. diplomatic presence as a step toward full diplomatic relations. On the other hand, to avoid setting a precedent of rewarding illicit behavior, this offer should be linked to comprehensive demands encompassing denuclearization, reductions in conventional forces, elimination of chemical arms, structural economic reform, and the beginnings of human rights improvements.

In the event, it may not prove feasible to convince the DPRK to give up all its nuclear capabilities immediately. Abandoning the nuclear option entirely could take years. But, the United States should be prepared to accept a deal that does immediately and verifiably freeze the DPRK's nuclear activities and begin to get the plutonium out of the country.

If negotiations fail, the first step will be to convince South Korea and China that their current levels of economic engagement are no longer appropriate. The willingness of the South Korea to accept sanctions will depend in part on results of its 2008

presidential election. Military options should remain in the mix, especially if North Korea threatens to sell nuclear materials or continues construction on its large reactors, for there is still time to prevent North Korea from becoming an industrial-scale producer of weapons by attacking its large reactors. The United States and South Korea would have to be braced for possible war after any limited use of airpower, since no one can predict how North Korea might respond.[3]

Two final points on Korea: (1) The United States and its allies should admonish the DPRK that any terrorist group's use of North Korean-related fissile material will prompt retaliation against North Korea itself, regardless of any threats the regime may make. (2) To steer popular pressure in Japan away from seeking a nuclear capability to counter North Korea's, the United States should continue plans to share its missile defense with the Japanese.

Use Diplomacy and Trade Sanctions with Iran

Equally serious is the proliferation problem posed by Iran—a problem involving extremely dangerous technologies, a state with strong links to terrorism (and to warring groups in Iraq), and the prospect that Egypt, Turkey, Saudi Arabia, and other Middle Eastern countries might seek to match Iran's nuclear capacity (not to mention the fact that Israel might seek to eliminate it preemptively)

Unlike North Korea, Iran has not yet progressed to the point of having nuclear weapons. Concerted diplomatic efforts with Iran are relatively recent. And, Iran is not the totalitarian-controlled island that North Korea is. Here, political reformers could in theory at least fortify the nonproliferation cause, and there is hope that Iranian politics will soon move in a somewhat more moderate direction.

Iranian violations of the NPT have consisted of lying to IAEA inspectors and conducting secret uranium enrichment and plutonium reprocessing experiments over two decades. Compounding these violations, Iran has consistently supported international terrorism,

[3] For a similar view, see Gary Samore. 2003. "The Korean Nuclear Crisis." *Survival 45*: 19-22.

including sponsoring Hezbollah, rejected Israel's right to exist, threatened to destroy Israel, and denied the Holocaust. President Mahmoud Ahmadenejad has rejected compromise proposals, such as establishment of a dedicated facility on Russian territory to provide Iran a guaranteed fuel supply. (Possibly, the international community should consider other diplomatic options, such as tolerating Iranian enrichment on a small scale, if delayed for a few years and then closely monitored.[4]) If diplomacy fails, five options remain: all-out war, limited military strikes, support for Iran's political opposition, strong economic coercion, and limited sanctions. (If all of these fail, we will also need to consider options for living with a nuclear Iran, including the possibility of offering a nuclear umbrella to regional states.)

All-out war is clearly a policy of extreme last resort. Iran has three times the population of Iraq, where our forces are already tied down, making occupation extremely foreboding as an option. Invasion would also risk radicalizing the generally pro-western, or at least friendly, Iranian population.

Targeted strikes, with airpower and perhaps covert operations, would probably also radicalize Iran while setting the weapons program back no more than five to ten years. Just as Saddam "went underground" in the 1980s after Israel attacked Iraq's Osirak reactor, Iran could be expected to hide its nuclear facilities. Indeed, it probably is hiding them already, using advanced tunneling equipment and hardening techniques learned from the North Koreans and others. Buying five to ten years might make sense if we could achieve a Mideast peace accord and stable Iraq in the meantime, but the prospects of either eventuality appear mediocre at best, and if anything Iran could be expected to increase its meddling in these problem areas after sustaining a strike.

Support for Iran's political opposition has become the policy of the Bush Administration as the world collectively considers other moves. This option has an argument in favor of it but is not likely to generate decisive results quickly.

[4] International Crisis Group. 2006. *Iran: Is There a Way Out of the Nuclear Impasse?* Middle East Report No. 51. Available at www.crisisweb.org.

Strong economic coercion is the preferred strategy. A full ban on the Iranian oil trade in all its dimensions would deal a severe economic blow to Iran. Of course, a ban would disrupt the global economy, too, as Iran produces five percent of the world's oil and the market is already tight, perhaps driving American gasoline prices over $4 a gallon at least temporarily. (The important role of Iranian oil supports the case for U.S. energy diversification.) But, nuclear proliferation is a far greater threat to the American people, and to the world, than higher oil prices.

Limited sanctions are the final option. Targeted sanctions could include restrictions on some high-tech trade by Europe and constraints on the travel of Iranian leaders. Such mild measures do not carry a great deal of promise in dealing with an extremist regime motivated by an appetite for nuclear arms, hence the need to think hard about targeting oil with all its admitted downsides.

Set Criteria for Assisting Countries Like India

India's nuclear program is one of the world's oldest, originating in 1946, even before Independence. For decades Indians agonized whether a bomb was needed to secure great power status and answer China's 1964 nuclear test, and India has avoided signing the NPT.[5] Although a test took place in 1974, India's weapons program began in earnest only in the late 1980s, and the multiple tests of May 1998 did not reveal a strong program.

The Bush Administration's 2006 agreement with the government of Prime Minister Manmohan Singh constituted a major foreign policy initiative disguised as an energy deal, with wide non-proliferation implications. In exchange for access to civilian nuclear technology, including uranium fuel for its reactors, India agreed to separate the civilian and military components of its large nuclear program, seek an agreement

[5] For an overview, see: George Perkovich. 1999. *India's Nuclear Bomb: The Impact on Global Proliferation.* (Berkeley, CA: University of California Press). For Stephen Cohen's views, see his testimony before the Senate Foreign Relations Committee, April 26, 2006, and supplemental answers to Senator Biden's questions, "U.S.-India Atomic Energy Cooperation: Strategic and Nonproliferation Implications," at www.brook.edu/views/testimony/cohens/20060426.htm.

for IAEA inspection of its civilian program, tighten up physical security and export control of nuclear materials, develop a relationship with the Nuclear Suppliers Group, and consider joining the Proliferation Security Initiative and the Container Ship Initiative. The United States promised to lift technology restrictions, sell India civilian nuclear technology and equipment, and help India in dealing with other suppliers of civilian nuclear technology. Congress approved the deal in December 2006, but made certain modifications and added several conditions that might prove unacceptable to India. If Indian negotiations with the IAEA and the Nuclear Suppliers Group go as planned, a formal "123," agreement that sets forth the details of cooperation, will be presented to Congress, probably in mid-2007.

On balance, the agreement is a positive step, and even a potentially creative amendment to the NPT, provided that India takes additional measures to constrain its nuclear program in the coming years.[6] India is committed not to transfer nuclear technology abroad, and the agreement brings India into an NPT-like orbit. The agreement will strengthen ties with a burgeoning India and add it to the list of states that are part of the solution, not part of the proliferation problem.

However, the agreement failed to establish criteria for membership in this "half-way house." *Washington needs to work with other NPT states to develop explicit criteria for future agreements with other nuclear states.* With proper incentives, Israel, Pakistan, and perhaps others might agree, as has India, to end nuclear testing, limit production of fissile material, produce transparency, and cooperate fully with non-proliferation safeguards.

What if the agreement is not consummated before the end of the Bush administration? Then, the next President should revisit the issue, negotiating both with the new Congress and with the Indian government. The goal should be a standardized agreement, supported by strict criteria. The United States also could seek more clarity regarding India's strategic objectives and its potential contribution to the larger proliferation and arms control problems.

Set Conditions on Massive Aid to Pakistan

A putative ally in the "war on terrorism," Pakistan has been central to the world's proliferation problem, receiving sensitive technologies from China, trading them with North Korea, and possibly passing them on to several states and Al Qaeda.

The Pakistani program began in 1974 as a response to India's conventional military dominance and a means to display Pakistan's credentials as a scientifically advanced Islamic state. After the 1999 Kargil conflict with India over Kashmir, which U.S. intervention halted before hostilities between the two new nuclear states spun out of control, Pakistan developed a sophisticated command-and-control structure, and its nuclear weapons are now under army control. The major risks would be future Pakistani political instability. A weak government could lose control of the nuclear arsenal, a fragmented government could share weaponry with a radical Islamist group, or a strongly Sunni-oriented government could set off a Mideast-wide nuclear arms race to counter Iranian nuclear power.

Engagement with Islamabad is essential, if the engagement is grounded in an awareness that a fragile Pakistan could incite a U.S. or regional crisis. The United States should look to Iran, India, Afghanistan, and China to develop a shared strategy of engagement with Pakistan designed to enhance stability and prevent further proliferation.

When the United States offered India a nuclear "bargain," trading civilian nuclear assistance for confirmation of good proliferation behavior, President Pervez Musharraf's regime immediately asked for one for itself. For reasons that have never been made clear, but which probably include Pakistan's poor record in restricting exports of nuclear-related technology and uncertainty about controls, the Bush Administration rejected Islamabad's request. Possibly the Bush Administration sought to leverage the issue to gain access to Dr A.Q. Khan, the metallurgist responsible for much of Pakistan's proliferation to other states. Pakistan, however, refuses such access,

fearing that Khan might describe the complicity of other Pakistani officials in his covert purchases and sales of sensitive technologies.

The United States must act to ensure that Pakistan's nuclear weapons will not be transferred to terrorist groups, sold to the highest international bidder, or deployed and even used in a way that might trigger a large nuclear exchange. At least a fraction of Washington's present multi-billion dollar support for Pakistan should be conditioned on restraint in nuclear arms development and proliferation. More broadly, Washington should recast its South Asia policy and become more active in helping the region's two nuclear states achieve a more normal relationship and in removing the irritant of a contested Kashmir. A more active American role can move these two friends of America closer to each other and farther from nuclear confrontation and can help Pakistan evolve into a moderate, responsible, democratic nation.

Closing Observations

Arms control has a mixed past, but even the skeptical Bush Administration has pursued some version of it, such as a stronger Nuclear Non-Proliferation Treaty and a new, less formalized Proliferation Security Initiative. At the same time, the administration has opposed a comprehensive test ban treaty and withdrew from the Anti-Ballistic Missile Treaty. The latter step had some rationale and should not be reversed, but U.S. ratification of the test ban treaty, among other policy initiatives, would be a very important complement to the country-by-country approach we sketch out above.

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