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Transcript

CHINA IN THE WORLD PODCAST

Host: **Tong Zhao**

Guest: **David Santoro**

Episode 113: China and the U.S. Nuclear Posture
Review

September 3, 2018

Zhao: Hello, this is the “China in the World” podcast. My name is Tong Zhao, and I am happy to invite here today Dr. David Santoro, who is the Director and the Senior Fellow of Nuclear Policy

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programs at Pacific Forum. Before joining Pacific Forum, David worked on nuclear policy issues in France, Australia, Canada, and the UK, and he specializes in strategic and deterrence issues as well as non-proliferation and nuclear security with a regional focus on the Asia-Pacific and Europe. David, welcome.

Santoro: Thank you so much.

Zhao: Given you have a real expertise in Asia-Pacific security, I have to say that I am personally very concerned about the two big powers, U.S.-China, and their security relationship in the future. After the Trump administration released several important defense and security documents, strategies, clearly China was portrayed as the primary rival in the long-term future. Also the new Nuclear Posture Review (NPR) report was released earlier this year in which there were some elements that seemed particularly worrisome to Chinese experts and officials. So maybe we should start with this new NPR report. What do you think this report gets right about the U.S.-China nuclear relationship and are there any policy solutions that you think are problematic?

Santoro: I think, like you've correctly pointed out, you cannot look at the Nuclear Posture Review in isolation. I think it's part of a broader trend in U.S.-China relations where we are moving toward a more competitive environment security-wise. In the economic realm, and you've pointed out that there are other documents, so I think the frame document, the document of reference, is the National Security Strategy which the administration published in December 2017, which makes very clear that it regards China and Russia as strategic competitors. The administration also has concerns about others, particularly the rogue regimes, what the administration calls the rogue regimes, North Korea and Iran. So the frame document is the National Security Strategy. A month later, the National Defense Strategy was also published and also portrayed China and Russia as strategic competitors and the key theme that was expressed in those two documents is, "We are in a world where it's going to be focused primarily on major power competition," and the NPR was published just a month after in February 2018, and so it follows those two documents where again, the focus is major power competition. And unsurprisingly, the two powers that are featured quite strongly in the review are Russia and China, and you know more talks about major power competition. So the administration increasingly looks at China as a competitor, not an adversary. They've been very careful about portraying China as a competitor, not an adversary, so this is really the new world that the administration sees itself. Having said that, when it comes to nuclear issues, I think the administration is much more worried about Russia, which as you know has a much bigger arsenal than China and has had over the last few months and years a very different nuclear behavior than China. The United States has issues over arms control with Russia, on the INF Treaty, the Intermediate-Range Nuclear Forces Treaty. Obviously the Crimea situation has complicated U.S.-Russia relations, and so the United States again is primarily worried about Russia. It also worries very much about North Korea, which also as you know has been developing a nuclear arsenal in violation of its non-proliferation commitments. China features, as I said, quite high in the Nuclear Posture Review, and in some ways, it is lumped together with

Russia as a major power that the United States needs to contend with. But it is not regarded as a primary problem from a nuclear perspective. So even though the Nuclear Posture Review regards Russia and China together, it also worries much more about other powers, notably Russia and North Korea. Now this may not be as evident as it seems when you read the report because again, China features quite heavily, but I think in practice it is very clear that the administration worries more about Russia and North Korea than about China.

Zhao: But do you worry about any specific implications for the future U.S.-China nuclear relationship as a result of this Nuclear Posture Review given that as you said, the main focus was on Russia but maybe China was the collateral damage; meaning even though the U.S. clearly wants to take a few measures to address the Russian nuclear threat, including by emphasizing small yield detectable nuclear weapons development, but that will also have implications for China too. Do you think, from the Chinese perspective, watching Russia investing a lot in all kinds of new nuclear weapons technology and the U.S. now re-emphasizing tactical nuclear weapons, do you think China will react? In what way do you think that DoD has factored this possible Chinese reaction into their strategy?

Santoro: So I think you're quite right when you say that the new low-yield weapons that the U.S. proposes to develop are primarily targeting Russia, and in the conversations that I've had, very clearly U.S. officials have said that this was a decision made with Russia in mind, not other countries. To some extent, North Korea as well, but China was not factored in. It was predominantly to respond to the Russia problem. Now I think you're right, that from Beijing, when you look at this, you think "well, to what extent does that not include China? What does that mean for China?" My own sense is that China has basically two choices. On the one hand, it can say "Alright, it's about competition. Maybe we are not the primary target, but we are going to be a target, therefore we need to change our policy; we need to maybe increase our arsenal; get rid of no-first-use; completely change our policy and engage in active competition with the United States." That's option one. Option number two is to say, 'Well why don't we reach out to the United States and actually engage in a dialogue to try and make sure that we better understand each other, that we show that we are not Russia, that we are not North Korea, that our nuclear policy has been consistent since 1964, that we still believe in no-first-use- all these things that would help at least improve the U.S.-China relationship in the nuclear sphere. And so that's option number two, and this is, as you know, an option that the United States has been pushing for quite a long time, encouraging China to get into a dialogue. Not to agree on everything, but at least to make sure that there are fire brakes on the nuclear problem.

Zhao: If China is willing to take option number two, in other words to engage with the United States on nuclear issues, what should be the basis for bilateral engagement? Because this new NPR report clearly dropped the reference to maintaining a strategic stability relationship with China. So what does that mean? Is strategic stability still the foundation of the bilateral relationship? Is the U.S. still committed to maintaining the so-called mutually assured destruction

relationship with China? If so, is this relationship sustainable in the future given all these new non-nuclear technologies? Missile defense, conventional precision strike weapons, even cyber weapons, they can all undermine your enemy's nuclear retaliation potential. Given all these new threats to nuclear systems and their enabling capabilities, how can we sustain this mutually-assured destruction relationship into the future?

Santoro: So I think one of the key questions before the Nuclear Posture Review and one that we discussed for many months before the Review was out was whether or not the concept of strategic stability was still going to be the organizing principle not only between the United States and China, but also between the United States and Russia; and like you mentioned, this has been the organizing principle since the 2010 NPR, Nuclear Posture Review, released by the Obama administration. It turns out that this NPR, like you mentioned, abandoned that concept. I think it got maybe two or three vague references in the document, but nothing very substantive. Instead the focus has been, it's all about deterrence, it's all about competition, so it's not very clear that there is an organizing principle now. From what I know, we've moved from strategic stability to strategic competition. Now that being said the document makes clear, the Nuclear Posture Review makes clear that it still wants not only some form of stability, nuclear stability, with Russia and China; that it does not mean to, I think the word is undermine or upset the strategic balance, and that it also wants to engage in dialogue with Russia and China. So even though the concept of strategic stability was abandoned, there is language in the report that suggests that stability or seeking some form of stability with China and Russia is one of the goals.

So how do we do that now? You've rightly pointed out that it's not just about nuclear anymore. We have not only offensive systems but also defensive systems, missile defense, and new domains of engagement, notably space, cyber, and I think the future is going to be even more complicated with 3-D printing, artificial intelligence, and all these new emerging technologies. So my own sense is that the best way to try and engage, to try and reach some level of stability would be for the U.S. and China to start discussing those issues, and start sitting down at the table, at the official level to do that. Now as you know, the Pacific Forum and China have, we've engaged in Track 1.5, so-called Track 1.5, basically unofficial dialogue to try and make sense of how we could go about it, and I think we've made a lot of progress, but I don't think that you can do that only at the unofficial level. I think there's a role for official dialogue to take place to make sure that the Chinese and U.S. governments are in sync about how to promote stability.

Zhao: Right, I agree. We need to discuss these threats from new non-nuclear military technologies, but is there any real hope that we can reach real agreement or common ground on these issues? You know in the Cold War, the nuclear equation was simple, you can calculate your enemy's nuclear strike power by understanding whether your own nuclear retaliation capability is assured or not. Now, later on there was this new variable, missile defense, which makes the equation a little more complicated, but it is still manageable to some extent. You can still make those calculations and therefore maybe these two sides could still reach a basic agreement on how

much missile defense can be justified without disturbing the nuclear balance. But now we have many more new variables like conventional precision weapons, cyber weapons, how do you quantify and qualify each other's cyber capability that might be able to undermine nuclear command control systems, space-based surveillance technologies, as you said, AI, which can be used to detect, monitor, and track each other's air mobile vehicles or even nuclear submarines under sea. So is there any real hope if we look into the mid to long-term future that we can really make any basic agreement across these different technology demands?

Santoro: So I think you're right that we live in a much more complex security environment than during the Cold War, and I think you're right that again it was much easier when the only worries quote-unquote were nuclear weapons and maybe some missile defense. Now I should point out though that at the time it did not seem easy when nuclear weapons first came to the fore. People didn't say well "It's very easy. This is how it's going to work, this is going to be the organizing principle." It took some time as a matter of fact, as you know, nuclear weapons were first invented in the Second World War, and right after the Second World War, that's when basically they started to play a role in inter-state relationships. It still took about twelve years between 1945 and 1957 to come up with the concept of deterrence, so it took a long time to try and find a way to promote some stability. So during that time, the world looked very complicated. We did not have an answer on how to maintain deterrence. I know that right now respectively we look at the Cold War and think, "Well this was actually very simple, we could maintain balance fairly easily." I can assure you that if you read some of the Cold War historical books and reports at the time it did not look that easy.

So I think, what you said, I agree with it. It's true that today is a much more complicated era with many more technologies to deal with, but I think that we have to accept that we are not going to find a solution just right away so is there any hope to do it? I think there is. I think it starts by sitting down and trying to make sense of those technologies, of where we are; and I think that the traditional way to manage stability has been arms control, as you know, and I think there is still today a role for arms control. My own personal hope is that when the New START Treaty expires in 2021, that the United States and Russia will extend it. I think it's still valuable. Having said that, I am not convinced that to deal with what is going on in the space and cyber domains, to manage all these new emerging technologies, traditional arms control measures are the way to go to manage those systems. I think we're more likely to be successful if we establish rules of the road or maybe some norms on how to manage those technologies; so I guess what I'm getting at is that the solution is not necessarily traditional arms control but maybe some rules of the road, some normative behavior to manage those technologies. Now I don't know how this will look like but I think we are likely to be successful if we establish a framework of behavior around those technologies and I think that begins with dialogue. I think if China and the United States are not talking to each other, we cannot establish those rules of the road.

Zhao: Let's maybe delve a little bit into one of those technologies, missile defense. You as a nuclear expert spend a lot of time on this issue. Do you think in general for the United States, missile defense should be further enhanced and if so, again, do you have any specific ideas for how to mitigate potential Chinese and Russian reactions?

Santoro: So the short answer is yes, I think missile defense has a role. I don't think it is a silver bullet, and this is not a play on words. I really mean this. It can be complementary to deterrence policy, they it is not going to be foolproof to stop a missile coming from North Korea. But I think it is part of the architecture that should be deployed to enhance U.S. security and for that matter, the security of U.S. regional allies, notably South Korea and Japan. Now, as you said, the problem is that as the U.S. is increasing the quantity and quality of its missile defense systems, the risk is that this would have an impact on China and so far, it's been U.S. policy that the goal was to not upset the strategic balance, not only with China in Asia but also with Russia in Europe; and as far as I know, it is still the goal. And as I said, the Nuclear Posture Review still talks about maintaining some strategic balance with China and Russia. That being said, in theory, shortly after the Nuclear Posture Review, the release of the so-called Missile Defense Review should have been done. Now for some reason, and I don't know why, the Missile Defense Review hasn't been released. My expectation is that the Missile Defense Review will follow what the Nuclear Posture Review is saying, which is the strategic balance between the U.S. and Russia and the U.S. and China should be maintained, and therefore missile defense should not be targeting those countries. But right now, Missile Defense isn't out so we'll have to see what it says exactly to be sure. But in terms of what can be done for the United States to reassure that its missile defense development and deployments are not going to upset the balance, I think you know consultations could happen, maybe even visits are something that we could envision. I don't think that Beijing has been too receptive in terms of visits or consultations vis-à-vis missile defense, but the United States has tried to engage Beijing and similarly Moscow on ways that it could reassure them. I don't think it's been so successful so far, but there have been attempts again to engage in consultations and specific system visits.

Zhao: Well at Pacific Forum, I know you have helped organize and contribute to various Track 2, Track 1.5 level dialogues between the U.S. and China on nuclear issues, on overall security issues. What are the overall lessons that you can draw from these experience? Do you think trust has been built in this process of long-term extensive dialogues? What you have done right to help build confidence and what are the areas that still lack important progress? What can we do to address those issues in the future?

Santoro: So has it been successful? Yes, absolutely. And it's been, I think we are on dialogue number twelve, so it's been twelve years of engagement. It's been very successful, not only in developing personal relations with officials and think tank experts, and this is very important because we are able to explain each other's policies and better understand each other, better trust each other. It doesn't mean we agree, but at least we are able to explain specific policy

developments, specific policies, specific positions, and it's been immensely useful in understanding each other. So that's number one.

Regarding your second question, I think that increasingly over the past two to three years, many participants on the Chinese side have been very optimistic about developing a dialogue at track one, at the official level, and in fact I met with a few experts over the last couple of days and we discussed the possibility of doing dialogue at track one, at the official level, and all of them, every single expert that I met, said that they have been pushing for dialogue to actually take place. I think it's a good thing. I think that they increasingly realize this is something that needs to happen, that the relationship is mature enough that we can engage at track one and now it's really up to the Chinese leadership to do that. One of the main concerns that traditionally the Chinese side has had in engaging in dialogue has been that the United States has a much bigger arsenal than China and also it has much more experience in engaging in nuclear dialogue on transparency, arms controls, confidence-building measures because it's been doing that since the Cold War years with the Soviet Union and then Russia. And so China which has a much smaller arsenal and just frankly less experience in dealing with those issues has been reluctant to be engaging in such dialogue. But my own sense on talking to experts and being involved in the track 1.5 process is that we are getting closer and closer to a point where we could see engagement in nuclear dialogue actually take place; and I think the Track 1.5 that the Pacific Forum has been leading could actually help support that process and we could even maybe engage in drafting an agenda for Track 1. So I'm cautiously optimistic- this is I think how I will put it- on at least the nuclear track. I think more generally, the US-China relationship is in trouble on several fronts- trade obviously, North Korea is an issue obviously, Taiwan is another, South China Sea, but when it comes to nuclear issues, despite the fact that the Nuclear Posture Review features China as one of the two major powers that it needs to compete with, I think there is a possibility that the Chinese leadership sees a role for dialogue so at least that aspect of the relationship is properly managed. Again, this is me being cautiously optimistic. It may not happen, but my conversations suggest that it could.

Zhao: Fair enough. I guess the U.S.-China nuclear relationship is not just a matter between Washington and Beijing because other players including American allies also play a role. As we know, some U.S. allies, especially Japan, are a little concerned about the so-called stability-instability paradox; Meaning if the U.S.-China nuclear relationship is stable, and there is no real risk of conventional conflict easily escalating to the nuclear level, then China might be emboldened to be more aggressive at the conventional military level, therefore engaging in more threatening behavior toward Japan. So for a long time, Japan has worried about the U.S. and China explicitly committing to a mutual strategic stability relationship, and I also know at Pacific Forum, you have also organized a lot of unofficial dialogues between the United States and its allies: U.S.-South Korea, U.S.-Japan, and U.S.-China-Japan trilateral meetings. Do you think in order to address the potential negative impact from U.S. allies on the U.S.-China bilateral nuclear relationship, it is necessary to hold some direct meetings or dialogues between China and U.S. allies?

Santoro: So I guess right now in 2018, discussions between the United States and its regional allies, and frankly here we're talking mostly about Japan and South Korea, most of the discussions have been focusing on the North Korea problem. About two weeks ago, the Pacific Forum held a U.S.-Japan-South Korea extended deterrence dialogue at the track 1.5 level, and the focus was really North Korea: how do we think about the whole symmetry approach that just took place in the spring, where do we want to go, and also if there's a military crisis, how do we respond, how do we coordinate and cooperate to make sure that we respond properly? And when it comes to China, the focus has been mostly about how, the focus has been on what role should or could China play in the event of a collapse of North Korea or something that would require Chinese participation. I think that there is an interest, particularly in Japan, in discussing broader strategic issues when it comes to the U.S.-China relationship and the relationship that regional allies should have with China, but because of current news, most of the focus has been on North Korea. But yes, I see personally, I see a role in China engaging in Japan and South Korea and maybe the two of them together as well.

Zhao: Yeah, I think there is a real likelihood that some similar incidents or disputes like the START dispute could happen in the near-term future. Japan has decided to introduce the long-range discrimination radar from the United States, and that has already caused some serious Chinese concern here, so maybe some dialogues there could help prevent another START dispute from emerging. Given we are talking about North Korea, and I know you have spent a lot of time studying European security, so I always wonder can we apply some of the European experience to addressing the Korean Peninsula's security challenges? My understanding is that North Korea's nuclear capability is likely to stay for a long time. With that said, there might be fertile areas for progress, especially in the area of conventional military arms control confidence-building measures between the two Koreas, and also between maybe North Korea and the United States, because North Korea now feels safe given it already possesses rudimentary nuclear deterrent capabilities and therefore might reduce its dependence on conventional military power. I think that's a particular area of possible progress.

In this regard, the European countries have a lot of experience in conventional military confidence-building measures. Do you think any of these lessons can be applied to the Korean Peninsula? One example that comes to mind is the Open Skies Treaty. The reason why I thought about this was, one driver of North Korean paranoia and its nuclear development is the North Korean concern about sudden pre-emptive military strikes from the United States and South Korea to disarm North Korea and to decapitate its leadership. But maybe if we can do something similar to the Open Skies Treaty and let the North Koreans monitor military mobilization in South Korea, that could help North Korea understand that if there is any major military mobilization, they can quickly detect it and therefore be prepared. So maybe that can help reassure North Korea and also help North Korea avoid adopting de-stabilizing nuclear postures. If North Korea feels safe from sudden pre-emptive military disarming strikes, maybe it will forgo putting its nuclear weapons on

high alert even at peace time, and it might forgo the option of pre-dedicating nuclear launch authorities to lower level officials. All of these can help prevent incidental or unauthorized nuclear launches from North Korea. So do you think any such ideas might work on the Korean Peninsula?

Santoro: I have never heard that specific proposal. I think it's interesting. I would have to give some thought to it. I mean, the Open Skies Treaty approach, I really need to look into it a little more. My own sense is yes, I'm sure there are lessons that can be learned on what we could do on the Korean Peninsula, and you know even the CFE Treaty, the Conventional Forces in Europe Treaty, what was done could help inform specific actions we could take on the Korean Peninsula. But I think we are still quite a ways away from going down that road. I think that like you said, I'm of the belief that the current North Korean arsenal, and I'm talking general arsenal nuclear missiles. As you know, North Korea also has chemical and biological weapons and conventional power, and I think that arsenal is here to stay. We will probably engage in some form of confidence-building measures and maybe some reduction here and there, but that program is here to stay for the foreseeable future. We aim to stay engaged with North Korea on other issues, and we've already seen North Korea, for instance, the remains of U.S. soldiers were sent back to the United States. These forms of opening or forward-leaning actions have been taken but nothing has been really done to change the arsenal of North Korea specifically. So how do we move forward from here? I really don't know and I don't see much of an appetite to move forward just yet. And my own sense looking at what the U.S. administration has been doing is that it's really been re-focusing its attention to China more so than to North Korea right now, and the more I think about it, the more I think it's difficult for the administration to focus on North Korea, to focus on one without focusing on the other.

Zhao: Well thank you so much, David. This is very interesting. I really appreciate you coming here and sharing your thoughts and insights with us today. But before you go, I also want to mention that at Pacific Forum, you have this wonderful Young Leaders Program, in which you invite young scholars, emerging experts from all over the world, to join important senior policy meetings, conferences, and most of the activities are paid. So those are free for Young Leaders to take part in. Personally, I have benefitted a lot from that experience. I was a Young Leader, but recently was kicked out as I grew old, but I do want to encourage Chinese young students, scholars, experts who are interested in international and regional security issues, foreign policy issues, to apply and to actively participate in this wonderful program. So thank you again, David.

Santoro: Thank you so much for having me.