



CARNEGIE
ENDOWMENT FOR
INTERNATIONAL PEACE

Congressional Testimony

**Civil Nuclear Cooperation with Pakistan:
Prospects and Consequences**

Testimony by **George Perkovich**

Vice President for Studies

Carnegie Endowment for International Peace

Testimony before the House Committee on
Foreign Affairs

December 8, 2015

It is an honor to appear before the subcommittee today to address the interesting and important issues surrounding potential nuclear cooperation with Pakistan. Having worked on nuclear challenges in South Asia since 1992, I am keenly aware of the complexities of any U.S. policy in this domain. The subcommittee should be applauded for its determination to explore these issues.

At the outset I should say that I think it highly unlikely that the governments of the United States and Pakistan would be able to agree on conditions that would motivate both states to complete a nuclear cooperation agreement. Thus, this discussion is largely hypothetical in my view. Nonetheless, the national, regional, and global interests that would be involved in pursuing such a deal are important enough to make even a hypothetical discussion worthwhile.

Any consideration of nuclear cooperation with Pakistan must begin by acknowledging that the network led by the former head of the Khan Research Laboratories, A.Q. Khan, proliferated nuclear weapon-related equipment and know-how to at least North Korea, Iran, and Libya. This is why Pakistan was dubbed the “nuclear Walmart” by a former director general of the International Atomic Energy Agency, who did not mean the remark kindly. While key suppliers in this proliferation network operated in several European, Middle Eastern, and Southeast Asian countries, the motive force was a central figure in the Pakistani nuclear establishment.

The proliferation damage done by the Khan network is an enormous fact. At some point, the question arises whether and when to learn from this fact and try to create new facts that are more propitious. Pakistan has been punished in some ways, including intense international opprobrium and sanction. I do not know of proposals to add new punishments at this time, more than a decade since the network was rolled up. The United States did impose significant sanctions on Pakistan for its nuclear weapons program from 1990 onward with no apparent good result. Indeed, the Khan network operated throughout this time of severe sanctions. Now, the more pertinent questions concern what can and should be done to motivate Pakistan to continue to improve its controls over nuclear materials, equipment, and know-how so as to build international confidence that proliferation will not occur again, either to states or to terrorists. One answer is to continue to isolate and thereby to some extent punish the country forever. Another answer is to offer Pakistan ways to end its isolation by building international confidence that it is managing its nuclear program to standards at least as sound as those of other nuclear-armed states.

This sort of quandary is not new or unique. The United States and the international community confronted similar questions in negotiating Libya’s surrender of its illicit nuclear and chemical weapons capabilities in 2003, in return for which sanctions were lifted on the country. Beginning in 2005, the United States led an international effort to normalize nuclear relations with India and end sanctions on nuclear cooperation with it through agreement in 2008 with the Nuclear Suppliers Group. In July of this year, the United States and its five negotiating partners reached a Joint Comprehensive Plan of Action with Iran, through which Iran agreed to a host of measures to verifiably limit its nuclear activities in return for sanctions relief. In each case, nuclear deals were made without linkage to other issues. The point is, there are precedents of Republican and Democratic administrations normalizing relations with states whose nuclear activities had long been highly problematic.

In the case of Pakistan, I would argue that the following issues should be analyzed and resolved, first within the U.S. government, and then, perhaps, with Pakistan.

If criteria could be agreed upon by which Pakistan would become eligible for nuclear cooperation and/or membership in the Nuclear Suppliers Group, are there public goods – in terms of nonproliferation, prevention of nuclear terrorism, and stability in South Asia – what would be gained? One way to explore answering this question is to ask in parallel, what might be the consequences of conveying to Pakistan that it *never* could make itself eligible for such cooperation (short of eliminating its stockpile of nuclear weapons and fissile materials, which no one believes is feasible)?

I submit that the answer to the second question is highly problematic from the standpoint of U.S. and international interests. To say in effect that Pakistan will remain isolated from the nuclear mainstream forever is to remove incentives that it might otherwise have to take additional measures to control and secure its nuclear arsenal – measures that would enhance regional and international security. The perverse consequences of eternal nuclear isolation are magnified by the fact that the United States already led an international effort to exempt India from restrictions on nuclear cooperation with no commitments from India to restrict the growth and qualitative enhancement of its nuclear arsenal. The rivalry between Pakistan and India is driven by historical, political, religious, psychological, and security factors. On balance, it is arguably fair to say that the Pakistani security establishment bears a disproportionate share of responsibility for the conflicts and crises of the Indo-Pak relationship and the inability of diplomacy to normalize it. But this is not the whole story, and, in any case, the fact of the rivalry means that if Pakistan is destined to be forever isolated while India is embraced, Pakistan will be less inclined to take steps that would be in India's and the rest of the world's security interest.

If there are security interests to be gained by offering the feasible possibility of ending Pakistan's nuclear isolation – compared with maintaining it forever – then a few alternative ways forward are suggested.

The simplest, least ambitious step for the United States would be to convey that no states that possess nuclear weapons outside of the Nuclear Nonproliferation Treaty (i.e., India, Pakistan, Israel, and the DPRK) would be offered membership in the Nuclear Suppliers Group without having met criteria that the NSG would establish. Such criteria would encompass – at minimum – security of nuclear materials, export controls, and constraints on the expansion and characteristics of their nuclear arsenals. If and when the states in question met such criteria, they would be eligible for membership in the NSG (and presumably nuclear cooperation). This approach also would preclude any one of these states from entering the NSG and using that body's consensus decision-making rule to thereafter block the others from joining once they met the established criteria. For example, India could not enter the NSG and then forever block Pakistan from doing so. It is precisely this concern that alarms Pakistanis today. President Obama has pledged to seek India's membership in the NSG as soon as possible, without such criteria or any limitations on India's nuclear weapons program. Adopting a criteria-based approach to NSG eligibility would require a change in the current U.S. approach to India's membership so that if Pakistan met such criteria it would be eligible too.

Another way forward would be the one that the Obama administration is reported to be exploring with Pakistan. That is, to negotiate bilaterally steps that Pakistan could take which would then enable the United States to make the case with Congress and the Nuclear Suppliers Group that Pakistan deserves to be considered eligible for peaceful nuclear cooperation and possibly membership in the NSG. This approach – if indeed it is what the administration is pursuing – would be Pakistan-specific rather than a template applicable to India, Israel, or unforeseeably North Korea.

Again, according to rather vague press reports, the administration is seeking Pakistan's agreement to take steps that would limit several boundaries of Pakistan's future nuclear arsenal. The nuclear deal with India did not require India to limit its production of fissile materials for nuclear weapons, or the types and number of weapons it develops and deploys, or its missile program. I do not know the details of what the United States has discussed with Pakistan, but press accounts suggest that the administration is seeking an agreed limit on the size of Pakistan's nuclear arsenal as well as eschewal of deployment of small, battlefield nuclear weapons. The administration also is reported to be seeking limits on ranges of missile delivery systems Pakistan would develop and deploy. Limitations such as these would ameliorate concerns over Pakistan's role in a nuclear arms race in South Asia. Such limitations on Pakistan's future arsenal also would create more favorable conditions for deterrence stability on the subcontinent. Indeed, limitations on missile ranges could also reassure Israel, the United States, and other states that Pakistan would not pose nuclear threats to them.

If Pakistan could be motivated to agree to such limitations in exchange for becoming eligible for peaceful nuclear cooperation and membership in the Nuclear Suppliers Group, it is difficult to argue that such an arrangement would not significantly augment international security. In this case, the issue should not be whether to pursue such an arrangement, but rather whether it could be negotiated.

Pakistan will object: it is being required to limit its military capabilities while India is not. One response is that India did not proliferate nuclear material and know-how to North Korea, Libya, and Iran as Pakistan did. Another answer is that India has not wittingly harbored groups that conduct terrorism against the United States, NATO forces, and others. Nor does Pakistan serve U.S. interests in balancing China's power as advocates of the nuclear deal with India believe India will. Nor is Pakistan a potentially large buyer of U.S. nuclear reactors, military systems, or anything else, as India is hoped to be. Additional reasons can be listed. However, from Pakistan's perspective these answers only aggravate the feeling of being denigrated and having their security concerns vis-à-vis India ignored.

One can fairly argue that India does not harbor aggressive intentions towards Pakistan, and that India's current military capabilities do not give it a decisive offensive military edge over Pakistan. Pakistani military leaders respond that American security officials usually say "intentions can change, capabilities are what matter." But, when it comes to India, Americans want Pakistan to rely on professions that India's intentions are not offensive. Pakistanis retort further: if India's offensive capabilities are not overwhelming today, they could become more so in the future, especially given the size and growth of the Indian economy compared to Pakistan. Therefore, the argument goes, Pakistan needs a full spectrum of nuclear capabilities to deter India's future array

of weaponry, and cannot agree to sharp limits on these capabilities without corresponding limits on India. For these and other reasons, then, it is highly unlikely Pakistan would agree to the sort of conditions that the Obama administration is seeking.

Another impediment to the deal is that the benefits reportedly being offered to Pakistan are not as great as they seem. These benefits reportedly include potential U.S. exertions to remove restrictions on peaceful nuclear cooperation with Pakistan, and possible support of Pakistan's membership in the NSG. While it is true that Pakistani leaders have incessantly urged the U.S. to do these things, the reality is that commercial nuclear suppliers from countries other than China – that is, American, Russian, French, Japanese, and South Korean companies – are highly unlikely to pursue contracts to build nuclear power plants in Pakistan. Pakistan lacks the money to pay for multi-billion dollar nuclear plants. The security environment in Pakistan further vitiates these countries' and their companies' interests in the Pakistani nuclear sector. Regarding membership in the Nuclear Suppliers Group, while Pakistan would like to be eligible for it, such membership is not worth the perceived costs of unilaterally limiting Pakistan's future nuclear arsenal without reciprocal limitations on India's arsenal.

Fundamentally, Pakistani decision-makers measure what they want and what they are prepared to trade for it by comparison with India. Others perceive that Pakistan's true national interest is different, but this does not matter, unsurprisingly.

It is also not surprising that Indians who follow these issues are alarmed by reports that the United States might seek ways to remove restrictions on nuclear cooperation with Pakistan and open the way for Pakistan's entrance into the NSG. A strong argument can be made that a deal with Pakistan along the lines being reported would significantly improve India's security. But the political psychology of the situation is more complicated. Many Indian officials and commentators feel that U.S. cooperation with Pakistan would devalue the singular favorable treatment extended to India since 2008. As one put it to me recently, "we do not want to be the member of a club that would have Pakistan in it."

Ideally, in terms of regional and international security, arrangements could be reached whereby both India and Pakistan would limit and stabilize their nuclear competition. However, the dynamics of this competition are dauntingly complex. India must not only deter Pakistan, but also China. China's strategic capabilities continue to grow, largely to contend with the United States (and Russia), and also with India. China and India have undertaken no meaningful dialogue on limiting their competition in this domain. Thus, in any consideration of mutual limitations with Pakistan, India still would seek acceptance that its capabilities would need to grow to balance those of China. Pakistan seems unlikely to accommodate this. Moreover, the cooperation between China and Pakistan in the nuclear, missile, and conventional military domains is a factor in India's calculations. Similarly, the defense cooperation between the United States and India enters into the calculations of China and Pakistan. The reported bilateral discussions between the United States and Pakistan on a possible nuclear deal do not encompass this broader dynamic, and cannot reasonably be expected to.

Even if it were possible to interest India and Pakistan in exploring ways to stabilize their nuclear (and missile) competition, such exploration would quickly encounter other related challenges.

Pakistan feels that it needs a full spectrum of nuclear weapon capabilities to balance India's conventional military capabilities which will steadily grow over time. Pakistan would seek Indian agreement to limit such capabilities. But India counters that threats of terrorism and/or proxy violence emanating from Pakistan require a build-up of India's conventional military capabilities. India needs to be able to demonstrate that it could defeat the Pakistani military in response to future terrorist attacks on India. Otherwise, the argument goes, the Pakistani security establishment will not be motivated to demobilize anti-India actors. In other words, the nuclear competition probably cannot be ameliorated without simultaneous address of the sub-conventional and conventional confrontation between Pakistan and India. But neither the United States nor any other outside power alone can create the array of incentives that would motivate and facilitate leaders of Pakistan and India to act constructively to untie the many strands of competition that are now knotted.

In conclusion, the purpose behind the reported engagement by the Obama administration with Pakistan in exploring a potential "nuclear deal" is constructive. The problem is not the desirability of such an effort, but rather its feasibility.