TESTIMONY OF MICHAEL KREPON FOUNDING PRESIDENT, THE HENRY L. STIMSON CENTER before the COMMITTEE ON FOREIGN RELATIONS UNITED STATES SENATE January 28, 2004

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE:

THANK YOU FOR HOLDING THIS HEARING ON SOUTH ASIA, AND ON WAYS TO REINFORCE POSITIVE DEVELOPMENTS IN THE REGION GENERATED BY PRIME MINISTER VAJPAYEE AND PRESIDENT MUSHARRAF.

IN THE FIFTEEN YEARS SINCE AQUIRING NUCLEAR WEAPONS, INDIA AND PAKISTAN HAVE EXPERIENCED HEAVY WEATHER. THE LAST FIVE YEARS OF THIS STRETCH HAVE BEEN THE WORST. AFTER TESTING NUCLEAR WEAPONS IN 1998, INDIA AND PAKISTAN FOUGHT A LIMITED, HIGH-ALTITUDE WAR, AND IN 2002, THEIR ARMIES SPENT MOST OF THE YEAR READY FOR BATTLE.

BEFORE WE PASS JUDGMENT ON THEIR BRINKSMANSHIP, WE MIGHT RECALL THAT THE FIRST FIFTEEN YEARS OF THE NUCLEAR STANDOFF BETWEEN THE UNITED STATES AND THE SOVIET UNION WERE ALSO VERY HARROWING. WE LOOKED DIRECTLY INTO THE NUCLEAR ABYSS DURING CRISES OVER BERLIN AND CUBA. AFTER THIS EXTREMELY DANGEROUS PASSAGE, WASHINGTON AND MOSCOW WERE FINALLY READY TO TAKE STEPS TO REDUCE NUCLEAR DANGERS. AFTER THE CUBAN MISSILE CRISIS, WE AGREED TO ESTABLISH A "HOTLINE" FOR SECURE COMMUNICATION IN CRISIS, AND WE NEGOTIATED AN END TO NUCLEAR TESTING IN THE ATMOSPHERE. THE NUCLEAR RIVALRY BETWEEN THE UNITED STATES AND THE SOVIET UNION WAS EVENTUALLY TAMED BY A LONG AND DIFFICULT PROCESS OF NEGOTIATING CONFIDENCE-BUILDING MEASURES, ARMS CONTROL, INTRUSIVE VERIFICATION, AND FINALLY, DEEP CUTS IN NUCLEAR FORCES.

PRESIDENT MUSHARRAF AND PRIME MINISTER VAJPAYEE NOW HAVE AN HISTORIC OPPORTUNITY TO ENGINEER A MOMENTOUS SHIFT FROM RECURRING CRISES TO NUCLEAR SAFETY. MY TESTIMONY WILL GIVE YOU A SENSE OF HOW THIS TRANSITION MIGHT TAKE SHAPE, AND WHAT THE UNITED STATES CAN DO TO HELP.

NUCLEAR DANGERS IN SOUTH ASIA HAVE BEEN LINKED TO KASHMIR IN SEVERAL WAYS. TO BEGIN WITH, THERE IS A SIGNIFICANT CONCENTRATION OF INDIAN AND PAKISTANI FORCES STATIONED NEAR THE KASHMIR DIVIDE, WHERE THEY HAVE REGULARLY ENGAGED IN ARTILLERY EXCHANGES AND MINOR SKIRMISHES. IN ADDITION, PAKISTAN'S KASHMIR POLICY HAS RELIED HEAVILY ON MILITANT GROUPS TO PUNISH INDIA AND TO LEVERAGE A FAVORABLE OUTCOME. CONSEQUENTLY, ESCALATION CONTROL ON THE SUBCONTINENT HAS DEPENDED HEAVILY ON TWO RISKY ASSUMPTIONS: FIRST, THAT JIHADI GROUPS WOULD REFRAIN FROM SUCH HORRENDOUS ACTS OF VIOLENCE AS TO SPARK A WAR; AND SECOND, THAT THE INDIAN GOVERNMENT WOULD REFRAIN FROM ATTACKING PAKISTAN IN RESPONSE TO LESSER GRIEVANCES.

NUCLEAR SAFETY CANNOT POSSIBLY REST ON THESE TWO ASSUMPTIONS. SINCE ESCALATION CONTROL AND NUCLEAR RISK REDUCTION BEGIN ALONG THE KASHMIR DIVIDE, THIS IS A KEY AREA FOR PAKISTAN AND INDIA TO FOCUS THEIR EFFORTS. PROSPECTS FOR NUCLEAR SAFETY ARE NOW BRIGHTER BECAUSE THERE IS A CEASEFIRE ALONG THE KASHMIR DIVIDE AND BECAUSE THE LEVEL OF INFILTRATION ACROSS THIS DIVIDE BY JIHADI GROUPS BASED IN PAKISTAN IS WAY DOWN.

TO TAKE ADVANTAGE OF THE CURRENT OPPORTUNITY TO REDUCE NUCLEAR DANGERS ON THE SUBCONTINENT, THE FOLLOWING STEPS APPEAR ESSENTIAL:

- 1) FOR THE GOVERNMENT OF PAKISTAN, TO SUSTAIN THE CURRENT CEASEFIRE AND TO CONTINUE TO REFRAIN FROM PROVIDING MILITARY AND INTELLIGENCE SUPPORT TO INFILTRATION.
- 2) FOR THE GOVERNMENT OF INDIA, TO CONTINUE TO ENGAGE DISAFFECTED KASHMIRIS AND TO TAKE SPECIFIC MEASURES DEMONSTRATING RESPECT FOR THEIR HONOR AND DIGNITY.
- 3) FOR THE GOVERNMENT OF PAKISTAN, TO CHANGE ITS PAST PRACTICE OF HOLDING NUCLEAR RISK-REDUCTION MEASURES HOSTAGE TO A SATISFACTORY RESOLUTION OF THE KASHMIR ISSUE. INSTEAD, IT IS CRUCIAL TO DEMONSTRATE RESPONSIBLE NUCLEAR STEWARDSHIP BY NEGOTIATING AND PROPERLY IMPLEMENTING MEASURES TO PROMOTE NUCLEAR SAFETY.
- 4) FOR THE GOVERNMENT OF INDIA, TO DEMONSTRATE RESPONSIBLE NUCLEAR STEWARDSHIP BY ENGAGING IN

SUBSTANTIVE AND SUSTAINED DIALOGUE WITH PAKISTAN OVER THE KASHMIR ISSUE.

WHAT CAN THE UNITED STATES DO TO HELP IN THIS REGARD? THERE ARE SEVERAL STEPS WE CAN TAKE TO FACILITATE AN HONORABLE OUTCOME TO THIS TRAGIC, LONGSTANDING IMPASSE.

- 1) WE CAN PROVIDE MORE, AND MORE EXPEDIENT, HELP TO THE GOVERNMENTS OF INDIA AND PAKISTAN TO SECURE THEIR BORDERS.
- 2) WE CAN PROVIDE FINANCIAL ASSISTANCE, IF BOTH GOVERNMENTS SO DESIRE, FOR INITIATIVES THAT PROVIDE HUMANITARIAN, DEVELOPMENTAL, AND OTHER ASSISTANCE TO THOSE WHO HAVE GREATLY SUFFERED OVER THE PAST FIFTEEN YEARS OF VIOLENCE.
- 3) WE CAN HELP THE GOVERNMENTS OF INDIA AND PAKISTAN, IF THEY SO DESIRE, TO MONITOR AGREEMENTS THEY MIGHT CHOOSE TO CONCLUDE REGARDING THE PULLBACK OF CONVENTIONAL MILITARY EQUIPMENT, FORCES, AND TRAINING FACILITIES AWAY FROM THE KASHMIR DIVIDE.

AS I MENTIONED, NUCLEAR RISK REDUCTION BEGINS, BUT CERTAINLY DOES NOT END, IN KASHMIR. MR. CHAIRMAN, YOU AND OTHER MEMBERS OF THIS COMMITTEE UNDERSTAND THAT THE FIRST ACT OF NUCLEAR TERRORISM WILL BE A MOMENTOUSLY BAD EVENT. EVEN THOUGH AN ACT OF NUCLEAR TERRORISM MIGHT PRODUCE RELATIVELY FEW CASUALTIES, IT COULD GENERATE SIGNIFICANT PSYCHOLOGICAL AND ECONOMIC IMPACTS. THE CROSSING OF THIS NUCLEAR THRESHOLD IS ALSO LIKELY TO TRIGGER COPYCATTING. IN TENSE REGIONS LIKE SOUTH ASIA, THE DETONATION OF A "DIRTY BOMB" COULD SCUTTLE A PEACE PROCESS AND GENERATE SEVERE PRESSURES FOR ESCALATION.

MATERIAL THAT CAN BE USED TO MAKE DIRTY BOMBS RESIDES IN MANY POORLY GUARDED HOSPITALS AND CIVILIAN RESEARCH LABS IN INDIA AND PAKISTAN. THESE FACILITIES ARE VERY SUSCEPTIBLE TO "INSIDER" THREATS, SUCH AS A SECURITY GUARD OR A HOSPITAL WORKER WHO IS SYMPATHTIC TO AN EXTREMIST GROUP AND WHO AIDS IN THE THEFT OF THIS MATERIAL.

LIKE THE UNITED STATES, INDIA AND PAKISTAN ARE VERY VULNERABLE TO THREATS OF NUCLEAR TERRORISM. IT IS VITAL THAT WE HELP EACH OTHER TO PREVENT SUCH ACTS.

HOW CAN THE UNITED STATES HELP IN THIS REGARD?

- 1) BY EXPANDING THE SCOPE OF U.S. COOPERATIVE THREAT REDUCTION PROGRAMS TO ENCOMPASS EFFORTS TO SAFEGUARD DANGEROUS MATERIALS THAT COULD BE USED FOR NUCLEAR TERRORISM. MUCH CAN BE GAINED BY ENGAGING INDIA AND PAKISTAN IN EFFORTS TO DESIGN SECURITY MEASURES AND TO DISCUSS BEST PRACTICES AND LESSONS LEARNED FOR THE PREVENTION OF NUCLEAR TERRORISM.
- 2) BY PROVIDING PAKISTAN AND INDIA WITH DEVICES TO IMPROVE SECURITY AT FACILITIES SUCH AS HOSPITALS AND RESEARCH LABS, IF THEY SO DESIRE.
- 3) BY EXCHANGING IDEAS ON PERSONNEL RELIABILITY PROGRAMS TO HELP SAFEGUARD DANGEROUS MATERIALS AT THESE FACILITIES.
- 4) IF THEY SO DESIRE, TO OFFER WIDE-RANGING TECHNICAL ASSISTANCE TO INDIA AND PAKISTAN TO GUARD AGAINST THE ENTRY OF RADIOLOGICAL MATERIALS AT BORDER CROSSINGS AND PORTS OF ENTRY.

ASIDE FROM KASHMIR AND NUCLEAR TERRORISM, WHAT ELSE COULD BE DONE TO REDUCE NUCLEAR DANGERS ON THE SUBCONTINENT AND TO REINFORCE POSITIVE MOMENTUM IN INDIA-PAKISTAN TALKS?

EXPERTS IN BOTH COUNTRIES HAVE THOUGHT A GREAT DEAL ABOUT NUCLEAR RISK-REDUCTION MEASURES THAT COULD BE NEGOTIATED AND IMPLEMENTED QUICKLY, ONCE POLITICAL CONDITIONS PERMIT. MY SENSE IS THAT MUCH COULD BE ACCOMPLISHED IN THIS REGARD IF, AS I HOPE, PAKISTAN STOPS HOLDING THESE MEASURES HOSTAGE TO A KASHMIR SETTLEMENT, AND IF INDIA ENGAGES PAKISTAN AND DISSIDENT ELEMENTS IN KASHMIR ON A SERIOUS AND SUSTAINED BASIS.

MORE SPECIFICALLY, GOVERNMENT OFFICIALS AND NON-GOVERNMENTAL ANALYSTS IN SOUTH ASIA HAVE INDICATED THAT THEY CAN DEMONSTRATE RESPONSIBLE NUCLEAR STEWARDSHIP BY NEGOTIATING AND ESTABLISHING NUCLEAR RISK REDUCTION CENTERS. THERE IS ALSO A PRESSING NEED TO NEGOTIATE AND PROPERLY IMPLEMENT MEASURES TO REDUCE RISKS ASSOCIATED WITH BALLISTIC MISSILE FLIGHT TESTS, PARTICULARLY DURING PERIODS OF CRISIS.

MANY OTHER ITEMS COULD BE ADDED TO THIS MINIMAL LIST. WHILE THE UNITED STATES CAN SURELY ENCOURAGE BOTH COUNTRIES TO FOLLOW THROUGH WITH MEASURES THAT REINFORCE RESPONSIBLE NUCLEAR STEWARDSHIP, TAKING THESE STEPS IS OBVIOUSLY THEIR JOB, NOT OURS. LOOKING FURTHER AHEAD, THERE ARE MANY IMPORTANT SUBJECTS THAT COULD BENEFIT FROM DIALOGUE, INCLUDING DISCUSSIONS OF NUCLEAR DOCTRINE AND WAYS TO REINFORCE STABLE DETERRENCE ON THE SUBCONTINENT.

A FOURTH GENERAL AREA TO PROMOTE NUCLEAR SAFETY RELATES TO STEPS THAT PAKISTAN AND INDIA COULD TAKE TO STRENGTHEN DOMESTIC CONTROLS AGAINST PROLIFERATION. WHILE NEITHER COUNTRY IS A PARTY TO THE NUCLEAR NONPROLIFERATION TREATY, BOTH HAVE PLEDGED NOT TO INITIATE THE RESUMPTION OF NUCLEAR TESTING. IF, HOWEVER, ANOTHER NATION GOES FIRST, ONE OR BOTH COUNTRIES ARE LIKELY TO JOIN IN A CHAIN REACTION OF UNDERGROUND TESTING. I HOPE THAT MEMBERS OF CONGRESS WILL CONSIDER THIS WHEN CONTEMPLATING THE POSSIBLE RESUMPTION OF U.S. NUCLEAR TESTING AND THE MERITS OF THE COMPREHENSIVE TEST BAN TREATY.

CONTROLS AGAINST PROLIFERATION WOULD ALSO BE ADVANCED IF INDIA AND PAKISTAN STOPPED PRODUCING FISSILE MATERIAL FOR THEIR WEAPONS. A GLOBAL, VERIFIABLE BAN DESIGNED TO DO SO, CALLED THE "CUTOFF" TREATY, WILL BE DIFFICULT TO NEGOTIATE AS LONG AS INDIA AND PAKISTAN FEEL THE NEED TO INCREASE THE SIZE OF THEIR NUCLEAR ARSENALS. A PROCESS OF NORMALIZATION ON THE SUBCONTINENT CAN HELP REMOVE THIS IMPEDIMENT TO A CUTOFF TREATY. ANOTHER IMPEDIMENT IS THE RELUCTANCE OF THE BUSH ADMINISTRATION TO CONSENT TO A RESUMPTION OF THESE NEGOTIATIONS IN GENEVA.

EVEN THOUGH THEY ARE OUTLIERS TO THE NONPROLIFERATION TREATY, INDIA AND PAKISTAN HAVE PLEDGED NOT TO HELP OTHERS ACQUIRE THE BOMB. DOMESTIC LEGISLATION IN THIS REGARD APPEARS TO BE INADEQUATE IN BOTH COUNTRIES. THE BUSH ADMINISTRATION HAS MADE STRENGTHENING MEASURES IN INDIA A CONDITION FOR UPWARD MOVEMENT ON THE GLIDE PATH FOR INCREASED COOPERATION ON TECHNOLOGY TRANSFERS.

PAKISTAN'S PROLIFERATION PRACTICES ARE OF GREAT CONCERN. WE WILL KNOW MORE ABOUT THE EXTENT OF HELP

PROVIDED TO LIBYA AND IRAN THROUGH A PROCESS OF INERNATIONAL VERIFICATION THAT IS NOW UNDERWAY. PUBLIC REPORTS INDICATE FAR MORE EXTENSIVE NUCLEAR COMMERCE WITH NORTH KOREA. WE CANNOT EXCLUDE THE POSSIBILITY THAT OTHER TRANSACTIONS WILL COME TO LIGHT.

WHAT ARE WE TO MAKE OF THESE REPORTS? FIRST, THESE TRANSACTIONS APPEAR TO HAVE BEEN INITIATED AT DIFFERENT TIMES AND FOR DIFFERENT REASONS. PAKISTAN'S NUCLEAR PROGRAM WAS AN EXPENSIVE UNDERTAKING. THE POLITICAL LEADER WHO INITIATED THE PROGRAM, ZULFIKAR ALI BHUTTO, SAID THAT HIS PEOPLE WOULD "EAT GRASS," IF NECESSARY, IN ORDER TO PAY FOR IT. ECONOMIC ASSISTANCE FOR PAKISTAN'S NUCLEAR PROGRAM, PERHAPS FROM LIBYA, MIGHT HAVE BEEN WELCOMED – AND MIGHT HAVE COME WITH STRINGS ATTACHED.

ANOTHER POSSIBLE RATIONALE FOR NUCLEAR COMMERCE MIGHT HAVE BEEN BOTTLENECKS IN PRODUCING A VIABLE NUCLEAR DETERRENT AGAINST THE PROSPECT OF AN ADVANCING INDIAN PROGRAM. THIS MIGHT WELL BE THE PRIMARY RATIONALE FOR BARTER TRANSACTIONS WITH NORTH KOREA.

THE MOST PUZZLING CASE IS IRAN, BECAUSE THE SUNNI-SHIA FAULT LINE WITHIN ISLAM IS SITUATED ON PAKISTAN'S BORDER WITH IRAN. MOREOVER, A NUCLEAR-ARMED IRAN WOULD PRESENT ISLAMABAD WITH A TWO FRONT NUCLEAR THREAT, REQUIRING UNWELCOME ADJUSTMENTS TO PAKISTAN'S FORCE REQUIREMENTS, BASING, AND DOCTRINE.

HELPING IRAN TO GO NUCLEAR WOULD BE SEVERELY PREJUDICIAL TO PAKISTAN'S NATIONAL SECURITY. BUT THE SITUATION MIGHT HAVE LOOKED SOMEWHAT DIFFERENT AROUND 1990, WHEN WASHINGTON HAD CUT MILITARY TIES TO PAKISTAN, WHEN PAKISTAN WAS FACING A WAR SCARE WITH INDIA OVER KASHMIR, AND WHEN PAKISTAN'S ARMY CHIEF BELIEVED THAT IRAN COULD BECOME A STRATEGIC ALLY.

WHILE THE STRATEGIC RATIONALES THAT I HAVE POSTULATED FOR EACH OF THESE CASES VARY, THEY ALL SUGGEST SOME DEGREE OF TOP-DOWN AUTHORIZATION. BUT AUTHORIZATION MIGHT NOT HAVE BEEN COORDINATED AMONG THE COUNTRY'S TOP THREE POSITIONS – THE ARMY CHIEF, THE PRESIDENT, AND THE PRIME MINISTER. IN ADDITION, OVERSIGHT OF SENSITIVE NUCLEAR

COMMERCE MIGHT HAVE BEEN SLACK IN SOME INSTANCES.
PRESIDENT MUSHARRAF HAS PUBLICLY INTIMATED THAT SOME
NUCLEAR SCIENTISTS ACTED IMPROPERLY FOR THEIR FINANCIAL
GAIN.

THE FULL DIMENSION OF THESE TRANSACTIONS AND THE DECISION-MAKING BEHIND THEM ARE LIKELY TO REMAIN MURKY. IN MY VIEW, A PUBLIC ACCOUNTING OF PAKISTAN'S MISDEEDS IS LESS IMPORTANT THAN PRIVATE DECISIONS AND OVERSIGHT MECHANISMS TO STOP PRACTICES THAT HAVE RESULTED IN GRIEVOUS NUCLEAR PROLIFERATION – INCLUDING TRANSACTIONS THAT HAVE INJURED PAKISTAN'S NATIONAL SECURITY. FLAT DENIALS ARE NOT THE WAY OUT OF THIS MESS, WHICH THE GOVERNMENT OF PAKISTAN NOW APPEARS TO ACKNOWLEDGE.

WE DO NOT HELP PAKISTAN BY OFFERING SIMPLE REMEDIES, BY ISSUING THREATS, OR BY MAKING DIRE PREDICTIONS OF A FAILED STATE. PAKISTAN HAS SHOWN REMARKABLE RESILIENCY DESPITE BAD LEADERSHIP DECISIONS. PAKISTAN IS ALSO QUITE CAPABLE OF REBOUNDING IN RESPONSE TO WISE LEADERSHIP DECISIONS. PAKISTAN IS A TROUBLED STATE, BUT WITH GOOD DECISIONS AND WITH OUR HELP, IT IS CAPABLE OF GETTING OUT OF TROUBLE.

MUCH THEREFORE DEPENDS ON THE ABILITY OF PAKISTAN'S NATIONAL SECURITY ESTABLISHMENT TO RECOGNIZE DANGEROUS POLICIES THAT HAVE MORTGAGED THE COUNTRY'S FUTURE. PART OF THE PROBLEM LIES IN THE CLOSED NATURE OF THIS ESTABLISHMENT. PART OF THE SOLUTION THEREFORE LIES IN STRENGTHENING POLITICAL PARTIES IN PAKISTAN AND CREATING MORE BALANCE IN CIVIL-MILITARY RELATIONS.

PRESIDENT BUSH HAS PROPOSED A LONG-TERM ASSISTANCE PACKAGE FOR PAKISTAN. I SUPPORT THIS INITIATIVE. IF YOU DECIDE TO CHANGE THE 50-50 BALANCE BETWEEN MILITARY AND NON-MILITARY ASSISTANCE PROPOSED BY THE PRESIDENT, I RECOMMEND THAT YOU DO SO BY ADDITION AND NOT BY SUBTRACTION, WITH ADDED FUNDS GOING TO THE NON-MILITARY SIDE OF THE LEDGER. I UNDERSTAND, HOWEVER, THAT ADDING TO THE PRESIDENT'S REQUEST - OR EVEN MAINTAINING IT - WOULD BE DIFFICULT FOR THE CONGRESS, UNLESS THERE IS CONCRETE EVIDENCE THAT PAKISTAN'S LEADERS HAVE CHARTEREDA NEW, AND FAR BETTER FUTURE FOR THEIR COUNTRY.