

European Security Forum

A joint initiative of CEPS and the IISS

THE FUTURE OF THE NUCLEAR NONPROLIFERATION REGIME

**ESF WORKING PAPER NO. 12
APRIL 2003**

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ISBN 92-9079-435-6

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WORKING PAPER No. 12 OF THE EUROPEAN SECURITY FORUM

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THE FUTURE OF THE NUCLEAR NONPROLIFERATION REGIME

GARY SAMORE*

The international nuclear nonproliferation regime is presently under siege from several different directions. Among the litany of pressures and problems:

- The US is considering development of a new class of nuclear weapons that could eventually require resumption of nuclear testing, which would almost certainly set off a new round of nuclear tests by the nuclear weapons states.
- Despite improvements, Russia's security and control over its vast stocks of nuclear materials, equipment and technology remains vulnerable, and leakage of nuclear assistance to countries such as Iran remains a problem.
- Efforts to begin negotiations on a Fissile Material Cutoff Treaty (FMCT) appear hopelessly deadlocked in Geneva, with little prospect for progress in the immediate future.
- Looking towards the 2005 Review Conference of the nuclear Nonproliferation Treaty (NPT), progress to implement the 13 disarmament steps identified at the 2000 Review Conference will be incomplete at best.
- In the wake of its 1998 nuclear tests, India is determined to develop a robust long-range nuclear capability against China, which is itself embarked on a strategic modernisation programme.
- To maintain a credible deterrent against India, Pakistan will continue to expand its nuclear arsenal. Even worse, Pakistan (and at least elements within Pakistan's nuclear establishment) has reportedly provided sensitive enrichment technology to North Korea and Iran, substantially augmenting their nuclear weapons programmes.
- In the Middle East, the collapse of the peace process has pushed even further into the distant future any prospect for creating security conditions conducive to Israeli adherence to the NPT or establishment of a Nuclear Weapons Free Zone in the region.
- Long in violation of its NPT commitments, Iraq continues to resist full cooperation with IAEA and UNMOVIC inspections as we inch ever closer to a war that may splinter the basis for international cooperation on nonproliferation issues.
- In the meantime, Iran has recently acknowledged that it is developing an uranium enrichment programme, ostensibly for civilian purposes, but more likely to pursue a nuclear weapons breakout capability under cover of the NPT and IAEA safeguards.
- Finally, in East Asia, North Korea was caught pursuing a clandestine enrichment programme and responded to international pressure by restarting its plutonium production facilities, expelling IAEA inspectors, and withdrawing from the NPT.

All in all, it is not a pretty picture. Nonetheless, it is important to remember that the underlying political and technical factors supporting the nuclear nonproliferation regime – the basic judgment that nuclear weapons are not essential for national security and the technical difficulties for acquiring nuclear weapons – remains intact for most NPT parties. The number of countries outside the Treaty remains small, and those inside the NPT that have violated the

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Treaty in letter or spirit are few. In most regions of the world – the Americas, Europe, sub-Saharan Africa, Southeast Asia – proliferation of nuclear weapons is not a serious threat.

Regional Proliferation Zones

The Middle East and East Asia are the only regions where the NPT regime is under serious pressure, and in both cases, the danger is long-term erosion, rather than imminent collapse. From the standpoint of political and technical barriers to nuclear proliferation, the situations in the Middle East and East Asia are mirror opposites.

In the Middle East, the political barriers to proliferation are low – in the sense that the NPT regime does not enjoy widespread public legitimacy – but the technical barriers to acquiring nuclear weapons remain relatively high for most countries, aside from Israel, which has maintained a nuclear monopoly in the region for several decades. In this respect, Iran now appears to be only a few years away from crossing the nuclear threshold. If the uranium enrichment facility is completed, Iran could seek to divert nuclear material for weapons (in violation of IAEA safeguards) or exercise its right to withdraw from the NPT with 90-days notice and convert the facility for military uses. In the long term, other countries in the region might try to emulate Iran's example of developing fuel cycle facilities under the pretext of civilian nuclear energy and research programmes, leading to a domino-style collapse of nonproliferation restraints in the Middle East as countries seek to divert nuclear material or withdraw from the NPT.

In contrast to the Middle East, the technical barriers to proliferation in East Asia are low – given the advanced nuclear capabilities in Japan, South Korea and Taiwan – but the political barriers remain relatively high, including public attitudes (especially in Japan) and the security ties between the US and its East Asian allies, which reduce the security rationale for acquiring nuclear weapons. In the long term, however, an unchecked North Korean nuclear weapons programme could pressure East Asian states to hedge their bets or even withdraw from the NPT, especially if US security relations in the region are weakened. In addition, should North Korea choose to sell surplus nuclear material or provide nuclear assistance, it could dramatically accelerate the pace of proliferation in regions such as the Middle East where the political desire for weapons is great, even if technical capabilities are weak.

Given these circumstances, the most important nonproliferation challenge for the coming years will be to focus on dealing with the nuclear threat of Iraq and Iran in the Middle East and North Korea in East Asia. The success or failure of these efforts will be the most important determinates for the future of the nuclear nonproliferation regime.

The Middle East

The key issue for the Middle East is how a resolution of the Iraq issue will affect efforts to deal with Iran's nuclear programme.

The outcome of the Iraq drama is near. In the coming weeks, Baghdad will either dramatically improve its cooperation with UN inspectors or Iraq's cooperation will remain tactical, enough to divide the UN Security Council, but not enough to satisfy Washington and London, which have apparently decided that eliminating Saddam Hussein is necessary to eliminate Iraq's WMD programmes. Most likely, the US, the UK and a handful of allies will invade Iraq to overthrow the Iraqi regime, with or without a second UN Security Council resolution.

Either outcome – inspections or invasion – would be a success for international efforts to enforce compliance against a country that has violated the NPT and probably continues to harbour ambitions to develop nuclear weapons, although the status of its nuclear weapons

programme is uncertain. Most likely, Iraq has not made dramatic progress to acquire nuclear weapons since the demise of inspections in 1998, and a continuation of current IAEA inspections could provide high confidence in detecting Iraqi efforts to build clandestine facilities to produce nuclear materials. Over time, however, Baghdad's willingness to accept the current level of intrusive inspections is likely to erode if the threat of force appears to fade. From this standpoint, the replacement of the current Iraqi government is more certain to achieve a decisive and enduring solution to Iraq's nuclear ambitions. For the time being, the new government in Baghdad will likely focus on rebuilding its conventional forces under US and UK protection, with less need or opportunity to revive Iraq's nuclear weapons programme.

The credibility of the UN Security Council as an instrument to enforce NPT compliance in the case of Iraq will depend in large measure on whether the UN Security Council authorises the use of force. Ideally, authorisation of force could be portrayed as a warning that the UN Security Council is prepared to take strong measures against countries that pursue nuclear weapons programmes in violation of their NPT commitments. Unfortunately, at this juncture, the Council appears deeply divided, and passage of a second resolution is unlikely. Even in the absence of a second resolution, however, Washington and London will attempt to justify military action against Iraq as enforcement of previous UN Security Council resolutions to disarm Iraq, including its nuclear weapons efforts.

Assuming Iraq's nuclear programme is eliminated by force of arms in the near future, how will it affect Tehran's calculations and subsequent efforts to discourage Iran from pursuing its declared civilian uranium enrichment programme? On one hand, the elimination of Iraq's nuclear threat will remove one significant Iranian motivation for developing a nuclear weapons option, and Iran is likely to be even more wary of pursuing policies that will attract US hostility and even risk military attack. On the other hand, Tehran is likely to view development of a nuclear weapons capability as even more essential to deter US pressure and efforts to change the regime.

From Tehran's standpoint, the ideal solution to this dilemma is to offer assurances of its peaceful intent, while developing a nuclear weapons capability as quickly as possible, which presumably explains Iran's recent decision to allow IAEA access to its enrichment facility while it is still under construction and to promise IAEA inspections once the plant is operational. Tehran has also signalled its willingness to accept additional safeguards measures to give maximum confidence against the risk of diversion and existence of undeclared facilities.

Given the status of its nuclear power programme, however, Iran's claim that the enrichment programme is intended for civilian fuel production is not likely to be accepted by Washington. Even if safeguards provide adequate protection against the risk of diversion – an assurance that is doubted in Washington – Iran could still acquire nuclear weapons materials on fairly short notice if it withdrew from the NPT once the plant is operational. To secure minimal Iranian cooperation in the impending war against Iraq, Washington has deliberately avoided making a major issue of Iran's enrichment programme. Once the war against Iraq is over, however, the US is very likely to turn its attention to Iran, which presents an easier (though less urgent) proliferation problem than North Korea.

Washington has not yet decided what strategy to pursue, but the usual debate can be expected. Some officials will emphasise the use of threats and pressure to intimidate Tehran to abandon its enrichment programme, including efforts to encourage the emergence of “moderate” elements in Iran who may be more willing to sacrifice Iran's nuclear weapons option to

appease American hostility. As a last resort, preemptive military strikes against the enrichment plant will be seriously considered. Other officials will argue that international pressure should be augmented by incentives, such as accepting Iranian access to nuclear power assistance and secure fuel supplies if Iran agrees to forego development of an indigenous fuel production capability.

Critical to the success of any future American strategy to halt Iran's enrichment programme will be whether Washington can enlist the support of key powers with influence in Tehran, including the UK, France, Germany, Japan, and Russia (Iran's sole nuclear supplier), which share Washington's interest in preventing Iran from acquiring nuclear weapons. The lingering effects of disagreement over Iraq is likely to obstruct development of a common policy towards Iran, but the need to deal with Iran could also provide an issue to help heal wounds among the US, UK and its allies.

The Far East

Clearly, Washington's efforts to deal with North Korea's nuclear weapons programme have failed. After confronting North Korea with its nuclear cheating last October, the US effectively ruled out either military force or bilateral negotiations, and sought to orchestrate political and economic pressures to force North Korea to abandon its secret enrichment programme. Rather than capitulate, however, Pyongyang retaliated with familiar brinkmanship, seeking to pressure Washington into negotiations or, if that failed, to enhance its nuclear capabilities. Rather than rally international support, the US has found itself at odds with China and its East Asian allies, especially South Korea, which are wary of pressuring North Korea and prefer that Washington negotiate a solution directly with Pyongyang.

For the near term, the situation is likely to get worse. With Washington's focus on Iraq, and the divisions between Washington and Seoul, North Korea appears intent on resuming reprocessing and recovering enough plutonium for a few nuclear weapons in the coming months. The IAEA Board of Governors has reported North Korea's NPT violations to the Security Council, but the Council is unlikely to take strong action to deter reprocessing, given New York's focus on Iraq and the refusal of key countries to even threaten sanctions. As much as Beijing opposes North Korea's nuclear programme, it does not appear willing to cut off vital assistance that could precipitate the collapse of Kim Jong-Il's regime or trigger a war on the peninsula.

In theory, the US could mount air strikes to destroy North Korea's plutonium production facilities – a threat that North Korea takes seriously – but at the risk of causing a broader conflict and splintering the alliance with South Korea. As a basis for bilateral negotiations with Washington, Pyongyang claims it is willing to re-institute the freeze on plutonium production, but the US continues to refuse bilateral negotiations unless North Korea first agrees to dismantle its nuclear weapons programme. In an effort to break the impasse, US diplomats have tried to organise multilateral talks, which might provide a cover for bilateral US-DPRK talks to begin, but Pyongyang has insisted on direct negotiations with Washington.

Assuming that North Korea proceeds with reprocessing, however, the immediate proliferation threat is limited. For over a decade, North Korea was believed to have enough plutonium for one to two nuclear weapons, and the amount of additional plutonium that North Korea can recover in coming months is relatively small (about 30 kilograms). At least for the immediate future, a few additional North Korean nuclear weapons is unlikely to trigger decisions in Tokyo or Seoul to acquire nuclear weapons, although a North Korean nuclear test could begin to shake confidence in the NPT. Pyongyang is also likely to require the small amount of additional plutonium immediately available for its own military needs, leaving little surplus

for sale. Over several years, however, North Korea could substantially expand its capability to produce plutonium and highly enriched uranium, which would pose a much more serious proliferation threat.

Once North Korea has finished reprocessing (and the Iraq campaign is over), Washington's debate over North Korea policy is likely to intensify. For some, the US should respond with more concerted efforts to isolate and sanction Pyongyang, in hopes of undermining the regime. For others, the US should respond with more concerted efforts to negotiate a comprehensive and rigorous agreement, in hopes of ending North Korea's nuclear weapons programme. The most effective strategy may need to combine pressure and negotiations: the threat of sanctions are necessary to buttress negotiations to secure North Korean concessions, but support from key Asian powers to impose sanctions will require demonstrating that a negotiated solution has blocked by North Korean intransigence and unrealistic demands.

Conclusion

The nuclear nonproliferation regime is under the greatest threat in the Middle East and East Asia, depending on efforts to deal with nuclear programmes in Iraq, Iran and North Korea. In the near future, Iraq's nuclear programme is likely to be eliminated by force of arms, creating both opportunities and obstacles to dealing with Iran's nuclear programme. Once the Iraq war is over, Washington will also focus new energy on responding to North Korea's nuclear threat. In both cases, the US will need to resolve internal debates and coordinate efforts with other critical countries to design an approach that maximises pressure and incentives.

THE NEW DYNAMICS OF NUCLEAR PROLIFERATION

BRUNO TERTRAIS*

There are two ways to interpret current evolutions on the nuclear non-proliferation scene.

One is that proliferation remains limited to a small coterie of rogue or quasi-rogue nations, such as Iran and North Korea. Another is that we are entering a new era of nuclear proliferation and that a new “wave” of proliferation is taking shape.

Whatever the interpretation, it is clear that a key threshold has been crossed in the evolution of nuclear proliferation. Evidence of “nuclear for ballistic” trade between Pakistan and the DPRK has shed new light on the “proliferation networks” that have developed since the end of the cold war. The North Korean withdrawal from the NPT, the importance of which tends to be overshadowed by the Iraqi crisis, is a seminal event. The ripple effects are already felt in Japan. Meanwhile, Iran seems to have decided to put its nuclear programme into high gear.

The current evolution stems from evolutions both on the demand side and on the supply side.

On the supply side, some states or entities have confirmed their readiness to engage in nuclear cooperation and trade without full guarantees that the recipient will not be engaged in military nuclear programmes. “Cooperative proliferation” is hardly a new issue. But today it increasingly concerns states or entities that are opposed to Western policies. In the best case, commercial interests are the overriding motive. In the worst case, nuclear proliferation is seen as a positive.

On the demand side, it seems that US policies have become an encouragement to nuclear proliferation.

One way to see the current preoccupations of Mr. El-Baradei (who last week had to deal with three cases: Iran, Iraq and North Korea) is that President Bush's axis of evil concept is being vindicated by this year's evolutions. But there is another way to look at it. Even paranoids have enemies: US policies and rhetoric cannot but encourage North Korea to develop its nuclear programme.

The legitimate priority given to the war on terrorism has led the United States to adopt a more benign attitude towards traditional nuclear nonproliferation instruments. The lifting of sanctions against Pakistan and India (the second U-turn in a decade in Washington's attitude towards the Pakistani nuclear programme) give the impression to some that nuclear non-proliferation is not a general principle in US policy, but just a tool in support of other policy goals. And the discussions about nuclear assistance to Pakistan, when added to previous US statements about the NPT, raise doubts about the long-term commitment to its multilateral nuclear nonproliferation commitments.

Also, there is the following paradox. The United States perceives the nuclear threat as the most important for its security, and probably believes that it acts accordingly. But at the same time, nuclear weapons are increasingly seen as the trump card to resist US “imperialism” and “aggressiveness”. The US Nuclear Posture Review, the massive increase in the US defence budget and the US National Security Strategy tend to reinforce the belief that only nuclear weapons can guarantee your security in a militarily unipolar world. After the first Gulf war, many in developing nations concluded that one should not fight the United States without

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nuclear weapons. Guess what conclusions the same people will draw from the forthcoming second Gulf war?

Finally, US policies may lead to a resurgence of nuclear rhetoric as a way for states to express their opposition to Washington. It is extremely revealing that while Brazil had become a champion of nuclear disarmament in the last decade, the new team in Brasilia has chosen to refer again to the nuclear option. There is no immediate risk that a few ambiguous statements will translate into a policy. But they may contribute to a “de-legitimisation of nonproliferation”.

The current scene is indeed an interesting one for would-be nuclear proliferators. What they see is the United States dealing with North Korea very differently from what it does with Iraq. Some will undoubtedly conclude that if you have to decide between cheating the regime and leaving the regime, it is better altogether to leave it. (Whether we like it or not, they will also use the ABM “precedent” as an excuse.)

There are two possibilities for the future. One scenario is that of limited opaque proliferation, with a handful of states coming closer to the threshold without admitting it. We will have several other “Irans” or “Japans”. Another scenario is the unravelling of the regime. It will happen if there is a “second withdrawal”. In such a case, there is a good chance that in 2015 we will have no less than 10 new nuclear or quasi-nuclear nations.

I do not view the NPT Review Conferences as being the key to the future of the regime. I would love to see a convincing demonstration that the full implementation of the “Thirteen Steps” agreed upon in 2000 would have any significant impact on the decision of a country to go or not go nuclear.

US policies, and also the way the UN Security Council manages proliferation crises, will be much more important. In this regard, I am not reassured by the hesitation shown by some UNSC permanent members to treat the North Korean problem at the UN level.

The US, Europe, Russia and other responsible nuclear-capable nations still have many cards to play to influence the dynamics of proliferation.

We need to continue working on both the supply side and the demand side. On the supply side, all nuclear-capable nations need to show restraint on the way they manage their nuclear assets. Others still need further enhancement of their exports controls. One particular note on the Iraqi case: it will be most useful to set up a robust cooperative threat reduction programme for that country after it is disarmed, including a small centre to finance nuclear scientists, akin to the International Centers for Science and Technology created in Russia and Ukraine after the cold war.

The role of positive security guarantees in the prevention of nuclear proliferation is well known. The confirmation and reinforcement of existing security guarantees is a key to the maintenance of barriers against further nuclear proliferation. This will leave us with some very unpleasant choices. Do the United States, the United Kingdom and France prefer continuing securing the existence of the unsavoury Saudi regime, or would we rather have an isolated nuclear Saudi Arabia?

We need to find new incentives for states to agree to enhanced safeguards. The European Union has a key role to play here and should make full use of the “conditionality” principle. Access to European assistance, markets and cooperation should be conditional on the full and verified compliance with existing non-proliferation norms. As far as dialogue with nuclear threshold nations is concerned, the EU can also play a useful role provided that it fully coordinates its initiatives with those of the United States, for rogue countries have mastered

the art of exploiting our differences. However, we also need to be realistic: lecturing the Indians about membership in the NPT is not the most certain way for the Europeans to play a useful role in managing South Asia's nuclear problems.

We need to continue to work on the full implementation of the CWC and BWC. The chemical and biological threats have become, in the past decades, one of the primary rationales for maintaining nuclear deterrence policies. To those states who want more nuclear disarmament, we need to say: help us first get rid of chemical and biological weapons.

When all else has failed, deterrence and protection will remain our best chances to manage nuclear proliferation.

“Regime change” is often good for non-proliferation: but the case of Iraq is a specific one in legal terms, and will not be a model. Also, we must have no illusions: democratisation is far from being tantamount to de-nuclearisation. Let me state the obvious: among known nuclear-capable countries, six out of eight are democracies. Those who believe that a democratic Iran will be a non-nuclear Iran need a booster shot of realism.

“Preventive strike” options are increasingly likely to fail given the efforts that countries make to disperse and conceal their nuclear infrastructures. States have drawn the lessons from the 1981 Osirak bombing, and can benefit these days from the immense progress of drilling techniques. Also, the fundamental dilemma of preventive strike, recognised and epitomised by the 1962 Cuban missile crisis, remains intact: will you strike if there is a chance of retaliation or escalation?

As far as missile defences are concerned – those who still see them as “destabilising” should now think the following way: Would you rather have missiles defences in East Asia, or nuclear weapons in Japan and Taiwan?

A final word on Pakistan, which is fast becoming the number one nuclear problem in the world. A quasi-failing nuclear state, Pakistan is also unable or unwilling to become a responsible nuclear actor. Pakistani actors have shown their willingness to transfer nuclear expertise to several state and non-state entities. Pakistan is the missing link between a nuclear Asia and a nuclear Middle East. If things do not change, there will come a time when the de-nuclearisation of that country one way or the other will become an option to be seriously considered.

THE FUTURE OF THE NUCLEAR NONPROLIFERATION REGIME: A RUSSIAN VIEW

VLADIMIR A. ORLOV*

It is an open secret that the international nuclear nonproliferation regime is now in crisis. The optimism and expectations that followed from the indefinite extension, without a vote, of the Nuclear Nonproliferation Treaty (NPT) in 1995 and, later, from the Final Document adopted at the 2000 Review Conference have evaporated.

The 2003 NPT Prepcom will face enormous challenges. Among them:

- Contradicting approaches on decision-making on the use of force against Iraq;
- Non-compliance of North Korea, which is leaving, if not yet left, the NPT;
- Speculations about the intentions of some states-parties to the NPT, primarily, Iran;
- Failure to make any progress towards universality of the regime;
- Failure to make any significant progress towards the implementation of “the thirteen steps” of nuclear disarmament agreed by consensus at the 2000 Conference and, in certain cases, steps by nuclear-weapons states (NWS) exactly in the opposite direction; and
- New challenges, coming primarily from non-state actors (international terrorist organisations and organised crime communities), in the form of nuclear terrorism.

Iraq

Every day it is more likely that the military solution will be chosen, without asking for the mandate to the UN Security Council, in the crisis over Iraq.

If – or, better yet, when – it happens, the whole architecture of the nonproliferation regime will be shaken and damaged. I am not certain whether it will be able to survive, at least in its current form.

The 2003 UNMOVIC/IAEA inspections in Iraq, so far, should be considered a success of the international community. Inspections, executed under the UN SC Resolution 1441, have been proved to be generally an efficient tool in investigating Iraqi WMD capabilities.

As far as a nuclear-weapon component of inspections is concerned, it is obvious that Iraq does not have problems with meeting UN SC requirements, and it does not have any nuclear-weapon-oriented programme. It is critically important to continue inspections and, in the future, provide permanent monitoring of Iraqi facilities, because this country had been in violation of the nonproliferation regime in the past. The inspections and monitoring, if not interrupted by military action, would provide a good example for such internationally approved actions in other regions of the world, if necessary.

If, however, the military option finally prevails, and if it is not authorised by the UN SC, it would clearly demonstrate (for those who still have doubts) that the real question about Iraq is not terrorism and not nonproliferation concerns, but the geopolitical and economic interests of a single superpower. Nonproliferation values and principles, in such a scenario, would be used only as a pretext. This would question the whole nonproliferation regime and may lead,

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already in the near future, to a revision by some NPT non-nuclear parties of their nuclear policy.

Iraq will be a checkpoint for the international community, and for the UN SC, whether it is able to act efficiently – aggressively but peacefully – in tracking and preventing nonproliferation violations.

In the Iraqi crisis, Russia's position is very close to that of France and Germany.

At the same time, it would be also true that there are many common points in Russian and US views on Saddam's Iraq. Both seem to have if not the same but very similar data on Saddam's WMD and systems of their delivery: in both capitals government experts simply would not buy rumors that Saddam now, after his defeat in the Gulf war followed by the sanctions, succeeded in his unconventional military programmes and possesses such weapons. But, experts on both sides of the ocean continue, Saddam is the *enfant terrible* in a region equally important and sensitive for the United States and for Russia, and, yes, he continues to maintain an active interest in developing his WMD programmes, as time and circumstances permit. He is a cheater, and it is impossible to deal with him and reach compromise agreements.

In implementing President Putin's directives and dealing with this issue, however, some concerns remain for the Russian government:

1. What sort of country will Iraq be after Saddam is removed? Who will replace him? Will Iraq disintegrate or not? It looks like Russian experts, as well as their US counterparts, are yet unable to respond these crucial questions.
2. Do American counterparts recognise that there are major differences in Russia's approach to Iraq and to Iran? Russians definitely do not want their message to be read in Washington that Russia has its whole foreign policy for sale and that, after a check for silence in the Iraq war is endorsed, both parties could exchange price lists and wish lists with regard to Iran.

It looks like the Americans in recent months failed to see the nuances in the Kremlin and mechanically added Russia to the list of full subscribers to US-led anti-Saddam plans. Such a simplification significantly offended Moscow foreign policy-makers. Moreover, worries about the political consequences of the military solution for Iraq, including nonproliferation regime erosion, have increased in Moscow and have made its position even less sympathetic to the US war strategy.

North Korea

North Korea is a classic case of non-compliance of the NPT regime. It has been a timely and correct decision by the IAEA to submit the case to the UN Security Council. With North Korean capabilities in the nuclear weapon and missile areas, it has become a serious factor of instability in Northeast Asia and in the world.

However, resolution of the North Korea crisis is quite possible. It should be implemented on a multilateral basis, and on two levels simultaneously.

The first level is the UN SC which should take the North Korea case seriously and examine it closely. The first stage should not involve sanctions against Pyongyang but should indicate that, at some next stage, sanctions are considered as an option.

The second level should be a six-party mechanism (both Koreas, US, China, Japan and Russia) which should result in a document (probably, non-legally binding, using examples of

the Agreed Framework or the 1994 Trilateral Statement on Ukraine) having two key elements: 1) non-withdrawal of North Korea from the NPT and its readiness to open the whole territory for unconditional IAEA inspections; and 2) providing the US security assurances to North Korea.

These two elements should go in a package. Then, a bigger package can be negotiated, including economic and energy assistance to North Korea by the above-mentioned states as well as by the EU, and, possibly, some other issues, like missile nonproliferation. The non-nuclear-weapon status of North Korea and security assurances to that country can be, simultaneously or later, strengthened by the revival of the agreement between the two Koreas of a non-nuclear-weapon status of the Korean Peninsula, and assurances provided by NWS.

Russia is well positioned to play a positive and active role in bringing resolution of the crisis, if joined in its efforts by the US, China and Japan, at a minimum. If such an agreement is achieved, Russia is also well positioned to play its role in providing North Korea with different energy sources. One of the solutions may be the construction of a nuclear power plant in the Russian Maritime region, close to the Russian-North Korean border, and the export of Russian nuclear energy to North Korea under multilaterally-developed mechanism.

The next few months will be decisive in dealing with North Korea and its nuclear-weapon programme (regardless of how much this programme is of an imitative character, there is little doubt that such a programme exists). This is a field of opportunities for talented diplomats. If, however, the North Korean crisis is mismanaged, it may lead to a disaster – a chain reaction. After North Korea develops at least a couple of primitive nuclear bombs, the whole balance of power in the region will be destroyed, and Japan will be the first to start rethinking about its own nuclear-weapons option. This might open a door to a real catastrophe for the entire nonproliferation regime.

Iran

Iran is considered by Russian foreign policy strategists as an important political partner in the region, with whom dialogue is sometimes very difficult but may finally bring concrete results. Iran is considered as a stabilising, rather than a destabilising player. At the same time, many in the Russian government are concerned about Iran's potential clandestine nuclear weapons programme, without even mentioning its missile programmes. However, a general assessment in Russia of the level of Iran's nuclear weapons programme contains the following observations:

1. The programme is at a very initial stage.
2. It lacks financial and intellectual resources.
3. It will not become successful without massive outside support, which is unlikely.
4. There is no political decision made in Tehran on "joining the nuclear club", and it is not clear whether it will ever be taken.
5. Even if such a decision is taken, with its own resources Iran will need at least eight years before its first nuclear test.

The policy implications of this assessment are as follows:

1. There is no reason why Russia should stop completion of the Bushehr nuclear power plant, taking into account that this is a light-water reactor and that spent fuel will be taken back to Russia.

2. There are some possibilities for expanding peaceful nuclear cooperation with Iran, though each of them should be carefully examined before any decision is taken, and no future joint project should go beyond construction of light-water reactors.
3. The situation in Iran and its intentions should be carefully monitored, and, in this context, active Russian presence in Iran should be considered as an important facilitating factor.
4. It is highly desirable if Iran joins the IAEA Additional Protocol and, in any case, IAEA involvement in monitoring Iranian nuclear activities should be a priority.
5. If, however, this does not happen and if there are signs of progress in such a programme, Russian-Iranian cooperation in the nuclear field should be frozen.

After my trip to Iran in December 2002, my own assessment is that there are influential forces in Iran that are interested in “playing by the international rules” and making every effort possible to prevent a “nuclear-weapons” scenario from materialising in Iran. They see Iran as a responsible member of the NPT and the IAEA. At the same time, these same forces strongly advocate dynamic technological development of Iran (in parallel with democratisation of the society and more openness towards the West), including development of the full nuclear cycle. It is important to take into consideration that, under any scenario of Iranian domestic politics, Iranian plans are to be an active and strong player in nuclear issues in the 21st century.

In this situation, it is imperative that the IAEA continues its efforts with scheduled inspections in Iran. It may also be a productive idea of use the Nuclear Supplies Group (NSG) in providing clear rules for nuclear imports to Iran by all NSG members, not only Russia. It is critical that there is an agreement in place between Russia and Iran on returning the spent nuclear fuel back to Russia. And it is highly desirable, though politically not easy, to bring Iran to the Additional Protocol requirements.

Universality

US, Russian and British plans, immediately after the 1995 NPT Extension conference, to take specific efforts to bring India, Pakistan and Israel to the nuclear nonproliferation regime, at least in a long-term future, have never been activated. To the contrary, with the Indian and Pakistani 1998 nuclear tests, the possibility of making steps towards bringing these two nations to the international regime has become close to zero. The euphoria of the 1995 indefinite extension of the NPT has become unproductive.

The failure to take any practical steps towards bringing Israel to the NPT is potentially the mostly dangerous “time bomb”. The NPT’s indefinite extension without a vote was possible thanks to a “big package”, which included a resolution of the Middle East aimed at bringing Israel, one day, to the regime.

If the Iraqi crisis is resolved with the use of force and if the international community fails to prevent North Korea's departure from the NPT, others, particularly from the Islamic world, will likely examine, among other options, withdrawal from the NPT already at or by the 2005 NPT Review Conference using as an explanation the failure to implement the Middle East resolution from the “big package” of 1995.

States-depositaries of the NPT, as well as others interested in survival of the NPT regime, such as New Agenda Coalition states (NAC) should start making efforts in resolving the “universality” problem. However, realistically speaking, in the current political climate practical ways to move forward are not clear.

Nuclear disarmament

The 2000 NPT Conference decision on the “thirteen steps” on nuclear disarmament could have become practical working steps for NWS. However, the opposite has happened. To name just a couple of examples: the CTBT has not entered into force, and, primarily with the US position in mind, the Treaty looks more dead than alive; even a moratorium on nuclear tests has been questioned; the US has increased the role of nuclear weapons in its policy; the Conference on Disarmament is now more sleepy than ever before in its history; and sub-strategic nuclear weapons have not been yet included on the US-Russian arms control agenda.

Is this the end of the multilateral nuclear disarmament process and the beginning of an era of unilateral steps? This is unlikely to happen, but it is definitely a profound crisis of multilateral diplomacy.

Russia is currently in an awkward position, balancing between its view of multilateral disarmament diplomacy as an important tool in a changing world and its frustration with the inefficiency of existing multilateral instruments. There has been a growing temptation in the Kremlin to make deals with Americans, simply ignoring multilateral fora. But it would be also accurate to mention another trend, competing with the US-centric one, towards re-evaluating the role of multilateral arms control mechanisms and finding ways to bring a new life in them.

Nuclear terrorism

For Russia, nuclear terrorism is not a Hollywood-style scenario. According to the January 2003 statement by Gen. Valynkin, who is in charge of nuclear weapons security and head of the 12th Main Directorate of the Defence Ministry, “the information we have obtained indicates that international terrorists have been looking for opportunities to get unauthorised access to [Russian] nuclear facilities and to provoke acts of terrorism and sabotage using nuclear devices”.

Nuclear terrorism is considered as a major threat to Russia's national security. It could take the form of unauthorised access to nuclear devices (weapons); sabotage of nuclear installations, primarily, NPPs; unauthorised access to weapons-grade fissile materials; or the use or threat to use of radioactive sources. In each case, the consequences (causalities among the population and psychological effects) would be disastrous. Russian government experts have implemented a detailed analysis of possibilities and consequences of acts of “mega-terrorism” and came to the conclusion that nuclear terrorism, at least in one of its faces, is a real and present danger.

In my assessment, the most threatening trend is cooperation (or coordination) between various non-state actors, in particular, between international terrorist organisations and organised crime communities, which is a new phenomenon. With a tremendous increase in their financial power in recent years, non-state actors have become more aggressive in their attempts to get access to (or to develop by themselves) weapons of mass destruction, including a “dirty bomb” scenario.

To achieve the most impressive psychological effect, mega-terrorists would most likely try to combine “traditional” terrorism with use of some WMD components (like CW) with a cyberterrorist act, aimed at paralysing computer networks of ordinary users or financial markets.

It is not clear for me to what extent non-state actors enjoy support, directly or indirectly, from some “states of concern”. There are indications that several links existed in the past, and a

possibility that such links have not disappeared. They should not be ignored, but further investigated.

In 1995, after the NPT Extension conference, one of my colleagues made a juicy statement at a seminar that “the surgery went well, the patient is alive, but he is in the emergency room”.

In 2003, the patient is again in the emergency room, if of course he has ever left it. It is unlikely that he will need further surgery. What he really needs is everyday treatment based on already prescribed medicines.

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The Centre for European Policy Studies (CEPS) and the International Institute for Strategic Studies (IISS) joined forces late in the year 2000, to launch a new forum on European security policy in Brussels. The objective of this *European Security Forum* is to bring together senior officials and experts from EU and Euro-Atlantic Partnership countries, including the United States and Russia, to discuss security issues of strategic importance to Europe. The Forum is jointly directed by CEPS and the IISS and is hosted by CEPS in Brussels.

The Forum brings together a select group of personalities from the Brussels institutions (EU, NATO and diplomatic missions), national governments, parliaments, business, media and independent experts. The informal and confidential character of the Forum enables participants to exchange ideas freely.

The aim of the initiative is to think ahead about the strategic security agenda for Europe, treating both its European and transatlantic implications. The topics to be addressed are selected from an open list that includes crisis management, defence capabilities, security concepts, defence industries and institutional developments (including enlargement) of the EU and NATO.

The Forum has about 60 members, who are invited to all meetings and receive current information on the activities of the Forum. This group meets every other month in a closed session to discuss a pre-arranged topic under Chatham House rules. The Forum meetings are presided over by François Heisbourg, Chairman of the Geneva Centre for Security Policy. As a general rule, three short issue papers are commissioned from independent experts for each session presenting EU, US and Russian viewpoints on the topic.

The Centre for European Policy Studies (CEPS) is an independent policy research institute founded in Brussels in 1983, with the aim of producing sound policy research leading to constructive solutions to the challenges facing Europe.

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