

**Second meeting of the CSCAP Study Group on Countering the Proliferation of
Weapons of Mass Destruction in the Asia Pacific
Manila, Philippines, Dec. 2-3, 2005
Chairman's Report**

The CSCAP Study Group on Countering the Proliferation of Weapons of Mass Destruction (WMD) in the Asia Pacific held its second meeting in Manila, Philippines, Dec. 2-3, 2005. More than 40 participants and observers, from 13 member committees, attended. We were also pleased to welcome representatives from the Pacific Forum Young Leaders program, who sat in and made positive contributions to the study group's deliberations.

The meeting began by looking at developments in the global nonproliferation regime. Ron Huisken of AUSCSCAP provided an overview. From one perspective, the system works. The fears of a world with over two dozen nuclear weapons states have dissipated. There remain just five "nuclear weapons states," and only three others have professed to have crossed the nuclear threshold.

Still, the global nonproliferation order is leaking. The failure of the Nuclear Non-Proliferation Treaty (NPT) Review Conference in May 2005 revealed the erosion of the international consensus that provides the foundation for concerted action to fight proliferation of WMD. Huisken noted that two years of meetings could not produce agreement on an agenda; all but five days of the RevCon were devoted to hammering one out. The primary problem was the debate between nuclear weapons states (NWS) and nonnuclear weapons states (NNWS) on their respective obligations and the balance between nonproliferation and disarmament.

Other states, including the Democratic People's Republic of Korea (DPRK) and Iran, have exposed the tension between the "inalienable right" to the peaceful use of nuclear technology guaranteed in the treaty and the possibility of proliferation. This dilemma becomes more acute as energy prices skyrocket and concerns about access to civilian nuclear technology grow.

The failings of the nonproliferation order are apparent; more worrisome is the inability of governments to reach agreement on how to fix it. Huisken sensed that the system is "being overwhelmed: too many challenges are coming too fast." There is no organized way to deal with them all; as a result, ad hoc responses are being developed which generate concerns of their own, in particular, worries about consistency with international law and respect for national sovereignty. Huisken was also troubled by the impact of these new concerns. They are overwhelming "common sense" and making it more difficult to deal with problems that all governments admit are real. For proof, he pointed to the failure of the NPT RevCon to endorse extension of the Additional Protocols even though the need was evident.

Significantly for CSCAP, he added that the Asia Pacific region is too big and too important to delegate responsibility for fighting WMD proliferation to others. Not only

does a failure to act risk unwelcome developments in regional security policy (given the interest states have shown in nuclear weapons and nuclear power), but taking action would constitute a step forward in the process of community building. Equally important, he noted that acting ahead of time was vital: persuasion is usually more effective than dissuasion in security affairs.

To that end, Huisken concluded with suggestions for the East Asian WMD Nonproliferation Strategy that the study group is trying to develop. First, he called for endorsement of all possible steps to encourage states to use the processes embodied in various treaties and conventions to stop WMD proliferation. Second, he argued that WMD should be a permanent agenda item for the new East Asian Summit. Third, he endorsed strong “biblical” statements by regional leaders to demonstrate their commitment to contain the spread of WMD and to work toward their elimination. They should also call for the peaceful settlement of the Korean Peninsula nuclear crisis that results in the denuclearization of the peninsula as agreed by the six parties in the Sept. 19, 2005 Joint Statement. Fourth, regional governments should endorse the Additional Protocols and, finally, all governments of countries that were involved in the AQ Khan nuclear supply network should show how they become ensnared in the network and how that connection was maintained.

Kusnanto Aggoro of CSCAP Indonesia provided a Southeast Asian view of the global nonproliferation order. He agreed with Huisken that the regime is leaky, that the danger of nuclear breakout is real, and that the Asia Pacific region has an obligation to tackle nonproliferation problems. He challenged Huisken’s call for heads of state level initiatives, however. He noted that the region does not lack for declarations. The will and the ability to implement them is harder to come by. Thus, he endorsed efforts to improve the technical capacity to enforce those statements, asserting this was the proper focus of regional programs.

Those views were seconded by Do Thanh Hai of CSCAP Vietnam. He pointed out that his country has no WMD and has no ambitions to develop them. While Vietnam has been spared terrorist attacks like those in New York City, Madrid, London, Bali, and Jakarta, the Hanoi government is cognizant of the threat posed by WMD. Anticipating two themes that surfaced throughout our discussion, he argued that the threat of WMD is existential and thus emphasis needs to be put on eliminating such weapons altogether. At the same time, he noted that while more work should be devoted to fighting the spread of WMD, all such efforts must respect international law and national sovereignty and should not hamper legitimate trade.

Our discussion began with the perennial debate over the causes of proliferation. Several speakers highlighted the insecurities that drive governments to see nuclear weapons as part of a rational defense policy. Eliminate those insecurities, several opined, and the need (and desire) for weapons evaporates. Others argued that weapons have status value and that too prompts states to contemplate proliferation. Another participant argued that the “diminution” of the nuclear threat – there is no longer the prospect of a civilization

ended nuclear exchange – has made it harder, if not impossible, to forge an international consensus on this issue.

Several speakers teased out one implication of this thread: there is no single solution to proliferation issues and all problems must be tackled on their merits. This has a second, less obvious, implication: each state has different threats and priorities and thus the call to elevate nonproliferation among them must accommodate its distinctive security environment. Arguing that nonproliferation policy helps facilitate trade – it builds confidence among trade partners – could be effective in this regard. One speaker suggested that a focus on the technology transfer that goes with capacity building would pay dividends.

Other speakers cautioned against surrendering to pessimism. Beyond the headlines, there are a number of efforts to fight WMD proliferation. For example, the Container Security Initiative and related programs build human capacity in ports around the region. There are dialogues at various levels and a number of outreach programs. A review of national filings by CSCAP member governments pursuant to United Nations Security Council Resolution 1540 showed considerable attention to WMD-related problems. One speaker suggested that CSCAP devote more attention to those filings and see if there is a role to play in evaluating them or in helping to fashion a uniform response.

The discussion of regional programs provided a bridge to the second session, regional efforts to enforce global norms. Guy Wilson-Roberts of New Zealand CSCAP outlined several steps that could be used to shore up the global nonproliferation regime. They include: a southern hemisphere nuclear weapons free zone (NWFZ), ratification by East Asian governments of the Comprehensive Test Ban Treaty (CTBT), and greater efforts by NWS to de-emphasize the role of nuclear weapons in security doctrines.

Arundhati Ghose of CSCAP India discussed India's nonproliferation policy generally and outlined the contours of the U.S.-India nuclear cooperation agreement. She argued that India is moving closer to the NPT regime even though it hasn't signed the treaty. She noted a critical divergence in thinking about the NPT between Indians and others: "The NPT is not seen as relevant to India's security, but on the contrary, as inimical to it." At the same time, the rising salience of energy security concerns has powerful influence on Indian thinking about nuclear policy. While there is political support for the agreement with the U.S., Indian domestic political dynamics are complex and implementation is by no means guaranteed. In a phrase that echoed throughout our meeting, she explained that India was working to find distinctively Indian solutions to Indian problems: other participants agreed that this made sense. In other words, "one size fits all" solutions are unlikely to find much support in East Asia.

Ta Minh Tuan of CSCAP Vietnam looked at Southeast Asian efforts to support nonproliferation and found them wanting. While applauding the intent of the Southeast Asian Nuclear Weapons Free Zone (SEANWFZ), he argued that it is not enough. He called on ASEAN to engage the NWS more forcefully on nuclear issues. More significantly, he believes that the region must go beyond declarations and outline a

program, with concrete steps, to fight the proliferation of WMD. The immediate problem, apart from the lack of political will, is the shortage of trained personnel and experts that can work on these issues. Without them, nonproliferation will not be a policy priority; yet, without the priority, there will be little premium on developing expertise, It is a vicious circle.

Our discussion focused on Southeast Asian thinking about nonproliferation. One participant from the region explained that Southeast Asia uses regional instruments to strengthen regionalism and not global norms, per se. Several speakers highlighted the gap between regional rhetoric and actions. One U.S. participant suggested that the SEANWFZ could provide the foundation for a more robust nonproliferation stance, perhaps by bringing nuclear energy, and reprocessing in particular, within its ambit. Southeast Asians agreed that nuclear energy and security will become a policy focus given rising concerns about energy security and growing interest in nuclear energy as a possible solution to them. They were divided over how to proceed, however. One asserted that a more aggressive nonproliferation policy would help build confidence among trading partners within the region and beyond. Another demurred, arguing that traditional sovereignty concerns would prevent more assertive action. He suggested that information sharing was a more appropriate focus.

Can the Asia Pacific Economic Cooperation (APEC) forum do more in this regard? One participant said the most recent meeting intimated that proliferation was no longer an APEC priority. Another countered that less attention was a sign of success; nonproliferation issues were in the final statement, but getting them there was not as contentious as in the past.

In our third session, we returned to the Proliferation Security Initiative (PSI), a topic that previous incarnations of the study group have taken up in the past. Chong Guan Kwa of CSCAP Singapore briefly reviewed Exercise Deep Saber, which Singapore hosted Aug. 15-19, 2005. Thirteen countries participated in the drill, which utilized 2,000 personnel, 10 vessels, and six aircraft. Several other countries observed.

Although PSI has been in existence for over two years and more than 60 countries support it, the initiative continues to be controversial. There remains considerable confusion about its operating principles. Nonmembers worry about the consistency of PSI with international law, in particular rules guiding interdiction. As Ta of CSCAP Vietnam explained, his government is interested in PSI, but Hanoi, like other nations, worries how the PSI fits into the wider foreign policy strategy of the U.S. To put it bluntly, even governments concerned about the proliferation of WMD worry that support for PSI can be a domestic political liability: it makes them look like the handmaiden of U.S. interests. For example, it was asserted that few states have the intelligence capabilities to track WMD proliferators and would therefore be reliant on the U.S. for critical information. (That assertion was challenged; many states can contribute to the identification and surveillance of suspect shipments.) Ta cautioned that this concern will persist as long as PSI remains outside UN frameworks.

He, along with several others, noted that some regional governments do not have the ability to contribute effectively to PSI and worry about shouldering obligations they cannot meet. Curiously, this fear prompted two divergent sets of conclusions. Some governments see the lack of capacity as a deterrent to cooperation – for fear of exposing those shortcomings. Others, such as the Philippines, see that same shortcoming as an opportunity to promote cooperation, get training, and establish better relations with key allies and partners.

Ta called on the U.S. and other PSI members to do more to explain the initiative and pledge to work with interested governments to build capacity in a range of critical areas.

The continuing confusion surrounding the PSI exasperates its supporters. (Clarity is readily available by reading the Pacific Forum report on PSI that was produced after the May 2004 meeting of the Confidence and Security Building Measures International Working Group [www.pacificforum.org] or by accessing various PSI-associated websites, including one maintained by the U.S. Department of State [www.state.gov/t/np/c10390.htm]) Raymond Quilop of CSCAP Philippines tried to dispel the clouds by explaining that the initiative is an activity, not an organization, that it isn't aimed at any particular country, that it is intended to be consistent with international law and domestic law, and the ultimate decision maker on whether to intervene is the affected national authority. Other participants and PSI supporters explained that many PSI actions are not military, but involve law enforcement and customs officials. The initiative is also designed to help build capacity: participants are asked where they can best contribute and where they need help,

Kim Tong Je of CSCAP DPRK countered the assertion that the PSI is not aimed at any country, and argued that it was intended to bring down the DPRK government. He said it was an expression of U.S. hostility toward the DPRK that was designed to criticize, isolate, and eventually bring about the collapse of the government in Pyongyang.

A U.S. participant explained that since all countries are against the proliferation of WMD, they should be for the PSI, at least in principle, as it is intended to do just that. The issue is trust and confidence in the intentions of the countries that are pursuing that goal. If that is true, then the primary task is to increase transparency within PSI to dispel suspicions surrounding the program.

Another participant expanded on that idea, noting that most countries would join the PSI – or take action in support of it – if they had information about potential proliferators. The problem, he explained, is the political sensitivities surrounding the initiative. A Chinese representative amplified that theme, noting that China fully understands PSI and the concerns behind it, but remains worried about the impact of its implementation. China, like other countries, fears that the initiative could create instability.

Attention then turned to the Six-Party Talks on the Korean Peninsula. Recapping developments since our last meeting, Xu Feibiao of CSCAP China noted that agreement on a Joint Statement in the fourth round of talks was a positive development and justified

the patience shown by all parties, the commitment to a peaceful resolution, and the hard work done by the negotiators. Nonetheless, he added that much remains to be done and that “critical uncertainties” cloud the prospects for a positive solution. Those uncertainties include: ambiguous wording at several points in the Sept. 19 Joint Statement, deep-rooted mistrust between the United States and the DPRK, and the continuing debate in Washington over policy toward the DPRK. Xu warned that divisions are so deep that it is fair to ask whether subsequent U.S. administrations would honor any accord struck by the current U.S. government.

Kim Tong Je of CSCAP DPRK called for greater efforts to decrease tension and build confidence between the DPRK and the U.S. He said the U.S. is the primary cause for the sad state of relations between the two countries. He identified the U.S. alliances with nearby countries that militarize relations in the region, the U.S. preparations for an invasion of the DPRK, and Washington’s attempts to modify rules on the use of nuclear weapons as proof and as the biggest stumbling blocks. In this environment, the DPRK has no choice but to strengthen its war deterrent.

To remedy this situation, Kim argued the U.S. should stop elevating tensions, stop threatening the DPRK, and stop trying to topple the government in Pyongyang. All nuclear weapons should be removed from the Korean Peninsula and neighboring countries. Moreover, “the present armistice system should be converted to the permanent peace system. The solution of the political matters needed to create the conditions for the peaceful co-existence between the DPRK and U.S. and North-South reunification can be contained in the contents of the peace agreement to be adopted to convert the armistice system to the peace system.” When questioned, DPRK participants argued that three countries should be signatories: the DPRK, the U.S., and the Republic of Korea. Finally, the U.S. should also provide a light-water reactor (LWR) to North Korea “as a physical base to develop confidence.” This is only fair, said Kim, because of the “monstrous economic losses” suffered by the DPRK as a result of halting its nuclear energy program, as called for in the 1994 Agreed Framework.

Kim Tae-hyo of CSCAP ROK then gave a South Korean assessment of the situation. He too underscored the significance of the Sept. 19 statement, saying the unanimous agreement to denuclearize the Korean Peninsula was a historic step forward. Agreement to sign a peace treaty and set up a Northeast Asian multilateral security framework are indications of the potential transformative impact of the Six-Party Talks. But, like the other speakers, he conceded future negotiations will be difficult, and the difficulties have been compounded by U.S. sanctions against the Banco Delta Asia in Macau, as a result of allegations of involvement in illicit activities, which have infuriated the DPRK government.

Kim provided an interesting typology of the talks, breaking participants down into two groups: those that focus on the proliferation of WMD – the PRC, Russia, and the ROK – and those that focus on the proliferation of freedom – the U.S. and Japan. He, along with other speakers, argued that next year will be critical to the talks and a decision will have to be made on the fate of the six-party mechanism. Negotiations will become even more

complicated given elections in several participants and the diplomatic tensions among the nations of Northeast Asia. Kim called on his own government to demand more reciprocity in its engagement with the DPRK.

Several themes dominated the discussion. The first was the need to recognize that the crisis engendered by the North Korean nuclear program is a global issue, even though hostility between the DPRK and the U.S., a bilateral concern, lies at the heart of the matter. (U.S. speakers reiterated U.S. assurances that it has no intention of invading or attacking the DPRK). Proliferation of WMD threatens all countries, and DPRK behavior has profound implications for the global nonproliferation regime. Thus, all countries have a stake in the outcome of these negotiations and all have a role to play. Some roles are larger than others, but all can contribute. One discussant, for example, underscored the contribution the PRC can make through the provision of security guarantees to the DPRK. While there are different assessments of the situation – some countries worry more about regional stability than proliferation threats – all governments can contribute to helping solve this matter.

A second focus was the “urgency” of the situation. While virtually all speakers said the proliferation danger is real, the talks could not continue indefinitely, and that 2006 would be a critical year for the negotiations, there was also concern – and some confusion – as to why then there is little sense of urgency about the need to find a solution. This complacency is reflected in the reluctance to use the UNSC or to set deadlines for the talks. Some argued that the complexities of the negotiations and the many topics that have to be addressed, as well as the many uncertainties regarding the facts – what sort of nuclear program the DPRK has – necessitate patience. Nonetheless, complexity should not excuse inaction. Pyongyang has finished reprocessing its plutonium, it has repeatedly said that it has developed nuclear weapons and on many occasions, including our meeting, has said that it would increase its nuclear deterrent. One U.S. participant stressed the need for a common definition of failure among the six parties to address the question of urgency.

A third topic was the DPRK demand for a light water reactor (LWR), which it claims is its due and, as noted, as a confidence building measure between Washington and Pyongyang. The Sept. 19 Joint Statement says the LWR will be taken up at “the appropriate time” and several discussants noted that there is consensus among five of the six parties that that time is not until after the DPRK rejoins the NPT and adopts the IAEA Additional Protocols. Moreover, the DPRK’s right to peaceful use of nuclear energy does not mean the U.S. must provide a reactor.

Key questions remain. The joint declaration calls for simultaneous commitments, “actions for actions, and words for words.” How will that formula translate into reality? What is the definition of “all” nuclear programs? The U.S. remains convinced the DPRK has an enriched uranium program; the DPRK has said that will answer U.S. questions when the evidence is put on the table. Finally, and most importantly, how can the North Korean nuclear crisis be used to shore up the global nonproliferation order? In other words, how can a solution be devised that enhances the security of ALL states, and the

international system itself? This remains the core challenge for the six parties, our study group, and the entire world.

This brought us to the fifth and final session, the East Asian Action Plan for countering WMD proliferation in the Asia Pacific. Devising this plan is the *raison d'être* of the study group and Brian Job of CSCAP Canada provided an assessment of what that would entail by a close study of the EU Nonproliferation Strategy. He noted that the foundation of the EU plan is the need to balance proliferation concerns with the desire to facilitate trade and the peaceful use of nuclear energy. It supports various international mechanisms – the NPT, the UN, the IAEA, and other multilateral treaties and conventions – and recognizes that the use of force may be necessary to prevent proliferation, but only with UN approval.

Job highlighted a couple of other items. First, the action plan aims to embed proliferation within the broad context of EU relations, both among members and others. The attention given to developments on the EU periphery is noteworthy and is relevant to East Asian thinking. Second, the plan mandates regular reports from members on actions they take to realize the strategy. This requirement is a caution for us, as it is a stark reminder of the differences in the levels of institutionalization between the two regions.

Comparing the two, Job noted that there appears to be basic disagreement about the norms and principles that provide a foundation for nonproliferation policy in East Asia. Indeed, the repeated assertion that there are “individual solutions to individual state problems” makes nonproliferation much “grayer”: there are no cut and dried solutions. He emphasized, however, that the relationship between trade and proliferation is critical in this regard. The argument that a robust nonproliferation policy is trade enhancing and pro-growth is vital to gaining regional acceptance of nonproliferation as a national priority.

Brad Glosserman of USCSCAP provided a brief summary of the inaugural meeting of the Export Controls Experts Group (XCXG); it is available in a separate report.

The question then is what the WMD study group can do. There are a number of options: address issues related to the demand for WMD in addition to supply concerns; expand our focus to take in biological and chemical weapons; survey regional efforts to backstop global norms, such as UNSCR1540 filings, views of PSI, the Additional Protocols and other international mechanisms. Two concerns hang over all our thinking, however. First, the study group must add value; we don't want to repeat what other groups, institutions, and organizations are doing. Second, our clock is ticking: the study group expires next year.

The discussion was spirited. The chair noted that it was too much to ask for the study group to write an actual action plan, but producing a mere template or skeleton was not enough either. Plainly, there is a need to continue efforts to raise consciousness of the WMD threat. One participant suggested the study group draft a model statement on

nonproliferation that could be used at all East Asian leaders meetings. Another proposed that nonproliferation be a permanent agenda item for the new East Asian Summit.

In addition, it was suggested that the group:

- Continue reporting on, and assessment of, national views of PSI and the various national laws to permit interdiction;
- Continue scrutiny of UNSCR1540 reports to identify common shortcomings and see how the upcoming 1540 Committee report can be used by CSCAP member committees;
- Assess specific unilateral and multilateral steps East Asian countries can take to operationalize statements made by the ASEAN Regional Forum (ARF) and APEC;
- Survey why states don't sign the IAEA Additional Protocols;
- Revive the (dormant) Nuclear Energy Experts Group (NEEG) to examine the rising interest in nuclear energy in East Asia and the problems with that, in particular, those associated with the back end of the fuel cycle;
- Examine the potential for security assurances in East Asia;
- Examine ways to strengthen and expand the SEANWFZ.

There were suggestions on topics the study group should take up. These included relevant developments outside the region, such as how what is happening in Iran impacts East Asia, or the applicability of the Libyan model for dealing with proliferation, the role of the United Nations Security Council in nonproliferation issues (including the hesitancy of referring issues to the UNSC), and threat reduction measures and other ways to decrease the demand for WMD.

All discussants agreed on the need to continue to raise awareness of the WMD threat. It is a mistake to assume that track-one verbal support for nonproliferation is enough. Some governments do not make countering the proliferation of WMD a high priority or see their ability to play a constructive role as extremely limited.

Several participants underscored the need for nuclear weapons states to set a better example. Ratifying the CTBT, dismantling and destroying weapons rather than merely storing them, halting efforts to modernize and upgrade nuclear arsenals, and making more visible efforts to marginalize these weapons in their own defense doctrines would have powerful demonstration effects, as would increased transparency regarding nuclear arsenals and doctrine. This is especially important in another context: the need to better restrict demand for WMD. Several participants noted that technology and knowledge is diffusing so rapidly that supply side efforts will always be rushing to catch up. This puts a premium on efforts to eliminate the rationale for states to proliferate.

Plainly, a lot is going on regarding nonproliferation. It was suggested that CSCAP help organize information about meetings at the official and nongovernment levels (although some noted that other groups do this and we should be careful about duplicative effort). Assessing those efforts was also proposed. The study group could also provide

opportunities for dialogue between the governments, the business community, and academics. As always, effort should be made to coordinate CSCAP meetings with ARF meetings and other track-one events to ensure maximum spillover and exposure and to get the best use of limited resources; one important future date is the 2006 meeting of the Biological Weapons Convention.

The co-chairs of the WMD Study Group will be looking closely at these suggestions as we prepare for the next meeting of the SG. We anticipate it will be held in Singapore in the second half of March, either immediately prior to or just after the ARF seminar on WMD.