MEMORANDUM

SUBJECT: Pakistan-US: Nuclear Weapons Issue

Summary

This paper deals with two technical issues which endanger US-Pakistan relations: (1) Pakistan's continuing effort to acquire a nuclear weapons capability risks Congressional disapproval of the economic aid and military sales agreement. (2) Pakistan's confidence in US commitments has been severely threatened by Washington's reluctance to supply Pakistan with F-16 aircraft equipped with the advanced ALR-69 radar warning receiver.

We do not believe Zia will or can totally halt Pakistan's nuclear weapons development program in the near term—a program to which Pakistan has committed a large portion of its scientific talent and national will over a decade. At best he will slow down and stretch out the program if threatened with a cutoff of US assistance. During this period Zia will be gauging the strength of the US commitment to Pakistan and will be ready and able to accelerate the nuclear program should he perceive this commitment to be unreliable.

Should the US security relationship survive the difficulties caused by the nuclear issue, and if Zia feels the relationship gives Pakistan a greater degree of confidence vis-à-vis India, in the longer term an alternative may then be posed to the nuclear weapon option. We cannot predict Zia's reaction under this scenario, and we must be aware that in Zia's eyes these conditions do not yet exist.

Pakistan's Program

We have incontrovertible evidence that Pakistan has a top priority program to acquire a nuclear weapons capability. The program was begun by Prime Minister Bhutto shortly after the Indo-Pakistani war in 1971. Following the Indian nuclear detonation in 1974, Pakistan reacted with a crash effort to match the Indian accomplishment. Work began immediately on facilities for the production of fissile material, both plutonium and enriched uranium.
-- Pakistan now has the capability to produce weapons-grade plutonium by transporting spent fuel from its power reactor near Karachi and reprocessing it.

-- If reprocessing begins, sufficient plutonium for a nuclear explosive could be available by early 1984.

-- As an alternative, or in addition, to the reprocessing route, Pakistan will soon be able to produce weapons-grade uranium at a centrifuge-enrichment plant near Islamabad. It could produce enough material for a nuclear explosive within two years.

-- A small arsenal of a few nuclear weapons could be available to the Pakistanis in two to three years. These could be delivered by aircraft already in Pakistan's inventory. Missile development is underway.

**Legal Implications**

Under current legislation, US political leaders can invoke a total embargo on assistance programs anytime the pace of the Pakistani nuclear program seems to warrant such a step. The Administration is required to inform Congress of any significant developments in Pakistan's nuclear program. A decision by either the Administration or Congress to terminate aid to Pakistan would, we believe, only reinforce Islamabad's determination to achieve a nuclear weapons capability.

-- The Nuclear Non-Proliferation Act of 1978 prohibits nuclear exports to any nonnuclear weapons state that has not placed all its nuclear activities under IAEA safeguards. Islamabad's longstanding refusal to accept safeguards on all its existing nuclear facilities required ipso facto the total and immediate ban on US nuclear transfers to Pakistan.

-- The Glenn Amendment to the Foreign Assistance Act requires the termination of economic and military assistance to any nonnuclear weapons state that acquires reprocessing technology or detonates a nuclear device. By acquiring reprocessing technology, Pakistan already stands in violation of this Amendment. Because its reprocessing program is
clandestine, however, Islamabad may believe it has plausible denial.

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The Symington Amendment to the Foreign Assistance Act stipulates that a nonnuclear weapons state that has obtained uranium enrichment technology outside IAEA safeguards can no longer receive US economic or military assistance. Discovery of Islamabad's clandestine enrichment facility led to the imposition of aid sanctions in March, 1979.

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Last year Congress passed a waiver--valid until 1987--to the Symington Amendment, thus permitting a resumption of economic and military assistance to Pakistan. The waiver apparently was meant to test US assistance as a lever against Pakistan's nuclear program. It does not condone continued violation of US laws and can be withdrawn anytime the pace of Pakistan's program or specific developments appear to warrant a cutoff of US assistance.

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US Demarches and Pakistani Responses

Ambassador V. Walters met with President Zia in Islamabad in early July and in mid-October of this year to convey highest level US warnings that continued Pakistani efforts to acquire nuclear weapons components, or efforts to reprocess reactor fuel, would jeopardize the US aid/military sales agreement. Pakistan's program has continued. Specifically:

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-- In response to the July demarche, Zia denied any Pakistani involvement in efforts to procure nuclear-weapons components abroad and said that Pakistan would not manufacture a nuclear-explosive device of any kind.

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-- In the October demarche, Zia was shown a sample of the intelligence evidence of Pakistani component-procurement efforts abroad. He again denied responsibility and repeated his July assurances.
We are convinced that Zia is personally knowledgeable about the program. There is virtually no possibility that the parts-procurement effort could have been kept from Zia, especially in view of his claim to have conducted an investigation after the July demarche. We believe Pakistan's entire nuclear program is tightly controlled by President Zia and that no major activity or decision could be made without his authorization.

According to a recent report from a reliable source, Zia has delayed the start-up of reprocessing, planned for December or January, until May 1983. According to the reliable source, the delay is motivated by his desire to avoid difficulty during his US trip.

We are aware of no other limitation or cessations in the Pakistani nuclear-weapons effort that can be associated with the Walters demarches.

Pakistan's Objectives

Since 1974, when India detonated its "Peaceful Nuclear Explosion," Pakistan has regarded the pursuit of its nuclear weapons option as critical to its long-term survival. We doubt that any feasible US action can deflect Islamabad from its course. Pakistan and, we believe, could move quickly to a credible nuclear weapons capability after a test, if not before.

Zia values Pakistan's relationship with the US as a counter to Soviet pressures from Afghanistan and a way of acquiring modern weapons, but he and the senior generals doubt the durability of US commitments. Islamabad is convinced the US will not provide protection against India, which Pakistan continues to regard as its primary foe.

Pakistan regards China as its most reliable ally and the state most likely to act if India moved militarily against Pakistan. Islamabad realizes, however, that Chinese military support for Pakistan would be constrained by India's treaty with the Soviets and the immense logistical difficulties in aiding Pakistan across the Karakoram Mountains.

Pakistan seeks nuclear weapons as a practical and affordable deterrent against India's conventional military superiority, enabling it to threaten unacceptable damage in the event of war and to fend off what it sees as India's desire to gain a veto over Islamabad's foreign policy.
The effort to acquire a nuclear weapons capability is supported by an underlying national consensus in Pakistan. A decision to halt the program would in any case be politically risky, and we believe Zia might be removed if he were seen to be caving in to US pressure.

Although Islamabad's primary objective is to gain what it sees as an ultimate security guarantee, possession of a weapon would tend to confirm the value of Pakistan as an aid recipient in the view of Persian Gulf states and Saudi Arabia. We do not, however, accept the notion of an "Islamic bomb" in the sense of a Pakistan willing in the foreseeable future to provide nuclear weapons to other Muslim states. In our view, Pakistan would also be highly unlikely to share its limited stock of fissile material.

Even when Pakistan has sufficient fissile material, President Zia probably will hold off testing a device as long as he believes the relationship with the US serves Pakistan's interests. In mid-1981, Zia told James Buckley, then Under Secretary of State for Security Assistance, Science and Technology, that Pakistan will not "embarrass" the US.

An Alternate View of Zia's Motivations

From Zia's viewpoint, the situation may look as follows:

-- First and foremost, until proven otherwise, Pakistan's only means to securely maintain its existence is by developing its own nuclear deterrent. This judgment will remain valid unless an overwhelming body of evidence should unexpectedly prove otherwise. Indeed, it would be politically impossible for Zia to do differently.

-- The new US security relationship is unproven. Nothing has yet been delivered, there are unresolved problems over technology transfer, and the history of Pakistani-US security cooperation does not produce grounds for optimism. Recent developments are essentially encouraging, however, and may merit being put to the test without sacrificing continued development of the nuclear option.

-- On enrichment, Zia probably views Congress' waiver until 1987 of the Symington amendment as an official US act which in effect gives him time to weigh the quality and consistency of the emerging US security relationship. In the meantime, he continues to develop an enrichment capability without serious fear of US reprisals on this aspect of the program. Zia probably calculates that nuances of the Symington amendment which would dictate the need for US retaliatory action prior to 1987 can be "handled" by the US administration, if it is serious about a profound and long term security relationship.
- Regarding reprocessing, Zia recognizes the existence of ongoing problems under the Glenn amendment, even if only from representations made to him by US representatives. He will attempt to accommodate to these problems by a variety of means which, again if the US is serious about the relationship, it will accept.

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- He will consistently give us for our use a "diplomatic lie" that Pakistan is not proceeding in its nuclear program.

- He will delay reprocessing during especially critical periods.

- He will not explode, nor probably finally assemble the respective components of a nuclear device.

- He may decide to conform to IAEA (but not US) regulations by declaring an intention to reprocess only 1 kilogram of plutonium at first. He may stretch this fig-leaf (even under IAEA rules) by declaring his intention to reprocess 1 KG at other times as well. The difficulty this procedure would cause us legally and with Congress is not the point. Again, if the administration is serious, it will have been given a way out of aborting the relationship by Pakistan's ostensible conformance to IAEA regulations.

Should the US security relationship survive the above scenarios, then and only then will Zia's intention to develop a weapon be a subject open to question. For the first time, in his eyes, a serious alternative may then have been posed - particularly if Zia feels the US commitment gives Pakistan a degree of confidence vis-a-vis India. He may reckon that a need to choose between the weapon and the US commitment can even be avoided. But, if forced by events, it is unanswerable at this juncture if, even then, Zia would opt for a continuing US relationship over the weapon. We frankly cannot predict his reaction under these conditions, but we must be aware that in Zia's eyes they have not yet occurred.

The odds against the security relationship surviving in the face of Zia's "conditions" are, of course, heavy. Not only are US laws by themselves an issue - but also probably intentions to force the issue.
Technology Transfer Issue

Zia sees US willingness to supply Pakistan's F-16s with the ALR-69 as a manifestation of US reliability as an ally. The Pakistanis were told on Sunday, 28 November, that they will be supplied with a modified ALR-69 radar warning receiver. The decision to supply the ALR-69 with threat data programmed for Pakistan permits Islamabad a face-saving way out of its demand that the first six F-16s be equipped with the device. The fact that the programming for Pakistan will take 18 months, however, to develop gives the US sufficient time to determine if the nuclear issue will severely damage US-Pakistan relations.

-- We believe the Pakistanis probably will safeguard US weapons technology as long as the security relationship with the United States remains of major importance to Pakistan. If US-Pakistan relations sour, however, there is a significant risk that Pakistan will share US weapons technologies with China.

-- In the past, Pakistan has given China access to modern arms acquired from France and probably has shown Chinese technicians the US Sidewinder air-to-air missile. Pakistan and China have joint weapons development agreements based on arms technologies acquired by Islamabad.

Conclusion

Zia is walking a fine line, balancing off what is acceptable to the US and what he feels is needed for Zia and Pakistan, both politically (near term) and strategically (long term). At the moment, this means proceeding with nuclear development while offering plausible denials for this activity. The policy handles in this situation are largely limited to demonstrating to Zia over time that the US security relationship is a viable one. Even should we succeed in this, there is no assurance that Zia would opt for a continuing US relationship over the nuclear weapons program.
Attachment A

Recent Chronology

4 July: Ambassador Walters informs Zia in Islamabad that US has "incontrovertible evidence" of foreign procurement effort, and that such efforts could jeopardize the US aid/military sales package. Also delivers warning on nuclear-fuel reprocessing.


22 September: Secretary Shultz informs Pakistan's Foreign Minister Yaqub Khan in Washington that procurement efforts for nuclear-weapon components, and for equipment to produce such components, are continuing. Also warning on dangers for Pakistan, of continued activities in reprocessing. Yaqub Khan asks for samples of our evidence.

14 October: Walters shows sample drawing to Zia and other GOP officials in Islamabad. Warning of 4 July demarche repeated.