China-Pakistan Nuclear Alliance

An Analysis

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During the height of the Indo-US nuclear agreement, China firmly opposed it on grounds of inequitable approach to the region, thereby arguing that Pakistan too should be given the same exemptions which India had qualified for. While Chinese opposition waned during the important Nuclear Suppliers Group (NSG) waiver to India in August 2008, a sting in the tail soon followed. In April 2008, China assured Pakistan all help and support to set up at least four new nuclear power plants to meet its "growing energy demands."¹

In order to bypass the strident opposition following the announcement, China muddied legal waters relating to the agreement, by arguing that the sales were in fact "grandfathered", under a nuclear agreement with Pakistan signed in 1986. China gained membership of the NSG in 2004, and therefore it would be bound by the rules and regulations of the NSG only for agreements signed post 2004. This argument was unanimously supported by the NSG during its 23-24 June 2011 plenary meeting, clearing the way for the nuclear transfer. However, what the Chinese cleverly sidestepped was the fact that their pre-joining declaration to the NSG was to build an additional reactor for their Chasma 2 power plant, not to build additional nuclear plants.²

The nuclear agreement with Pakistan has created serious ripples in the non-proliferation regime, and holds important geo-strategic implications. This paper, shall elucidate on the China-Pakistan nuclear relationship, and argue how it furthers Chinese intent to proliferate beyond South Asia. It highlights the implications of this relationship on the international community, and suggests measures to counteract it.

I

China-Pakistan Relations: A Short Introduction

To understand the nuclear alliance between China and Pakistan, it is also useful to understand the political relationship between the two countries. Pakistan was one of the earliest countries to recognize the People's Republic of China, becoming only the third country, and the first Muslim country to recognize the Communist state in 1950. Diplomatic relations were established the following year in 1951, between Beijing and the then capital-Karachi.³ However, relations between the two countries were not entirely cordial, owing to numerous regional issues. These included Pakistan’s membership of Western backed alliances, including South East Asian Treaty Organization (SEATO) as also of the Central Treaty Organization (CENTO).⁴

Significant movement on China-Pakistan relations followed the China-India border war of 1962. The beginning of a perceivable shift in China’s policy towards India can be linked to the developments after the 1962 war and was clearly seen in Chinese support to Pakistan against India, during the 1965 India-Pakistan war.5

According to US National Security Archives, George C. Denney, Deputy Director of Intelligence and Research, US Department of State, wrote a report to Secretary Rusk, titled "Pakistan and Communist China Strengthen Cooperation," on 4 December 1968. The report alleged that the Pakistani military had given the Chinese access to US F-104 supersonic fighter aircraft, in violation of the acceptance agreement with the Pentagon, and in exchange for which, the Chinese provided interest free loans to Pakistan.6 The fissures which such a revelation should have caused were mitigated by the fact that the new Nixon administration viewed Pakistan as important, owing precisely to its growing relations with China. Yahya Khan played a crucial role in progressing China-US relations, pushing for US National Security Advisor Henry Kissinger’s visit to China in July 1971, when tensions in then East Pakistan were on the rise, which culminated in the famous visit of President Richard Nixon to China in 1972.

The appreciation for Pakistan's situation was referenced in a letter by Chinese leader Zhou Enlai to Yahya Khan, who wrote that in response to any Indian aggression “The Chinese government and people will, as always, firmly support the Pakistan government and people in their just struggle to safeguard state sovereignty and national independence.”7 Regional geopolitics, particularly the fear of involving the both the superpowers in a conflict in Asia, however, limited China’s response and resulted in Pakistan’s partition. This alliance was to take the form of nuclear cooperation, especially in the aftermath of the Indian nuclear test of 1974.

II

China-Pakistan Nuclear Reactions

Chinese-Pakistani nuclear cooperation began in 1971. Pakistan Prime Minister Zulfiqar Ali Bhutto had famously remarked in the aftermath of the Indian nuclear test that "If India builds the bomb, we will eat grass or leaves, even go hungry, but we will get one of our own."8 Zulfikar Ali Bhutto’s last testament reveals that 1976 was the inaugural year for China-Pakistani nuclear cooperation9, with American concerns about this cooperation following suit.

Talks between US Secretary of State Henry Kissinger and Bhutto during this period, discussed the nuclear cooperation between the two countries, however, the focus was on nuclear reprocessing; uranium enrichment was not yet a concern.10

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5Ibid
1986, a formal treaty outlining the nuclear cooperation between the two states was signed. 1986 is also significant, since it came at the height of the Cold War conflict in Afghanistan, and therefore, an ideological battle for influence in the region was being fought by the two superpowers. Pakistan recognized its frontline role in being the vanguard for the Islamic world against Communism, following which President Zia ul Haq rhetorically declared the following about nuclear weapons: “It is our right to obtain technology. And when we acquire this technology the Islamic world will posses it with us.”

The 1986 treaty, as mentioned, was the formalization of a robust nuclear transfer which was already underway between the two countries. According to letters written by Dr. Abdul Qadeer Khan, the father of Pakistan’s nuclear program, serious nuclear cooperation between the two countries is documented as early as 1982.

In his letters, he cited the case of a Pakistani military C-130 which left the Chinese city of Urumqi with enough weapons-grade uranium for two atomic bombs. The yield for these weapons is estimated at 20-25KT. The official patronage given to this relationship can be established when he wrote “Upon my personal request, the Chinese Minister . . . had gifted us 50 kilograms of weapon-grade enriched uranium.” Additionally, transfers included blueprints to develop the nuclear weapons. These letters are corroborated by American journalist Bill Gertz, who in 1996, wrote that Chinese diplomats refused in 1982 to give an “unequivocal answer” to queries about nuclear weapons aid to Pakistan.

Cooperation between the two countries steadily increased in the years following, with substantial transfers occurring in the decade of 1986-1996. According to media reports during this period of time, in addition to assisting with the Kahuta nuclear reactor, the Chinese also transferred tritium gas, which is used in the manufacture of a hydrogen bomb. Beijing also supplied heavy water (D2O) to the safeguarded Kanupp reactor (originally supplied by Canada) at a rate to make up heavy-water losses of 2 to 4 per cent a year. It is also believed that China offered

14R. Jeffrey Smith and Joby Warrick, Op Cit
its test facilities at Lop Nor in 1989, to conduct a Pakistani nuclear test.\textsuperscript{18}

While the international community was increasingly aware of such transactions, the response to them was limited owing to a variety of geo-strategic and diplomatic considerations. One of them was economic; in 1985 the Chinese and US governments signed a Nuclear Cooperation Agreement (NCA) that, when enacted, would allow American firms to apply for licenses to sell nuclear reactors to China. Implementing the agreement on the US side required the president to certify to Congress that China was not proliferating nuclear weapons.\textsuperscript{19} Additionally, the Pressler Amendment was passed which required the US government to certify at the start of each fiscal year, that Pakistan did not possess a nuclear device. The government did so, since Pakistan was a frontline ally, against the Soviet forces in operation in Afghanistan.

On 30 May 1989, American officials questioned Chinese diplomats over Chinese cooperation with Pakistan; an unidentified Chinese diplomat denied the allegations, instead stating that Beijing's accession to the IAEA in 1984 required all its transactions to be conducted under safeguards.\textsuperscript{20} It was largely owing to Chinese efforts that Pakistan was nuclear weapons capable by 1989 itself. A partial admission was provided by Former Pakistan Prime Minister Benazir Bhutto in an interview, when she admitted that a cold test had been conducted in 1989.\textsuperscript{21}

Despite international scrutiny, in 1991, China agreed to build the Chashma 300-MW nuclear power reactor for Pakistan. In order to lend international credibility to this exercise, Pakistan was asked to sign an IAEA safeguards (limited-scope) agreement for the reactor at Chasma.\textsuperscript{22} Significantly, while these proliferation rings were being strengthened, China was not a part of the Nuclear Non-Proliferation Treaty, and therefore not violating its principles. China signed the Nuclear Nonproliferation Treaty in 1992 and the Comprehensive Test Ban Treaty in 1995.

China's tactics to violate their international obligations were evident during the immediate period after the end of the Cold War, with Chinese firms acting as fronts for transferring European technology to Pakistan. This was highlighted in an American cable, outlining a Chinese ploy to buy German cooling equipment for reactors to supply Pakistan, for use in its Chasma reactors. A similar attempt earlier was rebuffed by Germany, when it was disclosed that Pakistan was to be the end recipient.\textsuperscript{23} Similarly, further attempts at proliferation were seen in 1995, when 5,000 specially designed ring magnets from the China Nuclear Energy Industry Corporation

\textsuperscript{18}“China’s Nuclear Exports and Assistance to Pakistan”, Nuclear Threat Initiative, Research Library, 14 November 2003, accessed at http://www.nti.org/db/china/npakpos.htm, 09 July 2011


China-Pakistan Nuclear Alliance

China's Nuclear Energy Industry Corporation (CNEIC), were sold to an un-safeguarded Pakistani nuclear facility. China denied any such transfers, with a Chinese Foreign Ministry spokesman calling the reports “groundless”, in talks with US officials, China eventually privately admitted that the sale had taken place, but argued that China should not be penalized for two reasons. First, China insisted that CNEIC had arranged the sale without the knowledge or consent of the central government. Second, China argued that the ring magnets were not magnetized, and the Nuclear Suppliers Group (NSG) Trigger List only covers ring magnets magnetized at a specific tolerance. China escaped punitive measures with a warning, after it publicly reiterated its commitment to the Non-Proliferation Treaty.

It can be argued that the mid nineties, should have seen a shift in China’s focus towards genuine non-proliferation, especially since it was the period of time when North Korea's nuclear ambitions were coming to the fore, however, while China expressed concern over its Eastern neighbor, its proliferation activities continued Westwards. According to a report by the CIA Director, published in June 1997, “China was the primary source of nuclear-related equipment and technology to Pakistan, during the second half of 1996.”

This cooperation continued into the late 1990s, culminating with alleged assistance to Pakistan in its response to the Indian nuclear test of 1998.

According to former US Air Force Secretary Thomas Reed, suspicions surround the Chinese role in Pakistan’s tests in May 1998. He pointed out that the United States itself took over two weeks to retaliate to a Soviet nuclear test, despite having the weapon for years. Therefore, the Pakistani device was a pre-engineered one, which their scientists had great confidence in.

Chinese proliferation has not seen periods of low activity, even during periods of tumultuous developments in the region, including the Kargil Conflict of 1999, during which China maintained a neutral position. In the years 2000-2004, Chinese entities have been sanctioned by the United States, a total of 50 times. In 2004 alone, 14 Chinese entities were sanctioned a total of 23 times most of which are related to the Iran Non-proliferation act, which indicates an upswing of proliferation activity, corresponding with increasing American presence in West Asia and South Asia.

In what was intended to be a corrective measure, China joined the NSG as a full member in 2004, despite revelations of A.Q

40319/3b2906d5fd6d9fd847123dbd7e92df2/OS51997-04-13.pdf, 09 July 2011
Khan’s dealings with the country in the preceding year. This followed a whitepaper on non-proliferation which the Chinese government released, which strengthened its case to an international audience.

Since the initiation of discussions on the Indo-US nuclear agreement began in 2005, China took an active interest in the regional implications for its strategic partner, and opposed the agreement on grounds that it is not equitable, and favored a similar NSG exemption for Pakistan. When the international community expressed their reservations on Pakistan’s non-proliferation record (based on inputs that Dr. Khan had further proliferated Chinese designs to Libya, North Korea and Iran), China took it upon itself to strengthen its nuclear relationship with Pakistan. It was here that the grandfather nuclear clause was invoked.

III
Understanding China’s Non-Proliferation Views

China has traditionally viewed multilateral control regimes to be discriminatory and a means of control over third world states by western powers. “Even as it criticized international non-proliferation regimes, however, the Chinese leadership professed an opposition to nuclear weapon states sharing the bomb with non-nuclear weapon states and proclaimed that China would assist other countries’ nuclear energy programs but not weapons programs.”

China’s progression into accepting these multilateral regimes, and gaining membership to them in contemporary times reflect its progression in policy, wherein it accepts some of the elements of the international order which gives legitimacy to its status as a great power. Its interest in maintaining non-proliferation double standards is linked to its great power status, especially one as being the sole accepted nuclear power in Asia.

It also ties into the strategic outlook of China, on what it deems to be its interests and what it views as inconsequential irritants. For example, it is argued by T.V Paul, that “South Asia and Middle East are less vital to China than is East Asia. China has been uncomfortable with the North Korean nuclear efforts and Beijing shares the desire of the US and Japan that the Korean peninsula remains non-nuclear.”

Former US Air Force Secretary Thomas Reed articulates China’s thinking on proliferation in the following words, “China in about 1982, under Deng Xiaoping, decided to proliferate nuclear technology to communists and Muslims in the third world. They did so deliberately with the theory that if nukes ended up going off in the western world from a Muslim terrorist, well that wasn’t all bad. If New York was reduced to rubble without Chinese fingerprints on the attack, that left Beijing as the last man standing. That’s what the old timers thought.” He adds that, while this represented the old school of thought, the new generation of Chinese leaders realizes the limitations of such a policy, and has therefore tempered their non-proliferation views.

Chinese Vice Foreign Minister, Wang Guangya in an op-ed dated October 16, 2002, elucidated China’s ‘non-proliferation policy and practice’, stating: “China has consistently stood for the complete prohibition and thorough destruction of all kinds of WMD and firmly against the proliferation of WMD and their delivery systems. For this, China has over the years

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30Ibid
31As under the Nuclear Proliferation Treaty
32Paul, T.V, Op Cit
33Reed, Op Cit
China-Pakistan Nuclear Alliance

been an active participant in international non-proliferation efforts.”

He adds “we have steadfastly pursued a policy of not advocating, encouraging or assisting any other country in developing weapons of mass destruction and made our contribution with concrete deeds to the international non-proliferation process.”34 Furthermore, in closed door interactions with senior Chinese scholars and former military officials, the Chinese have continued to maintain their deniability in supporting Pakistan’s nuclear weaponization program.

However, proliferation links to China have allegedly influenced major international policy matters in the international stage. One of the regions in addition to South Asia is West Asia. This can be attributed to the China-US rivalry for resources in the region, especially since China’s growing economy becomes increasingly dependent on fossil fuels in addition to alternative energy resources. By proliferating, nuclear and missile technology, it seeks to leverage against the United States in these regions. The expectation in Beijing is that the supply of these materials to the Middle Eastern countries will increase Chinese influence, thereby reducing American influence.35

IV
Why Proliferate to Pakistan?

China’s proliferation to Pakistan achieves twin strategic objectives of encirclement of India, and a proliferation buffer, wherein Pakistan in turn further proliferate Chinese nuclear technology, giving China leeway in investigations.

According to Robert Ross, China continues its support for Pakistan by supplying nuclear and missile technology because “China views a credible Pakistani deterrent as the most effective way to guarantee the security of its sole ally in Southern Asia against Indian power.”36 This argument is also postulated by T.V Paul, that “China wants to limit India’s power capabilities to South Asia and thereby constrain New Delhi’s aspirations to become a major power in Asia. India’s emergence as a peer-competitor in Asia would upset China’s predominant position in the region. However, if acute conflict and an intense arms race between India and Pakistan persist, India would continue to be bracketed with its smaller regional rival Pakistan and not with China.”37

Proliferation to Pakistan, also offers China a certain leeway in their doctrinal stance of No First Use, since Pakistan does not subscribe to that element. China can make use of its proxy in instigating a nuclear conflict in South Asia, wherein the affected parties would be Pakistan and India, with China attempting to emerge unscathed.38 For China, using Pakistan as an extended deterrence proxy was much more practical than merely extending its nuclear umbrella onto Pakistan. This would likely explain the Chinese aversion to Pakistani Foreign Minister, Shamshad Ahmed’s request in 1998, to guarantee nuclear protection should India attack.39

While growing Indian aspirations in the region are clearly opposed by China, the original reason for the Sino-Pak

35Paul, T.V, Op Cit
36Ibid
37Ibid
38Private interactions with Senior Diplomats and Military officials in India contributed to making this argument.
relationship was largely economic. According to Mao Zedong's calculations, Pakistan was nothing but China's easy access to the Atlantic and the Indian Ocean. It was to be the route for Chinese access to Middle Eastern oil, and resources to Africa, and therefore there was a need to build upon an economic and military relationship with the country. This argument is bolstered through the fact that China has been deeply involved in building of a deep water naval port at Gwadar, Balochistan, and has consistently advocated Pakistan as a trans-national corridor for Middle Eastern energy transport to its mainland.

The nature of the China-Pakistan military/nuclear alliance makes it beneficial for China to extend its nuclear-proliferation tentacles worldwide through proxies; thereby holding a level of plausible deniability in international forums. This is exemplified in the case of proliferation rogue states of North Korea, Iran and Libya, wherein Chinese nuclear components have been found, courtesy the proliferation ring run by A.Q Khan Laboratory's. Therefore, China can use Pakistan as a scapegoat for any eventual international sanction, gambling on Pakistan's geo-strategic importance for furthering its own interests beyond the region.

International Implications of the Alliance

A consequence of the China-Pakistan nuclear trade has been further proliferation from Pakistan to additional states, thereby weakening the non-proliferation regime, and indirectly furthering Chinese strategic interests in these countries. The implications for regional peace and stability in South Asia are also critical, since Pakistan continues to hold ambiguous red lines on its nuclear doctrine, allowing it to extend a nuclear umbrella over terrorist groups based in Pakistan, operating against India.

Pakistan's nuclear links to North Korea were first reported in October 2002, when press reports suggested that nuclear materials and technology for uranium enrichment were transferred to North Korea since 1997. In July 2011, A.Q Khan made further revelations on the nuclear trade between Islamabad and Pyongyang, alleging that $3.5 million was paid to senior Pakistani officials to facilitate the agreement. Collaboration with North Korea for missiles was acknowledged by Benazir Bhutto, who said "When I went to North Korea, AQ Khan told me we could get their (missile) technology (so) that we can compare (it) to our own. So I took (it) up with Kim Il Sung...December '93 I talked to him, he agreed...and it was in cash, they needed money and so it was done for cash, with no exchange of nuclear technology. Exchanging nuclear technology for missiles

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42Mukherji, Op Cit
44Paul, T.V, Op Cit
China-Pakistan Nuclear Alliance was never even discussed during my visit."46

It remains unclear whether the government was in the know about nuclear transactions. However, the spread of the network to countries including Libya, Iran and allegedly to Myanmar, make it difficult to accept that the Pakistani government or Army headquarters was completely unaware of these transactions. Especially in the realm of nuclear transfers to North Korea, as pointed earlier, China would have been aware of the ongoing transfers, owing to the sensitivity of its interests there. The fact that China did not broach this topic with Pakistan, and on the contrary continued its nuclear relationship with Pakistan, leads this author to believe that China tacitly approved of these transfers. Similarly, the implications of Pakistan furthering Chinese products to West Asia can be seen in how Pakistan is trying to play both sides of an ideological divide, by having contributed to the Iranian nuclear program, and having a suspected tie up with Saudi Arabia to arm them with nuclear warheads too.47

In an interview, A.Q. Khan lauds Iran, saying "If Iran succeeds in acquiring nuclear technology, we will be a strong bloc in the region to counter international pressure", adding that "Iran's nuclear capability will neutralize Israel's power."48 Khan, having been associated with the nuclear program, would be well aware of the strategic implications of the ideological divide between Saudi Arabia and Iran. It is alleged that Saudi Arabia also played a role in supporting Pakistan's nuclear ambitions, in return for an extended nuclear umbrella against Iran. This is the reason argued for Pakistan's rapid fissile material production-to cater for its own demands, and those for West Asian deterrence.49 The Chinese ambivalence in pushing for sanctions on Iran, and its missile transfers to Saudi Arabia, add to these suspicions of collaboration.50

VI

What can be done about this Alliance?

With decades having been lost, the China-Pakistan alliance, and its further expansionism is increasingly being accepted as fait accompli by countries across the globe. Despite initial opposition to another blatant violation to the Nuclear Non-Proliferation regime, in the form of the grandfathered agreement, the Nuclear Suppliers Group acquiescence to the agreement reflects a deflated hope for traditional norms of non-proliferation to be applied.

Jabin Jacob, an India based China analyst, argues that the American approval to the nuclear agreement is among other things "symptomatic of the growing weakness of the American hand vis-à-vis China since the

49Pervaiz Hoodbboy, (Interview), "Pakistan linked to Saudi nuclear program", PM, Australian Broadcasting Corporation, 1 July 2011, accessed at http://www.abc.net.au/pm/content/2011/s3258998.htm, 09 July 2011
global financial crisis." The fact that China decided not to bring up the discussions of grandfathering at the preceding NSG meeting held in Christchurch, is probably indicative of the elongated backdoor diplomacy the Chinese had to engage in to get this agreement passed.

The ominous implications of such an alliance on non-proliferation are risks of a nuclear umbrella to terrorist groups, and an unconventional arms race. Therefore, the impact on geo-strategic considerations is grave. If the international community cannot work effectively in imposing international law against what are perceived to be impenetrable defenses, the old proverb of "if you can't beat them join them", might just help turn the tables.

Because of its proximity to this alliance, the immediate concerned country is India. It would therefore be prudent for India to put China on notice by strengthening its alliance with the United States and China’s competitive neighbours including Japan, Vietnam and Taiwan, especially in the nuclear areas, and securing a nuclear alliance, similar to the China-Pakistan nuclear alliance, with them. This will up the ante for China’s unabated support for proliferation.

By pushing forward for a nuclear agreement with Japan, it would be a twin benefit for India, who can then get access to further nuclear technology which is denied to it under present regimes, and would also open a new front in its rivalry with China. Furthermore, the blessing of the United States to this alliance, will ensure that any Chinese reaction is measured, lest it invokes further American involvement in Asia. The same holds true for Vietnam, which is presently in talks with the United States for a nuclear agreement, which would provide it with enriched Uranium.

If the international community hardens its posture on Pakistan’s nuclear obstinacy, and Iran and North Korea’s nuclear program, it will drive home a renewed snub to China’s actions. The present nuclear waiver to Pakistan should be tied to increased scrutiny of its nuclear facilities, including nuclear watchdog access to A.Q Khan, to further unravel the suspicions which surround Pakistan’s proliferation activities. An added measure for this would have been for the IAEA to approve additional protocols as a requirement for any future reactor sales to any country. These protocols provide for “free communications... including attended and unattended transmission of information generated by Agency containment and/or surveillance or measurement devices.” This implies that the IAEA will have access to real-time information generated by its on-site surveillance devices rather than by physically accessing that information after inspecting the safeguarded site.

A factor which has contributed to non-proliferation has been continued delays in moving towards sincere disarmament measures. A definitive measure forward on disarmament will weaken the Chinese position, which can help have a domino effect across the countries which desire nuclear weapons. Therefore, the upcoming NPT review conference in 2015 will require stringent time bound measures which can strengthen the hands of non-proliferation advocates.

