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Phil Kaplan FINAL

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U.S. Department of State  
Philip H. Abelson



Department of State

ACTION MEMORANDUM  
S/S

August 24, 1984

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'84 AUG 23 10 00

To: P - Michael P. Armacost  
From: PM - Arnold Kanter, <sup>AK</sup> Acting  
NEA - Richard Murphy <sup>RM</sup>

RLR  
we've been handling Op 1,  
language at pp 34. Inserted at  
my request  
file 8124

Subject: Memo on Pakistan Nuclear Issue for the NSC

Issue for Decision:

How to respond to continuing Pakistani efforts to acquire nuclear explosives.

Background:

You chaired a SIG on Friday, August 17 to discuss options for handling the Pakistani nuclear issue. The attached paper provides background on the current situation, summarizes the SIG discussion, and identifies four U.S. policy options. We are committed to provide NSC with an options paper by this Friday, August 24.

Of the four choices presented, DOD and JCS endorse Option A (language parallel to our previous oral demarche). We understand that ACDA favors Option C (explicit Presidential endorsement of an additional "red line").

Recommendation:

1. That you decide on a Department position on the approach to be followed in a demarche to Pakistan on the nuclear issue. The four options identified by the SIG are:

A. Language parallel to the oral formulation used previously

"If in the future, Pakistan produces uranium enriched above the five percent level, you must understand it would have the gravest impact on our relationship and place in jeopardy our mutually beneficial security assistance program."

Approve \_\_\_\_\_ Disapprove \_\_\_\_\_

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DECL: OADR

REVIEW AUTHORITY: Sharon Ahmad, Senior Reviewer

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Alternatively,

B. Explicit Presidential endorsement of additional "red line"

"If in the future, Pakistan produces uranium enriched above the five percent level, the U.S. will terminate its security assistance program."

Approve \_\_\_\_\_ Disapprove \_\_\_\_\_

Alternatively,

C. Softened Presidential endorsement of "red line"

"Future Pakistani production of uranium enriched above five percent will make it impossible for us to sustain our security assistance program."

Approve \_\_\_\_\_ Disapprove \_\_\_\_\_

Alternatively,

D. "Red line" without explicit Presidential endorsement

"I am convinced that if, in the future, Pakistan produces uranium enriched above the five percent level, our security assistance program will be terminated."

Approve \_\_\_\_\_ Disapprove \_\_\_\_\_

2. That you authorize us to prepare a Hill-McFarlane memo conveying the attached paper to NSC, and advising NSC of agency positions on the above options.

Approve \_\_\_\_\_ Disapprove \_\_\_\_\_

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Drafted by: PM/RSA:SAoki  
8/23/84 632-7972

Clearances:

PM/RSA:RGallucci  
NEA/PAB:JLarrocco } SD  
S/NP:RGronet

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Responding to Pakistan's Continuing  
Efforts to Acquire Nuclear ExplosivesI. The Situation

Despite public and private assurances by President Zia that Pakistan has neither the intention, means, nor capability to acquire nuclear explosives, we have extensive and convincing intelligence that the Pakistanis are pressing forward to perfect the design of a nuclear weapon, fabricate nuclear weapon components, and acquire the necessary nuclear material for such a device. Until now, we have been confident that Pakistan was not able to produce significant quantities of weapons-usable nuclear material, and therefore lacked an indigenous capability to manufacture nuclear weapons. Recent progress in Pakistan's uranium enrichment program may, however, soon create a situation in which we could not rule out the possibility that Pakistan was taking all of the steps required to assemble a nuclear device, or even to stockpile nuclear weapons. We would then confront a stark choice between (1) acquiescing in Pakistan's nuclear activities and thus incurring almost certain Congressional action against our security assistance to Pakistan, the possibility of an Indian pre-emptive strike against the Pakistani nuclear facilities, and seriously undermining the credibility of our global non-proliferation policy or (2) terminating the U.S.-Pakistan security relationship, thereby imperiling the Afghan resistance to Soviet occupation, doing grave and long-term harm to our political and security interests in Southwest Asia and with China, and convincing Pakistan it had nothing further to loose by building nuclear weapons or even conducting a nuclear test. Either outcome would constitute a serious foreign policy defeat.

Over the past several years, we have made extensive efforts to hold back Pakistan's nuclear program. Our strategy has been to use the leverage provided by our \$3.2 billion, six-year security and development assistance package to obtain Pakistani restraint in the nuclear area, while building a security relationship which we hoped would eventually convince Pakistan that it could forego a nuclear weapons option.

REVIEW AUTHORITY: Sharon Ahmad, Senior  
ReviewerSECRET/SENSITIVE  
DECL:OADR

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In December 1982, President Reagan told President Zia that U.S. security assistance would come to an end if Pakistan assembled or tested a nuclear device, transferred nuclear explosives technology to another country, conducted unsafeguarded reprocessing of spent nuclear fuel to produce plutonium, or violated its International Atomic Energy Agency safeguards obligations. Pakistan has not crossed any of these so-called "red lines" since we established them.

Most recently, we have had two diplomatic exchanges with the Pakistanis related to uranium enrichment. On May 21 of this year, Ambassador Kennedy delivered a non-paper to Foreign Minister Yaqub Khan that stated that any enrichment of uranium beyond the low levels consistent with a peaceful nuclear power program would almost certainly place U.S. security assistance to Pakistan in immediate jeopardy. On July 21, Ambassador Hinton met with President Zia, and again conveyed U.S. concern about Pakistan's uranium enrichment activities. Zia repeated his earlier assurance that Pakistan's nuclear program is strictly for peaceful purposes, said that enrichment would not be undertaken above the five percent level, but declined to open the Pakistani enrichment facility to U.S. observers or international safeguards. The Pakistanis subsequently gave us a written reply to the non-paper delivered by Ambassador Kennedy. It was unresponsive, and reiterated earlier denials that Pakistan is engaged in nuclear explosives related activities. It did not, however, repeat Zia's oral assurance with respect to the level of uranium enrichment.

*H. note  
document for  
assessment of  
enrichment  
plant.*

Probable Congressional and Indian responses to the Pakistani nuclear program also bear on our policy choices. We are legally obligated to keep Congress fully and currently informed of significant non-proliferation developments. If the Congress is told that Pakistan is producing weapons-usable nuclear material, we believe it is highly likely to act to terminate our security assistance program. We already anticipate that when Congress returns in September we will face efforts to curtail Pakistani security assistance -- or at a minimum, to interrupt F-16 deliveries -- because of concern over the nuclear issue.

The intelligence community has concluded that "India will probably feel compelled at some point to take military action to prevent Pakistan from acquiring nuclear weapons." An India attack on Pakistan's nuclear facilities would almost certainly touch off a wider Indian-Pakistan conflict.

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## II. U.S. Policy Options

A SIG chaired by Under Secretary Armacost met August 17 to consider policy options for handling the Pakistani nuclear issue. All participants agreed that we should deliver another message from President Reagan to President Zia which would candidly and explicitly express our grave concerns about uranium enrichment. There are several forms this message could take, and several ways it could be passed. The SIG participants also agreed that we should simultaneously seek to reassure the Pakistanis of our commitment to their security, and provide a package of specific proposals to strengthen the U.S.-Pakistan security relationship. There was disagreement, however, on how directly we should link continuation of U.S. security assistance to Pakistani compliance with an assurance against producing highly enriched uranium.

### Written Confirmation of Pakistani Assurance on Enrichment

We must decide whether to request a written confirmation of the oral assurance given by President Zia that Pakistan will not enrich uranium above the five percent level. In requesting a written response, we would ask the Pakistanis for permission to use Zia's assurance with the Congress, and tell them that for maximum effectiveness we need an assurance in written form. Such a request would be compatible with any of the options outlined below. By obtaining a written assurance, we would repair a significant omission in the non-paper given us by the Pakistanis, and signal to Pakistan the importance we attach to the enrichment issue. We would be asking only for confirmation of what we have already been told orally by Zia. It should be noted, however, that a Pakistani assurance in written form carries essentially the same limited credibility as one given orally. Further, we must be careful to couch a request of this nature in terms of clarification of Zia's earlier statement to avoid implying that we do not trust the word of the President of Pakistan.

### Uranium Enrichment "Red Line"

The second, and overriding issue concerns what to say about the consequences for our security assistance program if Pakistan enriches to a level higher than five percent, (i.e. whether to draw a "red line" on uranium enrichment.) The SIG identified the following options for language to be used with the Pakistanis:

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A. Language Parallel to the Oral Formulation Used Previously

"If in the future, Pakistan produces uranium enriched above the five percent level, you must understand it would have the gravest impact on our relationship and place in jeopardy our mutually beneficial security assistance program. "

Proponents of this option believe it will convey a warning the Pakistanis must take seriously, while preserving flexibility in responding if they do in fact enrich above five percent. They note that the survival of the Afghan resistance, as well as preservation of Pakistan as a barrier to Soviet penetration into South Asia and other important U.S. interests depend on continuation of the U.S.-Pakistani security relationship. Moreover, a U.S. decision to terminate security assistance over the nuclear issue could itself trigger an Indian attack on Pakistan and invite further Soviet pressure on the Pakistanis. They therefore believe we should not prejudge our position in the event that Pakistan ignores our warning and proceeds with production of highly enriched uranium.

Opponents of this option argue that it is insufficient to produce any deterrent effect on the Pakistanis, and would undermine U.S. non-proliferation policy for the foreseeable future. They believe the GOP, which analyzes our demarches carefully, will interpret this formulation as signalling an ultimate U.S. willingness to acquiesce in the production of highly enriched uranium, since it is weaker than the words used by the President in December 1982. They note that the only U.S. non-proliferation strictures respected so far by the Pakistanis have been the 1982 "red lines" and not those, such as the development of nuclear weapons components, over which we have only expressed concern. This formulation seeks to preserve a flexibility that, in opponents' view, we do not and will not have in reality because of strong Congressional and public views. Opponents therefore believe that failure to establish a uranium enrichment "red line" on the same basis as those drawn by the President in 1982 runs a high risk of producing precisely the consequences most damaging to all of our interests: Pakistani acquisition of fissile material, a Congressionally mandated termination of security assistance and serious harm to our regional security and non-proliferation policies.

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B. Explicit Presidential Endorsement of Additional "Red Line"

- "If in the future, Pakistan produces uranium enriched above the five percent level, the U.S. will terminate its security assistance program."

Supporters of this option believe that our only hope of convincing Pakistan to defer the production of weapons-grade enriched uranium is to give the Pakistanis an explicit and unambiguous warning that such action on their part will result in the loss of U.S. security assistance. Without a firm U.S. stand, the GOP will conclude that we regard its uranium enrichment program less seriously than the other nuclear activities President Reagan identified in 1982. In light of the almost certain Congressional cut-off of security assistance in response to Pakistani stockpiling of highly enriched uranium, a U.S. demarche that fails to provide the Pakistanis with a clear signal of the consequences of their actions would be highly misleading. Further, proponents believe this option best serves U.S. non-proliferation interests, since it clearly signals that the U.S. is not prepared to acquiesce in Pakistani acquisition of weapons usable nuclear material, or, consequently in Pakistani stockpiling of nuclear weapons.

Opponents believe this option would jeopardize both our regional security and non-proliferation interests. By committing us irrevocably to a termination of assistance if Pakistan ignores our warning, they argue it is likely to lead to a situation in which we lose our ability to support the Afghan resistance and Pakistani security against Soviet pressure, as well as our leverage over the remaining aspects of the Pakistani nuclear program. In the worst case, we could, in the aftermath of a termination of U.S. assistance, be confronted with a Pakistani decision to go forward with a nuclear test, an outcome which would be more damaging to our global non-proliferation policy than an ambiguous nuclear weapons capability. Moreover, a U.S. decision to halt security assistance would be seen by India as confirmation of an imminent Pakistani nuclear threat, and could convince the Indians to undertake an immediate preemptive attack. It would also remove the only constraint preventing severe Soviet pressure on Pakistan. Opponents therefore believe we should not tie our hands in advance about how we will respond to future Pakistani nuclear developments.

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C. Softened Presidential Endorsement of "Red Line"

"Future Pakistani production of uranium enriched above five percent will make it impossible for us to sustain our security assistance program."

Supporters of this option believe it conveys a clear warning to Pakistan of the seriousness with which we view the production of highly enriched uranium, and of the likely consequences of such action on Pakistan's part, while avoiding a categorical Presidential commitment to specific U.S. actions. While taking a firm stand, it also introduces some ambiguity as to the source of an assistance cut-off, increasing our flexibility. Opponents believe it is too stringent, and therefore suffers the same defects as Option B.

D. "Red Line" Without Explicit Presidential Endorsement

"I am convinced that if, in the future, Pakistan produces uranium enriched above the five percent level, our security assistance program will be terminated."

This option links the production of highly enriched uranium to an aid cut-off, but softens the Presidential commitment, giving us somewhat greater flexibility, if Pakistan crosses the "red line." Opponents believe it is too weak to have a deterrent effect on the Pakistanis.

The SIG considered alternative language which would have the President indicate that production of highly enriched uranium would result in Congressional action against the security assistance program, but agreed that this approach would be inappropriate.

It should be noted that by focussing on uranium enrichment now as we had reprocessing before, we are not addressing the possibility that Pakistan could acquire fissile material (either plutonium or highly enriched uranium) from an external source such as China. To cover this possibility, we would supplement whichever formulation we selected with language indicating that our "red line" includes acquisition of fissile material by any means. The drawback to this approach is that by addressing all possible sources of fissile material, rather than only enrichment, we may further reduce the possibility of a positive Pakistani reaction.

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It should also be noted that our ability to verify the enrichment level achieved by the Pakistanis may be limited, that we may therefore have difficulty in monitoring Pakistan compliance with any conditions we set out.

Strengthening the Security Relationship

All SIG participants agreed that any demarche on the nuclear issue should be accompanied by a clear reaffirmation of our commitment to Pakistan's security and a set of concrete proposals to strengthen the U.S.-Pakistan security relationship. Efforts are currently underway to examine options for a comparable military and economic assistance program following the completion of our current multi-year package in FY 87. We are not, however, in a position to provide a detailed proposal for a follow-on program to the C at this time; nor have we decided whether to seek year-by-year funding or another multi-year program. We are also examining pending Pakistani requests for additional sophisticated military systems under the present program.

The SIG noted that one option for strengthening the Pakistani security assistance program would be to seek financial contributions from other countries with an interest in Pakistan's security. We could approach Saudi Arabia for additional funding for military assistance, and seek economic support funds from the Japanese. It was noted that it could well be difficult to obtain significant additional funds from either source.

The SIG agreed that we should tell the Pakistanis that:

- The Administration is prepared to seek continued security assistance at current levels, following the end of the current program in FY 87.
- We intend to be flexible with respect to requests for additional military systems.
- We are prepared to work with friendly third parties to strengthen the security assistance and developmental program.

Conveying the Message

All SIG participants agreed that our approach to the Pakistanis should include a direct communication from President

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Reagan to President Zia, in either oral or written form. Two options were discussed for conveying such a message:

- The Secretary of State could communicate it to Foreign Minister Yaqub when they meet at the UNGA on September 28.
- Ambassador Hinton could transmit it directly to President Zia after his return to Islamabad on August 25.

Additionally, the President could personally raise the issue with Yaqub in Washington, or a special Presidential envoy could be appointed.

Passing the message to Yaqub in this country would directly demonstrate high level US concern. On the other hand, Yaqub would not be in a position to respond definitively to our demarche, and a message passed through him could be discounted by other elements in the Pakistani leadership. A message delivered to Zia in Islamabad would allow us to seek a commitment from the President, who directly controls the Pakistani nuclear program. On the other hand, the use of an intermediary (either Ambassador Hinton or a special emissary) could give our demarche less visibility than the personal participation of USG officials at the highest levels.

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Drafted by: PM/RSA:SAoki  
8/20/84 632-7972

Clearances:

PM:AKanter  
PM/RSA:RGallucci  
NEA:ARaphel  
P:Marmacost  
S/NP:RTKennedy  
DOD/ISA:RArmitage  
JCS:VADM Moreau  
CIA:RGates  
ACDA:ATurrentine  
NEA/PAB:HHaggerty  
S/P:PKaplan  
OES:JDevine  
L/N:RBettauer

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