Conference Report on:
“U.S.-China Strategic Nuclear Dynamics”

June 9-10, 2008
Beijing, China

Co-Organized by the
Center for Strategic and International Studies (CSIS),
Institute for Defense Analyses (IDA),
RAND Corporation, and
China Foundation for International & Strategic Studies (CFISS)

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Introduction

On June 9 and 10, 2008, the Center for Strategic and International Studies (CSIS), the
Institute for Defense Analyses (IDA), the RAND Corporation, and the China Foundation for
International Strategic Studies (CFISS) jointly convened a unique “track 1.5” conference to
discuss strategic nuclear weapons issues in the U.S.-China relationship.

The 2008 conference was the fourth in a series of meetings that CSIS and CFISS began in
January 2000, with the first full bilateral conference held in 2004 in Beijing. This series of
meetings and conferences serve as an unofficial but authoritative channel for discussing sensitive
issues related to nuclear weapons and strategic stability in U.S.-China relations. The conference
agenda built on insights gained in prior sessions and an evolving set of policy interests. In prior
sessions, we gained some appreciation of the areas of divergence and convergence in U.S. and
Chinese perceptions of the nuclear security environment, so on this occasion we sought to probe
more deeply with focused examinations of comparative perceptions of nuclear weapons in the
Asian security environment and also nuclear terrorism. Based on progress made in previous
sessions in understanding evolving thinking in both countries about the nature and requirements
of strategic stability, we opted to delve deeper into that topic on this occasion. In addition, we
sought to probe Chinese thinking about the implications of the prospective end of U.S.-Russian
arms control. Finally, the agenda was rounded out with discussions of the factors that would
bear on the next cycle of nuclear policy development. (See Appendix I for the conference
agenda.)

The U.S. delegation included former and current U.S. government officials as well as U.S.
analysts with deep expertise in both U.S. and Chinese nuclear policy. Several U.S. participants
were involved in the drafting of the last two nuclear posture reviews.

- The U.S. delegation was led by commander of U.S. Pacific Command Admiral (Ret.) Dennis
  Blair and former commander of U.S. Strategic Command Admiral (Ret.) Richard Mies, and
  included Linton Brooks, former administrator of the Department of Energy’s National
  Nuclear Security Administration. The other U.S. participants were drawn from U.S.
government and nongovernmental organizations such as: the State Department, U.S.
Strategic Command, U.S. Pacific Command, the Defense Threat Reduction Agency (DTRA), University of California, IDA, the RAND Corporation, and CSIS.

The Chinese delegation was composed of government officials, military officers and scholars from think tanks and universities; some members of the Chinese delegation participated in the drafting of China’s national defense white paper. The Chinese side included participants from the National Defense University, the Academy of Military Sciences, the General Staff Department, the Second Artillery Command College, the Foreign Ministry, the Chinese Academy of Engineering Physics and the Institute for Applied Physics and Computational Mathematics, Chinese Academy of Social Sciences, China Institutes of Contemporary International Relations, and Qinghua University.

U.S. participation was sponsored jointly by the Departments of State and Defense. The sponsor in the Department of State was the Regional Affairs Office in the Bureau of International Security and Nonproliferation. The sponsor in the Department of Defense was the Advanced Systems and Concepts Office in the Defense Threat Reduction Agency.

The conference occurred over two days in Beijing and included substantial time for informal discussions among participants during coffee breaks and meals. In addition to the conference discussions, the U.S. participants also met with other Chinese government officials to discuss issues raised at the bilateral conference. On June 11, the U.S. delegation met with General Ma Xiaotian, Deputy Chief of Staff of the People’s Liberation Army, at China’s Ministry of Defense building.
Summary of Key Findings

The conference discussions focused on three main topics, which are highlighted below in the key findings:

- Perceptions of the security environment
- Next steps in U.S. and Chinese nuclear weapons policy and strategy
- The requirements of strategic stability

Perceptions of the Security Environment

Prior dialogues in 2004 and 2006 illuminated a narrowing of differences in U.S. and Chinese perceptions of each nation’s nuclear threat environment. This was most evident in discussions of North Korea and Pakistan. Accordingly, in 2008, we sought to probe further for areas of convergence and divergence.

On the threats posed by nuclear terrorism, the convergence of threat perceptions is accelerating, especially since the last meeting in 2006. Chinese officials and experts see the threat of nuclear terrorism as one among many “important” national interests, whereas for the United States it is vital. Differences of views remain about the causes of terrorism and the groups in China that Beijing deems to be terrorists. The convergence in threat perceptions was manifested in a call by the Chinese for increased bilateral cooperation to develop a more comprehensive defense in depth against nuclear terrorism. Senior PLA participants even spoke about the desirability of joint counter-terror exercises. Chinese participants also enlisted suggestions for more effective Chinese engagement in the Global Initiative to Combat Nuclear Terrorism.

On Asia’s nuclear future, the convergence is less pronounced but nonetheless exists on some important issues. Chinese experts share the U.S. view that “Asia is emerging as a major arena of international nuclear politics.” They too have rising concerns about the future effectiveness of the nonproliferation regime in Asia, with continued concerns about nuclear proliferation by Japan and in South Asia. There was no indication of a new willingness, however, to participate formally in the Proliferation Security Initiative, though China continues to support PSI principles. China’s expert community seems little concerned about the possibility of Russian withdrawal from the Treaty on Intermediate-range Nuclear Forces (INF) or about India’s development of missiles capable of reaching Beijing.

Japan features prominently in China’s thinking about Asia’s nuclear future. On U.S. extended deterrence to Japan, there is grudging tolerance; as one Chinese participant put it, “China cannot have it both ways - a non-nuclear Japan and no extended deterrence.” There is also some willingness to acknowledge a legitimate role for ballistic missile defense in the protection of the Japanese homeland, but there are sharp concerns about the possible deployment of ballistic missile defense systems to defend Taiwan.

On the future of arms control, China’s expert community was open to new thinking about future arms control and nonproliferation initiatives. But Chinese experts appear to have done little systematic thinking about the implications of the end of START I regime in 2009 or the future
direction or content of possible follow-on U.S.-Russia arms control measures. When asked whether China would respond to deeper U.S.-Russian nuclear reductions by increasing China’s forces in a bid for parity, Chinese participants insist that China plans to keep its nuclear arsenal small while making its deterrent capabilities more effective. They re-stated long-standing Chinese interests in the CTBT, FMCT, and a ban on the weaponization of outer space. There was keen Chinese interest in the emerging U.S. debate about whether nuclear abolition is a realistic prospect, along with some marked ambivalence about what it would mean for China to live in world without nuclear weapons but with an America enjoying overwhelming dominance at the conventional level of war.

Next Steps in U.S. and Chinese Nuclear Policy and Strategy

Prior conferences revealed the distrust and misperceptions between U.S. and Chinese experts about each other’s nuclear strategy and doctrine. China’s expert community viewed the 2001 U.S. Nuclear Posture Review as a surprise and as dangerous. They argued that it increased the salience of using nuclear weapons in conflict, raised the prospect of nuclear war over Taiwan, and sought to undermine China’s nuclear deterrent. Similarly, the U.S. defense community remains deeply unsatisfied with Chinese explanations of its nuclear policy and strategy and remains skeptical of statements in China’s biannual national defense white papers. With the hope of minimizing misunderstanding and misperception in the next cycle of national nuclear planning, each side was asked, once again, to explain their policies and strategies on nuclear weapons.

The most senior Chinese participants stressed a key message about Chinese nuclear force modernization: China will continue to modernize gradually its nuclear forces to ensure that China retains a credible retaliatory or “counter-strike” capability. China’s singular focus in its nuclear modernization is on improving its survivability, reliability, safety and the ability to penetrate missile defenses. Chinese participants stressed that this does not require a major increase in the size of its nuclear force structure, but that China will respond to the strategic capabilities of other nations as needed.

Chinese experts made a strong case that the sources of continuity in China’s strategic policy are deep and abiding. The overall content of China’s policy was characterized as “not coincidental or makeshift” and not going to change as China grows wealthier. Whatever more or less the next Defense White Paper might say about matters nuclear, there will be nothing there to indicate a re-making of policy or a re-thinking of key animating concepts. As they argued, these key concepts remain as follows. China will:

- maintain a limited nuclear retaliatory capability to deter possible attacks from other nuclear-armed adversaries;
- implement a policy of no-first-use and negative security assurances;
- exercise great restraint in developing nuclear weapons and keeping its nuclear arsenal to the minimum size in line with the requirements of possessing a secure, survivable, and reliable arsenal that can penetrate an adversary’s defenses; and
- never participate in a nuclear arms race and never deploy nuclear weapons on other nations’ territories.
China’s expert community welcomed information about the background to the Congressional requirement for a periodic nuclear posture review and its role in the U.S. policymaking process. They appreciated information about the legislative mandate for the next U.S. administration to conduct a new nuclear posture review, the interim role of the Congressional Commission on the Future of the U.S. Strategic Posture, and the potential impact of various policy advocates, such as those advocating a recommitment to abolition.

*The Requirements of Strategic Stability*

Prior conference discussions in 2004 and 2006 revealed that both China and the United States worry about strategic stability but also that they are unclear as to what it requires. Each conference has sought to build a common understanding of the components of U.S.-China strategic stability.

China’s expert community clearly views the source of instability in the strategic nuclear relationship as U.S. military policymaking. On one level, Chinese strategists remain deeply uncomfortable with U.S. military predominance in global affairs and the perceived U.S. penchant to use military force to coerce other states to advance U.S. objectives. Many in China fear that U.S. military power, in the future, could be directed at coercing China. On a second level, on nuclear affairs the Chinese concern is that the United States seeks to develop the strategic military tool-kit, as envisioned in the 2001 NPR, with the hope of escaping relationships of mutual vulnerability with other nuclear powers, including especially China, so that it can be free to exercise military power at will. The concepts and policies in the NPR, many Chinese argue, undermine U.S.-China strategic stability because they lower the threshold for using nuclear weapons and countenance the use of nuclear weapons in a conflict over Taiwan. Most specifically, the Chinese are concerned about U.S. missile defense, ISR, and long-range conventional strike capabilities – all of which undermine their ability to possess a secure second-strike capability. These factors are having a significant impact on the “objective circumstances” for which China’s leaders must account in developing the PLA.

China’s expert community argues further that China’s responses to these U.S. policies are consistent with the traditions of China’s nuclear policy and with the requirements of strategic stability. They see mutual vulnerability as stabilizing, by dampening U.S. temptations to do something rash (or to incite others, as for example Taiwanese leaders, to do something rash). They defend the modernization of China’s strategic forces as the minimum necessary to maintain a credible retaliatory capability. They reject the possibility of any arms race and deny a desire to seek nuclear parity with the United States, under any circumstances. China’s force is designed to “absorb the first blow” and counter-attack, and this requires far fewer numbers than a force designed for preemption or sustained nuclear war-fighting. To promote greater strategic stability, the Chinese urge the U.S. to adopt a no-first-use posture or agree to a bilateral no-first-use accord with China and refrain from identifying China as a target country of U.S. nuclear weapons in the 2009 NPR.

Given this difference of view, it is not surprising that the discussion of transparency was contentious. There is still a considerable gap between the U.S. and China on the need for greater
transparency. The Chinese insist that they are fully transparent about their strategic intentions and say there is increased recognition of the need to be more forthcoming in sharing information about their military budget and conventional armed forces, although they maintain they can only do so gradually.

Regarding their nuclear forces, however, the Chinese do not acknowledge the value of enhanced transparency about their nuclear capabilities. A senior Chinese scientist stated that because China possesses a limited-size nuclear arsenal and is still vulnerable to a decapitating first-strike, it needs to maintain a degree of non-transparency about the size and composition of its nuclear forces. Other Chinese argued that this policy actually contributes to stability, by strengthening deterrence. China’s experts were unreceptive to U.S. arguments that whereas non-transparency served China’s interests well in the past that it does not serve China’s interests well today; that is, the lack of transparency has diminishing returns for China because it generates concerns among China’s neighbors and other nuclear powers. Indeed, some Chinese participants argued that it is the United States that needs to be more transparent. They observed that the 2001 NPR was not publicly released and noted that the scale of U.S. missile defense plans remains unclear despite U.S. statements that it is “not pointed at China.”

There was a second current of Chinese opinion also of note. This was the argument that stability is being undermined by misperceptions about the activities and intentions that each side has of the other. A senior PLA expert argued that the United States significantly misunderstands China’s modernization objectives, its reluctance to be more transparent, the Chinese debate about no-first-use, and the nature of Second Artillery doctrine. The PLA expert also argued further that many in China also misunderstand U.S. activities and intentions. Based on these arguments, the senior PLA expert argued for a consistent and high-level strategic dialogue between the two sides.

There was also some Chinese receptivity to the argument that the current state of thinking about strategic stability is essentially a stalemate. Each side faults the other. The Chinese maintain that even if the U.S. does not seek to neutralize China’s deterrent, its actions are eroding Chinese capabilities, thereby undermining strategic stability. From the U.S. perspective, it is China that is undercutting strategic stability by pursuing what seems to be an ambitious and open-ended modernization program and its lack of transparency. There was some support for the argument that this stalemate works against the objectives of Presidents Bush and Hu who, in April 2006, agreed to initiate an official nuclear dialogue as a confidence-building measure. U.S.-Chinese strategic stability remains a Chinese objective, participants maintained, an there was openness to exploring how to promote greater stability in the strategic military relationship in ways that serve shared political objectives.

Final Observation

Chinese officials, scientists and scholars demonstrated a continued willingness to engage in substantive discussions with their U.S. counterparts about nuclear weapons and strategic stability in U.S.-China relations. As in 2006, when the last round of this conference was held, both senior Chinese nuclear scientists and senior PLA officers (including from the Second Artillery) joined the deliberations. The 2008 meetings addressed in more depth the internal and external dynamics
(both within the United States and China) shaping the strategic nuclear relationship between the United States and China. The Chinese delegation continued to be diverse, well prepared and willing to engage a range of sensitive questions. Differences and common areas were both highlighted, with frank discussions about diverging perceptions about each other.

Both U.S. and Chinese participants highlighted the unique value of convening this “Track 1.5” conference. This channel of dialogue generated deep understanding and robust insights on both sides and on issues that are seldom written about or discussed. Experts on both sides also noted that this channel helps to facilitate more effective interactions during the formal U.S.-China defense dialogue on nuclear issues, which just began in spring 2008.
Panel 1: Factors Influencing Nuclear Force Modernization

Chinese Presentation

Academician Hu Side, a prominent nuclear scientist and one of the long-time leaders of China’s nuclear weapons program, provided the Chinese presentation. He addressed the issues of nuclear modernization, China’s nuclear policy and strategy, and the future direction of China’s nuclear modernization.

Academician Hu began by characterizing the general process of nuclear modernization. He characterized nuclear modernization as “all related activities which [a state] uses to ensure and improve the capabilities of nuclear weapons, such as credibility, safety, survival and penetration.” He argued that currently all declared nuclear weapon states are modernizing their weapons programs, but that the “approach and scale” of these modernization activities differ. He then listed various nuclear modernization activities of the United States, Russia, Britain, France and China. He did not address any other nations.

In discussing China’s nuclear modernization, Hu Side argued that China’s goal is “to ensure the validity of the necessary deterrence capacity of [China’s] few nuclear weapons under the condition of no nuclear test[ing]…” Hu Side listed China’s nuclear modernization activities as: improving arsenal monitoring; using pre-1996 nuclear test data to improve nuclear weapons capability, including re-assessing old tests; enhancing China’s computer simulation capabilities; and improving the capability of laboratory simulations by using X-ray cameras and an ICF facility.

Hu Side stated that China’s nuclear policy reflects a restrained approach to force structure modernization. He asserted that nuclear modernization is constrained by the following five requirements:

- Maintaining a limited nuclear counterattack capability to deter possible attacks from other nuclear-armed adversaries.
- Implementing a policy of no-first-use (NFU) and negative security assurances.
- Exercising great restraint in developing nuclear weapons and keeping its nuclear arsenal to the minimum size in line with the requirements of possessing a secure, survivable, and reliable arsenal that can penetrate an adversary’s defenses.
- Never participating in a nuclear arms race and never deploying nuclear weapons on other nations’ territories.
- Standing for the comprehensive prohibition and complete elimination of nuclear weapons.

Hu continued that China’s nuclear policy has been consistent for decades and will remain so. He argued that China’s nuclear policy has not changed much since it was developed in the 1960s, despite dramatic changes in the international system and major increases in Chinese national strength. He stated,
“The coherence and consistency of China’s nuclear policy are not coincidental, but are related to the unique understanding and knowledge of the Chinese leadership on nuclear weapon, nuclear war, and the role of nuclear weapon in national security policy, and are accordant with the consistency of China’s peaceful foreign basic national policy.”

Hu Side added that China’s decades-old nuclear policy is not a product of past economic scarcity and will not change as China’s economy grows. Similarly, China does not currently foresee changes in its international security environment or in its “comprehensive national strength” that would require changes in China’s current nuclear policy.

Yet, he argued, China does pay attention to the changes in the nuclear postures of the United States, Russia and other nuclear powers, as this is only natural for a nation with a small arsenal and a NFU policy. He specifically noted that China will pay close attention to U.S. missile defense, ISR and long-range precision strike capabilities (especially against mobile targets) in order to “objectively and scientifically assess their impacts on the effectiveness of China’s nuclear deterrent capability.” He reiterated that, in responding, China will exercise restraint in its modernization and will take actions consistent with the CTBT and other international arms control agreements.

Hu Side concluded, “In a word, we do not see the driving force objectively existing to need to change this policy. It is expected that China will still uphold the long-term nuclear policy in the future.” He stressed the need for assurance from the United States that it will respect and not seek to eliminate China’s “self-defensive nuclear deterrent policy and China’s restraint on the development of its nuclear forces.”

**U.S. Presentation**

The U.S. presenter, Ambassador Linton Brooks, detailed the content of current U.S. nuclear posture, the international and domestic factors influencing that posture and possible future trends. He began by specifying five parts of current U.S. posture. They are:

- An innovative attempt, codified in the 2001 Nuclear Posture Review, to craft an appropriate nuclear policy for the post-Cold War world.

- A significant reduction in nuclear forces and weapons from the levels at the end of the Cold War with reductions to 1700-2200 operationally deployed strategic weapons to be completed by 2012.\(^1\) The reductions have been steady through the terms of the last three presidents, despite significant changes in formal policy.

- An effective repudiation of the development of any new nuclear weapons capabilities or systems, coupled with some willingness to modernize existing forces under an assumption of the long-term retention of nuclear weapons.

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\(^1\) In addition, the United States retains a small number of so-called non-strategic nuclear weapons in Europe. These weapons have no military purpose and play little role in U.S. nuclear thinking but remain an important symbol within NATO of the U.S. commitment to extend nuclear deterrence to its allies and of a hedge against future geopolitical changes.
• A continuation of the historic ambiguity over the specific circumstances in which the United States would actually employ nuclear weapons, reflected in continued unwillingness to adopt a doctrine of “no first use.”

• A reduction, at least under the current Administration, of the perceived utility and relevance of formal arms control.

He added that, except for warhead levels, senior Bush Administration officials had given little attention to nuclear weapons issues since the completion of the 2001 NPR. “Since 2001, the war on terrorism, Iraq, and the continued attempts to reform and transform the Pentagon have consumed the senior civilian and military leadership, while the nuclear policy issues that were so central during the Cold War are no longer perceived as crucial.”

In addressing international factors shaping U.S. nuclear posture, Linton Brooks argued that U.S. threat perceptions have been reversed from the Cold War era: The U.S. largely discounts any nuclear threat from Russia and most Americans “now see no plausible source of armed conflict between themselves and Russia.” China, however, remains of concern due to fear of a potential nuclear confrontation over Taiwan. He added that some analysts also fear that China is on the verge of a significant modernization that could increase the threat to the homeland. U.S. concerns about nuclear proliferation by Iran and North Korea are “seen as direct, near-term threats to America, leading to the U.S. deployment of defenses, narrowly designed to counter ballistic missiles from Iran and North Korea.” Moreover, Brooks argued that the greatest nuclear threat the U.S. faces is nuclear terrorism. He maintained that “absent a major change in the international situation, this set of perceptions of the threat can be expected to persist into the next Administration.”

Linton Brooks identified four domestic factors that will shape future U.S. nuclear posture. First, after the election the new Administration will make a variety of policy and budgetary decisions affecting nuclear posture, such as conducting a new nuclear posture review and deciding whether to replace the START Treaty. Second, the new Administration will be presented with the report and recommendations of a Congressional Commission on the Strategic Posture of the United States. Third, the next President will face considerable pressure on the defense budget, which will affect pending nuclear modernization decisions (e.g., funding for replacements of the Trident ballistic missile submarines, the Minuteman III intercontinental ballistic missile and possible a follow-on strategic bomber.) Fourth, a new Administration will make these policy decisions in the political context of renewed interest in taking steps toward the global elimination of nuclear weapons, driven in part by the efforts of George Shultz, William Perry, Henry Kissinger and Sam Nunn.

Linton Brooks argued that there will be considerable continuity in U.S. nuclear posture in the years ahead due to three main factors:

• The United States will continue to focus on the threat of nuclear terrorism with much less attention to other nuclear threats.
Gradual reductions in the U.S. arsenal will continue, with the new President likely to approve deployed levels less than the currently approved 1700-2200 warheads, although probably well above 1000 warheads.

There will be no resumption of nuclear testing, no development of weapons with new military capabilities, and no major arms control initiatives beyond a modest replacement for START (which might codify further reductions).

In discussing the possibility of change in U.S. policy, Brooks outlined possible steps by both a Republican and Democratic President: “A Republican President can be expected to continue most of the nuclear policies of the current Administration, although with differences in emphasis. A Democratic President may be somewhat more inclined to consider new arms control initiatives, although there seem few interesting possibilities, and to consider adopting a “no-first-use” doctrine. A Democratic President will also seek ratification of the Comprehensive Test Ban Treaty; it is unclear whether there will be sufficient votes in the Senate to accomplish this.” He noted that senior officials appointed in the next administration will have influence over several nuclear policy issues that have not yet been resolved including: “the degree to which the United States will embrace such modest nuclear modernization as the Reliable Replacement Warhead Program and whether or not to seek to alter the alert posture of U.S. ballistic missiles.”

**Discussion and Debate**

The discussion and debate focused on three sets of issues: transparency, U.S. missile defense and related strategic strike capabilities and the latter’s implications for bilateral strategic stability.

**Transparency**

American participants pressed the Chinese for greater transparency about their nuclear doctrine and force structure modernization. U.S. experts argued that while China’s nuclear policy may be consistent, as Hu Side stressed, that it not very transparent and, as a result, many Americans are concerned about the future size and capabilities of Chinese nuclear forces. China assurances are increasingly ineffective in the absence of more information its force modernization plans. Secrecy is less and less of a strategic asset for China; rather it is a growing liability. Many Americans argued that China is less transparent about its nuclear forces than any of the other P-5 states. They argued that U.S. strategists understand the rationale for China’s new nuclear ballistic missile submarine program but the size of that capability matters in U.S. strategic planning. U.S. participants noted that the United States also has responsibilities to China, including making public a summary of the forthcoming NPR and U.S. strategic intentions towards China on questions of nuclear strategic stability. The U.S. side concluded that transparency is a mutual obligation that can help both sides to communicate sensitivities and growing concerns, as a way to lessen pressures for arms racing.

Chinese participants responded by arguing that China’s consistent record since the 1960s of taking a very restrained approach toward nuclear modernization should provide reassurance that its current statements about its nuclear policy are an accurate picture of its future strategy and capabilities. They reiterated that China’s arsenal will not grow beyond the requirements of
possessing a credible retaliatory capability. A senior Chinese scientist stated that because China maintains a limited nuclear arsenal, it needs to maintain a degree of non-transparency. Chinese specialists also argued that the U.S. needs to be more transparent: The last NPR was not publicly released and the scale of U.S. missile defense plans remains unclear.

Furthermore, several U.S. participants asked about the types of changes in the international security environment that could alter Chinese nuclear policy in the future – given its consistency. A Chinese academic responded that the breaking of the “nuclear taboo” could have a major impact on Chinese thinking about the uses of nuclear weapons. Specifically, it would require China to put its nuclear weapons on a higher alert status. Other Chinese stressed that nuclear weapons are useful for little else than deterring nuclear aggression against China. Thus, there are few changes in China’s security environment that could alter its longstanding nuclear weapons policy and strategy, even if the size and composition of China’s force may change in response to international developments.

**Missile Defense and U.S.-China Strategic Stability**

The majority of the discussion in this session focused on U.S. missile defense, U.S. global ISR assets and conventional strategic strike capabilities. Several U.S. participants inquired about the implications of these U.S. systems for China’s future nuclear posture: How will U.S. development and deployment of these influence China?

Chinese responded to U.S. questions about missile defense and strategic strike with several comments and questions:

(1) U.S. missile defense programs have multiple objectives in Asia; while missile defense may be directed at North Korea, “in reality it will affect China”; the “scale and configuration of such a system” matters most to China along with detection, tracking and striking capability; a technical explanation is needed to convince China that its capabilities will not be undermined.

(2) China will not necessarily increase the size of its arsenal in response to missile defense but will increase its “deterrence capability”; China’s nuclear deterrence capability is based on the concepts of reliability, safety, survivability and penetrability; China will ensure that it retains a limited but credible counter-attack capability; China will ensure the credibility of its nuclear deterrent; it has many ways to respond to missile defense that do not involve increasing the size of its arsenal²;

(3) To date, China’s responses to U.S. missile defense capabilities have been cautious and restrained; China will carefully and objectively assess the scale and effectiveness of any future U.S. missile defense systems and, on that basis, scientists can recommend measures or countermeasures. A senior Chinese scientist stated, “China will not come to a rash conclusion” about U.S. capabilities and China’s responses.

² During discussion on this point, a Chinese academic pointed out that Chinese scientists’ comments about China’s possible responses to missile defense focused on “penetrating” missile defenses and not “overwhelming” them. The Chinese academic noted that this is an important distinction.
(4) In determining the right Chinese force levels, China will look at the overall structure of U.S. strategic forces: nuclear, missile defense, ISR and conventional strike; the structure and configuration, not necessarily the size, matters most to China’s assessment of the implications for its forces structure.

(5) Several Chinese participants inquired about whether U.S. missile defense capabilities would become part of U.S. extended deterrence capability in East Asia; they asked, “Will missile defense become a central feature of U.S. alliances in Asia?”

During the discussion of missile defense, U.S. participants noted that senior U.S. officials have publicly stated that U.S. missile defense capabilities are not directed at China and that the consistency of this message should be meaningful to China. A Chinese participant replied that just as the U.S. doesn’t take China’s NFU policy seriously, China doesn’t take U.S. statements seriously that missile defense is not aimed at China.

Panel 2: New Nuclear Challenges in Asia

U.S. Presentation

The U.S. presenter, Professor Michael Nacht of the University of Berkeley, addressed nuclear weapons-related issues that concern both the United States and China to determine areas of convergence and divergence. Specifically, his presentation focused on the evolution of the Indian and Pakistani nuclear arsenals and their delivery systems; the re-emphasis of Russian nuclear doctrine and Russian threats to withdraw from the intermediate nuclear forces (INF) treaty; the latent capacity for other states to acquire nuclear weapons; and the prospects of Iranian acquisition of nuclear weapons leading to a cascade of proliferation in the Middle East and East Asia.

On India, Nacht argued that many Indians are worried about China’s economic and military power, whereas similar concerns about India are not heard in Beijing. If Sino-India relations become more openly competitive, then there might be a role for the United States in managing such tensions. He argued that it is possible that the United States could serve as a useful interlocutor between China and India to ensure that intentions in both capitals are transparent and that the kind of costly and dangerous nuclear weapons competition that dominated the Soviet-American rivalry is not replicated between China and India.

On Russia, Nacht argued that it is unlikely that the incremental growth of Russian nuclear forces – whether modernized strategic systems or the growth of its theater and tactical nuclear weapons – is seen as a threat to China. Russia, destined by geography to be linked to Europe and Asia, is using its nuclear modernization to regain influence in Europe, in the “near-abroad” and states of the former Soviet Union, and to utilize these capabilities as a means of regaining international prestige. At the same time, Moscow and Beijing share a common objective of not wanting to facilitate the augmentation of American power and influence and this motive has facilitated growing strategic cooperation between the two.
Among regional issues, Japan is “at the absolute center of China’s and America’s East Asian security interests.” Nacht argued that more than any other issue, the maintenance of a stable and prosperous Japan free of nuclear weapons is of paramount importance not only to the strategic interests of both China and the United States but also to preventing a cascade of new nuclear weapons states that could truly threaten regional and indeed global stability. Sustaining and enhancing the triangular dialogue among Beijing, Washington and Tokyo, and promoting transparency of objectives and capabilities among all three states are critically important. Identifying mechanisms to strengthen this trilateral relationship would substantially contribute to stability in East Asia and should be a high priority for U.S.-China cooperative activities.

Iran was the last regional security issue that Nacht addressed. Iran presents an especially challenging case for both the U.S. and China because their respective national interests and threat perceptions differ so greatly. While U.S. and Chinese leaders have tried to forge a common set of diplomatic approaches to the Iran problem, they have often failed due in part to the U.S. willingness to use coercive means and China’s disagreement with that approach. Nacht argued that if the United States and Iran start a bilateral dialogue, China could play a role in working with the United States to identify steps that Iran could take to slow or terminate its nuclear weapons program.

Nacht argued further that the many nuclear challenges in Asia represent opportunities for U.S.-China cooperation. He asked for clarification of China’s thinking about how to seize those opportunities but went on to address the U.S. debate about whether and how to pursue strategic partnership with China. He emphasized the contrasting views of those in the United States who are pessimistic about China’s future and urge caution and hedging at every turn and those who are optimistic and urge cooperation and restraint at every turn. A key implication of his remarks is that leaders in both countries must continue to assert themselves above the political fray to strengthen U.S.-China cooperation in areas of vital shared interest such as security and stability in East Asia.

**Chinese Presentation**

The Chinese presenter, Dr. Fan Jishe from CASS, argued that in the aftermath of the Cold War, Asia has emerged as a major arena for international nuclear politics. He began by identifying four nuclear security challenges in Asia³:

- **North Korea’s and Iran’s nuclear programs**: Progress on both issues has been slow and unless the parties involved, especially the United States, show greater flexibility then final resolution of both issues is unlikely. North Korea and Iran present the most serious regional nonproliferation challenges because they symbolize two widespread problems, namely the need to acquire a nuclear deterrent in the presence of unmet security needs and the desire to develop civil nuclear energy and nuclear waste recycling capacity. U.S. diplomacy needs to address the underlying causes of their security concerns to effectively resolve crises.

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³ Fan Jishe also identified nuclear terrorism as a new regional nonproliferation challenge, but he deferred discussion of it to the separate conference panel on this issue.
• **Nuclear security in South Asia**: Neither India nor Pakistan is bound by the international nonproliferation regime and both remain engaged in a nuclear arms race over the development of nuclear warheads and their carriers. The presence of nuclear weapons and threat of nuclear terrorism in South Asia have further complicated nonproliferation efforts.

Fan expressed much concern about the U.S.-India nuclear deal and Indian’s nuclear modernization efforts. The U.S.-India agreement on civil nuclear cooperation has set a damaging precedent to the universality of the international nonproliferation regime and it is inconsistent with the spirit of the joint statement on India-Pakistan nuclear tests issued by the P-5’s foreign ministers in 1998. He argued that the international community should continue to push India and Pakistan to accept the constraints of international nonproliferation regimes, limit the development of their nuclear armaments, and strengthen the security of their existing nuclear facilities.

In addition, the international community should place further constraints on India’s nuclear capacity, press India to observe its existing guarantees, and prevent other countries from following India’s example in the hope that once they develop nuclear weapons their nuclear capacity will be accepted as a *fait accompli*.

• **Rising nuclear energy demands in East Asia**: Growing energy demands in several Northeast and Southeast Asian countries has renewed their interest in nuclear power. All of these programs have inherent proliferation risks. Balancing peaceful civilian nuclear energy with counter-proliferation is a new challenge that Asia has to face.

• **Asia’s confidence deficit in the nonproliferation regime**: In 2008, several Asian states expressed limited and declining support for existing nonproliferation mechanisms during the second preparatory committee meeting for the Nonproliferation Treaty’s Eighth Review Conference. They also expressed their discontent with certain countries’ application of multiple standards in dealing with proliferation problems, and these states called for improvements in the Treaty’s universality and for greater attention to be paid to their concerns in the areas of nuclear disarmament, nonproliferation, and peaceful use of nuclear energy.

Fan argued that alleviating Asian distrust of and regaining Asian support for international nuclear nonproliferation regimes requires the existing regime to be impartial, nondiscriminatory, and free of multiple standards and their selective application. In this context, Fan expressed concern about Japan’s reprocessing capabilities, which some Chinese view as a possible future exception to the NPT. He stated: “Japan’s plutonium accumulation and nuclear fuel recycling capacity have already led to international concerns. It should therefore be encouraged to reconsider and adjust these policies and to reestablish its nonproliferation standards in accordance with international norms, rather than founding it on its relations with any particular major country.”

Fan Jishe also evaluated the possibilities for more U.S.-China cooperation in addressing these challenges. The United States and China have “already enjoyed success in cooperating on solving the North Korean nuclear problem, and it is imperative that they continue to work
together closely to achieve denuclearization of the Korean Peninsula through dialogue and negotiation.” He added “Beijing and Washington share common interests in preserving the effectiveness, authority, and universality of nonproliferation regimes, and it is essential that they strengthen their dialogue and cooperation on the management of these challenges.” The differing U.S. and Chinese approaches complement each other and should not be allowed to become obstacles to cooperation. But, Fan concluded that the United States, in particular, bears the primary responsibility to repair the damage done to nonproliferation regimes, and it is imperative that it adopt a constructive approach in meeting these nuclear challenges, through dialogue, negotiation and multilateralism.

**Discussion and Debate**

The majority of the discussion focused on the Iran nuclear crisis; other issues discussed included Japanese and Indian nuclear affairs.

On Iran, U.S. participants argued that Iran’s nuclear program is the most severe crisis facing the nonproliferation regime. If Iran develops a nuclear weapon then this will be the first case of proliferation occurring in plain sight of the international community. The U.S. and China have critical roles to play and strong national security interests in preventing this development. To do so, the United States and China need to create a better division of labor; one possible model is more carrots from the United States and more sticks from China. Sino-Russian cooperation in the UN Security Council is undermining the use of sanctions as a tool to leverage changes in Iranian behavior. U.S. experts noted that a new U.S. President will be looking to China for assistance in solving the Iran nuclear issue.

Several Chinese participants highlighted that the United States and China completely agree on the objective of preventing Iran from developing nuclear weapons, but they disagree on the right approach to achieve this goal. Chinese participants noted that the international community can not deny Iran the right to develop a civilian nuclear fuel cycle, which many Chinese see as the real, albeit hidden, goal of U.S. diplomacy. China does not agree with this latter objective because the international community lacks the moral and legal right to deny Iran, or any nation, access to a civilian nuclear fuel cycle. U.S. participants responded that Iran was determined by the IAEA to be in violation of its safeguards agreement in its pursuit of a uranium enrichment program. This provides the international community with the moral and legal obligation to deny Iran access to civilian nuclear materials and technologies. In addition, several Chinese nonproliferation specialists argued that the Six Party Talks process could provide a useful model for resolving the Iranian issue and stressed the value of direct dialogue between the United States and Iranian governments. A senior Chinese scholar noted that China’s diplomacy on Iran, to date, has been very costly for China by undermining China’s credibility with and image in the Iranian government; many Iranians criticize China for being too close to the United States.

On Japan, Chinese participants, including military officers, noted that development of nuclear weapons is not their main concern about Japan. The U.S. nuclear umbrella has for decades provided sufficient security to prevent Japan from pursuing that option, and they do not foresee this situation changing in the future. Rather they are more concerned about the extension
of U.S. missile defense capabilities to Japan and the possible inclusion of Taiwan in the application of those capabilities. A senior PLA officer noted that the United States has not yet persuaded China that Japan’s missile defense capabilities will not be applied to Taiwan. This feature of U.S. extended deterrence toward Japan is highly worrisome to China. China has to balance the positive and negative consequences of U.S. extended deterrence to Japan.

There was a brief discussion in this panel about Russian and Indian nuclear modernization. A U.S. participant raised questions about Chinese reactions to Russian nuclear modernization and Moscow’s possible withdrawal from the Intermediate Nuclear Force (INF) Treaty. A Chinese military officer responded that strategic relations and related cooperation between China and Russia are so positive right now that China is not concerned or focused on its nuclear modernization efforts. Sino-Russian nuclear relations are stable; China can accept Russia’s modernization of its nuclear arsenal and will not modify its forces in response. A Chinese diplomat added that the existence of a bilateral NFU agreement between China and Russia is an important basis for Chinese judgments. U.S. participants raised questions about Chinese reactions to Indian nuclear modernizations and the development of the Agni-3, which possesses sufficient range to strike Beijing. A Chinese military officer responded by arguing that China does not view developments in India’s nuclear arsenal as threatening because China has sufficient capability to deter India, India has a NFU policy, and bilateral relations are at an all-time high. Moreover, both India and China know that the likelihood of nuclear warfare is very low, so their nuclear arsenals are not a major security concern for either government. A Chinese military officer added that even the deployment of the Agni-3 is not a major concern for China.

Panel 3: The Challenge of Nuclear Terrorism

Chinese Presentation

The Chinese presenter, Yang Mingjie from the China Institutes of Contemporary International Relations, covered three issues: (1) the threat of nuclear terrorism facing China; (2) China’s measures to address this threat; (3) U.S.-China cooperation on nuclear terrorism.

The presentation began with a detailed analysis of the growing nuclear terrorism threat facing China. Yang began by arguing that “there are increasing sources of potential nuclear weapons proliferation.” He highlighted the nuclear tests in South Asia in 1998, the potential for the Iranian nuclear issue to deteriorate, and the fact that numerous countries on China’s border want to develop nuclear energy for unclear purposes (and, among them, many have weak domestic controls on nuclear materials). Also, the channels of nuclear proliferation are growing, as seen in the A.Q. Kahn procurement network. All of these factors “increase the threat or potential threat of nuclear proliferation to China’s security.”

In addition to the danger of nuclear proliferation, China faces dire threats from Islamic terrorists. He noted that the Eastern Turkestan Islamic Movement (ETIM), which is closely associated with Al-Qaeda, is most likely to initiate a nuclear terrorist attack against China. ETIM, he claimed, has extensive and strong ties to Al-Qaeda and has demonstrated a desire to conduct terrorist activities in China. He stated, “ETIM has been incessantly plotting terrorist activities in China and was involved in several bombings in Xinjiang province. ETIM has been working on
getting more powerful weapons and explosives, and has threatened to do something ‘big’ before the 2008 Olympics. This March, China uncovered an ETIM conspiracy to hijack a plane.” He continued that once ETIM acquires fissionable materials, either from Al-Qaeda or from the nuclear black-market, it could use them to conduct attacks on China. “ETIM’s area of activity outside of China includes Afghanistan, Turkey and several other Central Asian countries. These countries and areas happen to be where there is rampant nuclear smuggling and international organized crime. Once Eastern Turkistan establishes connections with these entities or directly obtains nuclear fissionable or radioactive materials from Al-Qaeda, it would constitute a great danger to China’s national security.”

Yang Mingjie enumerated steps China has taken to protect itself against nuclear terrorism. He addressed government actions, mainly related to improving controls on fissionable materials. The four Chinese government actions include: (1) establishing a basic domestic management system for nuclear materials security and participating in international activities aimed at strengthening domestic nonproliferation and nuclear security; (2) implementing effective national controls over the export and transit of sensitive items related to sources of proliferation, including adopting proper laws and regulations to monitor the export, transit, transfer and re-export of sensitive items; (3) cooperating with other countries on improving international nonproliferation controls, such as through implementing of UNSC 1540 and working with the IAEA to improve China’s and other nations’ capabilities for material protection, control and accounting (MPC&A); and (4) establishing a complete nuclear emergency management mechanism within China.

The last issue Yang addressed was prospects and problems in bilateral nuclear security cooperation. He noted that China recognizes the importance of bilateral cooperation with the United States and has been proactive in promoting cooperation. For example, the United States and China have already initiated regular dialogues and conducted extensive exchanges on non-proliferation and nuclear material security. He highlighted the examples of a 2005 Material Protection, Control & Accounting demonstration in China, the Container Security Initiative and the Megaports program. Yang also mentioned U.S.-Chinese cooperation on security for the Olympic Games and noted that China supports the Proliferation Security Initiative in principle, although it has concerns about its international legality. He urged the U.S. to take a long-term perspective and engage in more robust nuclear security cooperation with China.

These successes aside, there are two major problems limiting bilateral cooperation, Yang asserted. The first is that the United States and China use different definitions of terrorism. Yang stated that, “for organizations which do not directly endanger U.S. interests, the United States not only refuses to identify them as terrorist organizations, but also provides support to associated organizations or individuals.” Most specifically, he stated that, to date, the United States has only been willing to list ETIM as a terrorist organization (because it planned to attack the U.S. embassy in Kyrgyzstan). But, the U.S. government has been unwilling to classify three other organizations that China considers to be terrorist, including the East Turkistan Liberation Organization, the World Uyghur Youth Congress, and the East Turkistan Information Center. A second problem is U.S. export controls on high tech exports to China, which Yang argued “not only obstruct the smooth development of U.S.-China advanced technology trade but also impede Chinese imports of more nuclear materials detection equipment from the United States.” He cited
the June 2007 U.S. release of the new “China Rule” (which extended U.S. Commerce Department export controls to an additional 20 dual-use items) as a prime example of such obstacles to cooperation. In closing, Yang stated, “to deepen [bilateral] cooperation, the double standards imposed on counter-terrorism issues need to be changed and mutual interests need to be taken into consideration.”

**U.S. Presentation**

The U.S. presentation, by Adm. Richard Mies, focused on the importance of defense-in-depth strategy that relies on multiple policy layers in order to prevent nuclear materials from getting into the hands of terrorists. Mies’ presentation began with the premise that, “While terrorism may never be completely eradicated, theoretically terrorist acquisition of nuclear material or nuclear weapons can be.” And, as a result, “the principal imperative of strategies to defeat nuclear terrorism must be to safeguard HEU and [plutonium] against all forms of illicit traffic.”

He argued for the U.S. pursuit of a policy that utilizes numerous tools to create an integrated, layered defense on an international and national level against theft of nuclear materials. The underlying premise is that even if some of the layers are not totally effective, a well-conceived, multi-layered defense only needs to succeed at one stage in a chain of events, whereas a terrorist must succeed in every step of the chain. He noted that such an approach might have a significant deterrent effect on terrorists.

The international component of such a strategy would have several components. It would work best by generating as much overlap as possible between the international nonproliferation regime and multilateral efforts to stem terrorism. Mies then detailed the current network of bilateral and multilateral treaties and agreements to stem proliferation and terrorism. He argued that the “capstone of this international strategic edifice is the Global Initiative to Combat Nuclear Terrorism; it is one of the few initiatives that bridge the counter-WMD and counter-terrorism regimes.”

In addition to these international efforts, the U.S. government has taken several steps to address the threat of nuclear terrorism. He noted that the centerpiece is the National Security Strategy from which are derived three Presidential-level complementary strategies: the National Strategy to Combat Weapons of Mass Destruction, the National Strategy for Combating Terrorism, and the National Strategy for Homeland Security. The U.S. approach aims to create synergies and complementarities between WMD nonproliferation and counter-terrorism activities. Beyond these policies, the next layer of U.S. strategy is the creation of new bureaucratic actors within the U.S. government that can accelerate the implementation of these strategies (e.g., the Domestic Nuclear Detection Office and the National Counterterrorism Center). The final layer of U.S. strategy is composed of a series of operational plans spread across the interagency systems and which flow directly from the aforementioned documents.

In assessing the effectiveness of U.S. and international strategies, Mies argued that the system has worked well but that “progress in some areas has been spotty.” Difficulties reaching agreement on a Fissile Material Cutoff Treaty and the in attaining full compliance with UNSCR
Mies raised three hypothetical scenarios to illustrate the grave challenges many nations face in countering nuclear terrorism:

- a North Korean nuclear program that has more than a dozen or so weapons coupled with continuing deterioration of the North Korean economy will make the DPRK government willing to sell an intact weapon for hard currency to a terrorist group.

- a coup in Pakistan could, at least in theory, result in a Taliban-like regime that, as a matter of religious duty, would provide a weapon to a terrorist organization as a means of striking a blow against the non-Muslim world.

- a failure in the MPC&A program might allow sufficient HEU to be stolen to assemble a crude, gun-type device.

Mies concluded by noting that although a strong, multi-layered defense against nuclear terrorism has been created, “more work must be done to simultaneously defeat terrorist organizations, to deny sponsorship, support, and sanctuary to terrorists, to defend and protect national interests, and to diminish the underlying conditions that breed terrorism.” He added that greater and deeper cooperation between the United States and China is both “possible and necessary.”

Potential steps that both the United States and China should consider include: continued discussion at both official and unofficial levels to ensure that the two states have a common perception of the threat; exchange of best security practices in the protection of nuclear materials in military custody; discussions to seek a mechanism where China can support the objectives of the Proliferation Security Initiative while respecting its concerns about the underlying international regime; joint cooperation to assist regional states in implementing UN Security Council Resolution 1540 and the Additional Protocol; and acceleration of China’s engagement with the Global Initiative to Combat Nuclear Terrorism.

Discussion and Debate

U.S. and Chinese participants conducted a wide-ranging discussion of the causes, consequences and barriers to nuclear terrorism. There was near universal agreement that nuclear terrorism is a common threat facing both nations and that both governments do take this threat seriously in their national security planning and programs. Some Chinese experts noted, however, that the United States views the threat more seriously than does China and, thus, this issue will likely assume a greater role in U.S. national security planning than for China.

The main theme of the discussion was the existence of numerous opportunities for greater bilateral cooperation in addressing this threat. Many Chinese, including from the PLA, specifically asked for suggestions on the roles that China and specifically the military can play in preventing nuclear terrorism. U.S. and Chinese participants discussed both technical and policy cooperation. Chinese scientists expressed interest in cooperation on strengthening protection of radioactive sources and nuclear materials, nuclear tracking/forensics, further developing China’s MPC&A capabilities, and intelligence capabilities for tracking nuclear smuggling operations.
Some U.S. participants noted the importance of China’s role in further enhancing the international illegitimacy of mass killings by terrorists. China is uniquely well positioned to undermine the moral authority of nuclear terrorism given China’s international profile as a large developing nation with a small nuclear arsenal and as a nation that has, for decades, advocated only using nuclear weapons for deterrence and supported total nuclear disarmament. Over time, Chinese efforts to augment the nuclear taboo against terrorist usage could have a significant effect in enhancing deterrence by denial in countering nuclear terrorism.

Lastly, a Chinese participant asked about the possibility of a U.S. President using nuclear weapons to preempt a major terrorist attack. Several U.S. participants noted that the possibility of nuclear preemption against such a threat is almost inconceivable; it is unclear how nuclear preemption would serve U.S. interests. Rather, the U.S. military favors preemption using high-powered and high-precision conventional munitions, which can be more tailored to narrow operational requirements.

Panel 4: Assurances and U.S.-China Strategic Stability

Chinese Presentation

The Chinese presenter, Senior Colonel Yao Yunzhu, addressed three issues in her presentation: the factors affecting bilateral strategic stability; how to achieve strategic stability; and suggestions for improving strategic stability in U.S.-China relations. Overall, she argued that strategic stability cannot be built on a foundation of misperception, and misperceptions that have taken hold on each side merit serious discussion.

Col. Yao began by arguing that there are three broad factors creating such misperceptions: (1) differences in actual military capabilities; (2) differences in U.S. and Chinese national policies toward each other; and (3) the possibility of military conflict. The greatest area of divergence is in U.S. and Chinese nuclear capabilities, and these differences are driving mutual misperceptions.

Chinese concerns that U.S. military capabilities seek to undermine China’s nuclear deterrent capability are widespread. Yao argued that several U.S. programs, capabilities and potential capabilities “pose a great threat to China’s limited nuclear weapons capabilities. China has realized that it needs to bolster its nuclear weapons capabilities so as to ensure that it does not suffer a nuclear strike from the United States.” The capabilities of particular Chinese concern include:

- U.S. development of anti-missile defenses, which China believes weakens its own nuclear deterrent capabilities.
- U.S. research and development of a bunker buster bomb and a new generation of switchable nuclear warheads (under the RRW program), which China believes will lower the nuclear threshold for which America will use nuclear weapons.
• America’s development of a prompt global strike capability, such as the three tiers (sea, land, and air) missile capability, which China thinks will adversely affect the reliability of its pledge of “not being the first to use nuclear weapons.”
• America’s development of airborne/space radars, which China believes will adversely affect the survivability of its inter-continental nuclear missiles in flight.
• America’s deployment of more than half of its inter-continental ballistic missiles on board submarines in the Pacific Ocean, which China feels is directly targeted at it.
• America’s plans to develop a comprehensive strategic power posture, which China thinks means that the scenarios under which nuclear weapons will be used as offensive weapons will be increasingly blurred, lowering America’s threshold to use nuclear weapons.
• The U.S. Congress’s refusal to sign the Comprehensive Test Ban Treaty and America maintaining its nuclear warhead stockpile make China suspect that America is possibly planning to enlarge its nuclear weapons capabilities.

Yao also acknowledged that some Chinese actions are causing corresponding U.S. concerns about Chinese nuclear capabilities. She stated:

• “How China assesses the nuclear weapons capabilities of states on the global stage and its own security environment, and the place and utility of its nuclear weapons command in its national security, and why despite the other four nuclear weapons states in the world also modernizing their nuclear capabilities, America only sees China’s nuclear modernization efforts as posing a threat.”

• In the course of China’s nuclear modernization, China has not followed the example of the other nuclear states in nuclear transparency to lower the suspicions of other states, such as publicizing the types of nuclear weapons, the quantity of nuclear weapons, and the developmental targets. America has suspected that China is giving up its minimal nuclear deterrence posture and is moving towards a limited (not minimal) nuclear deterrence posture, with the final goal being to catch up and compete with America’s nuclear weapons capabilities.

• America is preparing to use conventional weapons to destroy China’s nuclear weapons capabilities, and at the same time it is developing the capabilities to strike anywhere in the world at a moment’s notice. At the same time, talk by China specialists that China might give up its “no first use of nukes” pledge has resulted in America viewing the pledge as merely an empty slogan that cannot be relied upon.

• The Second Artillery division of the PLA is developing its nuclear capabilities by increasing the number of nuclear warheads deployed in the short to medium term, and has already been equipping them with counter-force capabilities. Americans therefore suspect that “China’s nuclear weapons in the future can be used for war fighting.”

In addition to comparing U.S. and Chinese nuclear capabilities, the Chinese presentation argued that overall U.S. and Chinese “strategy” towards each other is a second key input into bilateral strategic stability. Yao stated, “Sino-American grand strategies and their nuclear strategies will be a factor affecting strategic stability. On this point Chinese suspicions of the U.S. are much bigger than American suspicions of China.” She characterized U.S. policy toward China as a combination of both containment and engagement or as a “hedge strategy.” “The focus of America’s China strategy is to push for China to develop in a way that America wants
China to develop, and to prevent China from becoming a strategic competitor of America.” The paper also argued that in the last decade China has assumed higher importance in U.S. nuclear planning; and as evidence for this claim, she noted references to China in the 2001 Nuclear Posture Review (which were leaked to the U.S. media) and claims in U.S. media articles that China was put back in the Single Integrated Operational Plan (SIOP) in 1997.

The third leg of U.S. and Chinese strategic stability is the possibility of actual nuclear use in a conflict. Yao maintained that the most likely scenario in which China and America will engage in military hostilities is over Taiwan. China is only prepared to use nuclear weapons in one scenario, namely in retaliation for an attack on China and not, for example, to stop a conventional war over Taiwan. On the other hand, America has said that it might use nuclear weapons to stop China from using military force against Taiwan: It is stated in the report of America’s Nuclear Posture Review (NPR), that a military confrontation over the status of Taiwan is one scenario in which America will consider using nuclear weapons. America’s Pacific Command’s 5077-scenario planning has included the possible use of nuclear weapons embedded in its plans.

The Chinese presentation then turned to listing several questions that need to be addressed to foster greater strategic stability – from China’s perspective. Key questions included: Will America allow China to maintain a certain level of nuclear capabilities? How can America reduce the threat to bilateral strategic stability resulting from its development of anti-ballistic missile defenses and its airborne/space radar systems? How can America convince China that its overseas military deployments are not targeted at China, including its deployment of aircraft carrier fleets and bombers in the Pacific? Can America rule out the use of nuclear weapons in event of a Taiwan conflict? How can China convince America that it is not seeking strategic parity with America in the nuclear realm? How can China convey its military power, including its nuclear modernization goals and objectives, in a way that will not be viewed as threatening? Can both sides dispense with a “zero sum” mentality and work towards a “win-win” guiding strategy?

Drawing on these questions, Yao argued that “China and America should engage in greater dialogue with regards to [each nation’s] military transformation so as to facilitate an objective appraisal of each other’s military power and military threat” in order to prevent misperception and miscalculation. “This will also help either country understand the other’s military transformation from a big picture and multilateral perspective and not just from the perspective of bilateral posturing.” The paper enumerated several confidence-building steps for both sides to consider. For the United States, possible actions include:

- America should avoid using antagonistic language against China in its official documents. The Nuclear Posture Review (NPR) should not list China as one of the countries that America is prepared to launch a nuclear strike against.
- America should use appropriate channels to state that Taiwan is not a place covered by America’s extended deterrence doctrine, and that the Taiwan Straits is not a place where America will use nuclear weapons. America should give up its nuclear plans that specifically target China.
• America should do away with the possibility of a conventional strike against China’s nuclear weapons facilities. This will help ensure that China feels more secure and abides by its “no first use of nuclear weapons” policy, and that China will not feel compelled to do away with the pledge.

• In its development of anti-ballistic missile defenses and its airborne/space radar systems, America should communicate to China’s military scientists that these systems are not specifically developed to weaken China’s nuclear posture.

For China, possible actions include:

• China’s military modernization, its goals and objectives, and its developmental targets and trends should be discussed more comprehensively and in greater detail in China’s Defense White Papers as well as in other official documents.

• In China’s reaffirmation of the pledge not to be the first to use nuclear weapons, China should use various ways to eliminate the possibility of using nuclear weapons in the Taiwan Straits.

Yao added that China is seriously analyzing the implications of increasing its nuclear transparency, and so America should not concurrently be overly critical of China’s lack of nuclear transparency. America should understand that because the other major nuclear powers all enjoy a nuclear capability that can survive a first strike, the other major nuclear powers can all afford to be transparent in their nuclear capabilities, and even display their nuclear weapons so as to increase their deterrence effect on would be aggressors. China’s small nuclear arsenal, on the other hand, might not survive a first strike, and so China needs to be more opaque about its nuclear capabilities to increase the uncertainties as to whether a first strike can succeed in disarming it. This fact means that it is unlikely that China can ever be as transparent as America is with regards to its nuclear arsenal. Allowing China to maintain its nuclear opaqueness might paradoxically help maintain the nuclear stability between China and the United States, Yao argued.

A final recommendation was that the United States and China should expand current cooperation on nuclear issues as a way to build up a track record of cooperation. Areas ripe for more cooperation include: nuclear terrorism; nuclear weapons safety and security; institutionalizing the newly initiated nuclear policy dialogue; expanding crisis management discussions; and generally improving the climate for defense exchanges by revising or eliminating clauses in the 2000 National Defense Authorization Act that restrict U.S.-Chinese cooperation.

U.S. Presentation

The U.S. presentation, from Dr. Brad Roberts of the Institute of Defense Analyses, offered four arguments about the sources of strategic stability in U.S.-China relation and then put forward possible approaches to bolster strategic stability.

The first argument was that “experts in China and the United States do not yet agree on the sources of instability in the strategic military relationship nor do they agree on what to do to
promote stability.” Roberts noted that Chinese experts highlight the following U.S. policies and actions as fostering instability:

- The most destabilizing capability is missile defense, which may negate the viability of China’s nuclear deterrent.
- Non-nuclear strategic strike systems are also destabilizing, because they call into question the effectiveness of the Chinese force in “absorbing the first blow,” and thereby also make a weak U.S. missile defense more effective against counter-attacking Chinese forces.
- America’s rejection of no-first-use and its elaboration of a doctrine of preemption and preventive war are understood in China to signal a U.S. intent to rely on nuclear threats and even nuclear war-fighting in a confrontation with China.
- The Bush National Security Strategy signals an intent to move away from the balance of power as the foundation of major power stability and to seek “absolute security,” defined as the “freedom from attack…and freedom to attack” any country, even a nuclear-armed major power such as China.

Roberts continued that U.S. perceptions of the sources of instability and of what to do about them differ from Chinese perceptions. Key U.S. views include:

- China is building up its strategic forces. As the 2006 Defense White Paper clearly states, China is committed to “major progress” over the next decade, including explicitly in the nuclear forces associated with the Second Artillery and PLA Navy. This contrasts with developments in the nuclear postures of the other NPT-recognized nuclear weapons states; the other four are all shrinking their arsenals.
- With the improvements to its production base and force structure, China seems to be getting ready to make a “sprint to parity” with the United States and Russia. This possibility seemed remote so long as the United States and Russia maintained huge nuclear inventories. But the two are expected to make far deeper reductions over the period in which China envisions “major progress,” making this “sprint” more plausible.
- China has promised to “exercise great restraint in developing its nuclear force” (in the 2006 White Paper) but does not offer any information about how the program of “major progress” aligns with this promise. There is no basis for forming a judgment and this in itself is unsettling. Indeed, China is by far the least transparent of any of the other nuclear weapon states. The lack of programmatic transparency suggests to many American experts that China has something to hide—something that would be damaging to China’s interests if revealed because it would be threatening to others.

In short, each side now blames the other for the instability in the strategic relationship and puts the onus on the other to fix the problem.

Roberts’ second argument is that “without improved mutual understanding, neither country will be assured by developments in the posture of the other. Unless more is done to promote stability, we are headed for deeper political trouble.” Neither expert community should expect the leaders of the other country to fully endorse the confidence building steps of the other.
Experts in both countries need to come to terms with a few hard facts. China’s expert community needs to come to terms with the following:

- The “new triad” is here to stay in America’s strategic posture. The words may change, but the concept of reducing reliance on nuclear weapons by increasing reliance on non-nuclear means and defenses has strong bipartisan support.
- The U.S. resistance to no-first-use is deeply engrained. It has almost nothing to do with a desire to use nuclear weapons first. It has almost everything to do with Cold War experience and the knowledge that Soviet no-first-use pledges were a lie. It also has something to do with the conviction that calculated ambiguity (the U.S. alternative to no-first-use) serves important U.S. interests in assuring allies and deterring “rogue” challengers; indeed, American experts see these U.S. interests as shared with China.
- The United States is highly unlikely to make the explicit promise of mutual vulnerability that China seeks. In American eyes, China is different from Russia. But China is also seen as different from the “rogue states” in American eyes. Because China is unique, it should be treated uniquely. Given uncertainty about China’s future international roles but also a desire to reinforce positive developments in Chinese thinking, most U.S. leaders strongly prefer not to choose now about whether to accept mutual vulnerability or to try to close it off. China’s experts should recognize that the United States is not presently pursuing the development of its strategic military capability with the ambition of closing off that vulnerability.

Similarly, U.S. experts need to accept certain realities about China:

- China probably does not know what the “end-state” of its nuclear force modernization is. It may have an interim answer in the current or next five-year plan. But China is no more able to specify an end state than the United States is able to specify an end state in the development of its “new triad.” For both countries, the answer is that “it depends.” The end state depends on choices not yet made, and choices made by others, and how those choices interact.
- China seems highly unlikely to make a formal commitment of any kind about the future size and characteristics of its nuclear force. This is not to rule out the possibility of some informal political understanding.
- Transparency about the logic underlying the design of China’s next nuclear posture may well not have an assuring effect. As the characteristics of China’s strategic forces change with modernization, the minimum deterrent is giving way to a limited or “active” deterrent, with operational improvements of a kind that suggest some war-fighting capacity.

Roberts continued that these diverging perceptions have already begun to raise questions in the United States about the value of a nuclear dialogue with China. Some U.S. officials and experts have expressed considerable disappointment with the nuclear policy dialogue between our two countries. They argue that the United States has already made many assurances to China about its strategic intentions, and yet China continues to insist that assurances are needed. Some in the United States even interpret continued Chinese complaints about the destabilizing impact
Roberts’ third argument was that “improved mutual understanding is possible, but it requires that experts in both countries stop over-simplifying the problem.” He argued that the sources of instability in the U.S.-PRC strategic relationship are more complex than so far described by Americans and Chinese. Each side has oversimplified by problem and, in doing so, has tried to shift the blame to the other side in a situation where “blame” can’t be simply attributed to one or the other. Rather than focus on the potentially damaging effects that actions by one side have on the other, analysts should focus on the interaction of the choices of the two countries and the larger system within which they are being made.

Roberts noted that the primary source of instability in the relationship today, as it has become more dynamic, is its unpredictability. In order for both sides to be assured, they must have a common view of how the relationship will evolve even as key technical characteristics and operational capabilities evolve. This form of assurance seems likely to be far more potent than political promises (that are not always seen as credible). With such a common view, the two countries can then take specific, practical steps to manage their relationship as they deem necessary and appropriate.

Roberts’ fourth and final argument was that “getting to the best case scenario in 2020 requires that strategic dialogue be wider and deeper than so far conceived.” Achieving such a level of strategic stability in U.S.-China relations requires greater transparency from China—to a degree sufficient to provide predictability in the further development of its nuclear forces. It also requires greater transparency from the United States, in terms of the conditions that would allow it to continue to NOT decide about whether or not to try to close off its strategic vulnerability vis-à-vis China. Indeed, it requires a clear articulation of the factors that would allow each country to tolerate the force adaptations of the other without responding in a way that seeks to gain some new advantage. It also requires clear expressions of restraint in the development of the forces “after next.” Such commitments are obviously difficult in capitals fearful of appeasing a potential adversary.

Discussion and Debate

The discussion and debate touched on several of the issues that were raised in both presentations. First, U.S. participants argued that Chinese perceptions of the nature and scope of the U.S. nuclear modernization program were inaccurate and often over-stated the aims of U.S. programs. U.S. experts addressed Chinese claims in detail.

- The RRW program, U.S. experts argued, should be seen as similar to Chinese modernization efforts – as a program to ensure the safety and reliability of U.S. nuclear weapons.
- Similarly, U.S. participants explained that the RNEP program was cancelled years ago and was never intended to be a new tactical nuclear weapon but to replace an existing warhead.
- On U.S. military deployments in the Western Pacific, U.S. experts noted that the U.S. Navy has reduced the total number of SSBNs from 18 to 14 and converted four of them to carry
U.S. experts also argued that the authors of the 2002 NPR had no intent to lower the nuclear threshold. Rather they sought to lower the salience of nuclear weapons in U.S. strategy while boosting conventional military capabilities. Chinese participants responded by arguing that they value the U.S. clarifications of U.S. policy and that these underscore the value of more bilateral dialogue.

Chinese participants also highlighted what they deemed misperceptions and mischaracterizations of China’s nuclear program and capabilities. One senior Chinese participant disagreed with the U.S. characterization of how the general goals for China’s military modernization – as articulated in the 2006 Defense White Paper – inform the development of Second Artillery capabilities. The White Paper’s language calling for “major progress” by around 2020 was dismissed as irrelevant to China’s nuclear force modernization, as was the word “build up” used in Western reporting of Chinese leadership statements. The senior Chinese expert continued that the only objective of nuclear modernization is preservation of a credible retaliatory capability in the light of “objective international conditions.” He cited the following text of the 2006 White Paper to make his case that there is no build up or expansion and instead there will be only modest development: “The Second Artillery Force aims at progressively improving its force structure of having both nuclear and conventional missiles, and raising its capabilities in strategic deterrence and conventional strike under conditions of informationization.” He even suggested that the number of China’s nuclear weapons may decrease as the effectiveness of China’s forces improves.

Furthermore, several Chinese noted that China’s modernization efforts are entirely predictable, as demonstrated by the consistency in its nuclear strategy and policy over the last two decades. They argued that China will never seek parity with the United States because it is not necessary for deterrence, and seeking parity but not attaining it would leave China in a worse position. Several Chinese participants criticized the U.S. approach of looking at China through the lens of the U.S.-Soviet relationship, which they insisted would result in a major strategic mistake. A Chinese PLA officer urged the U.S. to consider a bilateral NFU with China, which would eliminate worries about the use of nuclear weapons in a Taiwan Strait scenario.

A second topic of discussion and debate was the relative value of ambiguity/transparency in Chinese nuclear policy. U.S. participants argued that ambiguity has reached a point of diminishing returns for China, but that Chinese strategists don’t seem recognize this. U.S. experts stated they can understand why ambiguity about the size and composition of Chinese nuclear forces served China’s interests in past decades, when China had a small and relatively vulnerable arsenal. Now that China has accelerated its modernization, ambiguity can be destabilizing not only for U.S.-China relations but also with nations on China’s periphery. A U.S. government official argued that in the face of uncertainty about China’s nuclear weapons programs, U.S. policymakers and analysts impose their own biases, which often reflect the uncertain nature of U.S.-China political relations.

Furthermore, U.S. participants noted that it is entirely understandable that China does not know the “end state” of its nuclear modernization – just as the United States can’t specify the
“end state” of its development of the new triad. But, as an interim step, bilateral strategic stability would benefit from an explanation from the Chinese government about their current plans, such as an initial figure for the planned size of their SSBN fleet. Such information from China, U.S. experts argued, would not undermine China’s deterrent and would inject a degree of stability in bilateral strategic relations.

Third, participants discussed the likelihood and value of the United States offering nuclear-related assurances to China. Chinese participants noted that a U.S. statement accepting mutual vulnerability in U.S.-China strategic nuclear relations would be a stabilizing development, although they differed on the value of such a statement given that mutual vulnerability is a reality—regardless of U.S. public statements. Some U.S. participants responded that the U.S. government is unlikely to make such a statement, but might be willing to offer other assurances. U.S. participants then asked, “What would the United States get in return for such assurances?” Other U.S. participants noted that mutual vulnerability is a reality in U.S.-China nuclear affairs (and one which the United States does not openly reject). Chinese participants responded that such assurances are important because it is unclear to many Chinese whether the United States will try to remove itself from the condition of mutual vulnerability by developing capabilities to eliminate China’s nuclear deterrent.

A PLA officer proposed that space be included in the next round of our dialogue, and expressed a view opposing weaponization of outer space and cyber warfare. Such a discussion should include explanations as to why both sides are developing these capabilities. If there is a shared judgment that continuing in this direction is not in our interests, then we should work with the international community to negotiate an international convention banning space and cyber warfare. The PLA officer maintained that China has concerns about the 2006 United States National Space Policy, which stated that it is necessary for the U.S. to ensure freedom of action in space and at the same time have the capabilities to deny such freedom of action to potential adversaries.

Panel 5: Beyond START and SORT to the Future of Global Arms Control

Chinese Presentation

The Chinese presentation, delivered by Senior Colonel Sun Haiyang of the Second Artillery Command College, provided a general overview of United States and Russian arms control policies and the global disarmament situation. This paper detailed a variety of challenges and also offered proposals for advancing progress on global arms control and nonproliferation.

The Chinese presentation began with a positive assessment of recent trends in global arms control. It noted, “In the last twenty years, the international community has made great efforts yielding significant results in nuclear arms control and disarmament. In particular, a series of bilateral agreements between the Soviet Union (later Russia) and the United States, such as the INF and the Strategic Offensive Reductions Treaty (SORT, also known as the Moscow Treaty), have led to considerable reduction of their nuclear arsenals. In doing so, they have met the international community’s desire to decrease the world’s stockpile of nuclear weapons and
reduce the likelihood of nuclear conflict. We have also taken note of American and Russian aspirations to establish even more comprehensive nuclear disarmament mechanisms in order to move the international nuclear disarmament agenda forward.”

The presenter then addressed three areas that deserve greater attention in bilateral dialogues on strategic stability. The first is regarding nuclear assurances; the paper argued that “preservation of international nuclear security and stability requires first and foremost the nuclear-armed states to give up the option of nuclear first strike from their nuclear deterrence strategy.” The Chinese presenter reiterated China’s NFU commitment and called on the United States to assume such a commitment. Second, the Chinese presentation called for “a comprehensive ban on and complete disarmament of all nuclear weapons” in a manner that is verifiable, irreversible and supported in binding legislation. The paper specified that this should be done in a gradual manner that reflected the actual size of nuclear nations’ arsenals. “Since nuclear superpowers already enjoy absolute numerical advantage, disarming nuclear states should be assigned graduated and individualized targets so as to be fair to and acceptable for the nuclear middle powers.”

The third issue, enhancing global nuclear nonproliferation efforts, was characterized as a major international security priority but one facing numerous challenges. The Chinese presenter offered several policy prescriptions to enhance the nonproliferation regime, including: expanding the international community’s involvement in the international nonproliferation regime; addressing the security concerns of non-nuclear states by engaging in irreversible and substantive disarmament, pledging not to use nuclear weapons against non-nuclear states, and refraining from developing weapons that may lower the nuclear threshold; enhancing non-nuclear states access to civilian nuclear technology; and improving nuclear weapons states’ control over nuclear materials and technologies to prevent illicit exports.

The Chinese presentation concluded with a summary of the numerous and growing challenges to arms control and nonproliferation trends. “The end of the Cold War and collapse of bipolarity have decreased the threat to international nuclear security. As the nuclear superpowers pursue nuclear disarmament – even if only out of concern for their own interests – people of the world have raised their hopes for the prospect of a completely nuclear weapons-free world. Yet, the world seems to have taken a U-turn as the threat of nuclear terrorism and acceleration in nuclear proliferation are increasingly making prior optimism seem premature.”

**U.S. Presentation**

The U.S. presentation, delivered by Robert Einhorn from CSIS, addressed three broad issues: “current efforts by the United States and Russia to work out a replacement for the START I Treaty; the outlook for U.S.-Russian nuclear arms reductions under a new U.S. Administration; and prospects for pursuing nuclear arms control and other nuclear threat reduction measures on a multilateral and even global basis.”

Einhorn began by explaining the complexities of the problems posed by START I’s expiration. He noted that when START I, which entered into force in 1991, expires in December 2009, the bilateral Moscow Treaty of 2002 will still be in place. But the Moscow Treaty
contains no limits on strategic delivery vehicles (i.e., long-range missiles and bombers) or non-deployed nuclear weapons, allows excess delivery vehicles and nuclear weapons to be stored rather than dismantled, contains no verification measures, and expires at the end of the same day that its weapons ceiling takes effect (allowing its parties to start building back up on January 1, 2013 if they so decide).

When U.S.-Russian talks began in March 2007 on what would take the place of START I after its expiration, the Bush Administration took a minimalist position. It argued that START – aimed at stabilizing deterrence and reducing incentives to launch nuclear attacks – was a vestige of the Cold War and was not needed now that the two countries were no longer enemies. The Russians favored a treaty structured much like START – with numerical limits on strategic delivery vehicles and nuclear weapons. In the course of several meetings, the large gap between the two sides narrowed somewhat. The Russians agreed that START’s elaborate verification provisions could be scaled back substantially. The United States conceded that the follow-on arrangement could be legally binding, and it agreed to borrow more heavily from START I’s monitoring, data exchange, and pre-notification procedures than it had originally intended. But it continued to oppose a reduced ceiling on nuclear warheads as well as any START-type limitation on strategic delivery vehicles.

Given this and other differences, the two sides have remained far apart. Although Presidents Bush and Putin agreed in April at their meeting in Sochi “to continue development of a legally binding post-START arrangement,” there is little prospect that agreement will be reached before the next U.S. President takes office in January 2009.

Moreover, Einhorn argued that the next U.S. President will face numerous arms control policy challenges, but these will be taken in the context of a broad and far-reaching review of U.S. strategic policy that will focus heavily on the role of nuclear weapons in U.S. national security policy. The U.S. government is currently conducting a major nuclear policy review, and there are parallel efforts occurring within Congress and non-government institutions.

A new factor affecting these processes is the recent proposal by a bipartisan group of eminent American statesmen – Henry Kissinger, Sam Nunn, William Perry, and George Shultz – that the U.S. adopt the goal of a world without nuclear weapons and proceed toward that goal in a series of practical, concrete steps, including entry into force of a comprehensive test ban treaty, negotiation of a multilateral fissile material cutoff treaty (FMCT), and reductions in nuclear forces by the U.S., Russia, and other states that possess them.

Einhorn argued that there seems to be an emerging consensus in the United States that while it is important to maintain a reliable and effective nuclear deterrent for the foreseeable future, the United States can accept further major reductions in its nuclear forces and codify those reductions in a legally binding agreement with Russia containing verification measures that draw significantly on START I. While there may not be enough time for a new administration to complete an agreement before START expires in December 2009, there are several options to make sure an agreement is in place before START I expires. Einhorn noted that the easiest would be to allow the START Treaty to expire in December 2009 but for both countries to
announce beforehand that, pending the conclusion and entry into force of a follow-on agreement, they would voluntarily act as if still legally bound.

Einhorn’s last section focused on the prospects for multilateral arms control. He argued that despite today’s asymmetries among the nuclear weapons states, a range of nuclear arms control and threat reduction measures could usefully be pursued by two or more among the current eight nuclear weapon states (i.e., the P-5 plus India, Pakistan and Israel). Such measures could take a wide variety of forms. In terms of participation, they could be bilateral, multilateral (at eight or fewer), or universal. They could be informal or formal, legally binding or voluntary, agreements or simply consultative arrangements. The measures he addressed included: the CTBT; the FMCT; a Fissile Material Control Initiative (FMCI); a “no increase” initiative among nuclear weapon states; multilateral consultations on preventing the inadvertent use of nuclear weapons; negative security assurances; missile defense; preventing nuclear terrorism; and transparency and confidence building measures.

Discussion and Debate

The Chinese participants reacted positively to the proposals on bilateral (U.S.-Russia) and multilateral arms control proposals put forward in the U.S. presentation. Several Chinese noted, specifically, that greater stability in U.S.-Russian strategic relations would be a positive development for China and add a degree of predictability to its regional security environment. But several Chinese also questioned how feasible Einhorn’s proposals would be to accomplish. Several Chinese experts noted that just getting agreement on the first two proposals, CTBT ratification and acceptance of the FMCT, would be major accomplishments.

Several Chinese participants also expressed support for Einhorn’s negative security assurance formulation, but noted that China’s NFU pledge is the most far-reaching negative security assurance among the declared nuclear weapon states. Some Chinese also maintained that keeping the option of using nuclear weapons to deter use of chemical or biological weapons would still provide an incentive for certain states to develop nuclear weapons. Einhorn clarified that his formulation of a negative security assurance (no nuclear use against non-nuclear weapon states that are in full compliance with their nonproliferation commitments), avoids the CBW issue but, to be effective, would also require a U.S. policy statement regarding the nature of its conventional response to a CBW attack.

There was some discussion about the destabilizing implications for arms control of U.S. missile defense policies and programs. Chinese participants argued that the U.S. withdrawal from the ABM Treaty was very damaging to global arms control progress, and U.S. pursuit of missile defense capabilities undercuts incentives for states to engage in arms control. U.S. participants responded that its possible for the United States to develop missile defense while also assuring states that the United States does not seek to eliminate their deterrent capabilities. U.S. experts continued that, although it is unlikely that the ABM Treaty would ever be resurrected, some limited form of arms control that constrains missile defense development is possible.
Several Chinese participants stressed the growing link between U.S. space policies and strategic stability. Chinese experts maintained that U.S. advances in space—especially capabilities related to missile defense such as sensors, satellite detection and tracking, and long-range precision strikes—are a source of concern for many states (including China) who fear that the U.S. military could use such non-nuclear capabilities to eliminate their deterrent capabilities.

**Panel 6: Conference Summary**

**U.S. Presentation**

Admiral Dennis Blair (USN, Ret.) provided a summary that highlighted key insights from this meeting and areas of progress from previous conferences. He began with general comments that the quality of this bilateral dialogue was by far the best since the full conference process was started in 2004. Both sides were more informed about the other and more forthright about their views, which added to a genuine and high quality exchange of views. Blair noted that one constraint on the quality of the discussion was that China has too much information about U.S. nuclear policies and programs (often based on unreliable press leaks), whereas U.S. experts often have too little information about China (based on Chinese government documents). This leads to inaccurate assessments and conclusions by analysts from both nations. Blair recommended that analysts on both sides seek to find more authoritative and unclassified sources of information, especially given the high technical content of many nuclear and missile defense issues. Both sides should also be far more skeptical about data that underlies many of their assumptions. Given the technical nature of many nuclear and missile defense issues, having the right information is a critical input to bilateral strategic stability.

Secondly, Blair stressed the importance of greater transparency of intentions and capabilities on both sides. Much of the misunderstanding exhibited in the conference discussions resulted from limited understanding, confusion, and misperception. Blair argued that most of the participants in the bilateral dialogues between U.S. and Chinese experts on strategic nuclear affairs are moderates and that our voices need to be reinforced in both the United States and China. And one way to do this is with more and better information.

Blair continued that bilateral strategic stability would benefit from the identification on both sides of “zones of maneuverability,” which he characterized as areas in the policies and programs of each country that would not be destabilizing to the other. The aim of such “zones of maneuver” would be to inject a degree of predictability into the inevitable changes in U.S. and Chinese policies and programs on nuclear weapons and related strategic capabilities.

Blair reiterated the importance of maintaining the proper balance between the overall bilateral political relationship and strategic nuclear questions. He stressed that both sides should work to prevent nuclear (and related strategic) issues from coming to the forefront of the U.S.-China security relationship, as that would undermine strategic stability. He also stressed the importance of ensuring that nuclear weapon and missile defense issues are always assessed in the context of the overall bilateral political relationship. That context should be the lens through which leaders in both nations assess the policies and programs of the other. Blair added that the
current U.S.-China political relationship is very stable and positive, with areas of cooperation expanding as China’s global interests broaden.

A final point was that both U.S. and Chinese participants expressed consistent interest in expanding practical cooperation on nuclear terrorism and nuclear safety and security issues. The U.S. side heard more appeals for greater cooperation from the Chinese side than in past meetings. Much of this cooperation is very technical and deserves exploration by officials on both sides.

Blair urged that another iteration of this conference be held in Spring 2009 so that the results can be fed into policymaking on both sides – and during a time in the United States when nuclear questions will be given renewed attention.

**Chinese Presentation**

Zhang Tuosheng, from CFISS, provided the Chinese summary for the final panel. He also began by underscoring the high quality of the dialogue and noted that this process had clearly demonstrated its continuing value to both sides. The exchanges clarified misunderstandings, narrowed misperceptions, exposed areas of greatest differences (even when agreement could not be reached), and opened areas of possible new cooperation.

Zhang emphasized several points which he said reflected a consensus: (1) there are many opportunities for greater cooperation on nuclear terrorism and nuclear security issues and both sides expressed interests in developing them; (2) a central challenge for U.S. and Chinese policymakers is how to find strategic stability amid dynamic change in U.S. and Chinese nuclear policies and capabilities; (3) seeking strategic stability needs to be part of but not intimately linked to the broader U.S.-China political relationship; (4) and leaders on both sides should adopt a long-term perspective about bilateral strategic stability, which means they should not react to every little policy or technical change without waiting for its ultimate impact to be fully realized.

Zhang then turned to reiterating some key Chinese arguments raised during the conference. He noted that China’s nuclear modernization program is focused on enhancing the quality and maintaining retaliatory capability of Chinese nuclear forces. He stated that China does not seek parity with the United States. He suggested China will gradually become more transparent, but this will take time and likely not be as complete as desired by U.S. experts. He noted that China would continue to look to the United States for assurances that it is willing to accept a situation in which China possesses a credible retaliatory capability (and, thus, one in which China can hold at risk some U.S. targets).

Lastly, Zhang addressed the next phase of this bilateral conference series. He agreed that holding another conference in Spring 2009 would be best. He expressed an interest in including “outer space” issues in the next conference. He stated that both sides, in the interim, should seek to improve the synergies with the official “Track 1” nuclear strategy discussions, such as by developing concrete suggestions for bilateral cooperation based on this conference’s exchanges.
Discussion and Debate

Following the summary, the discussion focused on issues that deserve more attention in subsequent conferences. U.S. and Chinese participants raised the following topics: (1) efforts to stem Iran’s nuclear weapons program and the consequence of failure; (2) practical steps to implement the “four eminent statesmen’s” proposal to move towards a nuclear-free world; (3) the impact of cyber-security and space-security on strategic stability; (4) the implications of cross-Strait stability on nuclear relations – how will improvements in the former impact the latter?; and (5) practical steps to maintain strategic stability during a period of dynamic change in the nuclear policies and capabilities of both nations.
Appendix I: Conference Agenda

U.S.-China Strategic Nuclear Dynamics
CSIS-RAND IDA-CFISS Workshop, June 9-10, 2008

Monday, June 9

9:00 – 9:15  Welcoming Remarks

Mr. ZHANG Tuosheng, Director of Academic Assessment Committee, CFISS
Ms. Bonnie Glaser, Senior Associate, CSIS

9:15 – 12:00 (with break from 10:45 – 11:00)
Panel 1:  Factors Influencing Nuclear Force Modernization

The Bush administration is in the final year of its efforts to implement the ideas contained in the 2002 Nuclear Posture Review, and a new review can be expected in 2009. China will issue a new defense white paper in 2008 and thereafter formulate a new five-year plan to guide the desired “major progress” in creating an improved nuclear deterrent. How might international and domestic factors influence these next steps in the formulation of nuclear policy and strategy?

Key Questions:
• Are there developments in the international nuclear situation that will significantly influence nuclear policy and strategy?
• What domestic factors might be important in the next cycle of policy and strategy development?
• How might these factors influence assessments about needed military capabilities?

Panel Chair: Professor LI Bin, Institute of International Studies, Tsinghua University

U.S. Speaker: Ambassador Linton Brooks, former administrator, National Nuclear Security Administration

China Speaker: Academician HU Side, Former President, China Academy of Engineering Physics

12:00 – 1:45  Lunch

1:45 – 3:45
Panel 2: New Nuclear Challenges in Asia
Chinese and American experts have now had various opportunities to talk about the nuclear challenges posed by proliferation to North Korea and by developments in the China-U.S. strategic military relationship. But there are other nuclear challenges in Asia. India and Pakistan continue to develop their nuclear arsenals and missiles. Russia has reemphasized nuclear weapons in its military doctrine, is modernizing its capabilities, and threatens to withdraw from the key treaty constraining its theater nuclear force. The latent industrial capacity for nuclear weapons is highly advanced in some countries. If Iran acquires nuclear weapons, a cascade of proliferation may be unleashed in that region. What are the opportunities for Sino-U.S. cooperation?

Key Questions:

- Of these new challenges, which is the most important, and why?
- How will these challenges influence policy and strategy?
- What expectations does each country have of the other about the types of cooperation needed to meet these new challenges?

Panel Chair: Ms. Bonnie Glaser, Senior Associate, CSIS

China Speaker: Mr. FAN Jishe, Research Fellow, Institute of American Studies, Chinese Academy of Social Sciences

U.S. Speaker: Dr. Michael Nacht, Aaron Wildavsky Dean & Professor of Public Policy, University of California

3:45 – 4:00 Break

4:00 – 6:00
Panel 3: The Challenge of Nuclear Terrorism

Chinese and American views of the risks of nuclear terrorism have grown closer in recent years. Both countries have become more concerned about the dangers of nuclear terrorism. How can the U.S. and China promote their shared interests in this area?

Key Questions:

- What are the similarities and differences between China and the U.S. in the perception of the risks of nuclear terrorism?
- What steps can each country take by itself to reduce the risks of nuclear terrorism?
- What steps can they take together?
- Can the Global Initiative to Combat Nuclear Terrorism become a more effective mechanism for cooperation and capacity building?

Panel Chair: Ambassador HU Xiaodi, Ambassador, Arms Control and Disarmament Department, Ministry of Foreign Affairs

U.S. Speaker: Admiral Richard Mies, U.S. Navy (ret.), former Commander in Chief, U.S. Strategic Command
China Speaker: Mr. YANG Mingjie, Assistant President, China Institutes of Contemporary International Relations

6:30 Dinner

Da Dong Roast Duck Restaurant, Nanxincang Building (opposite Swissotel)

Tuesday, June 10

9:15 – 12:00 (with break from 10:45 – 11:00)
Panel 4: Assurances and China-U.S. Strategic Stability

U.S.-Chinese dialogue on nuclear weapons issues must address the primary sources of instability in the strategic military relationship. Each side desires assurance from the other that it will not make the strategic military relationship more unstable. What assurances are needed?

Key Questions:
• What are the sources of instability in the strategic military relationship?
• What can be done to minimize those instabilities?
• What misperceptions need to be corrected?
• What assurances could be provided that would enhance strategic stability?

Panel Chair: Mr. Andrew, Hoehn, Vice President and Director of Project AIR FORCE - RAND Corporation

U.S. Speaker: Dr. Brad Roberts, Research Staff Member, Institute for Defense Analyses

China Speaker: Senior Colonel YAO Yunzhu, Director, Asia-Pacific Research Office, Department of Foreign Military Studies, Academy of Military Sciences, PLA

12:00 – 1:45 Lunch

1:45 – 3:45
Panel 5: Beyond START and SORT to the Future of Global Arms Control

The U.S.-Russian nuclear relationship is entering a period of uncertainty, as START 1 expires in 2009 and SORT (the Treaty of Moscow) concludes in 2012. Washington and Moscow have begun to discuss how to continue nuclear reductions in an evolving strategic framework. They are also pursuing a possible multilateralization of the INF Treaty. How might the global arms control framework evolve over the next decade or two and with what implications for strategic stability?
Key Questions:
• What progress can reasonably be expected in U.S.-Russian nuclear arms control?
• How realistic are the prospects for nuclear abolition?
• What would be the implications of far deeper nuclear reductions by the United States and Russia?
• What would be the implications of the end of U.S.-Russian arms control?
• What is the problem of strategic stability for which arms control is the solution?

Panel Chair: ZHU Chenghu, Director-General, Academic Department of Strategic Studies, National Defense University

China Speaker: Professor SUN Haiyang, Second Artillery Command College

U.S. Speaker: Mr. Robert Einhorn, former Assistant Secretary of State, now Senior Advisor, CSIS

3:45 – 4:00  Break

4:00 – 6:00
Panel 6: Summing Up

What have we learned? What next steps should the group consider?

Key Questions:
• What are the key areas of convergence and divergence?
• How can further understanding and communication be developed?
• What are the possible approaches for future dialogues between the U.S. and China on nuclear-related issues on an official or unofficial basis?
• Would it be possible to engage more institutions and people in the dialogue process and, if so, how?

Panel Chair: Mr. Robert Gromoll, Senior Adviser, Office of the Assistant Secretary for International Security and Nonproliferation, U.S. Department of State

China Speaker: ZHANG Tuosheng, Director, Academic Assessment Committee, CFISS

Appendix II: Conference Participants

U.S. Participants

Admiral Dennis Blair (Ret.), John M. Shalikashvili Chair in National Security Studies, National Bureau of Asian Research, and Omar Bradley Chair of Strategic Leadership, Army War College and Dickinson College

Linton Brooks, former administrator of the National Nuclear Security Administration, Department of Energy

Xanthi Carras, Country Director for China, Office of the Undersecretary of Defense for Policy, Department of Defense

Robert Einhorn, senior adviser, International National Security Program, CSIS

Bonnie Glaser, senior associate, International Security Program, CSIS

Robert Gromoll, senior advisor, Regional Affairs Office, Bureau of International Security and Nonproliferation, U.S. Department of State

David Hamon, deputy director for research and studies, Defense Threat Reduction Agency

Andrew Hoehn, vice president and director of Project Air Force, The RAND Corporation

Michael Keifer, director of the Asia portfolio, DTRA

Evan S. Medeiros, senior political scientist, The RAND Corporation

Admiral Richard Mies (Ret.), former commander of U.S. Strategic Command); chairman of the Department of Defense Threat Reduction Advisory Committee

Michael Nacht, Aaron Wildavsky Dean and Professor of Public Policy, Goldman School of Public Policy, University of California, Berkeley

Thy Nguyen, foreign affairs officer, Bureau of International Security and Nonproliferation, U.S. Department of State

Brad Roberts, research staff member, IDA

Ed Smith, IDA representative, U.S. Pacific Command

Chris Twomey, assistant professor, Naval Post Graduate School

Greg Weaver, senior advisor for Strategy and Plans to the USSTRATCOM J5.
Chinese Participants

**Chen Zhiya**, secretary-general, China Foundation for International Strategic Studies (CFISS)

**Sr. Col. Chen Zhou**, deputy director and senior fellow, Second Office of the Department of Strategic Studies, Academy of Military Science (AMS), People’s Liberation Army (PLA)

**Fan Jishe**, research fellow and deputy director of the Center for Arms Control and Nonproliferation Studies, Institute of American Studies, Chinese Academy of Social Sciences

**Sr. Col. Guan Youfei**, deputy chief of the Foreign Affairs Office (FAO) of the Ministry of National Defense

**Academician Hu Side**, chairman, Arms Control Group of Chinese Scientists; former president, China Academy of Engineering Physics (CAEP)

**Amb. Hu Xiaodi**, ambassador of the Department of Arms Control and Disarmament, MFA

**Hu Yumin**, research fellow, China Institute for International and Strategic Studies (CIISS)

**Li Bin**, professor and director, Arms Control Program, Institute of International Studies, Tsinghua University

**Lu Dehong**, deputy director, Department of Research, CFISS

**Sun Haiyang**, professor, Strategic Studies Center, Second Artillery Command College

**Sun Xiangli**, deputy director, Arms Control Research Division, Beijing Institute of Applied Physics and Computational Mathematics

**Teng Jianqun**, deputy secretary general, China Arms Control and Disarmament Association

**Sr. Col. Wang Zhongchun**, professor and deputy director, Training and Research Division, College for Defense Studies, National Defense University, PLA

**Wu Jun**, director, Arms Control Research Division, Institute of Applied Physics and Computational Mathematics

**Yang Mingjie**, assistant president and senior research professor, China Institutes of Contemporary International Relations

**Sr. Col. Yao Yunzhu**, director, Asia-Pacific Security Research Office, Department of World Military Studies, Academy of Military Science, PLA

**Zhang Tuosheng**, director and research fellow, Department of Research, CFISS
Maj. Gen. Zhu Chenghu, director general and professor, Academic Department of Strategic Studies, National Defense University
Appendix III: 2006 Conference Report Key Findings

- Chinese strategists, especially within the People’s Liberation Army (PLA), appear to have conducted serious and sustained thinking about nuclear strategy and doctrine in recent years. For much of the 1980s and 1990s, discussions of such issues within the PLA were nascent and largely exploratory. Yet, in the last several years, a critical mass of expertise, experience, and political space on nuclear doctrine issues has emerged within China. This situation has facilitated detailed internal discussions about China’s nuclear security environment, China’s nuclear doctrine, and required capabilities.

- The Chinese government, and especially the Chinese military, is increasingly willing to discuss nuclear strategy and doctrine with U.S. interlocutors. For the first time ever, a Second Artillery officer formally participated in this conference and regularly offered unsolicited comments. This gradual shift in Chinese behavior is likely the result of relative stability in overall bilateral relations, the recent improvement in U.S.-China military relations, PLA efforts to demonstrate greater transparency, and a creeping Chinese recognition of the dangers of mutual misperceptions on nuclear questions during a crisis.

  - The Chinese delegation was diverse, well prepared, and willing to discuss a range of sensitive issues. Chinese participants delivered pointed messages as well as probes on specific questions about U.S. nuclear policy. These messages included: China’s NFU policy will not change, and there is no circumstance in which using nuclear weapons first would serve Chinese interests. Senior PLA officers asked whether the United States would use nuclear weapons in response to the sinking of an aircraft carrier.

- U.S. and Chinese participants articulated some common perceptions of the global nuclear security environment: they agreed that the end of the Cold War has significantly reduced the risk of major nuclear conflict, yet the risks of nuclear proliferation are rising. At the same time, the conference discussions revealed important differences in the U.S. and Chinese views of their regional nuclear security environments. Chinese experts perceive their nuclear security environment as tense, complex, and highly uncertain. They view U.S. defense policies, such as the “New Triad,” as the most dynamic and potentially threatening element in China’s nuclear security environment. Chinese participants also expressed concerns about Japan’s latent nuclear weapons capabilities as well as India’s gradual nuclear force modernization.

- Many Chinese expressed deep concern that the United States would tailor its “New Triad” to negate China’s second-strike capability, increasing the possibility of U.S. nuclear coercion in a crisis. The combination of U.S. missile defenses and non-nuclear strike capabilities is particularly worrisome to Chinese strategists. Numerous Chinese participants argued that the United States is investing in modernizing its nuclear arsenal, including the development of new “mini” nuclear warheads. Chinese experts regularly referred to U.S. nuclear doctrine as one that prefers the “first use” of nuclear weapons.
Chinese participants noted that there is an emerging Chinese concern about nuclear terrorism and that Chinese experts have not devoted much analytical energy to researching the dangers it poses to China’s security interests.

There was a striking contrast in the U.S. and Chinese visions of their respective future modernization goals. The United States seeks to transform its nuclear forces through the implementation of the “New Triad,” in which the value assigned to nuclear weapons is reduced, and the value of strategic defense and non-nuclear strike capabilities is augmented. China seeks a traditional approach of modernizing its nuclear forces to improve their survivability and ability to penetrate U.S. missile defense capabilities. A core Chinese concern, which is driving their modernization, is that U.S. transformation goals are directed at eliminating or capturing China’s nuclear deterrent capability.

Senior Chinese scientists stated at the conference that they had advised China’s leadership to take a “wait and see” approach to changing the size of Chinese nuclear forces in response to U.S. missile defense efforts.

China seeks a nuclear capability for assured retaliation, not assured destruction. Chinese nuclear doctrine is to use nuclear weapons primarily to deter nuclear aggression and coercion against China by other nuclear-armed states.

Chinese participants articulated three general concepts that inform their nuclear doctrine and modernization goals:

- **Effectiveness**: An effective nuclear force is one that provides China the ability to inflict unacceptable damage on an enemy that strikes China with nuclear weapons and to resist efforts by the enemy to coerce China by threatening retaliation. Prompt retaliation is not specifically valued as a measure of effectiveness.

- **Sufficiency**: A sufficient nuclear force is one that is sized and scaled to survive an enemy’s initial strike, to execute counter-attack and re-attack operations, and to penetrate whatever defenses the enemy may employ. In China’s view, the massive nuclear arsenals of the United States and the Soviet Union in the Cold War grossly exceeded the requirements of “sufficiency.” Accordingly, China seeks to avoid being drawn into the “trap” of a nuclear arms race that wastes limited national resources.

- **Counter-deterrence**: This distinctly Chinese concept is an expression of China’s traditional view of deterrence as a highly coercive practice and, thus, one to be opposed. It conveys China’s core belief that its nuclear weapons exist in order to resist attempts by others to coerce it with nuclear threats. This concept guides the development of doctrine aimed at signaling in a crisis that China will not be intimidated but the enemy’s nuclear forces.

An internal debate has been ongoing in recent years about whether to eliminate or conditionalize China’s no-first-use (NFU) policy. The occurrence of this debate is not an
indication of a major shift in doctrinal orientation, but rather is a reflection of China’s effort to deter a broader range of perceived threats to the credibility of its retaliatory capability. China’s NFU debate was motivated by its concerns about new threats to the survivability of its nuclear forces from the combination of U.S. missile defenses and non-nuclear precision strike capabilities. Chinese policymakers so far do not assess these concerns to be sufficiently compelling for the government to revise its NFU policy and endure the political costs to China’s international image and reputation.

- Chinese officials and analysts see numerous political benefits associated with China’s NFU policy, including: the policy is a signal of China’s benign intentions as a global actor, and NFU reinforces global nonproliferation norms by devaluing the role of nuclear weapons.

- Chinese participants argued that the United States’ unwillingness to issue a NFU pledge is consistent with a doctrine that threatens China and seeks to lower the nuclear threshold by developing new, smaller nuclear weapons.

- Chinese participants provided the most detailed views to date on possible nuclear escalation in a Taiwan conflict. Several Chinese military officers and analysts cautioned against too much discussion of “thinking the unthinkable” about nuclear escalation because such talk could lower the psychological threshold for such action in a crisis. They claimed that China, unlike U.S. and Soviet planners during the Cold War, has not conducted highly detailed or theoretical studies of such a nuclear exchange.

- Chinese strategists see the burden of nuclear escalation falling on the U.S. and not on China in a conflict. Chinese participants insisted that China has few incentives to cross the nuclear threshold first, even in the face of major conventional aggression. China would not need to cross the nuclear threshold because it could fight and prevail in a protracted conventional conflict, and the Chinese people would support the leadership’s pursuit of such an approach.

- Chinese participants were intentionally ambiguous about whether China would respond to conventional strikes on China’s nuclear assets with nuclear retaliation.

- Chinese participants stressed that China will not fall into the “Star Wars trap” of getting drawn into a resource-intensive arms race with the United States. China will modernize its forces and expand its arsenal in a manner that ensures that China maintains an “effective” and “sufficient” force capable of deterrence and retaliation.

- Several Chinese called for the United States and China to conclude a bilateral NFU accord to help manage mutual concerns about strategic nuclear relations. One expert proposed an agreement to not use nuclear weapons in the Taiwan Strait if such a conflict were to occur.

- U.S. and Chinese participants both expressed concerns about growing threats to international security from WMD proliferation. Both nations’ participants lauded the gradual but consistent
improvements in bilateral nonproliferation cooperation in the last decade. Chinese participants emphasized their desire to continue building on this positive record of coordination so that nonproliferation could become a uniformly positive dimension of U.S.-China ties.

- Chinese participants listed several current challenges to bilateral nonproliferation cooperation. They argued that the United States should exercise restraint when strengthening its nuclear forces because its actions put pressure on China to further expand its nuclear capabilities. Chinese participants argued that the pending U.S.-India civil nuclear energy cooperation agreement would undermine the global nonproliferation regime and could aid India’s nuclear energy programs. Chinese participants added that Japan’s latent capability to become a nuclear weapon state is a source of growing concern and an area of potential U.S.-Chinese cooperation.