Nuclear Supplier Group (NSG) Membership and Mainstreaming Non-NPT Nuclear Weapon State (NWS): Case Study of Pakistan and India

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Abstract

This article examines the possibility of devising membership criteria for the Non-NPT Nuclear Weapons States (NWS) (India, Pakistan and Israel) in the Nuclear Suppliers Group (NSG). The question whether membership should be granted to these nuclear outliers or not should be determined after considering the nuclear history, their overall approach towards the Nuclear Non-Proliferation Regime (NPR) of these states and the debate on the proposed applicability of uniform membership criteria. There is a possibility of mainstreaming these states because some are emerging nuclear energy markets and others have the potential to become future markets. Furthermore, they do have nuclear weapons, therefore, it is vital to incorporate them in the existing export controls regimes to inhibit horizontal proliferation by implementing stringent measures. This study investigates policy recommendations for the international community to incorporate the Non-NPT nuclear weapon countries in the NSG. The paper concludes that a positive upshot of such a step would be granting membership to the mentioned states and such an unbiased approach would diminish global nuclear proliferation concerns.

Keywords: NPT, Nuclear Non-Proliferation Regime, NSG, Technologies, Nuclear Weapons, India, Pakistan, NWS, NNWS.

Introduction

Modern nuclear science has integrated well in the global economy due to its manifold benefits in energy and commerce sector. However, for international exports controls and non-proliferation regimes, dual-use

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nuclear technology has raised many new challenges as well. On one hand, these advanced technologies play a positive role in development while, on the other hand, they can also be misused for destructive purposes. There is a possibility that the threat of proliferation can be mitigated if all the states having nuclear weapons technology are brought under the umbrella of the arrangement which was formed with the objective of countering the proliferation of dual-use technology: the Nuclear Suppliers Group (NSG).

Most of the existing literature discusses the issue of disarmament of Non-NPT Nuclear Weapons States (NWSs) without considering their mainstreaming. Due to a technical snag that the NPT (Non-Proliferation Treaty) only accepts those countries as nuclear weapons countries that built their nuclear weapons before the cut off date of January 1967, the possibility of mainstreaming NPT appears far-fetched. As the international community endeavours to regulate nuclear trade and prevent illicit trafficking of dual-use technology, there is no point in leaving those states outside the NSG which overtly have the potential to trade in those materials. This becomes highly pertinent especially for those states that are abiding by non-proliferation principles and does not seem to harbour any intention of nuclear proliferation.

With this background, this research analyses the need to take on board the non-NPT NWS into the NSG. It will also debate the role of NSG in nuclear non-proliferation and will delve into the possibilities to further supplement this role. The politics of NSG will be discussed which serves as a hurdle in the way of developing uniform criteria for the Non-NPT NWS. The focus of this study is limited to Pakistan and India only. This research endeavours to offer a comprehensive account of those states which have never been a part of NPT and hence, have not violated any international norm.

Basically the article espouses that India and Pakistan have nuclear capabilities and that they have relations with other NSG states. They are capable of disturbing the aims of the NSG club, but refrain from doing so as their main interest is their own security. Because of this pattern of behaviour and interest — the NSG states would have an interest in integrating the non-NPT states despite the latter’s refusal to follow the NPT treaty in order to establish their own nuclear potentials, for which they have very sound reasons, India for balancing China, Pakistan for balancing India. This power
politics is complicating the issue further. Finally, this research will demonstrate how the international community can engage with these countries to follow the nuclear non-proliferation norms and indicate the advantages the Non-NPT NWS may gain after joining the NSG.

**Debate on Nuclear Proliferation and the Role of NSG**

In 1974, India conducted its first nuclear test as a peaceful nuclear explosion and termed it “Smiling Buddha.”¹ This incident sparked a debate on further limiting access to sensitive/dual-use material, equipment and technology. The debate turned into a series of meetings which were conducted from 1975 to 1978 and held in London. These meetings resulted in the formation of the NSG and the INFCIR/254 Trigger List,² published by the International Atomic Energy Agency (IAEA).³ In the Trigger List, the IAEA mentioned all the items that can be transferred to the Non-Nuclear Weapon States (NNWSs) that were members of the NPT, and in case of an exception regarding security, and then it was deemed necessary for the IAEA to be taken on board.⁴ The NPT states follow the IAEA safeguards while transferring items “especially designed or prepared”⁵ for the production, handling or usage, of nuclear materials to NNWS. The treaty has been interpreted to extend this requirement to transfers made to the non-NPT nuclear-armed countries: Pakistan and India, which are termed as NNWS under the treaty. Given the reality that they are not ready to roll back their nuclear programme, there is a need to explore the options for mainstreaming these states.

The NPT and the NSG aim at preventing nuclear proliferation and regulating the transfer of peaceful nuclear technology. However, the two

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3 IAEA was established in 1957 and it was meant to monitor the existing rules and procedures for civil nuclear commerce.
5 Ibid.
are quite different in terms of their rules, scope and characteristics. The NPT is a legal and formal treaty with a binding force whereas the NSG is an informal consensus-based cartel without any formal enforcement mechanism. The key requirement for joining the NSG is that the applying country must be able to supply specialised nuclear goods.

NSG: Structure and Guidelines

The NSG is considered as a supplement to the NPT as it tries to provide common and clearer interpretations of those fundamental provisions of NPT that are ambiguous to a large extent. However, this association with the NPT does not impact its status as an informal/non-binding arrangement and the participation in NSG still remains voluntary. The close link to Articles I, III and IV of the NPT and to the IAEA as the main source of verification reflects the NSG’s primary commitment to non-proliferation goals.

NSG guidelines urge the member states, termed as Participating Governments (PGs) to follow strict and well-established criteria when engaging in nuclear material transfers with other states. The guidelines are applicable in general sense and NSG prefers to follow cooperation as the rule and restrictions as the exceptions. As per the fundamental guidelines, nuclear technology for peaceful uses can be exported only to NNWSs party to the NPT and, in case of non-parties, only if they have comprehensive IAEA safeguards. Comprehensive safeguards include IAEA agreement of full scope safeguards applied to all current as well as future recipient state’s nuclear facilities.

NSG Politics and Non-NPT NWS

On September 6, 2008, as a result of intense US diplomacy, India was granted a clean waiver regarding the NSG. It is quite ironic that the NSG

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6 Ibid.
9 Ibid, 4.
was created after India had conducted ‘peaceful nuclear tests’ back in 1974. This step of granting India a waiver was a clear violation of a fundamental clause i.e., a state should be an NPT member in order to get nuclear related materials from NSG members. Afterwards, in 2016, India officially applied for the membership of NSG and, the very next year in 2017, Pakistan also submitted its NSG membership application. China took a principled stand in the 2016 NSG Plenary session by stating that any formula regarding the inclusion of Non-NPT NWSs based on discrimination will not be acceptable. China reiterated its stance in the June 2017 plenary meeting also. In that meeting, Rafael Mariano Grossi,\textsuperscript{10} proposed a nine-point agenda for the Non-NPT NWS to qualify for the NSG membership.\textsuperscript{11}

Although this formula did not facilitate in breaking the logjam over the NSG membership criteria yet it initiated a debate about the membership process. Grossi’s nine points seemed to pave the way for Indian membership rather than Pakistan’s. In fact, creating such discriminatory exceptions undermines the credibility of the NSG and, on this ground, Pakistan protested against the very criteria proposed by Grossi.\textsuperscript{12} After the 2016 plenary meeting of NSG, Modi’s visit to China was speculated to be a part of proactive diplomacy by the Indian government to convince China to support Indian bid for NSG membership. However, it did not prove to be successful and the Chinese stance remained the same in the 2017-18 plenary meeting.

The foregoing discussion reveals that the changing global order and resultant convergences and divergences between states can be seen playing out in the platform of the NSG as well. However, such real politick not only mars the effectiveness of the nuclear export control mechanisms but also questions their credibility and impartiality. In order to further the global efforts for non-proliferation, especially in the face of newly emergent dilemma of nuclear terrorism by non-state actors, it is imperative to devise uniform criteria for all the states that aspire to join the NSG. Moreover, Pakistan and India should be mainstreamed into international nuclear regimes in order to better serve the cause of non-proliferation.

\textsuperscript{10} Rafael Mariano Grossi is the Former Chairman of the NSG.


Following is a detailed discussion of the nuclear outliers/non-NPT NWSs: Pakistan and India regarding the inception and status of their nuclear programmes as well as their stance towards the ECRs in general and the NSG in particular. Under the given circumstances, this research argues that it is essential to take all nuclear-capable states, especially those with a fairly advanced nuclear industry, on board and into the ambit of nuclear export controls (i.e., NSG) with a view to attain non-proliferation objectives. If the international community leaves these states out of the NSG, it would generate more mistrust that would further aggravate the issue of non-proliferation.

a) India

India’s nuclear programme was initiated before its independence when, in 1945, the Tata Institute of Fundamental Research (TIFR) was established. The 1974 nuclear explosion, christened ‘Smiling Buddha’, was the next step toward the development of nuclear weapons capability. This development generated a debate concerning the transfer of nuclear related materials and technologies for peaceful purposes which could possibly be later diverted to acquire nuclear weapons. This concern resulted in the formation of the NSG in 1975. Nonetheless, in May 1998, after successful testing, India announced to become a member of NWS. This step compelled Pakistan to follow suit in the same month. After the demonstration of their nuclear capabilities, however, a debate on strengthening non-proliferation mechanisms commenced in the comity of nations.

India’s approach toward the key instruments of Nuclear Non-Proliferation Regime (NPR) including the NPT, Comprehensive Test ban Treaty (CTBT), and Fissile Material Cut-Off Treaty (FMCT) remained dichotomous. It has been India’s consistent claim that the NPT is a discriminatory treaty which “arbitrarily divides the nuclear states among ‘haves’ and ‘have-nots.’” Initially, India faced some economic sanctions, after the declaration of its nuclear weapons capability but, in 2008, India was granted the NSG ‘clean waiver due to Washington’s favoured approach towards new Delhi.”

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It apparently happened in the backdrop of Indo-US geostrategic convergence to contain the rise of China. At the time of 2008 Indo-US nuclear deal, New Delhi was projected as a democratic state, having a clean proliferation track-record, particularly in comparison with Pakistan which came under intense scrutiny and criticism in the wake of A.Q. Khan episode. This formed the basis of India’s rationale for applying for NSG membership. Moreover, India promised to bring its 14 nuclear powered reactors under IAEA safeguards. However, the other eight nuclear weapons-oriented reactors were neither specified nor were they put under any safeguard regime. Some analysts believe that this should be concerned seriously by the international community.\(^\text{14}\)

Furthermore, India’s plutonium reactors would continue to constitute a perpetual proliferation risk.\(^\text{15}\) It has been incessantly building its nuclear arsenal with geostrategic and military objectives. India’s hegemonic designs are quite visible in its quest to acquire nuclear-powered submarines along with a variety of ballistic missile systems and includes short-range to Inter-Continental Ballistic Missiles (ICBMs). It is in clear contravention to the primary objectives of the NSG that emphasises to eliminate all types of proliferation risks, including vertical proliferation.\(^\text{16}\) According to a report, India possesses sufficient fissile material stockpiles to assemble 2600 nuclear warheads which proves that it has substantially expanded its arsenal vertically.

The critics argue that the Indo-US deal was ‘dead at the very beginning’\(^\text{17}\) due to the issue related to India’s Civil Liability for Nuclear Damage Act (CLNDA). In this regard, the main hurdles in the way of operationalising the US-India nuclear agreement were:

\(^\text{14}\) Adeela Azam et al., *Indian Unsafeguarded Nuclear Program: An Assessment* (Islamabad: Institute of Strategic Studies, 2016).
\(^\text{16}\) Ibid.
i. CLNDA was considered to be deviating from the international liability regime.

ii. Irresolvable issues existed regarding the mechanisms for trailing and tracking the supplied nuclear material after it reached India.\(^\text{18}\)

India believes that tracking and accounting of nuclear material is not part of the deal. As regards the CLNDA matter, Ahmed asserts:

“The 2010 India’s Civil Liability for Nuclear Damage Act (CLNDA) demands all suppliers to pay the damage in case of any nuclear accidents, ‘which [the] US Government and the US companies, as well as many governments and companies around the world, regard as inconsistent with existing international norms — particularly the Convention for Supplementary Compensation for Nuclear Damage — that channel liability to nuclear plant operators. Despite protests from foreign governments and reactor vendors as well as from Indian equipment suppliers, the Indian government — reflecting domestic sensitivity over the 1984 Bhopal disaster, post-Chernobyl, and post-Fukushima concern and resistance to giving in to foreign pressure — has refused to alter the liability law.’”\(^\text{19}\)

Both issues ostensibly discouraged the US from building two nuclear power reactors in India until negotiations could evolve to a mutually agreeable solution. For record, these ventures are postponed by the hurdle of supply chain corporations due to the 2010 CLNDA.\(^\text{20}\)

In spite of India’s track-record of extensive vertical proliferation, it still considered itself eligible. Also, India’s membership to NSG has much to do with the two significant developments that took place in 2008: ‘NSG clean waiver’ and the US-India nuclear deal. For achieving this objective, in 2016, India’s NSG membership application was followed by Pakistan in 2017. The fate of both these bids has been already discussed with respect to the

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\(^\text{19}\) Ibid.

principled and non-discriminatory stance taken by China in its opposition to granting an exception to India alone.

In June 2016, India secured membership of the Missile Technology Control Regime (MTCR), and subsequently, in 2017, it became part of the Wassenaar Arrangement (WA). China also applied for the membership in 2004 but its application was rejected due to Washington’s accusation of Beijing’s irresponsible behaviour regarding the exports controls. In fact, the US referred to China’s involvement in the North Korean case. Some analysts believe that this can be a bargaining chip between India and China and can pave the way for India’s NSG membership, as China is the main obstacle in the way of India’s membership in NSG. However, convincing other opposing states would be a daunting challenge for India. The foregoing discussion indicates the exceptional treatment being meted out to India as compared to other non-NPT NWSs. This biased approach raises serious questions about the standards, objectivity and credibility of the NSG.

b) Pakistan

The history of Pakistan’s nuclear programme can be traced back to 1950s when some of its scientists were trained under the ‘Atoms for Peace’ programme. After the 1971 Indo-Pak War, Pakistan’s sense of insecurity heightened. After India conducted nuclear test in 1974, the insecurity further deepened that sparked a debate whether acquiring nuclear weapons can help Pakistan neutralise the military/nuclear aggression from India. Pakistan’s then Prime Minister, Zulfikar Ali Bhutto, immediately started a covert nuclear programme to acquire nuclear weapons capability.

Apparently, A.Q. Khan’s method of uranium enrichment through centrifuges was adopted. In the early 1980s, Pakistan developed nuclear technology to achieve nuclear weapons capability, if ever need arose in the wake of any Indian military threat/aggression. After the nuclear tests of India in 1998, Pakistan adopted the posture of ‘Minimum Credible Deterrence’ and, later on, converted it to Credible Minimum Deterrence

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21 ‘Atoms for Peace’ programme was initiated by the US President Eisenhower’s administration.
policy. However, it has always faced criticism for devising the ‘first-use’ policy. Pakistan officially maintains that due to Indian conventional and nuclear advantage, it was imperative to rely on its own nuclear weapons capability for its defence including the policy of first-use.

Since independence, both Pakistan and India remained embroiled in conflicts and have fought three full-scale wars. Therefore, Pakistan’s rapid production of nuclear weapons was designed to neutralise the perceived Indian threat. New Delhi accused Pakistan of orchestrating cross-border activities. On the other hand, India’s ‘Cold Start Doctrine’ (CSD) further increased Pakistan’s threat perceptions, which ostensibly compelled the later to introduce battlefield nuclear weapons, Tactical Nuclear Weapons (TNWs). This move generated a new debate about Pakistani arsenal’s security and the resilience of its central command and control structure. Some analysts viewed the development of TNWs by both these antagonists as a risky escalation, particularly in view of India’s establishment of CSD. Incidentally, even after the lapse of 13 years since the A.Q. Khan episode, Pakistan is still struggling to restore its image, despite instituting a host of changes in its command and control structures to ensure the safety and security of its nuclear facilities and materials. However, Pakistan’s efforts to control its nuclear-related structures and activities have been widely commended as a credible improvement.

On NPT, Pakistan and India have similar opinion. They maintain that it is a discriminatory treaty that divides NWSs and NNWs. On CTBT, Islamabad and New Delhi maintain that they should sign the treaty simultaneously. In the context of the proposed Fissile Material Cut-Off Treaty (FMCT), Pakistan expressed serious reservations in the Conference on Disarmament (CD) and considered it as a Pakistan-centric treaty, as it would not take into account the existing stockpiles of all other nuclear-capable states. The major NWSs already possess large stockpiles of fissile materials, which they would not open up to a verifiable audit mechanism,

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accounting or any verification system. Thus, the FMCT would only deal with the future production of fissile materials.

This, in Pakistan’s perspective, would undermine the strategic stability of South Asia and undermine its capacity to establish an effective deterrent vis-à-vis India, as its stockpiles of fissile material are less in comparison to India’s. Instead, Pakistan proposed Fissile Material Treaty (FMT) which would take into account the existing stockpiles of fissile material along with the prohibition of further production of fissile material under a verifiable mechanism. Some nuclear analysts, such as Krepon, believe that it is just a blocking tactic by Pakistan against the proposed treaty. Incidentally, the recent publication of the 2018 US Nuclear Posture Review vindicates Pakistan’s position as this document urges to ‘ensure the capability to design, produce and maintain nuclear weapons,’ and to increase investment to reinforce its nuclear triad to ‘deter nuclear and non-nuclear attack’. Evidently, it will enhance the insecurities of other NWSs, including Russia, China, Pakistan, and North Korea.

In Pakistan’s viewpoint, if India becomes an NSG member, the chances of Pakistan’s entry would be blocked forever as NSG’s operating procedure is based on consensus. Pakistan has applied for NSG membership but its prospects of acceptance in the given circumstances seem quite slim given geopolitical uncertainties in the evolving regional and global order. Notwithstanding Pakistan’s assertion of operating under a neutral nuclear security system, some analysts argue, remained doubtful due to its domestic security environment. Some experts argue that Pakistan comes short of finances to engage in nuclear commerce, hence, other countries will not be convinced of Pakistan’s stance on NSG membership.

26 Michael Krepon, (Co-founder/Senior Associate, Stimson Center) interviewed by the researcher, Washington DC, August 26, 2017.
However, Pakistan’s technical capability still needs to be explored as above mentioned arguments are based on assumptions. Pakistan is already actively working on a number of civilian nuclear energy projects that China has provided under a bilateral civil nuclear assistance programme. Beijing argues that this assistance is part of the 2003 deal that was concluded before China’s membership of NSG in 2004. Moreover, some analysts believe that such assistance from China to Pakistan would be considered legal under the circumstances as Indo-US Nuclear Deal has already set a bad precedent of bias and preferential treatment in internal nuclear regime. In similar vein, Stephen Krasner argued that the mutually negotiated rules binding on all are authoritative. If these rules are violated, they would set another bad precedent and compel other states to whimsically deconstruct norms and regulations of nuclear Export Control Regimes (ECRs).

After the A.Q. Khan episode, Pakistan took a number of measures to strengthen its nuclear safety and security and audit systems. After the passage of the United Nations Security Council Resolution (UNSC) 1540, all countries are legally bound to guarantee the safety and security of their nuclear materials and technologies. Therefore, in future, proliferation incidents can be effectively checked.

**Benefits of Joining NSG for Non-NPT NWSs**

The question arises as to why non-NPT NWSs would want to be a part of NSG which may undermine their sovereignty as they will have to face checks and balances. So, why would they curb their freedom to join export controls related mechanisms? In fact, getting membership of NSG gives a state greater international respectability and legitimacy (Figure No.1), which the NPT had foreclosed with effect from January 1, 1967, its cut-off date to qualify as a NWS. The figure below shows the benefits of NSG membership for the NNWSs.

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Another important question is why should the major nuclear weapons states allow the nuclear outliers to join the NSG and thus implicitly be seen as rewarding their rule breaking? The answer to this question lies in exploring why states opt for the nuclear path. We can consider the interesting debate of two schools of thought in this regard — optimists and pessimists.  

31 Although the debate about the justification of their claim does not fall under the scope of this study, however, the objectives of the two nuclear outliers, India and Pakistan, do need to be explored. In sum, the objectives of these states for building their nuclear arsenals were security driven. India aims to compete with China globally and, Pakistan endeavours to contain Indian military superiority at regional level.  

32 Khan, Burying the Hatchet, 2016.
This security dilemma needs to be addressed in order to attain global peace and this is also relevant to the membership of these states to the NSG which can only happen once the global powers recognise the security concerns of these states. As to the question of what the world would gain by letting these three states join up in the existing export control mechanisms, as already argued previously, this would considerably reinforce the NPR as these states are better in than out.

Lastly, these criteria would necessitate non-NPT members to pledge that they would place all non-military nuclear facilities under full-scope safeguards and agree to the ratification of Additional Protocol (AP) and adhere to all the NSG decisions.33 These steps, especially the full-scope safeguards as applied to NNWSs, would be a difficult choice for the three nuclear outliers, but still, through these measures the states can enhance their image as responsible nuclear states in the hierarchy of NWS along with the added bonus of actually joining the nuclear club. Pakistan and India which due to their security concerns are not prepared to dismantle their nuclear weapon programmes can still play a constructive role in further countering horizontal proliferation. The states should be given chance to play a constructive role by adhering to the non-proliferation regimes and norms.

Conclusion

The international community should be more accepting of the nuclear status of India and Pakistan, given that that they have been nuclear-armed for decades and that certain security compulsions legitimise their reliance on nuclear weapons. In this article, another important argument revolves around the perils of extending exceptional treatment to one state while neglecting the rest. Nonetheless, India is an emerging market and under the concept of ‘economic interdependence,’34 the US-India deal is a step towards bilateral cooperation. However, the step was taken by

trampling on the basic principles/export control norms that have been developed after a struggle of decades by the US and its allies. Moreover, the deal couldn’t be effectively operationalised due to India’s liability law. Interestingly, the deal gave the US nothing except the allegation of violating the international norms. Many academicians and policy makers are of the view that the deal was not the right step. Paradoxically, the deal failed to provide the interdependency to India and the US which was the prime objective. It did, however, stimulate the debate in Pakistan for the quest of NSG membership.

Pakistan, in spite of all the misunderstandings with the US after 9/11, submitted its application for the NSG membership. This demand made the A.Q. Khan issue emerge out of the annals of history to pose a renewed challenge regarding Pakistan’s proliferation record. Ironically, despite using its so-called peaceful explosion for acquiring nuclear weapons, India’s proliferation record was deemed satisfactory to get the nuclear deal. However, the criticism on Pakistan regarding A.Q. Khan does not provide any ground for assuming any irresponsible behaviour by Pakistan in the future as well. Many scholars are of the opinion that Pakistan became more vigilant after the A.Q. Khan episode. Some very confidently stated that safety and security mechanism of Pakistan is one of the finest systems in the world today.

One of the significant ways to counter further proliferation risk is by incorporating all the states having nuclear weapons capability under a fresh inclusion to create an umbrella of checks and balances of the dual-use material and technology. Therefore, there is a need for the international community to consider prudent options for the states that chose never to sign the NPT. It is important to bring them into NSG which is a normative

37 James Cartwright (R) General (USMC, ret.) Harold Brown Chair in Defence Policy Studies in Center for Strategic & International Studies, interviewed by the researcher, Washington DC, September 17, 2017; Zameer Akram (R) Ambassador (Former Pakistan Ambassador and Permanent Representative to the UN), interviewed by the researcher, Islamabad, May 26, 2017; Zafar Iqbal Cheema (Former Head of the Department of the Defence and Strategic Studies Department, Quaid-i-Azam University), Islamabad, August 7, 2018.
framework, in the spirit of non-proliferation and eventual disarmament, instead of blocking the fulfilment of their peaceful civilian needs. The mainstreaming solution is the most plausible one for the Non-NPT NWS as well, as these states stand to gain legal access to civilian nuclear cooperation, license for nuclear commerce and will enable them to play a more active role in the global non-proliferation efforts.