

“Although policy makers worry about the use of weapons of mass destruction against the United States, we should recognize that terrorist organizations have shown a remarkable tendency to fall back on well-tested conventional methods of attack. . . . Deterrence, when measured against prevention, still maintains enough credibility to prevent rogue states from sharing nuclear weapons with terrorists.”

Nuclear Terrorism: Why Deterrence Still Matters

JASEN J. CASTILLO

Under what conditions might “rogue states” give terrorists nuclear weapons? Can the United States deter these states from handing off nuclear arms to terrorist groups like Al Qaeda? There are two popular answers to these questions. The prevailing view assumes strong links between rogue states and terrorists. Once these states acquire nuclear weapons, their terrorist allies will obtain them as well. This possibility provided one of the key rationales for the American-led war against Iraq. Another, less popular view, holds that the threat of nuclear retaliation will deter any state from giving nuclear weapons to any non-state actor, especially one bent on attacking the United States. Any state, rogue or otherwise, will never contemplate transferring nuclear weapons to terrorists because the act is too risky.

There is a middle position between these two views. Rather than assuming that rogue states will give nuclear capability to terrorist groups once they acquire it themselves, and rather than seeing deterrence as always robust, we can consider a third possibility: that the most likely and most dangerous scenario for the transfer of nuclear weapons arises when a regime with strong ties to terrorists finds its survival in jeopardy. This argument implies that the United States should exercise caution when it looks to regime change as a way to prevent the transfer of nuclear weapons to hostile non-state actors. In such cases, efforts at regime change might actually cause rather than prevent a nuclear hand-off to terrorists.

The debate preceding the war against Iraq crystallized the two principal perspectives on the possibility of nuclear hand-offs between rogue states and terrorists. (A short list of rogue states—defined by American policy makers as potential aggressors that either seek or possess a nuclear capability—might include Iran, North Korea, Libya, and possibly Syria. Saddam Hussein’s Iraq would also have fallen into this category.) Most analysts evidently have concluded that once these states acquire nuclear weapons, they will feel no compunction against sharing this capability with their terrorist clients. According to this perspective, rogue states deserve their moniker not only because they ignore international norms, but also because they display risky behavior in efforts to pursue their goals. Armed with a nuclear capability, these states will become emboldened to act even more aggressively, potentially launching wars of conquest against their neighbors, or blackmailing the United States.

An equally frightening possibility, in this view, is that rogue regimes will clandestinely transfer nuclear weapons to terrorists who share their animosity toward the United States. Consistent with their mischievous character, these states will risk retaliation to give terrorists a chance to strike at the American homeland or interests abroad. Part of their risky personality leads them to calculate that, after a nuclear terrorist attack, the United States will find it impossible to trace the weapons’ original ownership. The problem with this view, however, is that it assumes all rogue states are alike in their reckless tendencies to ignore deterrent threats. In fact, these states most likely differ—in their risky

JASEN J. CASTILLO is an associate political scientist at the Rand Corporation.

behavior in general and in their propensity to provide nuclear weapons in particular.

A less prevalent view holds that the threat of nuclear retaliation will prevent rogue states from handing off nuclear arms to terrorist organizations. The potential punishment—even if its credibility at first glance seems dubious—would cost far more than any potential benefits these regimes might gain from giving away nuclear weapons. Even though non-state actors lack addresses and possess few if any assets that other countries can hold hostage in order to make deterrent threats, the addresses of the rogue regimes are common knowledge, and they possess a whole set of valuable assets, including the lives of the ruling elite. The extremely high costs that a rogue state might suffer from nuclear retaliation should give even the most reckless of regimes pause before sharing a nuclear capability with terrorists. A rogue leader might gamble that a clandestine transfer of these weapons might shield state sponsors from reprisal, but the costs of nuclear retribution are high enough to make the bet not worth the risk. The trouble with this perspective is that it does not encompass situations in which deterrent threats might fail, no matter how unlikely. Generally, the threat of retaliation ought to deter a rogue regime from sharing nuclear arms. Unfortunately, conditions might exist that could undermine deterrence, and these situations deserve greater scrutiny.

But here, too, the propensities of rogue states may differ. The likelihood of deterrence failure will vary depending on a state's strategic situation and its ties to terrorists. To aid policy makers trying to discern how dangerous new nuclear states might become with respect to aiding terrorists, we need to outline the situations where deterrent threats might lose their capacity to discourage transfer of nuclear weapons to non-state actors. In other words, what are the conditions under which deterrence might fail? Sketching these situations can help identify when and where the danger of sharing nuclear weapons with terrorists is highest.

DANGEROUS SCENARIOS

Two key variables define the conditions under which rogue states might give nuclear weapons to terrorists. These are factors likely to undermine deterrent threats that the United States might implicitly make to dissuade states against contemplating a transfer of nuclear capability.

The first factor is the likelihood that a regime's survival is in jeopardy. This situation deserves atten-

tion because it undercuts if not removes another state's ability to make a deterrent threat. Effective deterrence requires states to threaten potential opponents with a costly response that outweighs the benefits of some action they had contemplated. One way to deter an adversary is to hold hostage something that the adversary values. Typically, threats to deter nuclear attacks against a state's homeland hold the potential attacker's own territory hostage.

For deterrence to work, potential aggressors must also regard the threat as credible. Terrorist organizations hostile to the United States that acquire nuclear weapons would likely use them against the American homeland. These groups attempting to coerce the United States seem unlikely to undertake the effort to obtain a nuclear arsenal of their own simply to hold them in reserve for deterrence, as most states do. Instead, a nuclear capability would present them with an opportunity to inflict great pain on the American public. They would finally have an instrument enabling them to severely ratchet up the level of punishment on the United States. (Osama bin Laden's "Declaration of Jihad" on the Americans called for "inflicting as much pain as possibly can be achieved" as a key element of Al Qaeda's strategy against the United States.)

If terrorist groups attacked the American homeland or its interests abroad with nuclear weapons, the US government would face strong incentives to retaliate with nuclear weapons against the country that provided the nuclear capabilities. Public pressure and worries about the credibility of future deterrent threats would persuade American officials to identify a state sponsor and make it the target of a nuclear reprisal. In the past, the American public has shown little reluctance to inflict casualties on foreign civilians and it would appear that a nuclear attack would demand a proportional response. Thus, a clandestine nuclear strike by terrorists would likely provoke the United States to find those states that aided the attackers and make them suffer an equal if not greater amount of pain.

When might this implicit nuclear threat by the United States fail to deter a nuclear transfer? When a regime's survival is in jeopardy. When a state is on the verge of losing a war, for example, deterrent threats may lose their ability to influence the country's decision makers. In these circumstances, what a regime values—in particular, the territory under its control—might slip from its grasp. Moreover, the government itself might cease to exist, with its leaders facing exile, imprisonment, or death. If all bets

are off, if a regime believes it no longer has anything to lose, it will become less concerned with deterrence and more concerned with defense. It might see nuclear weapons as a way to restore the conventional balance on the battlefield. Similarly, the regime could conclude, as some American planners did during the cold war, that limited nuclear options might restore deterrence. Most worrisome, regime leaders might also reason that their impending defeat removes any prior restraints to transfer nuclear weapons to their terrorist allies.

Although defeat in war represents the most obvious and most likely situation under which deterrence would fail, there are other instances where incentives against transferring nuclear weapons might dissipate. These are conditions short of war where regimes conclude that the United States has put them in its sights. When a rogue regime sees an adversary preparing for invasion, then it might conclude it has a window of opportunity to land the first blow. The danger is that the first blow might come indirectly by passing nuclear weapons to terrorists, who might act as a delivery vehicle. Similarly, coercive uses of force short of war, like air strikes against a regime's nuclear arsenal or support for an insurgency, might prompt the leadership of a rogue state to believe that war is imminent. Although a regime may not pass nuclear arms to a terrorist organization, it may decide it is time to court relations with a non-state ally.

TIES TO TERRORISTS

The strength of a state's ties to a terrorist group represents the second important factor in determining the likelihood of deterrence failure. This factor deserves attention because it identifies the likely recipient of a nuclear hand-off. The strength of these ties depends on the relationship that a government and its population have with a terrorist organization. Nuclear transfers can occur because the government makes a deliberate choice to share its capabilities, or because some sympathizers in the population steal nuclear weapons for a terrorist organization.

A rogue state and a terrorist group have strong ties when the government takes on the role of a sponsor and when significant portions of the population support the terrorist organization's cause. Weak ties might exist when the government's commitment to a group is minimal or when the popula-

tion at large is supportive but the regime is not. A government's level of commitment to a terrorist group can vary depending on how much the political leadership decides to cooperate with the non-state organization. Sometimes governments play an active role in the life of a terrorist organization—creating it, financing it, and influencing the character and objective of its missions. In other circumstances, governments might offer divided support to a terrorist group. Some elements might provide more assistance than others do. For example, the political leadership might offer tacit approval for its intelligence organizations to associate with terrorists. In other instances, the military might offer aid with the explicit approval of the government. Support within a government might result in a deliberate or indirect transfer of nuclear weapons to terrorist groups. The regime might not want to share nuclear weapons, but some faction within the government might

decide to give terrorists nuclear capabilities regardless of the official policy. American officials, for example, worry

that sympathetic scientists affiliated with the Pakistani nuclear program might help Al Qaeda acquire nuclear weapons.

Public backing of a terrorist group represents another facet of a state's ties to terrorists. Political parties or organizations outside the controlling regime might offer rhetorical or financial support for a terrorist group. Similarly, a population might identify with a terrorist cause because they share ethnic ties. In general, a sympathetic populace offers a recruiting pool for a terrorist group. Not only might these new recruits serve as members of a terrorist organization, they might also earn positions of responsibility in the government organizations responsible for safeguarding nuclear materials.

Of course, other factors might influence rogue regimes to pass nuclear weapons to terrorists. Threats to a regime's survival and the strength of terrorist ties, however, are the most influential. Attempts to destroy a rogue regime can render coercion useless as an option. What the regime values most, its survival, no longer is held hostage. The strength of terrorist ties suggests whether or not a recipient for the weapons exists.

Some might argue that the character of a government's leadership deserves attention. Leaders, and therefore regimes, vary in their tendency to undertake risky behavior. Indeed, one of the argu-

Efforts at regime change might actually cause rather than prevent a nuclear hand-off to terrorists.

ments for the war in Iraq was that the United States could not deter Saddam from aggression. Similarly, some might argue that ideological convictions could drive rogue states to arm non-state allies with nuclear weapons. Although these factors likely play a role in their decision making, the costs of nuclear retaliation are so great that they should influence even leaders willing to run great risks.

HOW MIGHT DETERRENCE FAIL?

Threats to a rogue state's survival as well as its preexisting ties with terrorist organizations create four situations where the success of deterrence may vary. Although existing states might not fit perfectly within these categories, they isolate the factors that likely will influence the decision making of rogue states when they calculate the costs and benefits of a nuclear hand-off.

The Least Worrisome Situation

When the survival of a rogue regime is not threatened and when the state possesses few or weak ties with terrorists, the threat of a nuclear transfer is very low. Deterrent threats, consequently, dissuade these regimes from sharing nuclear weapons because they risk losing both control over territory and their actual survival. As such, the regime and its country represent valuable targets that the United States can hold hostage. Although such states may harbor territorial ambitions, they lack the ties to terrorists that might make a hand-off likely.

Wartime Hand-Offs

A state facing a war that threatens its survival will encounter incentives, which did not exist before a conflict, to share its nuclear capabilities with terrorists. Since the regime stands on the verge of losing not only its control over the country but its very existence, deterrent threats can no longer influence its behavior. Protecting those high-value assets once held hostage by the United States seems no longer possible or important since the regime appears likely to lose a war. The prospect of defeat removes incentives to prevent nuclear transfers to terrorists. However, in these situations, rogue regimes might also have an incentive to use nuclear weapons for defense rather than handing them off to a terrorist group. If the states possess few or no ties with terrorists, it seems likely that they would use their nuclear

weapons in a desperate gamble to restore deterrence or to restore the conventional balance.

A Transfer During Peacetime

Deterrent threats against states whose survival is not immediately in jeopardy but that possess strong ties to terrorists can fail in four ways. First, if a regime believes it can pass nuclear capability clandestinely and without being caught, it might decide to take the chance. There are, however, practical considerations that make this kind of miscalculation unlikely. A rogue regime cannot with any certainty guarantee that the United States will not trace the transfer back to its source.¹ Moreover, a government cannot assure itself that terrorists will not decide to use nuclear weapons against it. These twin risks should prevent secure states from deliberately sharing nuclear arms with terrorist organizations.

Second, a group within the government might steal a nuclear weapon and give it to a terrorist organization. This transfer could take place without the knowledge of the government. Factions sympathetic to a terrorist group might have access to nuclear weapons, thereby facilitating a hand-off. Although this scenario seems plausible, rogue regimes will fear retaliation and, thus, exercise tight control over their nuclear weapons. Concerns about theft as well as accidental or unauthorized use should motivate governments to create a centralized command and control system. New nuclear states, moreover, will probably possess only a handful of weapons, making it easier for governments to keep track of their own nuclear arsenals.

Third, a regime could claim that some faction within the government transferred a nuclear weapon to terrorists without its knowledge and permission. The leadership could thus disavow any connection between its capabilities and a nuclear attack against the United States. But this type of ruse is risky. The United States might still hold the state responsible. American officials might assume that the supplier had incentive to erect strong safeguards to prevent theft. This knowledge undercuts the effectiveness of a rogue state's attempted deception, making it highly unlikely that anyone would try this strategy for a nuclear transfer.

A final avenue for deterrence failure and a nuclear hand-off stems from state failure. These are instances when a regime loses control over its territory because of an internal collapse stemming from a coup, a civil war, or a revolution. Each of these situations is dangerous because a government might find it impossible to maintain control over its nuclear weapons in the midst of chaos. Should

¹On the difficulties of escaping attribution, see Richard A. Falkenrath, Robert D. Newman, and Bradley A. Thayer, *America's Achilles' Heel: Nuclear, Biological, and Chemical Terrorism and Covert Attack* (Cambridge: MIT Press, 1998), pp. 239–240.

states collapse, nuclear weapons might fall into the hands of terrorists.

The Most Worrisome Situation

The most likely situation for deterrence failure will occur when a state with strong ties to terrorists finds its survival in jeopardy. With a regime on the verge of losing control, deterrent threats lose their punch, removing restraints on the transfer of nuclear weapons to terrorists. Governments threatened with extinction might ask themselves, "Why not give nuclear weapons to terrorists? What better way of exacting revenge?" Even then, these states might instead try to use nuclear weapons to restore deterrence or to improve the conventional balance on the battlefield. However, if they find themselves fighting the United States, they might conclude that using nuclear weapons is useless and likely dangerous. Nuclear use could invite quick retaliation or war crimes trials for commanders who carry out attacks.

IRAN AND NORTH KOREA

To illustrate the potential explanatory power of this framework, let us examine two rogue states, Iran and North Korea, and their incentives for a nuclear hand-off to terrorists. Today, both of these states confront external security threats, although the threats do not put their regimes in immediate danger.

Iran falls into the category of a state that might pass nuclear weapons, if it acquires them, to terrorists. The international community already suspects that Tehran wants a nuclear capability. If Iran obtains that capability, then it would represent a country with strong ties to terrorists whose regime faces no immediate threats to its survival. The current regime in Tehran maintains a close relationship with both the Lebanese group Hezbollah and the Palestinian Hamas. These associations have aroused fears in Washington that, once Iran acquires nuclear weapons, it might also share them with its terrorist clients. These fears are compounded by the close affiliation between those organizations that control Iran's unconventional weapons programs and the

client terrorist groups. Some believe that the Iranian Revolutionary Guard Corps not only has a hand in these programs but also has a close relationship with Hamas and Hezbollah.²

At the moment, Iran lacks both a nuclear arsenal and incentives to pass nuclear weapons to its terrorist clients. In addition, Iran has recently signaled its apparent willingness to remain a non-nuclear weapons state by agreeing at least in principle to halt the enrichment of uranium and to permit inspection of suspect nuclear facilities. But this could change. A nuclear-armed Iran might decide to transfer its nuclear weaponry if its neighbors, the United States, or a coalition from the international community decide to use force to undertake regime change. The United States has made it clear that it "will not tolerate the construction of a nuclear weapon" in Iran. Should Iran acquire a nuclear capability, that might provoke the United States and its allies to use force to change the regime in Tehran. The danger is that Iran would then transfer any nuclear capability that it might have to its terrorist clients. A war would remove any restraints the regime might perceive during peacetime. Because use of their nascent capability, should it exist, might prove difficult or self-defeating, Iranian leaders on the brink of losing power might find it more satisfying to give nuclear weapons to terrorists who might emerge to fight another day.

North Korea is a state that shows little likelihood of transferring nuclear weapons to terrorists. Internally, the government faces severe economic challenges. Externally, it faces security problems, but no immediate threat to its survival. No foreign armies are moving up the Korean peninsula to replace the regime in Pyongyang. At the same time, the US State Department notes that the regime's ties to terrorist groups active today are apparently not as strong as Iran's. (The State Department also concluded this year that North Korea "is not known to have sponsored any terrorist acts since 1987.") The likelihood of a nuclear hand-off to terrorists appears unlikely given the strong controlling personality exercised over the government by the current leader, Kim Jong Il. That some element within the government might provide nuclear weapons to terrorists also seems improbable given the tight control Kim Jong Il likely maintains over his nuclear program. And North Korean officials themselves have recently stated they view their nuclear arsenal as a useful deterrent and that they "have no intention of transferring any means of that deterrence to other countries."

A policy that threatens the survival of the North Korean regime might increase the odds of a nuclear

²See Reuel Marc Gerecht, "The Mullahs' Manhattan Project," *The Weekly Standard*, vol. 8, no. 3 (June 9, 2003); and Geoffrey Giles, "The Islamic Republic of Iran and Nuclear, Biological, and Chemical Weapons," in Peter R. Lavoy, Scott D. Sagan, and James J. Wirtz, eds., *Planning the Unthinkable: How New Powers Will Use Nuclear, Biological, and Chemical Weapons* (Ithaca: Cornell University Press, 2000), pp. 79–103. On the possible role of the Revolutionary Guards in nuclear weapons, see David Albright, "An Iranian Bomb?" *The Bulletin of the Atomic Scientists*, vol. 51, no. 5 (July/August 1995), pp. 21–26.

transfer to terrorists. Should American and allied forces attempt to use force to remove the regime, then the government will likely conclude that all bets are off and it might achieve some measure of revenge by giving nuclear weapons to terrorists. But this possibility is undercut by two realities. The North Koreans might find it better to use their weapons against enemy conventional forces, against the American homeland, or against the territory of its allies. Furthermore, the regime might not have strong ties to terrorists and, thus, a group to which it could give nuclear weapons. Recently, the United States seems to have adopted a more conciliatory tone. It has moved toward offering North Korea assurances that it has no plans to remove the regime by force.

POLICY RECOMMENDATIONS

Five possible policy recommendations emerge from this discussion. First, it appears the United States can deter rogue states from sharing nuclear weapons with terrorists more easily than some prevailing views contend. Deterrent threats are more robust

than the conventional wisdom seems to believe. The possibility of transfer seems unlikely, even when the survival of a regime appears in jeopardy, because that government might decide to use its nuclear weapons rather than transfer them to a terrorist group. The line of reasoning offered here suggests that relying on deterrence rather than the use of force remains a prudent course. At the very least, we have more reasons to feel optimistic about our ability to deter the transfer of nuclear weapons terrorists.

Second, the United States should avoid regime change against rogue states with nuclear weapons, especially those with strong ties to terrorists. Not only might American forces find themselves possibly facing nuclear attack; the United States might create a situation where a regime would no longer feel restrained against giving terrorist allies a nuclear capability. In an attempt to avoid retribution for a terrorist attack on the American homeland, these states might create situations where their nuclear weapons are easy to steal and, thus, indirectly pass their nuclear capabilities to terrorists.

Third, the United States should prepare to help nuclear-armed regimes like Pakistan avoid political instability or state failure. Domestic turmoil in new nuclear states might pose a more likely threat to

American security. Under these circumstances, regimes might find it difficult to control their nuclear arsenals. Even more dangerous, if state failure should occur, deterrence would no longer matter because no government would exist to deal with a threat. In this anarchic environment, terrorists who once associated with a regime might find it easy to take advantage of the situation to steal a nuclear weapon. The ease with which guerrillas in Iraq can make use of unguarded depots of conventional weapons highlights this potential problem. Concretely, this means the United States may need to moderate its tendency to treat new nuclear states with hostility.

Fourth, the threat of a nuclear hand-off by rogue states to terrorists should be examined from a balanced perspective. Rather than focus on the transfer of weapons, policy makers should give equal if not more attention to the transfer of nuclear material or know-how to terrorist groups. Similarly, terrorist organizations that find nuclear weapons difficult to

acquire may turn to other instruments to cause harm, such as biological, chemical, or radiological weapons. Although

policy makers worry about the use of weapons of mass destruction against the United States, we should recognize that terrorist organizations have shown a remarkable tendency to fall back on well-tested conventional methods of attack. Simply put, punishing terrorist attacks do not require nuclear or any other traditional weapon of mass destruction.

Finally, policy makers should not conclude from this analysis that they face a window of opportunity to use preventive war to remove regimes before they acquire nuclear weapons. The danger with this strategy is that it is hard to know when the window has shut. Regimes could already possess nuclear weapons and when the attack comes they could pass them to terrorists. A related danger is that other states could view a preventive war as further evidence of why they need their own nuclear arsenal. Indeed, many governments will likely have drawn an important lesson from how differently the United States treated the nuclear-free regime of Saddam Hussein and the nuclear-armed regime of Kim Jong Il. The more appropriate conclusion to draw is that deterrence, when measured against prevention, still maintains enough credibility to prevent rogue states from sharing nuclear weapons with terrorists. ■

Other states could view a preventive war as further evidence of why they need their own nuclear arsenal.
