capabilities, including placing nuclear or other weapons of mass destructions on their ballistic missiles, their relationship could further deteriorate to the point of an international crisis.

Achieving Stable Regional Relationships with Regard to Ballistic Missiles

- Achieving and maintaining a stable strategic relationship in the presence of ballistic missiles has many elements, including accurate assessments of the other side's military capabilities and intentions. Even more important may be a willingness to change old habits and perceptions in order to facilitate greater openness regarding those capabilities and intentions.
- Active and passive ballistic missile defence capabilities have a deterrent value in promoting strategic stability. Such development may increase the possibility that ballistic missiles will not be acquired or used. On the other hand, the indigenous development or acquisition of ballistic missile defences by one party could lead the other party (parties) to add to its offensive capabilities, thus resulting in further regional instability.

The Role of Confidence-Building Measures and Confidence- and Security-Building Measures (CBMs/CSBMs) in Promoting Regional Stability

- o Certain ballistic missile-focussed confidence-building measures/confidence- and security-building measures (CBMs/CSBMs), if successfully negotiated and implemented, could help promote regional security. These measures include invitational inspections, observations, and visits; data or information exchanges; agreed limits or bans; and joint exercises and cooperative programs. There could be significant synergistic benefits among these measures depending on which ones are successfully implemented.
- o Successful implementation will involve each party's ability to verify effectively compliance with the CBMs/CSBMs.
- There will be tradeoffs between the contribution CBMs/CSBMs make to enhancing regional stability and the degree to which the security of an individual country is jeopardized by implementing the measures. In order to be convinced that the long-term gains in its security outweighs short-term losses or compromises of sensitive military information, each country will need to perform its own net assessment of its gains and losses.
- The acceptability of CBMs/CSBMs will also be directly affected by external perceptions, pressures, and incentives.