

January 24

Allen:

Do you know anything about the Foreign Intelligence Board getting involved in the south Atlantic episode?

M



DECLASSIFIED
Authority NLE 2011-38 #1
By MLK NLDD Date 11/28/11

January 24

Allen:

What would you think of arranging a briefing on how well the safeguards system is operating?

I am thinking that in all cases where embryonic weapons programs have been discovered, it has been done by U.S. intelligence, not by international safeguards.



Handwritten initials

TRUE - BUT THE SAFEGUARDS SYSTEM ISN'T SUPPOSED TO WORK UNTIL THEY'RE STARTING OFF MATERIAL FOR THE BOMB.
I THINK THE LESSON OF THE BRIEFING WOULD BE THAT SAFEGUARDS AREN'T ENOUGH.
WOULD YOU LIKE A MESSAGE BY BRIGHT OR HENDEL (ACD)?

Handwritten initials

GS met w/ J. Boright 4/18

DECLASSIFIED
Authority NLE 2011-38 #1
By MLK DDE Date 11/28/11

Jan 23, 1980

W

Allen:

What would you think of hinting to the Germans that if they could see their way clear to boycotting the Olympics, we might be able to take a less stringent position on their Argentine deal?



W

Tough problem:

- ① This is the kind of nuclear horse-trading that makes the Bushmans of this world mis-trust the Executive Branch
- ② The Argentine nuclear proliferation risk is serious enough to demand treatment on its own merit.

But

③ We're on shaky political ground in trying to tell the Germans how to trade, and in the final analysis we wouldn't use any real leverage to force our way with them.

On balance, I'd not make the linkage. (Although I gather the Secretary would disagree with me - maybe Jensen's proposal is the deal - in which, given ③ above, it's hard to say no.)

DECLASSIFIED

Authority NLE 2011-38 #2

By MMK NLDDE Date 11/28/11

Jan 23, 1980

g

Allen:

If we could say to the Germans, look the French are just about ready to accept full-scope safeguards, hold off on your Argentine deal for a little bit and then you can say it's a universal rule.



g

Probably they would argue the deal is too far along and would insist on ground-feeding it out of FSS.

DECLASSIFIED
Authority: NLE 2011-38 #2
By: MMK NLDDE Date: 11/28/11

Jan 23, 1980

[Handwritten signature]

Allen:

For your information, I talked to George Vest about the possibility of bringing the Germans along on the Olympics matter by insinuating that maybe we'd have a little more charitable attitude about the Argentine. He said he thought that Vance had already raised this with Genscher. If so, I guess that reflects our estimate that the Secretary feels we would have objected if they had raised the matter with us.



94

Steve Raphael told me that Vance did not raise Argentina, as far as he knew.

DECLASSIFIED
Authority NLE 2011-38 #2
By *MMK* NLDDE Date *1/20/11*

Jan 23, 1980

Allen:

Would you talk to me about ~~this intercept~~ on
the Japanese views about how to proceed.

The intelligence report

JW

JW



See Tom's cable from Tokyo -
he pretty well accepted this
proposal.

DECLASSIFIED
Authority NLE 2011-38 #2
By *MMK* NLDDE Date 11/28/11

1
AN -

January 18



Countries that don't want to get into a servitude relationship with the United States (veto) may be inclined to go for heavy water reactors, which are more dangerous than light water reactors because of the reloading aspect. They also want to develop their ~~own~~ reprocessing capabilities because they don't know how the United States ~~how~~ would exercise veto, so our policy produces the opposite of the result intended.

9W

DECLASSIFIED
Authority NLE 2011-38 #3
By MMK NLDDE Date 11/28/11

January 18



Allen:

Does the large Western European dependence on Soviet swus suggest that their backs might be stiffened in the current crisis if we made a special offer to replace some or all of that Soviet supply on guaranteed terms?

W

Not sure they're all that dependent. My recollection of the facts is that the Europeans obtained back-up contracts with the Soviets, covering fuel contracts placed with the US-W which confidence of delivery is limited.

W

DECLASSIFIED
Authority NLE 2011-38 #3
By MLK NLDDE Date 11/28/11

9.4.

January 17



Impressions of the French Talks:

There is obviously quite a debate in the French cabinet, with Giraud and Deniau bucking Francois Ponce who is in favor of going full-scope safeguards. The French having gradually been converted to a nonproliferation point of view realize the harm that they have done in Pakistan -- and how they would be blameless if Pakistan had had full-scope safeguards. They have great expectations for export -- and they realize that a lot of the case-by-case trouble would be eliminated if there was an international standard. They feel that the Germans need export availabilities more than the French because domestic opportunities are less. The French know how much stock we put in full-scope safeguards, and they probably figure that if they move on in, we are more likely to make a concession to their views about veto and reprocessing and breeders. They would like to help us over the hump of our present mistaken policy and probably calculate that paying in full-scope safeguards would be a small price.

They are probably really concerned about heavy water reactors, but they also would like to eliminate them as a course of commercial competition. They would also like to get a market for the LEU that they see coming out of their chemical exchange isotope separation process. They realize the dangers of getting on the Iraqi slippery slope -- and that may have been reflected in the explosion of last year.

The French see that the situation is much more complicated than just a fiat -- full-scope safeguards. What does the term mean -- just a condition of supply or should we work to get nations to accept full-scope safeguards even when they are not in the market to buy reactors or fuel?

DECLASSIFIED
Authority NLE 2011-38 #4
By MMK NLDDE Date 11/28/11

What did Pecqueur mean by repeatedly saying last night "are we willing to push it through to success?" Does he think that we would give up after several unsuccessful efforts? Maybe that's the way he reads India and Pakistan American policy.

Where do we go from here with the French? What's their next move? They say that the British, Germans and Japanese agree with them on the veto question and reprocessing and plutonium use and breeders.

What will the discussion in the fringes of INFCE Plenary be like?

What will the bilateral between INFCE Plenary and NPT-RC be like?

What will be the Japanese reaction to what Pickering is going to propose on Tokai Mura? Will we tell the French what we are going to propose to the Japanese?

Isn't it strange that so much sanctions activity is going on -- last month, sanctions against Pakistan -- now sanctions against Iran and against the Soviet Union. Next month it will probably be sanctions against South Africa. In view of the historical record, sanctions don't work. Why is so much attention given to them? I guess it's because force is no longer possible, except for the Soviets. Also, the sanctions have been raised in the case of Rhodesia where they didn't work. This is a modern form of warfare, the moral equivalent of war. Well, it's less bloody.



January 17

Allen:

I think we ought to pursue the statement of Pecqueur's that extraordinary progress has been made in the chemical exchange enrichment process.

gW



DECLASSIFIED
Authority NLE 2011-38 #4
By MLK NLDDE Date 11/28/11

January 16

Allen:

You might ask your friends on the Policy Planning Staff to come up with a contingency paper. What will we do if the Soviets with a high explosive strike take out Kahuta, perhaps in connection with a series of cross-border penetrations by their troops from Afghanistan -- or if the Indians do the same thing at such a time.

9W



DECLASSIFIED
Authority NLE 2011-39 #5
By MLK NLDDE Date 11/28/11

January 15



Allen:

When Pequet^{JK} said to me that we could count on the French going for full scope safeguards -- at least on a case-by-case basis -- what do you think the significance of what statement was? Since they have insisted on full scope safeguards already with South Africa, perhaps it is just a restatement of their present policy. Would it be important for them to declare this openly or will it be sufficient if they just acted on that premise as they face new deals? ~~Should we think about a revival of the London suppliers group -- or~~ could we perhaps circulate a full scope safeguards position for the individual members of the London suppliers group to avoid attracting too much attention before the NPT-RC?

JK

DECLASSIFIED	
Authority	NLE 2011-38 #6
By	MLK NLDDE Date 11/28/11

January 15

Allen:

Would you talk to me about the French complaint
about the Niger thing.

MLK



DECLASSIFIED
Authority <u>NLE 2011-38 # 6</u>
By <u>MLK</u> NLDDE Date <u>11/28/11</u>

January 15



Allen:

What is the answer to the French question "would we be willing to export a heavy water reactor to Iraq if they accepted full scope safeguards," and how about the question "why block export of fast breeder reactors but allow heavy water reactors?"

Yes

DECLASSIFIED	
Authority	NLF 2011-38 #6
By	MMK NLDDE Date 11/28/11

January 15

Allen:

The French said yesterday that they were in no hurry to get on with the EURATOM negotiation. If so, how do we come to grips with the problem of floating our new ideas on Pak and treatment for the Japanese, Germans, French, etc.?

gms



DECLASSIFIED	
Authority	NLE 2011-38 *6
By	MMK NLDDE Date 11/28/11

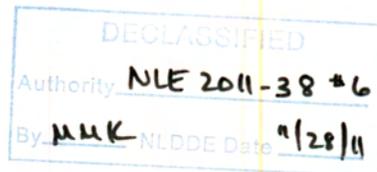
January 15



Allen:

I wonder if we should pursue that question of the special danger inherent in heavy water reactors that Pequet^{HR} spoke so eloquently about. Have you seen George Rathjens' rebuttal? I think it would be well to get together a paper giving our government's estimate of whether Pequet^{HR} is right or not and if we agree with them, what remedies exist.

gms

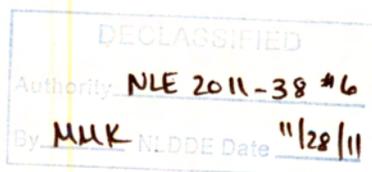


January 15

Allen:

- ① | Would you tell me what precisely Pequer was getting at when he asked his question as to what does full scope safeguards mean? I did not understand his answer even though we asked him to repeat. Also what is the evidence for the French conclusion that the Fed Rep is more in favor of nonproliferation now than six months ago? And should we talk to Canada about what the French told Flora McDonald about heavy water reactors?
- ② |
- ③ |

- ① I DON'T KNOW EXACTLY, EITHER - BUT I SENSED FRENCH CONCERN OVER HOW FSS WOULD BE APPLIED - I.E., WHAT WOULD CONSTITUTE A "NEW COMMITMENT" TO TRIGGER THE REQUIREMENT.
- ② I GATHER FRENCH WERE IMPRESSED AT EFFORT BY FRG TO ADDRESS SERIOUSLY THE ARGENTINA PROBLEM.
- ③ I THINK WE SHOULD LET THE FRENCH TAKE THE HEAT ON THIS - WE ARE AFTER THE CANADIANS ON IMPOSING SAFEGUARDS FOR CANDU REACTORS.



January 15

Allen:

I was especially struck with the French statement that France, the licensee, now has more orders for light water reactors than Westinghouse, the licensor. I think that's pretty good evidence of how our policy is working.



9/26

*NOT EXACTLY - I'M TOLD THAT ALL OR
MOST OF THESE ORDERS ARE FOR
FRENCH DOMESTIC PLANTS.*

PLW

DECLASSIFIED
Authority NLE 2011-38 #6
By MMK NLDDE Date 11/28/11

January 15

PH

Allen:

- ① Should we get a paper to the Secretary giving the results of the 11 December meeting at which his full scope safeguards plea was considered in France, and should we pursue the question of German attitude toward full scope safeguards?
- ② You will recall the French said that they had already talked to the Federal Republic and got a chilly reaction.

post Argentine?

My



- ① We've told the Secretary that the French seem to be moving in the direction of FSS, and that his letter was a focal point for discussion at the 11 Dec. meeting.
- ② The Germans would give us the Aust. off. I think we should approach Bonn via Paris.

DECLASSIFIED
 Authority NLE 2011-38 #6
 By MUK NLODE Date 11/28/11

January 12

Allen:

Did we ever find out how many Libyan students are working in the nuclear field in the United States?

AL



GS:

It's taken a long time to learn that we don't know. The visa and immigration processes produce records showing how many Libyan students are admitted to the US. The records do not indicate fields of concentration, and are not even adequate for determining where the students are located in the US.

The ~~DOE~~ DOE intelligence people would like to be able to answer questions of this sort, but feel that they've run up against insuperable procedural and legal problems. If there were Libyans at DOE facilities such as Oak Ridge (and I gather there are not), DOE would know. But they have no handle on individuals at private institutions.

Obviously, the Soviets have a better grip on matters of this sort.

AL

DECLASSIFIED	
Authority	NLE 2011-38 #7
By	MMK NLDDE Date 11/28/11

A.V.

January 12

[Handwritten signature]

Cutler reports that on Pakistan we seem to be all right with a short term offer but we are very niggardly with the long term offer where he feels our best bargaining power exists to turn off the weapon program.



[Handwritten initials]

THAT SEEMS OK TO ME - WHY SHOW OUR
FUTURE CARDS? THE CURRENT PROPOSITION IS
TO ASK FOR LITTLE ON NON-PROLIFERATION AND
RETURN FOR SHORT-TERM AID. WE SHOULD
HOLD OFF ON LONG-TERM OFFERS UNTIL WE'RE
PREPARED TO CALL THE PAKS' BET.

I UNDERSTAND THERE IS SENTIMENT ON THE
HILL (ZABLOCKI) TO INCREASE THE \$400 MILLION
SHORT-TERM PACKAGE.

DECLASSIFIED
Authority NLE 2011-38 #7
By MMK NLDDE Date 11/29/11

January 10



Allen:

What is the status of our threat not to license reactor components manufactured in the United States for the German CANDU reactor in the Argentine unless full-scope safeguards obtained?

Handwritten signature in blue ink.

DECLASSIFIED
Authority NLE 2011-38 #8
By MMK NLDDE Date 11/28/11

January 10



Allen:

How do things stand with our ability to supply Angra I in Brazil.

U.S.S. 20 BRIEFED

DECLASSIFIED
Authority NLE 2011-38 * 8
By MLK NLDDE Date 11/28/11

AL

January 8

One point that we should make to the Soviets in Vienna is that their Afghanistan action has been countered to nonproliferation. It has given substance to Pak fears which they've expressed to us in past years and has resulted in lessened pressure on them not to go for nuclear weapons.



my

OSZ

DECLASSIFIED
Authority NLE 2011 - 38 #9
By MLK NLDDE Date 11/29/11

AL

January 4

Spurgeon Keeny's concerned about the effect of a legislative change authorizing us to ship aid to Pakistan. He feels that this reflects greater concern for Pakistan security than they have themselves. I told him that I thought it was a ~~fait accompli~~ ^{fait accompli}--that I had urged that one more effort be made to get the necessary assurances from Pakistan to meet the requirements of the Symington amendment, but had not gotten any approval.

W



DECLASSIFIED	
Authority	NLE 2011-38 #10
By	MMK NLDDE Date 11/28/11

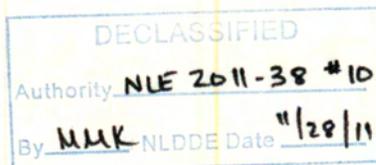
January 4



Allen:

At
Would you pass on to Schaffer the results of my call with Bingham. He says he's sorry he's not going to be back until late in the month; he has read Goheen's letter. He appreciates it from the Indian point of view; Goheen's point carries a good deal of weight but that he, Bingham, has to look at it from the overall nonproliferation point of view. He will certainly carefully pay attention to the administration's position and he suggested some flexibility about the two licenses. I told him that I had received a new insight from Eklund who said that if as a result of termination the safeguards were removed from Tarapur, it would have a seriously prejudicial effect on the whole structure of international safeguards. I think that gave Bingham some pause, although he said if the Indians did that, it would be outrageous. I pointed out that the Indians had only agreed to accept the safeguards on Tarapur in consideration of our commitment to supply the fuel.

Bingham said that he had just talked to Zablocki about a press release that they were agreeing on to put out today to the effect that he and Zablocki would support some special one shot legislation permitting military sales to Pakistan. I expressed agreement saying that I thought we had no choice there.



January 4

Allen:

What happens if the IAEA inspection determines that there have been diversions from Kanupp? Do we still go ahead with economic and military aid to Pakistan?



WE CAN, ON GROUNDS OF PAKISTAN'S NATIONAL SURVIVAL BEING AT STAKE. BUT WE SHOULD BE SURE THAT EXCELIND + THE BOARD TAKE A DIVERSION SERIOUSLY + REPORT TO THE UN. I SHOULD HOPE THE INCIDENT WOULD INSPIRE OUR ALLIES TO GREATER VIGILANCE AGAINST HIDING THE PAK. PROGRAM, AND MAYBE LEAD TO A CONSENSUS ON SANCTIONS IN THE EVENT OF A TEST.

DECLASSIFIED
Authority NLE 2011-38 #10
By MME NLDDE Date 11/28/11

January 4

Allen:

There seems to be some confusion still as to the dimensions of the Pakistani commitment not to test. I've heard it said that the Paks have committed themselves not to test during the life of the government. I've also heard it said that their commitment is not to test for six to twelve months. Can you tell me which is the fact?

g/ll



*BOTH - THE TWO CASES WERE ASSUMED TO BE
EG-TERMINUS. A DRAFT CARTER - ZIA LETTER,
NEVER SENT, WAS TO SEEK ASSURANCE THAT IF
A ZIA GOVERNMENT ENDS, IT WOULD NOT
TEST REGARDLESS OF THE 6-12 MONTH
CONSIDERATION.*

DECLASSIFIED

Authority NLE 2011-38 *10

By MMK NLDDE Date 11/28/11

file

20 Feb

January 2



A period of intense international political activity will follow INFCE.

US nuclear power has been in hiatus.

INFCE makes no clear finding as to the relative proliferation resistance of different fuel cycle systems. Thus, it doesn't find that the LWRL through cycle offers less risk of diversion than either the FBR or the LWR cycle with plutonium recycle.

one

DECLASSIFIED	
Authority	<u>NLE 2011-38 #11</u>
By	<u>NMK</u> NLDDE Date <u>11/28/11</u>