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DEPARTMENT OF STATE

**BRIEFING MEMORANDUM** 

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To: The Secretary

From: ACDA - Fred C. Tkle FC

S/P - Winston Lord W

### Analytic Staff Meeting on Non-Proliferation Strategy

Attached for discussion at the analytic staff meeting on Friday, August 2, is a paper outlining a non-proliferation strategy and action program (Tab A) This paper, like the paper produced for the previous staff meeting, draws heavily upon the draft study of U.S. non-proliferation policy (prepared by the Under Secretaries Committee in response to NSSM 202) which has not yet been approved by all agencies at appropriate levels and which has been partly overtaken by events. It also draws on the updated NSSM 156 study dealing with India.

The attached paper first sets forth a functional framework for attacking the proliferation problem through global policies aimed at containing technical capabilities, strengthening legal-political barriers, and dealing with the special issue of peaceful nuclear explosives (PNEs). It then presents a series of approaches to specific countries judged to be crucial in attaining our non-proliferation objectives, including potential nuclear-weapons states and suppliers of material. A suggested timetable for such approaches is attached (Tab B).

Given the goal of forging a national policy on non-proliferation, we would suggest the following:

- l. That State and ACDA issue within one week a revised draft memorandum to the President on U.S. Non-Proliferation Policy to all the agencies represented on the NSSM 202 study group, taking into account the discussions we have held at these analytic staff meetings.
- 2. That this draft memorandum to the President, after incorporating official agency comments by mid-August, be considered as the basis for a NSDM on non-proliferation which would: establish our basic policy direction; direct specified functional and country-oriented actions; and identify areas requiring further study.

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Concurrently with the proceedings in 1 above, we suggest that the Department, in coordination with ACDA, be instructed to prepare, on a contingency basis, detailed instructions and talking points in preparation for diplomatic actions we might initiate in the fall. We also suggest that the portions of your July 24 testimony before the Subcommittee on Foreign Operations dealing with non-proliferation (Tab C) be made public and disseminated widely at home and abroad. Release of your testimony at this time can serve to remove any doubts regarding U.S. interest in non-proliferation and pave the way for our forthcoming action program without prejudging its exact nature.

### Attachments:

Tab A -- Strategy and Action Program

Tab B - Timetable for Actions

Tab C - Secretary's Testimony

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### Concurrence:

SCI - Mr. Pollack

### NON-PROLIFERATION: STRATEGY AND ACTION PROGRAM

It is assumed that US policy seeks to deter or delay the acquisition by additional states of nuclear weapons. Since it is inherently impossible to develop nuclear explosives for peaceful purposes without acquiring a militarily-usable device and the capability to manufacture nuclear weapons, this policy must seek to prevent the further spread of independent nuclear explosive devices of any kind. This paper presents a framework within which the US can pursue specific policies to support this objective and proposes an action plan for executing a non-proliferation strategy during the coming year.

### I. ELEMENTS OF A STRATEGY

For a state to develop its own independent nuclear explosives, it must have both the requisite <u>capability</u> and the <u>motivation</u> to pursue such development. In virtually all the <u>important non-nuclear-weapon states (NNWS) there is presently a lack of one or both of these ingredients, as indicated in Tables I and II.</u>

This offers the opportunity to formulate a strategy that: (1) strengthens political, legal, and security-related inhibitions against proliferation; and (2) denies nations the full range of materials, equipment, services, and technology needed to produce nuclear exphosives. In addition, selective controls over international transfers of delivery vehicles and technologies could be effective in dissuading certain major powers from embarking on an independent nuclear arms program.

The US cannot, solely through its own actions, hope to establish an effective and durable non-proliferation regime. Concerted ir mational policies are needed. But a considerable foundation has already been laid for such concerted policies, and practical initiatives can be taken by the US at this time to strengthen non-proliferation by the use of its influence and supplier position, both bilaterally in its dealings with key NNWS and suppliers, and through efforts to catalyze additional coordinated multilateral approaches.

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# Countries Currently with Significant Capabilities in Nuclear Field\*

Apparent Attitude Toward going Nuclear	Against	2.5 <b>2.</b>	=	=	=	= 1	=	No strong motiviation	Has exploded one nuclear device	Against
Exporter of Nuclear Materials	Yes	Yes	Yes	Yes	Yes	Yes	Yes	· Yes	Not Yet	Yes
NPT Status	Signatory	<b>x</b>	Party	Signatory	=	z	Party	Non-signatory	Non-signatory	Signatory
Country	Japan	Germany	Canada .	Italy	Netherlands	Belgium	Sweden	Spain	India	Switzerland

Within the next decade, the following \*These also include all significant suppliers of nuclear equipment and services other than the US, UK, USSR and France, of which the first three are NPT parties and the last has declared that it would act as if were a party. Within the next decade, the following countries are also likely to fall in this category: de lear

Country South Africa	NPT Status Non-signatory	Materials Will be	Apparent Attitude Toward going Nucle Probably Against
Australia	Party	Yes	Against
Iran	Party		Against

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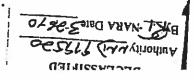
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# TABLE II

Countries with Possible Motivation to Develop Nuclear Explosives

	בס הפעבוסה מהכדבמד היים דיפם	
Country	NPT Status	Capabilities
Israel	Non-signatory	No large nuclear industry, but consider- able technical knowledge; believed to have independent weapons-grade material.
Egypt	Signatory	Long way to go; dependent on imports.
Pakistan	Non-signatory	Long way to go; dependent on imports.
Argentina (PNE)	Non-signatory	Modest, and still dependent on imports.
Brazil (PNE)	Non-signatory	Modest, and still dependent on imports.
South Korea	Signatory	Long way to go, and still dependent on imports.
Republic of China	Party	Sizeable, but still dependent on imports.
Libya	Signatory	Long way to go; dependent on imports.



This paper first describes the basic <u>functional</u> <u>elements</u> of a non-proliferation strategy and highlights the basic tools available to slow further nuclear spread. Actions to improve the effectiveness of these tools are proposed. However, to make them work requires dealing with specific countries. Therefore, this paper also presents a series of <u>Country Annexes</u> which outline specific objectives and the suggested nature and timing of approaches to those countries judged to be most urgent and important — as suppliers, crucial potential NPT ratifiers, or potential proliferators requiring attention outside the treaty. These annexes also indicate the type of leverage available.

### II. FUNCTIONAL APPROACHES

These functional approaches to the pursuit of a non-proliferation strategy are discussed below: (1) containing technical capabilities; (2) strengthening legal-political constraints; and (3) dealing with peaceful nuclear explosives (PNEs). Only background and specific actions judged to be most important to short-term anti-proliferation efforts are presented.

### A. Containing Technical Capabilities

Imposing safeguards over commercial nuclear programs can substantially diminish the likelihood of a nuclear weapons decision by detecting significant losses or diversion of nuclear material and providing assurances that materials are used for declared purposes. Safeguards do not physically prevent diversion, but can serve as a deterrent. India's avoidance of safeguarded material in making its explosive may illustrate this deterrent effect, and, in any case, India's recent action, while sharpening the special PNE problem, did not call into question the efficacy of international safeguards, since there were no such safeguards on the material utilized.

At the present time, very few nuclear facilities in NNWS are not covered by IAEA safeguards, but some states (such as Argentina and Brazil, who may now be joined by Pakistan) appear to be seeking independence from full safeguards. Safeguards are most effective when they apply to all the peaceful nuclear activities in the state, as they must in the case of all NNWS parties to the NPT. The NPT not only obligates NNWS who join it to accept IAEA safeguards on all their peaceful nuclear activities, but it requires all parties to place such safeguards on their nuclear exports to any NNWS, including non-

parties to the treaty. (The NPT also prohibits development or acquisition of indigenous PNE devices by NNWS who join it, and prohibits its NWS parties from assisting any NNWS to acquire such indigenous devices.) With wider NPT adherence by suppliers and recipients, the number of unsafeguarded facilities in the world can be held to a minimum, but efforts must also continue to be made outside the NPT framework to ensure that safeguards are applied to commercial nuclear transactions with NNWS.

A somewhat different approach to containing technical capabilities that can reinforce the safeguards approach is to use export controls to diminish the ability of non-nuclear weapons states to acquire nuclear materials or facilities relevant to a weapons or nuclear explosive program. the key to whether a state can develop nuclear weapons is not the basic knowledge of how to make a rudimentary nuclear explosive but access to weapons-grade material, denying such material to countries now without it is still one of the principal anti-proliferation measures available. Many important NNWS do not have the complete capability to produce material for nuclear explosives, and it may be possible to keep them from acquiring such capability for a substantial number of years. For example, there are currently relatively few plants capable of reprocessing plutonium owned by NNWS,\* and the only uranium enrichment plant associated with a NNWS is a pilot plant operated under a joint UK-FRG-Netherlands enterprise. While such facilities may spread to additional states during the next decade, there are economic as well as security reasons for limiting the number of nationally owned enrichment and reprocessing plants in the world.

American leverage in the commercial nuclear field is diminishing, but the US is still the dominant international supplier of nuclear power plants and fuel. Through Agreements for Cooperation and export control regulations the US

<sup>\*</sup>The only one that has been in commercial operation is a multinational OECD plant in Belgium, about to shut down. India has a small one and is building a larger one, and there are pilot plants in Germany and Japan. Japan also has a larger reprocessing plant under construction, and there are also small pilot plants in Argentina and Spain and a laboratory scale facility in the ROC. We are not sure whether Israel has such a facility.

has imposed IAEA safeguards, and special controls will be placed on transfers of nuclear material and equipment to the sensitive Middle East area. Although export controls and safeguards have a negative thrust, a vigorous program of commercial nuclear cooperation with other nations can help maintain influence over foreign programs through proper controls, dependence on external supply, and the confidence of a constructive association in peaceful programs. Nevertheless, the support of other major nuclear suppliers is needed for an effective and durable regime of international safeguards and controls.

Progress has been made on nuclear supplier cooperation through the Zangger (Nuclear Exporters') Committee -- a large group of suppliers of nuclear material and technology\* with considerable potential leverage who have developed, on the basis of consultations over the past three years, common guidelines for nuclear exports designed primarily to ensure that the nuclear material involved will be under IAEA safe-guards and that differences in how this requirement is applied will not become a competitive matter. A broad consensus has been reached on these guidelines, and the Soviets have indicated that they are prepared to abide by them. Plans have been made for a number of the members (including the US, UK, USSR, and Canada, among others) to give official notification on August 15, 1974 that their export practices are consistent with these guidelines.

In developing an effective supplier regime through the Zangger Committee, the chief deficiencies are the absence of French agreement to abide by these guidelines, and the fact that they do not cover the export of technology. In addition, since their purpose was to require safeguards, they do not restrict the export of uranium enrichment or chemical reprocessing facilities so long as they are safeguarded. However, the recently approved NSDM 255 approves a US approach to other suppliers to facilitate the construction of multilateral reprocessing and enrichment plants, to develop common principles regarding exports of enrichment technology, to develop guidelines for exports to countries in sensitive regions, and to strengthen physical security measures against theft of nuclear materials.

<sup>\*</sup> This Committee's members include: Australia, Canada, Belgium, Finland, the FRG, Italy, The Netherlands, Norway, Sweden, Switzerland, USA, UK, South Africa, Denmark, Japan and New Zealand.

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The important policy actions the US should undertake to strengthen international safeguards and export controls can be summarized as follows:

- High level political approaches to key exporting countries to enlist their support for safeguarding transfers of nuclear materials. Consultations with France constitute the most crucial and urgent step to be taken, although discussions with India as a potential future exporter are also important. Among the goals of such bilateral approaches would be acceptance of Zangger Committee guidelines and the need to extend multilateral export criteria to include sensitive unclassified technologies. Supplier consultations on all pertinent non-proliferation matters could take place outside as well as inside the Zangger group, perhaps through a conference of key suppliers. Annex A focuses on a specific approach to France and outlines approaches to other suppliers, including Canada, the FRG, Japan, the UK and the USSR. Annex C deals with the question of India as a prospective nuclear supplier.
- 2. Efforts to secure multilateral cooperation among suppliers to limit the number of independent plutonium reprocessing facilities. Since the need for reprocessing is several years off, and multinational plants could offer considerable economic advantages, we could urge that construction of national plants in countries such as Pakistan or Brazil, as well as assistance by supplier states in such construction, be deferred pending international consultations on how best to meet future reprocessing requirements. Solutions could involve regional multinational plants and offering favorable terms for reprocessing services to smaller countries. Technological developments indicating that recycled plutonium combined with natural uranium fuel could substitute for enriched uranium argue even more strongly for reprocessing controls.
- and technology. This would involve discussions with the UK-FRG-Netherlands centrifuge organization (URENCO) and the French, with a view toward encouraging multinational ownership of enrichment plants and maintaining tight controls on gas centrifuge technology. It would also involve measures to hasten the construction of the fourth US enrichment plant, preferably with financial participation by Japan and Iran, to remove the economic incentive for additional

foreign plants.\* The Energy Coordinating Group (ECG) can provide an effective forum for cooperation in uranium enrichment through resource sharing and export guidelines.

- 4. Obtaining agreement among key suppliers to place special conditions on nuclear exports to nations in sensitive regions. The USSR as well as major Western suppliers should be approached. If common criteria could be developed, the accumulation of plutonium and highly-enriched uranium in sensitive areas could be precluded or at least delayed. This approach assumes success in negotiating the special conditions included in the proposed US Agreements for Cooperation with Israel and Egypt (and Iran).\*\*
- 5. Developing through multilateral consultations common standards for improved physical protection of dangerous nuclear materials in transit and storage. This could lead to an international convention on physical security -- an option presently being studied by the US as called for in NSDM 255.

Serious consideration should be given to a monetary grant to the IAEA to help ensure adequate financing of its safeguards program. The amount involved could be relatively modest (since the entire safeguards budget of the IAEA for this year is \$5,000,000), but its symbolic value at this time as demonstrating our support for IAEA safeguards would be considerable.

<sup>\*</sup>Loss of our position as a commercially attractive supplier of enrichment services could drive customers to deal with other suppliers who may impose less rigorous conditions and afford less leverage in attempts to prevent the acquisition of unregulated weapons grade materials.

<sup>\*\*</sup>These conditions include: omission of a commitment to consider transfer of highly enriched uranium; US rights to approve the location of plutonium fabrication and reprocessing facilities and the disposition of plutonium (e.g., insist on external storage); commitments and consultations regarding adequate physical security; and confirmation of no PNE use of US-derived material.

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### Strengthening Legal-Political Constraints

Decisions to acquire nuclear weapons will ultimately rest on an assessment of self-interest taking into account security, political and economic factors. In this sense, our alliance or other over-all relationship with the country involved, our national and mutual defense arrangements, security assurances, arms control measures, and progress in avoiding or settling international hostilities and promoting greater stability, all play some role in creating an environment within which independent nuclear arms programs can be seen by NNWS as either unnecessary or undesirable. Over the longer term, the US should do its part in seeking to diminish the perceived political and military value of acquiring nuclear weapons, to further curb nuclear testing and vertical proliferation, and to achieve reliable mutual reductions in nuclear arsenals. One of the most concrete and essential ingredients of a non-proliferation program, however, is to obtain a commitment by a NNWS not to use nuclear materials for weapons purposes. Such a commitment is contained in US Agreements for Cooperation with other nations in the nuclear field and other international accords, such as IAEA agreements and the Latin American Nuclear Free Zone (LANFZ). But the most widely adopted general commitment of this type is the Non-Proliferation Treaty (NPT).

The NPT, which now has 83 parties and 23 other signatories, provides an opportunity for states, either separately or simultaneously with rival states, to convert a decision to forswear indigenous nuclear explosives into an international legal obligation, specifically approved by their parliaments and judged to serve their national interest. NPT ratification not only adds to the international political obstacles to going nuclear, but also makes it more difficult for domestic proponents of a nuclear explosive program in such a state to force reconsideration of the decision. over, it requires international safeguards on all the peaceful nuclear activities of each NNWS party. Entirely apart from the question of technical effectiveness, once external safeguards are instituted, the use of nuclear materials or facilities for military weapons purposes would involve the political and legal costs of abrogating an agreement or risking discovery of a clandestine program and could risk economic retaliation at least including a cut-off of further nuclear energy assistance.

In many respects the NPT serves as the linchpin for worldwide cooperation to slow the spread of nuclear weapons. It has been ratified by all Warsaw Pact members, and at least signed by all our principal allies. Yet important nations

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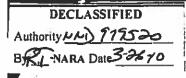
these promises credibility. Possible steps worth considering would be (a) contributing to a bank of low enriched uranium for the benefit of developing countries who are NPT parties; (b) declaring that we do not intend to enter into further Agreements for Cooperation (beyond those which we are already committed to negotiate) with non-parties to the NPT in the coming year; (c) announcing that NPT status will be an important factor in US decisions on the export of HEU (it is one of the factors that NSDM 235 requires to be taken into account). There is a danger, however, that preferential treatment for treaty parties could conflict with our attempts to enter into productive and safeguarded associations with nations who choose to remain outside the treaty, as, for example our efforts to lessen the risk of diversion by Egypt and Israel through cooperation with special conditions. Some way must be found to secure the advantages of both approaches.

### C. Dealing with Peaceful Nuclear Explosives (PNEs)

A nuclear explosive device, regardless of its intended purpose, can be used as a nuclear weapon, and the technology for making such devices for peaceful purposes is indistinguishable from the technology for making nuclear weapons. The NPT recognizes these facts, for NWS under the treaty are committed not in any way to assist, encourage, or induce non-nuclear weapons states to manufacture any nuclear explosive device, while NNWS who join the treaty give up their option to acquire nuclear explosives. Article V of the treaty, designed to ensure that parties would not suffer a potential commercial disadvantage through foregoing indigenous PNE programs, gives NPT parties special rights to obtain any potential benefits of PNEs through PNE services from the NWS under appropriate international arrangements.

The cost-effectiveness and domestic acceptability of peaceful applications of nuclear explosives have not been established. This is true even of the relatively sophisticated PNEs developed by the US and the USSR -- which have many direct carry-overs to advanced weapons designs. In addition, the LTBT places severe restrictions on the use of PNEs for nuclear excavation, and the agreement on PNEs contemplated by the TTB may further constrain US and Soviet PNEs.

The US has no serious prospects of using nuclear excavation for domestic purposes, but the Soviet PNE experts are apparently interested in a large nuclear excavation project in the Soviet Union. There is relatively little interest in PNEs by most NPT parties (except in



Thailand, which has shown interest in a three billion dollar nuclear excavated canal) or signatories (except Egypt, which, with German engineering help, is also exploring the possibility of a large nuclear-excavated canal). But some nonsignatories to the NPT (most notably Argentina and Brazil, as well as India) have been jealously guarding their option to develop indigenous PNEs, notwithstanding our belief that they would not justify the cost of the extensive developmental program required.

In dealing with non-signatories to the NPT, disputes have arisen with respect to whether existing agreements for cooperation and safeguards agreements (which guarantee that imported materials will be used only for peaceful purposes, or not in such a way as to further any military purpose), preclude the use of such materials for PNEs. Efforts are underway to resolve this matter, but such efforts are likely to meet resistance at least from India, Argentina and Brazil.

But the most urgent and challenging PNE problem is what can be done toward limiting the weapons potential of future Indian explosions and possible future explosions by other non-party NNWS claimed to be for peaceful purposes. explosions by a NNWS are in direct conflict with a nonproliferation policy. Moreover, if the Indians continue to develop PNEs, they will inevitably improve their nuclear weapons capability. The only purpose that controls on such explosions could serve would be to provide some accountability for the material devoted to this use, possibly accompanied by undertakings that nuclear explosives would not be stockpiled or deployed for military purposes. But, apart from their limited objective, the problem with obtaining such assurances -- even if the Indians would accept them -- would be that they would constitute internationally accepted procedures that would legitimize PNEs, and thus encourage indigenous PNE development by NNWS such as Pakistan, Argentina and Brazil, while leaving NPT parties bound not to develop them.

Solutions to the PNE problem are not yet fully apparent, but the following specific actions should be taken at this time by the United States:

1. Continue to press NPT parties with export potential to obtain explicit assurances from non-treaty countries that nuclear imports will not be used for any nuclear explosive purposes. Continued nuclear assistance for relevant

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projects would be made contingent upon receiving such assurances. This would reinforce actions already underway by the US and Canada by establishing a common line toward closing any PNE "loopholes" in bilateral and IAEA agreements. It would be consistent with the PNE position included in the Zangger guidelines. Outside the NPT, it would be essential to persuade France to take this position, and efforts should be made to ensure that India does not export PNE technology to NNWS.

- Continue to examine on an urgent basis the question of whether special measures can be devised to help provide assurance that PNE devices produced by a nonnuclear weapons state could be accounted for and would continue to be channeled to peaceful uses. Initial studies have raised some possibilities, such as safeguarded accountability of materials to be used for declared PNE purposes and on-site observation, but a technically sound and negotiable scheme has not yet been identified. The danger of legitimizing PNEs through such an approach must be carefully assessed. This should be discussed in detail with the USSR -- recognizing that (i) TTB procedures are not applicable for NNWS, and (ii) that measures devised to "contain" India's program (see Annex C) may not be applicable to other states.
- 3. Develop with the Soviets and French (and in consultation with the UK) mechanisms for responding to requests for PNE services. In addition, we should initiate one or more feasibility studies of appropriate PNE projects, and inject into international discussions of PNEs a full explanation of their limitations, problems and costs.

### III. COUNTRY ANNEXES

Approaches by the US to key countries form the practical foundation of a non-proliferation strategy. The following Country Annexes outline the rationale for such approaches, indicate the factors likely to influence the outcome of such approaches, and highlight questions of procedure and timing. Obviously, these approaches on non-proliferation must be seen in the larger context of relations with the nations concerned. But the specific actions proposed are believed to be essential to non-proliferation and probably achievable without excessive risks or costs.

Six Annexes are included:

- #. France and other key suppliers
- Br USSR
- **G.** India and Pakistan
- 1. Italy, Japan, and others whose adherence to NPT is especially important
- 5. Israel and Egypt
- . Argentina, Brazil, and Chile

No approach to the PRC is included. While the PRC has criticized the NPT as a US-Soviet condominium, it is not a manufacturer of commercial nuclear equipment, and has not been an exporter of nuclear materials. While it might choose to export some nuclear materials in the future, an approach at this time to head off the possibility would not seem productive. In any event, notwithstanding its negative stance on the NPT, the PRC would appear to have no reason to contribute to the further spread of nuclear explosives. [A separate paper (specially classified) on possible PRC approaches is in preparation.]

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<u>ANNEX A</u>

### FRANCE AND OTHER KEY SUPPLIERS

### 1. France

### Objectives:

Greater French cooperation in nuclear export controls is essential to their success and to preventing competition among suppliers in relaxing such controls. Specifically, our objectives should be:

- -- To ensure that the French will not undercut our measures toward India.
- -- To gain French agreement to abide by the Zangger (Nuclear Exporters') Committee guidelines, which require
  - (a) IAEA safeguards of appropriate duration on all exports of key nuclear materials and equipment to NNWS, and on plutonium produced therewith.
  - (b) Assurance that such exports will not be diverted to PNEs.
- -- To ensure that France continues to treat India as a NNWS for export control purposes.
- -- To persuade the French to join in international efforts to:
  - (a) Provide an attractive alternative to national enrichment and reprocessing plants in NNWS, and not to assist countries such as Pakistan to acquire the latter. (This is an urgent problem, since Pakistan is currently seeking one.)
  - (b) Control the dissemination of enrichment technology in line with NSDM 255.
  - (c) Place appropriate conditions on where reprocessing, storage and fabrication of weapons grade material takes place.
- -- To persuade the French to exercise greater restraint in the export of weapons grade nuclear materials and require appropriate physical security arrangements and other conditions. This, too, would help implement NSDM 255. There is an immediate problem in the proposed French shipment of 400 kg of weapons grade uranium to India for use in its

prototype fast breeder reactor. We should seek to ensure that not only this HEU, and the plutonium produced with its use, but an equivalent amount of unsafeguarded Indian plutonium is subjected to safeguards.

-- To enlist French cooperation, as a potential supplier of PNE services, in working out international arrangements to deal with the PNE problem.

### Nature of Approach and Leverage

High level diplomatic talks with the French would be necessary. The French have an obvious interest in maintaining their special status as a nuclear weapon state, and in not having it eroded by others, particularly in Western Europe. They would especially not like to see Germany or Italy become a nuclear weapon state. They have publicly declared their opposition to proliferation and stated that they would behave as if they were a party to the NPT. Informal soundings with the new French Government indicate that they may have been sobered by the Indian event and might well be interested in discussing export control problems with us.

French political and financial investment in the projected EURODIF uranium enrichment plant gives them a strong commercial incentive to head off the building of indigenous enrichment plants elsewhere. It also should interest them in preventing indigenous reprocessing plants that could lead to the use of recycled plutonium and natural uranium as a substitute for enriched uranium fuel.

The French still need US technological assistance in the nuclear field, particularly in the near term. This need, as well as technological assistance in other fields, is a potential bargaining chip.

For the next five years, the French need continuing supplies of lighly enriched uranium (HEU) from the United States. We have evidence that they are very much aware of the need to avoid action which will lead us to cut off this supply. (This is particularly relevant to their impending supply of 400 kg of HEU to the Indians. They would not be in a position to make this supply unless they could count on getting more than that amount of HEU from us.)

With respect to physical security requirements, the French are highly conscious of the risk of terrorist activities.

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Timing: Urgent, since important irreversible decisions may be made by the French in the next month or so. Initial consultations should precede the Secretary's trip to South Asia, since the line we take with India will depend in part on the prospects that the French might undercut us.

### 2. Other Suppliers

If French cooperation can be achieved, the Zangger Committee guidelines can be highly effective in securing safeguards on nuclear activities of non-parties to the NPT, especially if the key NPT signatories described in Annex D complete their ratification of the Treaty in the coming year.

To achieve the further objectives of NSDM 255 (including encouragement of multinational reprocessing and enrichment plants, development of common principles regarding export of enrichment technology, common guidelines on exports to countries in sensitive regions, and strengthened physical security measures against theft of nuclear materials) early consultations will be required with URENCO (UK-FRG-Netherlands) and with the following major nuclear exporters: Japan, FRG, Canada, Italy, Belgium, Netherlands, Sweden, Switzerland, and South Africa, as well as the USSR (Annex B) and India (see Annex C). Canada can be expected to be particularly cooperative in this area.

### Nature of Approach and Leverage

Both bilateral approaches, a special approach to URENCO, and possibly a conference of key suppliers are indicated. Our leverage includes common economic and security interests in preventing both the acquisition of nuclear weapons by other countries and the risk of theft or hijacking by subnational groups, the advantages of creating an orderly market for reprocessing and enrichment services, and the economic incentive of those investing in uranium enrichment facilities in not having their market undercut.

Timing: The approach to URENCO on non-dissemination of centrifuges and centrifuge technology is urgent. Bilateral consultations with key suppliers could help set the stage for a conference of key suppliers later this fall.

ANNEX B

### SOVIET UNION

### **Objectives**

- (1) Ensure that the Soviets will not undercut the measures we are proposing for India: especially that they will not furnish assistance that we withhold for leverage purposes. We should also ascertain whether the Soviets, who are the only other potential suppliers of long-range bombers, would agree to abstain (as they have to date) from supplying such bombers to India and thus restrict its delivery capabilities and reduce its incentive to develop nuclear weapons.
- (2) Seek further modification of the Soviet position on handling PNEs under the TTB to take account of the LTBT and non-proliferation problems raised by PNEs -- a key issue being whether nuclear excavation explosions over 150 kt will be provided for or postponed.
- aspects of PNEs (e.g., what should be done in the coming year to implement Article V of the NPT, how to handle the LTBT restriction on venting, and how to prevent the further acquisition of PNEs by NNWS not party to the NPT) is in consonance with ours. We should urge that international discussions of PNEs include adequate treatment of the limitations and problems involved, including radiation from nuclear excavation, costs and economic aspects, the numbers of explosions involved for meaningful exploitation, and the legal liability problem.
- (4) Coordinate approaches to possible steps that could be taken in the near future to make the NPT more attractive to NNWS (including a possible Soviet contribution, matching those we have already made, of low enriched uranium to the IAEA for distribution to developing countries) and discuss how to handle policy issues likely to arise at the NPT Review Conference.
- (5) Elicit continued Soviet support for concerted action on nuclear export controls, and test their interest in a meeting of key suppliers for the purposes indicated in Annex A.

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### Nature of the Approach and Leverage

Before the Secretary's trip to South Asia, he should seek Soviet assurances on objective (1), and establish the need and our general approach for more detailed consultations on the other objectives set forth above.

Preliminary talks on the PNE agreement associated with the TTB will be required this fall. Technical talks on PNE technology and the venting from nuclear excavation explosions (but not on the legal and political assessment of such venting) have been proposed by the Soviets for November in Moscow. Discussions of the political aspects of PNEs should precede such technical talks. In addition, the Soviets would be important participants in any conference of key nuclear suppliers, as well as on any international conference on PNEs (such as the IAEA meeting planned for next January).

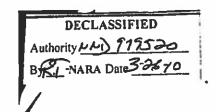
The Soviets have an obvious interest in not having their special status as a NWS diluted, and thus have been strong supporters of non-proliferation efforts, including the NPT, international safeguards, exclusion of indigenous PNEs in NNWS, and export control measures.

Although the Soviets have not made a public statement about the Indian test, and the Soviet press has stressed the "peaceful" character of the Indian explosion, the Soviets are surely aware of the damage the Indian test can do to the NPT, and the impact their own actions will have on the outcome. Nevertheless, in seeking to preserve and strengthen the NPT, they will probably wish to do so in ways that will not imply criticism of India.

Apparent Soviet domestic interest in PNEs, including nuclear excavation, will clearly complicate the problem of dealing with all of the aspects of PNEs referred to above, but a fuller airing of the interrelationship between the various PNE problems may be of some help.

### Timing

The initial approach suggested above should be made before the Secretary's visit to South Asia. The others should, as indicated, take place within the following six months. (Cf. the tentative schedule submitted with this memorandum.)



ANNEX C

### INDIA AND PAKISTAN

### INDIA

### **Objectives**

- (1) To ensure that the nuclear material derived from imports are not used for any nuclear explosives.
- (2) To delay India's acquisition of large amounts of weapons grade nuclear material, and obtain IAEA safeguards on such material to the maximum extent possible.
- (3) To obtain Indian assurances that they will not export nuclear explosive technology.
- (4) To persuade the Indians not to provide assistance to other countries in constructing chemical reprocessing plants, pending international consultations in which they could partitipate, on how best to meet future reprocessing needs.
- (5) To induce India, as a potential exporter, to require IAEA safeguards on its exports, and otherwise coperate in efforts to develop concerted international export control policies. (While it probably will not be possible to persuade India to insist on its nuclear exports not being used in PNEs, it may be possible to achieve this result indirectly by having it require safeguards and establishing in the IAEA that safeguarded material cannot be used for PNEs.)
- (6) To defer the second Indian explosion, pending international consultations, in which they could participate, on how to deal with future PNE explosions.
- (7) To explore with India possible ways in which it could demonstrate the dedication of its program to peaceful purposes, and the fact that nuclear explosives were not being stockpiled or deployed. [Subject to further study, measures such as the following might be considered, while recognizing that they would not prevent India's further development of nuclear explosive technology and that they could have the disadvantage of legitimizing PNEs in a way that could encourage Pakistan, Argentina, and Brazil to develop their own PNEs:
- (a) accepting safeguards, or at least unattended prduction monitoring equipment, on its reprocessing plants,

in order to establish the amount of weapons-grade plutonium produced, and then accounting for the disposition of such plutonium.

- (b) Limiting production of nuclear explosive devices to those needed for specified PNE experiments or applications, providing notification of such production, and keeping such devices in sealed storage pending their movement to the site of the PNE application.
- (c) Accepting the observation arrangements worked out by the IAEA for explosion services performed by nuclear weapon states for NNWS, which include observers accompanying the device to the site, and observing site preparation, emplacement and detonation.]
- (8) To encourage Indian guarantees to Pakistan against the stockpiling or deployment of nuclear explosives, and against the use or threat of their use for any military purpose.
- (9) To prevent India from acquiring long range delivery capabilities.

### Nature of Approach and Leverage

For objective (1), we should follow through with actions already underway to obtain an explicit assurance that nuclear materials at Tarapur will not be used for PNEs. Canada is seeking comparable assurances with respect to the power reactors which it supplied to India, and the IAEA Secretariat is considering issuing a legal interpretation of its safeguards agreements to the effect that they preclude the use of safeguarded materials for PNEs.

For objective (2), we should try to persuade the French to use their impending large shipment of HEU to India by France (see Annex A), to obtain safeguards not only on such material and material produced therewith, but also on an equivalent amount of Indian plutonium; for assistance related to the completion of the large reprocessing plants and unsafeguarded power plants that India is building, to require safeguards as a condition of export; and to seek to limit relevant foreign training of Indian personnel and relevant assistance to India by US or other foreign personnel unless such plants are submitted to safeguards.

For objective (3), we could take note of statements their Foreign Minister made to the UK, to the effect that

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it was their policy not to export nuclear explosive technology; express our strong support of this policy; and request at least a private assurance to us that this would continue to be their policy.

Approaches on objectives (3) - (8), would have to be through bilateral discussions, presumably starting with the Secretary's visit to South Asia this fall, but recommendations could also be made in international fora, such as the UNGA, or CCD or IAEA, and discussed with other interested countries. Leverage is limited, except that this approach would capitalize on India's own assertions of peaceful intent, and India's obvious interest in avoiding the development by Pakistan of a nuclear explosive capability which might partially neutralize India's clear military supremacy in the subcontinent. Congressional attitudes toward aid, as exemplified by the recent IDA legislation, could also be cited.

The last approach, insofar as it involves long range bombers, would be made through consultation with the Soviets, who are the only other suppliers of such bombers. With respect to missilry, we would seek to impose, and seek to have other suppliers impose, appropriate limitations on international cooperation with India (excluding, for example, assistance in inertial guidance).

Timing: Except for the actions related to objectives (1), (2) and (9), the Secretary's proposed visit to South Asia presents the obvious opening for such approach. This should be preceded, if possible by consultations with the French and the Soviets to assess the risk that they might undercut such efforts.

### PAKISTAN

### Objectives

- (1) To head off current Pakistani attempts to acquire weapons grade nuclear materials or an indigenous chemical reprocessing capability, which would enable it to produce weapons grade nuclear material free of dependence on other countries.
- (2) To ensure that international safeguards continue to be applied to all of Pakistan's nuclear facilities.
- (3) To ensure that Pakistan will not use safeguarded or imported materials for PNEs.
- (4) To obtain Pakistani ratification of the Limited Test Ban Treaty (which has been ratified by India).

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### Nature of Approaches and Leverage

Since Pakistan is still dependent on imports to sustain its nuclear activities, most of these objectives can best be approached through concerted action by potential suppliers. The most urgent item in this category is objective (1), since the Pakistanis are currently seeking help in building a chemical reprocessing plant from the French and others, and their acquisition of such a plant would give them access to weapons-grade materials.

Proposed action by the IAEA Board of Governors to establish that safeguarded materials may not be used for PNEs may also be helpful in achieving objective (3).

Aspects that could be discussed directly with Pakistan include the following:

- (a) The poor economic case for building their own reprocessing plant to serve the very limited number of reactors in Pakistan (currently including only one small power reactor).
- (b) The desirability of deferring the construction of such a plant pending international consultations on how best to meet future reprocessing needs.
- (c) The desirability of Pakistan's ratification of the LTBT which, for example, would put them in a better position to complain about Indian infractions of that Treaty.
- (d) The desirability of Pakistani support for efforts to establish that materials under IAEA safeguards may not be used for PNEs, since this would help limit the materials available to India for PNE purposes.
- (e) Our interest in encouraging further measures that will help p wide assurances against the stockpiling, deployment, or military use of nuclear explosive devices by India.

Timing: The two most urgent items are approaches to other potential suppliers re objective (1), and bilateral discussions with the Pakistanis during the Secretary's visit to South Asia this fall.

ANNEX D

ITALY, JAPAN and Others Whose Adherence to the NPT is Especially Important

### Signatories

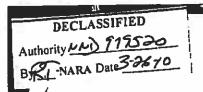
(NOTE: Of the NNWS that have signed but not yet ratified the NPT, the most crucial to its success are Japan, the EC countries, and Switzerland. They are the most advanced civil nuclear powers not already bound by the NPT and include all major nuclear exporters other than France and present parties to the NPT. Their ratification would confirm their political commitment not to go nuclear themselves, provide complete safeguards coverage of their nuclear industry, and provide a commitment to require safeguards on their nuclear exports to any NNWS. In the case of the EC countries, it would also help remove any legal questions about our continued nuclear supply to them being in conflict with our NPT obligations.

Of these key countries, all appear to be proceeding toward ratification, but the Italian Foreign Office is causing Italy to drag its feet (using as one argument our apparent loss of interest in their ratification), and Japan appears to have new doubts both about our interest in their ratification and in whether the treaty will be commercially advantageous to Japan. The failure of either country to ratify the treaty could affect the decision of the other, and also adversely affect the current plans of other key signatories to complete ratification.

### (a) Italy and Japan

### Objectives:

- (i) to obtain their ratification of the NPT removing their doubts about US interest in their ratification and satisfying them that they will be in a more favorable position with respect to international nuclear cooperation if they join the treaty than if they do not;
- \_(ii) to persuade them to formalize their support for the Zangger Committee guidelines and to cooperate in other nuclear export policies discussed in this paper.



### Nature of Approaches and Leverage

The first objective can best be achieved by high level demarches to the governments. We could point out the fact that NPT status is one of the factors taken into account by the US in deciding on whether to license assistance in foreign fuel enrichment, reprocessing, or fuel fabrication activities, and also (if declassified) with respect to HEU. Thus, NPT adherence will facilitate our cooperation in certain advanced aspects of nuclear commerce. (This argument would be greatly strengthened if we decided to grant preferential treatment to NPT parties in other ways.)

In the case of Italy, we could point to the desirability of removing any legal doubts about our ability to continue our nuclear cooperation with the EC. (Italy's EC partners may also wish to bring pressure to bear on them on this score.) We might also tie our approach to our discussion of ways to help Italy out of its financial crisis.

For both countries (and Germany) it is also important that we complete negotiations of our agreement with the IAEA implementing the Presidential offer to permit the IAEA to safeguard US facilities, in order to demonstrate that we were not seeking a commercial advantage over NNWS by avoiding safeguards. Negotiation of this agreement is well advanced.

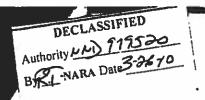
### (b) Germany and the Netherlands

It is important that we coordinate our approach to Italy with Germany and the Netherlands, both of which have a strong interest in obtaining Italian ratification, in order to remove any legal doubts about their own ability to obtain further nuclear fuel supplies through the EC.

Timiz: It is important to make such approaches early this fall view of the possibility that the opportunity will get lost, the desirability of obtaining these ratifications before the NPT Review Conference in May, 1975, the long lead-time required (particularly for Italian action), and the desirability of clearing up legal questions about our continued nuclear fuel supply to the EC countries.

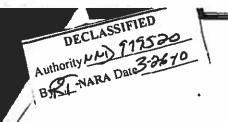
### 2. Non-Signatories -

Of the non-signatories to the NPT, <u>Spain</u> is the one with the largest and most advanced civil nuclear industry, but has no apparent motivation to go nuclear; and <u>South</u>



Africa will become important, principally because of the large uranium enrichment plant it now has under construction, but also because of its possible motivation to develop a nuclear weapons capability. Adherence to the NPT by these two countries, for which we are one of the principal suppliers of reactors and, for the present, of nuclear fuel, would strengthen non-proliferation efforts.

The other key non-signatories to the NPT are discussed in Annexes C (India and Pakistan), E (Israel) and F (Argentina, Brazil, and Chile).



ANNEX E

### ISRAEL AND EGYPT

### Objectives

To move Israel and Egypt towards decisions and programs consistent with non-proliferation and eventual ratification of the NPT. More specifically,

- -- To obtain clear pledges from both states not to be the first to introduce nuclear weapons in this area.
- -- To impose and expand safeguards coverage in each nation, while minimizing the presence in either state of weapons-grade material.
- -- To gain confirmation of no PNE use from both countries.

### Nature of Approaches and Leverage

Israel has neither signed nor ratified the NPT, and a nuclear weapons potential is high due to the unsafeguarded output of the French-supplied Dimona reactor. Egypt has signed and indicated that ratification would follow an Israeli decision to join the Treaty. Israel has already stated that it would not be the first to introduce nuclear weapons in the area, and while no clear evidence of a changed attitude toward the NPT has emerged, Israeli officials have indicated that the NPT position is being reviewed.

A framework for a parallel non-proliferation approach to Israel and Egypt can be found through the negotiation of the agreements permitting sales of US power reactors and fuel to both countries. If successfully negotiated, the diplomatic note associated with the Agreement for Cooperation would result in two significant steps toward non-proliferation:

(1) It would obtain confirmation by both countries that material or devices supplied the US would not be used for any nuclear explosives, thus explicitly closing the PNE "loophole." Neither nation would have difficulty in accepting this term. Egypt has, however, expressed interest in obtaining PNE services.

(2) It would commit both sides to assure that all future nuclear facilities or materials entering their country from any source would be subject to IAEA safe-guards and would not be used for any forms of nuclear explosives. While this would not lead to safeguards on all facilities in both countries ( and would leave Dimona products untouched), it would essentially represent a functional equivalent to an NPT obligation covering the bulk of each nation's nuclear power programs.

If Israel accepts this "partial NPT" agreement, it is likely that Egypt will follow. This accept—ance could, in turn, create the conditions for official NPT participation within the next few years. If this pattern begins to arise, it might be encompassed within a Mid-East Nuclear Free Zone which has been proposed for consideration by Iran and which will undoubtedly be discussed in detail at the CCD in Geneva and elsewhere.

Timing: The first step is to determine at the earliest possible date the Israeli and Egyptian positions on the proposed US conditions for the Agreements under consideration. This response would influence our next move.

### ARGENTINA, BRAZIL and CHILE

(NOTE: Argentina is the most advanced civil nuclear power in South America, and even has a small pilot chemical reprocessing plant. Brazil is a close second. Both appear to be seeking independence of foreign controls and are emphatic about their right to develop indigenous PNEs. Chile is less advanced, but its nuclear program is controlled by the Army. All three countries are unlikely to join the NPT, and our strategy must operate in other ways.)

### Objectives:

- To deter these countries from following the Indian path of (a) avoiding or prematurely terminating international safeguards on their facilities, (b) acquiring an indigenous capability to produce weapons grade nuclear materials, and (c) developing nuclear explosives for "peaceful" purposes.
- 2. To head off their acquisition of <u>national</u> uranium enrichment or chemical reprocessing capability.
- 3. To obtain Argentine ratification of the LTBT, which would at least rule out atmospheric nuclear explosions.
- 4. To obtain Chilean ratification of the Latin American Nuclear Free Zone Treaty.

### Nature of Approach and Leverage:

Since both countries are still dependent on imports to sustain their nuclear activities, the first two objectives can best be achieved through concerted action by potential suppliers, including, in this case, India.

A safeguards agreement between the IAEA and Argentina covering the second power reactor in that country will soon be submitted for approval by the IAEA Board of Governors. We should insist on its being of satisfactory scope and duration, and enlist support for that position.

Proposed action by the TAEA Board of Governors to establish that safeguarded materials may not be used for PNEs may also be helpful in achieving objective 1(c) above.

-2-

Achievement of objective (2) depends on being able to offer an attractive alternative way of meeting their future reprocessing needs, and this will require consultations among potential suppliers of such services or an initiative by the United States to establish a multinational facility.

Achievement of objective (3) seems possible in light of the fact that Brazil has ratified the LTBT, and that PNEs do not require atmospheric explosions.

Bilaterally, we can point out it would be economically disadvantageous for either country to build a national chemical reprocessing plant to service only a small number of nuclear reactors. We might encourage Brazil and Argentina to consult with each other for the purpose of avoiding competition in building nuclear explosives.

In the case of Chile, we can encourage Mexican pressures to have it join the LANFZ, since Chile is currently especially interested in improving its relations with Mexico.

### Timing:

Apart from the impending actions in the IAEA, the most urgent task is an approach to potential suppliers of chemical reprocessing plants to accomplish objective 2.

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### SECRET

# Preliminary Timetable for Non-Proliferation Strategy

- Now: (1) Release and call to the attention of all relevant posts, the Secretary's colloquy with Senator Brooke.
  - (2) Cairo and Tel Aviv -- follow up to develop reciprocal interest in proposed conditions in proposed agreements for cooperation.
  - (3) Resolve dispute over India's use of Tarapur in manner that does not undercut our general position on use of our materials for indigenous PNEs.
- Aug. or early Sept.
- (1) Soviets: Talks to assure that they will not undercut our approach to India and to lay the groundwork for more detailed bilaterals on
  - -- Art. III of the TTB (Sept/Oct)
  - -- Political aspects of PNEs including NPT, Art. V (Oct/Nov)
  - -- Technical aspects of PNEs in preparation for IAEA panel in January. (Nov)
  - -- NPT Review Conference
- (2) France: Political discussions to enlist support for export controls and for our approach to India.
- (3) Italy and Japan: Approaches re NPT adherence
- Sept.
- (1) IAEA General Conference, at which we should signal our intensified interest in non-proliferation and introduce some NSDM 255 points
- (2) Begin scheduling of key suppliers' conference for October or November on export controls, and discuss NSDM 255 issues bilaterally and with URENCO.
- Sept./Oct. Talks with Soviets on Art. III of TTB
  - October India and Pakistan: Secretary's visit and preparatory talks therefor
  - Oct./Nov. (1) UNGA discussions on non-proliferation

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SECRET

Oct/Nov.

Key suppliers' conference (2)

Talks with Soviets on political aspects of PNEs and on NPT Review Conference (3)

Nov.

Technical PNE talks with Soviets

1975:Jan.

IAEA Meeting on PNEs

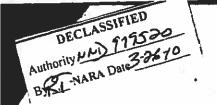
Feb. (1)Final meeting of Preparatory Committee for

NPT Review Conference

(2) IAEA Board of Governors Meeting

May

NPT Review Conference



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## Congressional Testimony By Secretary Kissinger On Nuclear Test And Aid To India

(Following is an unedited excerpt from Secretary Kissinger's testimony to the Subcommittee on Foreign Operations of the Senate Appropriations Committee on July 24, 1974)

"Senator Brooke. A great concern has been voiced as to the possibility that countries receiving assistance in developing nuclear capabilities for peaceful purposes will eventually seek to develop nuclear military capability. The example of India, of course, is the prime case in point. The Chairman has touched upon it. But I would like to explore this aspect of the nuclear problem with you in a bit of depth.

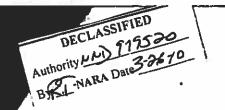
First, do you believe that the countries to which we have recently and tentatively agreed to provide nuclear assistance will not eventually have sufficient incentives to seek some form of nuclear military nuclear capability?

Secretary Kissinger. Well, Senator, I would suspect that we are now at a rather crucial point with respect to the non proliferation treaty. And the Department of State and the U.S. Government on an interdepartmental basis has made this one of our highest priority objectives because if this further spread of nuclear weapons is not arrested within the next, say, two years, then to answer your question. Then one would have to say that somewhere down the road any nation that is capable of producing a nuclear explosive will do so one way or the other. And in that case, frankly, it wouldn't even make so much difference whether they have reactors supplied by us. Because there will be enough nuclear material produced from reactors that aren't under the American control to be able to acquire it.

We, for example, are now concerned with what India will do with the nuclear reterials that it does not use in its own program and that it right make available to other countries.

Therefore, we believe that the most urgent problem now, or one of the most urgent problems, is to get a universal policy of non-proliferation because it cannot be dealt with effectively country by country no matter what.

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As I pointed out, our safeguards are the most stringent. The safeguards that we are insisting on in the case of Egypt and Israel insofar as human foresight can deal with that probably should prevent the diversion of nuclear material.

It will not, however, prevent the desire for nuclear material and nuclear weapons if we cannot get a general non-proliferation policy.

We are completing our internal studies and we will be engaging in a very active diplomacy starting in the fall with respect to this problem, which would then also contribute to enhancing even more the safeguards that I have already described.

Senator Brooke. That sort of raises the question as to whether the Indian explosion and the enduring interest of others in obtaining nuclear technology has sounded the death knell of effort to prevent the proliferation of nuclear energy.

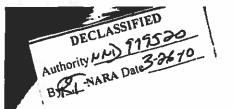
Secretary Kissinger. This is one of the serious problems. First of all, it is unrealistic to make a distinction at the early stages of nuclear development between peaceful uses and potential military application because any capacity to produce an explosion has obviously military applications, no matter what purpose the country concerned asserts it is attempting to serve.

Now, in, say, our relations with the Soviet Union in the underground testing that threshold test band that we are now negotiating. In advanced nuclear technology one can make certain exceptions for peaceful nuclear explosions because one can monitor whether a less sophisticated device is being used for useful explosions, but in the beginning of a nuclear development of another country it doesn't make any difference.

Any explosive serves potential alternative purposes and I mention this only to indicate that the non-proliferation problem is very serious.

The Indian explosion has not helped, on the other hand. It has focused the issue very sharply and we are going to make a major attempt over the next year to get this problem under control.

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<u>Senator Brooke</u>. Of course, the acquisition of a credible nuclear capability or military nuclear capability has two basic proponents.

First, the acquisition of the weapon itself: Secondly, development of credible delivery capability.

Now, in regard to the latter part, the delivery vehicle, what is the policy of the United States in terms of transferring nuclear capable aircraft to countries in which we have some form of military assistance, or military sales relationship for that matter?

Secretary Kissinger. Well, Senator, almost any modern aircraft is likely to be also capable of carrying nuclear weapons. Therefore, I don't know whether this is the best distinction to make. I grant you that there are two aspects to the problem: The delivery of the bomb and the development of nuclear capability.

We will certainly, as part of this non-proliferation study we are making examine the greatest degree of discouragement which our policy can bring to the spread of nuclear weapons. We have not yet formed a conclusion as to what degree of sale of delivery systems can be controlled.

Senator Brooke. I understand the F-4 can carry it but the F-5 cannot.

Secretary Kissinger. That is right.

Senator Brooke. I am sure that should enter your consideration.

Secretary Kissinger. It certainly does.

Senator Brooke. --- As to what type of aircraft you are giving in military assistance or military sales.

Secretary Kissinger. That is right."

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