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OP SIPE 1117/24

This document consists of 5 pages
Copy No. 2 of 5 Series A

24 October 1957

REPORT TO THE PRESIDENT AND THE PRIME MINISTER FROM LEWIS STRAUSS, DONALD QUARLES, SIR EDWIN PLOWDEN AND SIR RICHARD POWELL

I.

1. We have concluded that there has been a good measure of cooperation between the United States and the United Kingdom in the overall field of weapons research and development under such instruments as the Burns-Templer Agreement and the Sandys-Wilson Agreement of 1954. There is still much room for improvement. In addition to exchanges of information, there should be allocations between the two countries of resources and efforts, extending to specific projects, so as to permit the most effective use of available funds, facilities and scarce skilled manpower. At vital points in the weapons research and development spectrum, there have been serious blocks owing to legislative restrictions on the exchange of atomic energy Restricted Data. These blocks have seriously impeded important cooperation in other weapons fields, e.g., in the development of missiles and other vehicles to carry nuclear warheads. The heart of the whole problem of achieving fuller cooperation in

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the overall weapons field is to remove as many as possible of the blocks existing in the nuclear weapons field.

2. On the assumption that the necessary legislative authority can be obtained, we concluded that it would substantially advance the common security if programs could be carried out in the following fields:

(a) Such transfers and exchanges of nuclear materials for military purposes as may be agreed to be of mutual advantage. For example, both the United States and the United Kingdom have plants for enriching uranium which historically they procure jointly to some extent. The cost of enriching uranium is substantially higher in the United Kingdom because of electric power costs inter alia. The United Kingdom has plans for substantially expanding its enriching capacity up to a total cost of some $400 million. This large capital expenditure and use of scarce engineering skills and electric power could be avoided if the United Kingdom procured the required additional material from the United States.

(b) Exchanges of weapons information and rationalization of weapon design projects, both offensive and defensive, of the two countries looking to the most efficient use of

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limited facilities and scarce scientific and engineering skills. In this latter respect, we have in mind some allocation of specific weapons design and development projects between the two countries to make the most effective use of their joint resources. For example, fuller exchange of information and coordination of research efforts would permit progress in achieving advanced weapons systems such as those for defense against missiles or submarines. As a further example, substantial savings might accrue from a joint use of facilities for the testing of weapon systems including nuclear weapons.

(c) To reduce wasteful use of treasure and talent, which must be our constant aim, the United States as the most advanced in weapons technology could supply complete weapons systems for the United Kingdom with custody retention in U.S. hands as necessary and with assurance of use only as jointly determined by the two countries. For example, the United Kingdom is presently developing and producing nuclear weapons of both large and small yield (tactical). If the United Kingdom procured so-called tactical weapons in the United States (even subject to residual custody in U.S.

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hands), it might be possible to modify or terminate production of such weapons in the United Kingdom with substantial savings in money and manpower. As a further example, the United States has developed and produced efficient submarine propulsion plants. The United Kingdom is devoting substantial sums of money and skilled personnel to developing a nuclear submarine capability. There is presently some information exchange on this subject between the two countries. It appears that it would be to the advantage of both countries if the present U.K. effort in this field could be diverted to other important military technological developments. This would be possible if the U.K. could procure in the United States complete submarine propulsion units (and perhaps submarines).

(d) Training and operational planning for utilization of nuclear weapons would be facilitated by removal of existing restrictions on communication of weapons data.

(e) Intelligence.

3. We have concluded that if extensive cooperation along the lines discussed above is to be undertaken, some

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institutional framework is necessary. It is suggested that a committee of experts look into the question of whether the Combined Policy Committee should be revived for this purpose (with necessary revision in its terms of reference) or whether alternative institutional arrangements should be established. Canada is a member of the CPC.

4. It is suggested that the areas and types of cooperation touched upon in this paper need to be fully blue-printed. To this end, a technical committee of U.S. and U.K. experts should meet as soon as possible in Washington under a directive to report their findings by December 20th, 1957.

5. In the meantime and while existing legislative restrictions still obtain, there should be the maximum cooperation possible within the existing law.

II.

1. We recognize that there has been extensive and profitable cooperation in the civil uses of atomic energy. However, we have concluded that the most efficient use of our economic resources may call for even greater cooperation. For example, we have in mind the possibility of nuclear material transfers and exchanges as may be mutually agreed.