

UNITED STATES GOVERNMENT

*Memorandum*SECRET

TO : NE--Mr. Robert C. Strong

DATE: April 9, 1962

FROM : NE--William L. Hamilton *WJH**je b e*

SUBJECT: Reply to U.K. Paper on Safeguards

Mr. Talbot has approved the Department's fully cleared reply to the U.K. study (Tab A) of controls over nuclear energy programs in the Near East handed to Mr. Grant by Denis Greenhill on February 14. Mr. Talbot has also agreed to your giving our reply to Denis Speares. An appointment has been arranged for 4 p.m. (Monday, April 9). Mr. Crawford will be present.

RECOMMENDATION:

That you give an original and one copy (attached with envelope) of our reply to Mr. Speares, summarizing its main elements as follows:

1. We agree on the desirability of bringing Near East nuclear development under IAEA control and are willing to work toward that end;
2. We agree on the necessity for interim, ad hoc inspection to satisfy ourselves and the world-at-large as to Israel's intentions;
3. We question whether, because of the French tie-in, any amount of "pressure" is likely to induce Israel to accept the IAEA system now;
4. In any event, we question the utility of Israel's acceptance now, since IAEA controls do not become operative until a reactor goes critical, and it is obviously the period before Dimona goes critical that is most worrisome as regards Arab reaction;
5. We doubt Canada would be regarded as a true neutral in view of its very close association with Britain and the U.S. in the IAEA;
6. We have had quiet discussions with Sweden with a view to that country's accepting the role of first neutral visitor to Dimona;
7. We are willing to consider a further secret visit by U.S. scientists if arrangements for an open, neutral visit are not completed in the near future.

Attachments:

Tab A - U.K. Study.

Original and One Copy of the
U.S. statement attached with
envelope for handing to Mr. Speares.

NEA:NE:WRCrawford:ebb *WJH*SECRET

SECRETISRAEL'S NUCLEAR REACTOR.

The Foreign Office have asked us to discuss with the State Department questions relating to the nuclear reactor which Israel is building at Dimona. In spite of Israel's assurances and the inspection so far carried out, the fact that Israel has resisted suggestions that she should apply International Atomic Energy Agency safeguards, together with the information that she proposes to set up a plutonium separation plant, gives cause for concern not only in itself but also on account of the effect of the continuing uncertainty upon the Arabs.

2. It also seems likely that we shall soon be faced with an equally alarming development in the United Arab Republic. As the State Department will know, the U.A.R. Government have wanted for some time to acquire a medium-sized research reactor and this desire has naturally been strengthened by Israel's progress. They have apparently obtained an undertaking in principle that the West German Government will not prevent their obtaining such a reactor in West Germany, but the West Germans have told the American authorities and ourselves that this would be subject to "appropriate safeguards". However since the U.A.R. have always opposed the principle of safeguards in the I.A.E.A. they may feel unable to accept a West German reactor on such conditions and may turn to the Soviet Union. In any case, the U.A.R. can be expected to do their best to acquire a reactor at least as large as the Dimona

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SECRET

- 2 -

SECRET

installation and subject to no greater restrictions than those which Israel accepts. If we are not to witness the start of a nuclear weapons race in the Middle East, we believe we must, therefore, do everything possible to secure the application of adequate international safeguards and inspection to Dimona, and thereafter to any similar reactor acquired by the U.A.R.

3. Two principal aims thus emerge:

- (a) to obtain sufficient information concerning the nuclear site at Dimona to satisfy ourselves that it is and continues to be devoted to purely peaceful purposes;
- (b) to find some means of convincing the Arab States (if we ourselves are so convinced) ^(a) that Israel is not embarking on a military nuclear programme and ^(b) that an Arab country, such as the U.A.R., would place itself at no disadvantage by accepting international safeguards.

4. To take the second aim first, we think Arab fears might best be set at rest (in the long term) by applying the International Atomic Energy Agency's system of safeguards and inspection to the Dimona reactor.

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SECRET

- 3 -

SECRET

This seems to be the only satisfactory solution in the long term and should, we consider, remain our principal objective. But if we are to attain it we must first overcome Israel objections, which are to the practical application of the I.A.E.A. safeguards to Israel rather than to the actual principle of safeguards - for which Israel, unlike the U.A.R. has voted in the I.A.E.A. We must also consider the possibility that France, whose assistance in this field is vital to Israel's work, may object to the application of I.A.E.A. safeguards on the grounds that it would involve the inspection of irradiated fuel elements returned to France, thus preventing the diversion of the plutonium content of those elements to the French nuclear programme.

5. It may, in fact, be possible to overcome all these objections. Although the I.A.E.A. Safeguards Division is still being formed, it is already almost certain that the Soviet bloc will be effectively excluded from membership; the possibility of Soviet membership has hitherto worried the Israelis. Additional protection is provided by the I.A.E.A. Statute, which lays down that for each project the inspectors will be selected in consultation with the Government of the State to be inspected. The system has already been accepted in an agreement with Finland, while a similar agreement with Yugoslavia is pending. These facts and precedents might serve to convince the Israel Government that I.A.E.A. safeguards are neither so alarming nor so dangerous as

SECRET

they appear to believe. Finally, the application of the system depends on the willingness of the party concerned to accept safeguards and would almost certainly allow sufficient latitude to apply safeguards in Israel without the necessity of extending them to the fuel elements returned to France. The Israelis may, of course, continue to resist safeguards, since their basic objective is probably to keep their hands free for the future. In that case, they could hide behind India's refusal to accept adequate international restrictions on their nuclear installations.

6. Unfortunately, the I.A.E.A. system of safeguards could not be operated soon enough to meet our present purposes, since the system, although it includes the examination of reactor designs, does not provide for routine inspections until the reactor is in operation. In the case of Dimona this would not be until 1963/64. Other measures are therefore needed to meet our short term requirements.

7. It should not be too difficult to arrange for ad hoc inspections of Dimona by "neutrals"; Mr. Ben Gurion has already accepted this in principle. The only difficulty would be to reconcile support for neutral inspections with our policy towards the I.A.E.A. and towards safeguards, since ad hoc inspections would clearly trespass upon the ground which the Agency was set up to cover. But in the circumstances it would seem that this disadvantage is outweighed by the fact that "neutral"

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SECRET

inspections could go into immediate operation.

8. Assuming we aim at "neutral" inspections, we are left with the task of working into them some arrangement to meet our own requirement to satisfy ourselves that Dimona is devoted to purely peaceful purposes. We need therefore to find a country which is technically proficient in nuclear matters, accepted as a "neutral" in the Arab/Israel dispute by both Israelis and Arabs, and sufficiently close to us to agree to give us in confidence all the information we need. The main, if not the only, country to meet all these requirements seems to be Canada. Our own need for information would therefore be met if the Israelis accept neutral inspections and if the Canadians agree to be one of the inspecting powers.

9. We should therefore try:-

- (a) to persuade the Israel Government, as a sine qua non, that the only satisfactory solution in the long term is for them to accept the application to Dimona of the I.A.E.A. safeguards which they have always, within the Agency, supported in principle;
- (b) to seek the agreement of the Canadian Government to their undertaking the tasks described above;

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- 6 -

SECRET

(c) subject to the success of (a), to prompt the Israel Government to invite, possibly through I.A.E.A. channels, an immediate inspection by Canadians and representatives of other "neutral" countries whose findings would be acceptable to both Israel and the Arabs, and to agree to further inspections pending the application of the I.A.E.A. system. (A suggested list of countries from whom inspectors might be drawn is attached).

10. Although they have not yet made much of the point, it is certain that the Israel Government would be unwilling to accept international safeguards unless they can be sure that any reactor delivered to the U.A.R. would be similarly controlled. One possible way of satisfying them might be to tell them that, if they will assure us of their willingness to accept the I.A.E.A. system provided that similar restrictions are applied to any reactor in the U.A.R., we shall then try to get a similar concession from the U.A.R. In approaching the U.A.R., we should have to try to offer some inducement to cooperate. This might amount to telling the U.A.R. Government that we are most concerned at the idea of unsafeguarded reactors in the Middle East, that we have therefore extracted from the Israelis the concession mentioned above, and that we should be prepared to offer the U.A.R. assistance -

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SECRET

- 7 -

SECRET

perhaps in concert with West Germany - in building a reactor similar to that at Dimona on condition that they accept the principle and the application of the I.A.E.A. system. Only when such a series of negotiations had been satisfactorily concluded would we expect Israel and the U.A.R. to make their concessions public.

11. In considering a course of procedure on the lines of paras. 9 and 10 above we are of course most anxious to act in agreement with the United States Government. Canada, apart from being very well suited to participate in a "neutral" inspection may well also be the best country to put forward the proposals in paras. 9 and 10 above to the Israelis and Arabs. Subject to the views of the State Department, therefore, we might suggest this to the Canadian Government. In all probability however any Canadian approach would need to be backed up by the United States Government and Her Majesty's Government. We realize that it might well be necessary to bring some pressure to bear on the Israeli Government to induce them to accept our proposals, and we would hope the United States Government would be ready to play a part in this. For our own part, we are ready to consider what might be done in this context in the field of arms supply to Israel.

12. We have also given some thought to the possibility of aligning the French Government with us in any approach to Israel, since French support is so

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SECRET

- 8 -

SECRET

essential to Israel's nuclear programme. However although we have been assured by M. Couve de Murville that the French have already taken some precautions and that he is concerned by the extent of the French nuclear commitment to Israel, we doubt whether we could expect active French cooperation.

13. In conclusion, we should be glad to learn the views of the State Department on the course of action outlined in paras. 9 and 10 above and on the idea that the Canadians might be asked to take the initiative in pursuing it (para. 11 above). We believe that if the Canadian Government are willing to cooperate and if both the United States Government and Her Majesty's Government put their influence behind these proposals, they offer the best chance of preventing matters getting beyond our control before it is too late. If the State Department agree to the general outline of the proposals, we would propose next to discuss the matter with the Canadians.

BRITISH EMBASSY,
WASHINGTON, D.C.,
February 7, 1962.

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List of countries which might be suitable as
inspectors of the Israel reactor

Canada

Yugoslavia

Japan

Greece

Brazil

Switzerland

Austria

Norway

Sweden

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