OFFICE OF THE SECRETARY OF STATE WASHINGTON

June 5, 1980

MEMORANDUM FOR: THE SECRETARY

FROM:

Leon G. Billings

SUBJECT:

The Attached

In sum Berl recommends no PRC; a delay in giving Ambassador Smith an indication of Presidential willingness to be flexible (perhaps until late fall); and a suggestion that, if you do give the Ambassador the o.k. that John Glenn be asked to join the negotiating team.

Note: The Department has prepared an agenda item on this subject which is included in this briefing book for your breakfast with the President. As you will see, it supports giving Gerry Smith an indication of Presidential flexibility now, rather than later.

June 5, 1980

MEMORANDUM

TO: Leon Billings

FROM: Berl Bernhard

RE: Non-Proliferation

Please look over the following suggestions and, if you think them appropriate, submit them to the Secretary. In my judgment they are right and important.

- 1. There should not be a PRC to clarify our policy. The entire group finally agreed on that position.
- 2. The preparation of "quids" is under way regarding what we can expect to extract from our Allies. Unless the "quids" are different from what I anticipate, they will probably be technical, abstract and without real substance.
- 3. The upcoming Vienna discussions with our Allies on non-proliferation are politically important and contain the seeds of political problems at home. Regardless of how Ambassador Smith (and Tom Pickering) dismiss Hill criticism about the proposals advanced by Ambassador Smith, they are real and strong. Senator John Glenn (with whom I had a short discussion) believes that any modification of our current position is inconsistent with the President's 1977 statement and would see to it that nothing is done until there has been a complete review of our non-proliferation position nationally.
- 4. None of us should be deceived by the talk that we are simply opening up discussions of future possibilities. We are, in fact, moving toward a change of policies if we modify instructions to Ambassador Smith. When we ask for "quids" they have a right to ask for "quos". When we put those "quos" on the line and tentative agreement is reached that when we do "X", they will do "Y", this will necessarily lead to ultimate pressure for a policy change on the theory that we have already made tentative commitments to do so. This is the nature of negotiation and "diplomacy".

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- 5. I regret to say that Ambassador Smith was less than forthcoming in articulating what he is about. Either he is camouflaging policy with rhetoric or he is, with design, understating his intent to lead to a more generic approval of U.S. origin plutonium.
- 6. Anything done in Vienna must be assumed to be a public matter which will lead to public debate here and abroad. There is opposition to a change in policy from many in the arms control area and among environmentalists. Why fuel these engines of discontent when everybody agrees that nothing will reasonably be done until 1981?
- 7. Most important, the strongest suggestion I can make, considering the complexity of the issue and its delicacy and the concern voiced on the Hill, is to have Senator John Glenn designated as part of the negotiating team to go to Vienna with Ambassador Smith. To me this makes self-evident sense. It is his area and he is politically sensitive. Until recently, having a representative from the Hill in negotiations was not an uncommon form of intelligent diplomacy.

May 30, 1980



MEMORANDUM

TO:

Secretary of State Edmund S. Muskie

FROM:

Berl Bernhard 2

SUBJECT:

Options Paper re Non-Proliferation

THE ISSUE

Ambassador Gerard Smith, with the apparent concurrence of most relevant United States agencies, proposes to change U.S. non-proliferation planning assumptions, and hence negotiating instructions, to eliminate the current U.S. policy of restrictive case-by-case approvals of the reprocessing and use of U.S.-origin plutonium.

CONCLUSION

The subject matter is complex. I do not attempt to address the merits. I deem it unnecessary because the timing is poor and the approach piecemeal. I recommend strongly that no new planning assumptions or negotiating instructions should be given along the lines recommended by Ambassador Smith at this time.

The changes proposed are troubling, are unnecessarily controversial and little will be lost by delaying any change until early 1981 when the entire matter can be considered as part of a new or revised policy, if it is then deemed desirable. I would make three observations:

1. Piecemeal Approach

The Smith proposal has serious implications for overall U.S. energy and non-proliferation policy. It should not be made in the context of the rather narrow negotiations scheduled for this summer but should await an opportunity for higher level and more comprehensive negotiations. While Ambassador Smith, as any good negotiator, would prefer to have maximum flexibility, a U.S. concession regarding the principle of restrictive treatment of plutonium reprocessing should not be made until you are comfortable with an overall U.S. strategy for non-proliferation and the international development of nuclear energy.

Poor Bargaining

The United States would more likely gain leverage with its Allies by adhering to its present plutonium policy than by modifying it. To the extent that the Allies seek U.S. flexibility and predictability on plutonium, they can be accommodated on a case-by-case basis. Thus the evils that Ambassador Smith describes -- such as the Allies going it alone on plutonium breeders or refusing to cooperate on other non-proliferation measures -- can be avoided without the United States retreating on the principle of restricting plutonium reprocessing. We are likely to strike a better bargain with our Allies if we do not use the "evolutionary" and "consensus" approach advocated by Ambassador Smith but instead hold back until we are confident we can achieve concrete concessions from the Allies. Your recent entry into this matter provides an ideal opportunity to keep the pressure on the Allies without adverse repercussions.

3. Political Risks

The timing of the change proposed is exquisitely inappropriate. It would probably become public sometime in September or October. To be sure, the change is subtle and complex -- planning assumptions enmeshed in complicated international negotiations. The arms control community, which is tied closely to Senator Kennedy, may not be able to make a major issue of such an arcane change. Nevertheless, the change is likely to be perceived as a move to encourage the development of nuclear energy worldwide and hence could antagonize environmentalists and others deeply skeptical about nuclear energy. Criticisms from these groups would be difficult to refute and why be put to the burden?

OVERVIEW

To make the change now is piecemeal. It gives away leverage in dealing with our Allies with little in return except tenuous good will. Ambassador Smith relies principally on the assertion that present U.S. policy is undermining U.S.-Allied cooperation in non-proliferation and nuclear power development. Therefore, he concludes that the change he suggests will enable the United States to exert greater leverage on our Allies with respect to other and more serious non-proliferation problems. His PRC options paper does not contain either a factual or political justification for this statement. It appears to me that there are basic issues that go beyond

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that Ambassador Smith raised the question of modifying US policy to permit the use of plutonium for demonstration programs. Several American allies are embarked on full-scale commercial demonstration of breeder reactors. These countries consider US non-proliferation policy to be completely contrary to those demonstration programs. Ambassador Smith wishes to change that policy and meet the demands of these countries. There ought to be a full public discussion of the extent to which the United States wants to become involved in the question of breeder reactor development around the world. It ought not be a policy which is derived as a result of negotiations -- the primary purpose of which is either to make life easier for our allies, or because the negotiators are committed to advanced nuclear power development.

Leon Billings

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National Security Archive,

Suite 701, Gelman Library, The George Washington University,

2130 H Street, NW, Washington, D.C., 20037,

Phone: 202/994-7000, Fax: 202/994-7005, nsarchiv@gwu.edu