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RUSPCD/AMEMBASSY ISLAMABAD 1174
RUFHGV/USMISSION GENEVA 2251
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RUEHOT/AMEMBASSY OTTAWA 1101
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BRUSSELS ALSO FOR USEC; USIAEA

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E.O. 12065: RDS-3 4/4/86 (WATSON, THOMAS JR) OR-M
TAGS: TECH, PARM, MNUC, UR
SUBJ: REQUEST FOR NON-PROLIFERATION ASSESSMENT

REF: (A) STATE 68365, (B) MOSCOW 5061, (C) MOSCOW 5062,
(D) MOSCOW 3667, (E) 79 MOSCOW 24862, (F) MOSCOW 5418

1. (C-ENTIRE TEXT)

2. SUMMARY: THE SOVIETS GIVE NON-PROLIFERATION HIGH PRIORITY AMONG INTERNATIONAL PROBLEMS. THEY RECOGNIZE LARGE AREAS OF OVERLAP BETWEEN OUR POLICY AND THEIRS AND HAVE COOPERATED WITH US IN SUCH SETTINGS AS THE IAEA BOARD OF GOVERNORS AND THE NUCLEAR SUPPLIERS GROUP. THEY ARE STRONG ADVOCATES OF ADOPTION OF FULL-SCOPE SAFEGUARDS BY THE SUPPLIERS AS A CONDITION ON NUCLEAR EXPORTS, A THEME THEY CONSTANTLY RETURN TO.

-- HOWEVER, SOVIET ACTIONS IN THIS AREA CAN BE FAULTED ON SEVERAL GROUNDS, NOT LEAST OF WHICH IS THEIR CONSTAN PROPAGANDA ABOUT ALLEGED US AID TO VARIOUS COUNTRIES' NUCLEAR WEAPONS PROGRAMS AND LACK OF COMMITMENT TO NON-PROLIFERATION. SUCH ALLEGATIONS PROBABLY REFLECT TRADITIONAL SOVIET SUSPICION OF THE US AND THE CAPITALIST WEST GENERALLY, ALTHOUGH ANOTHER GOAL IS TO PLACE THE US ON THE DEFENSIVE AND DISRUPT US RELATIONS WITH OTHER NATIONS (IN THE MIDDLE EAST AFRICA, AND WESTERN EUROPE).

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-- THE SOVIETS APPEAR TO BE GENUINELY UNCONVINCED THAT THE US GIVES THE PROLIFERATION PROBLEM HIGH ENOUGH PRECEDENCE, ESPECIALLY WHEN NON-PROLIFERATION GOALS COME INTO CONFLICT WITH US ALLIANCE OR REGIONAL INTERESTS (E.G. PAKISTAN). THEY TEND TO WORST-CASE ESTIMATES OF AND CYNICISM ABOUT US INTENTIONS VIS-A-VIS SUCH POTENTIAL PROLIFERATORS AS ISRAEL AND SOUTH AFRICA. THEY ARE CURRENTLY BAKING US OVER THE COALS AT EVERY OPPORTUNITY FOR LACK OF PROGRESS ON THE CTB TALKS, A FAILURE WHICH THEY FEEL WILL POISON THE ATMOSPHERE AT THE UPCOMING NPT REVIEW CONFERENCE.

-- THE SOVIETS HAVE POLICY DIFFERENCES WITH US ON SUCH ISSUES AS DEFERRAL OF REPROCESSING, THE PACE OF INTRODUCTION OF BREEDERS (ALTHOUGH NOT WHERE BREEDERS SHOULD BE BUILT), AND VOLUNTARY OFFERS BY NWS TO PLACE THEIR PEACEFUL NUCLEAR FACILITIES UNDER SAFEGUARDS. THE INFCE EXERCISE HAD LITTLE, IF ANY, AFFECT ON SOVIET POLICY SINCE THE SOVIETS REGARD MANY OF THE INFCE ISSUES (ASIDE FROM THE BREEDER ISSUE) AS PERIPHERAL TO THEIR CONCERNS.
END SUMMARY.

3. WE WILL BEGIN THIS ASSESSMENT WITH A DISCLAIMER. OUR ANALYSIS OF SOVIET VIEWS ON NON-PROLIFERATION AND SOVIET PERCEPTION OF US POLICY IS BASED ON OUR READING OF THE SOVIET LITERATURE (FOR EXAMPLE, REFTEL C) AND ON CONTACTS (FOR EXAMPLE, REFTELS B AND F), WHICH ARE LIMITED IN NUMBER IN COMPARISON WITH WASHINGTON-BASED OFFICIALS WHO HAVE ENCOUNTERED THE SOVIETS OVER THE YEARS AT SUPPLIERS, INFCE, IAEA BOARD OF GOVERNORS, AND NPT PREPCOM MEETINGS. IT IS DURING BILATERALS ON THE MARGINS OF THESE MEETINGS, REPORTS OF WHICH WE DO NOT ALWAYS RECEIVE, THAT MOST US-SOVIET INTERCHANGES ON NON-PROLIFERATION HAVE TAKEN PLACE. THUS WE WOULD WELCOME THE DEPARTMENT'S COMMENTS ON THIS ASSESSMENT.

4. SOVIET PERCEPTION OF PROBLEM: THE SOVIETS VIEW THE PROLIFERATION OF NUCLEAR WEAPONS AS A PROBLEM DIRECTLY AFFECTING THEIR OWN SECURITY. MANY OF THE LEADING CANDI-

DATES TO JOIN THE NUCLEAR CLUB EITHER SHARE BORDERS WITH THE SOVIET UNION OR ARE LOCATED NOT FAR FROM SOVIET BORDERS: INDIA, PAKISTAN, ISRAEL, IRAQ AND SOUTH KOREA. THE SOVIETS ARE NO LESS CONCERNED THAN THE US ABOUT TRANSFERS OF REPROCESSING AND ENRICHMENT TECHNOLOGY TO PAKISTAN, AND HOT CELLS AND RESEARCH REACTORS TO IRAQ.

5. AREAS OF AGREEMENT: ALTHOUGH WE WILL HIGHLIGHT IN THIS REPORT THE AREAS IN WHICH THE SOVIETS PERCEIVE DIFFERENCES, POTENTIAL AND REAL, WITH THE US IN THE NON-PROLIFERATION AREA, THERE ARE LARGE AREAS OF OVERLAP IN THE POLICIES OF THE TWO COUNTRIES WHICH HAVE PERMITTED COOPERATION IN INTERNATIONAL FORA LIKE THE IAEA BOARD OF GOVERNORS, THE NPT PREPCOMS, AND THE SUPPLIERS GROUP. THE SOVIETS AND WE ARE STRONG ADVOCATES OF STRENGTHENING THE NPT REGIME THROUGH THE ADHERENCE OF ADDITIONAL STATES TO THE TREATY. THEY AND WE SUPPORT MEASURES TO ENHANCE THE IAEA'S SAFEGUARDS CAPABILITIES. THEY AND WE OPPOSE ANY CHANGE IN THE BALANCE OF OBLIGATIONS BETWEEN NWS AND NNWS BY AMENDMENTS TO THE NPT. THEY AND WE OPPOSE TRANSFERS OF SENSITIVE TECHNOLOGIES AND STRONGLY ADVOCATE STIFF EXPORT CONTROLS, INCLUDING ADOPTION OF FULL-SCOPE SAFEGUARDS BY THE SUPPLIERS. WHILE THEY ARE AMONG THE STRONGEST PRO-PONENTS OF BREEDER REACTORS, THEY APPROACH US IN OPPOSING THE CONSTRUCTION OF BREEDERS OUTSIDE A SELECTED NUMBER OF ADVANCED STATES. THEY WERE PART OF THE CONSENSUS IN INFCE THAT REPROCESSING IS NOT ECONOMICALLY JUSTIFIED IF IT IS DIRECTED AT PLUTONIUM RECYCLE IN THERMAL REACTORS. THEY PLAYED A HELPFUL ROLE IN THE NEGOTIATIONS ON THE PHYSICAL PROTECTION CONVENTION, COMPROMISING ON THE QUESTION OF EC ADHERENCE. IN ALL OF THESE AREAS THE SOVIETS RECOGNIZE THE CLOSENESS OF THEIR VIEWS TO THOSE OF THE US. SCAE DEPUTY CHAIRMAN MOROZOV HAS OFTEN NOTED THE COINCIDENCE IN THE TWO GOVERNMENTS' POLICIES ON MOST NON-PROLIFERATION ISSUES, AND THE SOVIETS HAVE OFTEN BEEN AT PAINS TO STRESS THE COOPERATIVE ASPECTS OF US AND SOVIET NON-PROLIFERATION POLICIES. OVER THE PAST FOUR YEARS THE SOVIETS HAVE BEEN FAIRLY RESPONSIVE TO US APPROACHES ON SPECIFIC NON-PROLIFERATION CASES IN WHICH THEY WERE INVOLVED. THEY HAVE KEPT US INFORMED ON THE STATUS OF THEIR NUCLEAR SALES TO LIBYA AND CUBA AND LAST YEAR THEY SAID THEY WOULD REQUIRE FULL-SCOPE SAFEGUARDS ON ANY SALE OF HEAVY WATER TO ARGENTINA.

6. US CRITIQUE OF SOVIET NON-PROLIFERATION POLICY: ALTHOUGH OUR PRIMARY TASK IS TO EVALUATE SOVIET PERCEPTIONS OF US NON-PROLIFERATION POLICY, IT IS WORTH RECALLING SOME OF THE AREAS IN WHICH SOVIET NON-PROLIFERATION POLICY CAN BE CRITICIZED. AMONG THE LESS HELPFUL ASPECTS OF THEIR POLICY WE LIST THE FOLLOWING:

-- IN INFCE WORKING GROUP 5 THE SOVIETS SO STRONGLY ADVOCATED BREEDERS THAT THE KEY POINT THAT BREEDERS SHOULD BE LIMITED TO A SMALL NUMBER OF TECHNICALLY ADVANCED COUNTRIES WAS OBSCURED;

-- THE SOVIETS PUT FORTH VARIOUS PROPOSALS FOR NEGATIVE SECURITY ASSURANCES, NO FIRST USE OF NUCLEAR WEAPONS,

NON-USE OF FORCE, ETC., FOR PROPAGANDA, NOT REALISTIC ARMS CONTROL PURPOSES;

-- THE SOVIETS HAVE NOT MOVED THE CUBANS TOWARD ADHERENCE TO THE TREATY OF TLANTEPEC OR THE NPT;

-- THE SOVIETS REFUSE TO MAKE A VOLUNTARY OFFER TO PLACE THEIR PEACEFUL NUCLEAR FACILITIES UNDER IAEA SAFEGUARDS;

-- THE SOVIETS HAVE NEVER RESPONDED TO OUR REQUEST FOR ANY INFORMATION IN THEIR POSSESSION ON THE SEPTEMBER 22, 1979 SOUTH ATLANTIC INCIDENT;

-- SOVIET PROPAGANDA ABOUT ALLEGED US AID TO VARIOUS COUNTRIES' NUCLEAR WEAPONS PROGRAMS SERVES TO UNDERMINE THE NON-PROLIFERATION REGIME BY RAISING UNJUSTIFIED DOUBTS ABOUT US COMMITMENT TO THAT REGIME.

7. SOVIET CRITIQUE OF US POLICY:

A) SOVIET SUSPICIONS: THE SOVIET ALLEGATIONS ABOUT LACK OF US COMMITMENT TO NON-PROLIFERATION PROBABLY REFLECT REAL UNDERLYING SOVIET SUSPICIONS. BY VOICING THEIR SUSPICIONS IN MEDIA CAMPAIGNS THE SOVIETS HOPE TO PLACE THE US ON THE DEFENSIVE AND DISRUPT US RELATIONS WITH OTHER NATIONS (IN THE MIDDLE EAST, AFRICA, AND WESTERN EUROPE). TO CITE A FEW EXAMPLES:

-- THE SOVIETS SUSPECT A COVERT CONNECTION BETWEEN THE US AND ISRAEL IN THE NUCLEAR AREA. THEY BELIEVE THAT THE TIES BETWEEN THE US AND ISRAEL ARE TOO CLOSE FOR US NOT TO KNOW WHAT THE ISRAELIS WERE AND ARE UP TO. THE SOVIETS REGARD AS FACT A CONNECTION BETWEEN ISRAELI INTELLIGENCE AND THE UNACCOUNTED FOR HIGHLY ENRICHED URANIUM (HEU) AT THE APOLLO, PENNSYLVANIA PLANT. (ONE OF THE REASONS THEY CITE FOR THEIR SUPPORT OF THE PHYSICAL PROTECTION CONVENTION IS TO PREVENT SUCH DIVERSIONS IN THE FUTURE.) THEY BELIEVE THE US REGARDS THE ISRAELI WEAPONS PROGRAM, THE EXISTENCE OF WHICH THEY TAKE FOR GRANTED, WITH BENIGN NEGLECT, IF NOT SECRET APPROVAL. SUCH ALLEGATIONS ARE CLEARLY DESIGNED TO UNDERMINE THE US POSITION IN THE ARAB STATES OF THE MIDDLE EAST.

-- THE SOVIETS ALLEGE THAT THE US MAY "AGAIN" BE PERMITTING ITS SHORTRUN REGIONAL INTERESTS TO TAKE PRECEDENCE OVER PROLIFERATION DANGERS IN THE CASE OF PAKISTAN. (SEE REFTTEL C. THIS CHARGE IN ITS MOST ELABORATE FORM YET APPEARED IN THE MARCH 28 ISSUE OF "NEW TIMES" MAGAZINE.) WHILE THEY MUST RECOGNIZE THAT THE MILITARY AND FINANCIAL AID THE US AND OTHER WESTERN COUNTRIES ARE OFFERING TO THE PAKISTANIS IS A DIRECT RESULT OF THEIR INVASION OF AFGHANISTAN, AT LEAST SOME SOVIETS APPEAR TO BELIEVE THAT THE US OPPOSITION TO PAKISTANI NUCLEAR WEAPONS HAS WEAKENED NOW THAT PAKISTAN HAS BECOME A FRONT-LINE OF RESISTANCE TO SOVIET PENETRATION TO THE INDIAN OCEAN.

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-- THE SOVIETS HAVE EQUALLY SERIOUS SUSPICIONS WITH REGARD TO SOUTH AFRICA. THEY FEEL THAT WE HAVE NOT BEEN TRUTHFUL WITH THEM ABOUT THE SEPTEMBER 22, 1979 SOUTH ATLANTIC INCIDENT. (SEE FOR EXAMPLE REFTELS D AND E). THEY RECALL THE US PREDICTIONS 19 MONTHS AGO OF EARLY SOUTH AFRICAN ADHERENCE TO THE NPT WITH SOME CYNICISM THEY HOPE THROUGH THEIR CHARGES OF A US COVER-UP TO AROUSE BLACK AFRICAN SUSPICIONS OF THE US.

-- THE SOVIETS CLAIM TO REGARD OUR INABILITY TO CONTROL OUR ALLIES' SENSITIVE NUCLEAR TRANSFERS OR TO BRING ABOUT THE ADOPTION OF FULLSCOPE SAFEGUARDS AS A NECESSARY CONDITION FOR NUCLEAR EXPORTS AS AN INDICATION OF RELATIVELY LOW PRIORITY ASSIGNED TO NON-PROLIFERATION IN US FOREIGN POLICY. THE SOVIETS HAVE OPPOSED, AT TIMES STRI-

DENTLY, SUCH TRANSFERS AS THE FRG-BRAZIL DEAL AND THE FRENCH-PAKISTAN REPROCESSING PLANT CONTRACT. THEIR REACTION TO THE SWISS-FRG SALE OF A HEAVY WATER PRODUCTION PLANT AND POWER REACTOR TO THE ARGENTINES WITHOUT FULL SCOPE SAFEGUARDS MIGHT HAVE BEEN EQUALLY TOUGH, ESPECIALLY SINCE THEY WERE APPROACHED BY THE US A YEAR AGO AND ASKED NOT TO DELIVER HEAVY WATER TO THE ARGENTINES WITHOUT SECURING ARGENTINE AGREEMENT TO FULL-SCOPE SAFEGUARDS. BUT THEIR REACTION NOW LIKELY WILL BE TEMPERED BY THEIR OWN CURRENT NEED FOR ARGENTINE GRAIN, A POTENTIAL EXAMPLE OF SOVIET NON-PROLIFERATION POLICY TAKING A BACK-SEAT TO MORE PRESSING SOVIET FOREIGN POLICY CONCERNS.

-- THE SOVIETS CLAIM TO BELIEVE WE HAVE LOST OUR COMMIT-

MENT TO A COMPREHENSIVE TEST BAN TREATY. THEY BLAME THE LACK OF PROGRESS IN THE CTB NEGOTIATIONS ON THE ABSENCE OF US POLITICAL WILL TO RESOLVE THE FEW REMAINING ISSUES, ESPECIALLY THE NUMBER OF UK NATIONAL SEISMIC STATIONS (NSS). THEY PREDICT THAT LACK OF PROGRESS ON THE CTB NEGOTIATIONS WILL GUARANTEE A DISASTROUS NPT REVIEW CONFERENCE IN AUGUST AND THEREBY UNDERMINE THE WHOLE NPT-BASED NON-PROLIFERATION REGIME. SUCH CHARGES ARE CLEARLY TACTICALLY DESIGNED TO WIN US AND UK CONCESSIONS ON OUTSTANDING ISSUES IN THE CTB NEGOTIATIONS.

B) DEFERRAL OF REPROCESSING: WHILE THE SOVIETS MAY SEE POTENTIALLY SINISTER ASPECTS TO SOME ELEMENTS OF US POLICY IN THE NON-PROLIFERATION AREA, THEY REGARD OTHER ELEMENTS OF OUR POLICY AS PERHAPS WELL-INTENTIONED, BUT MISGUIDED. THEY DISAGREE WITH OUR DECISION TO DEFER REPROCESSING OF SPENT FUEL, ALTHOUGH THEY AGREE THAT IT IS NOT ECONOMICAL TO REPROCESS FOR RECYCLE OF PLUTONIUM IN THERMAL REACTORS. THEY FEEL THAT SUCH SENSITIVE FACILITIES AS REPROCESSING AND ENRICHMENT PLANTS SHOULD BE RESTRICTED TO A LIMITED NUMBER OF STATES, PREFERABLY THE NUCLEAR WEAPONS STATES. BY NOT REPROCESSING AND NOT TAKING BACK US SUPPLIED SPENT FUEL, THEY BELIEVE THE US IS HELPING TO FOSTER REPROCESSING PROGRAMS IN NON-NUCLEAR WEAPONS STATES. THE SOVIETS CONSTANTLY POINT TO THEIR OWN PRACTICE OF REQUIRING THE RETURN TO THE SOVIET UNION OF ALL SPENT FUEL CONSUMED IN SOVIET-SUPPLIED REACTORS AS A MODEL OTHER SUPPLIERS SHOULD FOLLOW (NOTE: IT IS OUR UNDERSTANDING THE SOVIETS TIE LIFETIME FUEL SUPPLY CONTRACTS TO THEIR REACTOR EXPORT CONTRACTS. IN CASES WHERE THEY ONLY PROVIDE ENRICHMENT SERVICES (FOR INSTANCE FOR THE BELGIANS, ITALIANS, WEST GERMANS, AUSTRIANS) THEY DO NOT REQUIRE RETURN OF THE SPENT FUEL.)

C. BREEDERS: SIMILARLY THE SOVIETS ARE STAUNCH DEFENDERS OF BREEDER REACTORS FOR INDUSTRIALLY DEVELOPED COUNTRIES. THEY CLAIM NOT TO UNDERSTAND WHY THE US HAS DELAYED ITS BREEDER PROGRAM AND NOT TO SEE A CONNECTION BETWEEN BREEDER DEVELOPMENT IN SELECTED ADVANCED COUNTRIES AND PROLIFERATION. DEPUTY CHAIRMAN OF THE STATE COMMITTEE FOR ATOMIC ENERGY MROZOV SPECULATED IN THE SEPTEMBER 1978 ISSUE OF "USA" MAGAZINE THAT THE US CAMPAIGN AGAINST BREEDERS WAS AN ATTEMPT TO GAIN TIME SO THAT THE US NUCLEAR INDUSTRY COULD CATCH UP TO ITS FOREIGN COMPETITORS IN BREEDER TECHNOLOGY, ON WHICH THE US WAS THEN SPENDING MORE THAN HALF A BILLION DOLLARS PER YEAR (ANOTHER EXAMPLE OF THE SOVIET WORST-CASE ATTITUDE TOWARD US NON-PROLIFERATION POLICY). PRESUMABLY THIS VIEW IS NO LONGER HELD FOLLOWING INFCE. THE PRIMARY SOVIET OBJECTIVE IN INFCE WAS TO OBTAIN A CONSENSUS THAT BREEDERS ARE ESSENTIAL TO AT LEAST SOME NATIONS' ENERGY PROGRAMS. THEY OVERFULFILLED THEIR PLAN IN THAT REGARD BY PRODUCING THE LEAST BALANCED INFCE REPORT, THAT OF WORKING GROUP 5A ON THE ROLE OF BREEDERS. THEY REGARD THE INFCE OUTCOME ON BREEDERS AS A MAJOR SOVIET ACCOMPLISHMENT, AND AS A SET-BACK TO WHAT THEY PERCEIVED AS A US ANTI-BREEDER CAMPAIGN.

D) CRITICISM OF VOLUNTARY OFFERS: THE SOVIETS ALSO OPPOSE

VOLUNTARY OFFERS BY NWS TO PLACE THEIR PEACEFUL NUCLEAR FACILITIES UNDER IAEA SAFEGUARDS. THEY CLAIM THE US AND UK VOLUNTARY OFFERS WILL ONLY SERVE TO DIVERT SCARCE IAEA INSPECTION RESOURCES AWAY FROM THE PLACES THEY ARE NEEDED, AT THE NUCLEAR FACILITIES OF NEAR-NUCLEAR WEAPONS STATES. BEHIND THIS ARGUMENT IS DEEPLY INGRAINED SOVIET UNWILLINGNESS TO PERMIT OUTSIDE ACCESS TO VAST SECTORS OF THEIR SOCIETY.

F) INFCE: SUPPLY ASSURANCES AND OTHER TECHNICAL AND INSTITUTIONAL MEASURES: INFCE HAD LITTLE, IF ANY, EFFECT ON SOVIET NON-PROLIFERATION POLICY. THIS SHOULD NOT BE SURPRISING SINCE THE INFCE EXERCISE WAS PRIMARILY DIRECTED AT NORTH-SOUTH AND INTRA-WESTERN ALLIANCE PROBLEMS AND THE

SOVIETS PLAYED LITTLE PART OUTSIDE THE BREXIDER WORKING GROUP. SUCH ISSUES AS SUPPLY ASSURANCES ARE PERIPHERAL TO SOVIET CONCERNS. THEY BELIEVE THEY DO THEIR JOB IN THIS REGARD THROUGH THEIR BILATERAL ARRANGEMENTS AND THAT IT IS UP TO THE WESTERN SUPPLIERS, INCLUDING THE US, TO SOLVE THE PROBLEMS CREATED BY PREVIOUS INTERRUPTIONS IN SUPPLIES AND THE "TWISTS AND TURNS" OF US NON-PROLIFERATION LEGISLATION. (THEY OF COURSE HAVE BENEFITTED FINANCIALLY AS A RESULT OF THE FALL IN THE US CREDIBILITY AS A FUEL SUPPLIER. THEY HAVE PICKED UP A SUBSTANTIAL NUMBER OF ENRICHMENT SERVICES CONTRACTS WITH WESTERN EUROPEAN UTILITIES SEEKING TO DIVERSIFY THEIR SOURCES OF SUPPLY.) THEY REGARD THE PROPOSED EXPERTS' GROUP ON SUPPLY ASSURANCES PRIMARILY AS A MEANS OF DEFLECTING NON-ALIGNED CRITICISM AT THE UPCOMING NPT REVIEW CONFERENCE. SIMILARLY, THOUGH THE SOVIETS ENDORSE SUCH TECHNICAL AND INSTITUTIONAL MEASURES AS COPROCESSING, PRE-IRRADIATION OF FUEL ELEMENTS, DEVELOPMENT OF LOWER ENRICHED FUEL FOR RESEARCH REACTORS, INTERNATIONAL PLUTONIUM BANKS AND INTERNATIONAL NUCLEAR FUEL CYCLE CENTERS, NONE OF THESE MEASURES ARE SEEN AS AFFECTING THEIR OWN PROGRAMS. FOR EXAMPLE, THEY BELIEVE THAT THEY ALREADY HAVE ORGANIZED A MODEL INTERNATIONAL FUEL CYCLE SERVICES REGIME IN THE COMECON-FINLAND-USSR REGION AND THAT THEY CAN HANDLE THE RESEARCH REACTOR FUEL PROBLEM BY ASSURING THAT LESS THAN FIVE KILOGRAMS OF FUEL IS EVER PRESENT IN THE RECEIVING COUNTRY AT ANY ONE TIME.

8. THE FUTURE US-SOVIET INTERACTION ON NON-PROLIFERATION:

A) THE ATTENTION OF SOVIET NON-PROLIFERATION SPECIALISTS IS TODAY FOCUSED ON THE AUGUST NPT REVIEW CONFERENCE. THIS FORUM WILL PROVIDE A MAJOR TEST OF THE TWO COUNTRIES' ABILITY TO WORK TOGETHER TOWARD THE COMMON GOAL OF STRENGTHENING (OR IN THIS CASE, MINIMIZING DAMAGE TO) THE NPT REGIME. UNFORTUNATELY, WHILE WE BELIEVE THE SOVIETS WILL LIMIT THEIR PUBLIC POLEMICS ABOUT US "FAILURES" TO HONOR ITS ARTICLE VI COMMITMENTS BY NOT RATIFYING SALT II AND NOT NEGOTIATING SERIOUSLY ON THE CTB AGREEMENT, THEY HAVE TOLD US (REFTEL F) THAT IN PRIVATE BILATERALS ON THE MARGINS OF THE REVCON THEY WILL RELATE THEIR VIEWS TO ALL WHO ASK. SUCH DISARRAY AMONG THE DEPOSITORY STATES IS OBVIOUSLY NOT GOING TO IMPROVE THE ATMOSPHERE AT THE REVCON. CONVINCING THE SOVIETS OF THIS WILL BE DIFFICULT, BUT WE SHOULD CONTINUE TO HAMMER THAT POINT HOME IN BILATERAL CONTACTS OVER THE COMING MONTHS.

B) THE SOVIETS LOOK TO THE US TO PROVIDE THE INITIATIVE FOR RENEWING THE SUPPLIERS' DIALOGUE. THEY BELIEVE AN NSG MEETING WITH EVEN A RELATIVELY NARROW AGENDA, FOR INSTANCE FOCUSED ON SUPPLY ASSURANCES, WOULD BE USEFUL. THEIR GOAL REMAINS ADOPTION OF FULL-SCOPE SAFEGUARDS BY THE SUPPLIERS AND THEY COULD BE EXPECTED TO PRESS THIS POINT AT ANY NSG MEETING, WHATEVER THE FORMAL AGENDA.

C) IN GENERAL WE WILL WANT TO MAINTAIN SOVIET SUPPORT IN

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TECSE NON-PROLIFERATION ISSUES WHERE OUR INTERESTS ARE
THEREBY SERVED (AS IN THE CASE OF ARGENTINE NUCLEAR
PURCHASES). YET WE SHOULD NOT HESITATE IN OUR BI-
LATERAL CONTACTS TO REGISTER OUR DISPLEASURE WITH THOSE
ASPECTS OF SOVIET POLICY WHICH ARE UNHELPFUL AND TO SET
THE RECORD STRAIGHT ON VARIOUS ALLEGATIONS ABOUT OUR
POLICY, JUST AS THEY ARE NOT RELUCTANT TO ENUNCIATE THEIR
CRITICISMS OF OUR POLICY. WATSON

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