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BUREAU OF
INTELLIGENCE
AND RESEARCH

CURRENT
ANALYSES

(U) NON-PROLIFERATION IMPLICATIONS OF THE
ISRAELI ATTACK ON THE IRAQI REACTOR

(S/NF) Summary and Introduction

Apart from its impact on US security interests in the Middle East, on US relations with Israel and some of the Arab countries, and on US Middle East peace efforts, the Israeli raid on the Iraqi nuclear reactor near Baghdad on June 7, 1981, is likely to have an ambiguous influence on US non-proliferation policy.

On the negative side, the raid:

- undermines the credibility of the NPT-IAEA non-proliferation regime;
- establishes a precedent for military attack on nuclear facilities;
- widens the opportunity for Soviet penetration of the Middle East via nuclear cooperation; and
- weakens the credibility of the Reagan administration's non-proliferation policy.

On the positive side, the raid:

- underscores the nuclear proliferation threat to world peace and regional stability;
- provides a new impetus to tighten nuclear export controls on sensitive items to problem countries;
- may provide new opportunities to improve the NPT-IAEA regime, by focusing attention on some of its inadequacies; and
- sets back Iraq's questionable nuclear research program.

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Initially, many if not most US nuclear policy experts perceived the raid as counterproductive to the goal of limiting nuclear weapons proliferation. Yet the raid may well prove to have been the catalyst for a more effective international consensus to inhibit the spread of nuclear weapons-capable materials and technology to politically unstable regions.

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Negative Aspects of the Raid

(S/NF) It undermines the credibility of the NPT-IAEA non-proliferation regime. Perhaps the most disturbing consequence of Israel's raid and subsequent attempts to justify it is the serious damage done to the credibility of the NPT-IAEA (Non-Proliferation Treaty, International Atomic Energy Agency) regime.

(S/NF) Israel has openly challenged the effectiveness of IAEA safeguards to monitor NPT compliance in a potential proliferant nation. In addition, it has questioned whether the IAEA, as an international organization reflecting East-West and North-South tensions, would ever manifest the political will to report and act upon safeguards violations in influential Third World nations. Despite efforts by IAEA and US officials to rebut the Israeli allegations, the IAEA's reputation undoubtedly has suffered from the publicity. IAEA effectiveness is likely to be hampered by new North-South strains resulting from the raid and the perception by some nations of tacit US support for the action of Israel, a non-NPT party widely believed to have a nuclear weapons capability.

(S/NF) The Israeli action also calls attention to an unpleasant possibility for proliferation that exists within the NPT-IAEA regime. Iraq's experience suggests that an NPT signatory can obtain, under requisite IAEA safeguards, sensitive nuclear facilities which could eventually give it access to nuclear weapons-usable material. The possibility that countries may facilitate their development of a nuclear weapons capability--or the basis for it--while remaining within the NPT regime places greater strain on the IAEA and its system of international safeguards. Long before the Israeli raid, the IAEA's ability to monitor NPT compliance was subject to some doubt. This doubt will increase as more sensitive facilities, some of which are inherently difficult to safeguard (e.g., reprocessing and enrichment facilities) are brought into the inspection system. The recent allegations by the Israeli Government and others that IAEA safeguards in Iraq were inadequate to detect or deter proliferation may weaken longstanding US efforts to gain universal adherence to the NPT-IAEA regime.^{1/}

^{1/} (S/NF) Despite increased US pressure in recent years, the six remaining non-NPT signatories with the greatest nuclear weapons potential have not been persuaded to adhere to the treaty: Argentina, Brazil, Israel, India, Pakistan, and South Africa. None of these threshold nations is likely to adhere to the NPT in the foreseeable future.

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(S/NF) An unfortunate lesson that some may draw from this affair is that adhering to the NPT and accepting IAEA safeguards do not always suffice to reassure others of one's peaceful nuclear intentions. Nations with incipient nuclear programs may now be more reluctant to accept IAEA safeguards, because suspicious neighboring countries may still attack their facilities. Or, the raid may inspire countries seeking to acquire the basis for a nuclear weapons option to place emphasis on clandestine facilities.

(S/NF) Although the Iraqis apparently were not in violation of any safeguards requirements, the controversy over the Israeli justification for the raid underscores the lack of an effective international consensus to deal with safeguards violations or NPT withdrawal.^{2/}

(S/NF) If at some future date Iraq or some other country decided to abrogate safeguards, develop nuclear weapons, and withdraw from the NPT, the international community would be unlikely to take forceful collective action to restrain it. Future nuclear assistance might be withheld by most supplier nations, but more

2/ (S/NF) Among the more troublesome political problems of IAEA safeguarding is the lack of credible international sanctions to force compliance by states that have abrogated their NPT agreement or simply refused to adhere to IAEA safeguards. The IAEA's limited power to initiate sanctions has never been tested, but there should be no great confidence that the system would restrain a determined violator. In some cases, material suspected of diversion to weapons programs could be declared stolen or missing. Inspectors could detect non-cooperation, but not necessarily prove--or wish to prove--non-compliance. Time-lag could become an important factor, as problems of translation, compilation, and interpretation of data and bureaucratic delays might prevent prompt announcement of non-compliance or suspected violation.

(S/NF) Any decision by the IAEA to report safeguards violations or to proceed with sanctions would be highly political, probably following a long period of cautious deliberation. Under the IAEA Statute, the Director General could report non-compliance to the Board of Governors, which could in turn inform the UN Security Council and General Assembly. If a country failed to comply "within a reasonable time," the Agency Board could limit or suspend IAEA assistance, call for a return of materials and equipment made available to the state, and suspend IAEA membership. As many have noted, there is no explicit provision made for physical recovery by the IAEA of materials and/or equipment that have been diverted to military purposes, and such recovery would have to await action by the UN Security Council. Insofar as the Security Council would be highly unlikely to agree on effective punitive measures against the recalcitrant state, especially if it were a developing country, the IAEA "sanctions" would provide no more than the pretext for a preemptive military strike by one of the superpowers or a neighboring state.

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direct collective intervention to disrupt the offending state's nuclear weapons capability is difficult to imagine.^{3/}

(S/NF) The NPT-IAEA regime cannot enhance international security unless there is a credible mechanism for enforcement of its provisions. Despite all the international criticism of Israel's unilateral action, no nation or international organization has yet dealt adequately with the question of how it would have responded to stop Iraq if, in two or three years, Israel's "worst case" estimates had proved true and Iraq had indeed acquired one or more nuclear devices.

(S/NF) Establishes a precedent for military attack on nuclear facilities. The successful Israeli preemptive air strike on the Iraqi nuclear reactor, along with the unsuccessful, presumably Iranian, attack in September 1980, has established the precedent for conventional military attacks on nuclear targets. Though the Osirak reactor was not yet operational when attacked, the raids could contribute to an international environment more tolerant of attacks on such facilities. The international system would be subject to unacceptable disorder if such anarchic air strikes were to become commonplace. Unfortunately, the competitive international military assistance policies of the Soviet Union and Western nations have placed high-performance, deep-penetration strike aircraft in the hands of numerous governments, many in unstable regions. This expanding capability of Third World nations to project air power adds another disturbing safety element to the problem of siting nuclear research or nuclear power facilities in unstable regions.

(S/NF) Widens opportunity for Soviet penetration of the Middle East. The Soviet Union will attempt to manipulate Arab anger and humiliation over the Israeli raid to expand its influence in the region and to weaken US ties with Arab nations. Now that Western nuclear suppliers are becoming somewhat more cautious in their dealing with Iraq, the Soviets have offered to upgrade their own assistance, although their capabilities to do so are limited by the higher priority need to complete lagging domestic and East European projects. Iraq and other Arab states may be tempted by Soviet-supplied nuclear facilities. On the other hand, most potential Arab recipients would be very reluctant to broaden Soviet influence in their countries, would prefer Western nuclear technology, and have noted that past Soviet safeguards

^{3/} (S/NF) At present, the most plausible method of enforcement is unilateral action by the nuclear supplier state against the offending recipient state. Because some bilateral nuclear agreements provide for supplier retrieval rights to misused nuclear technology and material, this would offer a justification for direct intervention against a proliferant country.

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requirements have been, at least as stringent as those required by Western suppliers.^{4/}

(S/NF) Weakens the administration's credibility with Congress, the US public, and other nations on non-proliferation policy. The Reagan administration's non-proliferation policy had not been clearly articulated before the Israeli raid. The complicated (and at times contradictory) official US responses to the Israeli raid may have further confused observers. The administration's approach to the raid sought to balance several conflicting interests:

- preserve US-Arab ties, US regional security goals, and the Middle East peace process;
- reassure Israel and its supporters of continued US commitment;
- refrain from appearing to support an Israeli military action, the timing of which may have been dictated by Prime Minister Begin's wish to enhance his party's fortunes in the parliamentary election;
- admonish Israel for an action inimical to certain US interests;
- preserve the credibility of the NPT-IAEA system;
- defend the expanded promotion of safeguarded nuclear power in Third World countries.

(S/NF) US spokesmen criticized the Israeli raid, its justification, and its timing. In the UN Security Council, the US voted to condemn the Israeli raid. The coherence and credibility of the US position were vitiated, however, by President Reagan's widely quoted public expression of understanding for Israel's self-defense justification for the raid, by the US failure to take any significant concrete actions to punish Israel, and by the impression created by some administration officials during congressional testimony that they were attempting to gloss over

^{4/} (S/NF) The Soviets have been generally more cautious than some Western nations in supplying nuclear technology and materials to Middle Eastern states. They have, however, supplied small, safeguarded research reactors to Iraq and Egypt and are constructing a nuclear research center (including a safeguarded research reactor) for Libya. They have discussed providing power reactors to Syria and Libya.

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previously expressed serious US concerns about the ultimate intentions of Iraq regarding its nuclear program.^{5/}

(S/NF) Arab and many other Third World nations are unlikely to be satisfied by the US simple condemnation of Israel in the UN and delayed shipment of military aircraft. They will see the mild US rebuke to Israel as another instance of US "non-proliferation hypocrisy." [redacted]

[redacted] In the long run, some of these Third World nations may also become more discontented with what they perceive to be discriminatory aspects of the NPT-IAEA regime.

(S/NF) US policy toward Pakistan may further confuse observers about the nature and depth of the Reagan administration's commitment to non-proliferation. The US response to the Israeli raid, along with the \$3 billion US military and economic aid offer to Pakistan despite its nuclear explosive program, underlines the persistent tension between non-proliferation and other US foreign policy goals. Observers may draw the conclusion that recent US policy opposes proliferation in general terms but has not yet effectively focused on specific cases.

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^{5/} (S/NF) While the US had no hard evidence prior to the Israeli raid of an Iraqi decision to acquire nuclear weapons, Iraq was and is still seeking to acquire far more sophisticated nuclear facilities than its energy needs alone would appear to justify. The US assessment was and remains that the Iraqi program is designed to provide the option to develop nuclear weapons at some point in the future. Even if the Osirak reactor had not been damaged, Iraq probably would not have had enough fissile material for a sustained nuclear weapons program until late in the decade. If it had been willing to put aside its safeguards and treaty commitments--and this would have depended on supply from outside Iraq--it could have attained sufficient material for a few nuclear explosive devices within three to five years.

(S/NF) [redacted]

[redacted] Even in its current nascent condition, the Iraqi nuclear program is a destabilizing factor in the region. [redacted]

[redacted] The Iraqi nuclear center was struck by rockets in the war with Iran; this raised, for the first time, the problem of IAEA inspections during wartime. If Iraq does acquire nuclear weapons, the implications would be serious for [redacted] US interests in the area.

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Positive Aspects of the Israeli Raid

(U) The raid underscores the nuclear proliferation threat to world peace and regional stability. Like the 1974 Indian nuclear test, the Israeli raid appears to have been one of those watershed events that vividly dramatizes the threat of nuclear proliferation to world peace and regional stability. The publicity surrounding the raid should stimulate interest among administration officials and congressional leaders to develop even tougher non-proliferation proposals.

(U) The Reagan administration's non-proliferation policy guidelines place greater emphasis than did those of the previous administration on fitting non-proliferation into an overall national security framework. Non-proliferation policy is to be more carefully adjusted to energy and political/military security requirements of particular regions.

(U) The previous administration sought, often unsuccessfully, to obtain nuclear supplier cooperation in denying transfers of sensitive nuclear materials and technology to proliferation-risk nations.

(C) The current approach seeks to shift emphasis from nuclear technology denial to expanded domestic and foreign promotion of safeguarded nuclear power programs. The administration believes the US can best retard the spread of nuclear weaponry by fostering strong regional security arrangements and by maintaining the credibility of its security commitments in order to reduce the pressure on some states to develop their own nuclear weapons. Moreover, the US will seek to become perceived as a more reliable nuclear supplier in order to have greater influence over the scope and safety of international nuclear sales.

(S/NF) By not having promulgated a non-proliferation policy and by expressing a positive attitude toward nuclear power development, the administration had unfortunately left the impression that it was less interested than its predecessor in monitoring proliferant countries. Since the Israeli raid on Iraq, however, the administration has taken a harder look at the security risks of nuclear proliferation in unstable regions. Observers may now believe that the administration will deal more carefully with countries of great proliferation risk.

(S/NF) Iraq's questionable nuclear research program was delayed--perhaps seriously. The destructive results of the Israeli raid may have seriously retarded the progress of a nuclear program about which the US had repeatedly expressed concern. The Osirak research reactor has been severely damaged

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and--if Iraq wishes to continue this portion of its nuclear program--may have to be entirely rebuilt. Rebuilding could cost Iraq 2 to 3, or even more, years. If Iraq were serious about acquiring a small arsenal of nuclear weapons, however, it would derive most benefit from a natural uranium-fueled power reactor producing greater quantities of weapons-usable plutonium. Though possession of such a power reactor, in which Iraq has shown some interest, rather than the Osirak research reactor, would be Iraq's best and fastest route to a viable nuclear weapons program, Western countries should now be extremely reluctant to supply Iraq with a natural uranium reactor. The raid may have increased the desire of some Iraqi leaders eventually to acquire nuclear weapons.^{6/} Yet in the current political atmosphere, Iraq (and other Arab nations) will not easily find willing suppliers.

(C) Potential proliferators must be more discreet. The destruction of the Osirak reactor puts potential proliferators on notice that their ostensibly peaceful nuclear programs are no longer beyond attack. Both nuclear supplier and recipient countries are now likely to be more cautious. In the future, developing countries may find it harder to justify establishing broad-based nuclear research programs before they can identify realistic nuclear energy applications. The Israelis have demonstrated by their action that even safeguarded nuclear facilities can generate serious regional tension.

(C) Israel may have offered a negative example to other nations worried about the nuclear activities of their neighbors. Israel's raid may have succeeded in delaying the Iraqi nuclear program, but it also brought universal opprobrium upon the Begin government. Other nations with potential long-term proliferation problems on their borders (e.g., India - Pakistan, China - India, Egypt - Libya, China - Taiwan, Argentina - Brazil) may hesitate in the future to launch preemptive attacks which could subject them to an unwanted comparison with Israeli actions they had themselves condemned.

(S/NF) The raid provides a new impetus to tighten export controls on sensitive items to problem countries. Initial indications are that both France and Italy will be more cautious about providing future nuclear technology and material to Iraq. This may carry over into a nuclear supplier consensus to get

^{6/} (S/NF) Iraqi President Saddam Hussein stated publicly on June 23, 1981, that other nations should help the Arabs to acquire atomic bombs in order to ensure a Middle East strategic balance with Israel. Hussein's remarks should probably be seen more as a clumsy attempt to draw world attention to Israel's nuclear capabilities than as an implicit declaration of Iraq's intention to acquire nuclear weapons.

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tougher regarding proliferation-risk recipient countries. Given the US administration's clear support for nuclear power and for renewed US nuclear exports, US credibility with other nuclear supplier states may afford it the opportunity to help forge an improved nuclear supplier consensus to retard nuclear weapons proliferation. The US might also be able to encourage the fashioning of a special code of conduct for nuclear supply to the volatile Middle East region.

(S/NF) Continued US support for a Middle East Nuclear Weapons Free Zone (MENWFZ) could help further this end. The current atmosphere in the region, however, militates against any immediate prospect of MENWFZ success. The lack of a comprehensive Middle East peace settlement limits the practical basis for such a zone. Israel remains reluctant, at a time when some neighboring states are still officially committed to denying its legitimacy, to accept international safeguards on all its nuclear facilities, or forswear a nuclear weapons option. Moreover, several key Arab nations have consistently refused to discuss the MENWFZ (or any) proposal directly with Israel.

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(S/NF) Even if all nations in the Middle East region were amenable to direct negotiations, serious problems could remain:

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--Israel would not want certain facilities at its Dimona nuclear research center to be open to IAEA inspection and rejects the effectiveness or political will of the IAEA to detect nuclear weapons-related activities in Arab nations.

--Most Arab nations are unlikely to accept a MENWFZ that might freeze their nuclear weapons potential in a position inferior to Israel's.

(S/NF) The raid may provide new opportunities to improve the NPT-IAEA regime. As noted above, the Israeli raid has had a deleterious initial effect on the NPT-IAEA regime. Nevertheless, no country is likely to withdraw from the NPT or to terminate IAEA safeguards as a consequence of the raid. US chances of expanding NPT membership among proliferation-risk countries certainly will not improve, but no such expansion was really in prospect before June 7.

(C) The most salutary effect of the raid may be to bring again the proliferation problem unavoidably before the nuclear supplier nations. With the deficiencies of the current system

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subject to intense public scrutiny, more political and financial support may be forthcoming.

(S/NF) In the aftermath of the Israeli action, all nuclear supplier nations have publicly reaffirmed their strong support for the IAEA and attempted to defend its credibility. As a result, some nations could decide to upgrade their financial commitment to the IAEA in order to increase the number of inspectors and to subsidize the accelerated development of more effective safeguarding techniques. Both the President's recent non-proliferation guidelines and congressional resolutions support strengthened safeguards. The IAEA may itself take action to improve the thoroughness of its monitoring of and reporting on safeguarded facilities in potentially sensitive countries. As a result of recent publicity given to some disagreement among IAEA inspectors regarding the adequacy of safeguarding procedures in Iraq, the IAEA inspectorate may now take a greater interest in promoting a frank internal exchange of views on alleged safeguards deficiencies in specific countries.

(S/NF) Eventually, however, the US and other nuclear suppliers must come to grips with the problem of designing credible international sanctions and additional measures to restrain nations that may attempt to leave the NPT-IAEA regime after using it to achieve a nuclear weapons capability.

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