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CENTRAL INTELLIGENCE AGENCY
OFFICE OF NATIONAL ESTIMATES

9 August 1954

DRAFT MEMORANDUM FOR THE DIRECTOR OF CENTRAL INTELLIGENCE

SUBJECT: Political and Psychological Effects of a US Program for
Cooperation with Other Nations in the Peaceful Uses of
Atomic Energy

ASSUMPTION

That the program would be as outlined in the draft report to
the NSC on "Cooperation with other Nations in the Peaceful Uses of
Atomic Energy," 4 August 1954.

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DISCUSSION

1. General Response. The response of the Free World coun-
tries to the proposed program would probably be generally favorable
and would bring important political and psychological benefits to
the US. Many nations, particularly those which are more advanced
scientifically, would regard the program as a long overdue relaxa-
tion of US policies of secrecy and exclusiveness in the atomic
energy field and as a practical implementation of the President's
speech of 8 December 1953. Among the underdeveloped nations of
Asia and Latin America the opportunity to participate in the
program would probably be regarded as conferring prestige and as

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an indication that the powerful and advanced US was willing to treat them as peers in a field which is associated with the most advanced developments of the twentieth century.

2. There will be elements in most countries, however, which will have qualms about participating in any such program because of: (a) the belief that the principal use of atomic energy is in weapons of mass destruction and that further research and development can only increase the likelihood that such destruction will take place; and (b) fears that association with the US in a program for the development of atomic energy would involve their countries in US military plans and insure their participation in any future atomic war. Such qualms will, for the most part, affect the general public rather than the official and scientific communities and are unlikely to cause any government to decide against participation.

3. Some criticisms will probably also be made: (a) that the proposed program is too modest and is not commensurate with the resources of the US and the scientific capabilities of the more advanced countries or the needs of underdeveloped countries; (b) that it should provide for installation of power rather than research reactors, (countries which already have research reactors may argue that they are ready for the next step in their atomic energy development programs, and many backward countries will argue that their need is for a source of cheap energy quickly);

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and (c) that some elements will be disappointed that the US does not propose to finance the entire program.

4. However, proper presentation of the proposed program could largely allay the above fears and justify the program to its critics, particularly if effective publicity were given to the uses of research reactors and the fact that the proposed program would not advance the military utilization of atomic energy except in an indirect and theoretical way. The desire of many countries for more tangible and immediate benefits through power rather than research reactors would probably be largely satisfied if it were emphasized that the program, even though modest, is an essential prerequisite to wider peacetime uses of atomic energy and that assistance in the development of power reactors could be expected to follow in due course. Informed foreign opinion would also probably recognize that work on the peacetime uses of atomic energy is still in the experimental stages and that the program would give participating countries an opportunity to train personnel who would be able to utilize the products of this research as they became available.

5. Longer Term Reactions. There is some danger that even the longer term various countries participating in the program would become disillusioned as experience taught them the cost of maintaining an atomic research program and that they would

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endeavor to persuade the US to make additional financial contributions, but this problem would probably not be greater than is the case with present technical aid programs. There might be some popular dissatisfaction due to the lack of tangible and spectacular benefits produced by the program, but this is unlikely to be great if care is taken to warn against excessive expectations. Nevertheless, the general political and psychological advantages brought the US by the proposed program would tend to fall off markedly over the longer term unless the momentum of the program were maintained.

6. Reciprocal Commitments. There would be dangers in attempting to tie bilateral US assistance in the development of research (or power) reactors to specific reciprocal commitments to the US in other fields. Most participating countries would probably expect that no political commitments will be attached to participation in the program, because of the President's emphasis in his "atomic pool" speech upon the fact that his proposal was being made for the general benefit of mankind. These expectations will be reinforced by the modest character of the program presently proposed. Moreover, those countries which supply the US with atomic materials -- Belgium, Canada, Union of South Africa, Brazil, India, and Australia -- will probably regard the US offers under the proposed program as no more than they are due. These circumstances will probably not exclude the possibility

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of obtaining limited quid pro quos by bilateral negotiations in some cases, particularly from countries which do not supply the US with atomic materials. For the most part, however, the advantages which the US is likely to receive from the proposed program will be in the form of good will.

7. Multilateral vs. Bilateral Agreements. A concrete US proposal for creation of an International Atomic Energy Agency affiliated with the US as part of the proposed program would evoke a highly favorable Free World reaction. Among other things, it would encourage those countries not receiving immediate benefits from the program to expect that they would benefit later through a multilateral spreading out of these benefits. Many countries would also anticipate that in an international agency they would have more leverage upon the US and be less directly committed to the US. At the same time a US proposal for eventual creation of an international agency would ease the way for prior bilateral agreements. Some Asian countries might prefer assistance via a UN agency to direct US assistance, but we do not believe that this factor alone would persuade any Free World country to forego the benefits of bilateral aid from the US.

8. Individual Country Problems. Those countries which supply nuclear materials to the US will, like Belgium, almost certainly demand special consideration. They will expect US

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assistance under the proposed program as a quid pro quo for their continued supplying of such materials.

9. Among the potential participants in the proposed program, the following countries are best qualified by reason of their scientific capabilities: the UK, France, Norway, the Netherlands, Belgium, Sweden, Switzerland, Canada, and West Germany. All of these countries have fairly advanced atomic research programs of their own; some already have research reactors, and the others are building or planning to build one or more; some are working on power reactors. Most of them would probably be highly interested in benefiting from US technological assistance and in obtaining supplies of refined fissionable materials. West Germany, of course, would be able to participate only if present restrictions upon its activities in the atomic energy field were modified.

10. A second group of Free World countries which are less advanced scientifically than the above countries, but which have initiated atomic research programs, includes: Italy, India, Argentina, Brazil, Australia, the Union of South Africa, and Japan. These countries would require considerable aid and assistance before they could make effective use of an atomic research reactor.

11. A third group of countries have demonstrated active interest in the development of atomic energy for peacetime uses, but

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have no programs of their own or are engaging in research of a peripheral nature only. These countries would require a still greater degree of US assistance and support than those in the second group. They include: Israel, Yugoslavia, Spain, Portugal, Greece, Turkey, and Mexico. Most remaining Free World countries are either not actively concerned with atomic research or completely lack the necessary capabilities.

12. Regional Problems. However carefully the proposed program is handled, there is likely to be dissatisfaction and discontent in some countries which do not immediately participate, either because they feel that the US has underestimated their scientific capabilities, or because they feel that there are special circumstances which justify their inclusion in the program at an early stage. In some areas, intraregional antagonisms may be sharpened if certain countries are declared eligible to the exclusion of others. This factor will be particularly important if it proves difficult to demonstrate the complete dissociation of a program for the use of atomic research reactors from any increase in military potential. The establishment of an international organization under UN auspices for the administration of research done under the proposed program would ultimately do a great deal to allay the fears and suspicions that may be created by the construction of an atomic research reactor in one country in regions where there is great sensitivity to any changes, real

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or surmised, in the balance of power. Such regional problems might also be overcome if regional research centers were set up to utilize the research reactors constructed under the proposed program.

13. If Argentina and Brazil were the only countries declared immediately eligible in Latin America for participation in the proposed program, their neighbors' fears would probably be aroused, and if a reactor were constructed in only one of those two countries, the other would probably react unfavorably. If, however, facilities could be provided for qualified scientists from all the Latin American countries to work with a research reactor constructed in some suitable location, regional tensions would probably be minimal. On the other hand, if a reactor were constructed in Argentina with US help, Peron would probably find that it was easier to bring to a successful conclusion his attempt to invite foreign participation in Argentina's petroleum development.

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17. The most important regional problem in Europe is likely to be the opposition of other countries to the creation of an atomic energy program in West Germany. There already exists in Europe an international organization formed for the purpose of cooperative action in the atomic energy development field. Some European states would probably prefer to see US assistance under the proposed program go to this organization, rather than to individual states.

18. Soviet Reaction. The USSR, for reasons of both prestige and security, would probably reject participation in the proposed program. It is also unlikely that the USSR would seek to counter the US offer by indicating that it too was willing to help supply atomic reactors and technicians to underdeveloped countries. At most, Moscow might report with considerable fanfare the establishment of atomic reactors in the Satellite states or Communist China, citing the conditions of their establishment as exemplary of relations among sovereign states.

19. The Soviet Union would probably rely primarily on propaganda to counter or "expose" the US program. Moscow would stress above all else that the US was seeking to divert public attention from the major international problem of banning the use of nuclear weapons. It would minimize the significance of the US proposal, arguing that only with agreement to prohibit nuclear weapons would sufficient nuclear fuel be diverted to the peaceful use of atomic

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energy to be of substantial economic benefit to other nations. It would point out that the US planned to continue the full scale production of atomic weapons. The proposal, it would be charged, is a direct descendant of the Baruch Plan and, as such, is designed to secure US control over atomic research and production throughout the world. Nevertheless, we believe it is unlikely that such a propaganda assault would significantly reduce the US program's appeal to the Free World or would diminish appreciably the benefits which the US would receive.

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US PROGRAM FOR COOPERATION WITH OTHER NATIONS IN THE PEACEFUL USES OF ATOMIC ENERGY (As outlined in the Draft Report to the NSC of 4 August 1954)

1. Under the proposed program information, scientific assistance, fissionable materials, and equipment suitable for the construction and utilization of atomic research reactors would be made available to selected countries by the US in order to assist them in the development of the peaceful uses of atomic energy.

2. Operation of the reactors would be carried on under the authority of an International Atomic Energy Agency under the aegis of the United Nations, devoted to the development of the peaceful applications of atomic energy. It is anticipated that arrangements for the establishment of such an organization can be completed not sooner than two years hence.

3. However, negotiations for and agreements concerning the financing of the program and the construction of the atomic research reactors would be worked out by the US and the recipient nations bilaterally. Initiation of such negotiations need not await the establishment of the international organization referred to above and would probably begin within the next few months.

4. Costs of construction and operation would be met by the participating countries, but these are expected to be so modest as to warrant excluding from this paper any detailed

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