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CENTRAL INTELLIGENCE AGENCY NATIONAL FOREIGN ASSESSMENT CENTER

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26 August 1980

MEMORANDUM

Selected International Reaction to President Carter's Decision to Ship Uranium to India

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Worldwide reaction to President Carter's decision to override the Nuclear Regulatory Commission and approve the shipment of some 38 metric tons of low enriched uranium to India for use in the Tarapur atomic power station has been generally restrained, although there are exceptions. Most countries appear to be withholding comment pending the final disposition of the case by the US Congress. The widely publicized review of US nonproliferation policy, as well as the belief in some quarters that the upcoming Presidential election may affect US nuclear policy, probably has strengthened the international tendency to await the final outcome before expressing a position on the issue.

In addition to the above factors, the countries of <u>Western Europe</u> by and large do not seem to regard the Tarapur fuel question as an indicator of the direction of US nonproliferation policy, nor, indeed, as a matter of great importance. They also presumably view India as a special case in terms of nonproliferation policy and therefore probably do not perceive any relevance to themselves--or even to overall US nonproliferation policy--in the Tarapur issue. They probably believe that some flexibility is necessary in US treatment of India and do not necessarily expect--or desire--consistency with the specifics (in contrast to the spirit) of US nonproliferation policy.

This memorandum was prepared by International 25X1 Issues Division, Office of Political Analysis at the request of Senator J. Bennett Johnston. It was coordinated with the appropriate regional divisions within OPA and with the Special Assistant to the Deputy Director for Foreign National Assessment for Nuclear Proliferation Intelligence. Research 25X1 was completed on 23 August 1980. Comments and queries are welcome and may be directed to the Chief, Political-Military 25X1 Issues Branch, International Issues Pivision OPA,

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In the Far East neither South Korea nor Taiwan has commented publicly on the issue. There is no reason to believe that their private consideration of the Tarapur fuel issue has led to reevaluation of their own nuclear programs or to a belief that Washington would now take a more lenient view should they attempt to resume nuclear weapons-related Seoul and Taipei recognize that their marked dependence work. on the United States as a supplier of both nuclear technology. and materials and military equipment places them in a position far more vulnerable than that of India. They also recall that, despite what many nations regarded as a relatively mild US reaction to the Indian nuclear explosion in 1974, Washington thereafter adopted a position of rigid opposition to Korea's and Taiwan's attempts to develop nuclear weapons. Thus, for the near and mid-term, the nature of US nuclear dealings with India will probably not strengthen the position or arguments of those advocating nuclear weapons work in Seoul and Taipei.

Argentina is the only South American country that has criticized the proposed shipment of fuel for the Tarapur reactors, and it has done so within the context of its own efforts to obtain US uranium exports. In mid-May, in anticipation of the President's decision, senior Argentine nuclear officials complained to the US Embassy in Buenos Aires that, in comparison to its treatment of India, US policy towards Argentina was discriminatory. They described the Tarapur decision as "strictly political," not based on the legal aspects of the US Nuclear Non-proliferation Act (NNPA) of 1978. Since then, the Argentine Government has apparently followed US political developments regarding Tarapur closely.

Among other countries of particular proliferation concern, Iraq probably would be especially angered by the Tarapur waiver, although it has not commented on the subject to date. Iraq has signed the Non-Proliferation Treaty (NPT) and accepted International Atomic Energy Agency (IAEA) safeguards as required by the treaty. Baghdad resents US attempts to persuade Western European nations to refrain from selling Iraq sensitive nuclear facilities and materials despite its compliance with NPT--and by extension NNPA--safeguards requirements. US leniency toward India, which has refused to comply with the safeguards requirements of the NNPA and which has detonated a nuclear device, would be seen by Iraq as confirming its suspicions that the United States is not as concerned about the generalized spread of nuclear weapons as it is about keeping advanced technology out of the hands of certain nations.

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South Africa, like Argentina, has resisted US attempts to get it to adhere to the NPT or to accept full-scope safeguards, and its nuclear program stands to suffer as a result. Approval of the Tarapur fuel shipment would, at best, confirm the belief of South African officials that US nonproliferation policy is discriminatory. At worst, it could bolster their conviction that complete compliance with US demands for full-scope safeguards may not be an inflexible requirement for future nuclear cooperation with the United States.

Finally, Pakistan has, predictably, reacted sharply against the White House decision. The Pakistani press, which usually reflects the government's position, has openly denounced the proposed shipment, remarking that "President Carter's widely proclaimed stance on nuclear nonproliferation is no more than an instrument of foreign policy to be used to achieve specific diplomatic objectives

Because of their belief that the US accords India special treatment and discriminates against Pakistan, they are unlikely to interpret the Presidential waiver as an indication of a general weakening of US determination to stop the Pakistani nuclear program.

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