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U S S R I N T E R N A T I O N A L A F F A I R S

CHINA

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VICTOR LOUIS: PRC HAS 1 MONTH TO FORMULATE NEW POLICY

REFER TO DOS

Paris FRANCE-SOIR in French 14 Oct 76 p 7 LD

[Victor Louis article: "Moscow Is Waiting For a Gesture From Peking"; first paragraph is editorial introduction]

[Text] What does the Soviet Union think about the recent upheavals in China? Has the elimination of Mao Tse-tung's widow raised any hopes in Moscow? Victor Louis--the only Soviet journalist who contributes to Western papers and also the only journalist who acts as his government's unofficial spokesman--explains.

The events in China are seen as very important in Moscow. It is believed that, in any case, something was bound to happen after Mao's death.

For the time being, the fact that the most anti-Soviet of the Chinese leaders have been eliminated has been welcomed. Chiang Ching, Mao's widow, was the best known among them. As long as she was there there was no chance of a reconciliation between China and Russia and Soviet commentators used to criticize her severely.

It is generally believed in Moscow that there still are some Chinese military leaders of the older generation with whom it could still be possible to reach an agreement. Many of them were trained by the Soviets, some of them in the Soviet Union itself. It is also believed that these men are not the only people in China who know from experience that without Soviet military and economic aid their country would never have achieved its present status and importance in the international sphere. It is therefore believed in Moscow that they still realize the need to find a common language with their Soviet neighbor.

#### Last Chance

Furthermore, these men are capable of accurately assessing Soviet military might and of realizing that it is not a paper tiger.

This is what certain Soviet people believe, and they refuse to accept that the Chinese with whom they came into contact in military academies would have changed so much.

However, the new generation of Soviet leaders is much less sentimental than the men who used to know these Chinese personally. This is why this could be China's last chance to admit that the "elders," who for several years have been able to prevent the Soviet Union from making an irreversible decision, were right.

Now that Mao and several other people with whom Moscow could have negotiated--Chou En-lai and Chu Te, for instance--have departed, both the rising forces in China and the Soviets advocating patience will still be able to maintain their position for some time, even if new anti-Soviet statements are delivered by the Chinese leadership, for they will always be able to assert that no one can expect to see the Peking regime change so rapidly. But how long will this argument remain valid? The USSR had some good reasons for waiting for Mao's demise once he turned 80. But such an attitude would be incorrect toward Hua Kuo-feng, who is much younger. It seems that China's new policy should emerge within the coming month and that the Soviets, who in the past adopted a "wait and see" attitude, will be unable to maintain it any longer. Even now they represent only a very small minority.

DOS REVIEWED 17-Aug-2010: NO OBJECTION TO DECLASSIFICATION









Department of State

TELEGRAM

CONFIDENTIAL

PAGE 02

STATE 246040

SO, YOU SHOULD EMPHASIZE THAT THIS INFORMATION SHOULD BE TREATED IN THE STRICTEST CONFIDENCE.

4. TEXT OF AIDE MEMOIRE FOLLOWS:

THE DEPARTMENT OF STATE IN KEEPING WITH THE CLOSE WORKING RELATIONSHIP BETWEEN OUR TWO COUNTRIES ON NON-PROLIFERATION MATTERS AND OUR EFFORTS IN THE LONDON NUCLEAR SUPPLIERS GROUP, WISHES TO GIVE THE GOVERNMENT OF THE UNION OF SOVIET SOCIALIST REPUBLICS ADVANCE NOTICE OF THE RESULTS OF THE PRESIDENTIAL NUCLEAR POLICY REVIEW WHICH WE HAD UNDERTAKEN OVER THE PAST TWO MONTHS. THESE RESULTS ARE DESCRIBED IN THE ENCLOSED INFORMAL PAPER SUMMARIZING THE RESULTS OF OUR INTERNATIONAL NUCLEAR POLICY ASSESSMENT.

THE PRESIDENT WILL SHORTLY COMMUNICATE THESE POLICY APPROACHES TO THE CONGRESS AND THE AMERICAN PUBLIC. SINCE THESE POLICIES HAVE DIRECT RELEVANCE TO AND ARE SUPPORTIVE OF OUR NUCLEAR SUPPLIERS GROUP ACTIVITIES AND OBJECTIVES, WE ARE THEREFORE CONSULTING WITH OUR MAJOR NUCLEAR PARTNERS IN ADVANCE.

BEYOND THE FUNDAMENTAL SECURITY CONCERNS GUIDING OUR NON-PROLIFERATION EFFORTS, TWO BASIC CONSIDERATIONS UNDERLIE OUR INTERNATIONAL POLICY CONCLUSIONS. THE FIRST IS THAT STRONG INTERNATIONAL SUPPORT IS INDISPENSABLE TO THE SUCCESS OF THESE EFFORTS. THE SECOND IS THAT IT IS ESSENTIAL TO BALANCE NUCLEAR SAFEGUARDS AND CONTROLS WITH POSITIVE INDUCEMENTS; PARTICULARLY ASSURED SUPPLY OF NON-SENSITIVE FUEL AND EQUIPMENT.

WITH THESE CONSIDERATIONS IN MIND, WE HAVE CAREFULLY REVIEWED BOTH TRADITIONAL AND MORE RECENT NON-PROLIFERATION APPROACHES, MANY OF WHICH ARE UNDER CONSIDERATION AT THE LONDON SUPPLIERS' MEETINGS AND AT THE IAEA. ON THE ONE HAND, WE BELIEVE IT NECESSARY TO MEET FULLY THE NEED FOR EFFECTIVE AND UNIFORM APPLICATION OF SAFEGUARDS AND FOR PROMPT INTERNATIONAL RESPONSE TO THEIR VIOLATION. ON THE OTHER HAND, WE ATTACH THE GREATEST IMPORTANCE TO ESTABLISHING VIABLE, LONG-TERM ALTERNATIVES TO THE SPREAD

CONFIDENTIAL



Department of State

TELEGRAM

CONFIDENTIAL

PAGE 03

STATE 246848

OF NATIONAL REPROCESSING AND ENRICHMENT PLANTS WHICH CAN LEAD DIRECTLY TO A NUCLEAR WEAPONS OPTION.

THE PRESIDENT THEREFORE INTENDS TO REITERATE STRONG U.S. SUPPORT FOR THE IAEA SAFEGUARDS SYSTEM TO SPECIFY HOW THE UNITED STATES MIGHT AMPLIFY ITS SUPPORT, AND TO UNDERSCORE THE GRAVITY WITH WHICH THE UNITED STATES WOULD VIEW ANY FURTHER PROLIFERATION OR THE VIOLATION OF ANY SAFEGUARDS AGREEMENT, ALONG THE LINES DESCRIBED IN THE INFORMAL PAPER. WE WOULD VERY MUCH WELCOME PARALLEL STATEMENTS ALONG SIMILAR LINES FROM IAEA MEMBERS AND BELIEVE THAT WE SHOULD JOINTLY EXPLORE FURTHER WAYS OF INCREASING THE EFFECTIVENESS, RELIABILITY AND INVIO- LABILITY OF AGENCY SAFEGUARDS IN A MANNER CONSISTENT WITH ITS STATUTE.

THE PRESIDENT ALSO INTENDS TO REVIEW THE U.S. PROPOSAL TO ALL RELEVANT NUCLEAR SUPPLIERS THAT THERE BE NO MORE EXPORTS OF SENSITIVE NUCLEAR FACILITIES, AT LEAST FOR THE NEXT FEW YEARS, AND THAT WE EXPLORE TOGETHER LONG-TERM ARRANGEMENTS TO OFFER MORE ECONOMICAL ENRICHMENT AND REPROCESSING SERVICES INSTEAD OF SENSITIVE TECHNOLOGY TO MEET NUCLEAR CONSUMERS' LEGITIMATE ENERGY NEEDS.

THE PRESIDENT WILL STRONGLY SUPPORT INTERNATIONAL RATHER THAN NATIONAL STORAGE OF SPENT REACTOR FUEL AND SEPARATED PLUTONIUM WHICH ARE IN EXCESS OF PEACEFUL NUCLEAR NEEDS, WITH A VIEW TOWARD ACTIVELY PURSUING THE ESTABLISHMENT OF THIS INTERNATIONAL REGIME CONFIDENTIALLY WITH NUCLEAR SUPPLIERS IN THE LONDON WORKING GROUP AND IN THE IAEA. IN ADDITION, IN SELECTED INSTANCES WE WILL BE PREPARED TO CONSIDER PURCHASE OR EXCHANGE OF FRESH FOR SPENT REACTOR FUEL WHEN THIS APPROACH ENTAILS NON-PROLIF- ERATION BENEFITS, PARTICULARLY IN DETERRING THE SPREAD OF NATIONAL ENRICHMENT AND REPROCESSING CAPABILITIES.

IN MAKING THESE PROPOSALS, WE FULLY RECOGNIZE THAT COMMERCIAL CAPABILITIES VARY AMONG SUPPLIERS IN THE CRITICAL ENRICHMENT AND REPROCESSING SECTORS. IN THE UNITED STATES, WE WILL SEEK TO EXPAND URANIUM ENRICHMENT CAPACITY THROUGH THE PRIVATE SECTOR AND A GOVERNMENT ADD-

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# Department of State

CONFIDENTIAL

# TELEGRAM

PAGE 04

STATE 245040

ON FACILITY. SOVIET ENRICHMENT CAPABILITIES CAN, IN OUR VIEW, PLAY AN IMPORTANT SERVICE ROLE IN NON-PROLIFERATION.

THE PRESIDENT ALSO INTENDS TO MOVE FORWARD IN SUPPORTING EXPERIMENTATION TO ASSESS THE FEASIBILITY AND SAFETY OF REPROCESSING BASED ON A DEMONSTRATION PROJECT, AS WELL AS TECHNOLOGICAL ALTERNATIVES TO REPROCESSING. HE WILL EMPHASIZE, HOWEVER, THAT WE HAVE NO PRECONCEPTIONS AS TO THE NECESSITY, COMMERCIAL UTILITY, AND VIABILITY OF REPROCESSING AND PLUTONIUM RECYCLE, AND THAT WE WILL ASSIGN FIRST PRIORITY TO NON-PROLIFERATION AND NUCLEAR SAFETY FACTORS IN MAKING FUTURE JUDGMENTS. AS IN OUR CONCEPT FOR NEW ENRICHMENT FACILITIES, THE PRESIDENT'S PROGRAM WOULD ALLOW FOR APPROPRIATE PARTICIPATION BY OTHER NATIONS AND EXPLORATION OF FUEL SERVICE ARRANGEMENTS. THIS CONFORMS TO OUR PAST PROPOSALS THAT NUCLEAR SUPPLIERS OFFER SUCH SERVICES TO HELP DISCOURAGE THE FURTHER SPREAD OF REPROCESSING FACILITIES.

CONSISTENT WITH THE ABOVE APPROACHES, WE ALSO WISH TO EXPLORE THE POSSIBILITY OF AN INTERNATIONAL SYSTEM OF FUEL EXCHANGES, WHICH COULD NOT ONLY HELP COORDINATE NUCLEAR FUEL SUPPLY AND EXCHANGE BUT FACILITATE BROAD ADHERENCE TO THE INTERNATIONAL SPENT FUEL AND PLUTONIUM STORAGE REGIME WHICH WE ARE JOINTLY SEEKING TO ESTABLISH. SUCH A SYSTEM WOULD BE A LONGER-TERM OBJECTIVE, BUT THE CONCEPT MAY WARRANT JOINT STUDY.

FINALLY, IN RECOGNITION OF THE IMPORTANCE OF INTERNATIONAL PLUTONIUM CONTROL WE ARE PREPARED TO TAKE SUBSTANTIAL STEPS AND TO CONSULT ON FURTHER WAYS TO SUPPORT AND CONTRIBUTE TO THE PROPOSED INTERNATIONAL STORAGE REGIME UNDER IAEA AUSPICES. IN PARTICULAR, THE PRESIDENT IS PREPARED TO ANNOUNCE THAT, IN PRINCIPLE, THE U.S. IS PREPARED TO PLACE ITS OWN EXCESS CIVIL SPENT FUEL AND SEPARATED PLUTONIUM IN IAEA DEPOSITORIES, PENDING U.S. NEED, IF A GENERALLY ACCEPTABLE REGIME CAN BE DEVELOPED AND ESTABLISHED. WE ARE ALSO PREPARED TO GIVE ACTIVE SUPPORT TO THE ESTABLISHMENT OF SUCH AN IAEA REGIME AND PLAN TO REFLECT THIS SUPPORT IN OUR NEW AND AMENDED AGREEMENTS FOR COOPERATION. WE SINCERELY BELIEVE THAT THE

CONFIDENTIAL



Department of State

TELEGRAM

CONFIDENTIAL

PAGE 05

STATE 248040

SUCCESSFUL ESTABLISHMENT OF AN IAEA STORAGE RESERVE, AS  
CONTEMPLATED BY ARTICLE XII OF THE STATUTE, WILL SIGNIFI-  
CANTLY REINFORCE INTERNATIONAL SAFEGUARDS AND PROVIDE  
SIGNIFICANT ASSURANCE THAT PEACEFUL NUCLEAR POWER CAN  
DEVELOP IN A SAFE AND PRUDENT MANNER.

END OF TEXT. ROBINSON

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