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Collection Name EXECUTIVE SECRETARIAT, NSC: MEETING Files:
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Withdrawer

CAS 12/13/2004

File Folder NSC 00014 6/12/81 [NON-PROLIFERATION AND
PEACEFUL NUCLEAR COOPERATION POLICY]

FOIA

2000-002

Box Number 91282

SKINNER

7

ID	Doc Type	Document Description	No of Pages	Doc Date	Restrictions
924	MINUTES	OF NSC MEETING 6/12/81	6	6/12/1981	B1
926	MEMO	JAMES NANCE TO RICHARD ALLEN RE NSC MEETING	2	6/12/1981	B1
R	6/6/2006				
927	MEMO	FROM ALLEN RE NSC MEETING	3	6/9/1981	B1
928	DISCUSSION PAPER	RE NUCLEAR NON-PROLIFERATION	3	ND	B1
R	6/6/2006				
929	DRAFT	GUIDELINES RE NON-PROLIFERATION	16	ND	B1
R	6/6/2006				
930	MEMO	EUGENE ROSTOW, DIRECTOR DESIGNATION OF THE US ARMS CONTROL AND DISARMAMENT AGENCY, TO THE VICE PRESIDENT ET AL RE ADDITIONAL COMMENT ON NSC PAPER	4	6/11/1981	B1
R	6/6/2006				

Freedom of Information Act - [5 U.S.C. 552(b)]

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CONFIDENTIAL

NATIONAL SECURITY COUNCIL MEETING

<u>DATE</u>	<u>SUBJECT</u>	<u>PARTICIPANTS</u>
6/12/81 11:00	Non-proliferation	The President The Vice President Admiral Daniel J. Murphy <u>State</u> Under Secretary Walter J. Stoessel Dep Asst Secy John Boright <u>OSD</u> Secretary Caspar W. Weinberger Deputy Secretary Frank Carlucci <u>Energy</u> Under Secretary Kenneth Davis <u>JCS</u> General David C. Jones Lt Gen John S. Pustay <u>CIA</u> Mr. William J. Casey <u>USUN</u> Ambassador Jeanne Kirkpatrick <u>OMB</u> Mr. William Schneider <u>ACDA</u> Mr. Eugene V. Rostow Mr. Louis Nosenzo <u>White House</u> Mr. Edwin Meese III Mr. James A. Baker III Mr. Michael K. Deaver Mr. Richard V. Allen Admiral James Nance Ms. Janet Colson Mr. Frank Hodsoll <u>NSC</u> Mr. Michael Guhin

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White House Guidelines, August 28, 1997
By CAS NARA, Date 11/24/04

00014

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MEMORANDUM

NATIONAL SECURITY COUNCIL

CONFIDENTIAL

ACTION

June 11, 1981

MEMORANDUM FOR JANET COLSON

FROM: ALLEN J. LENZ *ALJ*

SUBJECT: Attendance List for National Security Council Meeting, 11:00 a.m.-12:30 p.m., Friday, June 12, 1981, The Cabinet Room *(e)*

The below listed officials have been advised of a National Security Council meeting to be held tomorrow, June 12, 1981. They have been further advised that the subject of the meeting is "non-proliferation." *(e)*

The Vice President
Daniel J. Murphy

State
Under Secretary Walter J. Stoessel
Dep. Sec. (Int. Affs.), JOHN B. ...
OSD
Secretary Caspar W. Weinberger
Deputy Secretary Frank Carlucci

ED:FM

Kenneth Davis
(Int. Sec.)

CIA
Mr. William J. Casey

JCS
General David C. Jones
Lt Gen John S. Pustay

USUN
Ambassador Jeanne Kirkpatrick

ACDA
Mr. Eugene V. Rostow, Director-Designate
Mr. Rostow is Acting Asst. Director for Non-Proliferation

OMB
Mr. William Schneider

White House
Mr. Edwin Meese III
Mr. James A. Baker III
Mr. Michael K. Deaver
Mr. Richard V. Allen
Admiral James Nance
Ms. Janet Colson

NSC
Mr. Michael Guhin

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White House Guidelines, August 28, 1997
By *CAS* NARA, Date *11/24/00*

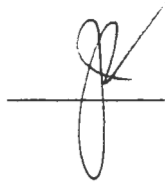
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2

Attached is a proposed seating plan for the meeting.

Approve

A handwritten signature, possibly "JL", is written over a horizontal line.

Approve, as amended

Attachment

Seating Plan

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~~CONFIDENTIAL~~

RECEIVED 31 DEC 81 13

TO MEMO FOR RECORD FROM ALLEN DOCDATE 12 JUN 81

DECLASSIFIED
White House Guidelines, August 28, 1997
By CAS NARA, Date 11/24/04

KEYWORDS: MINUTES NSC NON PROLIFERATION
NUCLEAR MATTERS

SUBJECT: MINUTES OF 12 JUN NSC MTG RE US NON PROLIFERATION & PEACEFUL NUCLEAR
COOPERATION POLICY

ACTION: FOR RECORD PURPOSES DUE: STATUS C FILES IFM O

FOR ACTION

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NUCLEAR COOPERATION POLICY]

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924	MINUTES OF NSC MEETING 6/12/81	6	6/12/1981	B1

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RECEIVED 31 DEC 81 13

TO ALLEN

FROM NANCE

DOCDATE 12 JUN 81

DECLASSIFIED
White House Guidelines, August 26, 1997
By CAS NARA, Date 11/24/00

KEYWORDS: NON PROLIFERATION

NUCLEAR MATTERS

MIDDLE EAST

ECONOMICS

IMF

AGENDA

SUBJECT: AGENDA & CONSENT ITEMS FOR 12 JUN NSC MTG

ACTION: FOR RECORD PURPOSES

DUE:

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MEMORANDUM

THE WHITE HOUSE
WASHINGTON

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June 12, 1981

MEMORANDUM FOR RICHARD V. ALLEN

FROM: JAMES W. NANCE

SUBJECT: NSC Meeting, June 12, 1981 - 11:00 AM

The paper prepared for the President today on Nuclear Non-Proliferation and Nuclear Cooperation is attached on the opposite page.

The agenda today will be:

1. Middle East (Any update you and the President may want to put out)
2. Nuclear Non-Proliferation
3. Consent Items

CONSENT ITEMS

1. International Debt, Eurocurrency Movements and the IMF

Potential major problems developing in the interrelated issues of international debt, Eurocurrency movements and certain developments in the IMF:

- (a) The IMF problem appears to be well understood.
- (b) There is not a consensus within the Government on the effects of Eurocurrency movements. Treasury and Federal Reserve Board believe effects are small. Others strongly disagree.
- (c) The clear danger posed to the Western World by the size and quality of international debt is appreciated. However, insufficient forward planning is being done.

Presidential approval is requested to task the Secretary of the Treasury to establish a small group to examine (a) the dimensions of the problem and probable timing and (b) contingency plans to head off a crisis if it occurs.

A report of this investigation by the Secretary of the Treasury should be made to the NSC. See Tab A for more information.

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Review on June 12, 1987

DECLASSIFIED

NLS F00-002#926

BY LOT NARA DATE 6/6/06

2. Civil Defense

Our Civil Defense program, based on PD-41 is inadequate. The NSC Staff feels the U. S. Government needs to take a fresh look at the Civil Defense issue with an eye toward an expanded, more ambitious program. With Presidential approval, we plan the expansion of the current PD-41 Working Group and task this group to make a completely new look at the entire Civil Defense issue. We have to have a new NSDD to take the place of PD-41 for Presidential approval in the near future. A copy of PD-41 is at Tab B.

3. Poland

We got all the leading players at the IG level together Tuesday in the Situation Room from State, Defense, JCS and the NSC to review where we stand on our Polish planning. We have tasked each group to reconvene and go over all plans. In addition we have asked each group to develop ideas of things that we might do that would make things more difficult for Russia to take overt action against Poland.

4. AWACS - F-15 Enhancements

I have had my first two meetings in the NSC on our program to get the Saudi AWACS/F-15 package through Congress. We are starting our meetings with the leading Senators and plan to call on all 100 before the vote. Periodically I will report to you on how we feel things are going. In addition, we will keep a tote board down in the Situation Room area on how we feel each Senator is leaning.

NATIONAL SECURITY COUNCIL

June 3, 1981

ACTION

MEMORANDUM FOR RICHARD V. ALLEN

FROM: NORMAN A. BAILEY *MB*

SUBJECT: International Debt, Eurocurrency
Movements and the IMF

I have spent much of the past two months contacting key people in other agencies on the interrelated issues of international debt, Eurocurrency movements and certain developments in the IMF. This work is now completed and the results are as follows:

(1) With reference to the IMF, we have concluded that all the key parties are aware of the potential problems and that preventive measures are under active review. We are also well impressed by the new Executive Director-designate, Richard Erb. Therefore, we feel nothing needs to be done other than keeping in contact with him.

(2) On the effects of Eurocurrency movements on domestic credit and monetary policy, there is no agreement by key people as to the existence or not of such effects. Sprinkel and Ture of Treasury and Wallich of the FRB believe they have no or negligible effect. Others disagree strongly. Given this split, we feel that nothing can be accomplished other than to initiate an educative effort. In this regard, we will sponsor a symposium on the issue to be led by Jane d'Arista of the CBO, and task the Agency on the size of Eurodollar flows and the Eurocurrency multiplier.

(3) The clear and present danger posed to the stability of the financial structure of the Western world, and therefore to its economic and social stability, and therefore to the national security of the United States by the size and quality of international debt is recognized by all. It is clear to us, moreover, that insufficient forward planning is being done to forestall a crisis or to deal with it if it occurs.

RECOMMENDATION:

That an item be placed on the agenda of the NSC asking the Secretary of the Treasury to establish a small group of

experts to examine the following issues and report back to the NSC: (1) the dimensions of the problem and probable timing, (2) contingency plans to head off a crisis or to deal with it if it occurs.

APPROVE

DISAPPROVE

as a consultant, km. Janet - Al Schuchman
it.
Wra
7 June

EP *LIN* *OK*
 Rud Poats, Henry Nau and Allen Lenz concur.

cc: Robert Schweitzer
 Jim Lilley
 Don Gregg

THE WHITE HOUSE

WASHINGTON

September 29, 1978

Presidential Directive/NSC-41

TO: The Vice President
 The Secretary of State
 The Secretary of Defense

ALSO: The Chairman, Joint Chiefs of Staff
 The Director of Central Intelligence
 The Administrator, General Services
 Administration

SUBJECT: U.S. Civil Defense Policy (U)

I have reviewed the recommendations of the Policy Review Committee meeting on PRM-32. Based on them, I direct that the U.S. Civil Defense program seek to:

- Enhance deterrence and stability in conjunction with our strategic offensive and other strategic defensive forces. Civil defense, as an element of the strategic balance, should assist in maintaining perceptions of that balance favorable to the U.S.
- Reduce the possibility that the U.S. could be coerced in time of crisis.
- Provide some increase in the number of surviving population and for greater continuity of government, should deterrence and escalation control fail, in order to provide an improved basis for dealing with the crisis and carrying out eventual national recovery.

This policy does not suggest any change in continuing U.S. reliance on strategic offensive nuclear forces as the preponderant factor in maintaining deterrence. U.S. civil defense programs will take advantage of the mobility of the population stemming from wide ownership of private automobiles, the extensive highway systems, and the large number of

non-urban potential housing facilities to achieve crisis relocation of the urban population. Civil defense programs should also help deal with natural disasters and other national emergencies.

Jimmy Carter

RECEIVED 22 JUL 81 16

TO PRES

FROM ALLEN

DOCDATE 09 JUN 81

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White House Guidelines, August 28, 1997
BY As NARA, Date 11/24/04

KEYWORDS: NON PROLIFERATION

NSC

SUBJECT: PRES BRIEFING MEMO FOR 12 JUNE NSC MTG

ACTION: FOR RECORD PURPOSES

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927	MEMO FROM ALLEN RE NSC MEETING	3	6/9/1981	B1
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DEPARTMENT OF STATE

Washington, D.C. 20520

June 7, 1981

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MEMORANDUM FOR MR. RICHARD V. ALLEN
The White House

Attached is the discussion paper on Nuclear Non-proliferation for Wednesday's NSC.

for *Ted Stricker*
L. Paul Bremer, III
Executive Secretary

~~SECRET~~(UNCLASSIFIED UPON REMOVAL OF ATTACHMENT)

RDS-3 (8/8/87)

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NSC Discussion Paper

Nuclear Non-Proliferation and Nuclear Cooperation

Executive Summary

Issue for Decision: To approve non-proliferation guidelines.

Overview:

Seeking to prevent and dealing with the spread of nuclear explosives is a critical challenge to regional and world stability. This is a key foreign policy objective, vital to U.S. and international security. Approaches to dealing with proliferation must recognize that it is primarily an international political and security problem. An effective policy requires a complex, integrated strategy. It involves U.S. domestic and international nuclear trade policies, and must be consistent with our domestic policy for nuclear energy. Our policy involves our relations with other nuclear suppliers and recipients, and energy security, but has important implications for regional security, our relations with allies, friends, and the Third World, and our ability to project our influence and military power abroad. Our policy must recognize and deal with the security and other motivations which lead nations to acquire nuclear explosives. These will be affected not only by regional circumstances, but also by perceived shifts in the US-Soviet force balance, by progress in nuclear arms control, by the degree and kind of military support we (or the Soviets) are prepared to provide, and our readiness to exercise power in the interest of ourselves and our friends.

More states soon will have the capability to develop nuclear explosives, and some could make the political decision to do so. Assessing proliferation risks involves consideration of a country's technical capability, its motivations to acquire nuclear explosives, and our ability to influence those motivations. In addition to exercising control over the means of proliferation we must implement a policy in which political security measures (i.e., security assurances, alliances, arms transfers, resolution of existing or potential conflicts) play a key role.

The previous administration focused on the capability of countries to achieve nuclear explosives, emphasizing measures to prevent misuse of the nuclear fuel cycle and the spread of sensitive nuclear technology and equipment. These included attempts to reverse or defer development of reprocessing by advanced industrial states and to defer development of the breeder reactor, to forestall what was seen as movement to a plutonium economy. This irritated nations, including our closest allies,

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RD-3 (6/8/87)

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NLS FOO-002-#928

BY LOT DATE 6/6/06

whose support is essential to combatting proliferation. We also weakened our technological leadership, thereby reducing our influence on such programs abroad. These measures weakened our credibility as a nuclear supplier and failed to reduce the risks of proliferation.

Certain elements of past policies should be supported. These include support for universal adherence to the Non-proliferation Treaty (NPT) and for the International Atomic Energy Agency (IAEA), including the application of effective safeguards systems. These goals are widely accepted. We should also seek to reinforce the view that nuclear proliferation is a problem for the whole international community, not just the U.S.

With respect to nations where the motivation for acquisition of nuclear explosives are present, the U.S., in cooperation with other nations, will engage in appropriate efforts, varying from country to country as required, to arrest such intentions and impede those capabilities or, failing this, to mitigate the effects of proliferation. In most cases, nations seek nuclear weapons to meet their perceived security needs. Where possible, we need to place greater emphasis on influencing these motivations. This will entail an effort to promote greater international stability, which we can foster by acting with more consistency and predictability in the international area. In addition, efforts to inhibit the flow of sensitive material, equipment, and technology should be vigorously pursued.

To restore U.S. leadership in the field of international nuclear affairs and to rebuild the international consensus on nuclear issues, we must achieve greater credibility as a reliable and responsible nuclear supplier. We will cooperate in nuclear power programs in other countries while working to assure that international nuclear commerce is subject to adequate safeguards and controls.

Guidelines

(1) Preventing the spread of nuclear explosives will be a fundamental objective of this Administration.

(2) The U.S. will strive to reduce the motivation for acquiring nuclear explosives by evincing - through its policies and actions - a more stable and deep rooted interest in the legitimate security concerns of other states.

(3) The U.S. will continue to support adherence to the NPT and full adherence to the Treaty of Tlatelolco,* both of which embody an international consensus on acceptable institutions for

* JCS is reviewing its position on ratification of Protocol I.

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controlling proliferation. A material violation of these treaties or an international safeguards agreement will be viewed by the U.S. as having serious consequences for international order and U.S. bilateral relations.

(4) The U.S. will strongly support and continue to work with other nations to strengthen the IAEA* to provide for an improved international safeguards regime to deter nuclear explosive proliferation, for conduct of international nuclear commerce, and for nuclear safety cooperation.

(5) The U.S. will undertake prompt and serious efforts to enhance its credibility and reliability as a responsible nuclear supplier.

(6) The U.S. will work to forge agreement among other countries on new, carefully designed and more operationally rigorous plans for combatting proliferation.

(7) The U.S. will develop a predictable policy for exercising its rights to approve reprocessing, retransfers for reprocessing and plutonium use.

(8) A strong intelligence collection and assessment capability will be maintained as an integral part of U.S. nonproliferation policy objectives.

RECOMMENDATIONS:

(1) Approval of these guidelines by the NSC;

(2) that they be used as the basis for a Presidential Directive establishing Administration policy;

(3) that the Department of State be authorized to brief the allies before release of a public statement; and

(4) that they be used as a basis for a Presidential policy statement.

Attachment:

Attached is the full paper of the Senior Interagency Group on Nuclear Non-Proliferation and Nuclear Cooperation.

* OMB desires to clarify that this and other guidelines do not have budgetary implications. DOD has reservations about the reliability and capabilities of the IAEA.

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~~SECRET~~BY LOT, DATE 6/6/06

Policy Guidelines on Non-Proliferation and Nuclear Cooperation

Introduction

A senior interagency group (SIG) has reviewed a number of issues related to United States non-proliferation policy and nuclear cooperation. These guidelines, after appropriate review at the NSC level, are proposed as the basis for a Presidential policy statement and a Presidential Directive. It is important that the President issue a policy statement in this area as soon as possible. We will need to address these issues in the July Ottawa Summit. The Congress and many foreign governments are awaiting a clear statement of policy by the new Administration in this field. The Department of State is conducting appropriate advance consultations with key members of Congress.

Further study and implementation will continue. In particular, the need for changes in certain legislation, most notably the Nuclear Non-Proliferation Act of 1978, and in procedures and responsibilities for nuclear export actions are being reviewed. In addition, more detailed analysis is proceeding on such matters as how U.S. reprocessing approval rights under nuclear cooperation agreements will be exercised and on plutonium use issues, our attitude on an International Plutonium Storage regime, approaches for dealing with the countries of proliferation concern, various international supply arrangements, and an action plan to deal with further proliferation, e.g., a nuclear test by a non-nuclear weapon state.

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RDS-3 (6/3/87)

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Overview

Seeking to prevent and dealing with the spread of nuclear nuclear explosives to additional countries is one of the critical challenges to regional world stability in the 1980s and beyond. Non-proliferation is a key United States foreign policy objective, and it is vital to U.S. and international security. Approaches to dealing with proliferation must recognize that it is primarily an international political and security problem, rather than merely a civil nuclear fuel cycle issue.

To deal effectively with proliferation, the United States needs to achieve greater credibility as a reliable and responsible nuclear supplier. This can be done by acting consistently and predictably in cooperating in the nuclear energy field.

An effective policy requires a complex, integrated strategy. Non-proliferation involves U.S. domestic and international nuclear trade and export policies. Our international policy will be consistent with our domestic policy for nuclear energy. Technical details of each policy will be closely coordinated and mutually supportive. Our non-proliferation policy also involves our relations with other nuclear suppliers and recipients, and energy security. But it also has important implications for regional security, our security relations with Allies, friends, and the Third World in general, and our ability to project our influence and military power abroad. A non-proliferation policy must recognize and deal with the

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-3-

security and other motivations which lead nations to acquire nuclear explosives. These motivations will be affected not only by regional circumstances, but also by any perceived shift in the overall U.S.-Soviet force balance, by the progress in nuclear arms control, by the degree and kind of military support we (or the Soviets) are prepared to provide, and our readiness to exercise power in the interest of ourselves and our friends.

Over the next few years more states will have the technical capability to develop nuclear explosives, and some could make the political decision to do so. Assessing the nuclear proliferation risk presented by a country involves consideration of both its technical capability, its present and future intention and motivation to acquire nuclear explosives, and our ability to influence those intentions and motivations. Our efforts will also have to deal increasingly with controlling the results of proliferation in addition to preventing it. While we must continue to exercise control over the means of proliferation -- access to sensitive nuclear material and equipment -- we may also have to direct our efforts toward preventing or delaying testing, weaponizing or perhaps even the use of nuclear explosives by proliferating states. This points toward a nonproliferation policy in which political/security measures (i.e., security assurances, alliances, arms transfers, efforts at resolution of existing or potential conflicts) play a key role.

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The non-proliferation policy of the previous Administration focused heavily on the capability of countries to achieve nuclear explosive capacity, emphasizing broadly-applied measures designed to prevent misuse of the nuclear fuel cycle associated with electrical power generation and the spread of sensitive nuclear technology and equipment. These measures included attempts to reverse or defer development of reprocessing programs of advanced industrial states of no proliferation concern and, relatedly, attempts to defer development of the breeder reactor, as a means of forestalling what was seen as premature movement to a plutonium economy world-wide. This policy particularly irritated those nations, including many of our closest allies, whose support is essential to combatting proliferation. The United States also weakened its technological leadership in reprocessing and breeder development, thereby reducing our influence on these programs abroad. In addition, the adoption of legal, policy and procedural restraints, which involved unilateral and retroactive action, were seen by a number of foreign governments as abrogation of international commitments, and generally weakened the credibility of the United States as a nuclear supplier.

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These approaches, in many instances, have not only irritated several friendly governments and often frustrated our attempts to carry on productive nuclear commerce, but, more importantly, have failed to reduce the risks of additional countries obtaining nuclear explosives. Consistent with U.S. national security interests, immediate and effective steps should be taken to restore U.S. credibility and influence in this area. Increased U.S. influence would enhance the effectiveness of the U.S. non-proliferation effort and also improve the U.S. competitive position in the international nuclear market.

Certain elements of the non-proliferation policy that have been pursued over several administrations should be supported. These include support for universal adherence to the Non-proliferation Treaty (NPT) and for the International Atomic Energy Agency (IAEA), including the application of effective safeguards systems. These goals are widely accepted by the major nuclear supplier nations and, although to a lesser degree, by the developing world. We will also seek to reinforce the view that nuclear proliferation is a problem for the whole international community, not just the United States.

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With respect to nations where the motivation and resources for acquisition of nuclear explosives is present, the United States, in cooperation with other nations, will engage in appropriate efforts, varying from country to country as the specifics of the situation require, to arrest such intentions and impede related capabilities or, failing this, to mitigate the effects of proliferation. In most cases, nations seek nuclear weapons to meet their perceived security needs. Where possible, we need to place greater emphasis on influencing this and other motivations thus reducing the incentives such nations have for pursuing nuclear explosives programs. Achieving this objective will entail an across-the-board effort to promote greater international stability, which the United States can foster by acting with more consistency and predictability in the international area. In some instances, motivations can be influenced by using the traditional means of security policy such as security assurances, arms transfers, and economic and diplomatic assistance in an effort to reduce the security threat perceived by such nations. In some instances, the emphasis may be placed, in addition or instead, on increasing the perception of the security and political liabilities to a nation entailed by its attempts to acquire nuclear weapons. In addition, efforts to inhibit the flow of sensitive material, equipment, and technology should be vigorously

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-7-

pursued, particularly where the danger of proliferation demands.

To restore U.S. leadership in the field of international nuclear affairs and to rebuild the international consensus on nuclear issues, the United States must begin to act predictably in carrying out supply commitments and exercise of approval rights. We will cooperate in nuclear power programs in other countries while seeking to assure that international nuclear commerce is subject to adequate safeguards and controls.

Proposed guidelines to serve as a basis for the non-proliferation and nuclear cooperation policy for this Administration are set forth below. These Guidelines do not have any budgetary implications and will not be used to justify requests for additional federal funding.

Guidelines

(1) Preventing the spread of nuclear explosives to additional countries will be a fundamental objective of this Administration.

Further proliferation of nuclear explosives would pose a severe threat to international peace and security, regional and global stability, and to the security of the United States and its allies. It could increase claims on the United States for bilateral security relationships, and adversely affect strategic

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-8-

planning for the projection of US military force. It could also have a destabilizing political effect, straining U.S. alliance systems, increasing accommodations harmful to U.S. interests, and affecting regional political/ military balances. The explosion of a nuclear device by a non-nuclear-weapon state must be viewed with grave concern. The United States will strive in conjunction with its allies and cooperating partners and other friendly nations to develop a more concrete awareness of military and political implications of a failure to curb the spread of nuclear explosive capabilities. These efforts will concentrate on those cases identified by intelligence assessments as the ones posing the most immediate and serious security concern.

(2) The US will strive to reduce the motivation for acquiring nuclear explosives by evincing - through its policies and actions - a more stable and deep rooted interest in the legitimate security concerns of other states. In some cases this may mean helping to satisfy legitimate aspirations for a credible, conventional defense capability. In other cases, it may mean the strengthening or preservation of alliance guarantees. In still other areas it may mean undertaking additional efforts to mediate and resolve disputes that provide the impulse for nuclear explosives acquisition. Non-proliferation policy will be pursued in a manner that takes in account other U.S. security and foreign policy objectives. Non-proliferation policy will use the range of U.S. diplomatic, economic and national security tools to reduce the motivations

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-9-

of other nations to develop nuclear explosives. These include economic assistance, arms transfers, bilateral and multilateral security guarantees, force deployments, and multinational Security-building agreements.

Achieving our objectives will require making rational distinctions among states based on the degree of proliferation risk. The United States will cooperate with other nations in developing civil nuclear programs to meet their energy security needs under a regime of adequate international safeguards and controls. The United States will recognize the usefulness of civil reprocessing in support of advanced nuclear power programs abroad.

(3) The United States will continue to support adherence to the Treaty on the Non-Proliferation of Nuclear Weapons (NPT) and full adherence to the Treaty for the Prohibition of Nuclear Weapons in Latin America (Treaty of Tlatelolco), both of which embody an international consensus on acceptable institutions for controlling proliferation. A material violation of these treaties or an international safeguards agreement by a nation will be viewed by the United States as having serious consequences for international order and U.S. bilateral relations. To underscore United States support for the Treaty of Tlatelolco, the Executive Branch will seek the advice and consent of the Senate to the ratifi-

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-10-

cation of Protocol I of the Treaty.*

(4) The United States will strongly support and continue to work with other nations to strengthen the International Atomic Energy Agency (IAEA) to provide for an improved international safeguards regime to deter nuclear explosive proliferation, for the conduct of international nuclear commerce, and for nuclear safety cooperation.**

Maintaining and strengthening IAEA safeguards is vital to U.S. nuclear non-proliferation and cooperation policies. As the magnitude and sensitivity of the IAEA tasks are increasing, U.S. interests require strong support for the IAEA to provide increased safeguards efforts. The United States will stress further development of strong international institutions as potentially important in limiting proliferation risks. The United States will continue to support efforts to develop effective regimes under

* JCS is currently reviewing its position on this sentence.

** DOD accepted this guideline on an ad referendum basis, and subsequently inserted the following: DOD wishes to express its reservations about the effectiveness of IAEA safeguards, the weakness of the IAEA as an international institution, its susceptibility to Third World and East Bloc politics, its lack of an intelligence capability, and the limits of its scope and jurisdiction, in order to guard against undue reliance on the IAEA by those responsible for national security within the USG.

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-11-

the auspices of the IAEA, such as international plutonium storage and improved cooperation in spent fuel management.

- ° The United States will support the continuing work under IAEA auspices of the Committee on Assurance of Supply, with the objective of restoring confidence, trust and mutual understanding in the field of international nuclear trade within the framework of adequate safeguards.
- ° Improved safeguards will be needed for the larger and more sophisticated nuclear facilities which are likely to be deployed in the coming years. In particular, development of improved techniques, procedures, and instrumentation in the safeguarding of advanced reactors, and enrichment, reprocessing, heavy water production, and plutonium and highly enriched uranium handling facilities will be sought through U.S. support to the IAEA. The United States will also encourage other nations to develop needed safeguards instrumentation, to design their facilities to facilitate the application of safeguards, and to provide the IAEA with the political, technical and financial resources required for the application of effective safeguards.

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-12-

- ° The United States will support effective physical protection of nuclear material, including wide adherence to the Convention on the Physical Protection of Nuclear Material.
- ° The United States will seek to improve security measures for the international transport of plutonium and highly enriched uranium and to encourage the substitution of lower enriched fuels in research reactors at the earliest possible date. Subject to budgetary constraints, emphasis will be placed on the development of lower enriched fuel for such applications.
- ° The US will support IAEA programs to enhance nuclear safety and will cooperate in international efforts to further such activities, including the negotiation of a multilateral convention on nuclear safety cooperation and mutual emergency assistance.
- ° The United States will support strengthened international cooperation in environmentally sound waste management.

(5) The United States will undertake prompt and serious efforts to enhance its credibility and reliability as a responsible nuclear supplier. It is a United States objective to enhance its leadership in the development abroad of nuclear energy for research and power applications. It is a United

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-13-

States objective to establish a more effective framework for international cooperation to meet the energy needs of all nations and to ensure that the world-wide development of peaceful nuclear activities and the export by any nation of nuclear material, equipment and technology intended for use in peaceful nuclear activities do not contribute to proliferation. To this end the following actions will be taken immediately:

- The head of each Executive Branch agency having statutory responsibility for any nuclear export related determination or authorization will ensure that the appropriate officials within his agency act on such matters in an expeditious fashion and within established time constraints, in accordance with policy, laws, regulations and procedures.
- The Nuclear Regulatory Commission (NRC) will be requested to adhere to established time constraints for processing export license applications. Any NRC application which is not resolved in accordance with such constraints and the Executive Branch positions will be referred by the Secretary of State to the President for resolution.
- Authorization for retransfer of nuclear material or equipment prior to use in reactors will normally be approved when the export license is issued. In general,

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-14-

approval rights in agreements for cooperation will be implemented on an expeditious basis.

- ° The Nuclear Non-Proliferation Act, the Atomic Energy Act, and other applicable laws, regulations, policies, and procedures will be reviewed to determine whether changes should be sought to enhance U.S. credibility in the field of international nuclear commerce and to expedite the export process.
- ° To enhance its role as a reliable nuclear supplier, the United States will facilitate new and expanded commercial relations in the field of nuclear energy. The United States will have available adequate capacity to provide enrichment services to foreign customers.
- ° Appropriate steps will be taken to establish an advisory group, including representatives of the nuclear industry, to help promote U.S. nuclear exports.

(6) The United States will work to forge agreement among other countries on new, carefully designed and more operationally rigorous plans for combatting proliferation. This shall be done in careful coordination with efforts to increase U.S. credibility and reliability as a nuclear supplier the United States will work actively with other supplier nations to accomplish the following:

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-15-

- ° Preventing the transfer to non-nuclear-weapon states of any significant nuclear material, equipment or technology which would not be subject to IAEA safeguards;
- ° Inhibiting transfers of sensitive nuclear material, equipment and technology, particularly where the danger of proliferation demands;
- ° Considering the use of multinational facilities as an alternative to the development of national facilities for reprocessing or enrichment;
- ° Seeking to adopt uniform non-proliferation conditions of supply in order to insulate nuclear export safeguards and conditions from commercial competition;
- ° Requiring IAEA safeguards on all nuclear activities in a non-nuclear weapon nation as a condition for any significant new supply commitment; and
- ° Reviewing international nuclear export control lists to increase their effectiveness.

(7) The United States will develop a predictable policy for exercising its rights to approve reprocessing, retransfers for reprocessing and plutonium use. This policy will take into account the efforts underway to develop an International Plutonium Storage regime. In the interim, requests

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-16-

for retransfer of spent fuel to nations currently providing commercial scale reprocessing services will be promptly approved, subject to statutory requirements. Requests for approval of the disposition of plutonium following reprocessing will be considered on a case-by-case basis until a more general policy is developed.

(8) A strong intelligence collection and assessment capability will be maintained as an integral part of U.S. non-proliferation policy objectives. Efforts will be undertaken to improve U.S. intelligence capacities, and the United States will pursue cooperation with appropriate foreign intelligence services to acquire the broadest possible information base and to ensure the best possible analysis.

RECOMMENDATION

That the above guidelines and the following course of action be endorsed:

- Approval by the National Security Council;
- Use as the basis for a Presidential Directive establishing Administration policy;
- Briefing of the allies before release of a public statement; and
- Use as the basis for a Presidential policy statement.

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RECEIVED 08 JUN 81 12

TO AGENCIES FROM ALLEN
ALLEN 09 JUN 81
PREMER 07 JUN 81

KEYWORDS: NON PROLIFERATION NUCLEAR MATTERS
NSC

DECLASSIFIED
White House Guidelines, August 23, 1997
By CA S NARA, Date 11/24/08

SUBJECT: DISCUSSION PAPER FOR 12 JUN NSC MTG

ACTION: ALLEN SGD MEMO TO AGENCIES DUE: STATUS C FILES IFM O

FOR ACTION

FOR CONCURRENCE

FOR INFO

COMMENTS MEETING DATE CHANGED FROM 10 JUNE

REF#

LOG 8103422

NSC ID NSC00014 (E) (E)

ACTION OFFICER (S)	ASSIGNED	ACTION REQUIRED	DUE	COPIES TO
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C 6/9	Allen sgd memo to agencies			
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C 6/11	Allen sgd memo to agencies			
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THE WHITE HOUSE
WASHINGTON

June 11, 1981

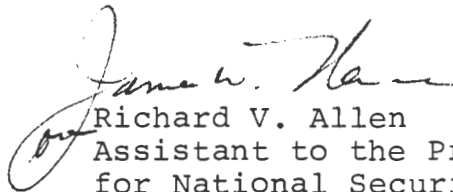
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MEMORANDUM FOR THE VICE PRESIDENT
THE SECRETARY OF STATE
THE SECRETARY OF DEFENSE
THE COUNSELLOR TO THE PRESIDENT
THE DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET
THE DIRECTOR OF CENTRAL INTELLIGENCE
THE U.S. REPRESENTATIVE TO THE UNITED NATIONS
THE CHIEF OF STAFF TO THE PRESIDENT
THE DEPUTY CHIEF OF STAFF TO THE PRESIDENT
THE CHAIRMAN, THE JOINT CHIEFS OF STAFF
THE DIRECTOR, ARMS CONTROL AND DISARMAMENT AGENCY

SUBJECT: National Security Council Meeting (NSC)
Friday, June 12, 1981, 11:00 a.m. - 12:30 p.m.

There will be an NSC meeting in the Cabinet Room of the White House at 11:00 a.m. on Friday, June 12, 1981. The agenda item will be Nuclear Non-Proliferation and Nuclear Cooperation. The agenda paper on this subject will be the same prepared for the NSC meeting on Wednesday, June 10, 1981.

Attached are comments submitted by the Director-designate of the U.S. Arms Control and Disarmament Agency on this agenda item.


Richard V. Allen
Assistant to the President
for National Security Affairs

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Review on June 11, 1987

DECLASSIFIED
White House Guidelines, August 29, 1987
By GIS NARA, Date 11/24/04

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UNITED STATES ARMS CONTROL AND DISARMAMENT AGENCY

Washington, D.C. 20451

June 11, 1981

OFFICE OF
THE DIRECTOR

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MEMORANDUM FOR: The Vice President
The Acting Secretary of State
The Secretary of Defense
The Counsellor to the President
The Assistant to the President
for National Security Affairs
The Director, Office of Management and Budget
The Director of Central Intelligence
The United States Representative to the
United Nations
The Chief of Staff to the President
The Deputy Chief of Staff to the President
The Chairman, Joint Chiefs of Staff

SUBJECT: Additional Comment on NSC Discussion Paper:
Nuclear Non-Proliferation and Nuclear
Cooperation

I believe an additional comment on the Paper is required by the Israeli attack of June 7 on the Iraqi nuclear plant. The Israeli preemptive strike is a foreboding event, more serious in its implications for international security even than the 1974 Indian nuclear test.

I approach the issues raised by the paper before us, and by the Israeli strike, in the perspective of the ACDA statute, which says that the primary function of ACDA is to give impetus to the emergence of a world political system in which the international use of force is subordinated to the rule of law. If we are here for eight years, we shall not confront a problem to which this statutory mandate is more relevant, and more compelling.

First, let me say that I agree with the broad lines of the analysis of the paper. So far as they go, they are unexceptionable. Rumors and the South African incident have caused more concern among our Allies that our policy in this sensitive area has changed. It is therefore

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BY LOT, DATE 6/6/06

important to stress that the paper does not call for a new policy but for a continuation and reinforcement of the non-proliferation policy the United States has been developing since the middle 1960s -- encouraging the peaceful uses of nuclear energy; opposition to the spread of nuclear weapons and support for the NPT; strict safeguards monitored not only by the IAEA but our own intelligence to minimize the risk of NPT violations.

I do not believe however that the recommendations of the paper are now sufficiently concrete or urgent to deal with the non-proliferation problem, which has become a crisis, or rather a visible symptom of the general crisis of world order.

The discussion paper offers this sentence as guideline (2) on page 2 -

"(2) The U.S. will strive to reduce the motivation for acquiring nuclear explosives by evincing - through its policies and actions - a more stable and deep rooted interest in the legitimate security concerns of other states."

This statement hardly does justice to the gravity of the Israeli strike or the magnitude of the efforts which will be required to limit and offset its consequences. Let me take a specific illustration: South Africa, one of the pariah countries, now being attacked by many countries committed to its destruction. What does the guideline tell us to do? Help South Africa make nuclear weapons? Send the Navy to Simonstown? Establish air bases there? Help South Africa fight guerrillas? Or offer our sympathy?

The crumbling of world public order during the last decade has led many beleaguered nations to become interested in acquiring nuclear weapons. However delusive their belief may be, a number of countries facing grave risks are convinced that small nuclear forces could protect them against aggression or nuclear blackmail. We and other nations have frequently said in the past that in a world where many states have nuclear weapons, politics will become nearly unpredictable and instability will reach the level of explosiveness.

The Israeli attack on Iraq translates that thesis from the realm of forecast to that of reality. Israel

perceived the potential development of nuclear capabilities by Iraq as a mortal threat, despite Iraq's adherence to the Non-Proliferation Treaty and its agreement with the IAEA. Whether Israel's fears were well grounded will doubtless be sorted out in time, but they are of no real significance to our problem. The fact is that they existed and prevailed. We are dealing here, as Dean Acheson said of the Cuban Missile Crisis, with events which touch the nerve of sovereignty and survival.

The Israeli move parallels our own behavior in the Cuban Missile Crisis, and represents a similar combination of circumstances. There was no immediate threat of armed attack in either case. Both the United States in 1962, and Israel in 1981, saw very great danger in an imminent change of circumstance, made worse in Israel's case by Iraq's refusal to carry out Security Council Resolution 338 (1973), which orders all the states concerned to make peace with Israel, and its endless proclamations of its intent to destroy "the Zionist Entity." Both American behavior in the Cuban Missile Crisis and the Israeli action of June 7 come within the inherent right of a state to defend itself under Article 51 of the Charter. As Elihu Root once said, the international law of self-defense permits "every sovereign state to protect itself by preventing a condition of affairs in which it will be too late to protect itself. Of course each state must judge for itself when a threatened act will create such a situation."

But the legal issue, important as it is, is secondary. The question is what can be done to cure the deadly volatility of politics in a world of nuclear proliferation. The task cannot be accomplished by threats or reassuring words or pious votes in the United Nations. Nor are strict controls over exports a sufficient remedy. The phenomenon will continue and get worse until world public order is restored -- that is, to be concrete, until we lead great coalitions in the Atlantic, the Pacific, the Middle East, and the Caribbean, to restore the policy of containment, based on firm and reciprocal respect for the rules of the Charter of the United Nations regarding the international use of force. We must pursue this policy for many other reasons of security policy. Until we have taken that step, the policies recommended in the Non-Proliferation Paper will be empty words. No one can ask or expect nations facing destruction to adhere to NPT or to accept IAEA inspection in good faith.

I agree that the principles of the NPT and the IAEA should be the lodestars of our policy. The Defense Department has reservations about IAEA. So do I. But it is the only mechanism there is. It has done useful work. Strengthening IAEA will cost some money -- not much, but some. And if strengthened and supplemented by our own efforts, it should be worthwhile, particularly in the blinding light of what happened on June 7. I agree as well that we should press even more strictly than we do today for a concerted policy on the part of the main industrial nations in supplying nuclear fuel and nuclear technology. And we should make a major effort to upgrade the export controls of the supplying nations. But such policies will be hollow and meaningless unless we accompany them with determined and clearly successful efforts to restore the general peace.

This is not a reproach to the conscientious experts on non-proliferation who prepared this paper that their recommendations do not go so far. Within their own field, their recommendations are satisfactory. My point is different -- that the President's statement on the subject should treat non-proliferation policy in a much wider and more political framework.

For that purpose, I suggest that a draft public statement be prepared and circulated for the President's consideration during the next week or so, and that nothing be released until the President's statement is ready.

Eugene V. Rostow

Director-Designate

THE WHITE HOUSE
WASHINGTON

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June 8, 1981

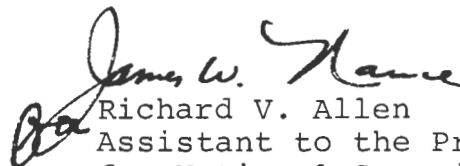
MEMORANDUM FOR THE VICE PRESIDENT
THE SECRETARY OF STATE
THE SECRETARY OF DEFENSE
THE COUNSELLOR TO THE PRESIDENT
THE DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET
THE DIRECTOR OF CENTRAL INTELLIGENCE
THE UNITED STATES REPRESENTATIVE TO THE
UNITED NATIONS
THE CHIEF OF STAFF TO THE PRESIDENT
THE DEPUTY CHIEF OF STAFF TO THE PRESIDENT
THE CHAIRMAN, JOINT CHIEFS OF STAFF
THE DIRECTOR, ARMS CONTROL AND
DISARMAMENT AGENCY

SUBJECT: National Security Council Meeting
Wednesday, June 10, 1981, 1:00 - 2:30 PM

There will be an NSC meeting in-the Cabinet Room of the White House at 1:00 p.m. on Wednesday, June 10, 1981.

Attached is a discussion paper on Nuclear Non-Proliferation and Nuclear Cooperation, which will be an agenda item at that meeting.

FOR THE PRESIDENT:


Richard V. Allen
Assistant to the President
for National Security Affairs

Attachment

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Review on June 8, 1987

DECLASSIFIED
White House Guidelines, August 29, 1997
By CAK NARA, Date 11/24/04

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THE WHITE HOUSE
WASHINGTON

~~CONFIDENTIAL~~

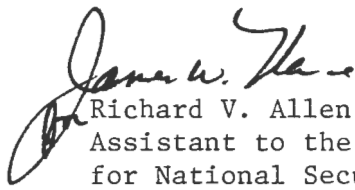
June 9, 1981

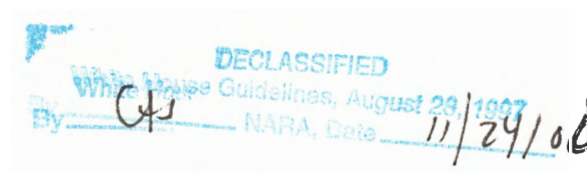
MEMORANDUM FOR THE VICE PRESIDENT
THE SECRETARY OF STATE
THE SECRETARY OF DEFENSE
THE COUNSELLOR TO THE PRESIDENT
THE DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET
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THE DEPUTY CHIEF OF STAFF TO THE PRESIDENT
THE CHAIRMAN, JOINT CHIEFS OF STAFF
THE DIRECTOR, ARMS CONTROL AND
DISARMAMENT AGENCY

SUBJECT: National Security Council Meeting, Wednesday, June 10, 1981 (C)

The NSC meeting previously scheduled 1:00-2:30 p.m. on Wednesday, June 10, 1981 will be held 11:00 a.m. - 12:30 p.m. that day. (C)

FOR THE PRESIDENT:


Richard V. Allen
Assistant to the President
for National Security Affairs



~~CONFIDENTIAL~~
Review 6/8/87

~~CONFIDENTIAL~~

RECEIVED 03 JUN 81 17

TO ALLEN

FROM BAILEY

DOCDATE 03 JUN 81

BAILEY

09 JUL 81

KEYWORDS: IMF

NSC

AGENDA

SUBJECT: SUGGESTED AGENDA ITEM / INTL DEBT EUROCURRENCY MOVEMENTS & IMF

ACTION: FOR DECISION

DUE:

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FOR ACTION

FOR CONCURRENCE

FOR INFO

ALLEN

SCHWEITZER

LILLEY

GREGG

COMMENTS

REF#

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NSC IF ID NSC00014 (D / H)

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Allen *1X 7/9* *addn/for info*

C 7/13 *Allen approved recon*

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NATIONAL SECURITY COUNCIL

July 9, 1981

INFORMATION

MEMORANDUM FOR RICHARD V. ALLEN

FROM: NORMAN A. BAILEY *MB*
SUBJECT: International Debt

On June 3, 1981 I sent you a memo (Tab I) recommending that an item be placed on the NSC agenda asking the Secretary of the Treasury to establish a group of experts to examine the dimensions of the international debt problem and probable timing and prepare contingency plans to head off a crisis or deal with it if it occurs. The group would report back to the NSC through the Secretary. I have had no reaction to the recommendation. >

Following is a list of those countries mentioned in the cable traffic and intelligence reports during the past week only as having serious debt problems:

Jamaica	-	North Korea
Costa Rica		Vietnam
Nicaragua		Laos
El Salvador		Kampuchea
Cuba		Poland
Guyana		Romania
Bolivia		Yugoslavia
Argentina		Turkey
Brazil		Haiti
Uruguay		Madagascar
Peru		Ecuador
Ghana		
Zaire		
Tanzania		
Zambia		
Sudan		
Israel		
Belgium		
Sri Lanka		
Pakistan		
Philippines		

cc: Henry Nau
Rud Poats
Allen Lenz

*I think this could and should
be done. Regan would have to
be at the NSC when we
discuss this (7/11/81)*

NATIONAL SECURITY COUNCIL

June 3, 1981

ACTION

MEMORANDUM FOR RICHARD V. ALLEN

FROM: NORMAN A. BAILEY *mb*

SUBJECT: International Debt, Eurocurrency
Movements and the IMF

I have spent much of the past two months contacting key people in other agencies on the interrelated issues of international debt, Eurocurrency movements and certain developments in the IMF. This work is now completed and the results are as follows:

(1) With reference to the IMF, we have concluded that all the key parties are aware of the potential problems and that preventive measures are under active review. We are also well impressed by the new Executive Director-designate, Richard Erb. Therefore, we feel nothing needs to be done other than keeping in contact with him.

(2) On the effects of Eurocurrency movements on domestic credit and monetary policy, there is no agreement by key people as to the existence or not of such effects. Sprinkel and Ture of Treasury and Wallich of the FRB believe they have no or negligible effect. Others disagree strongly. Given this split, we feel that nothing can be accomplished other than to initiate an educative effort. In this regard, we will sponsor a symposium on the issue to be led by Jane d'Arista of the CBO, and task the Agency on the size of Eurodollar flows and the Eurocurrency multiplier.

(3) The clear and present danger posed to the stability of the financial structure of the Western world, and therefore to its economic and social stability, and therefore to the national security of the United States by the size and quality of international debt is recognized by all. It is clear to us, moreover, that insufficient forward planning is being done to forestall a crisis or to deal with it if it occurs.

RECOMMENDATION:

That an item be placed on the agenda of the NSC asking the Secretary of the Treasury to establish a small group of

experts to examine the following issues and report back to the NSC: (1) the dimensions of the problem and probable timing, (2) contingency plans to head off a crisis or to deal with it if it occurs.

APPROVE ✓ DISAPPROVE _____

as a consent. term. Jant - Al Schickel
it.
AW
7 June
 Rud. Poats, Henry Nau and Allen Lenz concur.

cc: Robert Schweitzer
 Jim Lilley
 Don Gregg

RECEIVED 31 AUG 81 10

TO ALLEN

FROM GUHIN

DOCDATE 19 JUN 81

DECLASSIFIED
White House Guidelines, August 28, 1997
By CJS NARA, Date 11/29/00

KEYWORDS: NON PROLIFERATION

NUCLEAR MATTERS

MINUTES

NSC

SUBJECT: MINUTES OF JUN 12 NSC MTG ON US NON-PROLIFERATION & PEACEFUL NUCLEAR
COOPERATION POLICY

ACTION: FOR INFORMATION

DUE:

STATUS C

FILES IF

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FOR CONCURRENCE

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ALLEN

BAILEY

HUBERMAN

SCHWEITZER

COMMENTS MINUTES ATTACHMENT NOT FWDED TO NSC/S / PROBABILITY THAT

ITEM FILED IN RVA OFC W/ OTHER MTG DATA

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C 10/06 orig not returned to NSC/S

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W/ATTCH FILE (C)

June 19, 1981

CONFIDENTIAL
with SECRET ATTACHMENT

INFORMATION

MEMORANDUM FOR RICHARD V. ALLEN

FROM: MICHAEL GUHIN 

SUBJECT: June 12 NSC Meeting on United States
Non-Proliferation and Peaceful Nuclear
Cooperation Policy (C)

Attached are the minutes from the subject meeting, based on my notes. (U)

As for the NSDD and proposed Presidential statement, I have completed the agency process and will be sending them to you later today, along with a rundown of related events. In substance, the NSDD and statement are essentially the same as the copies you sent to Meese. (U)

Attachment
Minutes of June 12 NSC Meeting

cc: Norman Bailey

CONFIDENTIAL
Review June 18, 1987
with SECRET ATTACHMENT

DECLASSIFIED
White House Guidelines, August 28, 1997
By CJS NARA, Date 11/24/04