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Control: 8590
Reed: Mar 4, 1975
11:40 PM

Department of State

PORTION(S) THAT REMAIN CLASSIFIED AFTER ISCAP DECISION ARE BRACKETED IN RED
SECRET

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THAT ROKG IS PROCEEDING WITH INITIAL PHASES OF A NUCLEAR WEAPONS DEVELOPMENT PROGRAM. SUBSEQUENT INTELLIGENCE REPORTING ON THIS HAS ADDED FURTHER CONFIRMATION TO EMBASSY'S EXCELLENT SUMMARY OF EVIDENCE CONTAINED IN KFP A. INTERAGENCY STUDY ON SOUTH KOREAN NUCLEAR CAPABILITY HAS BEEN FINISHED AND INDICATES THAT ROKG COULD DEVELOP LIMITED NUCLEAR WEAPONS AND MISSILE CAPABILITY WITHIN TEN YEAR TIME FRAME. (COPY OF STUDY POUGHED TO EMBASSY.)

2. IN THE CASE OF KOREA OUR GENERAL CONCERNS ARE INTENSIFIED BY ITS STRATEGIC LOCATION AND BY THE IMPACT WHICH ANY KOREAN EFFORT TO ESTABLISH NUCLEAR CAPABILITY WOULD HAVE ON ITS NEIGHBORS, PARTICULARLY NORTH KOREA AND JAPAN. ROK POSSESSION OF NUCLEAR WEAPONS WOULD HAVE MAJOR DETERRENT STABILIZING EFFECT IN AN AREA IN WHICH NOT ONLY JAPAN BUT USSR, PRC, AND OURSELVES ARE DIRECTLY INVOLVED. IT COULD LEAD TO SOVIET OR CHINESE ASSURANCES OF NUCLEAR WEAPONS SUPPORT TO NORTH KOREA IN THE EVENT OF CONFLICT. FURTHER ROK EFFORTS TO SECURE A NUCLEAR WEAPON CAPABILITY WILL INEVITABLY IMPACT ON OUR BILATERAL SECURITY RELATIONSHIP. THIS IMPACT WILL BE COMPLICATED BY THE FACT THAT ROK NUCLEAR WEAPONS EFFORT HAS BEEN IN PART REFLECTION OF LESSENED ROK CONFIDENCE IN U.S. SECURITY COMMITMENT, AND CONSEQUENT DESIRE ON PARK'S PART TO REDUCE HIS MILITARY DEPENDENCE ON U.S.

3. WE RECOGNIZE THAT THERE ARE SIGNIFICANT DIFFICULTIES AND A LONG TIMEFRAME BEFORE ROKG WOULD BE ABLE ACTUALLY TO PRODUCE NUCLEAR WEAPONS. TEN YEAR ESTIMATE WOULD SEEM A REALISTIC ONE, HOWEVER, THE FACT THAT ROKG IS NOW ATTEMPTING TO ESTABLISH NUCLEAR CAPABILITY WILL INEVITABLY BECOME MORE WIDELY KNOWN WELL BEFORE EXPLOSIVE DEVICE OR WEAPONS ACTUALLY COME INTO BEING AND WOULD HAVE SIGNIFICANT POLITICAL IMPACT IN ITSELF ON THE ROK'S NEIGHBORS.

4. IT REMAINS USG POLICY TO OPPOSE THE FURTHER SPREAD OF NUCLEAR EXPLOSIVES AND, WHILE CONTINUING TO PROVIDE POWER REACTORS AND FUEL UNDER IAEA SAFEGUARDS FOR NECESSARY ENERGY PROJECTS, TO CONTROL THE SPREAD OF SENSITIVE
TECHNOLOGY AND EQUIPMENT WHICH WOULD ENHANCE THE NUCLEAR WEAPONS CAPABILITY OF OTHER COUNTRIES. WE ARE ENDEAVORING TO IMPLEMENT THIS POLICY NOT ONLY BILATERALLY IN OUR DEALINGS WITH NON-NUCLEAR WEAPON STATES SUCH AS THE ROK, BUT ALSO IN A MULTILATERAL FRAMEWORK WHICH WILL CONTROL THE WORLDWIDE AVAILABILITY OF NUCLEAR MATERIALS. STRICTLY FYI: WE HAVE PROPOSED A CONFIDENTIAL CONFERENCE AMONG THE MOST IMPORTANT SUPPLIERS OF NUCLEAR MATERIALS (U.S., U.K., CANADA, FRANCE, FRG, JAPAN, AND USSR) TO DEVELOP COMMON EXPORT POLICIES WHICH WOULD SEEK TO DEVELOP GUIDELINES FOR RESTRAINT ON SENSITIVE ITEMS AND REMOVE THE PROBLEM OF SAFEGUARDS FROM THE COMMERCIAL BARGAINING PROCESS. ALL EXCEPT FRANCE HAVE AGREED WITH U.S. TO BEGIN SUCH A CONFERENCE AND WE ARE AWAITING A REPLY FROM FRANCE. IN RECENT U.S.-FRENCH CONTACTS, THE QUESTION OF FRENCH WILLINGNESS TO SUPPLY A REPROCESSING PLANT OR TECHNOLOGY (TO EXTRACT PLUTONIUM FROM SPENT FUEL) TO THE ROK WAS RAISED, THE FRENCH INDICATED THAT THEY HAD NOT YET SIGNED A PROPOSED AGREEMENT FOR A SMALL PILOT REPROCESSING PLANT AND WERE SEEKING TO HAVE IAEA SAEGUARDS PROVIDED IF THE DEAL DUES G0 FORWARD TO COMPLETION, END FYI.

5. THEREFORE, OUR BASIC OBJECTIVE IS TO DISCOURAGE ROK EFFORT IN THIS AREA AND TO INHIBIT THE FULLEST POSSIBLE EXTENT ANY ROK DEVELOPMENT OF A NUCLEAR EXPLOSIVE CAPABILITY OR DELIVERY SYSTEM. WE ARE CONSIDERING SEVERAL COMPLEMENTARY POLICY COURSES TO GIVE EFFECT TO THIS OBJECTIVE. THESE POLICIES WILL BE EOLYSED WITHIN, OR IN CONSONANCE WITH, THE MULTILATERAL FRAMEWORK JUST DESCRIBED. USING THIS APPROACH, WE HOPE IN THE NEAR FUTURE TO FORMULATE A CLEAR POLICY ON THIS QUESTION TOWARD THE ROK.

6. THE FOLLOWING ARE THE POLICY COURSES WE ARE NOW ACTIVELY CONSIDERING:

A. INHIBIT ROK ACCESS TO SENSITIVE TECHNOLOGY AND EQUIPMENT, BOTH THROUGH UNILATERAL U.S. ACTION AND THROUGH THE DEVELOPMENT OF COMMON SUPPLIER NATION POLICIES.
REGARDS UNILATERAL U.S. ACTIONS, WE WOULD, IN ADDITION
TO APPLYING FULL IAEA SAFEGUARDS TO THE SALE OF POWER
REACTORS AND FUEL, ALSO SEEK TO WITHHOLD FROM THE ROK,
OR TO PROVIDE ONLY UNDER APPROPRIATE SAFEGUARDS, ANY
TECHNOLOGY OR EQUIPMENT WHICH WE WOULD JUDGE TO BE SENSITIVE IN TERMS OF CONTRIBUTING TO THE ACQUISITION OF
SELF-CONTAINED NUCLEAR WEAPONS CAPABILITY, THIS WOULD
BE DONE IN A MANNER CONSISTENT WITH THE CRITERIA IN
12 CFR 110 (WHICH INCLUDE THE APPLICATION OF SAFEGUARDS),
WITH THE SIGNIFICANCE OF THE PROPOSED ACTIVITY, AND WITH
AVAILABILITY FROM OTHER SOURCES. WE ARE ALSO LOOKING
AT EXISTING AGREEMENTS TO SEE IF THERE IS ROOM FOR
TIGHTENING CONSTRAINTS TO INHIBIT DIVERSION OF WEAPONS-
USEABLE MATERIAL. AS REGARDS COMMON SUPPLIER NATION
POLICIES, WE ARE PARTICULARLY CONCERNED WITH ENRICHMENT
AND REPROCESSING TECHNOLOGIES, AND WITH ANY ROK ACQUI-
SION OF CANDU REACTORS, WHICH PRESENT FEWER OBSTACLES
FOR CLANDESTINE DIVERSION OF PLUTONIUM BEARING FUEL RODS
THAN DO THE MORE COMMON LIGHT WATER REACTORS.

WE REALIZE THAT IN SOME CASES ROK MIGHT WELL HAVE
PLEASIBLE RATIONALE OTHER THAN NUCLEAR WEAPONS DEVELOP-
MENT FOR PROCURING CERTAIN ELEMENTS OF SUCH TECHNOLOGY
OR EQUIPMENT: NONETHELESS, WE WOULD NOT INTEND TO PROVIDE TECHNOLOGY AND/OR EQUIPMENT WHICH WE WOULD FEEL
MIGHT BE HARMFUL TO OUR OWN INTERESTS AND THE STABILITY
OF THE AREA. SUCH AN APPROACH WOULD ALSO PROVIDE AN
INDIRECT SIGNAL THAT WE ARE AWARE OF ROK INTENTIONS,
AND WOULD NOT SUPPORT THEM UNDER ANY GUARD, RESTRICTION
OF SUCH TECHNOLOGY AND EQUIPMENT WOULD ALSO SLOW THE
PACE OF ROK EFFORTS IN NUCLEAR AREA AND INCREASE COSTS
SIGNIFICANTLY WHILE NOT HARMING LEGITIMATE POWER NEEDS,
WHICH COULD BE MET THROUGH REACTORS FUELED BY ENRICHED
URANIUM IMPORTED FROM AURAO. EVEN IN THOSE Instances
WHERE ROK MIGHT BE ABLE TO GO TO OTHER SUPPLIERS, THIS
WOULD COST MORE BOTH IN ECONOMIC AND POLITICAL TERMS,
AND ANY SIGNIFICANT ROKG EFFORTS TO PROCURE SENSITIVE
NUCLEAR RELATED EQUIPMENT OR TECHNOLOGY WOULD OVER LONGER RUN BE VISIBLE AND BEIGHTEN SENSITIVITIES OF
OTHER POSSIBLE SUPPLIERS, INCLUDING THE FRENCH. FINALLY,
RECOGNIZING RELATIONSHIP BETWEEN INDEPENDENT NUCLEAR EXPLOSIVE CAPABILITY AND DELIVERY SYSTEMS, WE ARE EXAMINING WAYS IN WHICH ACCOUNT CAN BE TAKEN OF LATTER IN OUR GENERAL NON-PROLIFERATION STRATEGY.

B. PRESS THE ROK TO RATIFY THE NPT. THE CANADIANS ARE ALREADY PRESSING THE ROK TO DO SO. THE ROK SEEMS TO HAVE BEEN RESPONSIVE TO OUR OWN INITIAL APPROACH, BUT WE WILL WANT TO FOLLOW UP ON THIS, PREFERABLY IN COOPERATION WITH THE CANADIANS. WE WOULD ALSO INTEND TO SUPPORT THE CANADIAN INTENTION TO DEFER THEIR FINAL DECISION ON THE SALE OF RESEARCH REACTORS.

C. IMPROVE OUR SURVEILLANCE OF ROK NUCLEAR FACILITIES, AND INCREASE OUR INFORMATION ON THE CURRENT STATE OF ROK TECHNICAL DEVELOPMENT IN THIS AREA. WE WOULD INTEND TO UNDERTAKE A STUDY OF APPROPRIATE WAYS TO MOVE FORWARD ON THIS COURSE. TENTATIVELY, WE ARE CONSIDERING A PROGRAM FOR MORE REGULAR VISITS TO ROK NUCLEAR ENERGY INSTALLATIONS AND INSPECTIONS BY TECHNICALLY TRAINED PERSONNEL.

7. REQUEST EMBASSY SEOUL'S COMMENTS ON THE APPROACH OUTLINED ABOVE.

KISSINGER