19th July, 1960

CONFIDENTIAL

THE SECRETARY FOR EXTERNAL AFFAIRS
PRETORIA

SALE OF URANIUM TO ISRAEL

Thank you for your 137/11/35 of 7th July regarding a recent discussion with the Israeli Minister in the Union on the possibility of Israeli purchases of South African U308.

I must frankly say that I am not impressed by the statement that Israel would perhaps be interested in a contract which would provide an assurance that if and when an IAEA safeguards system is accepted on a world-wide scale, Israel would subject the uranium she receives to such safeguards. If a world-wide application of Agency safeguards could be assured, India and other countries too which are opposed to the safeguards concept, have already recorded in black and white that they would be prepared to accept such a system. But there is no question in the foreseeable future of a world-wide Agency system, if "world-wide" is interpreted in the sense that it includes the world's major powers. None of the atomic powers is willing to apply Agency safeguards to its own operations. (Although the United States is reported to be thinking in terms of "placing one of its civil reactors under Agency safeguards as a gesture, no one will be deceived by such an offer").

From the Israeli point of view, there is little to be gained from any arrangement which would provide for some form of IAEA inspection. While admittedly Israel would be in a position to veto the appointment of any inspector who is a national of the Soviet bloc or of one of the Arab League countries, Israel must recognise that in the Inspection Division, if the stage is ever reached of setting one up, there are bound to be Soviet and possibly Arab nationals. In these circumstances alone it is almost unthinkable that Israel would for one moment contemplate accepting the risks to her security which any form of Agency inspection would entail. If Israel which any form of Agency inspection would entail. If Israel was as desperately in need of uranium, her most likely supplier is France. I do not suggest that France is at the present time prepared to supply Israel with uranium – I have no up-to-date information on the matter – but it remains French policy to date information on the matter – but it remains French policy that France should decide in each individual case, on the merits of the situation, whether or not there is a major security factor involved in supplying a particular country with a specific amount of uranium. The French are as aware of the inflammable situation in the Middle East and will, of course, take this into account.

...continued
As far as the Union is concerned, I doubt very much whether the statement by the Israeli Minister should be taken seriously. Furthermore, I do not believe for one moment that it would be in the Union's interest to supply Israel with uranium at the present time. The Israelis, if they wish to spend the money and make the effort, certainly possess the know-how to make a bomb and, having regard to their precarious position surrounded by hostile Arab states, there is considerable incentive for them to construct one, for use for self-defence in the last resort. In these circumstances, quite apart from our relationships with the Ottawa powers to the importance of which you refer in your minute, it would seem to me extremely rash to consider supplying anything but an insignificant quantity of uranium to Israel in this troubled year 1960.