1977
Brazil Scope Paper: Implications of the Argentine Visit

Citation:

Summary:
Cyrus Vance - apparently unintentionally - left behind this document while meeting with Brazilian President Geisel. It lays out US negotiations with Argentina to ratify the Treaty of Tlateloco, to accept full scope safeguards and to delay the construction of a reprocessing facility in exchange for US nuclear assistance and Brazil’s acceptance of a moratorium on the construction of a reprocessing facility.

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BRAZIL SCOPE PAPER: Implications of the Argentine Visit

The understandings we have reached with Argentina represent substantial forward progress toward two U.S. objectives:

1. A public Argentine statement that it will ratify Tlatelolco, and Argentina acceptance of full-scope safeguards in return for significantly expanded U.S. assistance (short of heavy water technology).

2. Mutual deferral of reprocessing in Argentina and Brazil. The Argentines have now said that they are interested in such a deal, and it is clear the the prospect of receiving heavy water technology is a powerful incentive.

Both of these understandings should significantly increase our leverage in Brasilia. It remains unlikely that Geisel will back away from his firm position on this visit; he is aware of the FRG's rejection of our proposals and the latest intelligence indicates he plans to stonewall us. The Angra I recommendation has created a more favorable environment, however, and the outcome of the Buenos Aires visit should make it much more difficult for him to flatly reject us. Nevertheless, it remains premature for the U.S. to push for any Brazilian movement at this time. Our objective should be to focus Geisel's attention on several important factors, allow him time to absorb their implications, and after the visit continue to pursue the possibility of the French helping us to persuade the Germans to ask the Brazilians to study our proposals seriously.

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The most important factor is not yet known in Brasilia: Argentina's explicit willingness to defer reprocessing if Brazil will do the same. This should be the centerpiece of our presentation. To underscore its importance, it should be conveyed in the context of the U.S. assessment that Argentina can and will otherwise proceed rapidly to a sizeable, autonomous, and unsafeguarded reprocessing capability, putting them way ahead of Brazil (the last point need not be explicit). This outcome can be avoided: the Argentine's are specifically interested in the possibility of an arrangement which would maintain "regional equilibrium".

Brazil will also be extremely uncomfortable with the implications of the US/Argentine communiqué, which suggests strong U.S. support for Argentina's domestic power program and export potential, supported by a US/Argentine rapprochement on non-proliferation policy. We need not press these points beyond ensuring that they are aware of the communiqué; it should do its own work in unsettling Geisel's complacency with the German deal.

But to maintain balance, it becomes more important that Brazil see the prospect of concrete benefits from the U.S., paralleling those implied in the Buenos Aires communiqué, if it is willing to follow the Argentine example. We should stress our willingness to cooperate with the Brazilians to meet their energy needs, including nuclear. Our papers on third-country stockpiling and thorium cooperation can be presented if Brazil
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does not take an absolutely unyielding line, and we should actively seek Brazilian ideas on what we can do for them.

We should avoid talking about modification of the FRG/Brazil Agreement, and stress that we are suggesting a new tripartite agreement which seeks energy development in the context of "regional equilibrium" and security.

**TALKING POINTS**

In his most recent letter to President Carter, President Geisel spoke of the "autonomous development of nuclear technology" as the shortest way to catastrophe. We have been concerned that the reprocessing program in Argentina seems to present exactly that kind of danger. It is our judgment that Argentina has the technical capability, and now the motivation, to move ahead rapidly with a sizeable autonomous reprocessing program. But this is not yet inevitable.

In Argentina we talked about the Carter program for non-proliferation, which in the U.S. includes a moratorium or deferral of commercial reprocessing until it becomes clearer that it is economic and safe to engage in this phase of the nuclear fuel cycle. We suggested that the Argentines enter an agreement to join in a moratorium on reprocessing programs. They indicated interest, but said that it could only be on the condition that there would exist what they called a "regional equilibrium" with no country in the region proceeding with the program for a time. We said in Argentina that we would take up that idea with you.

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We recognize that, at a later time, some form of reprocessing may be needed. But the U.S. has chosen to defer any further steps toward commercial reprocessing until its economics and safety are better understood. We hope a civilian technology will replace the present military technology—the purex system—which was developed during World War II to provide bomb grade material. And we intend to devote considerable effort during the INFCE to this problem.

We like to think that your country would give serious consideration to this concept of a regional equilibrium which could avoid a costly, perhaps dangerous competition prejudicial to the security of all the nations of this hemisphere. If such an initiative were possible we would be pleased to work with you, as we are with Argentina, to assure that your nuclear power programs would not be prejudiced by such a moratorium. We have prepared two informal papers suggesting practical measures, which Brazil might consider. (Hand over package)

We are not suggesting any self denial of definitive technology or loss of independence in energy production. We are seeking a common, interim solution to a danger threatening all of us in the world. I hope you will see your way clear to a searching examination of this concept of regional equilibrium. A short delay could open the way to more economic energy and even more importantly to a much more secure future.

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