

# February 4, 1975 Us Department of State Memorandum, Sale of Rocket Propulsion Technology to South Korea

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## **Summary:**

The US Departments of State and Defense debate whether or not to sell rocket propulsion technology to South Korea in light of Park Chung Hee's alleged interest in developing nuclear weapons.

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#### DEPARTMENT OF STATE

Washington, D.C. 20520

February 4, 1975

SECRET

MEMORANDUM FOR LIEUTENANT GENERAL BRENT SCOWCROFT
THE WHITE HOUSE

Subject: Sale of Rocket Propulsion Technology to South Korea

The Department of State has received a copy of Deputy Secretary of Defense Clements' memorandum of January 23, addressed to the Assistant to the President for National Security Affairs, recommending that the contracts signed in December 1974 between the Lockheed Propulsion Company and the Republic of Korea for advanced missile technology be approved.

After reviewing the arguments in Mr. Clements' memorandum, the Department of State reaffirms its position that the Lockheed contracts should not be approved. Rationale for this decision is set forth in the attached paper.

The Arms Control and Disarmament Agency concurs with the State Department position on these contracts.

George S Spilingsteen Executive Secretary

#### Attachments:

- Paper Sale of U.S. Rocket Technology to South Korea.
- 2. Memorandum from Deputy Secretary of Defense Clements, January 23, 1975.

#### Sale of U.S. Rocket Technology to South Korea

The Lockheed Propulsion Company has requested approval of two contracts signed in December with the Republic of Korea Agency for Defense Development (ADD), which would give South Korea a solid rocket propellant production capacity and would train South Korean personnel in rocket motor design. The Department of State has considered this matter from all angles, and concludes that approval should not be granted.

On January 23 Deputy Secretary of Defense Clements addressed a memorandum to the Assistant to the President for National Security Affairs urging that the contracts be approved.

# Background/Analysis

Following Park's instructions the ADD approached the McDonnell-Douglas Company with a request for improving the Nike-Hercules SAM system in a surface-to-surface mode and extending its range. McDonnell-Douglas agreed that ROK plans looked feasible, and is currently putting the finishing touches on the design phase of a project to meet ROK requirements. The company expects to submit a formal request for Department of State (Munitions Control) approval in one or two months.

McDonnell-Douglas representatives said in late 1974 that the ADD had indicated McDonnell-Douglas should not plan on producing the improved propulsion system to boost the Nike-Hercules range the required distance. The Koreans, however, were at the same time negotiating with Lockheed



for establishment of a solid rocket motor production facility in Korea, which could be used among other purposes to upgrade the Nike-Hercules propulsion system. It is this proposal which is now before us for decision. The conjunction of ROK approaches to Lockheed and McDonnell-Douglas appears more than coincidental. The basic technology is unclassified and is available from other countries -- notably France, which is reportedly attempting to sell similar facilities in competition with Lockheed. However, sale of the surplus Lockheed plant and related technical assistance would considerably reduce the time and cost required for the ROK to establish operational production facilities.

Mr. Clements' memorandum of January 23 contends that the Lockheed plant would enable the ROK to achieve substantial savings in reloading motors for the US-made rockets it now possesses. The memorandum further states that it is desirable for the ADD to undertake research and test programs for anti-tank and other rocket ordnance. (The ROK is purchasing more than 1,000 TOW missiles under the Foreign Military Sales program. We do not see the justification for such research, and it has not previously been raised).

The Department of State believes that

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dent Park, through the ADD, is embarked upon an ambitious program to develop advanced weapons systems which will be "strategic" in the context of the Korean Peninsula. addition to advanced missiles the ADD has been directed to supervise production of a prototype nuclear weapon. believe that SSM's, even without nuclear warheads, could be destabilizing in the hands of the present ROK leadership, and would risk serious and rapid escalation arising from the low level naval and other incidents which are chronic between North and South Korea. Linkage of nuclear weapons development to an advanced missile capability would have the most serious strategic implications given the ROK's geographic location. The evidence, to us, suggests strongly that the ADD has selected the Nike-Hercules system, as modified, as an interim SSM, in response to Park's insistence that rocket development receive the highest priority.

#### The Issues

In these circumstances, much more is at stake in the Lockheed contracts than the reloading of Hawk missiles, R&D in anti-tank ordnance, or competition with the French.



Given the evidence that the ROKG is determined to create an advanced weapons capability within the next ten years, we would be contributing significantly to ROK capability in this area. President Park would regard our approval of the Lockheed projects as a major step in securing U.S. technological support for his ambitious plans for the ADD. The Defense position that we should approve the Lockheed case and then stand firm in refusing to provide further "significant" technology is not consistent. Provision of the Lockheed plant and related technology would be regarded by the Koreans as only the initial phase, and we would find ourselves under continuing pressure to provide further industrial support and additional advanced technology to the ADD on an incremental basis.

There is also the problem of perception by the ROK's neighbors, including Japan. Whatever the protestations by the Koreans and ourselves, sale of a propellant plant and related technology to the ROK's major defense research and development entity would be interpreted in the worst possible light. Given growing knowledge of ROK intentions in the nuclear field (which Defense does not dispute), we would be hard put to explain our actions to others.

The argument that we would gain leverage or a better opportunity to monitor ROK rocket development by approving the project appears to us specious. Park clearly views the ADD as a fundamentally Korean-only enterprise, for special weapons projects that we will not provide or are likely to oppose. In the ADD, South Korea will have an unconstrained facility which it can use for its own purposes without reference to our wishes or agreed requirements for Korean security.

It is not certain whether the Koreans will in fact proceed with the purchase of propellant equipment from the French. However, U. S. unwillingness to cooperate with the ROK in this program is an essential signal conveying to the Koreans that we will not under any guise assist them in developing an independent missile capability. Further, our refusal of this sale will put us in a stronger position in any future efforts to secure agreement with the Canadians, French and others on a common approach to ROK nuclear related requests.

Another, less central, consideration is U. S. labor union opposition to the sale on grounds of export of jobs as well as advanced technology. Union spokesmen have gained some Congressional interest in their case. Negative feelings on the Hill about the Park government



would complicate any effort we might make with Congress to defend the sale.

Mr. Clements has suggested that we use the opportunity provided by the Lockheed sale to give the ROKG our position on ROK missile development. The Department of State believes that, in view of the ROK's lack of candor with us in this area, our message is best conveyed by actions rather than words, i.e., denying the Koreans the technology rather than lecturing them about its use.

A direct question to the ROK leadership about long-range missile plans would be likely to elicit a pious denial.

An interagency message on the broad question of ROK nuclear weapons and potential delivery systems is being cleared, and will provide the basis for a more comprehensive approach on the whole question than could be made now.

For the above reasons, the Department of State plans to notify the Lockheed Propulsion Company it does not approve the December contracts.

