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(b)(6)Argentina and Brazil: Different Nuclear Programs,
Different Problems

Brazilians are steeled for further disagreement on nuclear matters during President Carter's trip next week. President Geisel's resistance to US advice on nuclear affairs has stood as a symbol of Brazil's independence. Deep grievance and skepticism toward Washington on the nuclear issue probably preclude a shift away from an adversary relationship, at least under the Geisel administration. The government may use as new evidence of US unreliability the recent bad publicity over conditions at a US-contracted nuclear plant in Brazil.

Except for agreement on the need for international controls, the Brazilian and US views of the global nuclear situation have almost no overlap. As a determinedly upward mobile nation, Brazil rejects privileged positions for a closed club of first-class powers. Brasilia refuses as far as possible to be burdened by obligations not accepted by the United States and others for their nuclear programs. Brazil's own nuclear program is under the stringent safeguards of the International Atomic Energy Agency, and its leaders resent the distrust implied by efforts to have Brazil give further assurances that its nuclear intentions are honorable. During his visit to Mexico last month, Geisel explicitly addressed concern about weapons spread and committed Brazil to all controls necessary to assure against diversion of nuclear fuels.

Geisel's sense of invulnerability to US pressure on nuclear matters is fortified by repeated statements from Bonn that nothing will interfere with the Brazil - West German accord.  Brazil's interest in US ~~proposals on thorium research~~, but Geisel indicates no willingness to cede any part of the uranium cycle in exchange. Probably to emphasize that Brazilian need does not motivate its interest in US technology, Geisel returned from his recent visit to Bonn with an

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agreement to cooperate in the field of thorium-fueled high temperature reactors.

The new US legislation on nonproliferation seems sure to harden Brasilia's distrust of the United States as a possible partner in nuclear affairs. Brazil has already been affected by Washington's tightened control on nuclear material. Brazil's license application for low enriched uranium for a US-built power reactor was under executive review for over a year; then the Nuclear Regulatory Commission took another five months before issuing the authorization this month. Beyond the practical import of US policy, Brazil will probably regard the new US law as an unacceptable unilateral effort to establish a discriminatory international code.

While the Geisel administration feels safe from outside direction on its nuclear policy, it nevertheless finds implementation difficult at home. The nuclear program does not enjoy the full support of the Brazilian scientific community; the official nuclear bureaucracy suffers significant internal discord; and the program is behind schedule and escalating in cost. (b)(1)
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Some scaling down of the original projections seems inevitable. The government evidently hopes that closer cooperation with the industrial sector will deepen the support of the business community. It also hopes that the addition of research in the thorium technology will draw in the scientific community, which prefers a program less dependent on externally supplied fuel. Brazil has ample thorium reserves.

Another impediment to the program may come from a small but growing environmentalist movement. This cause has been helped by leaked classified Brazilian documents used as the basis for a muckraking series in Brazil's most prestigious newspaper. The stories reveal gross security and safety hazards at the construction site of the US-contracted nuclear plant, bureaucratic infighting in the official nuclear community, and an official attempt to force project engineers to cover up the problems.

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The Geisel administration, which has permitted unusually free political commentary over the past year or so, has been ostensibly gratified by this journalistic focus on a problem needing attention. Geisel could have censored this series for security reasons, however, and his restraint probably is due to something more than tolerance for an open press. Possibly he finds it a good backdrop for a coming shakeup in the rival-ridden nuclear agencies. Another possibility is that Geisel wants to contrast Brazil's experiences with US and German contractors.

Argentina

Although Argentina's nuclear program is considerably more advanced than that of Brazil, Buenos Aires finds itself much more vulnerable than Brasilia to changing international rules for nuclear control. Brazilian leaders, under criticism for making Brazil dependent on West German technology, can find solace in the dilemma Argentina faces. Argentina, after carefully crafting a nuclear power program that would give their country nuclear self-sufficiency, finds itself stymied by new restrictive conditions for technology transfer. Exporters are beginning to insist that recipients of sensitive material and technology put under international safeguards all their nuclear facilities, even those indigenously designed and built. This is forcing Argentina to review its nuclear policy, weighing its commitment to an independent program against its continuing technology gap.

Argentine officials in recent weeks have given mixed, ambiguous signals about their intentions, including some suggestions that Buenos Aires is moving toward acceptance of full scope safeguards or ratification of Tlatelolco, the treaty declaring Latin America a nuclear-weapons-free zone. At the same time, they are making implied threats to Canada, their most important supplier, that Argentina can tough it out by reorienting the nuclear program toward a less rigid supplier such as West Germany. The head of Argentina's nuclear agency has stated that policy is under review and that important decisions must be made in the next several months, probably by June.

Faced with unhappy choices for their nuclear program, Argentine officials would probably be able to bend

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their principles for the sake of practicality, if they could see clearly where practicality truly lies. If they could be confident that accepting broader safeguards would yield a sure payoff, the debate between hardline defenders of sovereignty and the more practical-minded could be readily evaluated by the ultimate arbiters, the ruling junta. The advocates of accepting further nuclear accountability, however, are undercut by deep distrust toward the nuclear exporters, who have changed policy before and might do the same again.

While the issue is under study, Argentina seems to be doing its best to influence the attitudes of potential suppliers. Buenos Aires is suggesting to Canada that it will lose the Argentine market and to West Germany that it can gain a market. For US consumption, officials have suggested that ratification of Tlatelolco may take place soon. Along with each sign of Argentine flexibility, however, comes a reminder that Argentina--or at least some bloc in official circles--will not give in to pressure but will give only in fair exchange for a tangible gain.

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