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International Issues

REGIONAL AND POLITICAL ANALYSIS

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INTERNATIONAL ISSUES

20 April 1977

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This publication is prepared by the International Issues Division, Office of Regional and Political Analysis, with occasional contributions from other offices within the Directorate of Intelligence. The views presented are the best judgments of individual analysts who are aware that many of the issues they discuss are subject to alternative interpretation. Comments and queries are welcome. They should be directed to the authors of the individual articles.

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Brazilian Nuclear Intentions

The announcement by the Federal Republic of Germany that it has approved export licenses for the transfer of sensitive nuclear facilities to Brazil marked an important stage in the implementation of the 1975 FRG-Brazil nuclear accord. In light of Brazil's determination to acquire plants that could greatly facilitate an attempt to fabricate nuclear explosives, we assess Brazil's actual and prospective intentions in this area.

The Brazilian government does not appear to have plans to develop nuclear weapons at the present time. However, two factors could change this situation in the near future: the succession to the presidency after Ernes to Geisel of a more nationalistic and "hard-line" military figure, or heightened apprehensions about the ambitious Argentine nuclear program.

The current regime in Brasilia appears to have sincere economic and technical motivations for developing nuclear technology. Brazil's exposed energy position, which results from dependence on imports for 80 percent of its oil and the bulk of its overall energy requirements, is a strong incentive to develop nuclear power. Brazil has a formidable hydroelectric potential, but this source is probably inadequate to meet more than about a third of anticipated 1985 energy demands. Brazil also has a strong desire to catapult itself into the ranks of the technologically advanced, modern nations. It sees the access it would gain to high technology through the West German nuclear deal as a way of fulfilling these aspirations. Despite concerns voiced in some quarters that this very access to sensitive aspects of nuclear technology--specifically uranium enrichment and spent fuel reprocessing--would pose a nuclear proliferation risk, there is no reliable evidence that the current Brazilian government actually intends to divert the German facilities to military or explosive ends.

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ORGANIZATION AND FUNCTIONS OF CIVILIAN NUCLEAR SECTOR

Office of the President of the Republic
Definition of nuclear energy policy

Ministry of Mines and Energy
Planning, execution, and control of national nuclear energy policy

NUCLEBRAS

- 1. Monopoly in the prospecting, search and processing of nuclear minerals
- 2. Monopoly on production of uranium concentrates
- 3. Monopoly on the construction and operation of plants for:
uranium enrichment
fuel element production
uranium and plutonium reprocessing
- 4. Monopoly on sale of nuclear materials
- 5. Production of nuclear reactors
- 6. Assistance to provide industry in production of components for nuclear installations
- 7. Nuclear powerplant construction engineering for electric power service concessionaires
- 8. Assistance to electric power service concessionaires in operation of nuclear powerplants
- 9. Operation of nuclear technology institutes and research centers

ELECTRIC POWER SERVICES
CONCESSIONAIRES

- 1. Nuclear powerplant construction contract
- 2. Operation of nuclear powerplants

ELECTROBRAS

- 1. Advice on decision regarding concession to build and operate nuclear powerplants
- 2. Financing of nuclear powerplant construction

NATIONAL NUCLEAR ENERGY COMMISSION
CNEN

- 1. Standards and authorization for nuclear installations licensing
- 2. Standards on safety and protection during the construction and operation of nuclear installations and in the use of nuclear materials
- 3. Supervision and inspection of nuclear activities in the country
- 4. Nuclear scientific research
- 5. Training of scientists, engineers, and nuclear researchers

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Brazil's stand opposing advanced military development of nuclear technology may be altered if present political patterns change or if the Argentine nuclear program progresses in a dramatic fashion. While attitudes of the most likely presidential candidates toward nuclear weapon development are not well known, some members of the Brazilian military establishment, from which Geisel's successor will be drawn, are likely to give more serious attention in the future to the military application of nuclear technology. If a highly nationalistic figure should ascend to the presidency in 1979, the chance of the Brazilian military for getting a green light on nuclear development would be increased.* The Argentine nuclear program is developing rapidly and may accentuate a long-standing rivalry with Brazil. Recent intelligence estimates indicate that Argentina, which is quickly moving to develop an independent fuel cycle, could conceivably produce a nuclear explosive within two years.

Neither Argentina nor Brazil is a Non-Proliferation Treaty (NPT) adherent. Brazil has complained that the NPT is discriminatory against nonweapon states and in the past indicated it wished to be free to develop its own nuclear explosives for peaceful purposes (PNEs). Brazilian political leaders are currently avoiding discussion of PNEs, probably to deflect attention from the fact they have not renounced this option. The PNE route is thus left open for the present and future governments to demonstrate Brazil's nuclear prowess, if a perceived need should arise.

** Geisel's successor will take office in March 1979 for a six-year term. If the West German nuclear agreement is carried out, Brazil will obtain all or most of the nuclear fuel cycle during that period. While there is little information on the attitudes of the major presidential possibilities toward nuclear weapons development, there are philosophical differences between two senior military leaders which could be pertinent. General Reynaldo Mello de Almeida, a political moderate and a man of intellectual bent, would most likely view nuclear technology as a tool to sustain Brazil's economic growth. (Footnote continued on following page.)*

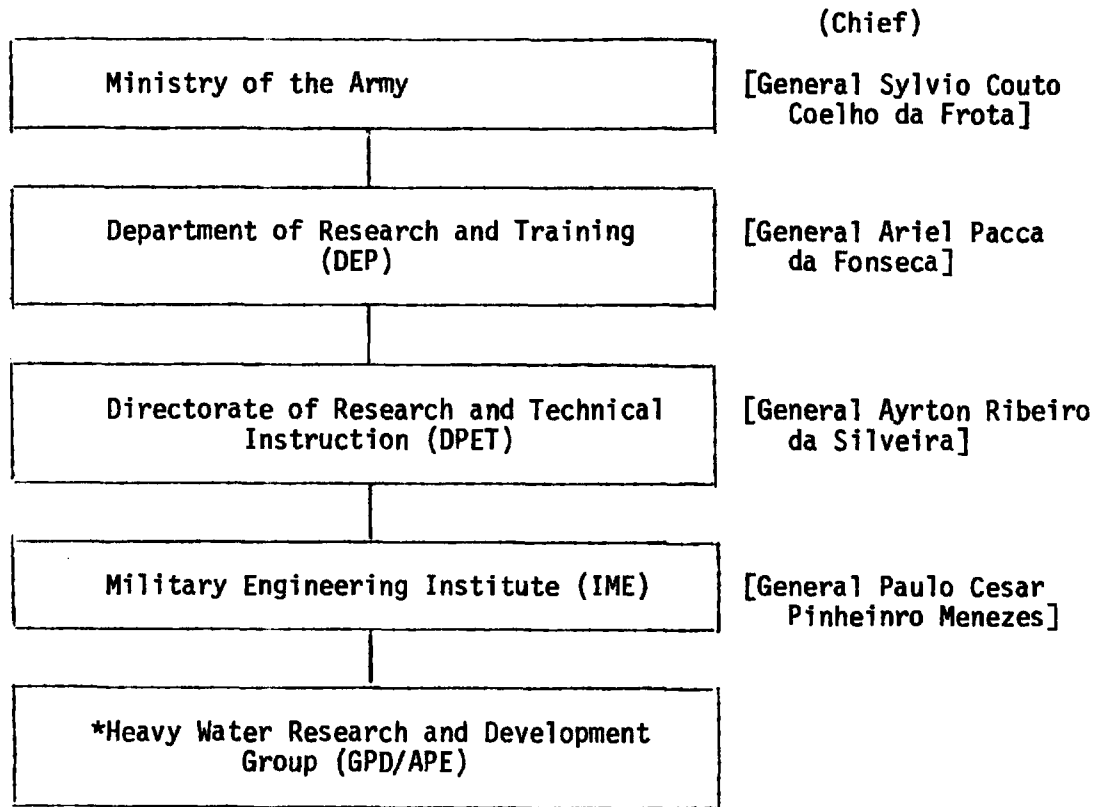
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MILITARY NUCLEAR SECTOR



* In the past has produced reports advocating development of nuclear explosives

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It appears unlikely that Brazil entered into its agreement with West Germany to purchase enrichment and reprocessing facilities with the firm intention of using them to build nuclear explosives. Indeed, there is some indication that President Geisel has specifically ordered that there be no discussion within the military of development of nuclear weapons. Geisel's views are probably not shared by all parts of the military establishment. The Armed Forces General Staff has emphasized the necessity of keeping part of Brazil's nuclear research structure free of safeguards, presumably to leave the nuclear explosives option open. While Geisel's wishes will probably not be openly challenged during the next two years, pro-nuclear views could remain latent now but emerge later. All the nuclear facilities sold under the 1975 accord with West Germany are to be covered by extensive international safeguards, more stringent than those provided by the NPT. Brazil even agreed not to duplicate the German facilities and not to use them to build PNEs. If the Brazilians later decide to develop a nuclear explosive facility, they might violate their agreements or draw indirectly on the acquired technology to construct indigenous facilities.

Thus Brazil's capability to build nuclear weapons will clearly be increased by implementation of the FRG deal. But Brazil will not necessarily "drift" into a nuclear weapons program. A decision to do so would be conscious and made at the highest levels, and probably only after considerable debate the consideration of the implications for Brazil's foreign relations.

** (Footnote continued from previous page.) He has publicly defended the West German agreement but has privately expressed uncertainty as to the long-term benefits for Brazil and has voiced the opinion that by signing the treaty Brazil may have pawned herself to another nation. The nuclear views of another presidential possibility, General Joao Baptista Figueiredo, are not a matter of record. He is chief of the National Intelligence Service and is associated with the "hard-line" conservative faction of the military.*

Figueiredo is obsessed with national security. Therefore, any perceived advances by Argentina in the nuclear weapons field would probably stimulate activity in that area in Brazil during a Figueiredo administration.

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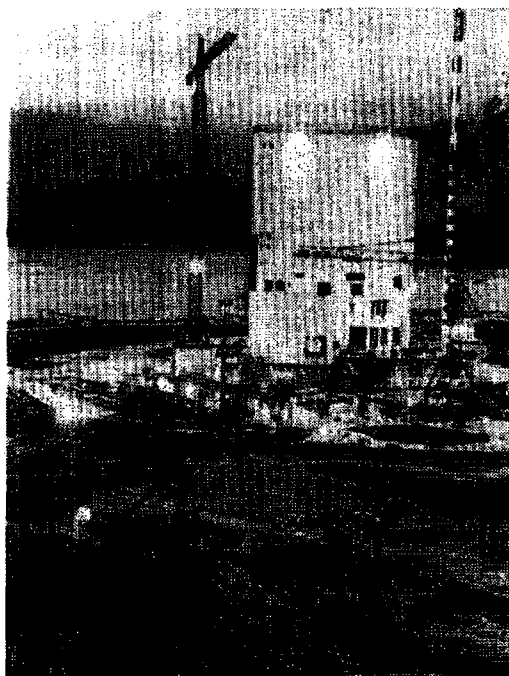
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Proposals that Brazil go ahead and develop purely national nuclear reactors have already been made by leading members of the Brazilian scientific community. These reactors would use natural (unenriched) uranium in heavy water or graphite moderated reactors. It is notable that the scientists making these suggestions are far removed from the centers of political power and not viewed with favor by the military regime. In fact, the mere suggestion that Brazil alter its plans for cooperation with West Germany along the agreed upon lines appears to have led to attempts by the Brazilian government to suppress these opinions.



*Brazil's Angra I nuclear power plant
(under construction)*

Signs that Brazil might be more actively considering developing a nuclear explosive or weapons option have not yet been detected. The construction of indigenous unsafeguarded natural uranium reactors would be a critical benchmark. Other warning signals would be expansion of the nuclear engineering and research efforts of the Brazilian military. In the past the Brazilian military has had a small group working on heavy-water production. The head of this group was an active advocate of nuclear arms. He has not risen to political prominence, however, and his views appear to have carried little weight. A sudden increase in this individual's importance might signal a serious new interest by the military in the nuclear option.

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