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IO LIMITED OFFICIAL USE MARCH 24.

P REF RIOTEL 2022

USIA
NSC SUBJ: ATOMIC ENERGY AGREEMENT

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CIA 1. OPPOSITION MDB YESTERDAY ISSUED THREE "COMMUNIQES TO
NSA PEOPLE" ON BRAZIL-UNITED STATES ATOMIC ENERGY AGREEMENT,
DOD JOB TENURE, AND MANNESMANN CASE, WHICH REPORTED IN MARCH 24
ACDA PRESS. THIS TEL. COVERS NOTE ATTACKING ATOMIC ENERGY AGREEMENT.
TENURE AND MANNESMANN BEING REPORTED EPTEL.

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AID 2. NOTE ATTACKING ATOMIC ENERGY AGREEMENT STATES: (A) AGREEMENT
AEC TOTALLY SUBORDINATES DEVELOPMENT OF THE REASEARCH AND NUCLEAR
WHB INDUSTRY OF BRAZIL TO INTERSTS AND SANCTION OF U.S. ATOMIC
RSR ENERGY COMMISSION. WITHOUT THIS SANCTION, BRAZIL CANNOT CONS-
STRUCT REACTORS, NOT EVEN EXPERIMENTAL REACTORS; (B) BRAZILIAN
SCIENTISTS NOT PERMITTED CARRY OUT EXPERIMENTS OR PRACTICAL
APPLICANTIONS ABOVE CERTAIN LIMIT OF NUCLEAR FUEL; (C) BRAZIL
OBLIGED GIVE BACK TO US "SPECIAL NUCLEAR MATERIAL PRODUCED

IN ANY PART OF FUEL HERE UTILIZED IN THE PROCESSES OF RADIATION,"
WITHOUT HAVING ANY CONTROL OVER ITS UTILIZATION BY US IN
MANUFACTURE OF ATOMIC AND HYDROGEN BOMBS, THEREBY CONTRADICTING
NATURE AND SPIRIT OF BRAZILIAN STRUGGLE FOR DENUCLEARIZATION
OF LATIN AMERICA; (D) AGREEMENT RESTRICTS BRAZIL FROM STOCKING
NUCLEAR MATERIAL "FOR OUR FUTURE NEEDS, WHICH ARE UNFORESEEABLE";
(E) AGREEMENT GIVES US RIGHT TO INTERVENE, THROUGH APPOINTED
INSPECTOR WHETHER ACCOMPANIED OR NOT BY BRAZILIAN REPRESENTATIVE,
IN ENTIRE SCIENTIFIC AND INDUSTRIAL PROCESS RELATED TO BRAZILIAN
ATOMIC DEVELOPMENT PROGRAM; (F) "THEY" DO NOT EVEN GUARANTEE
"PRECISION, INTEGRITY OR APPLICABILITY," I.E. CORRECTNESS OF
DATA OR INFORMATION PROVIDED UNDER FORM OF TECHNICAL ASSISTANCE;

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-2- 171 March 24 FM Brasilia

(G) NATIONAL NUCLEAR ENERGY COMMITTEE HAS FAILED TO DECLARE ITSELF ON PROJECT, ALTHOUGH LAW (NO. 4,118 OF AUGUST 27, 1962) WHICH CREATED IT PRESCRIBES SUCH ACTION; (H) NATIONAL SECURITY COUNCIL AND ARMED FORCES CHIEFS OF STAFF HAVE NOT BEEN HEARD ON SUBJECT, WHICH OBVIOUSLY WITHIN THEIR COMPETENCE AND INTEREST; (I) OPINION OF MAJORITY OF BRAZILIAN SCIENTISTS AND SPECIALISTS ON SUBJECT HAS BEEN IGNORED RE TEXT AND DESIRABILITY OF AGREEMENT.

3. CRITICIZING AGREEMENT ON CHAMBER FLOOR, OPPOSITION LEADER VIEIRA DE MELLO ANNOUNCED MDB WOULD USE ALL CONSTITUTIONAL MEANS TO BLOCK APPROVAL OF AGREEMENT, WHICH HE CALLED "PROFOUNDLY PREJUDICIAL TO DEVELOPMENT, SOVEREIGNTY, AND NATIONAL SECURITY ITSELF."

4. SINCE SPECIAL CONGRESSIONAL SESSION LAST MONTH, OPPOSITION MDB HAS BEEN PREVENTING ATOMIC ENERGY AGREEMENT FROM COMING TO VOTE IN CHAMBER OF DEPUTIES BY PARLIAMENTARY MANEUVER. MDB HAS BEEN WALKING OUT AND DENYING QUORUM WHENEVER FEDERAL INTERVENTION IN ALAGOAS STATE COMES UP FOR APPROVAL, AND ALAGOAS INTERVENTION HAS HERETOFORE ALWAYS PRECEDED ATOMIC AGREEMENT ON CHAMBER AGENDA. IN MARCH 23 NIGHT SESSION, ORDER WAS REVERSED FOR FIRST TIME; BUT ADMINISTRATION AGAIN FAILED MUSTER QUORUM. WITH EASTER RECESS DUE SHORTLY, ADMINISTRATION UNLIKELY GET REQUIRED QUORUM TO VOTE BILL BEFORE WEEK APRIL 11 AT EARLIEST. HEAVY OPPOSITION TO AGREEMENT CAN BE EXPECTED IN SENATE, WHERE AURELIO VIANA, JOSE ERMIRIO, AND AFONSO ARINOS WILL LEAD ATTACK ON BILL.

5. OPPOSITION'S BILL OF PARTICULARS AGAINST 1965 AGREEMENT WILL PROBABLY RESULT IN QUESTIONS DIRECTED AT US. WOULD THEREFORE APPRECIATE DEPARTMENT PROVIDING US WITH REBUTTAL MATERIAL, SO EMBOFFS CAN CLARIFY POINTS RAISED IN PARA 2 ABOVE. OKUN
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-2- 1803, March 24, From Geneva

4. MARSHALL ASKED WHETHER US ENVISAGED TABLING NEW LANGUAGE EVEN IF UNANIMITY NOT REACHED AMONG WESTERN FOUR. DELOFF SAID HE COULD NOT PREJUDGE THIS BUT WAS NO SECRET US NOT HAPPY WITH PRESENT ARTICLE III AND UNDER CONGRESSIONAL PRESSURE IN PARTICULAR TO STRENGTHEN IT. NOTED THAT PROPOSED LANGUAGE HAD BEEN DESIGNED MEET BRITISH PROBLEMS, AND WE HAD ALSO BEEN SEEKING OVERCOME ITALIAN OBJECTIONS TO DISCRIMINATION

PAGE 3 RUFHGV 434 C O N F I D E N T I A L
ASPECTS. MARSHALL INDICATED CANADIAN DEL NO LONGER VERY PREOCCUPIED DISCRIMINATORY ASPECT.

5. MARSHALL GAVE IMPRESSION CANADIAN DEL INCLINED GO ALONG WITH SOME KIND OF FORMULATION ALONG LINES US NOW PROPOSING, AND CONSIDERS OTTAWA WILL BE MAIN OBSTACLE. MARSHALL ADDED HE DID NOT BELIEVE CANADIAN DEL WOULD CARRY MUCH WEIGHT IN INFLUENCING GOVT'S DECISION. HE THEREFORE SUGGESTED U.S. EFFORTS TO OBTAIN FAVORABLE CANADIAN REACTION BE CONCENTRATED IN WASHINGTON AND OTTAWA. HE SUGGESTED LAWRENCE OF CANADIAN AEC AND WARD ROPER OF EXTAFF WERE AMONG KEY PEOPLE IN OTTAWA US SHOULD WORK ON. HOWEVER, HE THOUGHT THAT IF US PRESSED FOR RAPID RESPONSE IT WOULD LIKELY BE LESS THAN SATISFACTORY.

GP-3. TUBBY.

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