FROM: VIENNA

TO: Secretary of State

NO: 1087, JANUARY 11, 4 PM

PRIORIY

IAEA

1. USREP FORESEES POSSIBILITY ISRAELI BEERSHEBA REACTOR ISSUE MAY PRESENT SERIOUS PROBLEM JAN BG MEETING, PARTICULARLY IN CONNECTION SAFEGUARDS DISCUSSION, WOULD THEREFORE APPRECIATE DEPT'S ADVICE AS TO HOW TO HANDLE PROBLEM IF IT SHOULD COME UP IN DEBATE. DEPT WILL APPRECIATE THAT SIMPLE CITATION BEN-GURION'S KNESSET ASSURANCES THAT REACTOR DEDICATED ENTIRELY TO PEACEFUL PURPOSES WILL HARDLY BE ADEQUATE IN VIEW OUR REPEATED OPPOSITION INDIAN AND SOVIET ARGUMENTS SUCH ASSURANCES BY GOVTS ONLY SAFEGUARD NEEDED AGAINST MISUSE NUCLEAR ASSISTANCE.

2. USREP NOTED IN POST 127 OF JAN 3 THAT McCLINTOCK AND REINHARDT HAD RECOMMENDED US SEEK ISRAELI AGREEMENT SUBMIT BEERSHEBA REACTOR TO AGENCY SAFEGUARDS AND INSPECTION. USREP STRONGLY CONCURS THIS RECOMMENDATION. ISRAELI ACCEPTANCE SAFEGUARDS WOULD DRAMATICALLY DEMONSTRATE IMPORTANCE EFFECTIVE AGENCY SAFEGUARDS SYSTEM AND WOULD GO LONG WAY UNDERMINE ARGUMENTS OF OPPONENTS SUCH SYSTEM. THIS WOULD BE ESPECIALLY SIGNIFICANT SINCE NATIONS MOST CONCERNED OVER ISRAELI PROBLEM HAVE BEEN AMONG PRINCIPAL DETRACTORS SAFEGUARDS IDEA.

3. SOVIETS APPEAR APPRECIATE POSSIBLE IMPACT ISRAELI ISSUE ON CAMPAIGN AGAINST AGENCY SAFEGUARDS AND TO BE PREPARED ATTEMPT TO DEAL WITH MATTER THROUGH DISCOUNTING REAL IMPORTANCE. MCCLINTOCK TOLD USREP JAN 5, PROBLEM WHETHER "SMALL COUNTRY LIKE FINLAND OR ISRAEL" TRIED DEVELOP BOMB CAPABILITY OF NO IMPORTANCE. "HE SAID WITH AIR HEAVY SARCASM HE "HAD STAYED AWAKE ALL NIGHT AND WORRIED" WHEN HE HAD READ NEWSPAPER ACCOUNTS ISRAELI DEVELOPMENTS.

SECRET

* This copy must be returned to 37-H with RIA files with notation of action taken.
SECRET

-2- 1087, JANUARY 11, 4 PM, FROM VIENNA

DG COLE TOLD MISSION JAN 10 HE "HAD HEARD" BEN-GURION ON
BEING QUERIED BY NEWSPAPER REPORTERS ABOUT POSSIBILITY ISRAEL
SUBMITTING AGENCY SAFEGUARDS HAD REPLIED "HE KNEW ALL ABOUT
AGENCY, BUT ISRAEL WOULD NOT SUBMIT TO SAFEGUARDS AND INSPECTION
UNLESS BIG POWERS DID SAME." COLE SAID MEMBERS HIS STAFF HAD
URGED HIM WRITE USREP SUGGESTING US USE GOOD OFFICES TO INDUCE
ISRAEL SUBMIT SAFEGUARDS, BUT THAT HE HAD REFUSED ON GROUNDS
SUCH LETTER WOULD BE "INAPPROPRIATE." COLE ADDED, HOWEVER,
THAT HE INTENDED WRITE KEENAN, ISRAELI RESIDENT REP TO AGENCY,
OFFERING AGENCY INSPECTION SERVICES "IF ISRAEL DESIRED." ON
MISSION'S INSISTENCE COLE AGREED NOT RPT NOT SEND SUCH LETTER
UNTIL DEPT'S VIEWS SECURED.

MATTHEWS

RJT