



July 22, 1960

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MEMORANDUM FOR THE UNDER SECRETARY

THROUGH: 8/S

FROM : S/AB - Philip J. Farley

SUBJECT: Briefing Papers on Gas Centrifuge, Communications Satellites, and Safeguards for Indian Power Station.

During your absence from the Department developments have taken place on various subjects in which I believe you have considerable interest.

A summary of discussions with the Germans, Dutch and British on the development of gas centrifuge controls is attached as TAB A.

A study on potential commercial communications satellite systems is attached as TAB B,

The efforts of the Indian Covernment to obtain nuclear power reactors without safeguards have posed some problems. A discussion of this matter is attached as TAB C.

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By PNARA Date 119112

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STATE/AEC DISCUSSIONS WITH GERMANS, DUTCH AND ERITISH ON GAS CENTRIFUGE CONTROL MEASURES

A joint State-AEC team, led by Mr. Sullivan (S/AE) recently visited The Hague, Benn and Lendon to discuss with Foreigh Office and Atomic Energy Ministry officials some of the problems affecting the control of information and equipment connected with the gas centrifuge for the separation of uranium isotopes. This process, when developed further, could be used to produce weapons grade material. The Secretary and Mr. McCone had agreed that recent developments in this field increased the danger of the spread of atomic weapons capability and that we should seek the support of countries that have worked in this field to keep developments under appropriate centrols. The centrol problem, however, is quite complicated, as I pointed out in my memorandum to you of July 8 (see attachment), which also set forth the position we would take in our talks with the Germans, Datch and British.

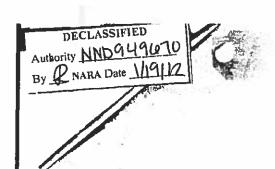
The Germans, semewhat to our surprise, readily agreed to the desirability of elasaifying information connected with gas centrifuge research work if others also did so, although they had misgivings about the suspicions this might raise at home and abroad about Germany's intentions and noted that it could raise problems with Euratom if exchange of information was involved. They expected a favorable decision shortly from their government approving unilateral classification.

The Dutch also indicated a readiness to classify. In addition, they volunteered to initiate discussions with the Germans to coordinate their actions. However, they did point out that Dutch industry would probably expect compensation if classification is imposed on this work and that the patent problem would involve Euratem. This is a particularly halpful development and should assist considerably in easing the Euratem problem.

We suggested, and both the Germans and Dutch a greed, that we consult further prior to their taking any formal action to classify.

The British, while concerned about the implications of centrifuge developments, were apprehensive about the political consequences of classification by Germany of any work in the atomic field. They also said that classification might be epposed by certain industrial groups and expressed doubts about the effectiveness of classification in view of the considerable amount of information already published.

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We plan to meet with AEC representatives next week to review comments made by the British, Germans and Dutch. We will then consider further the political implications of classification in the light of these comments and a recommended course of action.

Attachment

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3 - "
4 - Jo
5 - Berdetyd 8/1/48
6 - Raddyd 8/1/48
7 - Chron
8 - wc

S/AE:WAChapin:CASullivan: aw 7/22/60

Concurrences: GER - Mr. Devine RA - Mr. Hartman

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