

## 391. Special National Intelligence Estimate<sup>1</sup>

SNIE 91-2-82

Washington, September 8, 1982

### ARGENTINA'S NUCLEAR POLICIES IN LIGHT OF THE FALKLANDS DEFEAT

[Omitted here is a Scope Note for the Estimate.]

#### KEY JUDGMENTS

Argentina's determination to complete an unsafeguarded nuclear fuel cycle which could serve military as well as civilian purposes has been amply demonstrated in recent years. The momentum to achieve this goal appeared to be intensifying in the months prior to the Falklands conflict. The defeat in the Falklands undeniably has raised fundamental issues of sovereignty, prestige, and security that will preoccupy the Argentine military leaders and any possible successor regime for several years to come. [*portion marking not declassified*]

The immediate impact of the Falklands defeat cuts two ways. Emotionally, it has probably increased the desire to develop a nuclear weapons option. Politically and economically, however, it has reduced Argentina's capability to fulfill this desire. Consequently, we have great uncertainty concerning the future course of Argentina's nuclear policy decisionmaking, especially over the coming months and possibly for the next several years. [*portion marking not declassified*]

We judge, nevertheless, that unfavorable economic prospects and political turmoil will not prevent the Argentine Government from achieving the technical capability to make nuclear explosives before the end of this decade. The historic momentum and the sustained progress of the program over a generation despite recurrent crises support this judgment. At the same time, as indicated above, we cannot predict with confidence how effectively Argentine leaders will be able to provide budget support to the nuclear program or the rate at which nuclear goals will be achieved. [*portion marking not declassified*]

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<sup>1</sup> Source: Central Intelligence Agency, CIA History Staff Files. Secret; [*handling restriction not declassified*]. The Estimate was prepared based upon information available as of September 1. The Estimate was issued by the Director of Central Intelligence with the concurrence of the National Foreign Intelligence Board. The Estimate was prepared with the participation of the Central Intelligence Agency, the Defense Intelligence Agency, the National Security Agency, and the intelligence organizations of the Departments of State, Treasury, and Energy. The Assistant Chief of Staff for Intelligence, Department of the Army; the Director of Naval Intelligence, Department of the Navy; and the Assistant Chief of Staff, Intelligence, Department of the Air Force, also participated in the preparation of the Estimate.

In the meantime, Argentina's need for external resources may well provide opportunities to generate pressure on its leadership to keep its nuclear development within peaceful bounds. US efforts, however, to exert such pressure, whether applied directly or through other countries, would be constrained by the frequently demonstrated Argentine resistance to any external attempts to influence its nuclear ambitions. [*portion marking not declassified*]

The strength of Argentina's commitment to its nuclear program has its origins in a decision, taken more than 30 years ago, to develop an indigenous nuclear program:

—Its decision to develop a completely independent fuel cycle first became evident in the mid-1960s when it built its first laboratory-scale reprocessing plant. A reprocessing facility now under construction is scheduled for full operation in 1986 and could permit separation (from safeguarded fuel) of sufficient plutonium to construct a nuclear explosives device in 1987. A diversion of the plutonium for this purpose, however, would constitute a violation of international safeguards and carry grave consequences for Argentina's commercial nuclear program.

—Argentina is acquiring other facilities and materials that are unsafeguarded and could be used in a nuclear weapons program. A planned research reactor, if eventually built, would give Argentina a plutonium production capability free of safeguards. [*portion marking not declassified*]

There are three ways Argentina could produce plutonium. The most likely approach is for Argentina to produce plutonium by reprocessing spent fuel under safeguards. This would provide Buenos Aires with maximum political and diplomatic benefit from foreign perceptions that it could build nuclear explosives on short notice. Under its bilateral accord, Argentina needs West Germany's permission to reprocess the spent fuel from the German-built Atucha reactor. If the Germans give their approval, Argentina could start to implement this plan in 1986. Bonn, however, would face strong international opposition to its grant of permission, regardless of the assurances Buenos Aires may be willing to provide. [*portion marking not declassified*]

Should Germany deny reprocessing, Argentina could move to a second alternative, which would be to acquire plutonium through an unsafeguarded approach. This would require the completion of a planned research reactor and would probably take at least five to six years, once construction of the reactor began. [*portion marking not declassified*]

As a third alternative, Argentina could choose to divert fuel from operating power reactors, either clandestinely or in open violation of safeguards, and thereby acquire a nuclear explosive capability in four to five years. We judge pursuit of this option to be unlikely because

of the severe political and economic costs it would entail. [*portion marking not declassified*]

The attainment of a nuclear weapons capability by whatever means will not necessarily require the testing of a nuclear device:

—Such a test would alienate other principal countries in South America, especially Brazil and possibly Venezuela and Peru. Additionally, Argentina would be reluctant to offend the continent generally by challenging the Treaty of Tlatelolco, which aims to keep nuclear weapons out of Latin America.

—Argentina could also be deterred by the prospect that an overt test could easily lead to a nuclear arms race with Brazil. [*portion marking not declassified*]

[Omitted here is the Discussion section of the Estimate.]