400. Memorandum From the President's Assistant for National Security Affairs (Clark) to President Reagan¹

Washington, October 5, 1982

SUBJECT

Argentina's Nuclear Policies After Falklands

Issue

The intelligence community has examined Argentina's capability and intention to manufacture nuclear weapons after its defeat in the Falklands.

Facts

A Special National Intelligence Estimate (SNIE) reviews Argentina's technical capabilities for developing nuclear explosives and presents three scenarios that could lead to production of plutonium in the years 1986–88.² It also assesses the impact on the Argentine nuclear

¹ Source: Reagan Library, Roger W. Fontaine Files, Argentina (October 1982–December 1982). Secret. Sent for information. Reagan initialed at the top right-hand corner of the memorandum. A notation on the memorandum also indicates that Reagan saw it.

² See Document 391.

program of the political disarray and economic stress that have resulted from the Falklands defeat.

Discussion

The defeat's immediate impact on Buenos Aires' nuclear program has had two effects. First, it has increased the desire to develop a nuclear weapons option. But, second, it has reduced Argentina's capability to carry out that objective politically and economically—at least for the short term. Nevertheless, the SNIE reports the Argentine government will still be capable of building at least a crude nuclear device by the end of the decade. The historical momentum of the 32 year Argentine nuclear development program, despite recurrent crises, strongly supports this conclusion. Meanwhile, Argentina may be susceptible to outside pressures because of its need for external resources. U.S. leverage is very limited in this regard and, moreover, Argentina's susceptibility to any foreign pressures will decline as Argentina moves closer to nuclear self-sufficiency.

For Argentina to develop and—more importantly—to test a nuclear weapon would, however, raise tensions considerably in the region. Such a test would alienate the major South American states, including those now friendly to Argentina (Brazil, Peru, and Venezuela). Moreover, it is virtually certain that Brazil would soon match Argentina's capability and that a nuclear arms race with that country would prove likely and costly.

At your request, the Special National Intelligence Estimate is available for your review. 3

³ Reagan initialed that he wished to review the Estimate.