



Foreign and Commonwealth Office

Prime Minister.  
 Hugh Thomas raised this point · London SW1A 2AH

A.F.C. 15/12.

14 December 1983

Jan Tsch,  
 [unclear]

Thompson  
 [unclear]

Internationalisation of Nuclear Energy

In your letter of 8 December you report that the Prime Minister has asked for the advice of the Foreign and Commonwealth Secretary on the idea that the UK should propose the internationalisation of all nuclear energy.

It is true that such a proposal was put forward in 1946 by the US representative, Bernard Baruch, at the first meeting of the UN Atomic Energy Commission. He suggested the establishment of an international atomic development authority which would own and manage all atomic energy activities potentially dangerous to world security. The authority was to have rights of inspection and verification. Once a system of controls and sanctions was operating effectively, production of nuclear weapons would cease and existing stocks be destroyed. The plan was rejected by the Soviet Union who saw it as institutionalising the US lead in atomic weapons and because the proposed authority represented an encroachment on national sovereignty.

Although the proposal was rejected and nuclear programmes, both military and civil have since developed on the basis of independent national programmes, there has been a continuous attempt to provide an element of international control. The International Atomic Energy Agency was established in 1956 to promote the peaceful uses of nuclear energy and to provide a system of safeguards designed to ensure that nuclear materials and facilities under its control were not used for any military purpose. The Agency does not have such strong verification powers as had been envisaged by Baruch but it nevertheless represents the most important step yet achieved in truly internationally operated inspection systems.

/The Euratom



The Euratom Treaty represented another attempt at internationalising the development of nuclear energy. The Treaty gives legal ownership of enriched uranium and plutonium to the Community and provides for a Community monopoly in purchase and allocation of all nuclear materials. These aspects of the Treaty have never worked and in practice the individual Member States nuclear industries are largely independent of Commission control.

A proposal at this stage from the UK for sweeping measures of internationalisation would suffer from a number of disadvantages:

- (a) The economic importance of our own civil nuclear industry would cast doubts on the sincerity of our proposal;
- (b) It would be unwelcome to our friends and allies, many of whom are more dependent than we are on nuclear energy, as a vital part of their overall energy strategy (France plans to generate 70% of her electricity from nuclear plant by 1990);
- (c) It would be categorised by the non-aligned as another plot to deprive them of the benefits of national nuclear energy programmes (they already resist IAEA safeguards and resent the activities of the Nuclear Suppliers Group);
- (d) It would be virtually impossible to design an international control system which could be relied upon to take sensible decisions; a one-state-one-vote system would result in control by the non-aligned, and any system of group voting or vetoes would result in frequent stalemate on key issues.

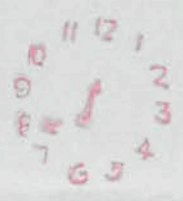
This is not to say that we should not continue to strive for greater elements of international control where these might be achievable. We should continue to press for universal application of IAEA safeguards and to support exercises like the study on International Plutonium Storage. But we are more likely to achieve our aims by working to extend the existing system than by making sweeping new proposals.

*[Handwritten signature]*  
 (R B Bone)  
 Private Secretary

A J Coles Esq  
 10 Downing Street



14 DEC 1983



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10 DOWNING STREET

*From the Private Secretary*

16 December 1983

Internationalisation of Nuclear Energy

The Prime Minister was grateful for your letter of 14 December setting out the objections to a proposal for internationalisation of nuclear energy. Mrs. Thatcher accepts the arguments which you advance.

A. J. COLES

Roger Bone, Esq.,  
Foreign and Commonwealth Office.

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10 DOWNING STREET

*From the Private Secretary*

8 December, 1983

Nuclear Disarmament

The Prime Minister has received a suggestion from a private source that we should consider proposing, as the West apparently did in 1946, the internationalisation of all nuclear energy. The author of this idea has observed that this might mean major sacrifices by all powers who had invested heavily in "atoms for peace" but that it would have great benefits and that, if the Russians were to turn the idea down, we should derive great propaganda advantage.

The Prime Minister has asked me to bring this idea to the attention of the Foreign and Commonwealth Secretary and to seek his advice.

A. J. COLES

R. B. Bone, Esq.,  
Foreign and Commonwealth Office