Israel:

Israel has not signed the NPT, even though all Arab countries except Algeria and Saudi Arabia have now signed. Officially the GOI position is that it has not yet reached a decision one way or the other on signature, and that it is studying the full implications of this step. The GOI declares, however, that it is not a nuclear power and will not be the first (area country) to introduce nuclear weapons into the Middle East. Moreover, Israel did vote affirmatively for the UNGA resolution last June commending the NPT.

Behind this official position Israel is actively working to improve its capability to produce nuclear weapons at short notice. In the absence of progress toward a peace settlement, Israel's leaders have probably decided Israel cannot affort to surrender the nuclear option. Until the Arabs show a disposition to negotiate with Israel, the GOI reasons that there may be advantages in not signing the NPT--it keeps the Arabs guessing as to Israel's deterrent power, and it could provide bargaining power in the context of a settlement. Elections this year in Israel add another factor working against the likelihood of a favorable decision by the Israeli Government on the NPT prior to that date.

The importance to the U.S. of Israeli adherence to the NPT lies not only in the very great effect of its adherence on the prospects for the general success of the Treaty, but also because, unlike other hold-outs, we believe Israel is actively working to give itself the capability to build a bomb. The longer Israel delays a decision on the NPT, the more momentum its weapons program is likely to acquire, and the more difficult Should it become it will be for the GOI to give it up. generally accepted that Israel possesses nuclear weapons (even if Israel has not conducted a test), it would reduce even further the prospects for a settlement of the Arab-Israeli problem, and it could well cause so many hold-outs to the Treaty throughout the world as to seriously vitiate the effectiveness of the Treaty.

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Because Israel views its nuclear option, and thus its position on the NPT, as an integral part of its national security, its decision on the NPT will not easily be influenced by outside suasion or pressure. If the U.S. decides that Israeli adherence to the NPT is of major importance to its policy objectives, we must be prepared to make this a crunch issue with Israel and to make it clear that if Israel elects to go the nuclear route it would cause a fundamental change in the US-Israeli relationship, including our long-standing concern for Israel's security. To make the Israelis believe in our determination, we would have to show that we are prepared to have the issue become public and to defend our position in the face of domestic pressures. Short of using U.S. influence on this scale, it will be futile, and probably counter-productive, for the U.S. to resort to half-way measures, such as attempting to use Israeli requests for conventional weapons as leverage on this issue.

If the U.S. decides it does not wish to employ pressure on this scale, there are perhaps some actions in the realm of low-key suasion that could have a marginal (but not decisive) effect on Israel's attitude toward the Through diplomatic approaches, we could try to sell the Israelis on the idea of signing the Treaty in the immediate future but withholding ratification until Israel's security concerns are more fully assured. could explore with the USSR the possibility of limiting shipments of conventional weapons to the area in return for Israeli forbearance on nuclear weapons and signature of the NPT. We should consider the advantages and disadvantages of trying to meet directly some of Israel's probable concerns about the effect of the Treaty on current Israeli activities -- exploring with the GOI the extent to which the Treaty would prevent the GOI from conducting basic research and making contingency plans for developing atomic weapons.

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Recommended Action:

Continuing high-level review within the U.S. Government as to the importance the U.S. attaches to Israeli adherence to the NPT, and the measures we are prepared to take to achieve this objective. In the meantime, a Presidential letter to the Israeli Prime Minister stressing the continuity of U.S. non-proliferation objectives under the new Administration and our hope that Israel will sign the NPT. Consult with UK, France, and USSR as to availability of other bilateral or multilateral approaches.

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