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Series: Subject File - General
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WHORM Category Code: TA003
WHORM Category Name: Export Registration

Document Number: 175023
Alpha File Name:
TO: SCOWCROFT
FROM: ROY, J

KEYWORDS: BRAZIL
TECHNOLOGY TRANSFERS
ARMS SALES

PERSONS:

SUBJECT: ALLEGED BRAZILIAN PROLIFERATION

ACTION: DIRECT REPLY
DUE DATE: 14 DEC 90
STATUS: C

STAFF OFFICER: JOHNSON
LOGREF: 9007406 9007426

FILES: WH
NSCP:

DOCUMENT DISTRIBUTION
FOR ACTION
FOR CONCURRENCE
FOR INFO

STATE

COMMENTS: ____________________________________________

DISPATCHED BY  RCB  DATE  12/18  BY HAND  W/ATTACH
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TO: SCOWCROFT

FROM: ROY, J

KEYWORDS: BRAZIL TECHNOLOGY TRANSFERS ARMS SALES EXPORT CONTROLS PERSIAN GULF CO

PERSONS:

SUBJECT: ALLEGED BRAZILIAN PROLIFERATION

ACTION: PREPARE MEMO FOR SCOWCROFT DUE DATE: 21 SEP 90 STATUS: S

STAFF OFFICER: JOHNSON

FILES: WH NSCP: CODES:

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FOR ACTION FOR CONCURRENCE FOR INFO JOHNSON BARTH BASORA LAMPLEY CHARLES TOBEY DEAL HAASS

COMMENT:

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OPENED BY: NSJWD CLOSED BY: DOC 2 OF 2

UNCLASSIFIED
MEMORANDUM FOR: STATE

STATE SECRETARY

DOCUMENT DESCRIPTION: TO: SCOWCROFT

SOURCE: ROY, J

DATE: 11 DEC 90

SUBJ: ALLEGED BRAZILIAN PROLIFERATION

REQUIRED ACTION: DIRECT REPLY

DUE DATE:

COMMENT:

FOR

GEORGE VAN ERON

DIRECTOR NSC SECRETARIAT
December 11, 1990

MEMORANDUM FOR BRENT SCOWCROFT
THE WHITE HOUSE

Subject: Alleged Brazilian Proliferation

Attached is a draft reply for signature by President Bush to a letter of September 12, 1990, from Senators Nunn, Inouye, Warner, and Stevens on the subject of alleged Brazilian proliferation.

J. Stapleton Roy
Executive Secretary

Attachment:
As stated
STATE DEPARTMENT'S DRAFT RESPONSE

Dear Senator (name):

In response to your inquiry concerning the export of rocket motor casings from the United States to Brazil, let me briefly outline what happened.

Seven rocket motor casings were involved. Their stated use was as components of a Brazilian space launch vehicle (SLV). They were shipped from Brazil to the United States, where they were heat treated for strengthening, and then returned to Brazil pursuant to a U.S. munition license granted by the Department of State.

This license was originally issued in October 1989 by a State Department licensing officer without interagency review, based on a judgment that the application did not request the provision to Brazil of any U.S-origin hardware or technology.

When it came to the attention of the interagency nonproliferation community that a license had been issued in this case, a review was initiated. The license was suspended pending completion of the review, but at a point when the initial shipment of seven casings had already reached the U.S. company which was to perform the heat treatment.
This case was reviewed at senior levels in the Administration, taking into account a number of considerations. The Brazilians acted in good faith by applying for a license to allow the heat treatment of the casings to take place. The casings remained the property of Brazil and we had no legal authority to seize them without compensation. At the same time, the Administration wanted to underscore its firm policy of avoiding even the appearance of support for programs of missile proliferation concern.

Based on these factors, the review concluded that existing policy guidance had been incomplete. The Administration decided to permit the re-export to Brazil of the seven casings which had already received heat treatment but to revoke the remainder of the license (for 11 more motor casings) and to deny any subsequent license applications for this purpose from the Brazilian space program.
We have pressed the Brazilians very hard on both proliferation issues and arms exports in general. A decision to seize the casings would have produced a strong reaction in Brazil, undercutting those, including President Collor, who support constructive efforts against nuclear, chemical and missile proliferation and who seek a more cooperative relationship with the United States. When I visited Brazil, I used the opportunity to strengthen further our nonproliferation efforts.

The United States maintains a policy of export restraint that applies equally to space launch vehicle and ballistic missile development programs. This policy reflects the provisions of the Missile Technology Control Regime, to which fourteen nations formally adhere, as well as the underlying fact that space launch vehicles and ballistic missiles share a common technology, and in many cases, common components. Nothing in our handling of this specific export case should be interpreted as a change in policy.

Sincerely,

George Bush
The White House
MEMORANDUM FOR: ROY, J
STATE SECRETARIAT

DOCUMENT DESCRIPTION: TO: PRESIDENT
SOURCE: NUNN, SAM
DATE: 12 SEP 90

SUBJ: LTR FM SENS EXPRESSING CONCERNS RE POSSIBLE EXPORT OF ROCKETS COMPONENTS TO BRAZIL

REQUIRED ACTION: RECOMMENDATIONS

DUE DATE: 21 SEP 90

COMMENT:

FOR

GEORGE VAN ERON
DIRECTOR NSC SECRETARIAT
September 13, 1990

Dear John:

Thank you for your September 12 letter to the President, cosigned by Senators Inouye, Nunn, and Stevens, expressing your concern about the possible export of rocket components to Brazil.

I have shared your comments with the President and have forwarded your letter to Brent Scowcroft so that he, too, is aware of your concerns.

Thank you again for writing.

With best regards,

Sincerely,

Frederick D. McClure
Assistant to the President
for Legislative Affairs

The Honorable John W. Warner
United States Senate
Washington, D.C. 20510

FDM:HGP:
bcc: w/ copy of inc to NSC - for DIRECT Response
bcc: w/ copy of inc to Dept. of State - FYI
bcc: w/ copy of inc to Dept. of Defense - FYI
bcc: w/ copy of inc to Dept. of Commerce - FYI
September 13, 1990

Dear Senator Nunn:

Thank you for your September 12 letter to the President, cosigned by Senators Inouye, Warner and Stevens, expressing your concern about the possible export of rocket components to Brazil.

I have shared your comments with the President and have forwarded your letter to Brent Scowcroft so that he, too, is aware of your concerns.

Thank you again for writing.

With best regards,

Sincerely,

Frederick D. McClure
Assistant to the President
for Legislative Affairs

The Honorable Sam Nunn
United States Senate
Washington, D.C. 20510

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bcc: w/ copy of inc to Dept. of Defense - FYI
bcc: w/ copy of inc to Dept. of Commerce - FYI
The Honorable George Bush  
President  
The White House  
Washington, D.C.  

Dear Mr. President:

We wish to express our support for your actions to date in responding to Iraq’s aggression in the Persian Gulf which has threatened not only the security of the Persian Gulf nations but the state of the world economy. The deployment of military forces in accordance with the United Nations charter conveys to Saddam Hussein that aggression and violation of international law will not be tolerated by the world community.

It is against this background of strong determination to resist aggression that we are alarmed by the State Department’s decision to approve the export of rocket components to Brazil, a nation that has done much to assist Iraq in developing its ballistic missile capacity. The export of these rocket casings, coming at a time when the United States has taken the lead in fashioning a total embargo against Iraq, endangers the effectiveness of this embargo. Should military action be required, American forces should not have to face weapons produced with the assistance of their countrymen.
It is our understanding that this equipment could be exported to Brazil at any moment. We strongly urge you to reverse the State Department's approval of this license and prevent the shipment of these rocket components to Brazil.

Thank you for your consideration of this request.

Sam Nunn
Chairman
Armed Services Committee

Daniel K. Inouye
Chairman
Senate Appropriations
Subcommittee on Defense

John Warner
Ranking Member
Armed Services Committee

Ted Stevens
Ranking Member
Senate Appropriations
Subcommittee on Defense
September 13, 1990

Dear Senator Inouye:

Thank you for your September 12 letter to the President, cosigned by Senators Nunn, Warner and Stevens, expressing your concern about the possible export of rocket components to Brazil.

I have shared your comments with the President and have forwarded your letter to Brent Scowcroft so that he, too, is aware of your concerns.

Thank you again for writing.

With best regards,

Sincerely,

Frederick D. McClure
Assistant to the President for Legislative Affairs

The Honorable Daniel K. Inouye
United States Senate
Washington, D.C. 20510

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bcc: w/ copy of inc to Dept. of State - FYI
bcc: w/ copy of inc to Dept. of Defense - FYI
bcc: w/ copy of inc to Dept. of Commerce - FYI
September 13, 1990

Dear Ted:

Thank you for your September 12 letter to the President, cosigned by Senators Inouye, Nunn, and Warner, expressing your concern about the possible export of rocket components to Brazil.

I have shared your comments with the President and have forwarded your letter to Brent Scowcroft so that he, too, is aware of your concerns.

Thank you again for writing.

With best regards,

Sincerely,

Frederick D. McClure
Assistant to the President
for Legislative Affairs

The Honorable Ted Stevens
United States Senate
Washington, D.C. 20510

FDM:HGP:
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