

DECLASSIFIED

Authority NND 969024
By AV NARA Date 9/14/83

DECLASSIFIED
A/ISS/IPS, Department of State
E.O. 12958, as amended
October 11, 2007

58



~~SECRET~~

RNAN-9

INTELLIGENCE NOTE

BUREAU OF INTELLIGENCE AND RESEARCH

February 15, 1973

PAKISTAN: THE IRAQI ARMS CAPER AND THE LARGER PICTURE

The dramatic discovery of a cache of Soviet-made arms in the Iraqi Embassy in Islamabad on February 10 defies explanation in terms of either Iraqi or Soviet intentions. The real significance of the incident appears to lie in the impact it will have on Pakistan's domestic and international politics; indeed, for Bhutto, the nature and timing of the incident made it nothing short of a windfall.

Unanswered Questions. Iraq's motives in the affair will probably remain obscure. The Iraqi Baath is a meddlesome regime, and there is a fairly extensive history of Iraqi complicity in the smuggling of arms to subversive elements in neighboring states, including Oman, Bahrain, and Iran. Presumably the arms found by the GOP were intended for Baluchi tribes in Iran or, conceivably, in Pakistan. However, the suitability of Islamabad as a transfer point for hot cargo to any point in distant Baluchistan is highly questionable -- as the recent discovery demonstrated.

Little Likelihood of Soviet Involvement. Although both Tehran and Islamabad have alleged that Moscow is supporting separatist movements in Iran and Pakistan, there is no evidence to support these charges; on the contrary, the Soviet Union has on occasion attempted to restrain Iraq's activities against Iran.

3

This report was produced by the Bureau of Intelligence and Research. Aside from normal substantive exchange with other agencies at the working level, it has not been coordinated elsewhere.

~~SECRET/NO FOREIGN DISSEM~~

SUBJECT TO GENERAL DECLASSIFICATION
SCHEDULE OF EXECUTIVE ORDER 11652
DECLASSIFIED ON DECEMBER 31, 1981

RNAN-9
2-15-73
DEF I2 PAK
NR
POL PAK-USSR
NR
POL PAK

DECLASSIFIED
 Authority NND969029
 By MW NARA Date 01/12/01 DISSEM

DECLASSIFIED
 A/ISS/IPS, Department of State
 E.O. 12958, as amended
 October 11, 2007

2 -

Bhutto Scores. What is clear, however, is that the Government of Pakistan carefully stage-managed the incident for maximum effect. Obviously having had detailed advance information on the Iraqi arms shipments, Islamabad allowed them to clear customs at Karachi and accumulate in Islamabad until it was ready to stage the sensational discovery in which newsmen and TV crews participated. The government immediately released a detailed statement, apparently prepared in advance, which reached its embassies abroad the same day. The statement implicated no Pakistani by name, and Bhutto himself did not then make any public comment on the incident. However, government officials and government-guided media have unanimously and vociferously interpreted it as prima facie evidence of a Soviet plot to promote rebellion by the National Awami Party (NAP), and thus destroy the unity of Pakistan.

The Targets -- At Home ... Although NAP leader Wali Khan has recently made a series of conciliatory statements, disavowing separatism and denying any intention to oppose Bhutto's draft constitution in the Assembly next month, he remains the most immediate threat to Bhutto's dominance through strong central government. Bhutto had been inhibited from overt moves against Wali or the NAP by fear of an uprising in the Northwest Frontier Province and Baluchistan, the two provinces where the tribal-supported NAP is politically dominant. Now, his hand strengthened by the Iraqi arms seizure, Bhutto has begun a clamp-down on the NAP: On February 13, NAP leaders in Punjab were placed under house arrest, and on February 15 Bhutto dismissed the NAP Governors of of Baluchistan and NWFP and proclaimed President's rule in Baluchistan.

SECRET/NO FOREIGN DISSEM

DECLASSIFIED
 Authority NND969024
 By MW NARA Date 9/18/07

DECLASSIFIED
 A/ISS/IPS, Department of State
 E.O. 12958, as amended
 October 11, 2007

3 -

...and Abroad. The incident was even more ideally suited to support Pakistan's upcoming approach to the US for military and economic support. Authoritative Pakistani spokesmen have charged not only that the 1971 defeat by India took place at Soviet instigation, but also that the Soviets responded to the Sino-US detente by undertaking to destroy the ally which helped make that detente a reality. Thus, Bhutto sees Pakistan as a partner in a new Asian alliance against the USSR, and he maintains that Pakistan is directly threatened by the Soviet Union as a result of this relationship.

Recently, Pakistani officials have been complaining that the US fails to appreciate the magnitude of the Soviet threat to US interests in South Asia. Bhutto has asked the US to review its interests in the area and to fashion a new relationship with Pakistan on the basis of its conclusions. Now, more than ever, he considers that Pakistan must reach a new security relationship with the US. When Governor Khar (and possibly Bhutto) visit Washington next month, Pakistan can cite the Iraqi arms offenses as "proof" of their view of Soviet intentions.

Uncanny Coincidence. Whatever the facts of the incident, it has been a political windfall for Bhutto, affording him ammunition against domestic opposition and supporting his key foreign policy objective. So well does the Iraqi arms incident serve Bhutto's purposes that the possibility of Pakistan's provocation in the affair cannot be excluded. As Afghan Prime Minister Shafiq observed, the incident appears "too pat to fit."

INR/Near East and South Asia
 Director : Curtis F. Jones *[Signature]*
 Analyst *WJH* : WHowells/TGerth
 Ext. : 22227
 Released by: David E. Mark *DEMark*

SECRET/NO FORN DISSEM