SUMMARY: EFFORT TO DETERMINE JUST WHAT IRAQIS WERE UP TO IN SHIPPING SEVERAL HUNDRED SOV-MADE SUB-MACHINE GUNS AND SOME OTHER WEAPONRY TO ISLAMABAD HAS BEEN UNSUCCESSFUL. THIS FAR, AND INDEED WE MAY NEVER KNOW THE PRINCIPAL FACTS. GOOD CASE CAN BE MADE (IN ABSTRACT) THAT USSR SOMEHOW INVOLVED, BUT THIS REMAINS UNCERTAIN. EVEN PAKISTANIS, WHO PRONE TO BELIEVE IRAQIS WERE ACTING FOR SOVS TO HARM PAKISTAN, ADMIT THEIR LACK OF PROOF. ARMS INCIDENT NEVERTHELESS HAS IMPORTANT IMPLICATIONS FOR BOTH PAKISTAN'S DOMESTIC AND REGIONAL FOREIGN RELATIONS, AND WILL THUS CONTINUE TO MERIT SPECULATION AND SCRUTINY. END SUMMARY
Since my return from consultations last weekend, I have been attempting to get further information and/or insight regarding Pak-haul of Soviet weapons at Iraqi Chancery here Feb 16. To this end I have sought out variety of GOP officials and diplomatic colleagues for their views. Reports of my talks with mid-east dirgen of MFA, director of Pak intelligence bureau, and Sov am have already been sent. Others with whom I have discussed arms matter at some length include British, French, Saudi and Syrian ambs and Iranian charge, and GOP information secretary. Our arma has seen and reported on his meetings this week with director of Pak intelligence and director of (Army) military intelligence. We have also been studying a couple of recent public statements by Pres Bhutto referring to the arms incident and extensive press commentary. The following is where I come out at this moment.

The fact that several hundred sub-machine guns of Soviet make, and some other small arms and ammunition, were found in Iraqi embassy here is not disputed by anyone. That fact itself has some importance—perhaps major—for Pakistan's domestic situation and its foreign relations. But the implications are not yet clear in the absence of some more precise information on the arms operation. For example, for just whom were the arms intended, what was their intended use, and were any others than the Iraqis involved in sending them?

Origin of arms. The central question is whether the Iraqis acted alone or gather they may very well have done so if their particular objective was to harass Iran. There would seem to be very little reason for the Iraqis on their own to carry out an operation against Pakistan with whom they appear generally to have been trying to improve their relations. Possible, however, that Baghdad may have seen strengthening of dissident elements in Pakistani Baluchistan as serving its interests against Iran. Justifying risks of operation against Pakistan itself. I suppose there is also possibility that some elements of Iraqis body-politic saw reasons to carry out this operation without knowledge of some responsible elements of Iraqi govt, for reasons not now perceivable to us.
4. Consensus here is that career Iraqi Amb. Suleyman was pathetic and reasonably innocent victim of Iraqi arms caper. He must have known something fishy was going on, with cases stacked in his embassy marked for opening only by Pol. Attaché al-Saoudy. We gather al-Saoudy was not under direct control of his Amb. We think Amb. either chose not to ask what al-Saoudy was up to in importing cases with questionable contents, or that if he asked he was told to mind his own business. Those of us who knew Amb. Suleyman considered him pretty straightforward character. He lived for some time in Washington and expressed friendly feelings toward us. He presumably had substantial reservations regarding current Iraqi leadership.

6. If one looks for another party acting somehow in collusion with Iraqis, choice most logically falls on USSR. Weapons are of Sov origin, and Sovs are well entrenched in Iraq. Sovs have interests in Subcontinent and elsewhere in Asia which could motivate them to carry out clandestine operations against Pak govt. Factors could include dislike of Pak closeness to China, personal distrust of Bhutto, and desire to build on Soviet strength in India. Then there is old story of Russian desire for land corridor to Indian Ocean waters, which they could reach via Afghanistan and a friendly Baluchistan. Against presumed logic of possible Sov involvement in Iraq arms incident, I note doubts that USSR: see its interests in this region served at this time by stirring up the pot in Pakistan (see: Islamabad 1603: Expatrating on this subject). Also, one must wonder whether, if Sovs were involved in this incident, they would have dared to allow its execution to remain in clumsy hands of Iraq (which permitted, for example, some loose guns to be shipped in canvas sacks).

7. Pakistanis with whom we have spoken are unanimous; more or less strongly, in stating they assume Sov involvement (although admitting hard proof lacking as of now). French Amb. assumes: cf. Sov involvement. Syrian Amb. does not rule out such possibility (seeing Iraqis as possibly responding to Sov interests), and British Amb. undecided because he had been inclined believe Sovs wanted to keep this region...
QUIET AT THIS TIME.

8. PAKS HAVE ALSO ALLUDED TO PROBABLE INVOLVEMENT OF INDIA--BHUTTO HAS RECENTLY MADE SUCH CHARGE IN LETTER TO PRES NIXON. (AT SAME TIME BHUTTO SAID AFGHANISTAN ALSO PROBABLY INVOLVED IN SUCH CONSPIRACY). IN TALKING TO NUM-BER OF VISITING BRITISH MPS WHO WERE HERE LAST WEEK, BHUTTO AVOIDED IMPLICATING INDIANS DIRECTLY IN ARMS INCIDENT BUT IMPLIED THEY WERE INVOLVED WITH SOVS. GOP IS NOW IN HABIT OF LINKING SOVS AND INDIANS AS WISHING ILL TO PAKISTAN.
9. INTENDED USE OF WEAPONS. IT IS EASIEST TO PROVIDE POLITICAL REASONING IF ONE ASSUMES THAT IRAQ, ACTING PRESUMABLY ALONE, WANTED GUNS TO GO TO CAUSE TROUBLE AGAINST IRAN VIA BALUCHISTAN. UNFORTUNATELY, BALUCHISTAN PREMISE DOES NOT SEEM TO MAKE MUCH SENSE ON LOGISTICAL GROUNDS: LONG, SOFT BALUCHISTAN COASTLINE ON ARABIAN SEA, CONSIDERED TO BE HAVEN FOR SMUGGLERS, APPEARS TO BE MUCH MORE LOGICAL POINT OF ENTRY FOR GUNS DESTINED FOR BALUCHISTAN. NONE OF THE PERSONS WITH WHOM I HAVE SPOKEN THIS WEEK MENTIONED ABOVE (INCLUDING IRANIAN CHARGE), GIVES MUCH CREDENCE TO THESIS THAT GUNS WERE ACTUALLY INTENDED FOR USE IN BALUCHISTAN.

10. NOR DOES IT SEEM TO MAKE MUCH SENSE THAT GUNS WOULD HAVE BEEN INTENDED FOR INFILTRATION INTO OTHER PRINCIPAL PAKISTAN TROUBLE SPOT, THE NORTHWEST FRONTIER PROVINCE, EVEN IF THE PATHANS DID NOT ALREADY HAVE ENOUGH WEAPONS OF THEIR OWN, MAINLY OF LOCAL MANUFACTURE, SOV WEAPONS...
COULD EASILY BE INFILTRATED INTO NWFP ACROSS THE SOFT AFGHAN-TRIBAL LAND BORDER.

11. OTHER PRINCIPAL SPECULATION CENTERS ON INTENDED USE OF WEAPONS BY ANTI-GOP ELEMENTS IN AND AROUND ISLAMABAD CAPITAL AREA OR URBAN CENTERS OF SURROUNDING PUNJAB STATE. THIS IS THESIS CURRENTLY Favored By GOP Spokesmen, And It Has Been Mentioned Explicitly By BHUTTO. THEORY IS THAT OUTBREAK OF ARMED VIOLENCE This Area Would Sow Confusion, Tend Toward Chaos And Weaken GOP Ability To Take Necessary Steps To Contain Trouble In Other Areas Such As BALUCHISTAN AND NWFP. BRITISH AMB For ONE, Inclined Toward This Thesis.

12. WHERE DO WE COME OUT? I HAVE TO ADMIT NOT ONLY IGNORANCE OF FACTS BUT ALSO UNCERTAINTY AS TO WHAT IRAQI-SOV ARMS INCIDENT MEANS. INTUITIVELY, I FIND IT HARD TO BELIEVE THAT IRAQ WOULD HAVE PULLED OFF SUCH A CAPE WITHOUT AT LEAST KNOWLEDGE IF NOT COMPLICITY OF SOVS; BUT MAYBE THAT IS SO BECAUSE I MISJUDGE IRAQI CAPABILITY FOR INDEPENDENT IRRESPONSIBLE ACT. ON OTHER HAND, I RECOGNIZE THAT IF SOVS WERE ACCOMPICES, OR AT LEAST PARTIES BEFORE THE ACT, WE HAVE TO CHANGE OUR PREVIOUS VIEW THAT MOSCOW PREFERRED AT THIS TIME TO SEE RELATIVE PEACE IN REGION OF SUBCONTINENT AS TO INTENDED SPECIFIC USE OF WEAPONS AFTER THEY REACHED IRAQI EMBASSY HERE; I ADMIT TO SUBSTANTIAL CONFUSION.

13. I CONCLUDE THAT AT THIS MOMENT, WE ARE RICH IN QUESTIONS AND POOR IN FACTS EXCEPT THAT SOME WEAPONS OF SOV ORIGIN WERE SHIPPED COVERTLY BY THE IRAQI TO ISLAMABAD. ALTHOUGH IT IS DISAPPOINTING TO EMERGE WITH THESE MAJOR UNCERTAINTIES, WE ARE NOT ALONE WITH THEM. THE LEAST WE CAN DO IS TO KEEP ON ALERT FOR FURTHER FACTS, WHILE RECOGNIZING WE MAY NEVER GET TO BOTTOM OF THIS CURIOUS AFFAIR. GDS SOBER.