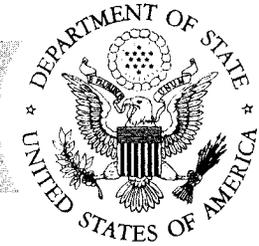


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INDIA, PAKISTAN, AND US ARMS: PROOF OF THE POLICY IS IN THE IMPLEMENTATION

Initial reactions to the March 14 US announcement of resumed arms supply to South Asia were enthusiastic in Pakistan and critical in India. Subsequent official comment has been muted, suggesting that although both governments have reservations, they are temporarily pacified. Their final assessments will await clarification on the amount and nature of military supplies which will be available to Pakistan.

India -- Skeptical Acquiescence. Following its initially sharp criticism, the Indian Government has adopted a wait-and-see attitude toward the US decision. On March 14 and 15 Foreign Minister Swaran Singh expressed India's "grave concern," but since Ambassador Moynihan's call on Mrs. Gandhi, official comment has been minimal and muted. Although Indian officials are unhappy to see any arms shipments to Pakistan, there are indications that some see a net benefit to India. Several influential newspapers have carried well-informed and probably officially inspired articles which accentuate the positive aspects for India of US policy statements accompanying the decision. The pro-Western Statesman proposed March 22 that US statements are "in the direction of recognizing that the current power equation -- clearly in India's favor -- is justified and is in the interest of all to preserve." More concrete evidence that

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the Indian Government does not intend to "go to the mat" with the US on the arms decision is contained in Finance Minister Chavan's statement of March 20 welcoming the US restoration of \$87 million in suspended economic credits for India. Leftist elements in India had argued against Indian acceptance of the credit. Furthermore, the March 21 Hindu reported that India is reconsidering its restrictions on Indo-American cultural exchanges.

Nevertheless, the US decision may have made Mrs. Gandhi more cautious in proceeding toward an Indo-US detente. A significant portion of the Indian press is critical of the arms decision. The March 27 National Herald, which often provides an outlet for Mrs. Gandhi's private views, chose the decision as a peg for a broadside attack on US motives in South Asia. Moreover, in recent days Prime Minister Gandhi and Congress Party President Sharma have made several speeches critical of US policy in language reminiscent of the October "CIA exposure" campaign.

It is too early for a firm reading on Indian policy decisions in response to the arms decision, and probably none have been made. Debate undoubtedly will continue within the Indian Government, perhaps often by proxy through speeches and the press, on how India should respond. At present it appears that the Government will continue to seek an improvement in relations with the US but will carefully measure the magnitude of US arms sales to Pakistan in calculating the pace of India's efforts toward detente.

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Pakistan -- Hopeful for More. In Pakistan's view, the decision does not go far enough: In a March 15 speech, President Bhutto welcomed the decision, but pointed out that, since it was made in the context of a US-Pakistani bilateral agreement which is still valid, he considers the US has not been fulfilling its obligation under that agreement.

Bhutto's pointed reference to Pakistan's bilateral agreement with the US seems designed to encourage the possibility of a return to the US-Pakistani "special relationship" of the 1950's. The Pakistanis undoubtedly harbor a latent hope that, with appropriate support from the US (and China), a psychological if not military balance of power is possible between India and Pakistan. Several Pakistani newspapers have interpreted the US decision as contributory to a restoration of the balance of power in the sub-continent, thus indicating that the concept is very much on the Pakistani mind. Bhutto undoubtedly will be pressing for maximum liberality in US implementation of its arms supply policy when he visits the US. Until then the Pakistanis probably will continue to play the decision in low key, satisfied that it represents at least an initial step in buttressing Pakistan's self-confidence in its relationship with India.

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