Interagency Intelligence Memorandum

Response to NSDM 289: Arms Shipments to India and Pakistan During the Second Half of 1976

Top Secret

NIO IIM 76-047 TS 761516 December 1976

Approved For Release 2007/03/04P: CUP RIP F9 F00603A 902900010016-6	25X1 25X1
30 December 1976	
INTERAGENCY INTELLIGENCE MEMORANDUM*	
SUBJECT: Arms Shipments to India and Pakistan During the Second Half of 1976	
KEY POINTS	
India's military imports during the last half of 1976 raises the total for all of 1976 to \$207 million for India and \$164 million for Pakistan.	25X1
The USSR remained India's major supplier and this relationship is likely to continue. The most significant Indian imports were SA-6 missiles	25X1
India's first receipt of this low altitude missile system and the MIG-21 Bis aircraft. The Soviets are also suspected to have approved New Delhi's request to produce MIG-21 Bis fighters under license in India.	25X1

^{*} This Memorandum is one of a series produced semiannually in response to NSDM 289. It has been prepared jointly by the Central Intelligence Agency, the Defense Intelligence Agence Agency, and the Bureau of Intelligence and Research, Department of State.

- -- China remained Pakistan's key military supplier, but France has become an increasingly important source of sophisticated equipment. France recently supplied Pakistan with its first surfaceto-air missiles. Pledges by Middle Eastern countries to provide funds to Pakistan for military purchases rose sharply, but few purchases have yet been made with these funds.
- -- Both countries continue to develop their overall nuclear programs, but in the last six months neither has made significant new progress toward a nuclear weapons capability. Some important developments, however, have occurred:
 - Heavy water imported by India from the USSR this past fall is for use in the second Rajasthan reactor and will almost certainly be subject to IAEA safeguards. Nevertheless, these imports will enable India to save domestically produced heavy water for the CIRUS reactor and for certain reactors under construction which are not safeguarded and are therefore potential sources of plutonium for weapons.
 - There have been discussions about possible cancellation or postponement of the sale of a reprocessing plant by France to Pakistan. The
 deal, however, is not yet dead. Such a plant
 would be an essential acquisition if Pakistan
 were to construct its own nuclear device.

- -- The net impact of the military equipment received by India and Pakistan in 1976 has not significantly affected India's overwhelming military superiority.
 - The 110 A-7 fighter bombers Pakistan has asked to buy from the US would improve Pakistan's ground support and air interdiction capabilities, but not significantly enhance its position vis-a-vis India.* Indian modernization programs already underway in the air defense field largely negate the increased threat that Pakistani A-7s would pose. The Indians, moreover, probably would further improve their low altitude defense system and intensify their efforts to purchase deep penetration strike aircraft from either Britain, France, Sweden, or the USSR. (India has been considering such purchases for several years.)

^{*} The Bureau of Intelligence and Research, Department of State, does not believe that the brief accompanying commentary is sufficient to support the judgment that Pakistan's acquisition of A-7s would "not significantly enhance its position vis-a-vis India." The subject requires, in the opinion of State/INR, more comprehensive consideration of the psychological and political implications in both India and Pakistan. State/INR notes, moreover, that the response called for by NSDM 289 does not include discussion of hypothetical sales but is limited to discussion of cumulative arms shipments, deliveries, and contracts during the previous six months.

Next 10 Page(s) In Document Exempt