

THE DIRECTOR OF CENTRAL INTELLIGENCE

WASHINGTON, D.C. 20505

Deputy Director for National Foreign Assessment

NFAC 5284-81  
20 August 1981

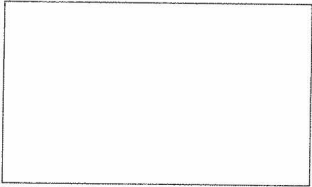
MEMORANDUM FOR: Director of Central Intelligence  
Deputy Director of Central Intelligence

VIA: Deputy Director for National Foreign Assessment  
National Intelligence Officer for Warning

FROM:   
Acting Special Assistant for Nuclear Proliferation  
Intelligence

SUBJECT: Warning Report--Nuclear Proliferation

The Interagency Intelligence Working Group on Nuclear Pro-  
liferation Intelligence met on 19 August 1981 to discuss warning  
matters. Attached is my report based on the discussion that took  
place and on recently-acquired DO information.



Attachment:  
Warning Report

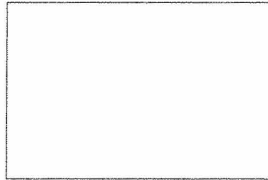
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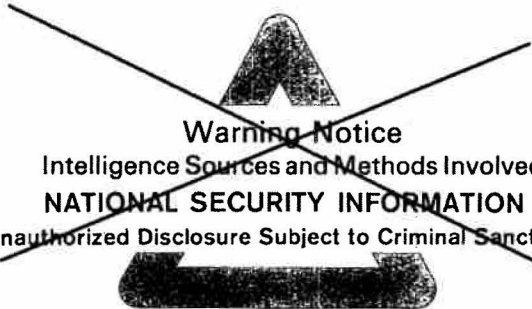
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20 August 1981

Warning Report: Nuclear Proliferation\* [redacted]

Pakistan/India. The Pakistanis seem not to be overly concerned about the findings of the International Atomic Energy Agency concerning the inadequacy of safeguards at the nuclear power plant in Karachi. (The results of a preliminary analysis indicate that a large amount of irradiated fuel--possibly containing enough plutonium for a nuclear explosive--could have been diverted from the plant in recent months.) Islamabad has instructed its Ambassador in Washington to inform US officials that Pakistan will resist a proposed upgrading of safeguards at the plant. President Zia may have concluded that Pakistan will be able to parry the IAEA findings and that no damage is likely to be done to the prospective military assistance agreement with the United States. The Indians and Soviets could raise the issue of safeguards on Pakistan's nuclear program at an upcoming IAEA meeting as one means of undermining the US-Pakistani arms deal.

Prime Minister Gandhi is [redacted] planning to inform Western leaders at the October Cancun summit of the threat of war posed by US arms supplies to Pakistan. Her view is that Pakistan's acquisition of US F-16 aircraft and its development of nuclear weapons pose a great security threat to India. She is particularly concerned that India's oil and nuclear installations will become vulnerable to Pakistani air attack. And Indian defense officials reportedly are now of the view that war between India and Pakistan is not as remote as it was a year ago. [redacted]

\*The memorandum is produced periodically by the Special Assistant to the DD/NFA for Nuclear Proliferation Intelligence. Its purpose is to review possible developments in the short-term future that would be damaging to US interests. Obviously, many of these developments will not occur in the time frame or in the manner suggested, or will not occur at all.

[redacted]  
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