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Military Aid to Pakistan
Possibility of extending CCAD cover to Pakistan
Internal Situation
The Death of President Zia

PAKISTAN

October 1979

Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
7-8-88		- See Relations					
18-8-88							
13-8-88							
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Military Aid to Pakistan
Possibility of extending AD cover to Pakistan
Internal Situation
The Death of President

PAKISTAN

October 1979

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17-8-88		- See Rel					
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Cabinet / Cabinet Committee Documents

[illegible]

The documents listed above, which were enclosed on this file, have been removed and destroyed. Such documents are the responsibility of the Cabinet Office. When released they are available in the appropriate CAB (CABINET OFFICE) CLASSES

Signed M. Wilkins

Date 17/4/18

PREM Records Team

Foreign and Commonwealth Office document

Reference: Diplomatic Report No 109/83 FSP 014/2

Description: Pakistan: Annual Review for 1982

Date: 27 January 1983

The above FCO documents, which were enclosed on this file have been removed and destroyed.

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Signed M Wilm

Date 17/4/18

PREM Records Team

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FM ISLAMABAD

TO IMMEDIATE FCO

TELNO 682

OF 151004Z JULY 93

INFO PRIORITY KARACHI, NEW DELHI, RIYADH, UKMIS NEW YORK,
INFO PRIORITY WASHINGTON, ACTOR

MY TELNO 673: PAKISTAN INTERNAL

SUMMARY

1. VARIOUS TALKS BETWEEN PRIME MINISTER, PRESIDENT AND ARMY CHIEF FAIL TO RESOLVE CRISIS. NAWAZ SHARIF'S ADDRESS TO THE NATION POSTPONED. HE AGAIN OFFERS DIALOGUE, TO BENAZIR BHUTTO BUT SHE STILL RESISTS THIS. OPPOSITION MARCH ON ISLAMABAD TOMORROW (16 JULY), WITH DECLARED INTENTION OF LAYING PEACEFUL SIEGE TO THE CAPITAL UNTIL THE GOVERNMENT FALLS. OVERT ARMY INTERVENTION UNLIKELY. BUT CRISIS MAY BE COMING TO A HEAD.

DETAIL

2. THIS WEEK HAS SEEN A SERIES OF MEETINGS INVOLVING THE PRESIDENT, PRIME MINISTER AND CHIEF OF ARMY STAFF. BUT THESE HAVE BROUGHT NO (NO) BREAKTHROUGH SO FAR IN THE POLITICAL CRISIS. THE MAIN STICKING POINT REMAINS THE HOLDING AND TIMING OF ELECTIONS. NAWAZ SHARIF IS REPORTED TO HAVE OFFERED TO HOLD ELECTIONS BEFORE THE END OF THIS YEAR, BUT ONLY IF THE PRESIDENT RESIGNS FIRST WHICH ISHAQ KHAN IS RELUCTANT TO DO.

3. THE PRIME MINISTER'S ADDRESS TO THE NATION DUE ON 13 JULY WAS AGAIN CANCELLED. THERE IS SPECULATION THAT HE MAY SPEAK TONIGHT (15 JULY), BUT LITTLE INDICATION THAT HE IS LIKELY TO MAKE ANY SIGNIFICANT CONCESSIONS IF HE DOES. NAWAZ SHARIF HAS MEANWHILE AGAIN WRITTEN TO OPPOSITION LEADER BENAZIR BHUTTO INVITING HER FOR TALKS, THIS TIME ON NEUTRAL GROUND. IN HIS LETTER HE OFFERS TO REMOVE THE DISQUALIFICATION REFERENCES AGAINST OPPOSITION POLITICIANS BUT GIVES LITTLE HINT OF OTHER CONCESSIONS. HER REACTION REMAINS NEGATIVE.

4. THE STAGE IS THUS SET FOR THE COMBINED OPPOSITION MARCH ON ISLAMABAD TOMORROW (16 JULY). DOUBTS ABOUT TAKING PART IN THIS WITHIN THE PPP NOW SEEM TO HAVE BEEN OVERCOME - RELUCTANTLY, ACCORDING TO BENAZIR BHUTTO. THE MARCH WILL HAVE THE ACTIVE ASSISTANCE OF THE PUNJAB AND NWFP PROVINCIAL ADMINISTRATIONS, AS

WELL AS OTHER ASSORTED OPPOSITION PARTIES IN THE ALL PARTIES CONFERENCE (APC). OPPOSITION LEADERS ARE EXPECTED TO BRING CAVALCADES FROM LAHORE AND OTHER CITIES TO A RALLY IN RAWALPINDI ON FRIDAY AFTERNOON BEFORE MARCHING TOWARDS ISLAMABAD. BENAZIR BHUTTO TOLD THE PRESS THAT THE MARCH WOULD BE ABSOLUTELY PEACEFUL. THE MARCHERS WOULD NOT (NOT) SEEK TO ENTER ISLAMABAD BY FORCE NOR EVEN TO RESIST ARREST. THEY WOULD HOWEVER LAY SIEGE TO ISLAMABAD UNTIL NAWAZ SHARIF WAS OUSTED.

5. FOR THEIR PART THE GOVERNMENT ARE DETERMINED TO PREVENT THE MARCH ENTERING ISLAMABAD. FRONTIER CONSTABULARY (WHO COME UNDER FEDERAL CONTROL) HAVE BEEN BROUGHT IN TO REINFORCE THE CAPITAL POLICE. IN RESPONSE TO A FORMAL REQUEST FROM THE FEDERAL GOVERNMENT, AN ARMY SPOKESMAN SAID THAT THE MILITARY WOULD PROTECT SENSITIVE INSTALLATIONS AND FOREIGN MISSIONS (WHERE THEY ARE UNLIKELY TO BE IN THE FRONT LINE AGAINST THE MARCHERS). THE ARMY SEEMS TO BE TRYING TO STEER A MIDDLE COURSE.

6. ON 14 JULY THE PESHAWAR HIGH COURT ANNOUNCED ITS UNANIMOUS DECISION TO UPHOLD THE DISSOLUTION OF THE NWFP PROVINCIAL ASSEMBLY. THIS MEANS THAT THE PRO-PRESIDENT CARETAKER ADMINISTRATION WILL REMAIN IN PLACE. NAWAZ SHARIF'S SUPPORTERS ARE LIKELY TO APPEAL TO THE SUPREME COURT, BUT THIS WILL TAKE TIME.

7. MEANWHILE THE LAHORE HIGH COURT IS STILL HEARING THE CASE AGAINST THE SECOND DISSOLUTION OF THE PUNJAB ASSEMBLY. THE PLANNED REFERENCE ON THE JOINT ASSEMBLY RESOLUTION IMPOSING CENTRAL RULE IN PUNJAB HAS NOT (NOT) YET EVEN BEEN SENT TO THE SUPREME COURT. THE PRESIDENT REFUSED TO FORWARD IT AND THE GOVERNMENT ARE EXPLORING OTHER TACTICS.

COMMENT

8. LAST WEEK THERE WAS A WIDESPREAD FEELING THAT MATTERS COULD COME TO A HEAD WITHIN DAYS, AND PERHAPS BEFORE BY THE LONG MARCH. OPPOSITION MEMBERS WERE SAYING THAT EITHER NAWAZ SHARIF WOULD CONCEDE ELECTIONS UNDER A NEUTRAL CARETAKER GOVERNMENT OR HE WOULD BE FORCED OUT BY THE ARMY AND/OR THE PRESIDENT. NONE OF THIS HAS YET HAPPENED, AND NAWAZ SHARIF SEEMS DETERMINED TO TOUGH THINGS OUT AND DARE HIS OPPONENTS TO TAKE DRASTIC ACTION. THE OPPOSITION, FOR THEIR PART, SEEM TO HOPE TO CONFINE HIM TO ISLAMABAD THROUGH THE LONG MARCH, BUT WITHOUT PROVOKING DISORDER WHICH COULD SPARK AN ARMY INTERVENTION. THEIR AIM, APART FROM DEMONSTRATING THE STRENGTH OF THEIR SUPPORT, MAY BE TO CREATE A SITUATION IN WHICH THE PRESIDENT COULD AGAIN DISSOLVE THE NATIONAL ASSEMBLY ON THE

GROUND THAT THE GOVERNMENT OF THE FEDERATION COULD NOT BE CARRIED ON IN ACCORDANCE WITH THE CONSTITUTION, BUT THIS TIME WITH LESS FEAR OF A JUDICIAL REVERSAL - AND WITH MORE SUPPORT FROM THE ARMY. THIS IS AT LEAST WHAT SOME OPPOSITION PEOPLE ARE SAYING.

9. ALTHOUGH THE LONG MARCH IS GOING AHEAD, FEARS OF AN OVERT MILITARY INTERVENTION (WHICH MAY ANYWAY HAVE BEEN EXAGGERATED) NOW SEEM TO HAVE RECEDED - HELPED PERHAPS BY THE CLARIFICATION OF LIKELY CRITICAL REACTIONS TO SUCH A DEVELOPMENT FROM THE EUROPEAN COMMUNITY COUNTRIES, THE U.S. AND JAPAN. BUT THE STAKES ARE HIGH FOR BOTH GOVERNMENT AND OPPOSITION IN THIS GAME OF BRINKMANSHIP. MATTERS COULD WELL STILL COME TO A HEAD, ONE WAY OR ANOTHER, IN THE NEXT FEW DAYS.

BARRINGTON

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PAGE 3
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TO PRIORITY FCO

TELNO 581

OF 150600Z JUNE 93

INFO ROUTINE KARACHI, NEW DELHI, WELLINGTON, UKMIS NEW YORK, DTI

YOUR TELNO 339: PRIME MINISTER'S MESSAGE TO NAWAZ SHARIF

SUMMARY

1. PRIME MINISTER'S MESSAGE OF CONGRATULATIONS TO NAWAZ SHARIF RECEIVED WARMLY. HE IS CONCERNED ABOUT ECONOMIC REPERCUSSIONS OF CONTINUED POLITICAL UNCERTAINTY. HOPES TALKS WITH OPPOSITION WILL BE FRUITFUL AND THAT THE PRESIDENT WILL LAY OFF. POSITIVE ON TROOPS FOR BOSNIA. ACCEPTS IMPORTANCE OF NARCOTICS LEGISLATION. OFFERS HELP ON A BILATERAL COMMERCIAL ISSUE. GOODWILL FOR U K MANIFEST.

DETAIL

2. NAWAZ SHARIF RECEIVED ME ON 13 JUNE TO TAKE DELIVERY OF MR MAJOR'S MESSAGE OF CONGRATULATIONS ON HIS RESUMPTION OF OFFICE. HE WAS ACCOMPANIED BY SHAHARYAR KHAN, FOREIGN SECRETARY (PUS EQUIVALENT). NAWAZ SHARIF WAS AT HIS MOST FRIENDLY AND RELAXED. HE SAID THAT THE EARLIER MESSAGE OF SYMPATHY SENT BY MR MAJOR HAD BEEN THE BEST AND MOST WELCOME OF THE FEW HE HAD RECEIVED WHEN OUT OF POWER AND HE WAS VERY APPRECIATIVE, AS HE HAD CONVEYED IN A MESSAGE BACK TO MR MAJOR WHICH HAD CROSSED WITH THIS ONE. I SAID THAT IT WAS NOT PERHAPS SO SURPRISING THAT WE HAD SENT A MESSAGE, AFTER THE GOOD RELATIONSHIP HE HAD ENJOYED WITH MR MAJOR, BUT THAT OTHERS HAD NOT THOUGHT TO MAKE SUCH A GESTURE. WE BELIEVED IN STICKING TO OUR FRIENDS WHETHER THEY WERE IN OR OUT OF POWER. NAWAZ SHARIF COMMENTED THAT HE WAS LUCKY TO HAVE SUCH GOOD BRITISH FRIENDS.

3. HIS MIND WAS CLEARLY ON THE INTERNAL POLITICAL SITUATION. HE TALKED ABOUT HIS GOVERNMENT'S COMMITMENT TO PRODUCE TROOPS FOR UN DUTIES IN BOSNIA, REPORTED SEPARATELY. HE CONFIRMED THAT THIS WAS A GOVERNMENT DECISION, PROVIDED EQUIPMENT WAS MADE AVAILABLE FOR THEM.

4. HE THEN REVERTED TO HIS ATTEMPTS TO REACH SOME UNDERSTANDING WITH THE LEADER OF THE OPPOSITION AND BENAZIR BHUTTO'S HESITATION IN ENGAGING IN A SUBSTANTIVE DIALOGUE. HE HAD MADE A SINCERE

GESTURE IN PARLIAMENT AND HAD CONTACTED HER ONCE OR TWICE SINCE THEN BY TELEPHONE, WITH GOOD WISHES FOR EID ETC. SHE SEEMED HESITANT ABOUT TAKING UP HIS OFFER BUT PERHAPS IT WAS A MATTER OF TIME. HE AGREED THAT THERE MIGHT BE PEOPLE ON BOTH SIDES TRYING TO PULL THE TWO OF THEM APART. HE KEPT SUCH PEOPLE IN HIS OWN PARTY UNDER CONTROL, WHEREAS SHE MIGHT HAVE MORE DIFFICULTY IN DOING THIS.

5. HE SAID THAT THE OPPOSITION WERE UNREASONABLE IN EXPECTING IMMEDIATE ELECTIONS AND THE FORMATION OF A NATIONAL GOVERNMENT, ON WHICH THE RECENT PRECEDENT OF THE CARETAKERS HAD NOT BEEN ENCOURAGING. BUT HE DID NOT RULE OUT THE IDEA OF BRINGING FORWARD THE ELECTION DATE, FOR EXAMPLE TO THE BEGINNING OF NEXT YEAR, AND HE CONFIRMED THAT FAIR ELECTIONS WERE VERY MUCH ONE OF HIS OWN OBJECTIVES. THE ANSWER WOULD PROBABLY BE TO ASK THE ARMY TO CONDUCT THE NEXT ELECTIONS. HE WAS CONFIDENT THAT HE WOULD WIN THEM IF THIS HAPPENED.

6. UNFORTUNATELY THE PRESIDENT WAS STILL USING EVERY STRATAGEM TO TRY AND CAUSE POLITICAL INSTABILITY IN THE COUNTRY. THIS WAS DAMAGING TO THE ECONOMY AND VERY MUCH AGAINST THE NATIONAL INTEREST. NAWAZ SHARIF REFLECTED ON THE GENERAL PRINCIPLE OF THE WAY WEAK OR UNSTABLE GOVERNMENTS MIGHT HAVE IMPLICATIONS FOR COMMERCIAL CONFIDENCE AND ECONOMIC POLICIES. HE HOPED THE PRESIDENT REALISED THAT, WITH THE EXCEPTION OF A FEW INDIVIDUALS, VIRTUALLY THE WHOLE COUNTRY WAS BEHIND HIMSELF (NAWAZ SHARIF) IN FOLLOWING THE SPIRIT OF THE DECISION OF THE SUPREME COURT AND ALLOWING THE GOVERNMENT TO GO AHEAD WITH ITS PROGRAMME. HE SEEMED RESIGNED TO THE FACT THAT IT WOULD TAKE SOME TIME STILL FOR THINGS TO WORK THEMSELVES OUT AND FOR THE ECONOMY TO GET BACK ON AN EVEN KEEL. HE SEEMED TO ACCEPT THAT SENSITIVE MATTERS SUCH AS THE 8TH AMENDMENT AND THE NOMINATION OF A NEW PRESIDENT TO SUCCEED ISHAQ KHAN IN THE AUTUMN WOULD HAVE TO BE DISCUSSED BETWEEN HIS PARTY AND THE OPPOSITION.

7. SHAHARYAR OF COURSE MADE LITTLE CONTRIBUTION TO THIS PART OF THE DISCUSSION BUT ON TWO SUBSEQUENT ISSUES WAS HELPFUL. DISCUSSION OF WHAT WEAK GOVERNMENTS COULD OR COULD NOT DO ALLOWED ME TO STRESS THE IMPORTANCE WE ATTACHED TO THE PROGRESS OF THE DRAFT COMPREHENSIVE LEGISLATION ON NARCOTICS, WHICH SHOULD COMMAND ALL PARTY SUPPORT. NAWAZ SHARIF INSTRUCTED SHAHARYAR TO FOLLOW THIS UP AS A PRIORITY. I EXPLAINED THE IMPORTANCE OF ACTION IN THIS FIELD BOTH IN ITSELF AND IN THE WAY IT WOULD HELP PAKISTAN'S IMAGE ABROAD.

8. THE SECOND POINT WAS WHAT I DESCRIBED AS THE MAIN CURRENT ITEM OF IMPORTANCE TO US IN BILATERAL RELATIONS: THE OFFER BY PREMIER CONSOLIDATED TO BUY THE SHARES OF BURMAH CASTROL IN PAKISTAN PETROLEUM LIMITED, AN INVESTMENT OFFER WHICH HAD BEEN FRUSTRATED FOR A NUMBER OF BUREAUCRATIC REASONS, TO THE EXTENT THAT THE BRITISH FIRM AND THEIR SAUDI ARABIAN PARTNERS HAD ALMOST GIVEN UP HOPE. NAWAZ SHARIF SAID HE WOULD TAKE THIS MATTER UP WITH HIS MINISTERS OF FINANCE AND PETROLEUM, AND ASKED SHAHARYAR TO PRODUCE A NOTE FOR HIM ON THE SUBJECT. SHAHARYAR REMINDED HIM THAT THIS WAS ONE OF THE POINTS RAISED BY MR MAJOR WHEN THEY HAD LAST MET IN LONDON. IT WAS SOMETHING THAT THE MINISTRY OF FOREIGN AFFAIRS HAD BEEN PURSUING. WE HAVE SEPARATELY BEEN APPROACHING THE MINISTER OF PETROLEUM ON THIS SUBJECT. HIS LATEST LETTER TO ME DATED 10 JUNE SUGGESTS THAT THINGS MAY AT LAST BE MOVING IN THE RIGHT DIRECTION. HE HAS DIRECTED THE CONCERNED OFFICIALS TO HOLD A MEETING WITH THE APPLICANT COMPANIES 'TO FINALISE THE AGREEMENT FOR THE GOVERNMENT'S FORMAL APPROVAL'.

COMMENT

9. THERE IS LITTLE DOUBT THAT THIS EXCHANGE OF MESSAGES HAS LEFT US VERY WELL PLACED TO PROMOTE BILATERAL OR MULTILATERAL INTERESTS WITH NAWAZ SHARIF. HIS GOODWILL TOWARDS THE U K IS MANIFEST. DESPITE HIS SENSE OF FRUSTRATION AT THE NEED TO CONTINUE TO FIGHT THE POLITICAL MANOEUVRES OF THE PRESIDENT, NAWAZ SHARIF EMANATED A SENSE OF SELF-CONFIDENCE. ONE OF HIS MORE OBJECTIVE POLITICAL SUPPORTERS SUBSEQUENTLY ATTRIBUTED THIS TO THE ASTONISHING DEMONSTRATIONS OF GENUINE PUBLIC SUPPORT THAT NAWAZ SHARIF HAD ENJOYED DURING HIS SHORT PERIOD IN OPPOSITION.

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Range
by in



PRIME MINISTER

Prime Minister

No reply needed. But
another warm letter.

Range.

Islamabad,
June 10, 1993

My dear Prime Minister,

I am writing to thank you for your very gracious gesture of sending a message expressing warm sentiments during the moment that most of us in Pakistan were going through a period of trial and tribulation. My family and I, and indeed all Pakistanis who uphold democratic values enshrined in the constitution and the rule of law, were touched by your gesture. Support from friends like you who share such values was a source of inspiration during that period. Thankfully, the values that all of us cherish triumphed and with the rule of law upheld by the Supreme Court, Pakistan is again back on track on the Constitutional path.

Politics, like Cricket, is often perceived and perhaps rightly so, as a "game of glorious uncertainties", a fact amply demonstrated by recent events in Pakistan. While I settle down at the crease for a new innings, please allow me to express once again my sincerest thanks for your kind sentiments. I look forward to renewing my personal contact with you at the earliest available opportunity.

Looking forward to your
visit to Pakistan.

With warm regards,

Yours sincerely,

(MUHAMMAD NAWAZ SHARIF)

The Rt. Hon'ble
John Major,
Prime Minister of the United Kingdom,
London.

~~SUBJECT~~
~~MASTER~~

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7/1



Foreign &
Commonwealth
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London SW1A 2AH

7 June 1993

Dear Roderic,

Message from the Prime Minister to Nawaz Sharif

As discussed, I enclose a revised message from the Prime Minister to Nawaz Sharif. The new element is an expression of condolence at the deaths and injuries sustained by Pakistani troops in the UN operation in Somalia. We think on reflection that this message is not the right vehicle by which to encourage the Pakistanis to send troops to implement the safe areas resolution in Bosnia. We will advise on that separately.

Yours ever

Stephen.

(J S Smith)
Private Secretary

• Roderic Lyne Esq CMG
10 Downing Street

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TO IMMEDIATE ISLAMABAD

TELNO

OF 071822Z JUNE 93

INFO PRIORITY KARACHI, NEW DELHI, WASHINGTON

INFO PRIORITY UKMIS NEW YORK, ACTOR

MESSAGE FROM THE PRIME MINISTER TO NAWAZ SHARIF

1. Please deliver the following message from the Prime Minister to Nawaz Sharif:

Begins

I have been following recent developments closely and I am delighted with the way that the constitutional processes in Pakistan have operated. The Supreme Court's clear decision on the restoration of the Government and the National Assembly is a positive step for democracy and the rule of the law.

As you again take up your duties as Prime Minister, I offer you my congratulations and cooperation. I wish you every success as you tackle the many problems which confront Pakistan, including the pursuit of economic reform and the urgent need for better relations with Pakistan's neighbours. I know that both of these are near to your heart. I look forward to continuing to work closely with you on these and other matters.

May

ISLAM7-6

PRIVATE OFF J S SMITH

270 2070

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IMMEDIATE

May I finally say how very sorry I was to hear of the deaths and injuries suffered by your troops in Mogadishu. This incident underlines the potential cost of peace-keeping operations which have a vital role to play in restoring peace and stability in Somalia, and elsewhere.

Ends

2. There will be no (no) signed original.

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Office

London SW1A 2AH

Spoke to Stephen
Smith.

Prime Minister

Mr.

Rum. 4/11
3 June 1993

Content for the
message to come
telegraphically?

Rmyl.

3/11

V. good message

Dear Roderic,

Message to Nawaz Sharif

On 29 April, the Prime Minister sent a personal message to Nawaz Sharif (copy enclosed), shortly after he was dismissed from office by the Pakistan President.

Nawaz Sharif has now been reinstated as Prime Minister following a ruling by the Supreme Court that the President's decision was unconstitutional.

He has won a parliamentary vote of confidence and we believe that the moment is right for the Prime Minister to send his congratulations. This would build on the previous personal message sent by the Prime Minister, which Nawaz Sharif very much appreciated. I enclose a draft. It would be helpful if this could be approved in time for delivery on 5 June, at the end of the Eid religious holiday in Pakistan.

The message does not mention Nawaz Sharif's invitation to the Prime Minister to visit Pakistan but this is presumably now back on the table, at least in Nawaz Sharif's eyes.

Yours ever,

J S Smith

(J S Smith)

Private Secretary

Roderic Lyne Esq CMG
10 Downing Street

TEXT OF DRAFT MESSAGE FROM THE PRIME MINISTER TO NAWAZ SHARIF

I have been following recent developments closely and I am delighted with the way that the constitutional processes in Pakistan have operated. The Supreme Court's clear decision on the restoration of the Government and the National Assembly is a positive step for democracy and the rule of the law.

As you again take up your duties as Prime Minister, I offer you my congratulations and cooperation. I wish you every success as you tackle the many problems which confront Pakistan, including the pursuit of economic reform and the urgent need for better relations with Pakistan's neighbours. I know that both of these are near to your heart. I look forward to continuing to work closely with you on these and other matters.

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TO PRIORITY FCO

TELNO 545

OF 311219Z MAY 93

INFO PRIORITY KARACHI, NEW DELHI, WASHINGTON, UKMIS NEW YORK

INFO ROUTINE DHAKA, RIYADH, TEHRAN

OUR TELNO 536: PAKISTAN INTERNAL

SUMMARY

1. THE CRISIS DEEPENS. PUNJAB AND NWFP PROVINCIAL GOVERNMENTS DISSOLVED. CARETAKER ADMINISTRATIONS APPOINTED OPPOSED TO NAWAZ SHARIF'S GOVERNMENT. NO-CONFIDENCE RESOLUTION TABLED AGAINST SINDH CHIEF MINISTER. NEW CHIEF MINISTER ELECTED IN BALOCHISTAN. SPEAKER CALLS URGENT MEETING OF NATIONAL ASSEMBLY AMID RUMOURS OF MOVE TO IMPEACH PRESIDENT.

DETAIL

PUNJAB

2. ON 29 MAY, PUNJAB GOVERNOR CHAUDHRY ALTAH HUSSAIN ACTING IN ACCORDANCE WITH ARTICLE 112 OF THE CONSTITUTION DISSOLVED THE PROVINCIAL ASSEMBLY ON THE ADVICE OF CHIEF MINISTER MANZOOR WATTOO. THE CHIEF MINISTER LATER TOLD THE PRESS THAT THE FEDERAL GOVERNMENT HAD BEEN UNDERMINING HIS ADMINISTRATION BY ILLEGAL MEANS INCLUDING BRIBERY AND THAT HE HAD BEEN LEFT WITH NO OPTION BUT TO SEEK A FRESH MANDATE. WATTOO WAS THEN SWORN IN AS CARETAKER CHIEF MINISTER. HE PROMISED TO HOLD FREE AND FAIR ELECTIONS WITHIN THE NINETY DAYS SET DOWN IN THE CONSTITUTION.

3. LEADER OF THE NAWAZ SHARIF FACTION OF THE MUSLIM LEAGUE IN THE PUNJAB ASSEMBLY CHAUDHRY PERVAIZ ELAHI HAS CHALLENGED THE LEGALITY OF THE GOVERNOR'S ACTION IN THE LAHORE HIGH COURT. HE ALLEGES THAT AT NOON ON 29 MAY NOTICE OF A VOTE OF NO-CONFIDENCE HAD BEEN GIVEN TO THE ASSEMBLY SECRETARY. ACCORDING TO THE CONSTITUTION A CHIEF SECRETARY CANNOT RECOMMEND DISSOLUTION OF THE ASSEMBLY IF THERE IS A NO-CONFIDENCE RESOLUTION OUTSTANDING AGAINST HIM. THE LAHORE COURT HAS DIRECTED THAT A CARETAKER CABINET SHOULD NOT BE APPOINTED WHILE THE CASE IS SUB JUDICE. MEANWHILE CARETAKER CHIEF MINISTER WATTOO HAS ACCUSED THREE MPAS FROM THE NAWAZ FACTION OF THE PML OF

ABDUCTING ASSEMBLY SECRETARY HABIBULLAH FROM A LOCAL HOTEL.

NORTH WEST FRONTIER PROVINCE

4. ON 30 MAY, IN A REPEAT OF EVENTS IN PUNJAB, GOVERNOR AMIR GULISTAN JANJUA DISSOLVED THE PROVINCIAL ASSEMBLY AND APPOINTED MIR AFZAL KHAN TO STAY ON AS CARETAKER CHIEF MINISTER. 18 MINISTERS HAVE BEEN SWORN IN TO A CARETAKER GOVERNMENT INCLUDING 4 MEMBERS OF THE PPP. BEGUM NASIM WALI KHAN, LEADER OF THE ANP (THE MAIN OPPOSITION GROUP) IN THE DISSOLVED ASSEMBLY, TERMED THE CHIEF MINISTER'S ACTION UNDEMOCRATIC AND MALAFIDE. SHE SAID HER PARTY WOULD CHALLENGE THE GOVERNOR'S ACTION IN THE SUPREME COURT AND DID NOT RULE OUT A CAMPAIGN OF AGITATION.

SINDH

5. ON 30 MAY, THE OPPOSITION PDA GROUP IN THE SINDH ASSEMBLY FILED A NO-CONFIDENCE MOTION AGAINST CHIEF MINISTER MUZAFFAR HUSSAIN SHAH. THE ASSEMBLY IS DUE TO MEET ON 6 JUNE TO CONSIDER THE RESOLUTION WHICH HAS BEEN SIGNED BY 37 PDA MEMBERS.

BALUCHISTAN

6. A SPECIAL SESSION OF THE BALUCHISTAN ASSEMBLY MET ON 30 MAY AND ELECTED NAWAB ZULFIQAR ALI MAGSI AS CHIEF MINISTER. HE WON THE VOTE BY THE NARROWEST OF MARGINS: 22 FOR: 21 AGAINST. MAGSI, A MUSLIM LEADER, IS A FORMER HOME MINISTER IN TAJ JAMALI'S GOVERNMENT.

FEDERAL

7. SPEAKER GOHAR AYUB HAS CONVENED THE NATIONAL ASSEMBLY FOR THE EVENING OF 31 MAY (TODAY) TO DISCUSS THE DEEPENING NATIONAL CRISIS. THE SPEAKER TOLD THE PRESS THAT THE PRESIDENT HAD A MORAL OBLIGATION TO STEP DOWN. BUT HE DAMPENED RUMOURS OF A MOVE TO IMPEACH THE PRESIDENT SAYING THAT THE GOVERNMENT DID NOT HAVE THE NECESSARY TWO THIRDS MAJORITY IN THE COMBINED NATIONAL ASSEMBLY AND SENATE. BUT IT SEEMS LIKELY THAT THE GOVERNMENT WILL STILL MOVE A RESOLUTION CRITICAL OF THE PRESIDENT. PUBLIC OPINION AND EDITORIAL COMMENT SEEM TO BE FIRMLY BEHIND THEM AND AGAINST THE PRESIDENT. THE GOVERNMENT CONTROLLED ELECTRONIC MEDIA ARE OF COURSE BACK BEHIND NAWAZ SHARIF. ON 30 MAY, PPP ACTIVISTS ATTACKED LAHORE TELEVISION CENTRE IN PROTEST AT WHAT THEY CLAIMED WAS ONE SIDED REPORTING.

8. PPP LEADER BENAZIR BHUTTO CALLED ON PRESIDENT ISHAQ KHAN ON 30 MAY REPORTEDLY TO DISCUSS THE OPPOSITION'S NEXT MOVE. DISSOLUTION OF THE PROVINCIAL ASSEMBLIES HAS BEEN A LONG STANDING PPP DEMAND. THERE ARE NO SIGNS OF THE PPP TAKING UP NAWAZ SHARIF'S OFFER OF DISCUSSION ON CONSTITUTIONAL REFORM.

COMMENT

9. THE PRESIDENT APPEARS DETERMINED TO CONTINUE THE STRUGGLE AGAINST NAWAZ SHARIF. HIS GUIDING HAND CAN BE SEEN BEHIND THESE RECENT DEVELOPMENTS. DISSOLUTION OF THE PUNJAB AND NWFP ASSEMBLIES MEANS THAT THE FEDERAL GOVERNMENT WILL NOW FACE OPPOSITION FROM CARETAKER ADMINISTRATIONS IN TWO PROVINCES FOR AT LEAST NINETY DAYS UNLESS THE COURTS INTERVENE. THE PROVINCIAL ASSEMBLY DISSOLUTIONS ARE UNLIKELY TO BE QUICKLY OR EASILY OVERTURNED BY THE COURTS - AND THE PROSPECTS OF FREE AND FAIR ELECTIONS IN THE PROVINCES ARE CURRENTLY REMOTE. IN SINDH THE PPP, PROBABLY WITHOUT THE PRESIDENT'S BLESSING, HAVE SEIZED THE OPPORTUNITY TO TRY TO UNSEAT MUZAFFAR SHAH. WHILE IN BALOCHISTAN THE NEW CHIEF MINISTER MAGSI HAS TAKEN ADVANTAGE OF POLITICAL REALIGNMENTS AT THE CENTRE TO DEAL THE COUP DE GRACE TO JAMALI'S ADMINISTRATION. THE NET RESULT IS LIKELY TO BE AN IMPASSE IN THE WORKINGS BETWEEN FEDERAL AND PROVINCIAL GOVERNMENTS. IN THESE CIRCUMSTANCES IT IS CONCEIVABLE THAT NAWAZ SHARIF MIGHT DECIDE TO ASK FOR AN EARLY ELECTION IN ORDER TO AVOID A SITUATION IN WHICH THE PRESIDENT MIGHT TRY TO DISSOLVE THE NATIONAL ASSEMBLY AGAIN OR THE ARMY MIGHT BE FORCED TO INTERVENE.

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MODUK//SEC(O)(C)HOWARD

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NEW DELHI TELNO 490: KASHMIR

SUMMARY

1. PAKISTAN MFA EXPRESSES CONCERN AT RAPIDLY DETERIORATING SITUATION IN KASHMIR. CALLS ON FRIENDLY COUNTRIES TO PUT PRESSURE ON INDIA TO STOP THE INCREASE IN REPRESSIVE ACTIVITIES THERE, TO ALLOW HUMAN RIGHTS ORGANISATIONS IN AND TO SIT DOWN WITH THE PAKISTANIS TO NEGOTIATE A PEACEFUL SETTLEMENT.

DETAIL

2. THE PAKISTAN MFA FOREIGN SECRETARY (PUS) GAVE A BRIEFING TO EUROPEAN AND OTHER OECD HEADS OF MISSION ON 24 MAY ON THE SITUATION IN KASHMIR.

3. SHAHARYAR KHAN SET THE SCENE BY RECOUNTING PAKISTAN'S RECENT ATTEMPTS TO RESUME BILATERAL DISCUSSIONS WITH THE INDIANS. EVEN AFTER THE DIFFICULT PERIOD IMMEDIATELY FOLLOWING THE AYODHYA INCIDENT, PAKISTAN HAD HOPED FOR A MORE ENCOURAGING AND FORTHCOMING STANCE FROM RAO IN THE MARGINS OF THE SAARC SUMMIT IN DHAKA. PAKISTAN HAD BEEN READY TO COOPERATE ON FINDING THE CULPRITS OF THE BOMBAY BOMBINGS. WHEN THE INDIANS HAD NOT COME BACK ON THE QUESTION OF A VISITING HOME SECRETARY TEAM, THE INDIAN HIGH COMMISSIONER HERE HAD BEEN GIVEN A DOSSIER ON PAKISTAN'S INVESTIGATIONS. THE PAKISTANI ASSESSMENT WAS THAT NONE OF THE SUSPECTED PERPETRATORS OF THE BOMBAY BOMBINGS WAS NOW IN PAKISTAN (MY TELNO 491).

4. THIS ALL BUILT UP TO AN EXPRESSION OF PAKISTAN'S CONCERN AT WHAT SHAHARYAR DESCRIBED AS THE BEGINNINGS OF A QUALITATIVE CHANGE IN THE INDIAN GOVERNMENT'S TREATMENT OF THE PEOPLE OF KASHMIR. OPERATIONAL RESPONSIBILITY FOR LAW AND ORDER HAD NOW BEEN HANDED EXCLUSIVELY TO THE INDIAN ARMY, WHICH HAD BEEN STRENGTHENED BY TWO ADDITIONAL ARMY DIVISIONS (DELHI TUR). HUMAN RIGHTS VIOLATIONS

CONTINUED WITH, IF ANYTHING, INCREASED INTENSITY. THERE WERE FEARS OF A SCORCHED EARTH POLICY AND EVEN A SUGGESTION THAT INDIA MIGHT NOW INDULGE IN AN ATTEMPT TO CHANGE THE DEMOGRAPHIC PICTURE. THERE WERE ALSO SIGNS OF A GRADUAL BUILD-UP OF INDIAN FORCES ON THE PAKISTAN BORDER (ALTHOUGH WHEN QUESTIONED AFTERWARDS, SHAHARYAR KHAN ACKNOWLEDGED THAT THE NUMBERS INVOLVED WERE RELATIVELY SMALL). THE PAKISTANIS WERE CONCERNED TOO AT REPORTS THAT PRITHVI MISSILES HAD BEEN DEPLOYED NEAR THE INDO-PAK BORDER, ALTHOUGH THE INDIAN HIGH COMMISSIONER HAD DENIED THIS.

5. SHAHARYAR KHAN CLAIMED THAT PAKISTAN NOW FACED A FRIGHTENING SITUATION IN KASHMIR. SHE WAS THEREFORE ASKING FRIENDLY GOVERNMENTS TO PERSUADE THE INDIANS TO STOP WHAT WAS NOW EFFECTIVELY MARTIAL LAW, TO ALLOW ACCESS TO HUMAN RIGHTS GROUPS, AND TO URGE THEM TO RESUME BILATERAL TALKS TO RESOLVE THEIR DIFFERENCES WITH PAKISTAN. THESE SIGNS OF A QUALITATIVE CHANGE WERE NOT ONLY DANGEROUS IN THE KASHMIR CONTEXT, BUT FOR THE REGION AS A WHOLE.

6. THE TEXT OF AN AIDE MEMOIRE WE WERE HANDED, COUCHED IN FORTHRIGHT TONES, IS IN MIFT.

COMMENT

7. IT WAS PERHAPS INEVITABLE THAT PAKISTAN FELT IT NECESSARY TO RESPOND TO THE GRADUALLY WORSENING SITUATION IN INDIAN-HELD KASHMIR AND TO RECENT INDIAN MOVES (TUR), WHICH DO SEEM FROM HERE TO PRESAGE A TOUGHER POLICY. IT IS A PITY THAT THE AIDE MEMOIRE WAS NOT COUCHED IN THE MORE MODERATE TONES OF SHAHARYAR KHAN'S OWN PRESENTATION.

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MY TELNO 485: PAKISTAN INTERNAL POLITICAL

SUMMARY

1. NAWAZ SHARIF GRATEFUL FOR MR MAJOR'S MESSAGE (NOW PUBLISHED). EXPLAINS WHY HE HAD TO RESIST THE PRESIDENT. HAS CONFIDENCE IN HIS OWN RECORD AND HIS BELIEF THAT HIS GOVERNMENT WOULD EITHER BE REINSTATED OR MAKE A GOOD SHOWING IN THE ELECTIONS.

DETAIL

2. THERE WAS A BRIEF REFERENCE IN MY TUR TO MY CALL ON THE FORMER PRIME MINISTER NAWAZ SHARIF ON 17 MAY. I WANTED TO DELIVER MR MAJOR'S LETTER IN PERSON AND IT HAD BEEN DIFFICULT TO PIN NAWAZ SHARIF DOWN FOR THE LAST FEW WEEKS SINCE HE WAS ON THE CAMPAIGN TRAIL AROUND THE COUNTRY.

3. NAWAZ SHARIF RECEIVED ME ALONE IN THE HOUSE OF THE FORMER INTERIOR MINISTER WHICH HE USES AS HIS BASE IN ISLAMABAD. HE SAID THAT MR MAJOR'S LETTER WAS VERY KIND. WE THEN HAD A FRANK DISCUSSION ABOUT THE BACKGROUND TO RECENT EVENTS.

4. NAWAZ SHARIF SAID HE HAD HAD NO CHOICE BUT TO MAKE THE TELEVISION ADDRESS TO THE NATION WHICH PRECIPITATED THE DISSOLUTION OF THE ASSEMBLY. HE HAD BECOME CONVINCED FOR SOME TIME THAT THE 8TH AMENDMENT TO THE CONSTITUTION GAVE THE PRESIDENT POWERS THAT WOULD INEVITABLY CREATE TENSION WITH ANY PRIME MINISTER, AND IT WOULD HAVE TO GO. WHEN THE PRESIDENT STARTED TO ORCHESTRATE INTRIGUES AGAINST THE GOVERNMENT HE HAD AGREED IN CABINET, WITH SOME RELUCTANCE, TO ACCEDE TO THE PRESIDENT'S TWO DEMANDS AS CONVEYED BY THE SINCERE INTERMEDIARY SOOMRO (MINISTER OF SCIENCE AND TECHNOLOGY): IE RE-ELECTION OF THE PRESIDENT AND DROPPING THE 8TH AMENDMENT PROPOSALS. WHEN HE HAD GONE TO DISCUSS THIS WITH THE PRESIDENT, ACCOMPANIED BY SOOMRO AND ANOTHER MINISTER, HE HAD STARTED BY SAYING THAT HIS PARTY WERE PREPARED TO ENDORSE THE PRESIDENT FOR A FURTHER 5 YEAR TERM THIS AUTUMN. THE PRESIDENT HAD

EXPRESSED GREAT GRATITUDE FOR THIS (CONTRARY TO THE INDIFFERENCE HE HAD INDICATED TO THE PRESS ON THE SUBJECT). ON THE 8TH AMENDMENT THE TWO ACCOMPANYING MINISTERS SAID THAT THE CABINET WERE NOW DROPPING THE IDEA. IN ANSWER TO A DIRECT QUESTION, NAWAZ SHARIF HAD SAID THAT THEY WERE RIGHT. HE HAD NOT GIVEN AN UNDERTAKING THAT HE WOULD NEVER RAISE THE SUBJECT AGAIN, HOWEVER, WHICH WAS WHAT THE PRESIDENT WANTED HIM TO DO. THERE HAD THEN BEEN THE HUMILIATING PRESS NOTICE ISSUED BY THE PRESIDENCY AFTER THAT MEETING AND THE PRESIDENT'S DEMAND THAT TWO OF THE PRIME MINISTER'S CLOSEST ASSOCIATES, MENTIONED WITHOUT ANY EVIDENCE BY THE WIDOW OF GENERAL ASIF NAWAZ AS BEING RESPONSIBLE FOR HER HUSBAND'S DEATH, SHOULD BE DISMISSED. HE BELIEVES THE PRESIDENT HAD PUT BEGUM ASIF NAWAZ UP TO MAKING THAT CLAIM. NAWAZ SHARIF HAD INSTITUTED AN ENQUIRY HIMSELF, BUT THE PRESIDENT HAD ANNOUNCED IT WAS HE WHO HAD DONE IT.

5. NAWAZ SHARIF SAID THAT THE PRESIDENT HAD BEHAVED IN A VINDICTIVE, UNCONSTITUTIONAL WAY THAT WAS GRAVELY DAMAGING TO THE COUNTRY'S INTERESTS. NAWAZ SHARIF WAS NOT ASHAMED OF HIS RECORD. THE COUNTRY HAD BEEN MAKING FAST ECONOMIC PROGRESS. INVESTMENT WAS COMING IN. THE MOTORWAYS WERE AN ESSENTIAL MEANS OF PROVIDING QUICK DEVELOPMENT AND BRINGING PAKISTAN INTO THE MODERN WORLD AND IT WAS IMPORTANT THAT THEY SHOULD BE CONTINUED.

6. WHEN I REMARKED THAT THERE WERE, AS IN ALL SUCH CASES, ACCUSATIONS OF CORRUPTION INVOLVED IN THESE CONTRACTS, NAWAZ SHARIF SAID THAT OFFICIALS MIGHT HAVE GOT THEIR TRADITIONAL HANDOUTS. HIS GOVERNMENT WERE NOT ANGELS AND THEY COULD NOT CHECK EVERY DETAIL OF EVERY CONTRACT. BUT HE WAS SATISFIED THAT THE ARRANGEMENTS HE HAD INSTITUTED WOULD STAND UP TO PUBLIC SCRUTINY. IN THE CASE OF THE PRIVATISATION OF THE CEMENT PLANT AT DERA GHAZI KHAN, OFTEN QUOTED BY HIS ENEMIES, HE SAID THAT HE HAD BEEN ASSURED THAT THE DECISION HAD BEEN SUPPORTED IN THE COURTS.

7. NAWAZ SHARIF SAID THAT HE HIMSELF HAD BEEN ASTONISHED BY THE PUBLIC SUPPORT HE HAD RECEIVED THROUGHOUT THE COUNTRY AFTER HIS DISMISSAL, SHOWING THAT PEOPLE APPROVED OF HIS PROGRESSIVE PLANS. HE THOUGHT THAT MS BHUTTO HAD, BY CONTRAST, LOST POPULARITY THROUGH THE U-TURN BY WHICH SHE HAD COME TO ALLY HERSELF TO THE PRESIDENT WHO WAS BASICALLY SO HOSTILE TO HER PARTY. I MENTIONED THAT MS BHUTTO HAD JUSTIFIED HER ACTIONS ON THE BASIS THAT SHE HAD ALWAYS ARGUED FOR EARLY FREE AND FAIR ELECTIONS, BUT IT WAS THOUGHT THAT HER REPUTATION WOULD DEPEND ON WHETHER THIS WAS IN FACT ACHIEVED. UNFORTUNATELY THE ACTIONS TAKEN BY SOME OF MR NAWAZ SHARIF'S

FRIENDS IN LAHORE AGAINST PPP ACTIVISTS, HOWEVER IRRITATING THESE PEOPLE MAY HAVE SEEMED IN THEIR CRITICISM OF THE GOVERNMENT, HAD BEEN COUNTER-PRODUCTIVE BECAUSE THEY HAD ARGUED STRONGLY WITHIN THE PPP AGAINST GOING ALONG WITH NAWAZ SHARIF'S PROPOSAL TO REMOVE THE 8TH AMENDMENT. NAWAZ SHARIF DID NOT DEMUR. HE SAID THAT IF THE ASSEMBLY WERE TO BE RECONSTITUTED AS A RESULT OF A DECISION BY THE SUPREME COURT HE WOULD HAVE TO TALK TO BENAZIR BHUTTO AND REACH AGREEMENT WITH HER ON A NUMBER OF MATTERS, IN PARTICULAR THE REMOVAL OF THE 8TH AMENDMENT. THIS WAS NECESSARY FOR GOOD GOVERNMENT IN PAKISTAN, WHOEVER WAS PRIME MINISTER. THERE WAS NO REASON WHY PRIME MINISTERS SHOULD BE DICTATORS: THERE WERE ENOUGH CHECKS AND BALANCES.

8. HE SAID HE SHOULD ALSO AGREE WITH THE PPP TO IMPEACH THE PRESIDENT. I WONDERED WHETHER ANY SUCH STEP MIGHT AROUSE SYMPATHY FOR THE PRESIDENT RATHER THAN THE REVERSE. THE PRESIDENT HAD HAD A LONG, DISTINGUISHED RECORD AS A CIVIL SERVANT, EVEN THOUGH HIS MORE RECENT POLITICAL ACTIONS HAD GIVEN RISE TO CRITICISM.

9. NAWAZ SHARIF SAID THAT HE WAS CONFIDENT THAT IF THE COURT DECISION WENT AGAINST THE PRESIDENT THE LATTER WOULD LOSE FACE COMPLETELY AND HIS REPUTATION WOULD BE IRREPARABLY DAMAGED. HE ASKED IF I THOUGHT THE PRESIDENT WOULD THEN RESIGN. I SAID THAT I HAD HEARD DIFFERENT VIEWS ON THIS. SOME THOUGHT THAT AS A DETERMINED PATHAN THE PRESIDENT WOULD DIG HIS HEELS IN AND STAY AS LONG AS POSSIBLE. THERE WOULD NO DOUBT BE AN ATTEMPT TO STAGE A COUP AGAINST NAWAZ SHARIF INSIDE THE ASSEMBLY AS HAD HAPPENED TO HIS CHIEF MINISTER IN PUNJAB. NAWAZ SHARIF DISCOUNTED THIS COMPLETELY. HE WAS CONFIDENT OF THE LOYALTY OF THE MNAS, MANY OF WHOM HAD BEEN COMING TO SEE HIM RECENTLY. NOR DID HE THINK THAT THERE WOULD NECESSARILY BE GREAT TENSIONS THEREAFTER WITH THE PROVINCIAL GOVERNMENTS, EVEN THOUGH THESE WERE NOW NOMINALLY ALLIED TO THE PRESIDENT. HE THOUGHT THAT IN THE PUNJAB AND ELSEWHERE OPINION WOULD SWING ROUND IN HIS FAVOUR.

10. NAWAZ SHARIF COMMENTED, HOWEVER, THAT IF GENERAL ASIF NAWAZ HAD STILL BEEN ARMY CHIEF HE THOUGHT THAT IN THE CURRENT DISTURBED SITUATION HE WOULD HAVE TAKEN OVER THE GOVERNMENT. THE PRESENT ARMY CHIEF WAS MUCH MORE CORRECT AND WAS PROBABLY NOT ANXIOUS TO GET INVOLVED POLITICALLY IF HE COULD AVOID IT.

11. WHEN I SAID THAT IT HAD SEEMED STRANGE AND QUITE UNNECESSARY THE WAY NAWAZ SHARIF'S RELATIONS WITH GENERAL ASIF NAWAZ HAD DETERIORATED AT THE END OF LAST YEAR, NAWAZ SHARIF SAID THAT ASIF

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11. WHEN I SAID THAT IT HAD SEEMED STRANGE AND QUITE UNNECESSARY THE WAY NAWAZ SHARIF'S RELATIONS WITH GENERAL ASIF NAWAZ HAD DETERIORATED AT THE END OF LAST YEAR, NAWAZ SHARIF SAID THAT ASIF

NAWAZ HAD GOT VERY WORKED UP OVER MINOR THINGS. CONTRARY TO POPULAR OPINION HE HAD NOT MADE A GREAT FUSS ABOUT THE APPOINTMENT OF THE ISI CHIEF CHOSEN BY THE PRIME MINISTER, BUT ON SINDH HE HAD GONE HIS OWN WAY WITHOUT OBTAINING APPROVAL OF THE GOVERNMENT. IT WAS ALL VERY WELL THAT THE ARMY SHOULD CRACK DOWN ON MQM CRIMINALS BUT THEY HAD GONE FURTHER THAN THIS AND HAD ATTACKED THE MQM PARTY ITSELF, AS WELL AS SETTING UP A BUNCH OF EVEN GREATER CRIMINALS (THE HAQIQI GROUP) TO OPPOSE THEM.

12. NAWAZ SHARIF SAID THAT IF IT CAME TO ELECTIONS HIS PARTY WOULD FIGHT THEM AND, HE THOUGHT, MIGHT DO WELL PROVIDED THEY WERE FREE AND FAIR. IN THIS HE HAD A COMMON INTEREST WITH THE PPP. THE PPP MIGHT OR MIGHT NOT GO INTO AN ALLIANCE WITH THE DISPARATE GROUPS SUPPORTING THE PRESIDENT, WHICH COULD HELP THEM IN VIEW OF THEIR CURRENT FALL IN THE POPULARITY. BUT NAWAZ SHARIF HIMSELF DID NOT PROPOSE TO GO INTO ANY ALLIANCE. SUCH ALLIANCES WITH RELIGIOUS PARTIES IN THE PAST HAD PROVED UNSATISFACTORY. WHEN THE CRUNCH HAD COME THESE PARTIES HAD NOT SUPPORTED HIM.

13. WE ENDED THE CONVERSATION BY AGREEING THAT WHATEVER HAPPENED, POLITICAL SECURITY WAS NECESSARY FOR PAKISTAN AND HER CONTINUED ECONOMIC DEVELOPMENT.

14. ALTHOUGH WE DID NOT DISCUSS PUBLICATION AND MR MAJOR'S MESSAGE WAS RATHER PERSONAL THE TEXT APPEARED IN THE PRESS IN ONE PAPER THE FOLLOWING DAY WITH A PHOTOGRAPH DRAWING ATTENTION TO MY CALL. WE HAVE LET IT BE KNOWN AS APPROPRIATE THAT WE KEEP CONTACT IN A DEMOCRACY WITH ALL POLITICAL PARTIES (AS I HAD WITH MS BHUTTO AFTER HER DISMISSAL IN 1990). THIS HAS BEEN GENERALLY WELL RECEIVED, THOUGH NOT PERHAPS BY THE PRESIDENT.

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MY TELNO 424: PAKISTAN INTERNAL POLITICAL SITUATION

SUMMARY

1. INDICATIONS THAT SUPREME COURT COULD OVERTURN PRESIDENT'S DECISION AND REINSTATE NATIONAL ASSEMBLY. DIFFERENCES WITHIN CARETAKER GOVERNMENT, INTER ALIA OVER POSSIBLE ARMY ROLE IN SUPERVISING OR CONDUCTING ELECTIONS. WIDESPREAD CRITICISM OF PRESIDENT AND SYMPATHY FOR NAWAZ SHARIF. FUTURE SCENARIO DEPEND ON SUPREME COURT DECISION: BUT ALL INVOLVE A PERIOD OF CONTINUING UNCERTAINTY.

DETAIL

2. PAKISTAN REMAINS IN A STATE OF CONSIDERABLE POLITICAL FERMENT THOUGH THE STREETS REMAIN CALM.

3. ATTENTION IS NOW FOCUSED ON THE PROCEEDINGS IN THE SUPREME COURT, WHERE THE ADVOCATES FOR NAWAZ SHARIF HAVE DEPLOYED EFFECTIVE ARGUMENTS AGAINST THE PRESIDENT'S ACTION IN DISSOLVING THE NATIONAL ASSEMBLY. THE ATTORNEY GENERAL IS NOW DEPLOYING HIS OWN ARGUMENTS ON THE PRESIDENT'S SIDE. MANY OF THE TOP POLITICIANS OF THE COUNTRY ARE ATTENDING THE COURT. SOME EXPERIENCED LAWYERS AND OTHER OBSERVERS TELL US THAT THERE IS NOW A GOOD CHANCE THAT THE SUPREME COURT WILL OVERTURN THE PRESIDENT'S DECISION AND RECONSTITUTE THE NATIONAL ASSEMBLY. THE COMMENTS AND QUESTIONS PUT BY INDIVIDUAL JUDGES SUGGEST THAT THEY MAY BE LEANING IN THAT DIRECTION. THE DIMINUTIVE CHIEF JUSTICE HAS BEEN TOLD THAT HE WILL BE THE TALLEST MAN IN PAKISTAN, IE THE MOST POPULAR, IF HE TAKES THIS DECISION. BUT IT WILL BE A BOLD THING TO DO NEVERTHELESS. A DECISION CAN BE EXPECTED IN BETWEEN 3 AND 7 DAYS.

4. IN THE MEANTIME A JUDICIAL COMMISSION HAS DECIDED THAT GENERAL ASIF NAWAZ DIED OF NATURAL CAUSES, CONTRARY TO THE ACCUSATIONS OF HIS WIDOW. THIS REMOVES ONE OF THE REASONS GIVEN BY THE PRESIDENT

FOR OUSTING NAWAZ SHARIF.

5. THE ARMY APPEAR TO BE PLAYING WITH A STRAIGHT BAT AND MAKING IT CLEAR THAT THEY WILL SUPPORT WHATEVER RESULT EMERGES FROM THE CONSTITUTIONAL PROCESSES.

6. WE KNOW THAT THE ARMY HAVE DECLARED PRIVATELY THEIR READINESS TO SUPERVISE, EVEN CONDUCT, THE ELECTIONS. THERE IS A DIFFERENCE OF OPINION HERE IN THE CARETAKER GOVERNMENT. THE PRIME MINISTER, MAZARI, IS PUBLICLY SAYING THAT UNDER THE CONSTITUTION THE ARMY CANNOT CONDUCT ELECTIONS, THEY CAN ONLY SUPERVISE. BENAZIR BHUTTO IS ASKING THAT THE ARMY SHOULD CONDUCT THE ELECTIONS (EG IN THE POLL BOOTHS) TO MAKE SURE THAT THEY ARE ABSOLUTELY FREE AND FAIR. SHE IS ALSO STILL ASKING FOR THE DISSOLUTION OF THE PROVINCIAL ASSEMBLIES, TO WHICH THE PRESIDENT AND PROVINCIAL CHIEF MINISTERS REMAIN FIRMLY OPPOSED, AND FOR RADICAL CHANGES TO THE ELECTION COMMISSION. SO FAR THE GOVERNMENT HAVE ONLY AGREED TO APPOINT TWO NEW JUDICIAL MEMBERS TO THE COMMISSION.

7. THE CARETAKER GOVERNMENT, LARGE AND HETEROGENEOUS, MAKES SOME SHOW OF CARRYING ON GOVERNMENT BUSINESS BUT MOST PRACTICAL BUSINESS HAS COME TO A STOP. NO-ONE KNOWS WHAT WILL HAPPEN IN THE NEXT FEW WEEKS. THE CABINET HAS A FEUDAL FLAVOUR COMPARED WITH THE NAWAZ SHARIF GOVERNMENT AND IN THAT SENSE IS SEEN BY MANY PEOPLE AS NON-PROGRESSIVE. BUT INDIVIDUAL MEMBERS OF THE CABINET AND THEIR SUPPORTERS ARGUE STRONGLY IN THE PRESS AND PRIVATELY THAT NAWAZ SHARIF'S GOVERNMENT WAS DEEPLY CORRUPT. THIS MAY BE HAVING SOME EFFECT ON THE PUBLIC, BUT THERE IS STILL A SURPRISING AMOUNT OF SUPPORT FOR NAWAZ SHARIF FROM ORDINARY PEOPLE ON THE GROUNDS THAT ALL GOVERNMENTS HERE ARE CORRUPT BUT THAT NAWAZ SHARIF AT LEAST GOT THINGS DONE. THERE IS ALSO STILL A STRONG GROUNDSWELL OF CRITICISM AGAINST THE PRESIDENT AND HIS ACTIONS, WHICH ARE SEEN AS SELF SERVING.

8. WHEN I CALLED PERSONALLY ON NAWAZ SHARIF ON 17 MAY TO DELIVER MR MAJOR'S SIGNING OFF MESSAGE (WHICH WAS MUCH APPRECIATED), NAWAZ SHARIF SAID THAT HE WAS PROUD OF HIS RECORD IN OFFICE. THE PRESIDENT HAD BEHAVED DISGRACEFULLY (MORE DETAILS TO FOLLOW). HE WAS PREPARED TO CONTEST ELECTIONS IF NECESSARY. IF THE ASSEMBLY WERE TO BE REVIVED THE PRESIDENT WOULD HAVE LOST FACE IRREPARABLY AND NAWAZ SHARIF WAS CONFIDENT THAT HE WOULD REGAIN SUPPORT IN THE ASSEMBLY AND IN THE PROVINCES.

POSSIBLE SCENARIOS

9. IF THE SUPREME COURT ENDORSES THE PRESIDENT'S ACTION, ALL ATTENTION WILL FOCUS ON THE ELECTIONS WHICH SEEM LIKELY TO TAKE PLACE ON 14 JULY, DESPITE VIEWS THAT EXCUSES WILL BE FOUND TO POSTPONE THEM. WHETHER THEY WILL BE FREE AND FAIR DEPENDS VERY MUCH ON BENAZIR BHUTTO: ON HOW HARD SHE FIGHTS FOR A FAIR SYSTEM. THE OUTCOME WILL ALSO DEPEND ON WHETHER MS BHUTTO DECIDES TO MAKE AN ALLIANCE WITH THE OTHER PARTIES SUPPORTING THE PRESIDENT OR GO IT ALONE.

10. IF THE ASSEMBLIES ARE RECONSTITUTED, WHICH WOULD BE GOOD IN PRINCIPLE FOR DEMOCRACY, THERE WILL OF COURSE BE A BATTLE FOR THE LOYALTY OF THE MNAS. THE PRESIDENT MAY STILL NOT RESIGN. BOTH NAWAZ SHARIF AND THE CARETAKER GOVERNMENT HAVE ASKED THEIR PEOPLE TO BE ON HAND THESE COMING DAYS. NAWAZ SHARIF MAY INDEED FIND HIMSELF PRIME MINISTER AGAIN BUT THERE COULD THEN BE A PERIOD OF DIFFICULTY BETWEEN HIM AND THE PROVINCIAL GOVERNMENTS. WHATEVER HAPPENS IT WILL TAKE TIME FOR THE SYSTEM TO SHAKE DOWN.

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RESIGNATION OF PAKISTAN HIGH COMMISSIONER IN LONDON

1. THE MARSHALL OF THE DIPLOMATIC CORPS WAS INFORMED THIS MORNING OF THE PAKISTAN HIGH COMMISSIONER'S RESIGNATION. THE HIGH COMMISSIONER CALLED ON THE MARSHALL WITH THE ORIGINAL INTENTION OF DISCUSSING ARRANGEMENTS FOR THE FORMAL PRESENTATION OF CREDENTIALS. HOWEVER, THE HIGH COMMISSIONER SAID THAT HE HAD JUST RECEIVED WORD FROM ISLAMABAD THAT HIS LETTER OF RESIGNATION HAD BEEN ACCEPTED. WE UNDERSTAND THAT THE HIGH COMMISSIONER HAD OFFERED HIS RESIGNATION SHORTLY AFTER NAWAZ SHARIF'S DISMISSAL. THE HIGH COMMISSIONER DID NOT STATE ANY REASON FOR HIS RESIGNATION OTHER THAN THAT HE WAS A POLITICAL APPOINTEE.

2. HE INTENDS TO LEAVE LONDON AT THE END OF MAY. HE WILL NOT (NOT) NOW BE PRESENTING HIS CREDENTIALS TO THE QUEEN.

HURD

YYYY

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10 DOWNING STREET
LONDON SW1A 2AA

THE PRIME MINISTER

29 April 1993

My dear friend,

I was very glad to have the opportunity of seeing you last month, and am sorry that since then you have run into difficulties.

I want you to know how much I have valued our contacts and discussions during these past years. Our exchanges were always frank and constructive, as befits relations between two countries with so many ties of friendship and so many common interests.

I send my very best wishes to you and your family. As you will know, whether you are in or out of government, you will always be sure of a warm welcome in Britain.

Yours sincerely
John Major

Mr. Muhammad Nawaz Sharif

*Cite AB
mm
cbs*

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10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

28 April 1993

Dear Stephen,

MESSAGE TO NAWAZ SHARIF

Thank you for your letter of 26 April, I should be grateful if you could arrange to convey the enclosed personal message through Sir Nicholas Barrington. Sir Nicholas should make clear that this is a private communication, which we shall not be mentioning in public. (Nevertheless, for the reasons given in your letter, the letter is intended to be defensible, should Nawaz Sharif let it out).

Yours ever,
Roderic

RODERIC LYNE

Stephen Smith Esq
Foreign and Commonwealth Office

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SIC OAB

MODUK FOR DISPOSAL SALES. ODA FOR SAD

MY TELNO 360: PAKISTAN INTERNAL

SUMMARY

1. CABINET EXPANDED WITH 19 NEW MEMBERS, INCLUDING AZIF ZARDARI. BUT DIFFERENCES OVER DISSOLUTION OF PROVINCIAL ASSEMBLIES ARE LEADING TO INCREASED UNCERTAINTY AND TENSIONS WITHIN CARETAKER SETUP. PRESIDENT'S CAMP MAKE SUCCESSFUL IN-HOUSE MOVE TO UNSEAT PUNJAB CHIEF MINISTER, A NAWAZ SHARIF LOYALIST, REDUCING FURTHER LIKELIHOOD THAT PRESIDENT WILL KEEP HIS PROMISE TO DISSOLVE PROVINCIAL ASSEMBLIES. PPP THREATEN TO QUIT GOVERNMENT IF HE DOES NOT. CARETAKER PRIME MINISTER AND ARMY CHIEF REITERATE THAT ELECTIONS WILL BE HELD ON SCHEDULE. NAWAZ SHARIF CAMPAIGNING ACTIVELY AND WITH SOME SUCCESS, AT LEAST IN URBAN AREAS. CARETAKERS MAKE FURTHER REASSURING NOISES ON ECONOMIC AND OTHER POLICY, BUT CONTINUING POLITICAL UNCERTAINTY AND DRIFT IN PROSPECT.

DETAIL: CABINET EXPANSION

2. ON 22 APRIL CARETAKER PRIME MINISTER MAZARI MADE THE EXPECTED EXPANSION TO HIS THREE-MAN CABINET. 19 NEW MINISTERS WERE INDUCTED, DRAWN FROM THE MUSLIM LEAGUE (HOTI GROUP) AND THE PPP AS WELL AS VARIOUS OTHER MINOR PARTIES. APART FROM NAWAZ SHARIF SUPPORTERS, THE ONLY SIGNIFICANT - WELCOME - ABSENTEES FROM THE CABINET ARE THE RELIGIOUS PARTIES, AND THIS PERHAPS NOT FOR LONG.
3. THE NEW MINISTERS INCLUDE THE PRESIDENT'S SON-IN-LAW ANWAR SAIFULLAH AND MIR HAZAR KHAN BIJARANI, BOTH FORMER MINISTERS WHO RESIGNED FROM THE NAWAZ SHARIF GOVERNMENT: LEADING IJI DISSIDENT

ZAHID SARFRAZ: NDA LEADER MAULANA KAUSAR NIAZI: MURTAZA JATOI (SON OF 1990 CARETAKER PRIME MINISTER) AND SARDAR AHMED NAWAZ BUGTI (BROTHER OF THE BALUCH LEADER BUT OUT OF FAVOUR WITH HIM). THE TWO MOST PROMINENT PPP MEMBERS ARE AITZAZ AHSAN AND, MOST SURPRISING OF ALL, BENAZIR BHUTTO'S HUSBAND ASIF ZARDARI. ZARDARI HAS SPENT MUCH OF THE LAST TWO YEARS IN PRISON, LARGELY AT THE PRESIDENT'S INSTIGATION, AND STILL HAS TWO OUTSTANDING CASES AGAINST HIM. HIS SWEARING IN BY ISHAQ KHAN IS A RICH IRONY, FORCED ON THE PRESIDENT BY BENAZIR BHUTTO, WHICH GRAPHICALLY DEMONSTRATES THE RECENT SOMERSAULTS OF PAKISTANI POLITICS AS NEW ALLIANCES OF CONVENIENCE ARE FORGED. THE PRESIDENT AT FIRST DECLINED TO ACCEPT ZARDARI, BUT GAVE IN WHEN BENAZIR BHUTTO INSISTED.

4. ONLY FOUR OF THE NEW MINISTERS HAVE BEEN ALLOTTED PORTFOLIOS. ANWAR SAIFULLAH HAS BEEN GIVEN BACK HIS PREVIOUS RESPONSIBILITY FOR ENVIRONMENT AND URBAN AFFAIRSWITH HOUSING ADDED , AND BIJARANI HIS FOR DEFENCE PRODUCTION, TO WHICH HE HAS ADDED DEFENCE PROPER. ZARDARI HAS TAKEN ON WATER AND POWER, WHILE FAROOQ LEGHARI HAS TEMPORARY RESPONSIBILITY FOR FOREIGN AFFAIRS AS WELL AS FINANCE. OTHER PORTFOLIO ALLOCATIONS ARE RUMOURED, BUT HAVE NOT YET MATERIALISED. NOR HAS AN EXPECTED FURTHER EXPANSION OF THE CARETAKER CABINET. THESE DELAYS REFLECT CONTINUING TO-ING AND FRO-ING AND TENSIONS BETWEEN THE DIFFERENT GROUPS (SEE BELOW). WE ARE SENDING BY SEPARATE TELEGRAM (NOT TO ALL) THE FULL LIST OF THE CABINET AS IT STANDS, TOGETHER WITH PORTFOLIOS AND BRIEF BIOGRAPHICAL DETAILS WHERE KNOWN.

PUNJAB AND OTHER PROVINCIAL ASSEMBLIES

5. IN A SIGNIFICANT MOVE, THE PUNJAB PROVINCIAL ASSEMBLY VOTED ON 25 APRIL BY A LARGE MAJORITY (157 OUT OF 240) TO REPLACE CHIEF MINISTER WYNE, A NAWAZ SHARIF LOYALIST, BY MANZoor AHMAD WATTOO, HITHERTO SPEAKER OF THE ASSEMBLY. THE VOTE TOOK PLACE AMIDST UNEDIFYING SCENES OF DISORDER, WITH WYNE SUPPORTERS THROWING CHAIRS AT THE ACTING SPEAKER. THIS MASS DESERTION OF NAWAZ SHARIF IN HIS HEARTLAND FOLLOWED INTENSE, BLATANT PRESSURE ON ASSEMBLY MEMBERS, OVER ONE HUNDRED OF WHOM WERE WHISKED OFF TO THE NORTH BY AEROPLANE TO PREVENT NAWAZ SHARIF FROM RALLYING THEIR SUPPORT. IN THE END, MOST APPEAR TO HAVE DECIDED TO JUMP SHIP RATHER THAN FACE THE EXPENSE AND UNCERTAINTY OF THE FURTHER PROVINCIAL ELECTIONS, WITH WHICH THE PRESIDENT'S CAMP WERE OTHERWISE THREATENING THEM. IT DID NOT HELP THAT WYNE HAD NEVER BEEN A VERY POPULAR OR GRACIOUS FIGURE, BUT THE OPPORTUNISM OF THE WHOLE AFFAIR HAS SHOCKED AND AMUSED PEOPLE HERE.

6. THIS IN-HOUSE CHANGE IN THE PUNJAB MAKES IT VIRTUALLY INCONCEIVABLE THAT THE PRESIDENT WILL FULFIL HIS PROMISE TO DISSOLVE THE PUNJAB AND OTHER PROVINCIAL ASSEMBLIES. IT IS WIDELY THOUGHT THAT ONE REASON THE PRESIDENT WANTS TO KEEP THE PROVINCIAL ASSEMBLIES IN BEING IS THAT THEY CAN DETERMINE THE RESULT OF THE VOTING IF HE STANDS FOR RE-ELECTION, AS EXPECTED IN THE AUTUMN. CARETAKER PRIME MINISTER MAZARI HAS SAID IN TERMS THAT HE SEES NO NEED FOR FURTHER DISSOLUTIONS. BENAZIR BHUTTO AND OTHER PPP SPOKESMEN HAVE STATED PUBLICLY HOWEVER THAT THE PRESIDENT MUST KEEP HIS PROMISE TO DISSOLVE THE ASSEMBLIES, TO ENSURE FREE AND FAIR ELECTIONS. OTHERWISE, THE PPP ARE THREATENING TO WITHDRAW FROM THE CARETAKER GOVERNMENT. THE STAKES ARE HIGH ON BOTH SIDES.

7. THE PPP WILL BE LITTLE CONSOLED BY THE APPOINTMENT OF CHAUDHRY ALTAH HUSSAIN AS GOVERNOR OF THE PUNJAB. ALTHOUGH HE WAS ELECTED ON A PPP TICKET IN 1990, HE IS A CLOSE CONFIDANT OF THE PRESIDENT, AND WAS A MAIN LINK IN THE NEGOTIATIONS BETWEEN THE LATTER AND THE PPP.

FEDERAL ELECTIONS

8. ONE SCENARIO STILL BEING MENTIONED HERE IS THAT REASONS MIGHT BE FOUND TO DELAY THE FEDERAL ELECTIONS (AS ZIA DID MANY TIMES). HOWEVER, CARETAKER PRIME MINISTER MAZARI HAS REITERATED CATEGORICALLY THAT THE ELECTIONS WILL BE HELD ON SCHEDULE. THE CHIEF OF ARMY STAFF, GENERAL WAHEED, HAS, SIGNIFICANTLY, ENDORSED THE GOVERNMENT'S COMMITMENT IN THIS RESPECT. WAHEED ALSO STRESSED THAT THE ARMY WOULD REMAIN ABSOLUTELY NEUTRAL IN THE CURRENT POLITICAL SITUATION. THE ARMY ARE BELIEVED TO BE UNEASY ABOUT THE RECENT TURN OF EVENTS, BUT KEEN THAT THE ELECTIONS SHOULD GO AHEAD.

9. NOR ARE THE ELECTIONS LIKELY TO BE DISRUPTED BY THE COURTS. THE LAHORE HIGH COURT REFUSED THE INITIAL STAY ORDER AGAINST THE DISSOLUTION OF THE NATIONAL ASSEMBLY BROUGHT BY THE SPEAKER. THE HIGHER COURTS ARE NOW CONSIDERING THIS AND ANOTHER PETITION BROUGHT BY NAWAZ SHARIF, BUT THE CHANCES THAT THEY WILL REACH AN EARLY DECISION ARE NOT GOOD.

NAWAZ SHARIF

10. FORMER PRIME MINISTER NAWAZ SHARIF HAS CONTINUED TO CAMPAIGN VIGOROUSLY IN A BID TO RALLY SUPPORT, WITH SOME SUCCESS. THERE IS A CONSIDERABLE WAVE OF SYMPATHY FOR HIM AMONG THE ORDINARY PEOPLE. HE

WAS GREETED BY LARGE CROWDS IN LAHORE AND KARACHI - URBAN AREAS WHERE THE BENEFITS OF HIS ECONOMIC POLICIES HAVE MOST BEEN FELT. HE HAS ALSO RECEIVED EXPRESSIONS OF STRONG SUPPORT FROM MOST OF THE BUSINESS COMMUNITY. HOWEVER, HIS STRENGTH IN THE RURAL AREAS (WHICH ACCOUNT FOR MUCH OF THE ELECTORATE) IS UNCERTAIN. NOR IS IT CLEAR WHETHER LARGE RALLIES NECESSARILY TRANSLATE INTO VOTES ON POLLING DAY.

CARETAKER GOVERNMENT POLICIES

11. SPOKESMEN FOR THE CARETAKER GOVERNMENT, NOTABLY FAROOQ LEGHARI, HAVE CONTINUED TO MAKE REASSURING NOISES, PROMISING CONTINUITY AND MODERATION ON ECONOMIC AND FOREIGN POLICY. BUT IN PRACTICE POLICY-MAKING WILL REMAIN IN A STATE OF LIMBO, IF NOT PARALYSIS, FOR THE NEXT THREE MONTHS AS THE POLITICIANS CONCENTRATE ON THEIR OVERRIDING PRIORITY: WINNING THE ELECTIONS. AND THERE IS LIKELY TO BE CONTINUING UNCERTAINTY AS THE DIFFERENT PARTIES JOCKEY FOR POSITION.

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Foreign &
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26 April 1993

20
Der Roderic.

Message to Nawaz Sharif

Sir Nicholas Barrington has suggested that the Prime Minister might like to send a personal message to Nawaz Sharif following his dismissal.

A message from the Prime Minister is likely to be published. We must therefore avoid sending a message which may be misinterpreted by a President who considers that he acted entirely legally. However, a message along the lines of the enclosed draft is sufficiently neutral to avoid accusations of political bias, and would reflect the good personal relationship that the Prime Minister and Nawaz Sharif have developed.

Yours ever,

Stephen

(J S Smith)
Private Secretary

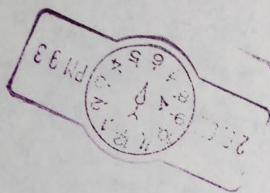
- Roderic Lyne Esq CMG
10 Downing Street

DRAFT MESSAGE FROM THE PRIME MINISTER

Thank you for coming to see me last month.

I want you to know how much I have valued our contacts and discussions during these past years. Our exchanges were always frank and constructive, as befits relations between two countries with so many close ties and common interests.

I send best wishes to you and your family. Whether in or out of Government you know that you will always be welcome as a visitor in Britain.



File

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Prime Minister



Foreign &
Commonwealth
Office

22 April 1993

to Mr. [unclear]

London SW1A 2AH

to Mr. [unclear]

Booth

Dear Rodric,

copy att.

*We must speak
about Nawaz S.*

24.4.

Recent Developments in Pakistan

In your letter of 29 March recording the Prime Minister's meeting with Nawaz Sharif, you asked for advice on follow-up, including possibly a message to Narasimha Rao on Kashmir. Nawaz Sharif's fall on 18 April seems to preclude an immediate UK initiative.

The problem is not the fall of Nawaz Sharif as such: Narasimha Rao has contacts with other Pakistan leaders. What he needs is someone authoritative with whom to deal in Islamabad. But the small caretaker cabinet appointed by President Ghulam Ishaq Khan will not take decisions or initiatives on Indo-Pakistan relations before the elections announced for 14 July. Indo-Pakistan relations had already reached another low after the Bombay bombings. And Narasimha Rao apparently told Nawaz Sharif at their bilateral in the margins of the SAARC meeting in Dhaka on 10/11 April that their future would be determined by Pakistan's attitude towards pursuing those alleged to be responsible.

Islamabad telno 339 (copy enclosed) sets out the detailed events leading to Nawaz Sharif's dismissal and the dissolution of the National Assembly. It may be worth adding a few comments about the political prospects in Pakistan for the next few months.

The President's actions are to be challenged separately in the courts by Nawaz Sharif and the Speaker of the National Assembly. Depending on how the cases are handled the courts might delay a decision until after fresh elections (set for mid-July). And the elections themselves present a number of uncertainties.

If the next elections are free and fair, Nawaz Sharif could conceivably win again, as in 1990, on the basis of his strong support in the key province of Punjab. On the other hand, Benazir Bhutto has been arguing for new elections in the belief that she will win. This confidence

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may have been reinforced by her party's membership of the interim government which will oversee the election. It is surprising that she has thrown in her lot with the President who sacked her and was deeply involved in her father's overthrow and execution.

The President's own position is not unassailable. He will probably need the support of Miss Bhutto's party when he faces his own re-election in December since presidential elections in Pakistan are conducted through an electoral college comprising the members of the National and four Provincial Assemblies.

Against this background any immediate action by us to promote a solution to the problem of Kashmir and an improvement of Indo-Pakistan relations is unlikely to succeed until at least the results of the elections are known. There may still be scope to use CHOGM to bring the sides together, as suggested by Nawaz Sharif to the Prime Minister, both directly and via Sir John Wheeler (your letter of 15 April). We will let you have advice in due course.

Yours ever,

Stephens.

(J S Smith)

Private Secretary

Roderic Lyne Esq CMG
10 Downing Street

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PART ONE OF TWO

SIC OAB

MY TELNO 334 (NOT TO ALL): PAKISTAN INTERNAL

MODUK FOR DISPOSAL SALES AND MARKETING

SUMMARY

1. PRIME MINISTER MAKES TELEVISED ADDRESS TO THE NATION WHICH PRECIPITATES THE PRESIDENT TO DISSOLVE THE NATIONAL ASSEMBLIES. PUBLIC REACTION MUTED. INEXPERIENCED CARETAKER GOVERNMENT WILL SLOW ECONOMIC REFORMS AND IS FACED WITH DIFFICULT FOREIGN POLICY ISSUES. NAWAZ SHARIF'S BID FOR THE PRESIDENCY OF THE MUSLIM LEAGUE IS UNDECIDED. HE IS CHALLENGING THE PRESIDENT'S DISSOLUTION DECISION IN THE SUPREME COURT. IF ELECTIONS, ANNOUNCED FOR 14 JULY, ARE FAIR THIS MAY RETRIEVE THE SITUATION PUT WE HAVE BEEN FACED WITH A CONSTITUTIONAL COUP TO WHICH WE SHOULD REACT CORRECTLY BUT COOLLY.

DETAIL: RECENT BACKGROUND

2. SINCE MY LAST REPORT BEFORE THE WEEKEND EVENTS MOVED QUICKLY IN THE DETERIORATING RELATIONSHIP BETWEEN THE PRESIDENT AND PRIME MINISTER AND NOW THE PRESIDENT HAS ONCE AGAIN USED HIS CONTROVERSIAL RESERVED POWERS UNDER THE 8TH AMENDMENT OF THE CONSTITUTION TO DISMISS THE NATIONAL ASSEMBLY, THE PRIME MINISTER AND HIS CABINET.

3. THIS ACTION WAS PRECIPITATED BY A RESURGENCE OF CONFIDENCE ON THE PART OF THE PRIME MINISTER. ON RETURNING FROM THE SAARC CONFERENCE IN DHAKA, NAWAZ SHARIF SEEMS TO HAVE DECIDED, AFTER

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CONSULTING HIS FRIENDS, INCLUDING CHAUDHRY NISAR (HIMSELF JUST BACK FROM WASHINGTON AND LONDON) THAT THE TIME HAD COME TO STOP BEING HUMILIATED AND FORCED INTO CONSTANT RETREAT BY THE PRESIDENT. HE WAS PROBABLY RIGHT IN JUDGING THAT THE PRESIDENT WAS DETERMINED TO HAVE HIM DISMISSED BY ONE MEANS OR ANOTHER AND THAT IT WAS ONLY A QUESTION OF TIME. NAWAZ SHARIF DECIDED TO STAND UP FOR HIMSELF AND PUT HIS CASE TO THE PEOPLE IN A TELEVISION INTERVIEW.

4. HIS SPEECH TO THE NATION ON THE EVENING OF 17 APRIL WAS THE BEST PERFORMANCE ON TV BY HIM THAT I HAVE SEEN. HE SPOKE FORCIBLY AND CONFIDENTLY, OVERCOMING HIS NATURAL SHYNESS. HE DESCRIBED HIS GOVERNMENT'S ACHIEVEMENTS IN HELPING THE ORDINARY AND POOR PEOPLE OF PAKISTAN, HIS RECORD IN LIBERALISING THE ECONOMY, HIS SUCCESS IN TACKLING FOREIGN AFFAIRS ISSUES, HIS RECORD ON IMPROVING LAW AND ORDER IN SINDH ETC. BUT CONSPIRACIES WERE BEING HATCHED FROM A PLACE WHICH SHOULD EARN THE NATION'S RESPECT AND BE THE FOUNT OF DEMOCRACY (ONE OF SEVERAL INDIRECT BUT CLEAR REFERENCES TO THE PRESIDENT). UNPARALLELED HORSE TRADING HAD BEEN GOING ON. EVEN HIS OWN BROTHER HAD BEEN OFFERED THE PRIME MINISTERSHIP. HE WAS BEING BLACKMAILED TO KEEP QUIET TO PROTECT HIS FAMILY BUSINESS. WHAT CRIMES HAD HE COMMITTED EXCEPT TO IMPROVE THE LOT OF THE PEOPLE? HE HAD AN OBLIGATION TO GO THROUGH WITH HIS PROGRAMMES FOR THE SAKE OF THE NATION. HE WAS THE ELECTED PRIME MINISTER OF THE COUNTRY. HE WOULD NOT RESIGN, WOULD NOT ASK FOR THE NATIONAL ASSEMBLY TO BE DISSOLVED AND WOULD NOT ACCEPT DICTATION.

5. THE PUBLIC RESPONSE TO THIS UNACCUSTOMED SHOW OF SPUNK BY THE PRIME MINISTER WAS POSITIVE. HE HAD APPEALED TO THE PEOPLE OVER THE HEADS OF POLITICIANS WITH UNUSUAL FRANKNESS. BUT THIS VERY ACHIEVEMENT PUT THE HACKLES UP AT THE PRESIDENCY.

6. THE PRIME MINISTER'S FRIENDS HAD EARLIER IN THE DAY CONVENED A MEETING OF A MAJORITY OF THE MUSLIM LEAGUE COUNCIL MEMBERS WHICH FAVOURED NAWAZ SHARIF'S CANDIDATURE FOR THE PRESIDENCY OF THE PARTY WHICH THEY AGREED SHOULD BE DECIDED AT A VOTE ON 19 APRIL. BY DOING THIS IN DEFIANCE OF THE PARTY OFFICE-HOLDERS, LOYAL TO THE LATE MR JUNEJO, WHO HAD PUBLICLY OPPOSED THE PRIME MINISTER AND BEEN IN CLOSE COLLABORATION WITH THE PRESIDENT, THEY HAVE VIRTUALLY CREATED A SPLIT IN THE MUSLIM LEAGUE.

7. ON 18 APRIL THE SPEAKER, ONE OF NAWAZ SHARIF'S ALLIES, DECIDED TO REQUISITION A SESSION OF THE NATIONAL ASSEMBLY FOR THE FOLLOWING DAY, WHICH HE IS EMPOWERED TO DO WITHOUT PERMISSION OF THE PRESIDENT IN CERTAIN CIRCUMSTANCES.

8. THIS MUST HAVE BEEN WHAT FINALLY DECIDED THE PRESIDENT TO ACT, NOT ONLY TO ISSUE A PUBLIC RIPOSTE TO THE PRIME MINISTER'S CHARGES BUT TO PRE-EMPT ANY PUBLIC DISPLAY OF SUPPORT FOR THE PRIME MINISTER IN THE NATIONAL ASSEMBLY WHEN HE WOULD PROBABLY STILL HAVE COMMANDED A MAJORITY. GHULAM ISHAQ HAD BEEN SURROUNDED BY CRONIES, CONSTITUTIONAL LAWYERS AND, AS THE PRIME MINISTER HAD RIGHTLY POINTED OUT, NUMBERS OF DISGRUNTLED POLITICIANS FOR SEVERAL WEEKS. HE WAS STRONGLY REINFORCED ON 18 APRIL BY THE RETURN OF BENAZIR BHUTTO FROM THE UK AFTER HER LONG ABSENCE. SHE CAME UP FROM KARACHI TO ATTEND A PPP PARTY MEETING IN ISLAMABAD AND WAS SEEN ON TELEVISION TO HAVE CALLED ON THE PRESIDENT. SHE MUST HAVE BEEN PERSUADED BY HER PEOPLE THAT HER PARTY'S BEST HOPE WAS TO ENCOURAGE THE PRESIDENT TO DISSOLVE THE ASSEMBLIES AND GO FOR FAIR ELECTIONS IN THREE MONTHS TIME. IN THE MEANTIME THE PPP WOULD PARTICIPATE IN THE CARETAKER GOVERNMENT AND THEREFORE BE ABLE TO PROTECT THEIR INTERESTS.

THE DISSOLUTION

9. LATE IN THE EVENING OF 18 APRIL THEREFORE PRESIDENT GHULAM ISHAQ PROMULGATED HIS DISSOLUTION OF THE NATIONAL ASSEMBLY UNDER HIS CONSTITUTIONAL POWERS AND DISMISSED THE PRIME MINISTER AND CABINET. AT A PRESS CONFERENCE HE LISTED A WHOLE SERIES OF FAULTS COMMITTED BY THE PRIME MINISTER AND GOVERNMENT, VERY SIMILAR TO (THOUGH IN MY VIEW EVEN WEAKER THAN) THE CHARGES HE HAD LEVELLED AGAINST BENAZIR BHUTTO IN 1990. HE ALSO ACCUSED THE GOVERNMENT OF CONDUCTING A REIGN OF TERROR AGAINST ITS OPPONENTS, AND MADE MENTION OF THE ACCUSATIONS ABOUT THE UNNATURAL DEATH OF THE ARMY CHIEF 3 MONTHS AGO. VERY LATE IN THE EVENING HE SPOKE ON TELEVISION TO THE NATION EXPLAINING THAT THE PRIME MINISTER'S SPEECH ON TELEVISION THE PREVIOUS EVENING HAD ALMOST AMOUNTED TO AN ACT OF REVOLT. HIS FALTERING DELIVERY SHOWED THAT THE PRESIDENT WAS TIRED.

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PART TWO OF TWO

SIC OAB

10. THE PRESIDENT HAS NAMED AN OBSCURE BACK BENCH MEMBER OF THE NATIONAL ASSEMBLY FROM DERA GHAZI KHAN IN SOUTH WEST PUNJAB AS CARETAKER PRIME MINISTER. BALAKH SHER MAZARI IS THE SARDAR OF HIS BALUCH TRIBE, ONE OF THE FEW PUNJABI MUSLIM LEAGUE MNAS OPPOSED TO THE PRIME MINISTER, IN ALLIANCE WITH THE MAVERICK PIR OF PAGARO FROM SINDH WHO HAD FORMED A SMALL ANTI-NAWAZ SHARIF GROUP IN THE MUSLIM LEAGUE. MAZARI HAS NO ADMINISTRATIVE EXPERIENCE. OTHER CABINET MINISTERS ANNOUNCED IMMEDIATELY WERE CHATTHA, THE JUNEJO LOYALIST WHO FIRST RESIGNED FROM THE CABINET AND RAN UP THE FLAG AGAINST NAWAZ SHARIF, AND FAROOQ LEGHARI, ONE OF BENAZIR'S MORE SENIOR AND RESPECTED FORMER MINISTERS (INCIDENTALLY ALSO A TRIBAL CHIEF FROM DERA GHAZI KHAN). AS REQUIRED BY THE CONSTITUTION THE PRESIDENT ANNOUNCED THERE WILL BE ELECTIONS IN 90 DAYS. 14 JULY HAS BEEN FIXED. FURTHER MEMBERS OF THE CARETAKER GOVERNMENT ARE NOW EXPECTED TO BE ANNOUNCED.

REACTION TO THE DECISION

11. NAWAZ SHARIF WAS WITH HIS CABINET WHEN THE NEWS OF THE PRESIDENT'S ACTION CAME THROUGH. THIS MORNING HE PUBLICLY STATED THAT THE PRESIDENT'S ACTION HAD BEEN UNCONSTITUTIONAL AND MALA FIDE AND THAT HE WOULD CHALLENGE IT IN THE SUPREME COURT. THE SPEAKER HAS ALSO REPEATED HIS INTENTION TO CHALLENGE THE DISSOLUTION. THERE HAS BEEN LITTLE OVERT PUBLIC REACTION TO DEVELOPMENTS SO FAR. SOME TROOPS WERE DEPLOYED IN THE CAPITAL LAST NIGHT AROUND THE TV AND RADIO STATIONS AND AT THE GATES OF THE NATIONAL ASSEMBLY, BUT UNOBTRUSIVELY. THE MAN IN THE STREET HAS BECOME INURED TO SUCH POLITICAL CHANGES BUT THE GENERAL FEELING IS OF SYMPATHY FOR NAWAZ SHARIF, PARTICULARLY AFTER HIS TELEVISION SPEECH ON 17 APRIL, EVEN

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AMONG LIBERALS. THIS MAY HELP HIS FUTURE POLITICAL PROSPECTS. A SURPRISING NUMBER OF 'ESTABLISHMENT' FIGURES, INCLUDING SENIOR SERVICE OFFICERS AND CIVIL SERVANTS INDICATED TO ME IN RECENT DAYS THAT THEY SUPPORTED THE PRIME MINISTER AND HOPED HE AND HIS POLICIES WOULD SURVIVE. THIS WAS EVEN MORE TRUE OF THE BUSINESS COMMUNITY, REPRESENTED MOST STRONGLY IN LAHORE AND KARACHI. THOSE WHO HAVE INTERESTS AT STAKE WILL NEVERTHELESS BE WATCHING CAREFULLY TO SEE HOW MATTERS DEVELOP. AS THE BBC REPORTED, THE HEARTLAND OF THE PRIME MINISTER'S PERSONAL SUPPORT IS IN LAHORE AND THE PUNJAB AND IF THERE WERE TO BE ANY DISTURBANCES THEY WOULD TAKE PLACE THERE. ALTHOUGH THE ARMY ARE, I BELIEVE ON GOOD INFORMATION, NOT HAPPY WITH THESE DEVELOPMENTS, THEY CAN PROBABLY BE RELIED UPON TO SUPPORT THE PRESIDENT CONSTITUTIONALLY AND TO MAKE SURE THAT THERE ARE NO DISTURBANCES.

NEXT STEPS

12. IT IS NOT CLEAR WHETHER THOSE MUSLIM LEAGUERS SYMPATHETIC TO NAWAZ SHARIF WILL MEET TODAY AS PLANNED AND ELECT HIM HEAD OF THE PARTY. THE PRESIDENT AND HIS ALLIES MAY DO THEIR BEST TO TRY AND DISRUPT THIS PROCESS. CHARGES MAY BE LEVIED AGAINST THE FORMER PRIME MINISTER AND SOME OF HIS COLLEAGUES PERSONALLY

13. CONSTITUTIONALLY, ATTENTION MUST NOW SHIFT TO THE SUPREME COURT WHERE THE UNPREDICTABLE CHIEF JUSTICE ZULLAH HAS JUST RETIRED. THE DIMINUTIVE NASIM HASAN SHAH HAS BEEN APPOINTED TO SUCCEED HIM AND IS ACTING CHIEF JUSTICE FOR THE NEXT WEEK OR SO BEFORE HE TAKES OVER. IT HAS BEEN SUGGESTED IN THE PRESS THAT THE PRESIDENT WAS CAREFUL TO AVOID ANY CONSTITUTIONAL STEPS WHILE THE PREVIOUS CHIEF JUSTICE WAS IN HIS SEAT, BUT THERE IS NO GUARANTEE THAT THE NEW CHIEF JUSTICE AND HIS COLLEAGUES WILL ENDORSE THE PRESIDENT'S DECISION AS CONSTITUTIONALLY CORRECT.

14. ONE AREA OF UNCERTAINTY IS THE POSITION OF THE PROVINCIAL ASSEMBLIES. IN THE PAST THESE HAVE ALWAYS BEEN DISSOLVED BY THE GOVERNORS FOLLOWING DISSOLUTION OF THE NATIONAL ASSEMBLY. THE GOVERNOR OF PUNJAB, A FRIEND OF NAWAZ SHARIF, HAS NOW RESIGNED SO THIS IS LIKELY TO LEAD THE WAY TO DISSOLUTION FOR THE PROVINCIAL ASSEMBLY THERE WHICH IS FULL OF NAWAZ SHARIF MEN. THE GOVERNOR OF SINDH HAS BEEN WORKING CLOSELY WITH THE PRESIDENT THROUGHOUT THE PAST WEEKS (AND CRITICISED BY THE PRIME MINISTER FOR IT) AND THE OTHER TWO GOVERNORS ARE NEUTRAL FIGURES WHO WILL DO WHAT THE PRESIDENT ASKS.

15. OTHER RESIGNATIONS ANNOUNCED INCLUDE THE HEAD OF THE INTELLIGENCE BUREAU AND THE AMBASSADOR IN WASHINGTON.

FUTURE POLICIES

16. IT REMAINS TO BE SEEN WHAT FUTURE POLICIES WILL BE ADOPTED BY THE CARETAKER GOVERNMENT. THE GENERAL EXPECTATION WILL BE THAT THE PRESIDENT WILL DOMINATE POLICY MAKING, WHICH MEANS IN THE FIRST INSTANCE THAT THE LIBERALISATION AND PRIVATISATION POLICIES OF THE PRIME MINISTER WILL GRIND TO A HALT. THE PRESIDENT SPECIFICALLY CITED THE SQUANDERING OF PUBLIC MONEY IN TOO QUICK PRIVATISATIONS AND ATTEMPTING TO PRIVATISE INSTITUTIONS SUCH AS THE TELECOMMUNICATIONS CORPORATION AND WAPDA, IN HIS PUBLIC CHARGE SHEET AGAINST THE PRIME MINISTER. HE ACCUSED THE GOVERNMENT OF GENERAL MALADMINISTRATION, CORRUPTION AND NEPOTISM, INCLUDING IN THE PRIVATISATION PROCESS (THE OUTGOING MINISTER OF FINANCE TOLD ME RECENTLY THAT THE PRESIDENT WAS NOT WELL-INFORMED ON SUCH MATTERS). WHEN HE SAW THE LORD MAYOR ON 10 APRIL IT WAS QUITE CLEAR THAT THE PRESIDENT WAS OUT OF SYMPATHY WITH THE WHOLE PRINCIPLE OF GIVING FREE REIGN TO MARKET FORCES. I SHALL REPORT IN A SEPARATE TELEGRAM THE POSSIBLE IMPLICATIONS FOR SPECIFIC BRITISH INTERESTS IN COMMERCIAL AND OTHER FIELDS.

17. ON FOREIGN POLICY THE TENSION WITH INDIA FOLLOWING INDIAN CLAIMS ABOUT PAKISTAN COMPLICITY IN THE BOMBAY BOMBING AND WITH THE US BECAUSE OF THE LATTER'S THREATS TO DECLARE PAKISTAN A TERRORIST STATE, WILL BE DIFFICULT TO SOLVE. THE PRESIDENT'S INCLINATION WILL BE HARD LINE ON BOTH ISSUES, BUT HE MAY HAVE TO ADOPT MORE FLEXIBLE POLICIES. I HAVE HEARD IT RUMOURED THAT ANY NEW GOVERNMENT WOULD TRY TO GET YAQUB KHAN BACK TO TAKE ADVANTAGE OF THE LATTER'S INTERNATIONAL GOODWILL. BUT THE PROBLEMS CANNOT BE TACKLED COSMETICALLY.

COMMENT

18. IT IS DEPRESSING TO ME TO HAVE TO REPORT WHAT I CAN ONLY DESCRIBE AS ANOTHER CONSTITUTIONAL COUP IN THIS COUNTRY, WHICH GIVES JUSTIFICATION TO THOSE WHO SAY THAT PAKISTAN HAS NOT YET ADAPTED TO A SYSTEM OF PARLIAMENTARY DEMOCRACY. FOR ALL HIS FAULTS NAWAZ SHARIF WAS PUSHING PAKISTAN'S ECONOMY FORWARD INTO THE MODERN AGE, AND WAS TRYING TO ADDRESS THE PROBLEMS OF ORDINARY PEOPLE IN PRACTICAL WAYS. PART OF THE OPPOSITION TO THE PRIME MINISTER HAS COME FROM FEUDAL ELEMENTS WHO RESENT AN UPSTART INDUSTRIALIST TELLING THEM WHAT TO DO. WE MUST HOPE THAT ELECTIONS WILL TAKE

PLACE AS ANNOUNCED AND THAT THEY WILL INDEED BE FAIR, IN WHICH CASE THE SITUATION COULD BE PARTLY SALVAGED.

19. THE IMPLICATIONS FOR ECONOMIC POLICIES AND EVEN FOR FOREIGN POLICY ISSUES COULD BE DAMAGING, AND WE MUST WATCH THEM CAREFULLY.

RECOMMENDATIONS FOR REACTION BY HMG

20. I RECOMMEND THAT AS WHEN THE PRESIDENT SACKED BENAZIR BHUTTO, WE SHOULD REACT PUBLICLY IN A RESTRAINED MANNER, POINTING OUT OF COURSE THAT CONSTITUTIONAL DEVELOPMENTS, WHICH WE SHALL FOLLOW WITH INTEREST, ARE A MATTER FOR PAKISTAN, AND HOPING THAT THE GOOD RELATIONS WE ENJOY WITH PAKISTAN WILL CONTINUE WITH THE NEW GOVERNMENT.

21. BUT I WOULD HOPE THAT WE COULD REACT WITH A CERTAIN COOLNESS. I DO NOT THINK, FOR EXAMPLE, IT WOULD BE APPROPRIATE TO CONGRATULATE THE NEW CARETAKER PRIME MINISTER AT THIS STAGE. I WILL RECOMMEND LATER WHAT MR MAJOR MIGHT SAY IN A PERSONAL MESSAGE TO NAWAZ SHARIF. NO DOUBT THERE WILL BE SOME REACTION AMONG THE PAKISTAN COMMUNITY IN BRITAIN AND THEIR MPS WHICH WILL NEED TO BE FOLLOWED.

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PAKISTAN INTERNAL: CALL BY MS BHUTTO

SUMMARY

1. MS BHUTTO EXPLAINS HER PARTY'S POSITION. IN A DEAL WITH THE PRESIDENT, WHICH WAS THE BEST ON OFFER, THE PPP'S CONDITIONS FOR PARTICIPATION IN THE CARETAKER GOVERNMENT WERE DISSOLUTION OF ALL THE ASSEMBLIES AND FAIR ELECTIONS WITHIN 90 DAYS. PPP RELUCTANT TO NOMINATE FURTHER MINISTERS UNTIL PROVINCIAL ASSEMBLIES DISSOLVED. SOME SYMPATHY FOR NAWAZ SHARIF AND AN UNEASY RELATIONSHIP WITH PRESIDENT'S MEN. PPP INTEND TO CONTINUE LIBERALISATION POLICIES OF OUTGOING GOVERNMENT.

DETAIL

2. BENAZIR BHUTTO, CO-CHAIRPERSON OF THE PPP, CALLED ON ME AT HER REQUEST ON 20 APRIL, ACCOMPANIED BY HER HUSBAND, ASIF ZARDARI, AND FAROOQ LEGHARI, ONE OF THE TWO PPP CABINET MINISTERS SO FAR NAMED IN MAZARI'S CARETAKER GOVERNMENT WHO HAS TAKEN THE FINANCE AND ECONOMIC PORTFOLIOS. MS BHUTTO WANTED TO BRIEF ME ON DEVELOPMENTS. SHE HAD JUST SEEN MY US COLLEAGUE AND PLANNED TO SPEAK TO A SMALL GROUP OF SOME OF MY OTHER COLLEAGUES LATER IN THE DAY.

3. MS BHUTTO WAS FRANK AND SOMEWHAT DEFENSIVE. SHE SAID THAT SHE HAD AVOIDED COMMITTING HERSELF IN LONDON BUT HAD BEEN IN TOUCH WITH BOTH THE PRIME MINISTER AND THE PRESIDENT TO SEE WHAT WERE THE BEST OPTIONS FOR HER PARTY AND THE COUNTRY. IF THE PRIME MINISTER HAD FORMALLY PROPOSED ABOLISHING THE 8TH AMENDMENT SHE WOULD HAVE SUPPORTED IT. SHE SAID SHE HAD STRUCK A DEAL WITH THE PRESIDENT ON THE MORNING OF 18 APRIL, AFTER HER PARTY MEETING. THIS WAS 'THE BIRD IN THE HAND'. THE PPP WOULD PARTICIPATE IN A CARETAKER FEDERAL CABINET PROVIDED BOTH NATIONAL AND PROVINCIAL ASSEMBLIES WERE DISSOLVED AND FREE AND FAIR ELECTIONS WERE HELD WITHIN 90 DAYS. THE 'DISSIDENT' PML AND THE PPP WOULD EACH HAVE A FORTY PER CENT SHARE OF PORTFOLIOS, WITH THE REMAINING TWENTY PER CENT GOING

TO OTHER PARTIES. APPARENTLY ANOTHER PART OF THE DEAL WAS FOR THE GOVERNMENTS OF SINDH AND NWFP TO GO TO THE PDA. THERE HAD ALSO BEEN A PROMISE OF ELECTORAL REFORM.

4. MS BHUTTO HAD NOT EXPECTED SUCH RAPID DEVELOPMENTS. SHE HAD NOT KNOWN ABOUT THE SPEAKER'S REQUISITIONING OF THE NATIONAL ASSEMBLY WHEN SHE HAD MET THE PRESIDENT. SHE AGREED IT HAD PROBABLY FORCED THE PRESIDENT'S HAND. ONE PPP MINISTER HAD BEEN INDUCTED (LEGHARI). BUT DIFFICULTIES HAD ALREADY ARISEN. THE PRESIDENT HAD NOT AFTER ALL DISSOLVED THE PROVINCIAL ASSEMBLIES. WITHOUT THEIR DISSOLUTION THERE COULD NOT BE A REASONABLE PROSPECT OF FREE AND FAIR ELECTIONS, BECAUSE THE PROVINCIAL GOVERNMENTS CONTROLLED LOCAL CIVIL SERVANTS AND POLICE. THE PRESIDENT'S PEOPLE SEEMED TO THINK THAT THEY COULD TAKE CONTROL OF THE PUNJAB ASSEMBLY WITHOUT DISSOLVING IT. IN THE CIRCUMSTANCES THE PPP WERE PONDERING THEIR NEXT MOVE. AT THIS STAGE THEY HAD NO INTENTION OF NOMINATING ANY FURTHER CABINET MINISTERS. ALTERNATIVELY THEY MIGHT NOMINATE MINISTERS BUT THEN HAVE THEM REFUSE TO TAKE THE OATH OF OFFICE. MS BHUTTO REMAINED UNDECIDED. SHE WAS CLEARLY UNCOMFORTABLE DEALING WITH THE PRESIDENT'S MEN, NOT KNOWING WHO WAS AUTHORISED TO SPEAK FOR HIM.

5. ACCORDING TO MS BHUTTO, PARTICIPATION IN THE CARETAKER ARRANGEMENTS WAS A MEANS TO AN END: THE BARGAIN SECURED THE PPP'S REQUIREMENT OF EARLY FREE AND FAIR ELECTIONS. THERE WOULD BE NO COMPROMISE ON THIS AND NO ACCEPTANCE OF ANY DELAY WHATEVER THE EXCUSE. 'PROVIDED THE ELECTIONS WERE FREE AND FAIR' SHE SAID 'I DON'T MIND IF I LOSE'. THERE WAS SOME REFERENCE TO ELECTORAL REFORM BUT THIS WOULD HAVE TO BE ON A LONGER TIME SCALE. SHE WANTED THE CHANCE TO DO SOMETHING FOR PAKISTAN, AND HELP SECURE A STABLE AND DEMOCRATIC GOVERNMENT FOR THE COUNTRY. WE AGREED THAT THERE WERE URGENT AND IMPORTANT ISSUES TO ADDRESS, PARTICULARLY ON THE INTERNATIONAL FRONT. SHE WAS CONCERNED ABOUT THE ALLEGATIONS OF SUPPORT FOR TERRORISM AND THE IMPLICATIONS: THERE WOULD STILL BE 'LOOSE CANNONS' IN THE ISI AND, DESPITE HIS DEPARTURE FROM THE IB, IMTIAZ'S PEOPLE COULD STILL CAUSE PROBLEMS.

6. I TOLD MS BHUTTO OF HMG'S FIRST REACTION TO THESE LATEST EVENTS (FCO TELNO 200). SHE AGREED THAT HISTORY HAD REPEATED ITSELF, ALTHOUGH LAST TIME THE ARMY HAD BEEN A PRIME MOVER. PERSONALLY SHE HAD NOT LIKED NAWAZ SHARIF, BUT HAD BEEN IMPRESSED BY HIS ADDRESS TO THE NATION AND HAD SYMPATHISED WITH HIM ON HIS DISMISSAL. HE WAS PERHAPS AT LAST BECOMING A PROPER POLITICIAN.

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7. WHEN I MENTIONED THE CONCERN THAT WOULD BE FELT BY BRITISH BUSINESSMEN AT THE PROSPECT OF A CHANGE IN NAWAZ SHARIF'S POLICIES, LEGHARI SAID THAT THE PPP AND THE CARETAKER GOVERNMENT INTENDED TO CONTINUE WITH THE LIBERALISATION POLICIES, EVEN IF THESE WERE NOT PALATABLE TO THE PRESIDENT. THE PPP WERE ALSO CURRENTLY SEEKING COMMON GROUND WITHIN THE CARETAKER GOVERNMENT ON FOREIGN POLICY AND LAW AND ORDER ISSUES.

COMMENT

8. MS BHUTTO WAS OPEN, CLEAR AND DIRECT IN HER MANNER. THE EARLY SIGNS OF STRAIN IN THE CARETAKER ARRANGEMENTS DO NOT BODE WELL, BUT SHE IS UNLIKELY TO COMPROMISE ON THE PPP'S MAIN CONDITIONS OF PARTICIPATION, IE DISSOLUTION OF ALL THE ASSEMBLIES AND FREE AND FAIR ELECTIONS WITHIN 90 DAYS. IF THE PRESIDENT RESISTS THE PPP ON THIS THERE WILL BE A RISK OF THE PPP MAKING COMMON CAUSE WITH NAWAZ SHARIF'S GROUP OF THE MUSLIM LEAGUE. THIS MAY NOT MOVE THE PRESIDENT BUT IT WOULD FURTHER ERODE HIS CREDIBILITY. DESPITE THE PPP'S ASSURANCES, I SUSPECT THE PRESIDENT WILL NOT ALLOW FURTHER LIBERALISATION OF THE ECONOMY (OR PRIVATISATION) TO ROLL ON UNIMPEDED, ALTHOUGH FEW DECISIONS IN THIS AREA ARE IN ANY CASE LIKELY TO BE TAKEN BEFORE THE ELECTIONS.

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OF 210847Z APRIL 93

INFO ROUTINE UKREP BRUSSELS, EC POSTS, WASHINGTON, NEW DELHI,

INFO ROUTINE KARACHI, UKMIS NEW YORK

*You wanted a word, where
I failed to have today,
about Nawaz Sharif.*

*Yes
today, KHR*

MY TELNO 349: PAKISTAN INTERNAL

SUMMARY

1. EC HEADS OF MISSION DISCUSS PAKISTAN POLITICAL SITUATION AND RECOMMEND TERMS OF A PUBLIC STATEMENT.

DETAIL

2. LOCAL EC HEADS OF MISSION DISCUSSED THE POLITICAL SITUATION IN PAKISTAN ON 19 APRIL. THERE WAS GENERAL AGREEMENT ON THE FOLLOWING BROAD ANALYSIS:

A) THE CHANGE OF GOVERNMENT, ALTHOUGH ORDERLY, WAS PROBLEMATIC IN TERMS OF PARLIAMENTARY AND CONSTITUTIONAL PROCEDURES.

B) THERE WOULD BE AN IMMEDIATE PERIOD OF UNCERTAINTY, PARTICULARLY IN THE ECONOMIC FIELD.

C) THE OVERRIDING CONCERN OF EUROPEAN COMMUNITY COUNTRIES SHOULD BE THAT THE ELECTIONS PROMISED FOR 14 JULY SHOULD NOT BE POSTPONED, UNLESS THE COURTS, BEFORE THAT DATE, SHOULD REINSTATE THE PREVIOUS GOVERNMENT AND PARLIAMENT.

D) IT WAS IMPORTANT THAT ELECTIONS SHOULD BE FAIR. EC GOVERNMENTS SHOULD CONSIDER OFFERING HELP WITH MONITORING ETC.

E) EC GOVERNMENTS SHOULD CONSIDER ISSUING A PUBLIC STATEMENT ON THE FOLLOWING LINES:

BEGINS:

THE COUNTRIES OF THE EUROPEAN COMMUNITY VALUE THEIR RELATIONS WITH PAKISTAN AND ARE WATCHING POLITICAL DEVELOPMENTS IN THAT COUNTRY WITH INTEREST AND ATTENTION.

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EC COUNTRIES URGE ALL CONCERNED IN PAKISTAN TO DISPLAY FULL SUPPORT FOR THE DEMOCRATIC PROCESS. THEY HOPE THAT ELECTIONS WILL TAKE PLACE ON SCHEDULE AND WILL BE A FAIR AND FREE TEST OF DEMOCRATIC OPINION.

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*Rec'd. Pl. to be op
Nawaz Sharif
7-20-93*

MY TELNO 339: PAKISTAN INTERNAL: BRITISH INTERESTS THAT MAY BE
AFFECTED BY DISMISSAL OF NAWAZ SHARIF GOVERNMENT

SUMMARY

1. DISMISSAL OF THE NAWAZ SHARIF GOVERNMENT WILL AFFECT UK
INTERESTS IN A NUMBER OF WAYS. NO POINT IN EARLY MINISTERIAL
VISITS TO PAKISTAN. UNCERTAINTIES ON THE ECONOMIC FRONT WILL
DISCOURAGE BRITISH INVESTORS AND EXPORTERS. WORLD BANK CONSORTIUM
MEETING STILL SCHEDULED TO TAKE PLACE IN PARIS BUT PROSPECT OF
DELAYS IN UK AID PROJECTS. SOME UNCERTAINTY OVER FUNDING BUT A
FRIGATES DEAL SHOULD STILL BE CLINCHED. DEFENCE NEGOTIATING TEAMS
SHOULD COME AS PLANNED. AUTHORITIES LIKELY TO BE LESS ACTIVE AND
COOPERATIVE ON DRUGS.

DETAIL

2. OUR INITIAL JUDGEMENT IS THAT THE DISMISSAL OF THE NAWAZ SHARIF
GOVERNMENT COULD AFFECT OUR BILATERAL INTERESTS ADVERSELY IN A
NUMBER OF AREAS.

POLITICAL

3. THE GOOD PERSONAL WORKING RELATIONSHIP BETWEEN NAWAZ SHARIF AND
THE PRIME MINISTER HAS BEEN LOST AND AN EARLY VISIT TO PAKISTAN BY
MR MAJOR NOW LOOKS OUT OF THE QUESTION. THERE IS NO POINT NOW IN
PURSUING A POSSIBLE VISIT BY MR LENNOX-BOYD IN JUNE, WITH ELECTIONS
HERE NOW SCHEDULED FOR 14 JULY. AN AUTUMN VISIT IS THE EARLIEST
THAT IS NOW LIKELY TO MAKE SENSE. BUT THERE IS NO REASON WHY
FOREIGN SECRETARY SHAHARYAR KHAN'S OFFICIAL TALKS WITH THE PUS ON
18 JUNE SHOULD NOT GO AHEAD.

ECONOMIC

4. BY CALLING INTO DOUBT THE CONSTITUTIONALITY AND EFFICACY OF
NAWAZ SHARIF'S ECONOMIC REFORM AND PRIVATISATION PROGRAMMES, AND

QUESTIONING THE SUCCESS OF HIS INVESTMENT PROMOTION ACTIVITIES, THE PRESIDENT HAS GIVEN SUCCOUR TO CONSERVATIVE ELEMENTS. HE HAS ALSO CAST A SHADOW OVER AN EMERGING CONSENSUS THAT THE REFORMS, IF SOMETIMES IMPERFECT IN IMPLEMENTATION, AND THE STRENGTHENING OF A MARKET-LED ECONOMY WERE POSITIVE AND NECESSARY STEPS IN PAKISTAN'S DEVELOPMENT. A CARETAKER GOVERNMENT IS STILL LIKELY TO ADD TO THE UNCERTAINTIES. AN EARLY CASUALTY COULD BE INVESTOR CONFIDENCE. THE PRIME MINISTER'S DISMISSAL HAS, FOR EXAMPLE, COME AT A TIME WHEN PAKISTAN IS SEEKING TO INVOLVE OVERSEAS EXPLORATION COMPANIES IN 17 NEW EXPLORATION CONCESSIONS.

5. ESTABLISHED BRITISH MANUFACTURERS ARE LIKELY TO KEEP THEIR HEADS DOWN AND DELAY EXPANSION PROPOSALS, BUT DEVELOPMENTS WILL UNDOUBTEDLY AFFECT THE GROWING ROLE OF PRIVATE CAPITAL INFLOWS IN WHICH AREAS BRITISH BANKS AND FINANCIAL INSTITUTIONS SUCH AS ANZ GRINDLAYS (LONDON), STANDARD CHARTERED AND MIDLAND MONTAGU HAVE BEEN ACTIVE. ANZ GRINDLAYS HAVE BEEN INSTRUMENTAL IN SEEKING LOCAL AND FOREIGN EQUITY FOR THE HUB RIVER PROJECT. FORTUNATELY, THE HUB RIVER POWER COMPANY SIGNED A US\$25 MILLION LOAN AGREEMENT ON 16 APRIL WITH THE NATIONAL DEVELOPMENT FINANCE CORPORATION, THUS ASSURING MEDIUM TERM FINANCE FOR THE PROJECT WHERE THERE IS A SIGNIFICANT BRITISH INTEREST. THE PAKISTANIS CANNOT AFFORD TO DELAY THIS PROJECT. HOWEVER, FUTURE DELAYS ARE LIKELY TO THE REMOVAL OF OBSTACLES FROM PREMIER CONSOLIDATED'S BID TO INCREASE THEIR INVESTMENT THROUGH BURMA CASTROL.

6. BRITISH EXPORTERS, AT LEAST IN THE SHORT TERM, ARE (ALONG WITH OUR COMPETITORS) LIKELY TO BE HIT BY A FALL OFF IN LOCAL BUSINESS CONFIDENCE. THEY COULD EVEN BE AFFECTED, GIVEN THE TENOR OF THE PRESIDENT'S REMARKS, BY THE POSSIBLE REINTRODUCTION OF SOME TARIFF AND NON-TARIFF BARRIERS.

7. INCREASING BRITISH INTEREST IN THE PLANNED PRIVATISATION OF THE MAJOR CORPORATIONS WILL ALSO BE LESSENED BY THE PRESIDENT'S STATEMENT THAT THE CORPORATIONS WERE THE BACKBONE OF THE NATIONAL ECONOMY AND MAJOR GENERATORS OF INCOME FOR THE EXCHEQUER AND THE INTIMATION THAT FURTHER MAJOR PRIVATISATIONS WERE UNLIKELY TO TAKE PLACE. HOWEVER, WE BELIEVE IT UNLIKELY THAT THE 72 COMPLETED INDUSTRIAL PRIVATISATIONS WILL BE ROLLED BACK, ALTHOUGH THERE MAY BE INVESTIGATIONS INTO THE MANNER IN WHICH SOME UNITS WERE TRANSFERRED TO THE PRIVATE SECTOR.

AID

8. FINANCE MINISTER SARTAJ AZIZ WAS EXPECTED TO LEAD THE PAKISTAN DELEGATION TO THE CONSORTIUM MEETING IN PARIS. ATTEMPTS ARE NOW BEING MADE TO PERSUADE FAROOQ LEGHARI TO REPLACE HIM, ONE OF ONLY THREE MEMBERS OF THE CABINET SO FAR APPOINTED. IF THESE FAIL, THE PAKISTANIS ARE LIKELY TO REQUEST A SHORT POSTPONEMENT. WE EXPECT TO SEE A CHANGE IN THE EMPHASIS OF THE DEVELOPMENT PROGRAMME REFLECTING A DECREASED IMPORTANCE GIVEN TO PRIVATISATION. ON INDIVIDUAL PROJECTS, INCREASES IN WATER TARIFF AND DECREASES IN ELECTRICITY TARIFF FOR THE LAHORE WASA PROJECT ARE UNLIKELY TO BE CONFIRMED IN THE NEAR FUTURE. PROGRESS ON THE FAISALABAD PC-1 IS ALMOST BOUND TO BE DELAYED. CLEARANCE OF VSO VOLUNTEERS IS LIKELY TO BE SIMILARLY DELAYED.

DEFENCE

9. NORMALLY INTERNAL POLITICAL CHANGES SHOULD NOT AFFECT DEFENCE MATTERS AND IN THE MAJORITY OF OUR DEALINGS THIS IS LIKELY TO PROVE THE CASE. HOWEVER, NAWAZ SHARIF, A GOOD FRIEND TO THE NAVY, HAD EXCEPTIONALLY INSTRUCTED THE NAVAL BUDGET BE INCREASED TO FUND REPLACEMENT FRIGATES. THIS MONEY IS STILL TO BE TRANSFERRED TO THE NAVAL BUDGET FROM CENTRAL COFFERS, ALTHOUGH A SMALLER BUT SIGNIFICANT SUM FOR ASSOCIATED TRAINING HAS BEEN. CURRENT ADVICE FROM THE PAKISTAN NAVY AND THE MINISTRY OF DEFENCE PRODUCTION IS THAT NEGOTIATIONS SHOULD PROCEED. MEANWHILE WE ARE CONTINUING TO MAKE PROGRESS WITH ARRANGEMENTS FOR THE CHIEFTAIN PRESENTATION. AT LEAST FOR NOW, I RECOMMEND THAT IN THE AREA OF DEFENCE ALL TEAMS SHOULD CONTINUE TO VISIT AS PLANNED.

DRUGS

10. CURRENT DRAFT LEGISLATION ON ASSET SEIZURE, ESTABLISHMENT OF AN ANTI-NARCOTICS TASK FORCE AND ON SENTENCING PRACTICE MAY NOW NOT REACH THE STATUTE BOOKS. PAKISTANI ACTION AGAINST MAJOR TRAFFICKERS, WHICH IS ALREADY PATCHY IS LIKELY TO BE PUT ON HOLD, ALTHOUGH THE PRESIDENT LISTED DRUGS AS ONE OF THE GOVERNMENT'S FAILURE AREAS, SINCE THERE ARE INFLUENTIAL POLITICIANS IN THE NWFP AND BALUCHISTAN WHOM THE CARETAKER GOVERNMENT WILL NOT WISH TO OFFEND. THE CONSEQUENCES FOR THE DLOS ACTIVITIES ARE DIFFICULT TO ASSESS AT THIS EARLY STAGE. BUT IF NAZEER AHMED MALIK REMAINS SECRETARY OF THE NARCOTICS CONTROL MINISTRY PROBLEMS MAY BE MINIMAL. IF HE GOES, THEN COOPERATION MAY END AS THERE ARE FEW OTHERS WILLING TO MAKE DECISIONS.

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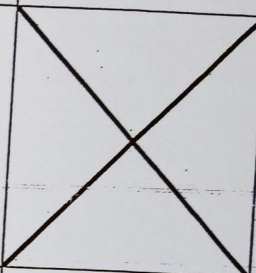
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*Sir John Wheeler
seemed to underplay this.*

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MY TELNO 319: PAKISTAN INTERNAL

SUMMARY

1. THREE MORE CABINET RESIGNATIONS. WIDOW OF LATE CHIEF OF ARMY STAFF ALLEGES HUSBAND WAS POISONED AFTER THREATS FROM PRIME MINISTER'S ADVISER. RIFT IN RULING PARTY CONTINUES. NAWAZ SHARIF'S POSITION IS FURTHER WEAKENED BUT HE IS STILL PUTTING ON A BRAVE FACE.

DETAIL

2. ON 10 APRIL MINISTER FOR DEFENCE PRODUCTION MIR HAZAR KHAN BIJARANI RESIGNED FROM THE CABINET. IN A LETTER RELEASED TO THE PRESS HE ACCUSED NAWAZ SHARIF OF FAILING TO CONSULT HIS CABINET AND OF ALLOWING HIS ADVISERS TO INTERFERE IN MINISTERIAL PORTFOLIOS. HE ALSO ACCUSED THE PRIME MINISTER OF UNDERMINING THE ARMY OPERATION IN SINDH PROVINCE AND STIRRING SINDI RESENTMENT BY REPATRIATING BIHARIS FROM BANGLADESH.

3. AT A PRESS CONFERENCE ON 12 APRIL MINISTER OF STATE FOR PRODUCTION JAM MASHOOQ ALI ALSO ANNOUNCED HIS RESIGNATION. HE ACCUSED THE PRIME MINISTER'S SPECIAL ADVISER AND PETROLEUM MINISTER CHAUDHRY NISAR ALI OF INTERFERING IN EVERY MINISTRY. HE CALLED ON THE PRIME MINISTER TO RESIGN AND FOR THE FORMATION OF A NATIONAL GOVERNMENT.

4. ON 12 APRIL ROEDAD KHAN, A POLITICAL ADVISER TO THE PRIME MINISTER ALSO TENDERED HIS RESIGNATION. ROEDAD KHAN WAS IN CHARGE OF THE ACCOUNTABILITY CAMPAIGN AGAINST FORMER PRIME MINISTER BENAZIR BHUTTO AND OTHER OPPOSITION LEADERS. HE IS A CLOSE FRIEND OF PRESIDENT ISHAQ KHAN AND KNOWN TO BE THE LATTER'S MAN IN THE CABINET. HE WAS NOT AN ELECTED REPRESENTATIVE. EIGHT CABINET MEMBERS HAVE NOW RESIGNED INCLUDING TWO UNELECTED ADVISERS OF CABINET RANK.

5. ON 11 APRIL THE WIDOW OF THE LATE CHIEF OF ARMY STAFF ASIF NAWAZ TOLD A PRESS CONFERENCE THAT SHE BELIEVED HER HUSBAND HAD BEEN KILLED BY A SLOW ACTING POISON WHICH MIMICKED THE SYMPTOMS OF A HEART ATTACK. SHE SAID THE LATE GENERAL HAD BEEN THREATENED BY THE PRIME MINISTER'S SPECIAL ADVISER CHAUDRY NISAR AND INTELLIGENCE BUREAU (IB) CHIEF BRIGADIER IMTIAZ. THE PRIME MINISTER HAS ANNOUNCED A JUDICIAL COMMISSION COMPRISING OF THREE SUPREME COURT JUDGES TO INVESTIGATE THESE ALLEGATIONS.

6. LEADERS OF THE PAKISTAN MUSLIM LEAGUE HAVE BEEN MEETING INCONCLUSIVELY TO TRY TO IRON OUT DIFFERENCES BETWEEN THE FACTIONS FOR AND AGAINST NAWAZ SHARIF. THE FACTION LED BY EX-MINISTER CHATTA IS HOLDING OUT FOR AN AGREEMENT THAT PARTY AND GOVERNMENT POSITIONS CANNOT BE HELD SIMULTANEOUSLY. THE LEADERS ALSO FAILED TO AGREE ON THE COMPOSITION OF THE MUSLIM LEAGUE COUNCIL DUE TO MEET ON 29 APRIL TO ELECT THE PARTY PRESIDENT.

7. MEANWHILE NAWAZ SHARIF AND HIS CLOSEST MINISTERS ARE PURSUING A BUSY SCHEDULE OF GOVERNMENT BUSINESS. NAWAZ SHARIF HIMSELF IS JUST BACK FROM THE SAARC SUMMIT IN DHAKA WHILE CHAUDHRY NISAR HAS BEEN IN THE US. THE PRIME MINISTER HAS BEEN LOOKING CONFIDENT. NUMBERS OF MNAS HAVE CALLED ON HIM, MAINLY FROM THE PUNJAB AND FRONTIER, TO RECORD SUPPORT. HE RECENTLY TOLD JOURNALISTS TO ENJOY THE WEATHER RATHER THAN SPECULATE ON POLITICAL EVENTS. THE PRIME MINISTER IS DUE TO MEET THE PRESIDENT ON 14 APRIL.

COMMENT

8. THREE MORE RESIGNATIONS HAVE FURTHER WEAKENED NAWAZ SHARIF'S POSITION. THE DEPARTURES OF ROEDAD KHAN AND BIJARANI ARE PARTICULARLY SIGNIFICANT AND

WIDELY SEEN AS A SIGNAL THAT THE PRESIDENT'S CAMPAIGN AGAINST NAWAZ SHARIF HAS PASSED THE POINT OF NO RETURN. BIJARANI TENDS TO FOLLOW THE WIND. HE HAD SEEN THE PRESIDENT THREE TIMES IN THE LAST FEW WEEKS. ROEDAD IS THE PRESIDENT'S MAN. IT IS CLEAR THAT THE PRESIDENT IS BEHIND ALL THE RESIGNATION MOVES AND IS CONTINUING TO PURSUE A VENDETTA AGAINST THE PRIME MINISTER. WHAT IS NOT CLEAR IS WHO THE PRESIDENT AND HIS PRINCIPAL SUPPORTERS PLAN TO PROPOSE AS THE NEXT PRIME MINISTER. AS SOME JOURNALISTS HAVE COMMENTED WITH CUSTOMARY FRANKNESS, THE MOVES SEEM TO BE ALL ABOUT PERSONALITIES RATHER THAN ABOUT POLITICS, OR THE NATIONAL INTEREST. MANY RESPONSIBLE INDIVIDUALS, INCLUDING, I AM TOLD, IN

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THE ARMED FORCES, ARE CONCERNED ABOUT THE DAMAGE TO THE NATIONAL INTEREST THAT WILL FOLLOW FROM DRIFT AND INDECISION IN THE HIGHEST REACHES OF GOVERNMENT. OTHERS ARE WORRIED ABOUT THE IMPACT OF ANY CHANGES ON THE GOVERNMENT'S ECONOMIC POLICIES, GIVEN THE PRESIDENT'S WELL-KNOWN CONSERVATISM AND DISTRUST OF MARKET FORCES (RECENTLY EXPRESSED TO THE LORD MAYOR OF LONDON DURING THE LATTER'S CALL). ALREADY SOME PEOPLE ARE REPORTED TO BE TRANSFERRING MONEY ABROAD.

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MY TELNO 279: PAKISTAN INTERNAL

SUMMARY

1. CONFLICT IN RULING PARTY DEEPENS AS THREE CABINET MINISTERS RESIGN, INCLUDING PRESIDENT'S SON-IN-LAW. PRESIDENT MAY SIMPLY BE SEEKING TO CLIP NAWAZ SHARIF'S WINGS. BUT IT CANNOT BE RULED OUT THAT THE PRESIDENT MAY AGAIN USE HIS DISCRETIONARY POWERS TO SACK THE PRIME MINISTER AND DISSOLVE THE ASSEMBLIES.

DETAIL

2. THREE CABINET MINISTERS DID IN THE EVENT RESIGN YESTERDAY: CHATTHA, ANWAR SAIFULLAH AND JUNEJO'S SON ASAD. THE FIRST TWO GAVE A PRESS CONFERENCE IN ISLAMABAD EXPLAINING THAT THE PRIME MINISTER'S HASTE IN TRYING TO RAILROAD THROUGH HIS SUCCESSION TO THE PRESIDENCY OF THE MUSLIM LEAGUE IN PLACE OF JUNEJO WAS THE REASON FOR THEIR RESIGNATIONS, THOUGH THEY ALSO CRITICISED THE PRIME MINISTER'S STYLE OF GOVERNMENT MORE GENERALLY.

3. AS I SAID IN MY TUR RESIGNATIONS ARE EXTREMELY RARE HERE BECAUSE OF THE POLITICAL VALUE OF CLINGING TO OFFICE AND THE PERKS AND INFLUENCE THAT GO WITH IT. WE MUST THEREFORE ASSUME THAT THE MINISTERS WHO RESIGNED BELIEVE THAT A GENERAL UPHEAVAL IN THE POLITICAL SCENE IS ON THE CARDS. IN PARTICULAR, ANWAR SAIFULLAH (WHO IS A PERSONAL FRIEND AND A FRIEND OF BRITAIN) HAS BEEN DEVOTING A LOT OF ENTHUSIASM TO HIS JOB AS ENVIRONMENT MINISTER AND WILL ONLY HAVE RESIGNED, THOUGH HE DENIES THIS IN PUBLIC, AT THE EXPRESS REQUEST OF HIS FATHER-IN-LAW - THE PRESIDENT.

4. THE MEDIA IS FULL OF SPECULATION AS TO WHETHER OTHER MINISTERS WILL NOW RESIGN. EJAZ UL HAQ HAS APPARENTLY REFUSED TO DO SO AND IS BEING CALLED A TURNCOAT BY HIS UNCLE AND OTHERS WHO ASSUMED THAT HE WOULD JOIN THEM. IT IS SUGGESTED THAT SOOMRO (SCIENCE AND TECHNOLOGY), BIJARANI (DEFENCE PRODUCTION) AND THE LATE JAM SADIQ'S SON ARE ALSO UNDER GREAT PRESSURE TO RESIGN. A SERIOUS SPLIT IN

THE MUSLIM LEAGUE IS FORECAST.

5. THERE SEEMS LITTLE DOUBT THAT THE PRESIDENT HIMSELF IS BEHIND THESE MANOEUVRES AND THAT HIS PERSONAL BITTERNESS AT THE WAY IN WHICH NAWAZ SHARIF HAS BEHAVED IN RECENT MONTHS IS RESPONSIBLE. THE EXPERIENCED SENIOR MINISTER OF THE GOVERNMENT, ASLAM KHATTAK, TOLD A FRIEND OF MINE THAT HE THOUGHT THERE WAS A DISTINCT POSSIBILITY THAT THE PRESIDENT WOULD DISSOLVE THE ASSEMBLIES AND DISMISS THE PRIME MINISTER WHEN THE LATTER CAME BACK FROM HIS CURRENT VISIT TO GERMANY (AS ZIA DID TO JUNEJO IN 1988 WHEN JUNEJO HAD JUST COME BACK FROM A TRIP TO CHINA). I AM AFRAID THIS CANNOT NOW BE RULED OUT. MOST EDITORIAL COMMENT IN THE ENGLISH LANGUAGE PRESS DEPLORES THE PROSPECT OF THE PRESIDENT USING HIS SPECIAL POWERS TO DISMISS THE PRIME MINISTER WHO COMMANDS A MAJORITY IN THE NATIONAL ASSEMBLY. THERE ARE PLENTY OF LOGICAL REASONS WHY THE PRESIDENT SHOULD NOT DO THIS. HE HAS PLAYED A SIMILAR CARD ONCE BEFORE (WITH BENAZIR BHUTTO IN 1990) AND THERE IS NO GUARANTEE THAT THE SUPREME COURT WOULD DECLARE A FURTHER DISSOLUTION OF THE ASSEMBLIES NOW TO BE CONSTITUTIONAL. THERE IS ALSO NO GUARANTEE THAT A GOVERNMENT OF THE PRESIDENT'S CHOICE WOULD EMERGE FROM THE ENSUING ELECTIONS. BUT LOGIC, UNFORTUNATELY, IS NOT WHAT GUIDES PAKISTANI POLITICIANS. IT IS RATHER PURSUIT OF POWER, MATERIAL BENEFITS AND SOMETIMES PERSONAL FRIENDSHIPS AND VENDETTAS.

COMMENT

6. SHOULD THE PRESIDENT TAKE THIS DRASTIC STEP I WOULD PROPOSE THAT WE SHOULD REACT IN A RESTRAINED, QUIETLY CRITICAL POSTURE, SEEKING, AS WE DID WHEN HE DISMISSED BENAZIR BHUTTO, MORE INFORMATION ABOUT WHY HE CONSIDERED THIS STEP JUSTIFIED. THERE IS LITTLE DOUBT THAT ANY SUCH ACTION WOULD ONCE AGAIN SET BACK THE CAUSE OF A WORKING PARLIAMENTARY DEMOCRACY IN PAKISTAN. THE IMPLICATIONS FOR PAKISTAN'S POLICIES ON KASHMIR, THE NUCLEAR ISSUE, RELATIONS WITH THE US ETC WOULD BE UNPREDICTABLE, THOUGH THE PRESIDENT TENDS TO BE CONSERVATIVE IN ALL THESE MATTERS. THE THRUST AND DRIVE OF THE PRIME MINISTER'S ECONOMIC LIBERALISATION PLANS WOULD UNDOUBTEDLY BE DIMINISHED SINCE SOME OF THOSE WHO ARE NOW RALLYING TO THE PRESIDENT ARE CRITICAL OF THE WAY THE PRIME MINISTER HAS PUSHED AHEAD WITH THESE BOLD INITIATIVES.

7. BUT THIS IS ONLY CONTINGENCY THINKING. THE PRESIDENT MAY SIMPLY HOPE TO CUT NAWAZ SHARIF DOWN TO SIZE BY MAKING IT DIFFICULT FOR HIM TO TAKE OVER THE PRESIDENCY OF THE MUSLIM LEAGUE, AND TO MAKE IT CLEAR THAT IN THE LAST RESORT IT IS THE PRESIDENT WHO CALLS

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THE SHOTS ON MAJOR POLITICAL ISSUES, RATHER THAN THE PRIME MINISTER.

8. SAD MAY WISH TO PASS TO NO 10 IN ADVANCE OF THE PRIME MINISTER'S MEETING WITH NAWAZ SHARIF AT 291030Z.

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Foreign &
Commonwealth
Office

London SW1A 2AH

23 February 1993

*St who draft reply
received - a.m. 17/2*

Dear Stephen,

[Signature]

Letter from Pakistan Prime Minister
on Pakistan/US Relations

*copies
attached*

You asked for advice on Nawaz Sharif's letter of 17 February about Pakistan/US relations (copy enclosed for ease of reference). This appears to have crossed with the Prime Minister's letter of 8 February in reply to Nawaz Sharif's letter of 17 January about Kashmir.

Nawaz Sharif's letter contains nothing new. We have incontrovertible evidence that claims about the peaceful purpose of the Pakistan nuclear programme are untrue and that in the past at least, Pakistan has provided material support to Kashmiri militants. We could not therefore speak to the Americans as Nawaz Sharif requests, neither do we consider the Prime Minister should raise the letter in his first meeting with the Clinton Administration. The contents of the letter might, however, usefully be brought to the attention of the Americans in the margins of the visit, by one of the officials accompanying the Prime Minister, perhaps with an offer of official-level discussions with the Americans on the underlying issues.

If the Americans raise non-proliferation, the Prime Minister might identify South Asia as a particular area of concern.

We will provide a draft reply to Nawaz Sharif's letter after the Prime Minister's visit to Washington.

Yours ever,

Christopher Patten.

(J S Smith)
P.P. Private Secretary

J S Wall Esq CMG LVO
10 Downing Street

~~SUBJECT
MASTER~~

~~Filed on:~~

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ



PRIME MINISTER

Islamabad,
February 17 1993.

Dear Mr. Prime Minister,

I had the pleasure of writing to you on 17 January conveying our thoughts on the situation in Jammu and Kashmir and the state of our relations with India in general. I trust that my communication served a useful purpose.

I understand that you are shortly to visit the United States of America for discussions with President Clinton and his Administration. I am, therefore, taking the liberty of conveying Pakistan's views on our relations with the United States. The major issues affecting relations between Pakistan and the United States include Pakistan's nuclear programme, and its position on the struggle of the people of Kashmir for the right to self-determination. A brief elaboration of these problems is given hereunder.

Pakistan's nuclear programme is entirely peaceful. We remain committed to the objective of nuclear non-proliferation in South Asia and we are willing to accept any equitable and non-discriminatory regional regime to keep South Asia free of nuclear weapons. It is unfortunate that I have not received a positive response from India on various proposals, including my June 6, 1991 proposal for 5-nation talks including USA, Russia, China, Pakistan and India for the prohibition of all weapons of mass destruction in South Asia and for mutual

copy attached



and balanced reduction of conventional weapons and armaments.

Pakistan is fully conscious of the importance of the imperative of non-proliferation. It has no intention of using its nuclear capability to threaten or blackmail any country. It has consistently honoured its pledge that it would not transfer nuclear technology to any country.

Another issue on which you may like to brief the Clinton Administration concerns certain perceptions that have emerged in the US about Pakistan. It is perceived that some private groups are supporting Kashmiri freedom fighters who are said to be indulging in terrorism. Pakistan is engaged in discussions with the US government at the diplomatic level and has drawn a distinction between the legitimate political support for the just struggle for self-determination in Kashmir and allegations of material support to groups alleged to be involved in terrorist activities. To dispel any impression of support to these groups, we are prepared to allow free access to interested diplomats and representatives of the international media to visit Azad Kashmir. We have also on several occasions proposed the stationing of international observers on both sides of the Line of Control.

I wish to reiterate our position that Pakistan condemns and opposes terrorism in all its forms and manifestations. Pakistan has signed many international conventions and has publicly committed itself to the suppression of terrorism. It is our belief that terrorism tarnishes any just struggle or freedom movement.



As regards the charges of terrorism, they can be more suitably directed at the State that is perpetrating it on the people of Kashmir through grave violations of human rights. These acts have been condemned by human rights organizations throughout the world including Amnesty International.

I have tried to impress upon Prime Minister Narasimha Rao the need to find a solution to the Kashmir problem, the continuation of which is retarding development of both countries. Pakistan will seriously consider all reasonable solutions that may enable us to move forward.

I trust that you would be able to apprise President Clinton of the correct perspective on these issues. I believe that the United Kingdom can play a vital role in persuading Washington to exhibit better understanding of Pakistan's perception of the problems mentioned above.

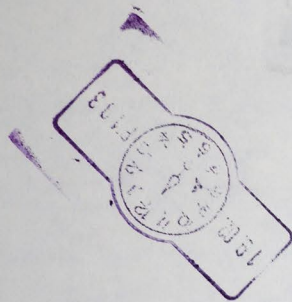
I look forward to your promised visit to Pakistan which will enable us to carry forward our discussions. Your visit will also afford us the opportunity to manifest the high regard and esteem in which we hold you and the British people.

Please accept Mr. Prime Minister, the assurances of my highest consideration.

(Muhammad Nawaz Sharif)

His Excellency
Mr. John Major,
Prime Minister of the United Kingdom,
London.

INDIA: Foreign Policy PT2



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OUR TELNO 96: PAKISTAN INTERNAL

SUMMARY

1. BENAZIR BHUTTO'S HUSBAND RELEASED ON BAIL. HE HOPES TO VISIT LONDON.

DETAIL

2. ON 6 FEBRUARY ASIF ZARDARI, HUSBAND OF OPPOSITION LEADER BENAZIR BHUTTO WAS GRANTED BAIL ON THE REMAINING SERIOUS CHARGE AGAINST HIM (THE UNAR/BUKHARI KIDNAPPING CASE). ZARDARI DENIED THAT HIS RELEASE HAD BEEN OBTAINED BECAUSE OF ANY DEAL WITH THE GOVERNMENT.

3. HAS REQUESTED OFFICIAL PERMISSION TO VISIT BENAZIR BHUTTO AND THEIR NEWBORN DAUGHTER IN LONDON (HE NEEDS CLEARANCE TO LEAVE PAKISTAN BECAUSE HE IS ON BAIL).

HARRISON

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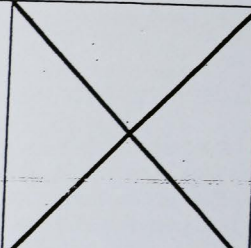
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R/S/07, Dr Wall

RO
18/1

PAKISTAN: OPPOSITION "LONG MARCH"

F10 Line to take

We have seen reports that large numbers of Pakistan People's Party supporters have been arrested, that there have been violent clashes between the Pakistan security forces and opposition members wishing to take part in the march to Islamabad, and that Benazir Bhutto, the leader of opposition and former Prime Minister, has been arrested. If they are confirmed we would deplore the use of violence and would call upon both the government and the opposition to exercise restraint in order to uphold the democratic process in Pakistan.

DEPARTMENT/SERIES <i>PREM 19</i> PIECE/ITEM <i>4335</i> (one piece/item number)	Date and sign
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Use the card for one piece or for each extract removed from a different place within a piece.

Enter the department and series,
eg. HO 405, J 82.

Enter the piece and item references, .
eg. 28, 1079, 84/1, 107/3

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INFO PRIORITY KARACHI, NEW DELHI, WASHINGTON

YOUR TELNOS 1337, 1338 AND 1342: MESSAGES FROM THE PRIME MINISTER, SECRETARY OF STATE AND SPEAKER

1. GRATEFUL IF YOU WOULD PASS FOLLOWING MESSAGE FROM THE PRIME MINISTER TO NAWAZ SHARIF AS SOON AS POSSIBLE:
QUOTE

I SEND YOU MY CONGRATULATIONS ON YOUR APPOINTMENT AS PRIME MINISTER OF PAKISTAN. BRITAIN AND PAKISTAN HAVE TRADITIONALLY ENJOYED A CLOSE AND FRIENDLY RELATIONSHIP AND I TRUST THAT THIS WILL CONTINUE. YOU TAKE OFFICE AT A TIME OF CONSIDERABLE INTERNATIONAL CHALLENGE AND TENSION, PARTICULARLY FOLLOWING THE UNPROVOKED IRAQI INVASION OF KUWAIT. I LOOK FORWARD TO WORKING WITH YOUR GOVERNMENT AND THE INTERNATIONAL COMMUNITY TO SEE THAT RIGHT AND JUSTICE PREVAIL.

I HOPE THAT THERE WILL BE AN OPPORTUNITY FOR US TO MEET BEFORE TOO LONG, AND IN THE MEANTIME SEND TO YOU AND YOUR FAMILY EVERY GOOD WISH. UNQUOTE.

2. GRATEFUL IF YOU WOULD ALSO PASS THE FOLLOWING MESSAGE FROM THE PRIME MINISTER TO MISS BHUTTO:
QUOTE.

AS A NEW GOVERNMENT IS INSTALLED IN PAKISTAN I SHOULD LIKE TO SAY HOW MUCH I ENJOYED AND VALUED OUR GOOD RELATIONSHIP DURING YOUR TIME AS PRIME MINISTER.

I SEND YOU MY BEST PERSONAL GOOD WISHES FOR THE FUTURE AND I HOPE WE SHALL CONTINUE TO KEEP IN TOUCH. UNQUOTE.

3. THERE WILL BE NO SIGNED ORIGINAL OF EITHER MESSAGE.

4. THE MESSAGE TO Yaqub Khan suggested in your TELNO 1338 IS APPROVED AND YOU SHOULD DELIVER THIS IF HE IS APPOINTED AS

PAGE 1
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FOREIGN MINISTER.

5. WE HAVE WRITTEN TO THE SPEAKER SUGGESTING THAT HE SEND THE MESSAGES IN YOUR TELNO 1342. WE SHALL LET YOU KNOW WHEN WE RECEIVE HIS REPLY.

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MR HUNT, OT4/3, DTI

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10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

9 November 1990

**PAKISTAN: MESSAGES TO THE NEW PRIME MINISTER
AND TO MISS BHUTTO**

Thank you for your letter of 8 November recommending that the Prime Minister send a message of congratulations to the new Pakistan Prime Minister and to Miss Bhutto. I am sure the Prime Minister would be content to do so and the texts proposed in your letter may be despatched.

(CHARLES POWELL)

Simon Gass, Esq.,
Foreign and Commonwealth Office.

ls



uk
Foreign and Commonwealth Office
London SW1A 2AH

8 November 1990

Dear Charles,

Pakistan: Messages to new Prime Minister and Miss Bhutto

Following the Pakistan general elections on 24 October, in which the Islamic Democratic Alliance received a substantial increase in its popular support, Nawaz Sharif, formerly a prominent businessman, was elected by the IDA as their candidate for Prime Minister. He has now been elected to this post by the National Assembly and was sworn in on 6 November.

The Prime Minister may therefore wish to send him a message of congratulations. Our High Commissioner in Islamabad has suggested the following message:

"I send you my congratulations on your appointment as Prime Minister of Pakistan. Britain and Pakistan have traditionally enjoyed a close and friendly relationship and I trust that this will continue. You take office at a time of considerable international challenge and tension, particularly following the unprovoked Iraqi invasion of Kuwait. I look forward to working with your government and the international community to see that right and justice prevail.

I hope that there will be an opportunity for us to meet before too long, and in the meantime send to you and your family every good wish."

In view of Miss Bhutto's personal connetions with Britain and the successful visit which she paid to Britain in July 1989, the Prime Minister may also wish to send a message to her. She is the leader of the largest opposition party, and may well return to government in the future. A message on the following lines might be appropriate:

"As a new government is installed in Pakistan I should like to say how much I enjoyed and valued our good relationship during your time as Prime Minister.

/I send



I send you my best personal good wishes for the future
and I hope we shall continue to keep in touch."

Yours ever
S. L. Cass

(S. L. Cass)
Private Secretary

C D Powell Esq
10 Downing Street





File

KK

10 DOWNING STREET

LONDON SW1A 2AA

THE PRIME MINISTER

22 October 1990

Not GR

Private

George Galloway

Thank you for your letter. Instructions have indeed gone to Sir Nicholas Barrington on the points which you raised in the House. We must all hope that the election does go ahead peacefully and the results are respected.

Yours sincerely

John Major

George Galloway, Esq., M.P.

JT

C/F
1 Sent through
Galloway
yesterday
24/10



File

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

Not in Cf or Questions

18 October 1990

Mr George Galloway MP asked a question of the Prime Minister in the House this afternoon about Benazir Bhutto. You will find the exchange in Hansard's tomorrow morning. He has subsequently written to ask that the Prime Minister's concern be conveyed to our High Commissioner in Islamabad. I should be grateful if you could arrange for this to be done tomorrow.

CHARLES POWELL

J. S. Wall, Esq., L.V.O.,
Foreign and Commonwealth Office

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INFO ROUTINE KATHMANDU, COLOMBO, DHAKA, MOSCOW, PARIS, BONN, ROME

MY TELNO 1233 (NOT TO ALL) : PAKAISTAN ELECTIONS

SUMMARY

1. UNCERTAINTIES THAT ELECTIONS WILL BE HELD ON 24 OCTOBER ARE DIMINISHING. CAMPAIGNING IS MOVING INTO A HIGHER GEAR, DOMINATED BY PERSONALISED MUD-SLINGING AND LOCAL ISSUES. PPP LIKELY TO EMERGE AS THE SINGLE LARGEST PARTY, BUT WITHOUT AN OVERALL MAJORITY. AN IJI-LED COALITION CURRENTLY LOOKS THE MOST LIKELY OUTCOME, THOUGH POLITICAL TURBULENCE COULD BE SEVERE.

DETAIL

2. WITH A WEEK TO GO BEFORE THE SCHEDULED ELECTIONS IN PAKISTAN (NATIONAL ASSEMBLY ON 24 OCTOBER AND PROVINCIAL ASSEMBLIES ON 27 OCTOBER) PRACTICAL ELECTION ARRANGEMENTS ARE FALLING INTO PLACE, CAMPAIGNING IS MOVING INTO A HIGHER GEAR AND THE THREAT OF POTENTIAL OBSTACLES OR HAZARDS THAT COULD COMPLICATE THE POLITICAL SCENE OR PROVIDE AN EXCUSE FOR POSTPONEMENT OR OTHER UPSET ARE GRADUALLY BEING REDUCED EG EXTERNAL THREATS, COURT JUDGEMENTS ON THE DISOLUTION OF THE PREVIOUS ASSEMBLIES OR DISQUALIFICATION OF MS BHUTTO OR OTHER PROMINENT INDIVIDUALS. NEVERTHELESS AN AIR OF UNCERTAINTY PREVAILS, BOTH ABOUT THE CONDUCT OF THE ELECTIONS AND THE OUTCOME.

CAMPAIGN ISSUES

3. THE IJI AND THE PDA, THE TWO MAIN GROUPS IN CONTENTION, HAVE BELATEDLY PRODUCED ELECTION MANIFESTOS. THOUGH THESE GO INTO SOME DETAIL ON OVERALL POLICY OBJECTIVES THERE ARE FEW SIGNIFICANT DIFFERENCES BETWEEN THEM AND IN ANY CASE THEY ARE LARGELY IRRELEVANT. POLICY ISSUES ARE NOT SERIOUSLY AT STAKE. CAMPAIGNING HAS MOSTLY BEEN AT THE LEVEL OF PERSONALISED MUD SLINGING, WITH (AT THE MOMENT NATIONAL LEVEL) THE IJI TARGETING CORRUPTION AND ABUSE OF POWER BY THE PREVIOUS PPP GOVERNMENT AND ON THE OTHER SIDE

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BENAZIR BHUTTO, DOMINANT WITHIN THE PDA ALLIANCE RAILING AGAINST HER DISMISSAL BY THE PRESIDENT ON 6 AUGUST.

4. PROPOSALS ON HOW A NEW GOVERNMENT MIGHT HANDLE THE ECONOMIC CONSEQUENCES OF THE GULF CRISIS HARDLY RATE A MENTION, SINCE PROMISES OF SEVERE DOSES OF ECONOMIC MEDICINE ARE HARDLY VOTE WINNERS. BUT THERE ARE SERIOUS ECONOMIC PROBLEMS TO BE FACED BY A NEW GOVERNMENT (MY TELNO 1277). EQUALLY, FOREIGN POLICY QUESTIONS HAVE NOT BEEN SERIOUSLY DEBATED, TENDING TO CENTRE ROUND ALLEGATIONS THE MS BUTTO IS IN THE POCKET OF THE AMERICANS AND/OR THE 'INDO-ZIONIST LOBBY'.

5. BUT THE NATIONAL LEVEL IS NOT THE RELEVANT ONE. VOTING PATTERNS ARE LIKELY TO BE DETERMINED BY LOCAL ISSUES AND ALLEGIANCES AS WELL AS PERCEPTIONS OF THE PERFORMANCES AND PROMISES FO THE LEADING POLITICAL CONTENDERS, MOSTLY FAMILIAR FACES. THE VOTES THAT COUNT INDECIDING THE OUTCOME WILL LARGELY BE IN THE RURAL CONSTITUENCIES OF PUNJAB AND SINDH. ALTHOUGH ELECTION RALLIES ARE ATTRACTING LARGE CROWDS BOTH FOR BENAZIR BHUTTO AND THE MAIN IJI LEDERS, PARTICULARLY NAWAZ SHARIF AND THE CARE-TAKER PRIME MINISTER JATOI, THE AVERAGE PEASANT ON THE SAHIWALL BULLOCK CART REMAINS UNIMPRESSED AND INDEED UNAFFECTED BY THE POLITICAL POWER GAME AND MANOEUVRES ON THE WIDER NATIONAL STAGE.

CONDUCT

6. ALTHOUGH THE PRESIDENT HAS RENEWED HIS CALL FOR FREE AND FAIR ELECTIONS, RIGGING OF SOME KIND IS WIDELY EXPECTED. THE INCUMBENT CARETAKER GOVERNMENTS, BOTH AT FEDERAL AND PROVINCIAL LEVELS, HAVE AN EDGE AND HAVE BEEN UNASHAMEDLY PARTISAN. MOST COMENTATORS BELIEVE THAT THE UNITS OF LOCAL ADMINISTRATORS, NOT TO MENTION ORGANS OF THE MEDIA THAT ARE GOVERNMENT CONTROLLED, HAVE BEEN INLISTED MORE SYSTEMATICALLY THAN IN 1988 IN SUPPORT OF THE IJI CANDIDATES. OTHER METHODS ARE THOUGHT LIKELY TO INCLUDE USE OF BOGUS IDENTIFICATION CARDS AND MANIPULATION OF TRANSPORT FLEETS. BUT BLATANT RIGGING AT POLLING STATIONS MAY BE DIFFICULT TO HIDE FROM REPRESENTATIVES OF THE ELECTION COMMISSION, PPP AGENTS AND SUPPORTERS AND IN SOME CASES INTERNATIONAL OBSERVERS, PRIMARILY FROM THE TEAM SPONSORED BY THE NATIONAL DEMCRATRIC INSTITUTE (NDI). GIVEN THE DEGREE OF CYNICISM ABOUT THE ELECTORAL PROCESS, VOTER TURN OUT COULD BE RELATIVLEY LOW. IT HAS DROPPED STEADILY IN THE LAST THREE ELECTIONS - 63% OF THOSE ELIGIBLE IN 1970, 55% IN 1977, 52% IN 1985 AND ONLY 43% IN 1988.

ROLE OF ARMY

7. ON THE WHOLE THE ARMY HAVE TAKEN A BACK SEAT, THEIR PREFERRED POSITION, AT LEAST UNDER THE PRESENT LEADERSHIP. DESPITE WARNING SHOTS ABOUT EXTERNAL BOGIES, GENERAL BEG HAS PUBLICLY SUPPORTED THE DEMOCRATIC PROCESS, DENIED THAT MARTIAL LAW IS AN OPTION AND PROVIDED ASSURANCES THAT THE ARMY WILL HELP MAINTAIN LAW AND ORDER WHERE NECESSARY. SOME TROOPS HAVE ALREADY BEEN DEPLOYED IN SINDH OSTENSIBLY FOR THIS PURPOSE.

8. THE CORPS COMMANDERS HELD ONE OF THEIR REGULAR MONTHLY MEETINGS IN LAHORE ON 10 AND 11 OCTOBER WHICH GAVE RISE TO SOME SPECULATION ABOUT THE ARMY'S INTENTIONS, PARTICULARLY IN THE LIGHT OF CERTAIN INDICATIONS THAT THE PPP MIGHT END UP WITH SUFFICIENT SEATS TO ENABLE MS BHUTTO TO RETURN AS PRIME MINISTER. THERE IS LITTLE DOUBT IN ANYONE'S MIND ABOUT THE END RESULT THEY WOULD LIKE TO SEE, IE A STABLE, DEMOCRATICALLY ELECTED GOVERNMENT WICH IS PLIABLE TO THEIR WISHES AND CONCERNS. THIS SPECIFICALLY MEANS THE EXCLUSION OF MS BHUTTO FROM A POSITION OF POWER. THEIR FAVOURITE CANDIDATE IS THOUGHT LIKLEY TO BE JATOI, PREFERABLY HEADING A BROAD IJI COALITION, SINCE HE WOULD BE MORE MALLEABLE THAN NAWAZ SHARIF. THE POLITICAL WING OF THE ISI HAVE UNDOUBTEDLY BEEN ACTIVE BEHIND THE SCENES IN SUPPORT OF THE IJI. BUT UNLESS THER ARE SERIOUS OUTBREAKS OF VIOLENCE OR SOME OTHER PLAUSIBLE EXCUSE FOR INTERVENTION, THE ARMY SEEMS UNLIKELY TO OCCUPY CENTRE STAGE.

LIKELY OUTCOME

9. ON THE ASSUMPTION THE THE ELECTIONS TAKE PLACE AS PLANNED, THE CURRENT GUESSING GAME IS HOW THE ARITHMETIC WILL ADD UP. WE WILL EXAMINE POSSIBLE SCENARIOS NEXT WEEK BUT MOST POLITICAL PUNDITS ARE CURRENTLY PREDICTING THAT THE PPP WILL EMERGE AS THE SINGLE LARGEST PARTY, THOUGH WITHOUT AN OVERALL MAJORITY - A RESULT IN FACT THAT MAY NOT BE SIGNIFICANTLY DIFFERENT TO THE 1988 ELECTION RESULT. FEW PEOPLE BELIEVE THAT THE PPP CAN IN FACT ABTAIN THE 109 SEATS THAT WOULD GIVE MS BHUTTO AN OVERALL MAJORITY, THOUGH IT IS NO IMPOSSIBLE.

10. IN THESE CIRCUMSTANCES THE IJI WILL BE EXPECTED TO ASTTEMPT TO PUT TOGETHER A COALITION GOVERNMENT AS MOST OF THE SMALLER PARTIES LIKELY TO EMERGE WITH NATIONAL ASSEMBLY SEATS (THE MQM, ANP, JUI, JUP) ARE MORE SYMPATHETIC TO THE IJI THAT TO THE PPP. THE IJI'S CHANCES OF SUCCESS WILL DEPEND ON WHETHER THEY CAN ATTRACT NOT ONLY THESE PARTIES BUT THE INDEPENDANTS AND REPRESENTATIVES OF TRIBAL

AREAS AND RELIGIOUS MINORITIES. THE NEW PRIME MINISTER WILL BE DETERMINED BY A VOTE OF THE NEW MEMBERS OF THE NATIONAL ASSEMBLY SINCE THE PRESIDENT'S DISCRETIONARY POWERS UNDER THE CONSTITUTION TO NOMINATE A NEW PRIME MINISTER LAPSED IN MARCH THIS YEAR. THE MANOEUVERING WILL NO DOUBT BE INTENSE BUT THE CONTEST IS LIKELY EFFECTIVELY TO BE BETWEEN NAWAZ SHARIF AND JATOI.

11. THUS IF THE ELECTIONS THEMSELVES CAN BE NEGOTIATED WITHOUT UNDUE VIOLENCE OR UPSET, THE POLITICAL TURBULENCE IS LIKELY TO CONTINUE FOR SOME TIME THEREAFTER. THE SEVERITY OF IT WILL DEPEND ON PERCEPTIONS ABOUT THE CONDUCT OF THE ELECTIONS AND THE ACCEPTABILITY OR OTHERWISE TO THE PRESIDENT, AND POTENTIALLY THE ARMY, OF WHOEVER EMERGES AS THE WINNER.

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CHANGE OF GOVERNMENT: PROBLEMS IN THE PPP

SUMMARY

1. BEGUM NUSRAT BHUTTO LEFT FOR UK ON 12 AUGUST.
'ACCOUNTABILITY' BEGINS WITH ARREST OF ASIF ZARDARI'S BUSINESS ASSOCIATES. CEC MEETING OF PPP DHEEM GULAM MUSTAPHA KHAR AND JAM SADEQ ALI DISMISSED FROM THE PARTY.

DETAIL

2. BEGUM NUSRAT BHUTTO LEFT FOR LONDON BY PIA FLIGHT ON 12 AUGUST. THE AIRCRAFT'S DEPARTURE WAS DELAYED FOR SEVERAL HOURS, OSTENSIBLY BECAUSE OF A BOMB SCARE, BUT IN REALITY TO ENABLE THE IMMIGRATION AUTHORITIES TO CHECK WITH THE FEDERAL GOVERNMENT THAT SHE SHOULD BE PERMITTED TO LEAVE.

3. ON THE NIGHT OF 11/12 AUGUST THE POLICE ARRESTED A NUMBER OF ASIF ZARDARI'S CRONIES INCLUDING KHALID MURTAZA KORAI, SPECIAL ASSISTANT TO THE FORMER CHIEF MINISTER OF SINDH, AHMED FAHIM MOGHUL, PRIVATE SECRETARY TO THE FORMER PRIME MINISTER AT BILAWAL HOUSE AND GHULAM SIKANDER, REGIONAL DIRECTOR, PAKISTAN NARCOTICS CONTROL BOARD. SIKANDER AFRICAWALLA, WHOSE KIDNAPPING ASIF ZARDARI WAS THOUGHT TO HAVE ARRANGED LAST YEAR, IS ALSO WANTED BUT APPEARS TO HAVE GONE UNDERGROUND.

COMMENT

4. A RELIABLE SOURCE, WHO SAW NUSRAT BHUTTO PRIVATELY ON THE EVENING OF 11 AUGUST, SAID THAT SHE HAD INDICATED THAT SHE WAS ABOUT TO THROW IN THE SPONGE. SHE HAD NO DESIRE TO STAY ON IN PAKISTAN AND TO FIGHT THE ARMY AGAIN. SHE WAS BITTER ABOUT THE ZARDARIS, PERE ET FILS.

5. IT SEEMS CLEAR THAT THE ARREST OF ASIF ZARDARI'S CRONIES IS THE BEGINNING OF A MOVE TO ISOLATE BENAZIR BHUTTO AND TO SPLIT

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THE PPP. ABDUL HAFIZ PIRZADA, FOUNDED MEMBER OF THE PPP AND FORMER FINANCE MINISTER UNDER THE LATE Z A BHUTTO, TOLD ME LAST NIGHT THAT THE ARMY WERE DETERMINED TO PREVENT BENAZIR FROM LEADING THE PPP IN THE FORTHCOMING ELECTORAL CAMPAIGN. SUPPORT FOR HER WAS RISING IN SINDH AS THE ASSUMPTIONS ABOUT THE ARMY'S ROLE IN THE CHANGE OF GOVERNMENT BECAME MORE WIDESPREAD. ACCORDING TO PIRZADA, THE ARMY WILL PUT PRESSURE ON ASIF ZARDARI WHO IS CONSIDERED TO BE NO HERO, AND THROUGH HIM AND THE TWO CHILDREN, FORCE BENAZIR TO DO A DEAL AND TO STEP DOWN. PIRZADA SAID THAT PPP WAS IN TURMOIL: THE 10-15 WOULD-BE DISSIDENTS WHO VOTED WITH THE GOVERNMENT LAST NOVEMBER WERE REFORMING: THE HALA FAMILY HAD YET TO SHOW THEIR HAND, MERAJ KHALID HAD BEEN EXCLUDED FROM THE CURRENT CEC.

6. APART FROM PIRZADA, OTHER POLITICAL FIGURES HERE ARE NOW FIRMLY OF THE OPINION THAT THE ELECTIONS CALLED FOR 24 OCTOBER WILL BE POSTPONED UNTIL THE ARMY IS CONVINCED THAT A REDUCED PPP LED BY SOMEONE OTHER THAN BENAZIR, COULD BE CONTAINED WITHIN THE TRADITIONAL POLITICAL PROCESSES OF THE COUNTRY.

WOGAN

YYYY

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PAGE 2
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DISMISSAL OF PAKISTAN GOVERNMENT

SUMMARY

1. PRESIDENT DISMISSES MS BHUTTO'S GOVERNMENT AND APPOINTS CARETAKER PRIME MINISTER AND CABINET PENDING NEW ELECTIONS IN OCTOBER. ALL QUIET IN ISLAMABAD.

DETAIL

2. AT A PRESS CONFERENCE HASTILY CALLED AT 5 PM LOCAL TIME (1200Z) PRESIDENT GHULAM ISHAQ KHAN ANNOUNCED THAT HE HAD DISSOLVED THE NATIONAL ASSEMBLY UNDER ARTICLE 58 (2)(B) OF THE CONSTITUTION (UNDER THIS ARTICLE HE HAS DISCRETION WHERE IN HIS OPINION 'A SITUATION HAS ARISEN IN WHICH THE GOVERNMENT OF THE FEDERATION CANNOT BE CARRIED ON IN ACCORDANCE WITH THE PROVISIONS OF THE CONSTITUTION AND AN APPEAL TO THE ELECTORATE IS NECESSARY')

3. BY WAY OF JUSTIFICATION THE PRESIDENT CITED ABUSE OF FEDERAL POWER, RIDICULING THE SENATE, ALLOWING THE SINDH SITUATION TO GET OUT OF HAND, CORRUPTION AND NEPOTISM BY GOVERNMENT MINISTERS AND OFFICIALS AND THE USE OF STATUTORY BODIES, INCLUDING BANKS, FOR POLITICAL ENDS.

4. THE PRESIDENT ALSO ANNOUNCED, PENDING THE HOLDING OF FRESH ELECTIONS ON 24 OCTOBER, THE IMMEDIATE SWEARING-IN OF GHULAM MUSTAPHA Jatoi, LEADER OF THE COMBINED OPPOSITION PARTIES (COP), AS CARETAKER PRIME MINISTER TOGETHER WITH A 4-MAN CABINET. THEY ARE : MUSTAPHA KHAR (PPP LEADER IN PUNJAB), SARDJ AZIZ (PUNJAB SENATOR), ELAHI SOMROO (FEUDAL SINDH LANDLORD AND EX-MINISTER UNDER ZIA) AND RAFI RAZA (FORMER SPECIAL ASSISTANT FOR POLITICAL AFFAIRS TO BHUTTO SENIOR - ALSO FROM SINDH). THE JOINT CHIEF OF STAFF AND THE THREE SERVICE CHIEFS WERE ALL PRESENT AT THE SWEARING-IN CEREMONY. THE PRESIDENT IS TO ADDRESS THE NATION ON RADIO AND TELEVISION LATER THIS EVENING.

5. ALL IS QUIET IN ISLAMABAD. A MAXIMUM OF ONE ARMY COMPANY HAVE TAKEN UP POSITIONS OUTSIDE PAKISTAN TV, RADIO PAKISTAN AND THE PRIME MINISTER'S SECRETARIAT. NO TROOPS ARE VISIBLE OUTSIDE THE NATIONAL

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ASSEMBLY OR THE PRESIDENCY.

COMMENT

6. TODAY'S LOCAL PRESS HAS BEEN FULL OF RUMOURS ABOUT POSSIBLE POLITICAL DEVELOPMENTS FOLLOWING MEETINGS OVER THE HOLIDAY WEEKEND BETWEEN THE PRESIDENT AND LEADING OPPOSITION FIGURES. PUBLIC ATTENTION HAD ALSO FOCUSED ON A STATEMENT BY JATOI ON 4 AUGUST ABOUT THE APPARENT INTENTION BY THE COP TO PROPOSE A FURTHER NOTE OF NO CONFIDENCE IN THE NATIONAL ASSEMBLY. THIS HAD FUELLED SPECULATION ABOUT RENEWED PRESSURES ON THE GOVERNMENT, THOUGH THE PRESIDENT'S ACTION WILL HAVE TAKEN MANY BY SURPRISE.

BARRINGTON

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PAGE 2
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Foreign and Commonwealth Office

London SW1A 2AH

28 March 1990

Dear Charles

EW 29/3

Letter from President of Azad Kashmir

/ I enclose a letter which the President of Azad Kashmir, the area of Kashmir controlled by Pakistan, has written to the Prime Minister with a copy of a letter he has sent to Mr Stephen Solarz, Chairman of the Sub-Committee on South Asia in the House of Representatives.

The letter calls for no reply. We do not recognise Azad Kashmir as a separate administration, and our policy is not to acknowledge messages from the authorities there.

Yours ever

(R N Peirce)
Private Secretary

C D Powell Esq
10 Downign Street

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

کشمیر نے پاکستان



PRESIDENT

Sardar MOhammad Abdul Qayyum Khan

*President's House
Muzaffarabad*

No. PS/ / 90

Dated: 07 March 1990

Excellency,

I have addressed a letter dated 6th March 1990 to Mr. Stephen Solarz, the Chairman of Sub-Committee of the House of Representatives on South Asia and Pacific Affairs on '**Kashmir Issue**'. A copy of this communication is enclosed herewith for Your Excellency's perusal.

With highest regards,

Yours

(Sardar Mohammad Abdul Qayyum Khan)

Her Majesty

Mrs. Margaret Thatcher,
Prime Minister of United Kingdom,

ENGLAND



Excellency,

The situation in Kashmir is fast deteriorating. Horrible reports from Kashmir are the order of the day. Even according to international news media, Kashmiris demanding their basic right to self-determination, are being mercilessly butchered by the Indian army. Under the garb of curfew, most inhuman and ruthless genocide is being unleashed. Constant curfew has deprived the population of basic necessities resulting in a famine-like situation. Infants are dying for want of milk supplies. They are being buried within the houses as parents cannot go to the graveyards. Indian army is shooting at sight. Thousands are being forced to take refuge in mosques where they are being interned to be starved to death. In a disaster like this, no human welfare agency has so far intervened or may be has not been allowed as is the case with the Red Cross. Wounded persons are being denied medical aid.

We, the Kashmiris, appeal to the human conscience, to the upholder of human dignity, to the founders of democracy and to the champions of human rights to come to the rescue of Kashmiris and to save them from the nazi-like designs to silence their demand for the right to self-determination by physical elimination. This right had been guaranteed to them by the comity of nations and was endorsed by the freedom loving people including government of the U.S.A.

The tyrants and mouth-pieces of Indian lobby are leaving no stone unturned to make the civilized world believe that the happenings in Kashmir are a result of infiltration and interference by the government of Pakistan. What can be more far fetched than this argument? Like the nursery rhyme "Lamb and the wolf", India is camouflaging her real intentions by concocted pretexts. India is using all its martial might, material resources, propaganda machine, diplomatic pressures and numerical



*President's House
Muzaffarabad*

-2-

superiority to distort facts, to weave fictional cobweb in order to complicate a simple human rights problem. But whom are the Indians hoodwinking? Not the freedom-loving champions of human rights-the people and Government of the U.S.A.

The total boycott of the general elections and the protest marches by over a million Kashmiris in occupied territories are sufficient to unmask the real face of the Indian Government. Kashmiris, for the last four decades, have been painstakingly endeavouring for a peaceful solution of their problem. Their struggle has all along been waged avoiding consciously and deliberately any recourse to violence which in retrospect now seems to have been misunderstood as a weakness or an act of reconciliation. They have been appealing to the freedom-loving people all over the world. They have been reminding the nations of the world about their commitment made in the UN through the resolution of Security Council. A commitment to whom both India and Pakistan are a party alongwith other members of the United Nations. In the process they have been suffering innumerable humiliations. And when they have been forced against the wall; when they have lost their patience; when they have decided to fight till the end, to their utter disgust, the Indian propaganda machine, with the help of partisan and prejudiced lobbies, is trying to make the world opinion believe that the struggle of the Kashmiris for freedom is nothing but a territorial dispute between India and Pakistan. To term this popular uprising as an action of sabotage by the government of Pakistan is the greatest insult to the will of a people to live as free independent human-beings. How would the freedom loving people of Eastern Europe react if their marvellous struggle is termed as an act of sabotage by the US Government?

Taking sides in world politics is an acceptable political expediency, but taking sides with injustice and tyranny has caused tremendous loss to humanity. Such acts, at different phases of human history, are a scar on human conscience. Such partisanship has, at numerous occasions, led humanity to the brink of utter and total destructions.



*President's House
Muzaffarabad*

If humanity has survived those tests, it has been at a tremendous human loss. Kashmir is another test case. The down-trodden twelve million Kashmiris are looking towards the world leaders and especially to the champion of the human-rights for their active support even at the expense of displeasure of a great bully India. Kashmiris have no resources, they do not have a powerful propaganda machine, they are not a regional power, still they believe in the charter of the United Nations. They believe in human dignity. They believe that they are not alone in their struggle. This belief they share with all freedom loving nations of the world.

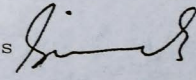
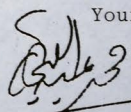
I take this opportunity to invite the honourable members of the committee to come to Azad(free) Kashmir and also to go over to the territories of Kashmir, occupied by the Indian army, and to see for themselves demonstration of brute force on one side and undaunted spirit and courage of the Kashmiri people on the other, struggling under the worst kind of ruthlessness and oppression. I hope the Indian Government would not stop the members from visiting the occupied territories as they have done in the case of the journalists, diplomats and even senior representatives of the United Nations Observers team who wanted to assess the situation for themselves. I, on behalf of the people of Kashmir, beseech you and other members of the committee to be Just to the cause which is the continuation of the spirit of freedom and right of self-determination by pioneers of liberty in America 200 years ago. I appeal to you to play a positive role in stopping this genocide. I appeal to you to persuade India to honour its commitment. There is growing fear about the committee having a definite soft corner for India. There is a strong apprehension that pro-Indian bias of some might jeopardise the just cause of the Kashmiris. Let me assure the committee that Kashmiris are no enemies of India. We hope and pray for a strong India. Our struggle is only limited to our right to self-determination, to our basic right, like all other nations, to choose a destiny of our own with our own free-will.



Our struggle is also not a struggle of the "fundamentalists", as it is being painted. The word fundamentalist is a misnomer as far as our movement is concerned. All the twelve million people of Kashmir are one in their struggle for freedom.

I also take this opportunity, as a very much concerned person, to request the committee to provide us an opportunity to present the point of view of the Kashmiris with solid facts refuting all Indian allegations so that a correct perspective could be evolved. We, the Kashmiris, feel that our case is going by default. No doubt Kashmir is of grave concern for both India and Pakistan. Both the countries have been involved in three armed conflicts over this issue. The possibility of another outbreak can not be ruled out. Such is the gravity of the prevalent situation both for India and Pakistan. Nevertheless, the key of the problem are the Kashmiris themselves. Any parleys, any proposals, any agreement, any solution wherein Kashmiris themselves have not been involved will neither be operative nor long-lasting. Let the Kashmiris not be condemned unheard.

With best wishes and profound regards.

Yours 


(Sardar Mohammad Abdul Qayyum Khan)

His Excellency,
Mr Stephen Solarz
Chairman,
Sub Committee of the House of Representatives
on South Asia and Pacific Affairs
Washington DC

THE RT HON DR DAVID OWEN MP



HOUSE OF COMMONS
LONDON SW1A 0AA

6/9/5

PPS

7th 18th.

Dear Margaret Thatcher.

Many thanks for
your letter and I
am delighted you
have acted so wisely.
I am very grateful.

Yours sincerely,
David Owen

DEPARTMENT/SERIES

PREM 19

PIECE/ITEM

4335

(one piece/item number)

Date and
sign

Extract details:

Letter from Powell to Wall dated 17 May 1989

CLOSED UNDER FOI EXEMPTION

RETAINED UNDER SECTION 3(4)
OF THE PUBLIC RECORDS ACT 1958

17/4/18

M. L.

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eg. HO 405, J 82.

Enter the piece and item references, .
eg. 28, 1079, 84/1, 107/3

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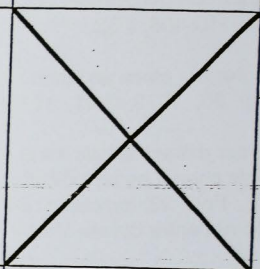
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Do not enter details of why the extract is sensitive.

If closed under the FOI Act, enter the FOI exemption numbers applying to the closure, eg. 27(1), 40(2).

Sign and date next to the reason why the record is not available to the public ie. Closed under FOI exemption; Retained under section 3(4) of the Public Records Act 1958; Temporarily retained; Missing at transfer or Number not used.

DEPARTMENT/SERIES PREM 19	Date and sign
PIECE/ITEM 4335 (one piece/item number)	
Extract details: Letter from the Prime Minister to Owen dated 17 May 1989	
CLOSED UNDER FOI EXEMPTION	
RETAINED UNDER SECTION 3(4) OF THE PUBLIC RECORDS ACT 1958	17/4/18 M. M.
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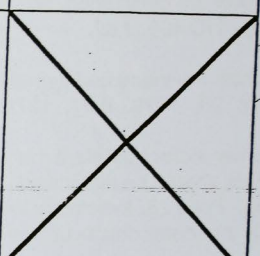
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DEPARTMENT/SERIES <i>PREM 19</i>	Date and sign
PIECE/ITEM <i>4335</i> (one piece/item number)	
Extract details: <i>letter from wall to Powell dated 16 May 1989</i>	
CLOSED UNDER FOI EXEMPTION	
RETAINED UNDER SECTION 3(4) OF THE PUBLIC RECORDS ACT 1958	<i>17/4/18</i> <i>th. m.</i>
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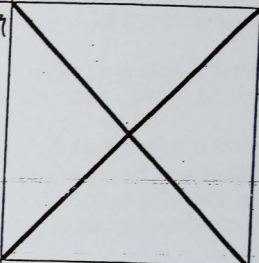
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DEPARTMENT/SERIES <i>PREM 19</i>	Date and sign
PIECE/ITEM <i>4335</i> (one piece/item number)	
Extract details: <i>Letter from Powell to Wall dated 14 April 1989</i>	
CLOSED UNDER FOI EXEMPTION	
RETAINED UNDER SECTION 3(4) OF THE PUBLIC RECORDS ACT 1958	<i>17/4/18</i> <i>N. L.</i>
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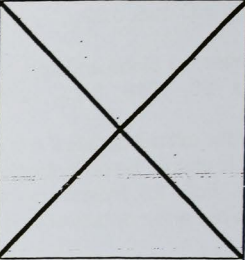
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DEPARTMENT/SERIES <i>PREM 19</i> PIECE/ITEM <i>4335</i> (one piece/item number)	Date and sign
Extract details: <i>Letter from Wall to Powell dated 14 April 1989</i>	
CLOSED UNDER FOI EXEMPTION	
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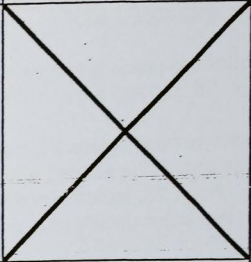
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DEPARTMENT/SERIES <i>PREM 19</i> PIECE/ITEM <i>4335</i> (one piece/item number)	Date and sign
Extract details: <i>Letter from Powell to Wall dated</i> <i>11 April 1989</i>	
CLOSED UNDER FOI EXEMPTION	
RETAINED UNDER SECTION 3(4) OF THE PUBLIC RECORDS ACT 1958	<i>17/5/18</i> <i>M. M.</i>
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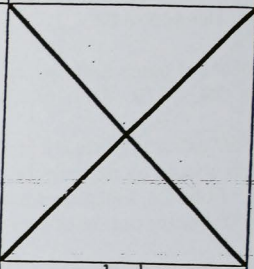
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DEPARTMENT/SERIES <i>REM 19</i>	Date and sign
PIECE/ITEM (one piece/item number) <i>4335</i>	
Extract details: <i>Letter from Owen to the Prime Minister dated 15 April 1989</i>	
CLOSED UNDER FOI EXEMPTION <i>27(1), 40(2)</i>	
RETAINED UNDER SECTION 3(4) OF THE PUBLIC RECORDS ACT 1958	<i>17/4/18</i> <i>M. L.</i>
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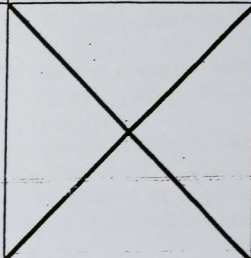
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DEPARTMENT/SERIES	Date and sign
..... <i>PREM 19</i> PIECE/ITEM <i>4335</i> (one piece/item number)	
Extract details: <i>minute from Powell to the Prime Minister</i> <i>dated 10 April 1989</i>	
CLOSED UNDER FOI EXEMPTION <i>27(1), 40(2)</i>	
RETAINED UNDER SECTION 3(4) OF THE PUBLIC RECORDS ACT 1958	<i>17/4/18</i> <i>Mr. W.</i>
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BOMB AT BRITISH COUNCIL PESHAWAR

1. A BOMB CAUSED CONSIDERABLE DAMAGE TO THE LIBRARY IN PESHAWAR THIS EVENING. THE PAKISTAN OFFICER IN CHARGE OF THE LIBRARY HAS REPORTED THAT THE BOMB WAS APPARENTLY THROWN AT THE REAR OF THE BUILDING, DAMAGING WALLS AND THE ROOF. IT OCCURED AFTER THE LIBRARY HAD CLOSED FOR THE DAY. NO-ONE WAS HURT. BOMB DISPOSAL OFFICERS ARE INVESTIGATING.
 2. SINCE THE BOMB AT THE BRITISH COUNCIL OFFICES IN KARACHI ON 26 FEBRUARY THE BRITISH COUNCIL LIBRARY IN PESHAWAR, IN COMMON WITH ALL BRITISH COUNCIL PREMISES IN PAKISTAN, HAS HAD POLICE GUARDS DURING PUBLIC HOURS AND POLICE PATROLS AT NIGHT. HOWEVER IT IS NOT DIFFICULT TO APPROACH THE REAR OF THE BUILDING UNDETECTED, CLOSELY ENOUGH TO THROW A SMALL BOMB.
 3. ALL BRITISH COUNCIL OFFICES IN PAKISTAN WILL BE CLOSED TO THE PUBLIC FOR THE NEXT THREE DAYS.
 4. WE SHALL REPORT FURTHER TOMORROW WHEN MORE DETAILS ARE KNOWN.
- BARRINGTON

YYYY

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SEC(NATO/UK)(C) MOD
DI (ROW) LS MOD
DD SY 2/3 (A) MOD

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TO IMMEDIATE FCO
TELNO 230

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OF 170933Z FEBRUARY 89
AND TO IMMEDIATE TEHRAN, BAHRAIN, OTHER MIDDLE EAST POSTS
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AND TO PRIORITY WASHINGTON, PARIS, BONN, ROME, MOSCOW, ANKARA

THE FOLLOWING HAS BEEN COPIED TO YOU AT THE REQUEST OF HEAD OF
CHANCERY. BEGINS:

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FM KARACHI
TO PRIORITY ISLAMABAD
TELNO 40
OF 160430Z FEBRUARY 89

MY TELNO 31 TO FCO AND YOUR TELNO 208 TO FCO : SECURITY IN KARACHI

SUMMARY

1. THERE HAVE BEEN A SERIES OF PUBLIC DEMONSTRATIONS IN KARACHI
SINCE 12 FEBRUARY. THEY HAVE BEEN EASILY CONTAINED BY THE POLICE.
KHOMEINI'S INTERVENTION IS WORRYING. WE EXPECT TROUBLE ON FRIDAY
17 FEBRUARY AND ARE TAKING PRECAUTIONS. THE BRITISH COMMUNITY HAVE
BEEN WARNED.

DETAIL

2. IN PARALLEL WITH DEMONSTRATIONS IN ISLAMABAD AND OTHER MAJOR
CITIES, A SERIES OF DEMONSTRATIONS HAVE BEEN HELD BY VARIOUS
GROUPS IN KARACHI TO PROTEST AT THE ALLEGED BLASPHEMY IN SALMAN
RUSHDIE'S BOOK. SO FAR THESE HAVE BEEN EASILY CONTAINED BY THE
POLICE. ON 13 FEBRUARY A SMALL GROUP OF 100 OR SO APPROACHED
THE AMERICAN CONSULATE-GENERAL BUT WERE UNABLE TO REACH IT. ON
14 FEBRUARY MAULANA NOORANI HELD A SEPARATE PROTEST MEETING BUT
THIS TOO CAME TO LITTLE. FURTHER DEMONSTRATIONS ARE PROMISED FOR
TODAY, TOMORROW, FRIDAY AND SATURDAY. FRIDAY IS LIKELY TO BE
THE MOST DANGEROUS. AYATOLLAH KHOMEINI'S INTERVENTION IS AN
ADDITIONAL WORRY IN A CITY WHICH HOLDS SOME 10,000 IRANIANS OF
DIFFERING POLITICAL PERSUASIONS.

3. WE HAVE TAKEN ELEMENTARY PRECAUTIONS AND HAVE ADVISED THE

PAGE 1
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MDA

BRITISH COMMUNITY TO KEEP THEIR HEADS DOWN FOR THE REST OF THE WEEK. WE ARE TAKING ADDITIONAL MEASURES ON FRIDAY TO ENSURE THAT, APART FROM MYSELF, THE COMPOUND IS EMPTY, THOUGH LOCKED AND PROTECTED BY OUR SECURITY GUARDS. IF THE WORST COMES TO THE WORST (AND I DO NOT REALLY EXPECT IT TO) I WILL MOVE TO THE DLO'S HOUSE WHICH IS THE NEAREST POINT TO THE CONSULATE-GENERAL WITH ADEQUATE RADIO COMMUNICATION.

4. WE HAVE KEPT IN CLOSE TOUCH WITH OUR AMERICAN COLLEAGUES WHO HAVE BEEN GENEROUS IN SHARING INFORMATION WITH US. THE AMERICANS DRE, IF ANYTHING, MORE NERVOUS THAN WE ARE AND MELROSE SPOKE TO THE HEADS OF HIS COMMUNITY THIS MORNING. LIKE US THEY ARE WORRIED ABOUT THE ADDITIONAL IRANIAN FACTOR IN THIS CITY.

5. OUR CONTACTS IN QUETTA REPORT A DEMONSTRATION TODAY BUT IT REMAINS UNFOCUSSED AND THE BRITISH AND EXPATRIATE COMMUNITY ARE NOT EXPECTING TROUBLE.

6. THESE DEMONSTRATIONS COME AT A TIME WHEN THE GENERAL LEVEL OF VIOLENT CRIME IS ALSO RISING. THERE HAVE BEEN A NUMBER OF FORCIBLE ENTRIES TO HOUSES IN THE DEFENCE AND CLIFTON AREAS. IN MOST CASES THE OCCUPANTS HAVE BEEN UNHARMED, THOUGH ONE OR TWO CHOWKIDARS HAVE BEEN KILLED. SO FAR MORALE AMONG THE EX-PATRIATE COMMUNITY IS GOOD, BUT UP TILL NOW FOREIGNERS HAVE NOT BEEN VICTIM TO THIS FORM OF URBAN DACOITY. THERE WOULD BE SERIOUS CONCERN IN THE BRITISH COMMUNITY IF AN EXPATRIATE WAS ATTACKED IN THIS MANNER.
ENDS.

BARRINGTON

YYYY

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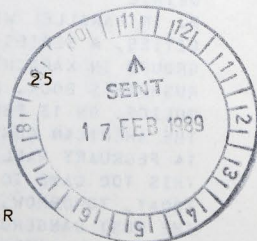
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No. Pol.4/55/86

Excellency,

I have the honour to convey to you the following message of thanks from the Prime Minister of Pakistan Benazir Bhutto:

Begins:

Thank you for the warm message of congratulations on my assumption of the office of the Prime Minister of the Islamic Republic of Pakistan.

Thank you for the gracious invitation to visit the United Kingdom. I look forward to visiting as soon as it is possible.

The people of Pakistan have an elected representative government after a long fight for democracy and the rule of law. The Pakistan People's Party Government values the moral support it received from Great Britain for human rights during the period of dictatorship. Many of us were forced into exile and Great Britain was kind enough to give us refuge.

Now too there are many challenges ahead. We face many economic difficulties. The expectations are as great as the difficulties. In this period of challenge, I hope my Government can count on the friends of a democratic Pakistan.

It was a pleasure to meet with your daughter Carol in Islamabad. Please convey my good wishes to her.

With regards,

ends.

I would like to avail of this opportunity to convey to Your Excellency the assurances of my highest consideration.

Shaharyar M. Khan
(Shaharyar M. Khan)

The Right Hon. Mrs. Margaret Thatcher,
Prime Minister,
10 Downing Street,
LONDON SW1.



AMBASSADOR OF PAKISTAN

LONDON

December, 1988



I have the honor to convey to you the

following message of condolence from the Prime Minister of

Pakistan:

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بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ



PRIME MINISTER

Islamabad
28 Rabi-ul-Sani 1409 A.H.
09 December, 1988.

Her Excellency
The Rt. Hon.
Margaret Thatcher,
Prime Minister of the
United Kingdom,
London

Dear Prime Minister,

Thank you for the warm message of congratulations on my assumption of the Office of the Prime Minister of the Islamic Republic of Pakistan.

Thank you for the gracious invitation to visit the United Kingdom. I look forward to visiting as soon as it is possible.

The people of Pakistan have an elected representative government after a long fight for democracy and the rule of law. The Pakistan People's Party Government values the moral support it received from Great Britain for human rights during the period of dictatorship. Many of us were forced into exile and Great Britain was kind enough to give us refuge.

Now too there are many challenges ahead. We face many economic difficulties. The expectations are as great as the difficulties. In this period of



- 2 -

challenge, I hope my Government can count on the friends of a democratic Pakistan.

It was a pleasure to meet with your daughter Carol in Islamabad. Please convey my good wishes to her.

With regards,

Yours sincerely,

Benazir Bhutto.
—

(Benazir Bhutto)

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OF 041111Z DECEMBER 88
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MY TELNO 1482 (NOT TO ALL) PAKISTAN: PROSPECTS FOR THE NEW
GOVERNMENT

SUMMARY

1. BENAZIR BHUTTO FACING A HOST OF PROBLEMS. HIGH EXPECTATIONS BUT LITTLE ROOM FOR MANOEUVRE. AN ECONOMY IN DIFFICULTIES, AN EXPENSIVE SOCIAL REFORM PROGRAMME, CONSTITUTIONAL PROBLEMS WITH THE PUNJAB. SHE OPTS FOR CONTINUITY ON AFGHANISTAN. NO OTHER PRESSING FOREIGN POLICY DECISIONS. RELATIONS WITH THE ARMY, AND RELIGIOUS AFFAIRS, WILL BE TRICKY AREAS. HER DETERMINATION MAY NOT COMPENSATE FOR HER OWN AND HER MINISTER'S LACK OF EXPERIENCE.

DETAIL

2. AS SHE ENTERS HER PERIOD OF OFFICE AS PAKISTAN'S FIRST POPULARLY ELECTED PRIME MINISTER FOR 11 YEARS, BENAZIR BHUTTO FACES A HOST OF PROBLEMS, SOME DIFFICULT, OTHERS INTRACTABLE. HER SUPPORTERS' EXPECTATIONS ARE HIGH, ENCOURAGED BY SWEEPING PROMISES OF CHANGE MADE DURING THE ELECTION CAMPAIGN AND FURTHER UNDERTAKINGS GIVEN IN HER FIRST SPEECHES AS PRIME MINISTER. BUT HER SCOPE FOR INTRODUCING NEW POLICIES LIKELY TO HAVE EARLY AFFECT IS SEVERELY LIMITED.

3. HER IMMEDIATE TASK IS TO FORM A CABINET CAPABLE OF RUNNING THE COUNTRY EFFECTIVELY. ALTHOUGH SHE WAS GROOMED BY HER FATHER AT AN EARLY AGE FOR A POLITICAL CAREER, SHE HAS NO PERSONAL EXPERIENCE OF OFFICE AND IS WOEFULLY SHORT OF EXPERIENCED ADMINISTRATORS AND ADVISERS. HER MINISTERS WILL HAVE TO DEVELOP QUICKLY A CLOSE AND TRUSTING RELATIONSHIP WITH SENIOR OFFICIALS. BUT THEY MAY HAVE A TENDENCY TO MISTRUST THE BUREAUCRATS, SEEING THEM AS IDENTIFIED WITH THE PREVIOUS REGIME AND AS A FORCE FOR CONSERVATISM. SHE WILL DO WELL TO RETAIN SOME OF THE LESS POLITICAL MINISTERS IN THE CARETAKER GOVERNMENT, SUCH AS YAQUB KHAN AT THE FOREIGN MINISTRY WHOM SHE HAS

SOCIAL
SAFE

ALREADY ASKED TO STAY ON TO ENSURE CONTINUITY, PARTICULARLY ON AFGHANISTAN. BUT THIS WILL MEAN DISAPPOINTING SOME OF THE PPP ASPIRANTS TO MINISTERIAL OFFICE.

4. SHE MUST ALSO ESTABLISH A RELIABLE MAJORITY IN THE NATIONAL ASSEMBLY. SHE HAS REACHED AN AGREEMENT WITH THE MOHAJIR QAUMI MOVEMENT AND HAS ATTRACTED A NUMBER OF INDEPENDENTS TO HER CAUSE. SHE SHOULD NOW BE ABLE TO WIN THE REQUIRED VOTE OF CONFIDENCE. BUT THIS PROCESS OF COALITION BUILDING IS LIKELY TO HAVE LED TO HER CONCEDED DEMANDS FOR OFFICE AND POLICIES WHICH WILL FURTHER LIMIT HER ROOM FOR MANOEUVRE. SHE WILL HAVE TO DISAPPOINT SOME OF THOSE WHO RUSHED TO HER SUPPORT IN THE ELECTIONS ONLY IN ORDER TO PRESERVE OR ACQUIRE PERSONAL STATUS. IT WILL NOT BE EASY TO KEEP THE MAJORITY SHE MANUFACTURES. IN ADDITION, SHE HAS A MAJORITY AGAINST HER IN THE SENATE.

5. BENAZIR WILL HAVE TO GIVE URGENT ATTENTION TO THE ECONOMY. THE PORTENTS ARE NOT GOOD (AND SHE HERSELF HAS SAID THAT THE COUNTRY IS FACING BANKRUPTCY): SHARPLY RISING INFLATION, A GROWING BUDGET DEFICIT AND A NEED TO CONFIRM OR RENEGOTIATE AGREEMENT REACHED WITH THE IMF BY THE CARETAKER GOVERNMENT FOR A STRUCTURAL ADJUSTMENT FACILITY. THE TIMING IS TIGHT SINCE THE IMF WISH TO APPROVE THE SAF BEFORE THE END OF 1988. THEIR PRESCRIPTIONS FOR PAKISTAN'S FISCAL POLICY ARE STRICT AND BENAZIR WILL BE RELUCTANT, AS ONE OF HER FIRST ACTS IN OFFICE, TO BE SEEN TO BOW TO IMF PRESSURE. BUT THE ALTERNATIVE IS SCARCELY LESS INVITING: A POSSIBLE FALL IN INTERNATIONAL CONFIDENCE WHICH COULD AFFECT PAKISTAN'S ABILITY TO ATTRACT EXTERNAL ASSISTANCE AND INVESTMENT IN 1989. BENAZIR WILL HAVE TO FACE UP TO THE NEED TO BRING IN A NEW BUDGET QUICKLY OR TO CONFIRM THE MAIN LINES OF THAT PROPOSED BUT NEVER FULLY IMPLEMENTED (AND SUBSEQUENTLY AFFECTED BY THE IMF NEGOTIATIONS) BY THE PREVIOUS ADMINISTRATION. THE GOVERNMENT'S TEMPORARY AUTHORITY TO ENGAGE IN EXPENDITURE EXPIRES ON 16 DECEMBER AND THE NATIONAL ASSEMBLY MUST BY THEN HAVE VOTED A NEW AUTHORISATION.

6. AGAINST HER WISHES, BENAZIR WILL HAVE TO MOVE MORE SLOWLY ON OTHER LEGISLATION CORRESPONDING TO HER ELECTION MANIFESTO. SHE HAS PLEDGED ACTION TO ELIMINATE POVERTY AND HUNGER, PROVIDE EMPLOYMENT FOR ALL, IMPROVE HEALTH CARE AND EDUCATION, LAND REFORM, SOCIAL JUSTICE AND EQUAL OPPORTUNITIES FOR WOMEN. THIS WOULD DEMAND A RADICAL RE-ORDERING OF BUDGET PRIORITIES (INCLUDING SOME TRIMMING OF DEFENCE EXPENDITURE) AND A MASSIVE INCREASE IN STATE REVENUE. BUT HER ROOM FOR MANOEUVRE IS SMALL, AS OTHER GOVERNMENTS HAVE FOUND BEFORE HER. ALTHOUGH SHE HAS PUBLICLY RENOUNCED THE WHOLESALE

SOCIALIST POLICIES OF HER FATHER IN THE 1970S (AND HAS SPECIFICALLY SAID SHE WILL NOT INTRODUCE RE-NATIONALISATION) HER PROGRAMMES IN THE SOCIAL AND ECONOMIC SECTORS ARE VAST IN SCOPE: ONE INDEPENDENT ESTIMATE HAS PUT THE COST OF A 5-YEAR PROGRAMME BASED ON THE PPP MANIFESTO AT OVER DOLLARS 11 BILLION. SHE WILL HAVE TO BE SELECTIVE AND TAKE DECISIONS, EG ON RAISING MORE TAX REVENUE, WHICH WILL BE UNPOPULAR.

7. SHE WILL WANT TO MOVE QUICKLY ON A NUMBER OF POLITICAL POINTS. SHE HAS ALREADY DECREED A LIFTING OF THE BAN ON STUDENTS AND LABOUR UNIONS, AND HAS PROMISED RELIEF FOR PAKISTANIS CONVICTED BY MILITARY COURTS DURING THE MARTIAL LAW PERIOD. BUT SHE WILL HAVE TO BE PATIENT ON OTHER FUNDAMENTAL ISSUES. SHE WANTS TO REVIVE THE 1973 CONSTITUTION BUT ADMITS THAT FOR THE TIME BEING SHE DOES NOT HAVE THE NECESSARY 2/3 MAJORITY IN THE NATIONAL ASSEMBLY AND SENATE. RELATIONS BETWEEN HER FEDERAL GOVERNMENT AND OPPOSING PROVINCIAL ADMINISTRATION IN THE PUNJAB WILL BE UNEASY AT BEST, AND THIS WILL COMPLICATE ANY PLANS TO DEVOLVE MORE RESPONSIBILITY TO THE PROVINCES.

8. APART FROM AFGHANISTAN THERE ARE FEW URGENT FOREIGN POLICY DECISIONS TO BE MADE. SHE HAS EXPRESSED A WISH TO IMPROVE RELATIONS WITH INDIA ON THE BASIS OF THE SIMLA AGREEMENT AND HAS SAID THAT SHE IS NOT INTERESTED IN THE NO-WAR PACT PROPOSED BY ZIA. A FIRST OPPORTUNITY TO ESTABLISH A PERSONAL RELATIONSHIP WITH RAJIV GANDHI WILL COME AT THE SAARC SUMMIT TO BE HELD IN ISLAMABAD AT THE END OF DECEMBER. SHE HAS ALREADY RECEIVED REASSURANCES OF SUPPORT FROM THE CHINESE (AND PROBABLY AN INVITATION TO MAKE AN EARLY VISIT TO CHINA). SHE HAS BEEN CAREFUL TO MAKE THE RIGHT NOISES, OF A VERY GENERAL NATURE, ABOUT STRENGTHENING RELATIONS WITH THE UNITED STATES. BUT HER NUCLEAR POLICY AND HER COMMITMENT TO FIGHT ILLEGAL DRUG TRAFFICKING WILL POSE TWO EARLY TESTS. SHE WILL BE ANXIOUS TO ENSURE THE CONTINUATION OF US AID WITHOUT WHICH SHE COULD NOT HOPE TO IMPLEMENT EVEN THE MOST MODEST OF HER SOCIO/ECONOMIC PROGRAMMES.

9. BENAZIR HAS STATED THAT SHE WOULD RESPECT THE GENEVA ACCORDS ON AFGHANISTAN AND THE SUPER POWER AGREEMENT ON SYMMETRY OF MILITARY SUPPLIES. SHE WAS INCLUDED IN THE CONSULTATIONS WHICH FORMER PRIME MINISTER JUNEJO HELD WITH POLITICAL LEADERS BEFORE THE GENEVA ACCORDS WERE SIGNED. BUT IT IS DOUBTFUL THAT SHE OR HER CLOSE ADVISERS HAVE BEEN PRIVY UP TO NOW TO THE DETAILS OF PAKISTAN'S POLICY ON AFGHANISTAN. IN ANY CASE THIS HAS BEEN THE ARMY'S PRESERVE WHICH EVEN Yaqub Khan has found it difficult to break into. SHE WILL WANT TO REVIEW POLICY IN THIS CRUCIAL AREA THOROUGHLY BEFORE TAKING ANY DECISIONS AND SHE WOULD THEN HAVE TO CARRY THE ARMY WITH HER.

HER REQUEST TO YAQUB KHAN TO REMAIN IN OFFICE IS INDICTIVE OF BROAD CONTENTMENT WITH POLICIES ON AFGHANISTAN FOR THE MOMENT.

10. OVER ALL THESE ISSUES HANGS THE QUESTION OF HER RELATIONS WITH THE ARMED FORCES. THEY WILL RESIST ANY EROSION OF THEIR POSITION AND PRIVILEGES AND ARE POWERFUL ENOUGH TO MAKE LIFE DIFFICULT FOR HER IF THEY CHOOSE. THERE HAVE BEEN INDICATIONS THAT SHE HAS REACHED SOME FORM OF MODUS VIVENDI WITH THE ARMY. BUT THERE WILL BE A CONSTANT TUG OF WAR BETWEEN THEM.

11. FINALLY THERE IS THE PROBLEM OF RELIGION. NOTHING IN THE PAKISTAN CONSTITUTION DEBARS A WOMAN FROM PRIME MINISTERIAL OFFICE. BUT THERE ARE INFLUENTIAL RELIGIOUS FIGURES IN PAKISTAN WHO FUNDAMENTALLY DISAGREE WITH A WOMAN'S HEADING THE GOVERNMENT. HER FAILURE TO INDUCE ONE OF THE LESS RADICAL RELIGIOUS PARTIES TO JOIN A COALITION HAS BEEN DUE IN PART TO THIS EMOTIVE ISSUE. HER SUPPORTERS EXPECT THAT UNDER BENAZIR ISLAM IN PAKISTAN WILL TAKE ON A SOFTER, LESS OPPRESSIVE HUE. BUT THE MULLAHS AND THE RELIGIOUS PARTIES WILL OPPOSE ANY ATTEMPT TO BACK-PEDAL ON ISLAMISATION AND SOME WILL GO SO FAR AS TO REFUSE TO TALK TO HER ABOUT RELIGIOUS ISSUES.

12. WHAT ARE HER CHANCES? AT PRESENT FEW PEOPLE OUTSIDE HER MOST FERVENT SUPPORTERS GIVE BENAZIR MORE THAN TWO YEARS BEFORE HER GOVERNMENT FALLS AND NEW ELECTIONS HAVE TO BE HELD. THERE ARE EVEN THOSE ON THE LEFT WING OF HER OWN PARTY IN PUNJAB WHO ARE SPEAKING OF A MAXIMUM OF SIX MONTHS. PAKISTAN AS A WHOLE HAS WELCOMED THE PEACEFUL AND SMOOTH RETURN TO DEMOCRACY. BUT THOSE WHO GIVE SERIOUS THOUGHT TO THE RESPONSIBILITIES AND CONSTRAINTS WHICH A DEMOCRATIC SYSTEM IMPOSE ARE WELL AWARE OF THE DIFFICULTIES THAT LIE AHEAD. THERE ARE ROUGH WATERS FOR BENAZIR TO NAVIGATE. SHE IS A REMARKABLY DETERMINED WOMAN WHO HAS MATURED CONSIDERABLY DURING THE TWO YEARS SINCE HER RETURN TO PAKISTAN. BUT THIS MAY NOT BE ENOUGH TO COMPENSATE FOR HER LACK OF EXPERIENCE IN OFFICE.

JOHNSON

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TO IMMEDIATE ISLAMABAD
TELNO 973
OF 291300Z NOVEMBER 88
INFO PRIORITY WASHINGTON, NEW DELHI

YOUR TELNO 1467 PAKISTAN: MESSAGE OF CONGRATULATIONS TO BENAZIR BHUTTO.

PLEASE PASS THE FOLLOWING MESSAGE FROM THE PRIME MINISTER TO BENAZIR BHUTTO AS SOON AS HER APPOINTMENT AS PRIME MINISTER IS ANNOUNCED.

BEGINS

I SEND YOU WARM CONGRATULATIONS ON YOUR APPOINTMENT AS PRIME MINISTER. YOU TAKE OFFICE AT A MOMENT OF GREAT CHALLENGE AND OPPORTUNITY FOR YOUR COUNTRY. I WISH YOU EVERY SUCCESS IN THE TASKS THAT LIE AHEAD AND LOOK FORWARD TO WORKING CLOSELY WITH YOU AND YOUR GOVERNMENT.

I HOPE YOU VISIT US BEFORE TOO LONG. MEANWHILE, I SEND YOU EVERY GOOD WISH. YOURS EVER, MARGARET THATCHER.
ENDS

HOWE

YYYY

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OF 180837Z NOVEMBER 88

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MY TEL NO 1423: PAKISTAN ELECTIONS

SUMMARY

1. PAKISTAN PEOPLE'S PARTY THE LARGEST PARTY BUT WITHOUT OVERALL MAJORITY. BENAZIR BHUTTO AND MUSLIM LEAGUE-LED COALITION BOTH CLAIM RIGHT TO FORM GOVERNMENT. BENAZIR'S THE MORE SUSTAINABLE CLAIM BUT SMALLER PARTIES AND INDEPENDENTS HOLD THE KEY. DIFFICULT DECISIONS FOR PRESIDENT.

DETAIL

2. OF THE 205 MUSLIM SEATS IN THE NATIONAL ASSEMBLY CONTESTED ON 16 NOVEMBER (ELECTIONS IN 2 CONSTITUENCIES WERE POSTPONED DUE TO THE DEATH OF CANDIDATES) THE PAKISTAN PEOPLE'S PARTY (PPP) WON 92, THE ISLAMIC DEMOCRATIC ALLIANCE (IDA) 54, INDEPENDENTS 27, THE MOHAJIR QAUMI MOVEMENT 13, AND 16 WERE DIVIDED AMONG SMALLER PARTIES. ONE RESULT IS STILL TO BE ANNOUNCED. SIX BYE-ELECTIONS WILL NEED TO BE HELD FOLLOWING WINS BY INDIVIDUALS IN MORE THAN ONE CONSTITUENCY. THE RESULTS OF THE SEPARATE ELECTIONS TO THE 10 MINORITY SEATS HAVE NOT YET BEEN DECLARED.

3. THE IDA WAS COMPLETELY ECLIPSED IN SIND, FAILING TO WIN A SINGLE SEAT (PPP - 31, MQM - 13, IND. - 2), THOUGH AT LEAST ONE OF THE INDEPENDENTS WAS AN IDA SUPPORTER. IN PUNJAB THE PPP EDGED OUT THE IDA BY 52 - 44 BUT A MAJORITY OF THE 12 INDEPENDENTS ELECTED IN THE PROVINCE ARE IDA SYMPATHISERS. IN THE NORTH WEST FRONTIER PROVINCE THE PREDICTED SPLIT OCCURRED BUT WITH WALI KHAN'S AWAMI NATIONAL PARTY FARING WORSE THAN EXPECTED. THE IDA FARED BADLY IN BALUCHISTAN WHERE THE 11 SEATS WERE EVENLY DIVIDED AMONG FOUR PARTIES. (FULL RESULTS, WITH BREAK-DOWN BY PROVINCES, FOLLOW BY SAVING TEL).

4. TWO NOTABLE FEATURES OF THE ELECTION HAVE BEEN THE DEFEAT OF ALL

PAGE 1
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BUT ONE OF THE PROMINENT EX-MILITARY CANDIDATES (FAZLE HAQ SQUEEZED IN FROM A REMOTE AREA OF NWFP WHERE THE TURN-OUT WAS ONLY 11%), AND THE DISAPPEARANCE OF MOST OF THE OLD GUARD OF PAKISTANI POLITICS: WALI KHAN AND NAWABZADA NASRULLAH KHAN ALONE WERE SUCCESSFUL. THE REST HAD BENEFITTED FROM A LONG PERIOD WITHOUT AN ELECTORAL TEST. WHEN IT CAME THEY WERE DISCARDED. YOUNGER ACTIVE CANDIDATES TENDED TO DO WELL, EVEN SOMETIMES AGAINST THE NATIONAL SWING.

5. BOTH BENAZIR BHUTTO AND IDA LEADERS HAVE CLAIMED THE RIGHT TO BE ASKED TO FORM THE NEXT GOVERNMENT. BENAZIR'S IS UNQUESTIONABLY THE STRONGEST. NOT ONLY IS THE PPP BY FAR THE LARGEST PARTY: IT WON SEATS IN ALL FOUR PROVINCES THUS CONFIRMING ITS CLAIM TO BE THE ONLY PARTY WITH COUNTRY-WIDE APPEAL. THE PAKISTAN MUSLIM LEAGUE, THE MAJOR COMPONENT OF THE IDA, HAS BEEN REDUCED TO LITTLE MORE THAN A PARTY OF RURAL PUNJAB WITH MODEST SUPPORT IN NWFP. THE PPP WILL NEED TO WIN OVER SOME OF THE SMALLER PARTIES IF THEY ARE TO MUSTER A MAJORITY IN THE ASSEMBLY. THE IDA WOULD NEED TO MUSTER ALMOST A COMPLETE LINE-UP OF THE OTHER PARTIES TO DO THIS. IN THIS BARGAINING PROCESS THE PRESENCE OF THE JAMAAT-ISLAMI WITHIN THE IDA MAY BE CRUCIAL. THE MQM AND THE MORE MODERATE RELIGIOUS PARTIES (JUI AND JUP) ARE ANTIPATHETIC TOWARDS THE JAMAAT AND THIS MAY SWING THEIR COMBINED 23 SEATS BENAZIR'S WAY (IT IS INTERESTING THAT THESE MORE MODERATE RELIGIOUS PARTIES DID SUBSTANTIALLY BETTER THAN THE HIGH-PROFILE, WELL ORGANISED AND FUNDAMENTALIST JAMAAT-ISLAMI). BUT THE MQM MAY WISH TO STAND ALOOF: IF THEY DO ALLY THEMSELVES THEY WILL DRIVE A HARD BARGAIN OVER THE RIGHTS OF THEIR COMMUNITY IN SIND.

6. PRESIDENT GHULAM ISHAQ KHAN IS NOW FACED WITH A DIFFICULT CHOICE IN NOMINATING A PRIME MINISTER. LOGICALLY HE SHOULD ASK THE LEADER OF THE LARGEST PARTY. BUT HE WILL WAIT TO SEE THE OUTCOME OF THE ELECTIONS TO THE PROVINCIAL ASSEMBLIES ON 19 NOVEMBER AND WILL THEN NO DOUBT CONSULT WIDELY BEFORE TEACHING A DECISION, NOT ONLY WITH POLITICAL LEADERS BUT ALSO PRIVATELY WITH THE ARMY. THERE IS NO CONSTITUTIONAL CALL FOR AN IMMEDIATE DECISION SINCE THE ASSEMBLY NEED NOT BE SUMMONED UNTIL 30 DAYS HAVE ELAPSED AFTER THE ELECTION. BUT HE WILL WISH TO AVOID A PROLONGED PERIOD OF UNCERTAINTY AND HE MAY SEE A DECISION SOME TIME NEXT WEEK.

BARRINGTON

YYYY

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ



THE ISLAMIC REPUBLIC OF PAKISTAN

Ghulam Ishaq Khan

ISLAMABAD

30 Muharram 1409 A.H.
13 September 1988.

The Right Honourable
Mrs. Margaret Thatcher,
Prime Minister of the
United Kingdom,
London.

Excellency,

I thank you for your message of condolences on the tragic death of President General Mohammad Zia-ul-Haq and others in the air disaster. On behalf of the people of Pakistan, the late President's family, and on my own behalf, I convey to you our deep appreciation for your kind words of sympathy on this tragedy.

We are also grateful to you for having deputed Sir Geoffery Howe, State Secretary for External and Commonwealth Affairs, to represent Her Majesty's Government at the state funeral of the late President.

You have been kind enough to recall the distinctive qualities of leadership of President Zia-ul-Haq. You have alluded to the steadfast policy he so doggedly pursued with regard to the Afghanistan issue. Pakistan has been fortunate to have friends like you whose support and determination enabled him and Pakistan to pursue this principled policy on Afghanistan. I wish to assure you that it will be my endeavour to continue the process set forth by my departed colleague.



- 2 -

I am indeed confident that the close and friendly relations so happily existing between our two countries will continue to expand in the years to come.

Please accept, Excellency, my best wishes for the further progress and prosperity of the people of the United Kingdom.

Yours sincerely,

(Ghulam Ishaq Khan)

Princeton

INT SIT

OCT '79





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PM/88/043

PRIME MINISTER

Pakistan

1. I attended President Zia's funeral in Islamabad ten days ago. As I shall have to miss Cabinet on 15 September, you may be interested in a brief assessment.
2. Contrary to some reports in the British press, the funeral ceremony itself was peaceful and at times moving. The size of the crowd (estimates ranged from 300,000 to 1.5 million) suggests that Zia had more popular support than was often thought - and the notes of the Last Post echoing over that huge throng did indeed arouse "noble ghosts of Britain's past". I had a brief exchange with the Acting President, Ghulam Ishaq Khan, a longer bilateral with Foreign Minister Yaqub Khan and met a number of other Ministers - as well as Gaelani, the Afghan resistance leader who called on you the other day - over dinner at the Ambassador's residence. I also spoke to ex-Prime Minister Junejo on the telephone.
3. I was generally encouraged by what I heard and saw. It is of course early days, but the transition has so far been both peaceful and constitutional. Ishaq Khan struck a sensible note in his formal speech, and I did not gain any impression that the army, although naturally watchful, is in any way eager to step in.

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4. Yaqub Khan predicted little change in foreign policy. Pakistan support for the Mujahideen will continue, though perhaps with less concentration of arms and money on Hekmatyar's fundamentalists (who had been strongly favoured by Zia). This would be a positive development. Now that the Soviets are withdrawing from Afghanistan, we have no interest in strengthening the fundamentalists' hand. Yaqub Khan is already turning his mind to ways of engineering the transition to a representative government in Kabul. We shall have a role to play, mainly giving advice and encouragement from the sidelines.

5. Ishaq Khan has also committed himself to continuing the process back to democratic government in Pakistan. The first test will be the election scheduled for 16 November. Under Zia's control the elections, like those in 1985, would have lacked international credibility. His death may break that deadlock. It is not yet clear what form the elections will take (eg party or non-party) but new faces will emerge, and there is at least some hope that a reasonably stable and more genuinely democratic process could develop.

6. The outcome of the investigation into the crash of President Zia's plane could dramatically upset this encouraging picture. If evidence of sabotage emerges, it may point at Pakistani dissidents. But Indian, Soviet or Afghan involvement has not been ruled out. If it were confirmed, Pakistan's reaction could be violent. But many wise heads expect an inconclusive report, and the

/mature

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? mature way Pakistanis have reacted so far gives some grounds for hope. In any event, Pakistan will remain a country of vital importance to us in a turbulent region. I believe it deserves our continued support in the months ahead.

7. I am copying this minute to Cabinet colleagues.

A handwritten signature in dark ink, appearing to be 'G. Howe'.

(GEOFFREY HOWE)

Foreign and Commonwealth Office

31 August 1988

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Pim Minister 2.
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FM ISLAMABAD
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TELNO 1055
OF 181021Z AUGUST 88
AND TO DESKBY 181130Z CABINET OFFICE (FOR TAFF ASSESSMENT)
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KARACHI(ACTIONED)
INFO ROUTINE PEKING DHAKA COLOMBO KATHMANDU ANKARA RIYADH PARIS BONN
ROME TOKYO UKMIS NEW YORK UKMIS GENEVA

M.I.P.T. - DEATH OF PRESIDENT ZIA

SUMMARY

1. A SMOOTH TRANSITION SO FAR. PRESIDENTIAL ELECTION SHOULD BE HELD TOWARDS END 1988. NO INFORMATION ON CAUSE OF AIRCRAFT CRASH BUT PAKISTAN MILITARY INTELLIGENCE AND US EMBASSY BELIEVE THERE WAS SABOTAGE. IF SO, CAUSE LIKELY TO BE DOMESTIC, NOT EXTERNAL. NO MAJOR CHANGE FORESEEN IN INTERNAL OR FOREIGN POLICY BUT INTERIM OR PRESIDENT DOES NOT SHARE ZIA'S VIEWS ON POLITICAL PARTIES OR ISLAMISATION. WIDESPREAD VIOLENT REACTION TO ZIA'S DEATH UNLIKELY. PRESIDENT AND ARMY WILL WORK TOGETHER TO MAINTAIN THEIR GRIP. MOST IMPORTANT THAT ELECTIONS ARE HELD AS PROMISED IN NOVEMBER.

DETAIL

2. GHULAM ISHAQ KHAN HAS ACTED QUICKLY AND COMPLETELY IN ACCORDANCE WITH THE CONSTITUTION IN ASSUMING CHARGE OF PAKISTAN'S AFFAIRS. SO FAR THE TRANSITION APPEARS TO BE PROCEEDING SMOOTHLY. THE PROCLAMATION OF A STATE OF EMERGENCY AND FORMATION OF AN EMERGENCY COUNCIL OF SENIOR MINISTERS AND HEADS OF THE ARMY SERVICES TO ADVISE THE FEDERAL GOVERNMENT ARE PRECAUTIONARY MEASURES DESIGNED TO HELP ENSURE STABILITY AND CONTINUITY. GHULAM ISHAQ HAS SAID THAT ELECTIONS WILL BE HELD ON 16 NOVEMBER AS ANNOUNCED BY ZIA BUT HE HAS MADE NO STATEMENT ABOUT THEIR NATURE (IE WHETHER THEY WILL BE PARTY OR NON-PARTY BASED). THE IMMEDIATE APPOINTMENT OF GENERAL MIRZA ASLAM BEG AS CHIEF OF ARMY STAFF IS A WISE MOVE: BEG HAS THE REPUTATION OF BEING A TOUGH PROFESSIONAL SOLDIER WITH NO POLITICAL AMBITIONS. NO SUCCESSOR AS CHAIRMAN OF THE JOINT CHIEFS OF STAFF HAS YET BEEN ANNOUNCED. FOR THE FIRST TIME IN PAKISTAN'S HISTORY SHE NOW HAS A CIVILIAN PRESIDENT HOLDING NO MILITARY OFFICE.

CONSTITUTIONAL POSITION

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3. ACCORDING TO THE CONSTITUTION A NEW PRESIDENT SHOULD BE CHOSEN WITHIN 30 DAYS BY AN ELECTORAL COLLEGE COMPRISING THE SENATE, NATIONAL ASSEMBLY AND PROVINCIAL ASSEMBLIES. IN THE PRESENT SITUATION WHERE THE NATIONAL AND PROVINCIAL ASSEMBLIES STAND DISSOLVED, THE CONSTITUTION PROVIDES THAT THE ELECTION OF A PRESIDENT MUST FOLLOW WITHIN 30 DAYS OF A GENERAL ELECTION TO THE ASSEMBLIES, IE BETWEEN 16 NOVEMBER AND 15 DECEMBER IF THE GENERAL ELECTION SCHEDULE IS ADHERED TO.

4. THE STATE OF EMERGENCY MUST NORMALLY BE ENDORSED BY A JOINT SITTING OF THE SENATE AND NATIONAL ASSEMBLY WITHIN TWO MONTHS OF ITS PROCLAMATION. IF, AS IS LIKELY TO BE THE CASE, NO NATIONAL ASSEMBLY IS ELECTED WITHIN THAT TIME THE STATE OF EMERGENCY CAN ONLY CONTINUE FOR FOUR MONTHS UNLESS ENDORSED IN THE MEANTIME BY THE SENATE. THUS ONE OF THE FIRST ACTS OF THE NATIONAL ASSEMBLY TO BE ELECTED IN NOVEMBER WILL BE TO APPROVE OR RESCIND THE EMERGENCY PROCLAMATION. UNDER THE STATE OF EMERGENCY THE PRESIDENT HAS THE POWER TO SUSPEND FUNDAMENTAL RIGHTS BUT THE PROCLAMATION ITSELF DOES NOT AUTOMATICALLY ENTAIL SUCH SUSPENSION.

CAUSE OF THE DISASTER

5. SO FAR GHULAM ISHAQ HAS STATED ONLY THAT THE POSSIBILITY OF SABOTAGE CANNOT BE RULED OUT. THE PAKISTAN AIR FORCE HAS BEEN CHARGED WITH AN IMMEDIATE INQUIRY TO DETERMINE THE CAUSE OF THE CRASH. SO FAR THERE IS LITTLE CLUE AS TO WHAT HAPPENED: NO EXPERT EYE WITNESSES HAVE YET BEEN FOUND. MEMBERS OF THE INTER SERVICES INTELLIGENCE DIRECTORATE ARE TAKING THE LINE PRIVATELY THAT SABOTAGE IS LIKELY, NOT MOTIVATED BY DOMESTIC PAKISTAN REASONS. THIS PERHPAS IS NO MORE THAN AN EXPECTED INITIAL REACTION FROM THE ORGANISTAION WHICH SHARES RESPONSIBILITY FOR THE SAFETY OF THE PRESIDENT.

6. THE US EMBASSY PROFESS TO BE REASONABLE CONFIDENT THAT AN ACT OF SABOTAGE OF ONE KIND OR ANOTHER WAS COMMITTED. THEY SAY THAT THE NOSE SECTION OF THE AIRCRAFT IMPACTED IN SOFT SOIL AND IS FAIRLY INTACT BUT THAT THE REST OF THE AIRCRAFT BROKE UP ON IMPACT AND IS SCATTERED OVER A WIDE AREA. THE AMERICANS HERE BELIEVE THAT THE INVESTIGATORS SHOULD HAVE ENOUGH MATERIAL AVAILABLE TO ENABLE THEM TO DETERMINE THE CAUSE OF THE CRASH. (WE DO NOT KNOW WHETHER THE C130 NORMALLY USED BY THE PRESIDENT WAS EQUIPPED WITH A FLIGHT RECORDER).

7. THERE HAS SO FAR BEEN VERY LITTLE RESORT TO VIOLENCE BY

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OPPOSITION GROUPS IN PAKISTAN BUT IT IS INDEED SABOTAGE WAS THE CAUSE
IT SEEMS MORE LIKELY TO HAVE BEEN MOTIVATED BY INTERNAL PAKISTANI
FACTORS.

WORKING FOR THE NAJIB REGIME IN KABUL COULD HAVE MOUNTED THIS KIND
OF OPERATION. BUT THEY WOULD HAVE NEEDED ADVANCE KNOWLEDGE OF THE
PRESIDENT'S MOVEMENTS, THE LOGISTIC ABILITY TO MOUNT THE OPERATION
AT VERY SHORT NOTICE, AND TO HAVE SUBORNED A MEMBER OF THE PAKISTAN
MILITARY.

8. ASSUMING THAT A PURE ACCIDENT WAS NOT THE CAUSE, THERE ARE TWO
PRINCIPAL POSSIBILITIES: A RELIGIOUS FANATIC, SUNNI OR SHIA, OR A
GROUP OF DISAFFECTED YOUNG ARMY OFFICERS. ZIA HAS PROMOTED ISLAM,
AND WENT OUT OF HIS WAS RECENTLY TO CONDOLE THE ASSASSINATION OF A
PROMINENT SHIA LEADER, BUT RELIGIOUS FANATICISM IN A COUNTRY LIKE
PAKISTAN CAN NEVER BE RULED OUT. EVEN ABU NIDHAL CONNECTIONS CANNOT
BE EXCLUDED WITH SOME OF THEIR PEOPLE HERE UNDER SENTENCE OF DEATH.
AS FOR YOUNG OFFICERS WE KNOW THERE HAS BEEN GRUMBLING, BUT THERE IS
NO SIGN OF ANY MILITARY MOVES TO CAPITALISE ON ZIA'S DEATH. THE
PAKISTAN ARMY TRADITION IS THAT COUPS ARE CARRIED OUT BY SENIOR
OFFICERS.

9. ZIA HAD MANY ENEMIES. BUT MOST WERE CONCERNED TO DO AWAY WITH THE
SYSTEM HE HAD IMPOSED ON THE COUNTRY AND FEW HAD A DEEP PERSONAL
ANIMOSITY TOWARDS HIM. BURNING RESENTMENT AT HIS 1977 COUP HAD
FADED. BITTER PERSONAL ANTAGONISM WAS EVINCED BY VERY FEW, FOREMOST
AMONG WHOM WAS BENAZIR BHUTTO, BECAUSE OF THE EXECUTION OF HER
FATHER. BUT SHE HAS NEVER SHOWN ANY INCLINATION TO USE TERRORIST
METHODS TO ACHIEVE HER AIM. AL ZULFIKAR TERRORIST ORGANISATION HAS
BEEN MORBUND FOR SOME YEARS.

IMPLICATIONS

10. BY AND LARGE ZIA HAD BEEN A RELATIVELY BENEVOLENT DICTATOR,
READY TO USE THE IRON FIST WHEN ABSOLUTELY NECESSARY BUT PREFERRING
MORE SUBTLE METHODS TO REMAIN IN POWER AND PURSUE HIS PERSONAL
OBJECTIVES. HE HAD BROUGHT A SIGNIFICANT MEASURE OF STABILITY TO
PAKISTAN DURING HIS YEARS OF RULE, FIRST AS CHIEF MARTIAL LAW
ADMINISTRATOR AND LATER AS PRESIDENT. THIS MAY HAVE BEEN AT THE
EXPENSE OF WESTERN-STYLE DEMOCRACY (WHICH DURING THE LAST YEARS OF Z
A BHUTTO'S REIGN HAD IN ANY CASE DEGENERATED IN PAKISTAN) BUT,
FOLLOWING THE LIFTING OF MARTIAL LAW AT THE END OF 1985 AND UNTIL
HIS DISMISSAL OF THE GOVERNMENT AND NATIONAL ASSEMBLY IN MAY THIS
YEAR, HE HAD CREATED AND FOSTERED A FORM OF CONTROLLED DEMOCRACY

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WHICH, FOR ALL ITS FAULTS, HAD SLOWLY GAINED ACCEPTABILITY. LATTERLY HE HAD BEGUN TO MAKE UNCHARACTERISTIC MISTAKES AND HAD BECOME INCREASINGLY DIVORCED FROM POLITICAL OPINION AS REPORTED IN MY TELNO 1042. NONETHELESS, MOST PAKISTANIS HAD COME TO REGARD HIM AS A FORCE FOR CONTINUITY UNDER WHOM THERE HAD BEEN ECONOMIC PROGRESS, RELATIVE FREEDOM OF THE PRESS AND, IN RECENT YEARS, A POSSIBILITY OF LIVING A NORMAL LIFE FREE FROM STATE OPPRESSION. HIS DEATH, AND PARTICULARLY ITS MANNER, HAS STUNNED THE NATION. IT WILL EVOKE WIDESPREAD GRIEF AND A WAVE OF GENUINE AFFECTION ON THE PART OF MANY PAKISTANIS. HE WAS WIDELY REGARDED AS UNCORRUPT, DEVOUT AND A MAN OF MODEST TASTES.

11. THERE IS NO IMMEDIATE REASON WHY ZIA'S DISAPPEARANCE SHOULD LEAD TO FUNDAMENTAL CHANGES OF DIRECTION IN PAKISTAN'S INTERNAL OR FOREIGN POLICIES. IT IS FORTUNATE FOR THE NATION THAT GHULAM ISHAQ IS A WISE AND CAUTIOUS MAN WHO COMMANDS GENERAL RESPECT, WAS PLACED WHERE HE WAS. SO LONG AS GHULAM ISHAQ KEEPS IN STEP WITH THE ARMY HE SHOULD BE ABLE TO PRESIDE OVER THE TRANSITIONAL PERIOD FOR THE NEXT FEW MONTHS. HE DID NOT PERSONALLY SHARE ZIA'S AVERTION TO POLITICAL PARTIES, NOR DID HE, THOUGH FROM A CONSERVATIVE MUSLIM BACKGROUND, ENDORSE ZIA'S DRIVE TO INTRODUCE A GREATER MEASURE OF ISLAMISATION IN THE COUNTRY. ONE OF HIS FIRST DECISIONS WILL BE WHETHER TO ALLOW THE NOVEMBER ELECTIONS TO BE HELD ON A PARTY BASIS. IN THIS HE, LIKE ZIA, WILL NEED TO TAKE ACCOUNT OF THE SITUATION IN THE PAKISTAN MUSLIM LEAGUE WHICH FOR THE MOMENT IS STILL DEEPLY DIVIDED. MY GUESS WOULD BE THAT GHULAM ISHAQ WILL DECIDE TO HOLD THE ELECTIONS ON A NON-PARTY BASIS BUT NOT TO PLACE OBSTACLES IN THE WAY OF FORMATION OF PARLIAMENTARY PARTIES AFTERWARDS. WE MAY ALSO HEAR LESS OF MOVES TOWARDS A MORE ISLAMIC STYLE OF GOVERNMENT. WHILE A REDUCED IMPETUS IN THIS DIRECTION WILL ANGER SOME OF THE RELIGIOUS PARTIES, NOTABLY THE JAMAAT-I-ISLAMI, WHO HAD BEEN PRESSING FOR MORE ISLAMISATION, THE COUNTRY AS A WHOLE WILL WELCOME SUCH A SHIFT.

12. SO FAR THE OPPOSITION LEADERS HAVE NOT SOUGHT TO MAKE POLITICAL CAPITAL FROM ZIA'S DEATH. FOR MOST OF THEM IT WAS THE POLITICAL STRUCTURE WHICH THEY WISHED TO DO AWAY WITH AND ZIA'S DEATH WILL NOT DIVERT THEM FROM THIS OBJECTIVE. THEY WILL CONTINUE TO PRESS FOR PARTY BASED ELECTIONS IN NOVEMBER BUT I SHOULD BE SURPRISED IF THEY NOW RESORTED TO VIOLENT OR OTHER UN-CONSTITUTIONAL MEANS. THEIR FEARS OF AN ARMY CLAMP-DOWN SHOULD THEY TAKE THIS PATH WILL NOT HAVE BEEN LESSENED BY ZIA'S DISAPPEARANCE.

13. PENDING THE ELECTION OF A NEW NATIONAL ASSEMBLY I WOULD NOT EXPECT TO SEE ANY MARKED CHANGE IN THE GOVERNMENT'S ECONOMIC

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POLICIES.

14. GHULAM ISHAQ HAS SAID THAT THERE WILL BE NO CHANGE IN PAKISTAN'S FOREIGN POLICY AND INTERNATIONAL OBLIGATIONS WILL CONTINUE TO BE HONOURED. THE ONLY AREA OF FOREIGN RELATIONS WHERE THERE MAY BE SOME CHANGE IS AFGHANISTAN. THERE WILL CONTINUE TO BE A COMMITMENT TO HELPING THE REFUGEES AND THE MUHAJIDEEN WITH THE OBJECTIVE OF REMOVING NAJIB'S REGIME IN KABUL, AND SECURING THE RETURN OF THE REFUGEES. BUT I WOULD EXPECT THE ALMOST EXCLUSIVE CONCENTRATION ON PROSECUTING THE WAR INSIDE AFGHANISTAN BY THE DIRECT INVOLVEMENT OF THE PAKISTANI MILITARY, AND THE CHANNELING OF THE BULK OF EXTERNAL ASSISTANCE TO THE FUNDAMENTALISTS AMONG THE MUJAHIDEEN, TO BE CALLED INTO QUESTION. MUCH WILL DEPEND ON THE CONTINUING INFLUENCE OF GENERAL HAMID GUL, THE HEAD OF ISID. HE AND HIS ORGANISATION MAY FALL UNDER A CLOUD, PARTICULARLY IF IT CAN BE SHOWN THAT THE PRESIDENT'S AIRCRAFT CRASHED BECAUSE OF SABOTAGE IN WHICH PAKISTANI SERVICEMEN WERE INVOLVED. WHETHER OR NOT THIS IS THE CASE, CHILAM ISHAQ, THE FEDERAL GOVERNMENT AND THE EMERGENCY COUNCIL ARE UNLIKELY COLLECTIVELY TO SHARE ZIA'S FAVOURING OF HEKMATYAR OR THE DIRECT INVOLVEMENT INSIDE AFGHANISTAN OF THE PAKISTAN MILITARY. I FORESEE NO PRECIPITATE CHANGE BUT A GRADUAL DISTANCING FROM ZIA'S IDIOSYNCRATIC AFGHAN POLICY.

15. RELATIONS WITH INDIA MAY BE SUBJECT TO SOME SLIGHT IMPROVEMENT. IT WOULD HELP IF THE INDIAN PRESIDENT OR PRIME MINISTER ATTEND ZIA'S FUNERAL ON 20 AUGUST. BUT INDIA WOULD PRESUMABLY WISH TO SEE CONCRETE EVIDENCE THAT WHAT THEY BELIEVE TO BE THE INVOLVEMENT OF ISID WITH SIKH MILITANTS IS BEING REDUCED BEFORE THEY WILL DECIDE WHETHER AN ATTEMPT AT A FRESH START IS POSSIBLE. I WOULD NOT EXPECT ANYU CHANGE IN PAKISTAN'S PRESENT NUCLEAR POLICY, WHICH COMMANDS WIDE-SPREAD PUBLIC SUPPORT.

16. THERE IS NO REASON TO SUPPOSE THAT PAKISTAN'S LINKS WITH THE UNITED STATE, UNITED KINGDOM AND OTHER WESTERN COUNTRIES WILL UNDERGO ANY SIGNIFICANT CHANGE.

CONCLUSIONS AND OUTLOOK

17. PAKISTAN HAS LOST A FIRM GUIDING HAND, ONE WHICH HAS BEEN RESPONSIBLE FOR MAINTAINING STABILITY AND CONTINUITY FOR THE PAST DECADE. ZIA'S DEATH IS UNLIKELY TO LEAD TO WIDESPREAD VIOLENT DEMONSTRATIONS OR ATTEMPTS TO UNDERMINE THE COUNTRY'S SECURITY OR INTEGRITY, ALTHOUGH FANATICAL FRINGE GROUPS MAY SEE THE CHANCE TO CREATE DISTURBANCES. THE ARMY AND THE NEW TRANSITIONAL PRESIDENT

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CAN BE EXPECTED TO WORK TOGETHER TO MAINTAIN THEIR GRIP ON THE COUNTRY AND TO ACT DECISIVELY TO NIP ARMY TROUBLE IN THE BUD. IT WILL BE IMPORTANT THAT THERE IS NO GOING BACK ON THE COMMITMENT TO HOLD ELECTIONS IN NOVEMBER, FOR GHULAM ISHAQ AND THE ARMY TO MAKE IT CLEAR THAT THEY WILL BE CONTENT TO LIVE WITH WHATEVER NATIONAL ASSEMBLY IS ELECTED, AND TO ACCEPT THAT POLITICAL PARTIES CAN THEREAFTER BE FORMED IN PARLIAMENT. WHETHER THE ARMY WOULD STICK TO THIS IF THE PPP WON A MAJORITY WOULD REMAIN TO BE SEEN, BUT I WOULD NOT EXCLUDE IT. ONLY IF ZIA'S DEATH CAN BE PROVED TO HAVE HAD A RELIGIOUS MOTIVATION, OR TO HAVE BEEN ENGINEERED BY A DIAFFECTED GROUP WITHIN THE ARMY, WOULD I EXPECT THERE TO BE SERIOUS UPHEAVALS.

BARRINGTON

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FM FCO
TO FLASH ISLAMABAD
TELNO 695
OF 171700Z AUGUST 88
INFO FLASH WASHINGTON, KARACHI

T
**PRIME MINISTER'S
PERSONAL MESSAGE**
SERIAL NO. T2621/8

*serial count
8PS*

MESSAGE FROM PRIME MINISTER

1. PLEASE DELIVER THE FOLLOWING MESSAGE FROM THE PRIME MINISTER TO GHULAM ISHAQ KHAN, ACTING PRESIDENT OF PAKISTAN. BEGINS
I WAS DEEPLY SHOCKED TO HEAR THE NEWS OF THE TRAGIC DEATH IN AN AIRCRAFT CRASH TODAY OF PRESIDENT ZIA AND OTHERS OF HIS SENIOR MILITARY COLLEAGUES.
2. PRESIDENT ZIA LED HIS COUNTRY WITH GREAT DISTINCTION AND COURAGE AT A VITAL PERIOD IN THE HISTORY OF PAKISTAN AND OF THE WHOLE REGION. THE FREE WORLD OWES HIM A DEBT OF GRATITUDE. EVER SINCE THE SOVIET INVASION OF AFGHANISTAN HIS STEADFAST SUPPORT FOR THE AFGHAN PEOPLE HAS EARNED THE ADMIRATION OF PAKISTANS FRIENDS THROUGHOUT THE WORLD. UNDER HIS BRAVE GUIDANCE, THE PEOPLE OF PAKISTAN HAVE SHOULDERED WITH GENEROUS PATIENCE AND HUMANITY THE BURDEN OF CARING FOR 3 MILLION AFGHAN REFUGEES WHO HAD FLED THEIR COUNTRY. HE WILL BE GREATLY MISSED.
3. PLEASE EXTEND MY SINCEREST CONDOLENCES TO BEGUM ZIA, THE PRESIDENT'S FAMILY AND THE PEOPLE OF PAKISTAN IN THEIR TRAGIC LOSS.
4. THERE WILL (NO) SIGNED ORIGINAL.

CHALKER

YYYY

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PS/MRS CHALKER
MR GILLMORE

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FLASH ISLAMABAD

TELNO

OF 171700Z AUGUST 88

INFO FLASH WASHINGTON, KARACHI

MESSAGE FROM PRIME MINISTER

1. Please deliver the following message from the Prime Minister to Ghulam Ishaq Khan, Acting President of Pakistan.

Begins

I was deeply shocked to hear the news of the tragic death in an aircraft crash today of President Zia and ^{other} ~~a number~~ of his senior military colleagues.

2. President Zia led his country with great distinction and courage at a vital period in the history of Pakistan and of the whole region. The free world owes him a debt of gratitude. Ever since the Soviet invasion of Afghanistan his steadfast support for the ^{Afghan} ~~people of Afghanistan~~ has earned the admiration of Pakistan's friends throughout the world. Under his brave guidance, the people of Pakistan have shouldered with generous patience and humanity the burden of caring for 3 million Afghan refugees who had fled the country. He will be ^{so} ~~so~~ ^{very} ~~very~~ missed.

YYYY

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3. Please extend my sincerest condolences to Begum Zia, the President's family and the people of Pakistan in their tragic loss.

Ends.

YYYY

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MR GILLMORE

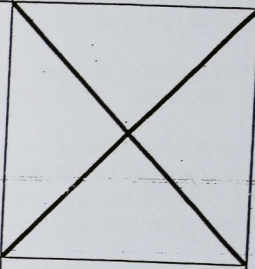
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DEPARTMENT/SERIES <i>PREM 19</i>	Date and sign
PIECE/ITEM <i>4335</i> (one piece/item number)	
Extract details: <i>Telegram dated 17 August 1988</i>	
CLOSED UNDER FOI EXEMPTION	
RETAINED UNDER SECTION 3(4) OF THE PUBLIC RECORDS ACT 1958	<i>17/4/18</i> <i>m. m.</i>
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Use the card for one piece or for each extract removed from a different place within a piece.

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Enter extract details if it is an extract rather than a whole piece.

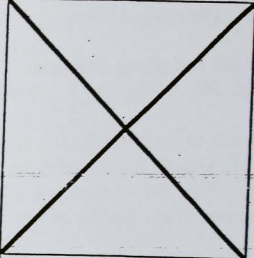
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eg. Folio 28, Indictment 840079, E107, Letter dated 22/11/1995.

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Sign and date next to the reason why the record is not available to the public ie. Closed under FOI exemption; Retained under section 3(4) of the Public Records Act 1958; Temporarily retained; Missing at transfer or Number not used.

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Seen by PM

PRIME MINISTER

It has just come up on BBC Ceefax in London that **President Zia of Pakistan** has been killed in an aircrash, just after take off from Lahore.

The US Ambassador to Pakistan is also reputed to have been in the plane too.

The President of the Senate, Mr. Ghulam Kahn, is acting President.

We will let you have confirmation and any news as soon as the FCO have details.

Debbie
17.8.88

seen by PM

PRIME MINISTER

It has now been confirmed that President Zia has been killed in a mid-air explosion. Sabotage is a possibility, and Sir Percy Cradock's information lists three potentials: the Afghan Secret Police, domestic opposition or extremist Hindu organisations.

Sir Percy will have an assessment after lunch tomorrow, which should be with us by tomorrow evening.

The FCO are drafting a message for you to send, and this should arrive soon. (FCO Ministers are not going on television about the accident, but are currently drafting a statement for the press.)

In addition to the President and the US Ambassador to Pakistan, the Chief of the US Liaison to Pakistan was also killed.

Debbie, 17.8.88

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TO IMMEDIATE FCO

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OF 310952Z MAY 88

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INFO PRIORITY UKMIS GENEVA, PARIS, BONN, ROME

MY TEL NOS 710 AND 711: DISMISSAL OF GOVERNMENT AND ASSEMBLY IN
PAKISTAN

SUMMARY

1. JUNEJO CRITICISES ZIA'S DECISION BUT IS UNLIKELY TO CHALLENGE IT
IN THE COURTS. ZIA SAYS THAT A CARETAKER GOVERNMENT WILL BE FORMED
IN A FEW DAYS, BUT MAKES NO MENTION OF A 90 DAY PERIOD FOR HOLDING
OF FRESH ELECTIONS. SPECULATION THAT ZIA WILL HEAD THE INTERIM
GOVERNMENT HIMSELF.

DETAIL

2. IN A PRESS CONFERENCE AT PAKISTAN MUSLIM LEAGUE HEADQUARTERS ON
30 MAY, FORMER PRIME MINISTER JUNEJO READ A CAREFULLY WORDED
STATEMENT CRITICISING THE PRESIDENT'S DECISION TO DISSOLVE THE
NATIONAL ASSEMBLY AS "ARBITRARY" AND "AGAINST THE FUNDAMENTALS OF
THE DEMOCRATIC PROCESS INITIATED WITH THE HOLDING OF THE 1985
ELECTIONS". HE DEFENDED HIS OWN GOVERNMENT'S RECORD. HE WAS FLANKED
BY HIS PREVIOUS GOVERNMENT AND OTHER ELECTED REPRESENTATIVES. HE
REFUSED TO SAY ANYTHING ABOUT HIS FUTURE COURSE OF ACTION, AND HE
GAVE NO INDICATION OF ANY INTENTION TO CHALLENGE ZIA'S DECISION IN
THE SUPREME COURT (AS SOME OBSERVERS HAD EARLIER SAID HE MIGHT).
INDEED, HE CONCEDED THAT THE PRESIDENT HAD THE CONSTITUTIONAL RIGHT
TO DISSOLVE THE ASSEMBLY.

3. JUNEJO AVOIDED ANSWERING CONTROVERSIAL QUESTIONS, FOR EXAMPLE
WHETHER HE FELT HUMILIATED BY THE PRESIDENT'S ACTION. IN FACT ONLY
MINUTES AFTER ARRIVING BACK IN PAKISTAN TO A TRADITIONAL TURN OUT ON
THE TARMAC FROM A MUCH PUBLICISED 4-NATION TOUR OF ASIA, JUNEJO
LEARNED THAT HE WAS NO LONGER PRIME MINISTER. HE HAD NO FOREWARNING
OF THE PRESIDENT'S DECISION. HE WAS CALM AND REASONABLY CHEERFUL AT
THE PRESS CONFERENCE THE NEXT DAY, ARRIVING DRIVING HIS OWN CAR, BUT
HE DID NOT PERFORM WELL. THERE WAS NO SUGGESTION THAT HE WOULD LEAD
A CRUSADE AGAINST THE PRESIDENT. HE IS CERTAINLY BIDDING HIS TIME. HE

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PLANS TO LEAVE FOR KARACHI IN A FEW DAYS THEN GO TO HIS BASE IN SIND.

4. PRESIDENT ZIA EXPLAINED HIS DECISION TO DISSOLVE THE NATIONAL ASSEMBLY FORCEFULLY IN A 35-MINUTE ADDRESS TO THE NATION ON TV AND RADIO ON THE EVENING OF 30 MAY. HE EXPANDED ON THE REASONS GIVEN AT HIS PRESS CONFERENCE ON 29 MAY - IE THE PML GOVERNMENT'S FAILURE TO PURSUE ISLAMISATION, THE BREAK DOWN IN LAW AND ORDER, THE INCREASE IN CORRUPTION AND THE SERIOUS ECONOMIC SITUATION. WHILE THANKING JUNEJO AND HIS CABINET COLLEAGUES FOR THEIR SERVICES ZIA UPBRAIDED THEM FOR BEING LARGELY INEFFECTIVE, ESPECIALLY IN DEALING WITH CORRUPTION. ZIA ANNOUNCED THAT A CARETAKER GOVERNMENT WOULD BE APPOINTED WITHIN THE NEXT FEW DAYS. IT WOULD BE TASKED WITH SPEEDING UP THE PACE OF ISLAMISATION (ZIA HAD EARLIER THE SAME DAY APPOINTED AN ISLAMISATION COMMITTEE OF GOVERNMENT SECRETARIES AND ISLAMIC DIGNITARIES TO "WORK DAY AND NIGHT" TO EXPEDITE ISLAMIC REFORMS IN THE COUNTRY).

5. ON FRESH ELECTIONS, ZIA SAID THAT HE HAD DIRECTED THE CHIEF ELECTION COMMISSIONER TO TAKE NECESSARY STEPS IN ACCORDANCE WITH THE CONSTITUTION. THE PRESIDENT MADE NO SPECIFIC MENTION, HOWEVER, OF THE 90 DAY PERIOD FOR NEW ELECTIONS LAID DOWN IN THE CONSTITUTION. THE CHIEF ELECTION COMMISSIONER HAS SAID THAT ELECTIONS WOULD BE HELD ON A PARTY BASIS BUT ONLY REGISTERED PARTIES WOULD BE ELIGIBLE.

6. EARLIER IN THE DAY, THE FOUR PROVINCIAL GOVERNORS HAD FOLLOWED ZIA IN DISSOLVING THEIR RESPECTIVE ASSEMBLIES AND DISMISSING THE PROVINCIAL CABINETS. THE GOVERNORS AND FORMER CHIEF MINISTERS LATER FLEW TO ISLAMABAD FOR CONSULTATIONS WITH THE PRESIDENT.

7. PRESS REACTION TO ZIA'S ACTION HAS BEEN MIXED. EDITORIALS HAVE EXPRESSED DISAPPOINTMENT AT ZIA'S DECISION BUT HAVE ACCEPTED THAT MUCH OF ZIA'S CRITICISM OF THE JUNEJO GOVERNMENT WAS VALID. THE DAILY "MUSLIM" URGED ZIA NOT TO TREAT THE COUNTRY AS A LABORATORY IN WHICH TO TRY OUT NEW POLITICAL MODELS AND EXPRESSED SCEPTICISM ABOUT ZIA'S PLEDGE TO HOLD ELECTIONS WITHIN 90 DAYS. THE "FRONTIER POST" ASKED ZIA NOT TO FORCE ISLAMISATION ON AN UNWILLING COUNTRY. OTHERWISE THE NATION WOULD BE DIVIDED AGAINST ITSELF. OPPOSITION POLITICIANS INCLUDING BENAZIR BHUTTO AND JATOI HAVE GIVEN A GUARDED WELCOME TO ZIA'S DECISION, ON THE BASIS THAT THE JUNEJO GOVERNMENT WAS INDEED INCOMPETENT AND EARLY ELECTIONS WERE A GOOD THING, BUT HAVE EXPRESSED DOUBTS AS TO WHETHER FRESH ELECTIONS WILL BE HELD ON TIME, AND WHETHER THEY WILL BE FREE AND FAIR.

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8. THERE HAS ALSO BEEN PRESS SPECULATION AS TO THE PRECISE MOTIVES FOR ZIA'S ACTION. STRAINED RELATIONS, FOR VARIOUS REASONS, BETWEEN THE ARMED FORCES AND THE CIVILIAN GOVERNMENT ARE THE FAVOURITE THEME.

9. THERE HAS ALSO BEEN SPECULATION THAT THE CARETAKER GOVERNMENT WILL NOT BE LED BY AN INTERIM PRIME MINISTER, BUT BY ZIA HIMSELF. WE CAN ONLY WAIT AND SEE.

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FM ISLAMABAD

TO DESKBY 301230Z FCO

TELNO 711

OF 301117Z MAY 88

INFO DESKBY 301230Z HONG KONG (FOR SECRETARY OF STATE'S PARTY)
INFO IMMEDIATE NEW DELHI, KABUL, PEKING, MOSCOW, WASHINGTON, KARACHI
INFO PRIORITY COLOMBO, DHAKA, KATHMANDU, UKMIS NEW YORK
INFO PRIORITY UKMIS GENEVA, BONN, PARIS, ROME

FOR RESIDENT CLERK: MIPT: DISMISSAL OF GOVERNMENT AND ASSEMBLY

BACKGROUND

1. THERE HAD BEEN ONE OR TWO FAINT STRAWS IN THE WIND ABOUT THE PRESIDENT'S INTENTION TO CHANGE THE GOVERNMENT. AT A FUNCTION A FEW DAYS AGO A JOURNALIST TOLD ZIA THERE WAS A RUMOUR THAT HE WAS ABOUT TO REASSERT PRESIDENTIAL GOVERNMENT AND ZIA REPLIED IN AN EQUIVOCAL WAY 'AS YOU SAY, THIS IS A RUMOUR'. INTERESTINGLY THE INDIAN AMBASSADOR ASKED ME A FEW DAYS AGO (WHEN I INVITED HIM AND A DOZEN OF HIS COLLEAGUES TO JOIN US FOR A DRINK TO MARK THEIR OCCUPATION OF THEIR NEW BUILDING NEAR OURS IN THE DIPLOMATIC ENCLAVE) WHETHER I HAD HEARD THAT THE PRESIDENT INTENDED TO CHANGE THE GOVERNMENT SHORTLY. THERE HAVE OF COURSE BEEN STORIES ABOUT THE POSSIBILITIES OF EARLY ELECTIONS BUT NOT THAT THIS WOULD BE DONE WITHOUT CONSULTING THE PRIME MINISTER.

2. WE HAVE IDENTIFIED NO PAKISTANIS SO FAR WHO CAN CLAIM FORE-KNOWLEDGE OF THE PRESIDENT'S DECISION. THERE WAS NOT INDICATION AT THE LUNCH THAT ZIA GAVE FOR PRINCE SADRUDDIN AND THE UN ADMINISTRATORS YESTERDAY THAT HE HAD ANY DRASTIC CHANGES IN MIND. A CABINET MINISTER, MEMBERS OF THE ASSEMBLY AND SENIOR OFFICIALS WHO CAME TO A FUNCTION AT MY RESIDENCE LAST NIGHT (HAVING JUST SEEN THE NEWS ON THE LOCAL 7 PM TELEVISION PROGRAMME) WERE ALL EQUALLY BEMUSED. THE MINISTER FOR JUSTICE AND PARLIAMENTARY AFFAIRS HAD NO REAL IDEA WHY THE PRESIDENT SHOULD HAVE TAKEN THIS ACTION AT THIS TIME.

3. SINCE I ARRIVE HERE 9 MONTHS AGO I HAVE SEEN ONLY PRESIDENT ZIA'S GENTLE FACE, HUMBLE, FRIENDLY, POLITE TO EVERYONE, USING PLENTY OF HUMOUR IN HIS SPEECHES, THE MODEST ARMY OFFICER AND CONSUMMATE POLITICIAN. HE SEEMED TO HAVE ACCEPTED THAT THE TIME HAD COME TO MOVE TO A MORE DEMOCRATIC SYSTEM AND TO WITHDRAW HIMSELF FROM ACTIVE DECISION-MAKING, THOUGH WE KNEW THERE WERE TENSIONS BETWEEN HIM AND

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THE PRIME MINISTER ON MANY COUNTS. IT IS NOT PERHAPS SURPRISING, HOWEVER, THAT ZIA, WHO HAS HELD SWAY IN PAKISTAN FOR SO LONG SHOULD HAVE A STRONG SENSE OF THE EXERCISE OF POWER. THERE MAY BE SOME ELEMENT OF TRUTH IN THE REASONS HE HAS OFFICIALLY ADDUCED FOR DISMISSING THE ASSEMBLY AND THE GOVERNMENT, EG. A DETERIORATION IN LAW AND ORDER, BUT IT IS DIFFICULT TO JUSTIFY A CLAIM THAT THE SITUATION IS MUCH WORSE NOW THAN IT HAS BEEN FOR THE PAST FEW MONTHS. IT IS TRUE THAT SECURITY CONTINUES TO BE BAD IN SIND DESPITE THE APPOINTMENT OF A NEW PROVINCIAL GOVERNMENT. THERE HAVE BEEN THE RECENT SUNNI/SHIA TROUBLES IN GILGIT (MY TEL NO 686), WHICH HAVE NOT BEEN RESOLVED. THE ARMY RESENTS BEING EXPOSED TO PUBLIC HOSTILITY BECAUSE OF FAILURES OF THE CIVIL ADMINISTRATION. THERE HAS RECENTLY BEEN A NASTY INCIDENT IN RAWALPINDI BETWEEN A LOCAL MEMBER OF THE PROVINCIAL ASSEMBLY (NOW ARRESTED) AND AN ARMY OFFICER WHO WAS ASSAULTED FOR MAKING COMMENTS ABOUT LOCAL GIRLS AND WHO BROUGHT HIS MILITARY CHUMS TO BEAT UP THE LOCALS. IT MAY BE THAT SOME SUCH STRAW BROKE THE CAMEL'S BACK FOR ZIA.

4. ZIA COULD HAVE BEEN PARTICULARLY CONCERNED ABOUT ATTEMPTS TO CUT THE ARMED FORCES DOWN TO SIZE: PERHAPS OVER THE FORTHCOMING BUDGET WHERE HE HAS ARGUED PUBLICLY FOR MAINTAINING THE QUALITY IF NOT QUANTITY OF MILITARY EQUIPMENT TO KEEP THE DEFENCE OF THE COUNTRY STRONG. MORE LIKELY IN RELATION TO THE OJHERI INVESTIGATION (PARA 5 OF MY TEL NO 696 - NOT TO ALL) WHERE HE MAY HAVE FEARED THAT CIVILIAN POLITICAL PRESSURES WOULD BUILD UP SO THAT HE MIGHT BE FORCED TO DISCARD ONE OF THIS MOST LOYAL MILITARY LIEUTENANTS: AKHTAR OR HAMID GUL.

5. ON FAILURE TO PURSUE ISLAMISATION, THE GOVERNMENT WAS MOVING SLOWLY BECAUSE THAT IS THE WAY THE ELECTED REPRESENTATIVES OF THE PUBLIC WANTED IT AND WE HAD THE IMPRESSION THAT ZIA HIMSELF HAD ACCEPTED THIS. IT SEEMS LIKELY THAT ADDUCING IT AS A REASON FOR DISSOLUTION AT THIS STAGE IS MAINLY BECAUSE ZIA WANTS TO ENSURE SUPPORT FROM ONE PART OF HIS POLITICAL CONSTITUENCY - IE THE DEVOUT LOWER MIDDLE CLASSES - IN ADDITION TO THE ARMY AND THE BUSINESS COMMUNITY (WHO HAVE PROSPERED UNDER THE STABILITY ZIA HAS CREATED FOR THEM).

6. MORE GENERALLY ZIA HAS SHOWN DISAPPOINTMENT ABOUT THE DEVELOPMENT OF THE POLITICAL PROCESS, THE WAY THE MUSLIM LEAGUE HAS BECOME A CLUB FOR THE FEUDAL ESTABLISHMENT AND OTHERS WITH A VESTED INTEREST IN THE STATUS QUO, WITH LIBERAL DEPLOYMENT OF CORRUPTION, APPOINTMENT TO OFFICE BY INFLUENCE ETC. I KNOW THESE VIEWS ARE SHARED BY THE CHIEF MINISTER OF THE PUNJAB, ZIA'S BRIGHT EYED BOY

NAWAZ SHARIF. ZIA ALSO NO DOUBT RESENTED THE WAY THAT JUNEJO WAS BUILDING UP FOR HIMSELF A POLITICAL POSITION, IF NOT CHALLENGING THE PRESIDENT AT LEAST ASPIRING TO COMPARABLE STATUS. THOUGH PERSONALLY MODEST JUNEJO WOULD BE MET AT AIRPORTS BY LARGE CROWDS AND TRAVEL WITH AN EXTENSIVE ENTOURAGE (HE TOOK NAWAZ SHARIF AND ONE OR TWO CABINET MINISTERS ON HIS RECENT FAR EAST TRIP). COVERAGE OF JUNEJO'S ACTIVITIES USED TO TAKE FIRST PLACE IN THE OFFICIALLY SPONSORED MEDIA. JUNEJO MADE ONE OR TWO STATEMENTS TAKING CREDIT FOR HAVING NOT ONLY ESTABLISHED THE DEMOCRATIC PROCESS BUT HAVING REMOVED FOREVER THE SPECTRE OF THE RE-ESTABLISHMENT OF MARTIAL LAW, BLAMING SOME OF THE COUNTRY'S ILLS ON THE PREVIOUS REGIME. AS AN MNA FRIEND POINTED OUT TO ME, ONE SHOULD NEVER SAY "NEVER" IN POLITICS. THE ELDER STATESMAN OF THE CABINET, ASLAM KHATTAK, WHOM I HAVE KNOWN FOR MANY YEARS, HAS SAID TO ME IN CONFIDENCE THAT HE TOLD THE PRIME MINISTER MANY TIMES THAT HE SHOULD ACCEPT THAT THE PRESIDENT HAD THE POWER IN THE COUNTRY AND NOT HIM, AND THAT THEREFORE HE SHOULD NOT SET HIMSELF UP IN ANY WAY IN OPPOSITION TO THE PRESIDENT. WE KNOW THAT THERE HAVE BEEN SOME PEOPLE ON BOTH SIDES TRYING TO TURN THE PRESIDENT AND PRIME MINISTER AGAINST EACH OTHER. IT LOOKS AS IF THEY HAVE SUCCEEDED.

7. THERE MAY OF COURSE HAVE BEEN CONSTITUTIONAL ARGUMENTS FOR BRINGING FORWARD THE ELECTIONS, IN ANY CASE. ZIA IS AT PRESENT CONSTITUTIONALLY BOUND TO GIVE UP THE POST OF ARMY CHIEF OF STAFF IN MARCH 1990 AND HAS ALREADY INDICATED THAT HE WILL RELINQUISH THE POST THEN (MY TEL NO 689). BY BRINGING THE GENERAL ELECTION FORWARD, ZIA WOULD HAVE A SECOND CIVILIAN GOVERNMENT INSTALLED BEFORE GIVING UP THE SAFETY NET OF HIS ARMY POST.

8. FINALLY THERE IS THE AFGHAN EQUATION. ZIA HAS BEEN RIDING HIGH ON SUCCESS OVER AFGHANISTAN AND MAY HAVE CONSIDERED THAT WITH THE SOVIET WITHDRAWAL (ALMOST) BEHIND HIM NOW WAS THE TIME TO CASH HIS CHIPS ON THE INTERNAL SCENE. THERE MAY ALSO HAVE BEEN A DESIRE TO SECURE A FREE HAND FOR THE PURSUIT OF THE SORT OF POSITIVE AND AGGRESSIVE AFGHAN POLICY DESCRIBED IN PARA 6 OF MY TEL NO 696. ZIA MAY HAVE LOOKED ASKANCE AT JUNEJO'S VERY SUCCESSFUL CONSULTATIONS WITH OPPOSITION LEADERS IN MARCH.

COMMENT

9. WHATEVER THE COMBINATION OF REASONS, ZIA HAS HUMILIATED THE PRIME MINISTER. JUNEJO HAS BEEN FORCED INTO A POSITION WHERE HE MUST EITHER HUMBLY ACQUIESCE IN THE PRESIDENT'S EXERCISE OF POWER TO INTERVENE IN THE DEMOCRATIC PROCESS AND DISMISS A

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PRIME MINISTER AT WILL, OR TO RESIST THIS. AT THE TIME OF WRITING MUSLIM LEAGUE POLITICIANS ARE CLOSETED IN A SERIES OF MEETINGS IN ISLAMABAD. THE PRIME MINISTER WAS THEIR PARTY LEADER. WHATEVER JUNEJO DECIDES TO DO, I DO NOT SEE HOW THIS PRESIDENT AND PRIME MINISTER COULD EVER WORK TOGETHER AGAIN. THE CONTINUATION OF THE PRESIDENT'S DEMOCRATIC EXPERIMENT MAY DEPEND ON WHETHER HE CAN NOW FIND ANOTHER POLITICAL LEADER ON WHOM HE CAN RELY. HE WILL NEED TO FIND THE RIGHT MAN AND ENSURE HE HAS SUFFICIENT BACKING. IT IS DIFFICULT TO SEE AT THE MOMENT HOW ANY NEW MAN COULD OPERATE EXCEPT WITHIN THE FRAMEWORK OF THE MUSLIM LEAGUE, WHICH BEARS JUNEJO'S STRONG IMPRINT. ZIA WILL NOT THEREFORE HAVE AN EASY TASK. HE MAY HAVE TAKEN A CALCULATED RISK.

10. ON THE FACE OF IT ZIA, WHO HAS FEW CLOSE CRONIES AND PROBABLY TOOK THE DECISION VIRTUALLY ALONE (MY PAKISTANI FRIENDS SUGGEST HE GETS HIS ADVICE STRAIGHT FROM ON HIGH), HAS OVER-REACTED AND RISKED DESTROYING THE DEMOCRATIC EDIFICE THAT WAS BEING BUILT UP AT HIS OWN INITIATIVE. FRESH ELECTIONS ARE ALL VERY WELL, BUT THEY MIGHT NOT TAKE PLACE ON TIME (AN MNA FRIEND POINTED OUT CYNICALLY THAT THE LAST TIME IT TOOK 7 YEARS) AND IT IS HARDLY A BOOST FOR DEMOCRACY TO GO AGAINST THE WISHES OF THE INDIVIDUAL LEADING THE PREDOMINANT PARTY IN THE ELECTED ASSEMBLY. WE MUST WAIT TO ASSESS THE INTERNAL REACTION, BUT THERE WILL BE QUESTIONS ABOUT WHETHER ZIA RETAINS HIS SURENESS OF TOUCH AND CAN CONTINUE TO CONTROL THE SITUATION. ZIA'S ACTIONS WILL CERTAINLY HAVE DONE NO GOOD TO PAKISTAN'S INTERNATIONAL REPUTATION AND WILL HAVE REINFORCED THE VIEWS OF THOSE WHO HAVE ALL ALONG THOUGHT HE WAS RUNNING A MILITARY REGIME MASQUERADING UNDER A DEMOCRATIC FACADE.

11. I SHALL REPORT TOMORROW ON THE CARETAKER GOVERNMENT (KHATTAK, ELLAHI BUKSH SOOMRO, NAWAZ SHARIF AND GHULAM ISHAQ HAVE BEEN MENTIONED AS POSSIBLE PRIME MINISTERS). ALSO WHAT THE IMPLICATIONS OF THESE CHANGES ARE LIKELY TO BE FOR OUR BILATERAL RELATIONS WITH PAKISTAN, INCLUDING VISITS LINED UP THIS YEAR. I ASSUME THAT WE SHALL MAKE NO PUBLIC COMMENT EXCEPT TO SAY THAT WE ARE FOLLOWING THE SITUATION WITH INTEREST. I SHALL RECOMMEND ABOUT POSSIBLE MESSAGES IN DUE COURSE.

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FM ISLAMABAD

TO DESKBY 301130Z FCO

TELNO 710

OF 301022Z MAY 88

INFO DESKBY 301130Z HONG KONG (FOR SECRETARY OF STATE'S PARTY)
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INFO PRIORITY COLOMBO, DHAKA, KATHMANDU, UKMIS NEW YORK
INFO PRIORITY UKMIS GENEVA, BONN, PARIS, ROME

FOR RESIDENT CLERK: PLEASE INFORM MCLAREN AND HEAD OF SAD
PAKISTAN: DISMISSAL OF GOVERNMENT AND ASSEMBLY

SUMMARY

1. ZIA DISSOLVES NATIONAL ASSEMBLY, DISMISSES JUNEJO AND CABINET.
PROMISES NEW ELECTIONS WITHIN 90 DAYS. CARETAKER GOVERNMENT TO BE
ANNOUNCED 30 MAY. REASONS FOR ACTION: BREAKDOWN OF LAW AND ORDER,
ENDANGERMENT OF PAKISTAN'S INTEGRITY AND IDEOLOGY, FAILURE OF
ASSEMBLY TO FULFIL ITS PURPOSES (IE SLOW PACE OF ISLAMISATION).

DETAIL

2. PRESIDENT ZIA TOOK THE GOVERNMENT AND THE NATION BY SURPRISE BY
READING OUT AT A PRESS CONFERENCE ON THE EVENING OF 29 MAY A
PRESIDENTIAL ORDER DISSOLVING THE NATIONAL ASSEMBLY WITH IMMEDIATE
EFFECT, AS A CONSEQUENCE OF WHICH THE PRIME MINISTER AND HIS CABINET
WERE ALSO DISMISSED. ZIA'S DECISION TO TAKE THESE STEPS APPEARS TO
HAVE BEEN KEPT TO A VERY CLOSE CIRCLE OF ADVISERS. JUNEJO, THE
GOVERNMENT AND INDEED THE HEADS OF THE ARMED FORCES, WERE ALL
APPARENTLY TAKEN COMPLETELY UNAWARES.

3. THE PRESIDENTIAL ORDER CITES AS THE REASONS FOR ZIA'S ACTION:
NON-FULFILMENT OF THE OBJECTS AND PURPOSES FOR WHICH THE NATIONAL
ASSEMBLY WAS ELECTED, THE BREAKDOWN OF LAW AND ORDER TO AN ALARMING
EXTENT, THE ENDANGERMENT OF PAKISTAN'S INTEGRITY AND IDEOLOGY, AND
THE DETERIORATION OF PUBLIC MORALITY. A SITUATION HAD ARISEN IN
WHICH THE GOVERNMENT COULD NOT BE CARRIED ON IN ACCORDANCE WITH THE
PROVISIONS OF THE CONSTITUTION AND AN APPEAL TO THE ELECTORATE WAS
THEREFORE NECESSARY. DISSOLUTION OF THE ASSEMBLY WAS BEING ENACTED
UNDER ARTICLE 58 CLAUSE 2(B) OF THE CONSTITUTION.

4. ZIA EXPRESSLY SAID AT HIS PRESS CONFERENCE THAT THE CONSTITUTION
REMAINED IN FORCE (IE THAT MARTIAL LAW WAS NOT BEING DECLARED) AND
THAT FRESH ELECTIONS WOULD BE HELD IN ACCORDANCE WITH THE

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CONSTITUTION (IE WITHIN 90 DAYS). THE CHIEF ELECTION COMMISSIONER WOULD BE RESPONSIBLE FOR FULFILLING THIS CONSTITUTIONAL OBLIGATION. IN REPLY TO A QUESTION ZIA SAID THAT "ACCORDING TO THE DECISION TAKEN SO FAR" THE NEXT ELECTIONS WOULD BE HELD ON A PARTY BASIS.

5. IN THE MEANTIME ZIA SAID THAT HE WOULD ANNOUNCE ON 30 MAY THE CONSTITUTION OF A CARETAKER GOVERNMENT, THE HEAD OF WHICH COULD COME FROM THE MEMBERS OF THE SENATE (WHICH CANNOT BE DISSOLVED UNDER THE CONSTITUTION) OR FROM OUTSIDE. A FRESH DATE FOR THE PRESENTATION OF THE BUDGET WOULD BE ANNOUNCED LATER: THIS IS BECAUSE ONLY THE NATIONAL ASSEMBLY IS EMPOWERED TO ENACT LONG-TERM FINANCIAL MEASURES.

6. ZIA'S VISIT TO CHINA, DUE TO BEGIN ON 30 MAY, HAS BEEN POSTPONED. NOTHING HAS BEEN SAID YET OF HIS PLANS TO VISIT THE US IN JUNE FOR TALKS WITH THE ADMINISTRATION AND TO SPEAK AT THE UN SPECIAL SESSION ON DISARMAMENT, FOLLOWING WHICH HE WAS DUE TO MAKE A STOPOVER IN LONDON.

7. ZIA IS TO ADDRESS THE NATION ON RADIO AND TV ON THE EVENING OF 30 MAY TO EXPLAIN HIS ACTION IN DETAIL.

8. AT HIS PRESS CONFERENCE, ZIA SAID THAT THE NATIONAL ASSEMBLY HAD BEEN WARNED ON SEVERAL OCCASIONS TO TAKE THE NECESSARY STEPS TOWARDS ISLAMISATION BUT HAD FAILED TO DO SO. THE NEXT GOVERNMENT SHOULD QUICKEN THE PACE OF ISLAMISATION. ZIA SAID THAT IT WOULD BE HIS ENDEAVOUR TO MAKE ALL THOSE STEPS WHICH COULD BE ADOPTED FORTHWITH "FOR ENFORCEMENT OF ISLAM AND PROMOTION OF JUSTICE AND FAIRPLAY". IT SEEM POSSIBLE THAT HE WILL ISSUE PRESIDENTIAL DECREES ON THESE ISSUES WHICH WILL SUBSEQUENTLY NEED TO BE ENDORSED BY THE NEW NATIONAL ASSEMBLY.

9. JUNEJO CONSULTED HIS SENIOR PARTY ADVISERS UNTIL LATE IN THE EVENING OF 29 MAY AND LATER CALLED ON ZIA. HE HAS NOT YET REACTED PUBLICLY TO THE PRESIDENT'S ACTION.

10. THE PROVINCIAL ASSEMBLY OF BALUCHISTAN HAS ALSO BEEN DISSOLVED UNDER AN ORDER OF THE ACTING GOVERNOR. DECISIONS ON THE OTHER THREE PROVINCIAL ASSEMBLIES ARE EXPECTED TO BE TAKEN ON 30 MAY.

11. FOR BACKGROUND AND COMMENT SEE M.I.F.T.

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Jp 0543

MR POWELL

Eric Hunter
CDP
22/4

Pakistan Arms Depot Explosion

The Prime Minister asked on Wednesday how serious were the effects of the explosion at the Pakistani army depot between Islamabad and Rawalpindi on 10 April. Certainly serious: the series of explosions destroyed a shipload of US-supplied munitions destined for the Resistance and stockpiled in Pakistan. But the pipeline has hardly faltered. By 11 April stores were being delivered to a new transit point. Milan anti-tank missiles, which the Resistance needed urgently, were replaced by air on 18 April. The effect is a distinct hiccup, but one which will have little effect on the Resistance's overall capability, because of rapid replacement and the volume of supplies that has gone into Afghanistan prior to the explosion.

2. The cause remains uncertain. The CIA thought preliminary indications were against sabotage. President Zia, who said at first it was an accident, has now claimed sabotage. There has since then been another explosion, at a Mujahedin ammunition dump in Baluchistan. The pattern would suggest sabotage by the Afghan Security Service, which has been active in Pakistan for some time and may have been given its head by the Russians following the decision to withdraw.

LC

PERCY CRADOCK

22 April 1988

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FM FCO
TO DESKBY 121300Z ISLAMABAD
TELNO 306
OF 111100Z APRIL 88
INFO IMMEDIATE KARACHI

ISLAMABAD AMMUNITION EXPLOSION
PRIME MINISTER'S MESSAGE OF CONDOLENCE

1. PLEASE PASS THE FOLLOWING MESSAGE AS SOON AS POSSIBLE:
BEGINS:

MR MOHAMMED KHAN JUNEJO
PRIME MINISTER
ISLAMIC REPUBLIC OF PAKISTAN

I WAS SHOCKED AND GRIEVED TO HEAR THE NEWS OF THE EXPLOSIONS IN
ISLAMABAD ON SUNDAY. I UNDERSTAND THERE HAS BEEN A LARGE NUMBER
OF CASUALTIES. I SEND YOU AND ALL THOSE INVOLVED IN THIS
APPALLING TRAGEDY MY DEEPEST SYMPATHIES AND CONDOLENCES.

MARGARET THATCHER.

ENDS.

HOWE

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PS
PS/LORD GLENARTHUR

PS/MR EGGAR
MR MCLAREN
MR GILLMORE

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RESTRICTED
FM ISLAMABAD
TO DESKBY 110900Z FCO
TELNO 488
OF 110805Z APRIL 88
INFO IMMEDIATE KARACHI, MODUK
INFO ROUTINE WASHINGTON, KABUL, NEW DELHI

MY TELNOS 481 AND 485: AMMUNITION DEPOT EXPLOSION NEAR ISLAMABAD

1. LORD TREFGARNE CALLED ON JUNEJO THIS MORNING AND OFFERED
CONDOLENCES ON BEHALF OF THE BRITISH GOVERNMENT. HE ALSO ASKED IF
THERE WAS ANY ASSISTANCE WHICH HMG COULD PROVIDE. JUNEJO GRATEFULLY
ACKNOWLEDGED THIS OFFER BUT HAD NO IMMEDIATE REQUESTS TO MAKE.

2. THERE HAVE BEEN NO FURTHER OFFICIAL CASUALTY FIGURES BEYOND
THOSE IN MY TELNO 485. IT IS HOWEVER CLEAR THAT THE FINAL TOLL WILL
BE MUCH HIGHER. THE LOCAL CONSENSUS OF OPINION BASED ON INFORMATION
FROM HOSPITALS AND DOCTORS WHO HAVE WORKED THROUGH THE NIGHT IS THAT
DEATHS WILL BE IN THE HUNDREDS WITH SEVERAL THOUSAND INJURED.

3. THE GOVERNMENT HAS DECREED A 3-DAY PERIOD OF STATE MOURNING WITH
FLAGS AT HALF MAST AND ALL PUBLIC FUNCTIONS CANCELLED.

4. PRESIDENT ZIA HAS CUT SHORT HIS VISIT TO KUWAIT FOR THE OIC MINI
SUMMIT AND RETURNED TO ISLAMABAD YESTERDAY.

5. JUNEJO HAS ORDERED A HIGH LEVEL INQUIRY INTO THE CAUSE OF THE
DISASTER. THIS WILL BE HEADED BY THE ARMY CORPS COMMANDER IN
RAWALPINDI, A NOMINATION WHICH HAS ALREADY LED TO ACCUSATIONS OF A
COVER UP AND CALLS FOR THE INQUIRY TO BE CONDUCTED BY A HIGH COURT
JUDGE. FOR THE PRESENT THE GOVERNMENT LINE IS THAT THE INITIAL
EXPLOSION WAS CAUSED BY AN ACCIDENTAL FIRE. JUNEJO HAS ALSO DIRECTED
THAT A PROGRAMME BE DRAWN UP TO MOVE ALL AMMUNITION DEPOTS AWAY FROM
HEAVILY POPULATED AREAS. PRESS CRITICISM HAS ALREADY FOCUSED ON THE
FACT THE DEPOT WHICH EXPLODED WAS FORMERLY IN A SPARSELY POPULATED
AREA WHICH HOWEVER HAD BEEN SWALLOWED UP BY THE EXPANSION OF
RAWALPINDI AFTER THE MOVE OF PAKISTAN'S CAPITAL FROM KARACHI IN THE
1960S. A MEMBER OF THE NATIONAL ASSEMBLY HAS CLAIMED THAT HE HAD
BEEN ASSURED BY THE GOVERNMENT IN 1985 THAT THIS DEPOT WOULD BE
MOVED OUTSIDE THE CITY. A FURTHER POINT OF CRITICISM IN THE PRESS
HAS BEEN THE FAILURE OF THE CIVIL ADMINISTRATION TO RESPOND
EFFICIENTLY AND QUICKLY TO THE DISASTER. THERE IS SOME JUSTIFICATION
FOR THE COMPLAINT, PARTICULARLY WITH REGARD TO THE STATE-RUN RADIO

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AND TV WHICH WAS SLOW TO BROADCAST ADVICE AND INFORMATION.

6. A MAJOR PROBLEM NOW FACING THE AUTHORITIES IS THE LARGE AMOUNT OF AMMUNITION EJECTED FROM THE DEPOT DURING THE EXPLOSION, MUCH OF WHICH IS LYING UNEXPLODED IN DENSELY POPULATED AREAS OF RAWALPINDI. JUNEJO/TOLD LORD TREFGARNE THAT PAKISTAN'S BOMB DISPOSAL TEAMS WERE UP TO THE TASK OF DEALING WITH ORDNANCE OF THIS KIND. BUT IT WILL TAKE SOME TIME TO CLEAR IT EVEN WITH THE HELP OF A US BOMB DISPOSAL TEAM WHICH HAPPENED TO BE IN PAKISTAN AND HAS BEEN FLOWN IN TO HELP. WITH FIRES STILL BURNING IN SOME AREAS THERE IS A CONTINUING RISK OF FURTHER EXPLOSIONS.

7. ISLAMABAD AIRPORT WHICH WAS CLOSED FOR A TIME YESTERDAY HAS NOW RE-OPENED AND IS FUNCTIONING NORMALLY.

8. OUR CHECKS OF THE BRITISH COMMUNITY IN THE AREA HAVE REVEALED NO, REPEAT NO, DEATHS OR INJURIES.

BARRINGTON

YYYY

DISTRIBUTION

52

MAIN

46

LIMITED
SAD
CONSULAR
INFO DEPT

NEWS
MR GILLMORE
MISS PESTELL
MR FEARN

ADDITIONAL 6

PS/N010 DOWNING ST

NNNN

PAGE 2
RESTRICTED



FILE
DA
PC

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

11 April 1988

PAKISTAN: AMMUNITION DEPOT EXPLOSION

Thank you for your letter of 11 April about the ammunition depot explosion. I am sure that the Prime Minister would want to send a message and the draft enclosed with your letter will do admirably.

(C.D. POWELL)

R.N. Culshaw, Esq., M.V.O.,
Foreign and Commonwealth Office.

CONFIDENTIAL

①



Foreign and Commonwealth Office

London SW1A 2AH

11 April 1988

Die Minister
Agree to send
drafted message?

Dear Charles

COO 11/4.

Pakistan: Ammunition Depot Explosion

The Prime Minister may wish to send a message of sympathy to Prime Minister Junejo, following the explosion on Sunday at an ammunition dump near Islamabad/Rawalpindi. I enclose a draft telegram.

We are recommending to the Palace that Her Majesty, The Queen send a similar message to President Zia.

Islamabad telegram no 488, which has been copied to you, contains the up-to-date picture from Islamabad. There appear to have been no British casualties. Lord Trefgarne was in Islamabad at the time and has offered condolences to Prime Minister Junejo on behalf of the British Government. He has also indicated our preparedness to help.

We have received an unconfirmed report that the depot belonged to the Afghan mujahideen. The Pakistani Chief of the General Staff told Lord Trefgarne, however, that it was used by "Azad Kashmir" forces. In either case, there would seem a risk of embarrassment to the Pakistani Government, given the irregular status of the mujahideen and the disputes with India over Kashmir.

Yours ever

Robert Culshaw

(R N Culshaw)
Private Secretary

C D Powell Esq
10 Downing Street

CONFIDENTIAL

OUT TELEGRAM

		Classification RESTRICTED	Caveat	Precedence IMMEDIATE
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ZCZC TC CAVEAT FM TO TELNO OF AND TO	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29	ZCZC RESTRICTED FM FCO TO IMMEDIATE ISLAMABAD TELNO OF 111100Z APRIL INFO IMMEDIATE KARCHI ISLAMABAD AMMUNITION EXPLOSION: MESSAGE OF CONDOLENCE. 1. Please run following message as soon as possible: Begins Mr Mohammed Khan Junejo Prime Minister Islamic Republic of Pakistan I was shocked and grieved to hear the news of the explosions in Islamabad on Sunday. I understand there has been a large number of casualties. I send you and all those involved in this appalling tragedy my deepest sympathies and condolences. Margaret Thatcher. Ends. HOWE YYYYY SAD	
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YYYYY MAIN ADDITIONAL NNNN		Catchword: Private	
	File number	Dept SAD	Drafted by (Block capitals) D FROST
			Telephone no 270 2386
	Authorised for Initials Date/time despatch by:		
	For COD use only	Comcen reference	Telegram number
			Processed by

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101234Z

PLEASE ADVANCE TO PS/NO 10 DOWNING ST
COMMENT

ADVANCE
PS/NO 10 DOWNING ST.

CONFIDENTIAL

FM ISLAMABAD

TO DESKBY 101200Z FCO

TELNO 482

OF 101130Z APRIL 88

MIPT: AMMUNITION DEPOT EXPLOSION NEAR ISLAMABAD

1. WE HAVE BEEN TOLD BY A SOURCE IN THE PAKISTAN INTER-SERVICES INTELLIGENCE DIRECTORATE THAT THE DEPOT WHICH BLEW UP BELONGED TO AFGHAN MUJAHIDEEN. THE CHIEF OF GENERAL STAFF TOLD LORD TREFGARNE THAT IT WAS A DEPOT USED BY AZAD KASHMIR FORCES. WE SUGGEST THAT NO REFERENCE SHOULD BE MADE TO SPECULATION ON THIS SUBJECT AT THIS STAGE.

BARRINGTON

YYYY

ADVANCE 4

HD/SAD 1

HD/CONSULAR 1

RESIDENT CLERK 1

RESIDENT CLERK/MOD 1

MAIN 46

LIMITED 8

SAD 6

CONSULAR 5

INFO DEPT 15

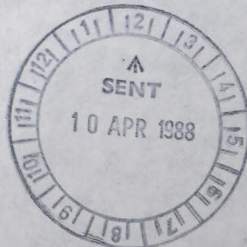
NEWS 9

MR GILLMORE 1

MISS PESTELL 1

MR FEARN 1

[BARLOW]



ADVANCE

PS/NO 10 DOWNING ST.

10125

PLEASE ADVANCE TO PS/NO 10 DOWNING ST.
COMMENT

UNCLASSIFIED

FM ISLAMABAD

TO DESKBY 101200Z FCO

TELNO 481

OF 101135Z APRIL 88

INFO IMMEDIATE KABUL, WASHINGTON, KARACHI

INFO PRIORITY MOSCOW, UKMIS GENEVA, UKMIS NEW YORK, NEW DELHI

Prime Minister

It was an
Afghan Resistance
dump.

CDP
10/4

FOR RESIDENT CLERK

MY TELNO 479(NOT TO ALL): AMMUNITION DEPOT EXPLOSION NEAR ISLAMABAD

1. IT IS CLEAR THAT THIS HAS BEEN A CATASTROPHE OF MAJOR PROPORTIONS. THE AMMUNITION DEPOT WHICH EXPLODED WAS SITUATED IN A HEAVILY POPULATED AREA ON THE OUTSKIRTS OF RAWALPINDI. THE ORIGINAL EXPLOSION WILL CERTAINLY HAVE CAUSED VERY HEAVY CASUALTIES. THE AMMUNITION WHICH WAS SET OFF SUBSEQUENTLY (APPARENTLY INCLUDING 107MM ROCKETS AND MORTAR BOMBS, MOSTLY UNFUSED) CONTINUED FALLING OVER RAWALPINDI AND ISLAMABAD FOR NEARLY ONE HOUR.

2. PAKISTAN RADIO HAS BROADCAST THAT THE DEAD AND INJURED MAY NUMBER UP TO 4000. OTHER SOURCES PUT THE FIGURE MUCH LOWER. HOWEVER AT THIS STAGE NO FIGURES CAN BE REGARDED AS RELIABLE AND IT WILL BE SOME TIME BEFORE THE FULL MEASURE OF THE DISASTER IS KNOWN. WE KNOW THAT ONE MEMBER OF THE NATIONAL ASSEMBLY (KHAQQAN ABBASI, FORMER MINISTER OF PRODUCTION) IS AMONG THE DEAD.

3. THE EXPLOSIONS CREATED GREAT PANIC OVER AN AREA OF UP TO 10 MILES RADIUS, FANNED BY THE INEVITABLE CROP OF RUMOURS (AN INDIAN BOMBING ATTACK, SOVIET INVASION ETC). THE PAKISTAN AUTHORITIES HAVE PUT OUT THAT THE FIRST EXPLOSION WAS ACCIDENTAL. THE PUBLIC MAY NOT BELIEVE THIS AND THERE IS A RISK OF DEMONSTRATIONS AGAINST THE GOVERNMENT.

4. OUR CHECKS OF THE BRITISH COMMUNITY ARE STILL INCOMPLETE DUE TO THE DIFFICULTY OF ESTABLISHING TELEPHONE CONTACT BUT WE HAVE SO FAR NO CONFIRMATION OF BRITISH CASUALTIES. WE KNOW THAT ALL THE STAFF AND FAMILIES OF THE BRITISH EMBASSY, BRITISH COUNCIL, BRITISH SCHOOL AND TCOS ARE SAFE AND UNHARMED.

5. IT WOULD BE APPROPRIATE AND WELL RECEIVED IF THE PRIME MINISTER COULD SEND MESSAGES OF SYMPATHY TO BOTH PRESIDENT ZIA AND PRIME MINISTER JUNEJO. HOWEVER I SUGGEST THAT THEIR DESPATCH SHOULD WAIT UNTIL MONDAY, BY WHICH TIME THE FULL EXTENT OF THE DISASTER AND ITS CAUSE, MAY BE KNOWN.

6. PLEASE INFORM CONSULAR DEPT AND SAD DUTY OFFICERS.

BARRINGTON

YYYY

ADVANCE

4

HD/SAD

1

HD/CONSULAR

1

RESIDENT CLERK	1
RESIDENT CLERK/MOD	1
MAIN 46	
LIMITED	8
SAD	6
CONSULAR	5
INFO DEPT	15
NEWS	9
MR GILLMORE	1
MISS PESTELL	1
MR FEARN	1
[P JOHNSON]	

RESTRICTED

AMENDED DISTRIBUTION 4.8.87.

RESTRICTED

FM ISLAMABAD

TO PRIORITY FCO

TELNO 648

OF 040905Z AUGUST 87

INFO PRIORITY WASHINGTON, NEW DELHI,

INFO ROUTINE KARACHI

MY TELNO NO 646: US/PAKISTAN

1. THERE WAS FIERCE AND UNPRECEDENTED CRITICISM OF THE UNITED STATES IN THE PAKISTAN SENATE YESTERDAY FOLLOWING THE DECISION BY CONGRESS TO SUSPEND FOR 105 DAYS ALL US AID TO PAKISTAN. IN A SERIES OF ANGRY SPEECHES, SENATORS CLAIMED THAT THE UNITED STATES HAD BETRAYED PAKISTAN AND WAS USING THE AID SUSPENSION AS A FORM OF BLACKMAIL. ALL THE SENATORS WHO SPOKE CALLED FOR A REAPPRAISAL OF PAKISTAN'S TIES WITH THE UNITED STATES. THERE WAS ALSO A VIGOROUS DEFENCE OF PAKISTAN'S PEACEFUL NUCLEAR PROGRAMME, WITH SEVERAL SENATORS SUGGESTING THAT THE ARSHAD PERVEZ CASE WAS A "PRE-ARRANGED CONSPIRACY" AIMED AT DEPRIVING PAKISTAN OF ITS RIGHT TO ACQUIRE NUCLEAR TECHNOLOGY FOR PEACEFUL PURPOSES. IN REPLY, FOREIGN MINISTER YAQUB KHAN ECHOED MANY OF THESE SENTIMENTS AND EXPRESSED THE GOVERNMENT'S DISMAY AND ANGUISH THAT THE DECISION TO SUSPEND AID HAD BEEN TAKEN IN UNDUE HASTE, WITHOUT GIVING PAKISTAN THE CHANCE TO EXPLAIN ITS VIEWPOINT.

2. PRESS INTEREST HAS FOCUSED ON ARMACOST'S VISIT. REPORTING HAS BEEN FACTUAL BUT EDITORIALS HAVE BEEN HIGHLY CRITICAL OF THE UNITED STATES. A COMMENTARY IN THE GOVERNMENT-RUN "PAKISTAN TIMES" DEFENDED PAKISTAN'S "SOVEREIGN RIGHT" TO PURSUE A PEACEFUL NUCLEAR POLICY AND DESCRIBED THE US AID SUSPENSION AS NOT ONLY AN "UNDISGUISED AND NAKED THREAT" BUT ALSO A "HUMILIATION AND INSULT". THE COMMENTATOR WARNED THAT THE AMERICAN "BLACKMAIL AND PRESURE TACTICS" COULD CAUSE GREAT HARM TO THE UNITED STATES' STRATEGIC INTERESTS IN THE REGION. A COMMENTARY IN THE INDEPENDENT DAILY "NATION" ECHOED THESE POINTS, DESCRIBING THE AID SUSPENSION AS A "HUMILIATING BLOW TO PAKISTAN AND ITS PEOPLE" AND CALLING FOR A MAJOR REASSESSMENT OF PAKISTAN'S FOREIGN POLICY GOALS. THE URDU PRESS HAS BEEN SIMILARLY CRITICAL, WITH SEVERAL PAPERS URGING THE GOVERNMENT NOT TO BOW TO US BLACKMAIL, ALTHOUGH ONE (THE INDEPENDENT DAILY HAIDER) SUGGESTED THAT PAKISTAN SHOULD REASSURE THE AMERICANS BY SIGNING THE NPT.

BARRINGTON

[COPIES SENT TO NO 10 DOWNING ST.]

AFGHANISTAN
STANDARD (PALACE)SAD
SOV D
MED
FED
UND
ECD (E)
NAD
NCAU
MR McLAREN
CABINET OFFICECOPIES TO:
D1 ROW 3CMAJOR J M GILBERT D1 3 (ARMY)
RM 3379 MB MOD

RESTRICTED



Foreign and Commonwealth Office

London SW1A 2AH

29 July 1987

Dear Charles

*EDP
38/7*

Messages to Prime Minister from Pakistan President
and Prime Minister

/ I enclose two Notes from the Pakistan Embassy containing
replies from both President Zia and Prime Minister Junejo
to the Prime Minister's oral message of 15 July conveying
condolences on the bomb explosions in Karachi (FCO Telno 471
/ enclosed).

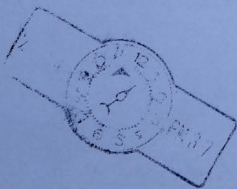
No further action is required.

Done on

R N Culshaw

(R N Culshaw)
Private Secretary

C D Powell Esq
PS/No 10 Downing Street



بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

SUBJECT CC MASTER
OPS



PRIME MINISTER'S
PERSONAL MESSAGE

SERIAL No. 71491A/87

IN REPLY PLEASE QUOTE

EMBASSY OF PAKISTAN

CHANCERY DIVISION

35 LOWNDES SQUARE,
LONDON. SW1 9JN

TELEPHONE : 01-235 2044 Ext.....

No.POL.4/14/84

July 23, 1987

T

The Embassy of the Islamic Republic of Pakistan presents its compliments to the Foreign and Commonwealth Office and has the honour to request that the following message from General Mohammad Zia ul Haq, President of the Islamic Republic of Pakistan, may kindly be conveyed to Right Honourable Mrs. Margaret Thatcher, in reply of her message of sympathy and condolences over the recent incident of bomb blasts in Karachi:

Begins:

Excellency,

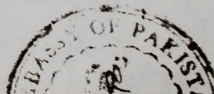
I have received your kind message of sympathy and condolences over the recent tragic incident in Karachi in which several innocent lives were lost at the hands of an abominable terrorist attack. Your sympathies and words of comfort will be deeply appreciated by the people of Pakistan as an expression of solidarity at this moment of grief and sorrow.

Please accept, Excellency, the assurances of my highest consideration.

General M. Zia ul Haq,
President of the Islamic
Republic of Pakistan.

Ends.

The Embassy avails itself of this opportunity to renew to the Foreign and Commonwealth Office the assurances of its highest consideration.



بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ



IN REPLY PLEASE QUOTE

No.Pol.4/14/84

EMBASSY OF PAKISTAN

CHANCERY DIVISION

35 LOWNDES SQUARE,
LONDON, SW1 9JN

TELEPHONE : 01-235 2044 Ext.....

July 23, 1987

The Embassy of the Islamic Republic of Pakistan presents its compliments to the Foreign and Commonwealth Office and has the honour to request that the following message from Mr. Mohammad Khan Junejo, Prime Minister of the Islamic Republic of Pakistan, may kindly be conveyed to Right Honourable Mrs. Margaret Thatcher, in reply of her message of sympathy and condolences over the recent incident of bomb blasts in Karachi:

Begins:

Excellency,

I have been touched by your kind and thoughtful message of sympathy and condolences over the abhorrent incident of bomb blasts in Karachi causing tragic loss of several valuable lives and extensive property damage. At this moment of national grief the people and Government of Pakistan join me in expressing their gratitude for your expression of solidarity. Incidents of this nature can only strengthen the international community's resolve and cooperation to root out such violent and egregious crimes against humanity.

Please accept, Excellency, the assurances of my highest consideration.

Mohammad Khan Junejo
Prime Minister of the
Islamic Republic of Pakistan.

Ends.

The Embassy avails itself of this opportunity to renew to the Foreign and Commonwealth Office the assurances of its highest consideration.

Foreign and Commonwealth Office,



SUBJECT CCMASTER
OPS

(13)

PRIME MINISTER'S
PERSONAL MESSAGE UNCLASSIFIED

SERIAL No. T139D/87

OCMIAN 6807
UNCLASSIFIED
DD 161000Z ISLAM
DD 161000Z KARAC
FM FCOLN TO ISLAM
151200Z JUL
GRS 130

UNCLASSIFIED
FM FCO
TO DESKBY 161000Z ISLAMABAD
TELNO 471
OF 151200Z JULY 87
INFO DESKBY 160330Z KARACHI

BOMB EXPLOSIONS: MESSAGE TO PRESIDENT ZIA

1. PLEASE ARRANGE FOR THE FOLLOWING MESSAGE FROM THE PRIME
MINISTER TO PRESIDENT ZIA TO BE DELIVERED AS SOON AS POSSIBLE.
(WE UNDERSTAND MR JUNEJO IS ABROAD IN JAPAN).
QUOTE

I WAS VERY DISTURBED TO HEAR OF THE BOMB EXPLOSIONS IN KARACHI ON
14 JULY AND THE DREADFUL LOSS OF INNOCENT LIFE WHICH RESULTED.
MAY I EXTEND MY DEEPEST SYMPATHIES TO YOU AS WELL AS
TO PRIME MINISTER JUNEJO AND TO ALL THE FAMILIES OF THOSE WHO
HAVE BEEN KILLED OR INJURED IN THESE TRAGIC INCIDENTS UNQUOTE.

HOWE

OCMIAN 6807.

LIMITED
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NEWS DEPT
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PS/LORD GLENARTHUR
PS/MR EGGAR
PS/PUS
MR GILLMORE
MR MCLAREN

ASSESSMENTS STAFF
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16 JUL 1987			
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IND. A	IND. B	IND. C	IND. D



10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

15 July 1987

MESSAGE TO PAKISTAN PRIME MINISTER

Thank you for your letter of 15 July enclosing a draft message to President Zia from the Prime Minister, about the bomb explosions in Karachi. This may issue in the amended form enclosed.

(Charles Powell)

R.N. Culshaw, Esq., M.V.O.,
Foreign and Commonwealth Office.

2



Foreign and Commonwealth Office

London SW1A 2AH

15 July 1987

Dear Charles

Message to Pakistan Prime Minister

The Prime Minister will have seen reports of the two bomb explosions in the centre of Karachi yesterday which killed over 70 people and injured 200 more. Street demonstrations have been taking place today in protest at the Pakistan Government's inability to prevent these terrorist incidents.

Responsibility for the explosions is not yet clear. There is a possibility that they represent an extension of the campaign of bomb explosions mounted by the Afghan Secret Police (Khad) over the last two years - mainly in the North West frontier - designed to destabilise the country and create popular resentment against the Pakistan Government's policy on Afghanistan. Alternatively they may be related to the sporadic outbursts of inter-communal and intersectorian violence to which Karachi has been increasingly subject, or to the Abu Nidhal hijacking of a Pan Am aircraft last year in response to which the Pakistan Government took a firm line.

The Foreign Secretary recommends that the Prime Minister should extend sympathies in a message to President Zia. (Mr Junejo is currently in Japan.) A draft telegram is attached containing the text of a possible message (although in the absence of clear evidence it cannot refer to responsibility for the explosions). To be effective it should be delivered before the Muslim weekend.

Yours ever

(R N Culshaw)
Private Secretary

C D Powell Esq
PS/10 Downing Street

OUT TELEGRAM

		Classification UNCLASSIFIED	Caveat	Precedence DESKBY160330Z
ZCZC	1	ZCZC		
TC	2	UNCLASSIFIED		
CAVEAT	3			
FM	4	FM FCO		
TO	5	TO DESKBY 160330Z ISLAMABAD		
TELNO	6	TELNO		
OF	7	OF 151200Z JULY 87		
AND TO	8	AND TO INFO DESKBY 160330Z KARACHI		
	9			
	10			
	11	BOMB EXPLOSIONS: MESSAGE TO PRESIDENT ZIA		
	12			
	13	1. Please arrange for the following message from the Prime		
	14	Minister to President Zia to be delivered as soon as possible.		
	15	(We understand Mr Junejo is abroad in Japan).		
	16	Quote		
	17	I was <i>more distressed</i> shocked to hear of the bomb explosions in Karachi on 14		
	18	July and the dreadful loss of innocent life which resulted. Such		
	19	terrorist outrages will be condemned by all decent people		
	20	everywhere. May I extend my deepest sympathies to you as well as		
	21	to Prime Minister Junejo and to all the families of those who		
	22	have been killed or injured in these tragic incidents unquote.		
	23			
	24	HOWE		
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/	28	MAIN		
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YYYY			Catchword:	
MAIN	File number	Dept SAD	Drafted by (Block capitals) R S Dewar	Telephone no 270 2385
ADDITIONAL	Authorised for despatch by:		Initials Date/time	
NNNN	For COD use only	Comcen reference	Telegram number	Processed by

OUT TELEGRAM

UNCLASSIFIED

DESKBY160330Z

ZCZC
 TO UNCLASSIFIED
 CAVEAT
 FM FCO
 TO TO DESKBY 160330Z ISLAMABAD
 TELNO
 OF 151200Z JULY 87
 AND TO AND TO INFO DESKBY 160330Z KARACHI

BOMB EXPLOSIONS: MESSAGE TO PRESIDENT ZIA

1. Please arrange for the following message from the Prime Minister to President Zia to be delivered as soon as possible. (We understand Mr Junejo is abroad in Japan).
 Quote
 I was most distressed to hear of the bomb explosions in Karachi on 14 July and the dreadful loss of innocent life which resulted. May I extend my deepest sympathies to you as well as to Prime Minister Junejo and to all the families of those who have been killed or injured in these tragic incidents unquote.

HOWE

YYYY
 MAIN
 LIMITED

Catchword

ADDITIONAL
 VVVN

File number	Dept	Drafted by (Block capitals)	Telephone no
	SAD	R S Dewar	270 2385
Authorised for despatch by	Initials	Date/time	
For COD use only	Comcen reference	Telegram number	Processed by



FILE
DA

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

28 March 1987

AFGHANISTAN/PAKISTAN

Robert Culshaw wrote to me yesterday enclosing drafts of messages of sympathy from the Prime Minister to President Zia and Prime Minister Junejo following the recent Afghan bombing raids against North Pakistan. I enclose copies of the messages in the form which the Prime Minister has signed them. I should be grateful if you could telegraph the texts to Islamabad for delivery. The originals will follow in the normal way.

(Charles Powell)

The Resident Clerk,
Foreign and Commonwealth Office.

de



FILE
DSG
cc FO

SUBJECT

CCMASTER
OPS

10 DOWNING STREET

LONDON SW1A 2AA

THE PRIME MINISTER

28 March 1987

PRIME MINISTER'S

PERSONAL MESSAGE

SERIAL NO. T 57/17

Dear Mr. President,

I was most distressed to hear of the tragic loss of life in the recent bombing raids carried out by aircraft of the Kabul regime over Teri Mengal. I send you my deepest sympathy to those injured and bereaved.

I shall be discussing the question of Afghanistan during my visit to Moscow, and shall leave the Soviet authorities in no doubt that this sort of behaviour by the Afghan regime is unacceptable.

Kind regards.

Yours sincerely

Ronald Reagan

His Excellency General Mohammad Zia-Ul-Haq

dt



10 DOWNING STREET
LONDON SW1A 2AA

THE PRIME MINISTER

28 March 1987

Dear Prime Minister,

I should like to express my deep sympathy to the families of those who were injured or killed as a result of the air raids carried out by the Afghan regime on 23 March in the Teri Mengal region of Pakistan.

This further violation of Pakistan territory underlines the need for an early settlement to enable the Afghan people to regain the right to determine their own affairs. I look forward to discussing the way ahead with you when you come to London, when I shall also be able to give you an account of my talks in the Soviet Union.

Yours sincerely
Margaret Thatcher

His Excellency Mr. Mohammad Khan Junejo

FILE
DEG
cc FO

dg

RESTRICTED



Foreign and Commonwealth Office

London SW1A 2AH

27 March 1987

Dear Charles

Afghan Air Raids in Pakistan

We have now had reports that the death toll from the latest Afghan air raids on the Teri Mengal area of Pakistan has risen to 65. The Prime Minister may wish to consider sending messages of condolence to President Zia and to Prime Minister Junejo. This seems especially appropriate since both sent messages of sympathy over the Zeebrugge disaster and Mr Junejo will be making an official visit to Britain in April. I attach draft messages.

Sincerely

R N Culshaw

(R N Culshaw)
Private Secretary

C D Powell Esq
10 Downing Street

RESTRICTED

DSR 11 (Revised Sept 85)

DRAFT: minute/letter/teleletter/despatch/note

TYPE: Draft/Final 1 +

FROM:
Prime Minister

Reference

DEPARTMENT:

TEL. NO:

Your Reference

BUILDING:

ROOM NO:

SECURITY CLASSIFICATION

TO:

Copies to:

Top Secret

Secret

Confidential

Restricted

Unclassified

President of Pakistan

H.E. General Mohammad Zia-Ul-Haq

SUBJECT:

PRIVACY MARKING

..... In Confidence

CAVEAT

most shocked
I was ~~shocked~~ to hear of the tragic loss of life in the recent bombing raids carried out by aircraft of the Kabul regime over Teri Mengal. *I send you deepest sympathy to those* Please accept my heart-felt sympathy for the injured and the bereaved.

The Kabul regime has again shown a cynical disregard for international law in violating Pakistan's air space and territory in this way. Their activities underline the need for the early withdrawal of Soviet troops and genuine self-determination for the people of Afghanistan. I shall certainly be discussing this during my forthcoming visit to Moscow.

Enclosures flag(s)

I shall be discussing the situation of Afghanistan during my visit to Moscow & shall discuss the same with the Soviet authorities in no doubt with this talk of behavior by the Afghan regime is unacceptable.

DSR-11* (Revised Sept 85)

DRAFT: minute/letter/teleletter/despatch/note

TYPE: Draft/Final 1 +

FROM:

Reference

Prime Minister
DEPARTMENT:

TEL. NO:

Your Reference

BUILDING:

ROOM NO:

SECURITY CLASSIFICATION

TO:

Copies to:

Top Secret

Secret

Confidential

Restricted

Unclassified

Prime Minister of Pakistan

HE Mr Mohammad Khan Junejo

PRIVACY MARKING

SUBJECT:

I should like to express my deep sympathy and sincere condolences to you and to the families of the injured and dead at the tragically high death toll which resulted from the Kabul regime's air raids on 23 March in the Teri Mengal region of Pakistan.

..... In Confidence

CAVEAT

This further violation of Pakistan territory underlines the need for an early settlement to enable the Afghan people to regain the right to determine their own affairs. I look forward to discussing this with you when you come to London, who be able to give you an account of recent talks in the Soviet Union.

Enclosures flag(s)



47 (shw)

a:pc

10 DOWNING STREET

From the Private Secretary

2 January 1986

**PAKISTAN: END OF MARTIAL LAW:
MESSAGE TO PRESIDENT ZIA**

Thank you for your letter of 31 December proposing that the Prime Minister should send a message to President Zia to mark the lifting of martial law in Pakistan. The Prime Minister takes the view that a message of this sort would be rather patronising and could also turn out to be a hostage to fortune. She has therefore decided against sending one. No doubt the FCO spokesman has been briefed to refer approvingly to the ending of martial law if asked.

(C. D. POWELL)

Robert Culshaw, Esq.,
Foreign and Commonwealth Office.

008



Pine Minister

Foreign and Commonwealth Office

London SW1A 2AH

31 December 1985

The proposed message
strikes me as rather
patronizing. Surely it is
enough for the FCO spokesman
to welcome the move.
Dear Charles.

Agree not to send
a message?

CDP 31/12

No message.

It is

patronizing.

Answer let's
see what
he says

Pakistan: End of Martial Law: Message to President Zia

President Zia announced the lifting of martial law on 30 December, thus bringing to an end over eight years of military rule. The Constitution is revived in its entirety, military courts are abolished and new civilian provincial governors appointed.

Although, in terms of the distribution of power, the change is not as radical as it might appear, and President Zia remains firmly in charge, it is another important step in the gradual process of democratisation on which he embarked in 1985. Indeed, he went further than expected in restoring those clauses of the constitution relating to fundamental human rights; it had been widely thought that he would keep these suspended in order to have his hands free to deal with any public disturbance arising from the lifting of martial law. It is useful that this has been done before Sir Geoffrey Howe's proposed visit (at Easter); he will no doubt be one of the first Western visitors under the new dispensation.

Sir Geoffrey Howe thinks that it would be appropriate and well received if the Prime Minister sent President Zia a message which could be made public after delivery. Such a message might read:

"I was very pleased to hear of your decision to lift martial law and restore in full the 1973 constitution. I send you and your government my best wishes for the future."

/The



The State Department official spokesman has welcomed the lifting of martial law. Our major EC partners are considering sending messages but none has so far acted. If the Prime Minister agrees, the Resident Clerk has a draft retelegram to allow instructions to be sent over the holiday. A message will of course have more impact if it arrives quickly.

Yours ever.

A handwritten signature in blue ink, which appears to read 'R N Culshaw'.

(R N Culshaw)
Private Secretary

C D Powell Esq
PS/10 Downing Street



CONFIDENTIAL



do

10 DOWNING STREET

From the Private Secretary

30 May, 1985.

PARLIAMENTARY COMMITTEE ON KASHMIR

Thank you for your letter of 28 May about the Parliamentary Committee on Kashmir. The Prime Minister was grateful for the further enquiries which Lady Young has made. In these circumstances she agrees that Sir Robert Wade-Gery should be authorised to speak to Mr. Rajiv Gandhi's Office in the terms set out in your letter.

(Timothy Flesher)

Peter Ricketts, Esq.,
Foreign and Commonwealth Office.

CONFIDENTIAL

SMH

CONFIDENTIAL



Foreign and Commonwealth Office

London SW1A 2AH

28 May 1985

Prime Minister:

Agree that
Sir R Wade-Gery should
be authorised as proposed?

Yes not
Dear Charles,

Parliamentary Committee on Kashmir

In your letter of 8 May you asked that, before we responded to Mr Gandhi's representations to the Prime Minister in New Delhi about a newly-founded "Parliamentary Committee on Kashmir", an FCO Minister should speak to the three Conservative members involved. Lady Young has now done this.

It appears that the "Committee" was in fact launched by Mr Peter Thurnham's research assistant, who wrote to 60 MPs on Mr Thurnham's stationery without the latter's permission. When he discovered this, Mr Thurnham wrote to the MPs explaining that his assistant had gone further than he had been authorised: he also explained the matter to the Indian High Commission in March (which makes it all the more odd that the Indians should subsequently have raised the question at Prime Ministerial level). Mr Thurnham has said that, so far as he is concerned, the Committee no longer exists.

We propose therefore that Sir R Wade-Gery should be authorised to tell Rajiv Gandhi's Private Secretary that the Prime Minister has, as she promised, enquired into the origins of the Committee; that attempts to form such a Committee appear to have been the work of an over-active research assistant rather than MP: it was never formally constituted and it can now be regarded as non-existent. He would also say that we understand that Mr Thurnham discussed the background with the Indian High Commission before the Prime Minister's visit. Sir R Wade-Gery might usefully go on to make the points in the third paragraph of Len Appleyard's letter of 7 May (copy enclosed for ease of reference); despite the happy outcome of this particular saga, the Indians should not be encouraged to entertain illusions about the degree of government influence on all-party groups of backbench MPs.

Yours ever,

(P F Ricketts)
Private Secretary

Peter Ricketts

C D Powell Esq
10 Downing Street

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Foreign and Commonwealth Office

London SW1A 2AH

7 May 1985

PSE 014/7
RECEIVED IN REGISTRY NO. 61
- 24 -
[Handwritten initials and signatures]

Dear Charles,

Parliamentary Committee on Kashmir

During the Prime Minister's visit to New Delhi, Mr Gandhi raised the question of the newly-formed Parliamentary Committee on Kashmir. The Prime Minister undertook to make enquiries.

The Committee, which has no formal status, so far consists of only four MPs: Mr Gary Waller MP, Mr Peter Thurnham MP, Mr Roy Galley MP and Mr Barry Sheerman MP. Its formation appears to have been stimulated by a visit to the UK of a prominent Kashmiri from the Pakistani side of the cease-fire line. We do not know how active the Committee is likely to prove: one of its four members, Mr Galley, has confided to us that he is a reluctant member who joined because of the number of Kashmiris in his constituency. We suspect the same may be true of the other members: they all have substantial immigrant communities in their constituencies, although (as we have found in other contexts) it is impossible to discover from census details the precise origin of such communities.

Subject to the Prime Minister's views, we propose to instruct our High Commissioner to give the factual information above to Mr Gandhi's Private Secretary in fulfillment of the Prime Minister's undertaking to enquire into the formation of the committee. The High Commissioner might explain that there are many groups of MPs which are set up to deal with particular overseas issues and that the Government cannot prevent or deter the formation of such groups: that we continue to explain to those who ask us that we view the status of Kashmir as a matter for the Indian and Pakistani governments, on which it would be inappropriate for HMG to express a view or to intervene: and that Ministers would not receive a group whose purpose was to promote one particular view of the Kashmir issue, but might accept representations from a group who had a large number of Kashmiri constituents and wished to promote their interests on a matter such as immigration. Finally, Sir Robert Wade-Gery might point out that it is open to the Indian High Commission to explain the Indian position to those MPs involved.

Yours ever,

Le Appleyard

(L V Appleyard)
Private Secretary

C D Powell Esq
10 Downing Street

CONFIDENTIAL

PAKISTAN: Int Sci Oct 1979



28 MAY 1985

CONFIDENTIAL

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RJ



cc:PC

10 DOWNING STREET

From the Private Secretary

8 May, 1985

PARLIAMENTARY COMMITTEE ON KASHMIR

Thank you for your letter of 7 May about the Parliamentary Committee on Kashmir.

bs | The Prime Minister thinks it would be helpful if a Foreign Office Minister were to speak to the three members of the Committee on the Government side and explain to them in confidence the problems which their participation on this Committee causes. While it may well not be possible to persuade them to leave it, they might come to see there would be advantage in allowing it to become dormant. The Prime Minister would like to know the outcome of these contacts before approving the reply to be given to Mr Gandhi.

(C D Powell)

L V Appleyard Esq
Foreign and Commonwealth Office

BM

CONFIDENTIAL



Foreign and Commonwealth Office

London SW1A 2AH

7 May 1985

Dear Charles,

Parliamentary Committee on Kashmir

During the Prime Minister's visit to New Delhi, Mr Gandhi raised the question of the newly-formed Parliamentary Committee on Kashmir. The Prime Minister undertook to make enquiries.

The Committee, which has no formal status, so far consists of only four MPs: Mr Gary Waller MP, Mr Peter Thurnham MP, Mr Roy Galley MP and Mr Barry Sheerman MP. Its formation appears to have been stimulated by a visit to the UK of a prominent Kashmiri from the Pakistani side of the cease-fire line. We do not know how active the Committee is likely to prove: one of its four members, Mr Galley, has confided to us that he is a reluctant member who joined because of the number of Kashmiris in his constituency. We suspect the same may be true of the other members: they all have substantial immigrant communities in their constituencies, although (as we have found in other contexts) it is impossible to discover from census details the precise origin of such communities.

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Yours ever,
L V Appleyard
(L V Appleyard)
Private Secretary

C D Powell Esq
10 Downing Street

CONFIDENTIAL



- 7 MAY 1985

Amery

14th November 1983

Thank you very much for taking the trouble to send in your very interesting report about your visit last month to Pakistan.

I am setting this aside to digest at leisure as part of my background briefing for my forthcoming Commonwealth Heads of Government Meeting in Delhi. It is certainly useful to have an independent and first-hand report as perceptive and up-to-date as yours, about an area which will loom large when I am in Delhi.

The Rt Hon Julian Amery MP



FROM: THE RT. HON. JULIAN AMERY, M.P.

*Prime Minister has
kept the top copy*

112, EATON SQUARE,

SW1W 9AA

TEL: 01-235 1543
01-235 7409

*Political Office
keeping PM's
reply.*

PERSONAL AND CONFIDENTIAL

7th November, 1983.

Dear Margaret,

I was in Pakistan at the end of September and beginning of October with Bill McLean and my son, Leo.

On the evening of our arrival, Bill McLean and I had a good talk with President Zia, who asked General Shahid Hamid to supervise the arrangements for our visit. The General is an old friend of mine and was military secretary to Auchinleck before Independence. Our programme included a meeting with Permanent Under Secretary Niaz Naik of the Foreign Ministry and a detailed briefing on the Afghan Resistance by the Deputy Director of Pakistan military intelligence and his staff. Later we had meetings in Peshawar with General Fazl Al Haq, the Governor of the North West Frontier Province and his chief advisers, and in Quetta with the Military and Civil authorities in Baluchistan. While in Peshawar we also saw Sayid Ahmed Gailani and Engineer Golbedin Hikmetyar, two of the main, though rival Afghan resistance leaders. Finally we were able to compare notes with the American and Chinese Ambassadors as well, of course, as having several talks with our own Ambassador.

In addition to these talks we visited the Northern Region, travelling by car along the Karakoram Highway through Gilgit and Hunza to the Chinese border and by helicopter to Baltistan and the mountainous region adjoining Indian-occupied Kashmir. We also spent a weekend in the valley of Swat. This part of our journey was more holiday than "fact finding" and you would have enjoyed the scenery as spectacular as any in the world.

My purpose in returning to Pakistan was to try and assess the stability of the country and the direction of its foreign policy and also to form some estimate of the situation in



Afghanistan. I attach notes on these matters as well as a record of my talk with General Zia.

I will only say in this covering letter that I came away:

1. reassured about the internal stability of Pakistan under the military regime at any rate in the foreseeable future;
2. deeply impressed by the continuing growth of the Afghan Resistance since 1980 and of the urgent need to step up support for it;
3. somewhat concerned about Pakistani doubts over the military effectiveness and political reliability of the United States as a potential ally in the region;
4. inclined to believe that, because of our historical associations with Pakistan and your personal standing with General Zia, Britain could still exercise considerable influence in strengthening Pakistan ties with the West. In particular a British contribution to coordinating external support for the Afghan Resistance movements might be very welcome to Pakistan leaders.

I am copying this letter and its enclosures to Geoffrey Howe and Michael Heseltine.

Yours,
Julian.

Julian Amery

The Rt. Hon. Mrs. Margaret Thatcher, MP,



PAKISTAN

I. Internal Situation.

Pakistan is a rather fragile amalgam of potentially centrifugal provinces held together by the Army and Islam. Press reports in the summer suggested that it might be facing a revolutionary situation. In my judgement it does not. There is no similarity with the Iran of 1978.

The regime, based on an all-volunteer Army, is firmly in control. President Zia told us that he personally could be replaced but that it would be very difficult to overthrow the military regime.

The economic situation is buoyant. Remittances from the Gulf are growing steadily. Those from Britain continue at a high level. Better agricultural techniques have led to improved exports of rice and other crops. There has also been a healthy injection of foreign aid.

The Trade Unions could bring the country to a standstill if they stopped Karachi, Pakistan's only major port, or its railway system. But they have been quiet.

The students, often the detonator of discontent, seem more concerned with passing their exams than with political demonstrations.

The Islamic organisations broadly support the Government because of its strongly pro-Islamic policies. In any case they have no organised hierarchy and are thus much less of a political force than are the Shias in Iran.

There has been trouble in Sind. The Sindis feel deprived of a fair share of jobs in the Army and Administration. The Sindi feudal landowners and other supporters of the late Mr. Bhutto fear that General Zia's proposed constitutional reforms will block their return to political power. Only half the Sind population, however, are native Sindis; and Karachi, the main city in the Province and the largest in Pakistan, has been little



affected by the recent agitation.

Despite vigorous efforts by the Sindhi and other Opposition leaders this agitation has ^{so far} failed to spread to the other provinces.

The Punjab has the lion's share of jobs in the Army and the Administration and has stood aloof. So has the North West Frontier. It is doing very well out of the fighting in Afghanistan, as well as out of its more traditional lines of smuggling.

Baluchistan, sometimes regarded as Pakistan's Achilles heel, has also been quiet. There was one small riot in Quetta of Baluchis (half the population of the province) against Pathans (the other half) but this was communal rather than anti-regime. The Government is spending big money on Baluchi development. Two of the Sirdars, one from Khelat are Ministers in the cabinet, though one, the Murree is plotting in Kabul and another - the Mangal - is sulking in London. Baluchistan is the largest of the provinces in area and strategically important; but it is much the smallest in population (43% area - 4.3% population). The Baluchi tribes are difficult to administer as Field Marshal Ayub Khan and Mr. Bhutto both discovered. But their ability to stage a general rising against the regime has probably been greatly exaggerated. In any case their rough treatment by Mr. Bhutto in the past gives them little sympathy with his political party.

Another all-pervasive and influential section of the country consists of those Moslems who left India after the first Partition or who came away from East Bengal after the second Partition (i.e. the setting up of Bangladesh.) These tend to be the strongest Pakistani nationalists and the most conscious of external dangers. They have lost their homes twice and have their backs to the wall.

Anti-Indian feeling is strong in all classes. Fear of the Soviets has grown with the invasion of Afghanistan, the experience of 3 million Afghan refugees and the daily reports of



Soviet oppression of the Afghan people and their religion. Pakistan opinion thus tends to be impervious to external subversion from its immediate neighbours. The Sind Opposition leaders, for instance, have lost ground because of Mrs. Gandhi's public support for them and of their own calls for recognition of the Communist regime in Afghanistan. Mr. Bhutto's sons, however, have been both in Kabul and Delhi.

Nevertheless there is widespread feeling that Martial Law should be ended. This is shared by many Army leaders. They would like to put civilians back in the front line of politics remaining themselves as the ultimate guardians of the state. The President's problem is how to "dismount" without letting in the forces previously led by Mr. Bhutto and risking their revenge. Bhutto's ghost, like Banquo's and, in Turkey that of Menderes, still haunts the political scene.

General Zia is discussing formulas for the elections due in March 1985 with different political leaders but, not as yet, with the Bhutto party or other activists in the Movement to Restore Democracy. He could postpone these elections once more; and his opponents may well give him suitable pretexts to do so. So may the Turkish experience or the international situation. The general view, however, is that elections will be held, though probably, as in Turkey, in a way which will leave the essentials of power in the hands of the President and the Army.

The Army is the most powerful force in Pakistan and the most pro-Western and anti-Soviet. From the Western point of view, therefore, there could be advantage in its withdrawing from the political front line before its reputation becomes tarnished. On the other hand a return to civilian rule could lead, as it did under Mr. Bhutto, to the adoption, for populist reasons of more irresponsible policies. These could take the form of socialist policies at home and of efforts to exploit resentment against the Afghan refugees and mistrust of the Americans. On balance, however, whatever changes may be made internally, the Army is likely to have the last word in defence and foreign policies.



PAKISTAN

II. Foreign Relations

Pakistan's geopolitical situation is unenviable.

To the West lies an unpredictable Iran. In its early days, the Khomeini regime tried hard to spread its Islamic revolution to Pakistan. With the Iran-Iraq war, its missionary zeal has diminished. But the Iranian Consul-General in Karachi was recently declared persona non grata and the present Ambassador has, it seems, been asked to leave.

General Zia has tried to establish correct relations with Iran and has encouraged the Western powers to develop their trade relations with it. He believes the Khomeini regime to be deeply anti-Soviet and considers it important that Teheran should not feel isolated from the West.

To the East lies an India whose leaders still find the idea of Pakistan hard to accept. Few Pakistanis believe that India would attack Pakistan on its own. But, should a conflict develop between Pakistan and the Soviet Union, Delhi would not be slow to pick up some of the bits. What Indians are thought to resent most are Pakistan's links with the United States and with the Conservative Arabs. What they seek is to bring Pakistan under Indian tutelage. Mrs. Gandhi is believed to find it irresistible to "fish in troubled waters" in order to weaken Pakistan.

But the main threat comes from the North. Afghanistan is no longer the protecting buffer state. Soviet forces are stationed along the length of Pakistan's northern border from Iran to China. Moscow has all but won the Great Game.

The Pakistanis see two main allies against the Soviet threat. The Afghan Resistance and the Americans.

So long as the Afghans keep fighting, Afghanistan will be a precarious base for the Soviet drive towards the warm water. General Zia and his colleagues attach the highest importance to strengthening the Afghan Resistance. They accordingly offer



hospitality to Afghan refugees and Resistance leaders. Pakistan is the main channel of money, arms and other supplies to the Resistance. It provides a safe harbour where Resistance fighters can recuperate before going back into action. All this is good business as well as sound policy.

Support for the Resistance however lays Pakistan open to the risk of Soviet reprisals. The regime's official policy, therefore, is one of non intervention in the Afghan "civil war". This has led to the pursuit of the so-called "indirect talks" with Kabul aimed at a negotiated settlement under which the Soviets could withdraw from Afghanistan. The Pakistani leaders do not, in fact, expect the Soviets to withdraw and most take Soviet expansionism for granted. They reckon, however, that the Soviets have several objectives besides Pakistan. Bandar Abbas and Shahbehār in Iranian Baluchistan, for instance, may well be more attractive and easier to reach than Karachi. They accordingly seek to help the Afghan Resistance as much as they can without putting their heads too high above the parapet.

There is also a domestic reason for this caution. The Bhutto Party and some others consider it foolhardy for little Pakistan to support the Afghan Resistance against the Soviet Super Power. Some have even called for recognition of the Communist regime in Kabul and for the forcible repatriation of the Afghan refugees. General Zia has tried to meet this criticism by demonstrating through the "indirect talks" with Kabul that he is genuinely seeking a settlement of the Afghan problem.

But the most important reason for caution is the regime's doubts as to whether the American Rapid Deployment Force could or would come to Pakistan's defence if it came to a confrontation with the Soviets.

First as to "could". The Pakistan military leaders are essentially "land animals". They do not see how the Rapid Deployment Force could be effective without a major land base in South Asia



such as Britain once had in Aden. Could 2½ American divisions based on far away Diego Garcia, Egypt, and Israel really be a match for a Soviet invading force based on next door Afghanistan?

Second, as to "would". The Pakistanis have deep doubts about American reliability. The American Ambassador in Islamabad told us this himself. They consider that they were let down by the Americans in their war with India in 1971. They deeply resented President Carter's decision to cut off aid to Pakistan because of their alleged efforts to build nuclear weapons. Mr. Weinberger visited Pakistan while we were there, and could hardly have spoken in stronger terms of American support both for Pakistan and for the Afghan Resistance. The private reaction however of the senior and junior Pakistani officers we saw was one of scarcely veiled scepticism.

Only the Americans, themselves, can overcome these doubts about their power and determination. But Britain enjoys more credibility in Pakistan than do the United States. British association with the Rapid Deployment Force, however marginal, might help to make it more convincing to the Pakistani leaders.



PAKISTAN

III. The Situation in Afghanistan

The Afghan Resistance to the Soviets and to the Barbrak Kamal regime is still growing. It is essentially ethnic (Pathan, Tajik etc.) and tribal; only loosely affiliated to the exiled leaders in Peshawar. Sometimes the different guerilla groups cooperate. Sometimes they clash. Occasionally they conclude a truce with the enemy. Even the most conservative assessments, however, confirm that the Resistance controls most of the countryside by night and much of it by day. The main Soviet effort goes into keeping their communications open, holding the larger towns and the few installations of value such as the natural gas fields and pipelines.

The Soviet troops are said to be demoralised, affected by epidemics and addicted to drugs to the point of selling their arms to buy them. Senior officers are alleged to favour withdrawal and meanwhile to be hoarding gold. The practical indications, however, suggest that the Soviets are preparing for a long stay. Roads and railways are being improved, new bridges built and old ones strengthened. Airfields are being modernised and a major new air base is under construction at Shindan in the South West Province of Farah where Afghanistan comes nearest to the Hormuz Straits. Permanent barracks are being built for Soviet as distinct from Afghan troops. There is also an extensive programme for educating and training young Afghans in the Soviet Union.

There are two main groups among the exiled leaders in Peshawar. These are the National Islamic Front of Afghanistan (NIFA) consisting of three parties whose best known leader in the West is Sayid Ahmed Gailani. Gailani owes his prestige to his descent from the Prophet his hereditary leadership of the Kadria Sect. The NIFA are seeking to form a committee or government in exile in which ex-king Zahir, now in Rome, would be involved. They represent the Afghan Establishment as it was before the first Communist coup of Osman Taraki in 1978. They are broadly pro Western in their political attitudes but have also had working relations with their Northern neighbours whether Tsarist or Soviet. Under President Daud/ ^{indeed, they} were more dependent on Moscow than on the West. They probably retain considerable moral authority



with the tribes especially the Pathans.

The other main resistance groups could be classed as Fundamentalist. Their main but by no means only leader is Engineer Golbedin. Golbedin's movement was founded in the late 60s and is akin to the Moslem Brotherhood or the Iranian Islamic revolutionaries. He holds King Zahir and the Establishment responsible for allowing the Soviets to penetrate the Afghan Army and Administration and even accuses Gailani of collaborating with the local Communists before the actual Soviet invasion. (Gailani's supporters in their turn, accuse Golbedin of having been a Parcham Communist when younger.) Golbedin claims that the talks in Rome between Gailani and the King are really a Soviet plot to enable the Soviets to withdraw their forces while retaining control of Afghanistan.

The Fundamentalist leaders are aiming not only at national liberation but also at a social revolution on Iranian lines. It is hard to see, therefore, how Golbedin could ever cooperate with Gailani. Gailani, however, claims that many Fundamentalist fighters inside Afghanistan would come over to him if he was seen to have Western support in the shape of money and arms. And there have been signs that Rabbani and Yunus Khalis - two other leading Fundamentalists - are less rigid on the issue of cooperation than is Golbedin. At the end of the day, however, the influence of the exile groups will depend above all on the money and arms which they can make available to Resistance fighters inside the country.

Here the Fundamentalists have the advantage. They are strongly backed by the Islamic forces in Pakistan to which President Zia looks for his political support. They have also, hitherto, had the support of the Saudis. As a result they probably receive the lion's share of the money and arms distributed by the Pakistan regime. They appear, moreover, to receive some support direct from Khomeini. These material supplies may well count for more with the tribes than the influence of the more traditional leaders; and it is arguable that the cult or martyrdom of



the Fundamentalist the better fighters. From a Western point of view, however, they are unlikely to prove accommodating.

President Zia and the Pakistani Foreign Ministry seem to regard the proposed committee under discussion between the King and Gailani as a valuable instrument for gaining international support for the Afghans (especially, I suspect, as there are some hopes of SAudi and American backing for it.)

They are, however, more sceptical about its impact inside the country, and perhaps with good reason. The Afghan Resistance is a hydra with several heads. This is part of its strength. It presents the Soviets with no one target for destruction or negotiation.

General Zia left no doubt in our minds of the overriding importance he attached to support for the Afghan Resistance. The American Ambassador was no less emphatic. We did not, however, attempt to investigate in detail the additional supplies and training the Afghan Resistance need. This is something which seems to deserve very serious consideration.

Here, it is perhaps worth recalling the contribution which "mercenaries" drawn from the SAS reserve and from France made to defeating Nasser's attempt to conquer the Yemen (1962-67). The Saudis, of course, payed for this as part of their wider support for the Yemen Royalist cause. But the British Government knew all about it and gave that cause such clandestine encouragement as it reasonably could. I suspect that there would be no lack of British and other "mercenaries" to support the Afghans. With 100,000 Red Army troops in the country, Moscow could hardly complain if a handful of British volunteers exercised what Prime Minister Salisbury called "the Englishman's right to get his throat cut where and when he likes". Public opinion at home would be more likely to cheer them on than to condemn.

PAKISTANIV. Soviet Prisoners in Afghanistan

In the early days of their Resistance, the Afghans killed any Soviets they captured, even deserters and defectors. The Soviets naturally spread the news "pour décourager les autres".

Since then some of us have tried to persuade the Resistance to take prisoners and encourage defection. A few defectors have actually joined the ranks of the Resistance. But most are not suited to this. Some, however, might well be used in broadcasts and by other means to tell Soviet listeners at first hand about what goes on in Afghanistan and to encourage other Soviet troops in Afghanistan to desert or defect. Estimates vary as to the number of Soviet prisoners now held by the Resistance. Gailani put the figure at 150 - 200; but this may be an exaggeration. The Resistance, however, find them a burden to look after and unless they are taken over will cut their throats.

President Zia told us that he could not allow the establishment of a POW camp for Soviet defectors in Pakistan. He let us understand, however, that he would not be opposed to their clandestine transfer through Pakistan provided this was done swiftly and without any publicity.

The British Government seems reluctant to offer asylum to Soviet deserters or defectors. Senior officers would, no doubt, be welcome for interrogation; but we still seem to have no machinery for using junior officers or other ranks to try to subvert their fellow soldiers in Afghanistan. We also seem to be deterred by the problem of resettling them after they have served our purposes.

It is surely high time that we had an organisation to make use of lower grade defectors for black propaganda or other subversive purposes.

Resettlement should present little problem given the very small number of individuals likely to be involved and the



substantial Russian communities in this and other Western countries.

If we do nothing the men concerned will have their throats cut. We shall bear some of the moral responsibility for this.

There could be a nasty little scandal in the making here, with echoes of the compulsory repatriation of Soviet prisoners in 1945.



PAKISTAN

V. The Karakoram Highway

The Karakoram Highway running from near Islamabad to the Chinese border on the Kunjuran pass (16,000 feet) and on to Kashgar is a miracle of engineering linking Pakistan to China. It has political importance as a symbol of Sino-Pakistan cooperation. It is also doing much to enable the Pakistan Government to open up Pakistan's Northern Region.

The Highway runs through some of the wildest country in the world with mountain ranges on both sides running to 20-25,000 feet and with passes seldom lower than 12,000 feet. Much of this country is often cut off for 7 months of the year and scarcely penetrable for heavy supplies even when the passes are open. There are, as yet only two caravans a year from China to Pakistan.

The grandeur of the scenery especially seen from a helicopter is unsurpassed. But the road itself could be easily sabotaged. Natural landslides already block it at fairly frequent intervals. The Soviets in the Wachan strip are only a few miles north of the road and could doubtless subvert some of the tribes along it. But, if British experience is any guide, their ^{tribal} neighbours could then be relied upon to take the opposite side. Were the Soviets to get control of the whole area they could establish a common frontier with Indian Kashmir but the task of establishing communications through it with India would be Herculean. It seems, unlikely, therefore that the region will be of political or strategic importance in the foreseeable future.

PAKISTANVI. Britain and Pakistan

Like other visitors to the sub-continent we were struck by the persistence of British traditions and ways of thought in the Pakistan army and administration. English is still the official language in Government correspondence. The Pakistan leaders seem to regard themselves much more as heirs to the Raj than liberators from it.

They have no illusions about the decline of British power since they became independent, though they were duly impressed by the Falklands campaign. I believe, however, that British views enjoy a unique credibility in Pakistan and that anything we can do to associate ourselves with American efforts to help Pakistan will make those efforts more acceptable and convincing to the Pakistanis. The Americans on the spot and, I understand, in Washington seem to think this too.

I believe this to be particularly true of support for the Afghan Resistance. Americans and Saudis will, presumably, have to play the major part in providing supplies and finance. But they and the Pakistanis might well be glad if Britain were to play a larger part in organising the Resistance operations in so far as these can be influenced from outside.

In an earlier paper about the Foreign Office I suggested that we might be wise to keep Ambassadors for longer than 3 years in posts of which they have special knowledge. Our Ambassador Oliver Forster, who has spent his whole career in the sub-continent, is very much an example of what I had in mind. It was amusing to hear his American and Chinese colleagues echo what were obviously views they had gleaned from him. I understand he is shortly to retire. It will not be easy to replace him.



Note of a talk with President Zia Al Haq, Islamabad
Sunday, 18th September 1983, 7-8.30 p.m.

President Zia Al Haq
General Shahid Hamid
A senior Foreign Ministry official

The Rt.Hon. Julian Amery, M.P.
Colonel Neil McLean

The conversation began with an exchange of courtesies in which the President expressed his admiration for Mrs. Thatcher and enquired about her recent eye trouble. Mr. Amery assured him that she was now fully recovered.

Mr. Amery went on to express the importance Britain attached to Pakistan as one of the "shoulders" on which the security of the Middle East rested. He asked how much importance should be attached to the recent internal troubles which had received considerable coverage in the British and Western press.

President Zia replied that the Punjab, the North West Frontier Province, Baluchistan, Azad Kashmir and the Northern region had not been in any way affected. There had, however, been some trouble in Sind. This had been organised by Mr. Jatoi and other leaders of Mr. Bhutto's party with the support of some of the landowners in Sind and their feudal following. These leaders and their friends in other provinces were concerned with recovering power and influence. There had been some minor sabotage and terrorist activities in Central Sind but most of the demonstrations had taken the form of "civil disobedience". Accordingly said General Zia, "we must arrest them". (Note: at first those arrested were treated with kid gloves, later on the treatment became tougher and the number presenting themselves for arrest declined sharply.)

President Zia went on to say that Field Marshal Ayub Khan had introduced a land reform and Mr. Bhutto had put this into practice except in Sind where the landowners formed an important part of his power base.



President Zia was now proposing to introduce the land reform into Sind and had let the landowners know of his intention. There were already signs that this threat was bringing them to heel. (Note: a fortnight later, Mr. Jatoti was said to have opened indirect discussions with the President).

President Zia went on to say that it was extremely difficult to overthrow a military regime. Personalities could be changed. He himself might be removed. But the regime itself would continue until it decided on a return to civilian rule. He personally wanted to move towards a parliamentary system but felt that elections had to be phased. First there would have to be Local Councils (Note: the elections for these were already in progress). Then there would have to be elections for Provincial Councils from which Provincial Governments could be chosen. Then a Senate would have to be formed; and then finally a National Parliament elected. All this would take about 18 months. There would have to be a thorough examination of the personal credentials of Parliamentary candidates and of their finances and those of any political parties. (Note: the clear implication here was that, as in Turkey, certain individuals or parties might be disqualified from taking part).

President Zia said that he had originally set up two commissions to advise on the form the constitution should take. One commission was theological, the other professional. They had produced contradictory reports which had been to some extent reconciled by a third commission under a High Court judge.

This produced a compromise plan which he had announced in August. He was, however, still undecided whether political parties should be allowed to take part in the elections or whether candidates should only stand as individuals. There was a case for electing only individuals who might then form groups or parties, once in Parliament. These might well turn out to be quite different from the existing parties. He was proposing elections in March 1985; but they could come earlier if required.



The conversation then turned to foreign affairs. The President praised, in the strongest possible terms, the bravery and effectiveness of the Afghan freedom fighters. They were playing an essential part in the defence of Pakistan and indeed of the whole Free World by holding up the ambition of the Soviet Union to dominate the Gulf and the Sub-Continent. (Note: at this point he produced an atlas with a red transparency indicating the spread of Soviet Imperialism towards the warm waters of the Gulf and the Indian Ocean.)

In answer to a question, however, the President said that he did not expect a military confrontation between the Soviets and the Americans in Pakistan or in the Gulf. The risk for Moscow was too great and the Soviets could get their way more easily in South Asia by subversion than by open confrontation. It was their way to start little fires in many places and then encourage particular ones to spread as opportunity offered.

Asked about Soviet deserters and defectors in Afghan hands, the President said that Pakistan could not allow the setting up of a Soviet POW camp in Pakistan. It would be another matter if any such prisoners could be spirited through Pakistan swiftly and secretly. He had to be cautious in his dealing with the Soviet Union. For one thing, they were a super power and Pakistan was not. For another, there were many people among his own supporters as well as in the Opposition parties who wanted to get rid of the Afghan refugees. Some even wanted him to recognise the Communist Government in Kabul. He had no intention of doing this so long as the country was occupied by the Soviets. He thought it prudent, however, to pursue the "indirect talks" with the Kabul Government so as to show his people that he was doing his best to solve the Afghan question. He did not, however, expect the Soviets to leave Afghanistan. Such a withdrawal would entail a catastrophic loss of prestige for them not least in their Central Asian republics.

Mr. Amery remarked that in their last conversation (July 1980) President Zia had stressed how close the Soviets were geographically to Pakistan and how far away were the Americans. Since that time

the Americans had greatly strengthened their position in the Indian Ocean and the Middle East. Did he feel more confident in their ability to help Pakistan now?

The President replied that the Americans had certainly strengthened their position. But he had told both President Carter and President Reagan that, as a military man, he did not see how the Rapid Deployment Force could be really effective in South Asia unless the Americans established a base, in the full sense of the word, on the mainland. Diego Garcia was far away. So were Egypt and Israel. Facilities in Masira and sea and air power were not enough to match the very large land forces the Soviets could quickly deploy from their bases in Afghanistan. He hoped the Rapid Deployment Force would grow stronger. Meanwhile, he said, he had told President Reagan that the West should do everything it could to strengthen Turkey, Pakistan and Israel though not to the detriment of Arab rights. Jordan too should be strengthened. The Americans were helping Pakistan modernise its defences and he was grateful for this. He was, however, concerned at the uncertainties of the American political system. It was difficult to judge how far Congress would allow the President to carry out his policies in a crisis.

President Zia went on to say that Pakistan was doing its part to promote stability in the region by providing troops to protect oil and other important installations in Saudi Arabia. He denied, however, that Pakistan forces were acting as a bodyguard for the Saudi Royal family.

Asked about his relations with Iran, the President said that these were reasonably cordial. He hoped that the West would try to have closer relations with Teheran beginning with trade relations. This would not be easy for the Americans or indeed for the French. But it would not be too difficult for Britain. He had, he said, made some specific suggestions to us on this subject. He believed the Iranian regime was anti-Communist and anti-Soviet. It was important that they should not feel isolated.

Mr. Amery asked about the President's recent visit to Turkey. Had he and President Evren reached any conclusions about the war between Iraq and Iran? President Zia said that he had reached a good understanding on these and other matters with President Evren. They both thought Iraq was getting the worst of the struggle but saw no prospect of a negotiated settlement between the two countries. Only time or the disappearance of one of the two contestant/^{leaders} could settle the matter. Meanwhile he and General Evren saw nothing else to do but "pray for Iraq's survival".

The President spoke very warmly of the Turks. He wished the Turks could vote for him in the forthcoming elections.* On the subject of Iranian Baluchistan he believed that the Baluchis who were mainly Sunnis looked to Pakistan for guidance. They might, indeed, welcome becoming part of Pakistan.

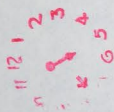
Returning to the general world situation, the President said that Pakistan, although neutral and non aligned, was essentially part of the West by interest and inclination. India was also neutral and non-aligned but in practice part of the Soviet bloc.

Both Soviets and Indians had a common interest in isolating China. The worst scenario would be for the Soviets to come down and join frontiers with India. He did now, however, believe the Soviets could take over Pakistan by subversion. They would have to invade it as they had invaded Afghanistan.

As if to end the conversation the President stressed the excellent relations that existed between Pakistan and Britain, not least on the question of the Pakistan community in Britain and spoke again of his admiration for Mrs. Thatcher personally. Then, as we made to leave, he returned to the question of Afghanistan stressing how vital it was to support the Afghan Resistance. He hoped Britain in particular would do all it could to help the Afghan cause. If the Soviets ever solved the Afghan problem the Pakistan problem would begin.

* (Note: He may think differently now that the Turkish election has taken place.)

15 NOV 1983



Pakistan

CONFIDENTIAL



FILE

R M

EX:- FCO
HMT
DI
DT

10 DOWNING STREET

From the Private Secretary

8 December, 1982

EXPORT CREDIT FOR PAKISTAN

Thank you for your letter of 6 December. The Prime Minister has noted that agreement has been reached at official level to provide the necessary ECGD cover to support the sale of two Airbus aircraft to Pakistan International Airlines.

I am sending a copy of this letter to the Private Secretaries to the members of EX and to Richard Mottram (Ministry of Defence).

A. L. COLES

J. Whitlock, Esq.,
Department of Trade

CONFIDENTIAL

SW

Prime Minister

To note

A.S.C. 2/12

CONFIDENTIAL

From the Secretary of State

John Coles Esq
Private Secretary
10 Downing Street
London SW1

6 December 1982

Dear John

EXPORT CREDIT FOR PAKISTAN

My Secretary of State's minute of 29 October 1982 drew attention to certain problems relating to the provision of ECGD cover for Pakistan, and sought agreement to an increase in the section 2 limit to accommodate an NEI order for power plant worth £8m and the sale of two Airbus aircraft to Pakistan International Airlines requiring some £16m of ECGD cover. You will recall that a major factor to be taken into account was a commitment to support a potential sale of two frigates to be built by Vosper Thornycroft which under the terms of the agreement reached at OD Committee on 18 June 1982 would require commitment by ECGD for up to £110m.

Your letter of 3 November gave the Prime Minister's approval for cover in the NEI case but invited Departments to try to reach a common position regarding cover for the sale of the Airbus aircraft.

I am now glad to be able to tell you that following the introduction of additional commercial funding, the effect of which is to reduce ECGD's liability to £13.75m agreement has been reached at official level to provide the necessary ECGD cover to support the Airbus. In arriving at this decision, officials have given due weight to the parameters of the OD decision on 18 June on the sale of the frigates and they propose to review the situation when the current time limit for ECGD cover expires in mid-January 1983.

I am copying this letter to the Private Secretaries to the members of EX and to Richard Mottram (Ministry of Defence).

Yours sincerely

John Whitlock

JOHN WHITLOCK
Private Secretary

Pakistan:

Military aid

Jan 80



-7 DEC 1982



CONFIDENTIAL



MINISTRY OF DEFENCE
MAIN BUILDING WHITEHALL LONDON SW1
Telephone 01-~~230722~~ 218 2111/3

MO 6/13

11th November 1982

Prime Minister

A. J. C. 1/4.

Dear John,

EXPORT CREDIT FOR PAKISTAN

Your letter of 3rd November to John Rhodes sought the Secretary of State for Defence's views on the prospects of Vosper Thornycroft obtaining a firm order for the two Type 21 Frigates for Pakistan in support of which some ECGD cover has been offered. We have had a word with Vosper Thornycroft who have just returned from a round of talks in Pakistan, which coincided with a successful 'shopwindow' visit to Karachi by HMS Alacrity, a type 21 frigate. Our Naval Attache also saw the Pakistani CNS on 8th November and has obtained his assessment of the latest position on the frigate order.

Admiral Niazi confirmed that Pakistan had decided in principle to purchase frigates (he mentioned a total requirement for 3 or 4 although Vospers proposals remain for the supply of two). He also confirmed our earlier information that the Type 21 was the Pakistani Navy's choice of ship. But he reported that the Ministry of Finance was at present having difficulties fitting frigates into its budget, due to IMF pressures. The timescale for a Pakistani decision (which we had expected this month) was therefore lengthening, and could take some time (he did not suggest how long).

The Finance Ministry's advice will clearly be an important factor in the final decision. The position on competing credit offers remains unclear. We continue to hear reports suggesting offers from other countries on more favourable terms than our own, but have no firm evidence. Admiral Niazi tells us that the original French offer on soft terms has been diverted to other naval purposes. But the Pakistanis now claim to have an offer of 100% credit at 5% over 20 years. We shall monitor the competition as closely as we can. There could yet be a need for some flexibility in ECGD terms if Vospers are to remain competitive.

I reported in my letter of 7th October to Tim Flesher that Vospers were meeting difficulty in concluding the

A J Coles Esq

CONFIDENTIAL

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proportion of their credit package (50%) which they have been offered from Arab sources. The present position is that Vosper have been assured informally that the finance is available from an Abu Dhabi based bank, provided the Pakistanis confirm an intention to purchase from Vosper Thornycroft. The company are seeking a written confirmation of this qualified offer to show to the Pakistanis.

Mr Nott recognises the bearing on other credit cases which this continuing potential ECGD exposure has, particularly since it now seems possible that a Pakistani decision could be delayed into next year. He considers however that Vosper Thornycroft's prospects for obtaining this business remain good, provided they can firm up their offer of Arab credit and retain sufficiently competitive terms. The Vosper proposals do appear to be favoured by the Pakistani Navy. He therefore believes it is important to maintain the offer of ECGD cover, which has been put to the Pakistanis and clearly registered by them as an essential element in the company's package.

We shall continue to watch developments closely and shall be maintaining our pressure on the Pakistanis in support of Vosper.

I am sending copies of this letter to the Private Secretaries to the members of EX.

Yours ever
Nick Evans

(N H R EVANS)

PAKISTAN : MILITARY AID TO PAKISTAN : JAN 80 .



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17 NOV 1982

EX: HMT
FCO
D/Ind
CO

CONFIDENTIAL

FILE

DSG

Pakistan



10 DOWNING STREET

From the Private Secretary

3 November 1982

EXPORT CREDIT FOR PAKISTAN

The Prime Minister has seen Lord Cockfield's minute of 29 October as well as the minute of 2 November by the Foreign and Commonwealth Secretary on this subject.

Your Department informed me today that a decision about whether ECGD should give cover for the NEI power plant contract was urgent since the Pakistan Government were likely to take a view on this matter tomorrow. The Prime Minister accordingly took the opportunity of a meeting with the Chancellor of the Exchequer on other subjects to have a brief word about the question. It was agreed that ECGD should give cover for the power plant contract (which the Prime Minister understands is worth £8 million).

Mrs. Thatcher has as yet taken no view on the question of ECGD cover for the United Kingdom share of the sale of two air-buses to Pakistan International Airlines. She would be grateful if the Department of Trade, the Treasury and, as necessary, the Foreign and Commonwealth Office, could discuss this matter further with a view to reaching a common position.

The Prime Minister would also find it helpful if the Secretary of State for Defence could provide advice on the chances of Vosper Thornycroft obtaining a firm order for the two frigates for which they are competing with the French and Italians. The problem about ECGD's potential exposure would of course be substantially mitigated if this order did not materialise.

I am copying this letter to the Private Secretaries to the members of EX and to Richard Mottram (Ministry of Defence).

PAI COLES

John Rhodes, Esq.,
Department of Trade.

CONFIDENTIAL

SWP



10 DOWNING STREET

John.

Mr Hayes of Peter Rees's

office telephoned at 1500 hrs

re: the attached. Could you please

ring him — NEI are apparently

pressing for a decision.

CWS

3/11



10 DOWNING STREET

Prime Minister

Export Credit for Pakistan

This is difficult :-

(a) ECGD is very over-exposed in Pakistan

(b) But the NEI power plant and Airbus project are firm business which it will be a pity to lose.

The difficulty is the two frigates. ECGD is covering them to the tune of £110 million - hence its general over-exposure in Pakistan - but the deal may never materialise.

Would you like to me to ask Mr. Nott for a formal assessment of the chances of the frigate deal going through - before you take a decision on the other matter?

A.J.C. 2/11

①

Yes - if it can
be done quickly,
we must not
lose the order
we have.
not



Treasury Chambers, Parliament Street, SW1P 3AG
01-233 3000

PRIME MINISTER

EXPORT CREDIT FOR PAKISTAN

I have seen Arthur Cockfield's minute to you of 29 October.

2. I can see the attraction of all this business from the industrial point of view, and wish I could support Arthur Cockfield's recommendation. But the effect of these proposals would be to increase our exposure in Pakistan to more than £200 million. This is more than three times the maximum that ECGD, the Treasury and the Bank of England would regard as prudent.

3. There have been no recent improvements in the Pakistani economy, which is heavily aid-dependent: as Arthur Cockfield acknowledges there is a very real possibility that debt rescheduling will be sought. This would give rise to significant claims against ECGD which would be a charge first on their much depleted reserves and, should they be exhausted, on public expenditure. And I believe we do a disservice to developing countries if we encourage them to run up debts which they have no prospect of paying.

4. Our potential exposure in the risky Pakistan market is already, with the frigates project, on the high side. You and I have expressed concern about the level of ECGD's exposure in such markets, and with your approval work is currently in hand to devise tighter operating guidelines for the setting of ECGD market limits. This is the first major case to come up for decision since we agreed to address the overall question. I think we have to be seen to mean what we say about the need for a more cautious approach to export credit risks.



5. Of course the position would be different if the frigate sale were to fall by the wayside. But as I understand it, we are now committed to supporting Vosper's bid and there has been no sign of any second thoughts about the project on the Pakistani side.

6. I am copying this minute only to Arthur Cockfield.

G.H.

2 November 1982



CONFIDENTIAL

PM/82/92

THE PRIME MINISTER

Export Credit for Pakistan

See AJC ?

1. The Secretary of State for Trade minuted to you on 29 October to seek agreement for an increase in ECGD cover for Pakistan to accommodate export contracts for NEI and the European Airbus consortium.
2. I very much agree with his argument. It would be regrettable if the frigate deal, which is a far from certain prospect, adversely affected ECGD support for NEI and the Airbus sale both of which, I note, are firm business. Furthermore our Airbus partners are bound to be very irritated by our refusal to participate in export credit cover at a time when the Airbus programme is under active discussion. Airbus Industrie and the French Embassy have already approached us about our support for Airbus sales and the subject is likely to come up at the Anglo/French summit. Finally a negative decision on the NEI order would probably become known in Pakistan fairly soon and would give a very unfortunate signal just in advance of Douglas Hurd's visit to Pakistan from 13-16 November in the course of which he will be assuring President Zia and the Pakistan Government of our continuing political support.
3. I am copying this minute to the other members of EX and to John Nott.

Foreign and Commonwealth Office
2 November 1982

7.1.
(FRANCIS PYM)

CONFIDENTIAL



PRIME MINISTER

EXPORT CREDIT FOR PAKISTAN

There is a problem about ECGD cover for Pakistan which requires an early decision. This is a matter on which, not surprisingly, there is a division of opinion. We and the Department of Industry are in favour of providing cover. ECGD, supported by the Treasury and the Bank of England, are not.

NEI have won an order for a power plant worth £8m for a new cement works to be built in Pakistan by Mitsubishi. ECGD gave NEI an indication that cover would be available on its usual "first come first served" basis. But by the time NEI secured the business, the existing export credit limit for Pakistan had been virtually exhausted by other business, and unless credit can be provided the Japanese will supply the power plant. The order would be a good practical example of United Kingdom-Japanese collaboration. It should help NEI to win more power business in cement and other plants. No aid is involved in the deal, though ECGD would be asked to match the Japanese interest rate of 7½%.

We are also under strong pressure to cover the United Kingdom share of the sale of two Airbus to Pakistan International Airlines (PIA). The French and Germans have agreed to support their share of the credit; ECGD's share would be a liability of about £16m. Again, no aid is involved; the interest rate for this business is 10%. Failure to cover could be seen as against the spirit of our arrangements with the Airbus consortium, especially as no new sale has been achieved this year, and the order would represent 30% of production for next year. The Americans are trying to persuade PIA to take secondhand Boeing and Douglas planes, possibly tying them to American aircraft for years ahead.

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*Finally this year
can do it
not*

Prime Minister

①

*Pakistan is a terrible
credit risk, and it's always
galling to turn down business
for such a reason.*

Await Treasury/Bank advice?

Ms 29/10

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ECGD already has commitments to Pakistan of around £60m which they regard as the maximum that can be justified in view of the state of the Pakistan economy. There have been improvements under President Zia, with a tightening of fiscal discipline, an attempt to reduce the swollen public sector, and steady growth in agriculture and industry. But the trade deficit (US\$ 1.1 billion in 1981-82), temporarily exacerbated by the world recession, is large and growing. The level of external indebtedness is high (US\$ 13 billion in January 1982). The economy remains highly dependent on international financial support, official and commercial. While Pakistan's external financial position remains weak there is a clear possibility that debt rescheduling will be sought, though this has not been requested so far.

A further major factor to be taken into account is ECGD's potential exposure of some £110 million from cover for the possible sale of two frigates, agreed by OD in August. The sale is still under negotiation and we may not know for some time whether Vosper Thornycroft has succeeded against the French and Italian competition. There is also further business in prospect which could equally claim ECGD funds. For example, Davy McKee have been awarded a Letter of Intent for part of the Al Noor fertiliser project, with a potential ECGD liability of some £15 million.

All this business is attractive, and is the fruit of long and hard efforts by our exporters. Against this is the risk of loss to ECGD from giving further credit support for business in a country as financially stretched as Pakistan. The sale of the two frigates has not yet been clinched. We are still hopeful: but should it fail, this would substantially reduce ECGD's potential commitment in Pakistan. The NEI contract and the Airbus sale, which together involve extra ECGD exposure of some £25 million, are firm business. On balance and having regard to the considerations I have mentioned, I would favour giving support for both the NEI contract and the Airbus sale. I should be grateful therefore for agreement that the Section 2 limit for Pakistan be increased accordingly. As I have indicated an urgent decision is needed.



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I am copying this minute to the members of EX, and to John Nott.

Department of Trade
1 Victoria Street
London, SW1H 0ET

29 October 1982

Arthur Cockfield
LORD COCKFIELD

CONFIDENTIAL



CONFIDENTIAL

Pakistan



MINISTRY OF DEFENCE
MAIN BUILDING WHITEHALL LONDON SW1
Telephone 01-~~230 7022~~ 218 2111/3

MO 6/13

7th October 1982

N. S. P. R.

Dear Tim,

DR 3/10

FRIGATES FOR PAKISTAN

With your letter of 24th September you enclosed President Zia-ul-Haq's reply to the Prime Minister. We regard this reaction as encouraging although it lays predictable emphasis on the importance of competitive price and financial terms.

SEE
PAKISTAN/PAK
RELATIONS.

My Secretary of State does not think a further response from the Prime Minister is called for at this stage. You will now have seen the encouraging exchange on this subject when Yaqub Khan called on Mr Pym on 17th September. The Pakistani CNS has also welcomed the Prime Minister's letter and said that, in his view, Vosper Thorneycroft are in a favoured position. The company however tell us they are now meeting some unforeseen difficulty in concluding the credit package they have offered from Arab sources. We shall keep a close eye on this important element. The timing of any Pakistani decision remains uncertain but it now appears unlikely to be taken before November.

I am sending a copy of this letter to Francis Richards (Foreign and Commonwealth Office) and Richard Hatfield (Cabinet Office).

Yours ever

Nick Evans

(N H R EVANS)

T Flesher Esq

CONFIDENTIAL

CONFIDENTIAL

24 September 1982

FRIGATES FOR PAKISTAN

We have now received the attached letter from General Zia-ul-Haq in response to the Prime Minister's letter to him of 24 August, about Vosper Thornycroft's attempts to sell Type-21 frigates to Pakistan. I should be grateful for your advice on whether a further response from the Prime Minister is needed and if so for a draft.

I am sending a copy of this letter to Francis Richards (Foreign and Commonwealth Office) and Richard Hatfield (Cabinet Office).

TIMOTHY FLESHER

N.H.R. Evans, Esq.,
Ministry of Defence.

CONFIDENTIAL



PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. T180A/82

THE ISLAMIC REPUBLIC OF PAKISTAN

General M. Zia-ul-Haq

ISLAMABAD

30 Ziq'a'd 1402 A.H.

19 September 1982

Her Excellency
The Rt. Hon. Mrs Margaret Thatcher, M.P.,
Prime Minister of the United Kingdom,
London.

Dear Madam Prime Minister,

I thank Your Excellency for your kind letter
of August 24, 1982, regarding the suitability for the Pakistan
Navy of Type-21 frigates manufactured by Vosper Thornycroft
Limited.

The Pakistan Navy greatly values its traditional
associations with the Royal Navy and holds in high regard the
capability of the British ship-building industry. It is at present
engaged in the evaluation of several offers for the supply of
frigates, including the offer from Vosper Thornycroft. While the

...2



- 2 -

Pakistan Navy would undoubtedly consider the performance capabilities of the various craft available, the respective costs and financial conditions would also feature significantly in the evaluation. Our preference would be for a British vessel and it is our hope that the price and other terms of the package offered by Vosper Thornycroft will be the most favourable.

Your steadfast espousal of our legitimate need to acquire a modest defensive capability has been not only characteristically perceptive but also admirably courageous.

May I avail myself of this opportunity to reiterate our appreciation of your Government's position on the qualitative change of historic import which has taken place in the security environment of our region and convey our gratitude for the support extended to Pakistan by the United Kingdom.

With profound regards,

Yours sincerely,

M. Zia-ul-Haq

General
(M. Zia-ul-Haq)



MINISTRY OF DEFENCE
MAIN BUILDING WHITEHALL LONDON SW1
Telephone 01-263 7022 218 2111/3

MO 6/13

23rd August 1982

Prime Minister
If you agree to write to President Zia,
a letter for your signature is
attached.

Dear Sir,

FRIGATES FOR PAKISTAN

Wm
28/8

You will be aware that Vosper Thornycroft are currently seeking to sell two Frigates to the Pakistan Navy in strong competition with the French, Germans and Italians.

The Pakistanis have now confirmed that three proposals, including that from Vospers for the Type 21 design, are to be studied over the next two to three weeks after which one company will be called for detailed discussions. It is thought that the others to be studied are the French and Italian proposals.

The importance of the contract was recognised by OD at its meeting on 18th June this year. The Prime Minister will recall that the Secretary of State for Trade was invited to instruct ECGD to provide exceptional credit cover for the sale. One of the main factors in the OD decision was the influence the Pakistan choice of design could have on the future procurement policies of the Gulf States who have particularly close naval ties with the Pakistanis. In the current situation the French seem well placed with their reported offer of credit (50% at 10% interest COFACE rates plus 50% at 4% interest over 20 years from Arab sources), and our future hopes in the Gulf area would suffer a severe setback if the French managed to sell the same design to Pakistan as they have already done to Saudi Arabia. It is reported that President Mitterand has already written to President Zia supporting the French case.

Given earlier OD support and the imminent decision over the choice of contractor, my Secretary of State considers it highly desirable that the Prime Minister should reinforce the position of Vospers by writing to President Zia on the subject. A draft is attached. The proposal that the Prime Minister should write is fully endorsed by HMA Islamabad who has provided the text of the draft. He has recommended that the letter be available for delivery before the end of the month.

A J Coles Esq

CONFIDENTIAL



I am sending a copy of this letter to Francis Richards (FCO) and to Richard Hatfield in Sir Robert Armstrong's office.

Yours ever
Nich Evans

(N H R EVANS)

SUBJECT

cc Madis
+
Oms



Pakistan

cc. MOD
co
FEO

RM

PRIME MINISTER'S

PERSONAL MESSAGE

10 DOWNING STREET

SERIAL No. T164/82

THE PRIME MINISTER

24 August, 1982.

Dear Mr. President,

When we met in Pakistan last year, and I still have happy memories of the fascinating day we spent together, we had a brief discussion about the possible supply of British military equipment to Pakistan. At that time you were thinking of buying HMS LONDON for your Navy and I was delighted to hear that the sale and delivery of PNS BABUR, as she is now called, went so smoothly and that the Flagship of the Pakistan Navy remains a British built ship.

I understand that you are now contemplating the purchase of new frigates and that among the suppliers being considered is Vosper Thornycroft Ltd. Their offer, which includes provision for 100% credit financing, is, as I think you will know, backed by the British Government, who have agreed to provide a significant proportion of the credit through the Export Credit Guarantee Department.

There has, of course, been much discussion of the role of frigates as a result of the recent battles in the Falklands and I wanted to let you know that in our considered opinion the Type 21 frigates, which Vosper Thornycroft are offering you, performed magnificently throughout this most successful campaign and fully

/lived

20

lived up to our expectations. It now has the unique advantage that it has been battle tested in some of the most severe weather conditions in the world and in an adverse air situation. You as a soldier will know better than I how important it is that equipment, which men may have to use in battle, should be tested in this way. The Type 21 has proved itself to be a fine ship of sound design and popular with its crews, mechanically reliable and a stable weapons platform. Of course, no untested ship is ever perfect and if as a result of our experience in the Falklands, some improvements have been found to be desirable, these would, of course, be included in any ships built for Pakistan should you place your order with Vosper Thornycroft. So you would get ships which incorporate the lessons learnt from the most recent and most testing battle experience.

I need not elaborate on the other benefits to the Pakistan Navy of having their ships built in a British shipyard. Co-operation between our two navies has been particularly close since 1947. We share many of the same naval traditions, have common training and operation procedures and, of course, a shared language.

I am confident that if you decide to buy the Vosper Thornycroft frigates they will serve you very well indeed for the tasks which face your country and your Navy.

Warm personal regards.

Yours sincerely

His Excellency General Mohammad Zia-ul-Haq,

Nazim-ul-Haq

DRAFT LETTER FROM THE PRIME MINISTER TO GENERAL MOHAMMAD ZIA UL HAQ
PRESIDENT OF PAKISTAN

When we met in Pakistan last year, and I still have happy memories of the fascinating day we spent together, we had a brief discussion about the possible supply of British military equipment to Pakistan. At that time you were thinking of buying HMS LONDON for your Navy and I was delighted to hear that the sale and delivery of PNS BABUR, as she is now called, went so smoothly and that the Flagship of the Pakistan Navy remains a British built ship.

I understand that you are now contemplating the purchase of new frigates and that among the suppliers being considered is Vosper Thornycroft Ltd. Their offer, which includes provision for 100% credit financing, is, as I think you will know, backed by the British Government, who have agreed to provide a significant proportion of the credit through the Export Credit Guarantee Department.

There has of course been much discussion of the role of frigates as a result of the recent battles in the Falklands and I wanted to let you know that in our considered opinion the Type 21 frigates, which Vosper Thornycroft are offering you, performed magnificently throughout this most successful campaign and fully lived up to our expectations. It now has the unique advantage that it has been battle tested in some of the most severe weather conditions in the world and in an adverse air situation. You as a soldier will know better than I how important it is that equipment, which men may have to use in battle, should be tested in this way. The Type 21 has proved itself to be a fine ship of sound design and popular with its crews,

✓ mechanically reliable and a stable weapons platform. Of course, no untested ship is ever perfect and if as a result of our experience in the Falklands, some improvements have been found to be desirable, these would of course be included in any ships built for Pakistan should you place your order with Vosper Thornycroft. So you would get ships which incorporate the lessons learnt from the most recent and most testing battle experience.

I need not elaborate on the other benefits to the Pakistan Navy of having their ships built in a British shipyard. Cooperation between our two navies has been particularly close since 1947. We share many of the same naval traditions, have common training and operation procedures and of course a shared language.

✓ I am confident that if you decide to buy the Vosper Thornycroft frigates they will serve you very well indeed for the tasks which face your country and your Navy.

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23 AUG 1982



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23/6

Ref: B06535

PRIME MINISTER

c Sir Robert Armstrong

Credit for the Sale of Frigates to Pakistan
(OD(82) 52)

BACKGROUND

Ministers have been unable to agree on whether to offer ECGD credit cover to British Shipbuilders in support of the sale of two frigates to Pakistan. The problem has therefore had to come at short notice to OD, since the Pakistanis have given British Shipbuilders until 22nd June to make credit proposals.

2. As the Secretary of State for Trade's paper explains, sufficient credit cover for this deal cannot be found within the current limit for ECGD Section 2 (national interest) cover for Pakistan for £60 million, of which the outstanding balance not taken up is £26.9 million. Pakistan cannot afford to pay cash for the ships, given its overall external debt of approximately \$13 billion. Credit cover is thus essential if the United Kingdom is to have a chance of obtaining the order against competition from France, Italy, Germany and Spain.

3. The Secretary of State for Trade is in favour of providing 50 per cent credit, looking to Arab finance to cover the balance, rather than the 70 per cent credit originally proposed.

4. The Minister of State for Industry and Information Technology (Mr Kenneth Baker) has been invited to the meeting in the absence of the Secretary of State for Industry. The Lord Chancellor is unable to be present because the House of Lords is sitting tomorrow.

HANDLING

5. You should invite the Secretary of State for Trade to introduce his paper. Points to establish in subsequent discussion are



a. What are the chances that increasing Pakistan's indebtedness by providing credit for frigates will push her into default or at least a rescheduling of her official debt? Will we ever get our money back, or should providing credit be regarded effectively as a gift? The Chancellor of the Exchequer should be invited to comment.

b. The Foreign and Commonwealth Secretary should be invited to comment on the political implications, in respect of our relations with Pakistan and the Gulf States on the one hand, and of our interests in India on the other. What would be Mrs Gandhi's reaction, in view of the recent prolonged and difficult discussions over credit for the Orissa steel plant and our hopes of obtaining orders in connection with this project, even though the Indians have now given the prime contract to the Germans? How would the timing of any offer to Pakistan affect potential orders from India?

c. What are the industrial considerations? The ships would be built in Southampton, an area with one of the lowest rates of unemployment - 8 per cent - in the country; though the shipyard concerned is facing further redundancies and possible closure if export orders are not obtained. You should invite the Minister of State for Industry to comment on this, and on the possibility that credit for this order would drive out other business from Pakistan which might go to areas of much higher unemployment than Southampton. You should also ask the Defence Secretary whether he has any plans for further orders for the Southampton yard, beyond the two Type 42 destroyers already building there as replacements for HMS Sheffield and HMS Coventry. Would success in winning the Pakistan order reduce pressure for placing new orders soon for frigates for the Royal Navy?

d. What are the chances of obtaining Arab finance for up to 50 per cent of the order? This apparently corresponds to what our main competitors, the French, are offering. Is it likely that, if we match the French terms, the French will improve their terms, and will we then have to offer 70 per cent credit if we want to secure the order? Does it really make sense to offer as much as 70 per cent credit when only 60 per cent of the contract value is



for British goods and services (the other 40 per cent being for equipment of foreign origin such as the French Exocet missile)? The Defence Secretary and the Secretary of State for Trade should comment on these points.

CONCLUSIONS

6. Subject to the discussion, you may wish to guide the Committee to agree to the Secretary of State for Trade's proposal that we should offer 50 per cent credit, looking for Arab finance to cover the balance; but that since 40 per cent of the order would be spent on foreign equipment we should not improve our offer up to 70 per cent even if the French improve their credit terms. The Committee will also need to decide on the timing of any offer to Pakistan in relation both to the Pakistani timetable and the possible effects on our interests in India. The Committee might also be guided to agree that credit for the frigates should be outside the current ECGD Section 2 limit, in order not to pre-empt our ability to support other trade with Pakistan.

A D S Goodall

17th June 1982

A D S GOODALL

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FM ISLAMABAD 170700Z FEB 82

TO IMMEDIATE FCO

TELNO. 73 OF 17TH FEB

INFO ROUTINE DELHI, WASHINGTON, UKMIS NEW YORK.

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MIPT

PAKISTAN FOREIGN MINISTER

1. I DO NOT EXPECT ANY SUBSTANTIVE CHANGE IN PAKISTAN'S FOREIGN POLICY. CLEARLY AGHA SHAHI'S DEPARTURE IS A GREAT LOSS SINCE NO-ONE IN PAKISTAN CAN RIVAL HIS EXPERIENCE AND HIS SKILL, PARTICULARLY IN MULTI-LATERAL DIPLOMACY IN NEW YORK AND ELSEWHERE. THE CONDUCT OF PAKISTAN FOREIGN POLICY WILL BECOME LESS ADROIT BUT AT THE SAME TIME MORE STRAIGHT FORWARD. THERE WILL PROBABLY BE LESS EMPHASIS ON NON-ALIGNMENT AND LESS OF A TENDENCY TO FLIRT WITH THE RUSSIANS AND TO REMAIN EQUI-DISTANT FROM THE TWO SUPER POWERS. YAKUB DOES NOT SHARE AGHA SHAHI'S ANTI-AMERICANISM. HE IS CONSIDERED BY THE AMERICANS AS THE BEST AMBASSADOR PAKISTAN HAS EVER HAD IN WASHINGTON AND TO HAVE AN UNUSUALLY DEEP KNOWLEDGE OF THE WASHINGTON SCENE. I DO NOT KNOW HIS VIEWS ON INDIA, BUT HE HAS STRONG INDIAN CONNECTIONS BOTH BY BIRTH AND MARRIAGE. HE WAS EDUCATED IN ENGLAND AND WAS A FRIEND OF LORD MOUNTBATTEN. HE SHOULD BE AN EASIER MAN TO DEAL WITH THAN AGHA SHAHI AND MORE CLOSELY ATTUNED TO THE THINKING OF ZIA AND THE OTHER GENERALS.

2. SEE M.I.F.T. (NOT REPEATED).

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PAKISTAN FOREIGN MINISTER.

1. PRESS ANNOUNCEMENT ISSUED BY PRESIDENT'S OFFICE LAST NIGHT SAID THAT PRESIDENT HAD AGREED TO AGHA SHAHI'S EARLIER REQUEST TO RETIRE AND WOULD ALLOW HIM TO RELINQUISH CHARGE "AT HIS CONVENIENCE". SAHIBZADA YAKUB KHAN, AT PRESENT AMBASSADOR TO FRANCE, HAD BEEN APPOINTED FOREIGN MINISTER IN HIS PLACE. PRESIDENT PAID A WARM TRIBUTE TO AGHA SHAHI'S DEDICATION AND DEVOTION DURING A DIFFICULT PERIOD, WHICH HAD WON GREAT RESPECT AND HONOUR FOR PAKISTAN, AND HOPED THAT HIS EXPERIENCE WOULD CONTINUE TO BE AVAILABLE TO THE COUNTRY.

2. THIS IS NO SURPRISE AND HAS BEEN FORECAST ON AND OFF IN THE PRESS OVER THE LAST FEW MONTHS. WE HAVE KNOWN FOR SOME TIME THAT AGHA SHAHI WAS NOT ENTIRELY HAPPY WITH THE INFLUENCE OF THE MILITARY PRIORITIES OF THE GOVERNMENT ON THE DIRECTION OF PAKISTAN'S RECENT FOREIGN POLICY: HE WAS A BHUTTO MAN BY TEMPERAMENT INCLINED TOWARDS NON-ALIGNMENT AND UNHAPPY OVER THE AMERICAN ARMS DEAL. HE WAS NOT A POPULAR FIGURE IN CABINET OR WITH CIVIL SERVANTS. HOWEVER, ZIA APPRECIATED HIS VALUE AND HE SEEMED CONTENT TO CARRY ON UNTIL HIS HEALTH BROKE DOWN DURING THE SUMMER. THIS WAS GENUINE (HIGH BLOOD PRESSURE) AND HE HAD FIRM MEDICAL ADVICE TO EASE UP. HE HAS INCREASINGLY HAD TO TAKE DAYS OFF AND RETIRE TO HIS BED.

3. NOR IS THERE ANY SURPRISE ABOUT HIS SUCCESSOR WHO HAS BEEN TIPPED FOR SOME YEARS FIRST AS A FUTURE FOREIGN SECRETARY AND THEN AS FOREIGN MINISTER. OF AN INDIAN PRINCELY FAMILY, HE HAD A DISTINGUISHED MILITARY CAREER, ENDING UP AS LIEUTENANT GENERAL AND GOC EAST PAKISTAN AND RETIRING PREMATURELY IN 1971 BECAUSE OF DISAGREEMENT WITH GOVERNMENT POLICY IN EAST PAKISTAN. HE HAS HAD AND EQUALLY DISTINGUISHED DIPLOMATIC CAREER, BEING SUCCESSIVELY AMBASSADOR TO FRANCE, THE UNITED STATES, THE USSR AND AGAIN FRANCE. HE SPEAKS FOUR EUROPEAN LANGUAGES APART FROM ENGLISH. HE HAS BEEN SUMMONED OFTEN FROM PARIS OVER THE LAST TWO YEARS TO JOIN THE PAKISTAN DELEGATIONS TO ISLAMIC CONFERENCE MEETINGS, WASHINGTON ETC. HE ACCOMPANIED AGHA SHAHI ON THE RECENT VISIT TO INDIA.

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4. SEE MIFT.

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PAKISTAN INTERNAL

1. PRESIDENT ZIA'S ANNOUNCEMENT OF THE FEDERAL COUNCIL (MAJLIS-I-SHURA) COMPLETES THE 3-TIER PYRAMID OF REPRESENTATIVE BODIES WHICH HE HAS BEEN WORKING ON SINCE ELECTIONS WERE POSTPONED IN OCTOBER 1979, VIZ. THE ELECTED LOCAL COUNCILS, THE PROVINCIAL COUNCILS AND THE FEDERAL COUNCIL. THE LAST HAS BEEN A LONG TIME IN GESTATION. WHEN I SAW ZIA WITH A VISITOR LAST WEEK HE EXPLAINED THIS BY SAYING THAT HE HAD WORKED HARD FOR OVER A YEAR TO GET THE FORMER POLITICAL PARTIES TO COOPERATE IN SELECTING NOMINEES FOR THE COUNCIL, BUT WITHOUT SUCCESS AND EVENTUALLY HE HAD HAD TO DO IT HIMSELF (A NUMBER OF OUR POLITICAL CONTACTS WERE APPROACHED AND REFUSED TO SERVE). HE SAID THAT EVEN NOW HE HAD LEFT 60 ODD PLACES VACANT, PRESUMABLY FOR SOME OF THESE PEOPLE.

2. DESPITE THIS, THE COMPOSITION OF THE COUNCIL LOOKS ON FIRST ANALYSIS SURPRISINGLY BROAD-BASED. THE PROVINCES ARE REPRESENTED ROUGHLY ACCORDING TO THEIR POPULATION AND WITHIN EACH PROVINCE ALL MAJOR INTERESTS AND GROUPINGS APPEAR TO BE REPRESENTED. A NEW FEATURE NOT SEEN IN PREVIOUS ASSEMBLIES IS THE PRESENCE OF REPRESENTATIVES OF THE PROFESSIONS, GENERALLY HOLDERS OF ELECTIVE OFFICE IN THEIR RESPECTIVE PROFESSIONAL BODIES, E.G. DOCTORS, ENGINEERS, LAWYERS, RELIGIOUS LEADERS, FEMINIST GROUPS, TRADE UNIONISTS: THERE IS ALSO A GOOD REPRESENTATION OF BUSINESSMEN AND THE MINORITY RELIGIOUS GROUPS (SEVERAL CHRISTIANS); THE ARMED FORCES ARE NOT REPRESENTED. FOR THE REST, THERE IS A FAIR PROPORTION OF FORMER MINISTERS, CENTRAL AND PROVINCIAL, AND MEMBERS OF EARLIER ASSEMBLIES, INCLUDING THE LAST ONE. THERE IS A FAMILIAR ESTABLISHMENT LOOK ABOUT THE WHOLE THING, WITH MOST OF THE LEADING FAMILIES, INCLUDING THOSE PREVIOUSLY ACTIVE IN POLITICS, REPRESENTED, OFTEN BY MEMBERS OF THE YOUNGER GENERATION. MOST STRIKING IS THE NUMBER OF KNOWN MEMBERS OF POLITICAL PARTIES. THE PRESS ESTIMATES THAT A THIRD OF THE MEMBERSHIP IS EX-PPP (SHUTTO'S PARTY) AND THAT THERE ARE AT LEAST 12 MUSLIM LEAGUE OFFICE HOLDERS. THIS HAS OBVIOUSLY ALARMED THE OLD POLITICAL PARTIES AND EACH OF THEM HAS COME OUT WITH A DENUNCIATION OF THE COUNCIL THREATENING TO EXPEL THEIR MEMBERS WHO TAKE PART IN IT. THE ONLY GROUP WHICH APPEARS TO BE MISSING IS THE FAR LEFT.

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3. THE POWERS OF THE COUNCIL ARE AT PRESENT ADVISORY: THEY HAVE A RIGHT TO BE CONSULTED, TO OFFER ADVICE, TO QUESTION MINISTERS AND TO PROPOSE LEGISLATION. BUT POWER STILL RESIDES ULTIMATELY WITH THE GOVERNMENT. IN MY TALK WITH HIM LAST WEEK, ZIA SAID THAT ALTHOUGH ISLAM PRESCRIBED THAT A HEAD OF STATE MUST CONSULT AND BE ADVISED BY THE REPRESENTATIVES OF THE PEOPLE, HE WAS NOT BOUND TO ACCEPT THAT ADVICE.

4. ZIA HAS SAID THAT HIS IS ONLY AN INTERIM MEASURE AND THAT IT IS DESIGNED TO LEAD, AT AN UNSPECIFIED TIME, TO ELECTIONS AND A NATIONAL ASSEMBLY. IT REMAINS TO BE SEEN HOW LONG THIS RELATIVELY HIGH-POWERED BODY WILL BE CONTENT WITH OFFERING ADVICE, PARTICULARLY IF THE ADVICE IS NOT TAKEN AND IF THEY ARE NOT CONSULTED ABOUT THE MAJOR POLICY DECISIONS, AND HOW LONG IT WILL BE BEFORE THEY DIVIDE INTO REGIONAL OR IDEOLOGICAL GROUPINGS. (ZIA TOLD ME THAT HE WAS SELECTING THE CHAIRMAN HIMSELF BECAUSE OTHERWISE THE COUNCIL WOULD FIGHT OVER FAVOURITE SONS). THE COUNCIL COULD WELL BEGIN TO ACQUIRE A MOMENTUM OF ITS OWN AND SEEK EITHER TO PERPETUATE ITSELF, AS HAS HAPPENED WITH EARLIER PAKISTAN ASSEMBLIES, OR TO PRESS FOR QUICKER PROGRESS TO TRUE DEMOCRACY. AT ANY RATE, ZIA HAS MADE A START ON ASSOCIATING BROADLY REPRESENTATIVE OPINION IN THE COUNTRY WITH THE WORK OF GOVERNMENT. HE HAS CREATED A NEW INSTITUTION AND IT NOW REMAINS TO BE SEEN HOW HE INTENDS TO USE IT.

FCO PLEASE PASS SAYING TO WASHINGTON.

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C.F. your pps?
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Foreign and Commonwealth Office

London SW1A 2AH

mt
2 October 1980

Paul
Prime Minister

Paul
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Jan Julia

I was interested to read your letter of 27 August to the Prime Minister about your visit to Pakistan in July. The acute concern of the Pakistanis about the current situation and their feeling of isolation emerge very clearly. I know that they are disappointed by the general Western reaction to the Afghanistan situation, that of the UK apart (General Zia's exemption of the UK has been echoed in what other Pakistanis have said to us). As to remedies, they do perhaps say different things to different people from time to time. They sometimes talk of the need for a massive programme of support but they are also nervous about possible Soviet reaction to such a programme.

The situation, therefore, is not straightforward. But I am determined that it should be clear to the Pakistanis that they can rely on British support. I have been in close touch with Agha Shahi throughout this crisis and saw him again in New York on 22 September. He and I have a good understanding on what is needed. We are making a contribution through our economic assistance programme but there are limits to what we can do. It is satisfactory that the Japanese have announced a substantial economic assistance package but I have little doubt that others ought to do more.

We are also ready to sell defence equipment to Pakistan. But, as you say, Pakistan needs money. There

/must

The Rt Hon Julian Amery MP

bcc:
Prime Minister ✓
Secretary of State for Defence



must be a role for friendly Islamic countries here. We are giving further thought to this. I hope that following negotiations between Pakistan and the IMF, it will be possible to reach agreement on the rescheduling of Pakistan debts, which should help. We have already cancelled Pakistan's official debts to us.

You reach the important conclusions (a) that the strategic balance can be restored only by the rapid build-up of a massive Western presence in the area; and (b) that the Russians will not withdraw from Afghanistan and will in due course make full use of the country as a base. As the Prime Minister said in her letter to you, remedies are more difficult. There are various measures in hand to strengthen the Western military capability in the area but this is bound to take time. I have noted with interest what President Zia said to you about support for the Resistance. You will not expect me to say more than I have said publicly about that. The main immediate task is to do all we can to continue to expose the Russians to international pressure, particularly from the Third World. There is a real danger that as time wears on others will lose the stomach for this fight. We shall not, and immediately are giving a lot of thought to the next steps at the General Assembly and beyond.

Thank you for all your ideas. They will help our thinking.

(CARRINGTON)



10 DOWNING STREET

THE PRIME MINISTER

8 September 1980

Dear Julian,

Thank you for letting me have such a full account of your talks in Pakistan. I read your report with considerable interest, and agree with much of your analysis. Remedies are of course more difficult, but I shall be discussing your letter with Peter Carrington on his return from leave.

Yours ever

Rogant

The Rt. Hon. Julian Amery, M.P.

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10 DOWNING STREET

From the Private Secretary

8 September 1980

The Foreign and Commonwealth Secretary received a copy of Julian Amery's letter of 27 August to the Prime Minister about his visit to Pakistan. I enclose a copy of the Prime Minister's letter of acknowledgement. I imagine that, in addition to having a word with the Prime Minister, Lord Carrington may wish to send a more detailed commentary to Mr. Amery.

M. O'D. B. ALEXANDER

C. Jebb, Esq.,
Foreign and Commonwealth Office.



FROM: THE RT. HON. JULIAN AMERY, M.P.

112, EATON SQUARE.
SWIW 9AA
TEL: 01-235 1543
01-235 7409

Personal & Confidential

27th August, 1980.

Dear Margaret,

I was in Pakistan from 25th - 28th July, with Bill McLean, at the invitation of President Zia Ul Haq. We had a very full talk on the first night with the President and Shah Nawaz, the PUS at their Foreign Office. This was followed by a detailed briefing from the Director of Military Intelligence, ~~and~~ visits to one of the Afghan refugee camps and to the Khyber Pass. In Peshawar we had lunch (despite Ramadam!) with the Governor of the North West Frontier District, General Fazl Ul Haq and his Chief Secretary who are, I gather, the Pakistan experts on Afghanistan. There were also talks with bankers, industrialists, the Chinese Ambassador and our own Ambassador.

President Zia particularly asked me to give you his greetings and warmest good wishes. He told us he had been deeply impressed by his talks with you and by the contrast between your reactions to the Afghan crisis and those of other Western leaders he had met recently. All of them, as he put it in his soldierly way, seemed "shit-scared of the Russians. Only Mrs. Thatcher kept her head and showed active courage".

One statement of President Zia's deserves, I think, special attention. In the course of our talk, he said that it would be five years before the U.S. had an effective military presence in South West Asia. I countered that Washington claimed that, within 18 months, they could land up to two divisions in Pakistan or Iran. No doubt the Soviets could bring superior forces to bear, but would they dare to shoot the GI's? President Zia thought for a minute or more and then said he believed that they would. Given nuclear parity if not superiority the Soviets could risk a local showdown with the U.S. without fear of escalation. And for Soviet forces to defeat American forces in the field would have disastrous political consequences world wide. This ^{possibility} must make the Americans extremely cautious.

This statement underlines how far President Zia sees Pakistan's position as exposed and isolated. To the East he is confronted by a hostile and, he



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believes covetous India, to the West by a disintegrating Iran, to the North by the Red Army in Afghanistan. Other Islamic countries offer sympathy but their performance seldom lives up to their promises. The Arab states are more concerned with the Palestinian and other inter-Arab issues which they can influence than with the threat from the North against which they are powerless. Pakistan's own military equipment is hopelessly out of date. The American offer of military aid was derisory - "lollipops" was the term he used. The build-up of an American presence in the Indian Ocean area is only just beginning. In any case it is conceived essentially in terms of sea and air power while Pakistan's main centres are a thousand miles from Karachi and could only be defended by forces on the ground.

Seen from Islamabad it looks as if the West may be forced to accept a partition of South West Asia with the Soviets, and one in which Pakistan would fall on the wrong side of the divide. In the circumstances, though the President said nothing to this effect, it would scarcely be surprising if, like Mr. Bhutto before him, he had given serious consideration to a nuclear option. Meanwhile his immediate objective is to keep the pot boiling in Afghanistan so as to make it an unsatisfactory launching pad for further Soviet advances and so gain time.

I attach a note recording in greater detail the impressions formed in the course of our different talks; also a note on the Afghan Resistance. This is largely based on the impressions formed by Bill McLean in the course of a ten day tour from Gilgit on the Chinese border to Baluchistan on the Gulf.

You may not have time to read these so I set out here the main conclusions to which the visit has led me.

1. The Soviet occupation of Afghanistan coupled with the disintegration of Iran and following on the Soviet take-over of Ethiopia and Aden has all but totally upset the balance of power in South West Asia.
2. This situation can only be restored - if at all - by the rapid build-up of a massive Western presence in the area.
3. Initially the Western presence will consist mainly of sea and air power based ~~primarily~~ on Diego Garcia, Mombassa, Berbera and Oman. But it will



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also require a substantial land capability if it is to safeguard the Iranian and Arab oilfields ^{and} on both sides of the Straits of Hormuz, let alone support Pakistan.

4. The Arab states on the Gulf (except for Iraq) have no military potential but can provide money and facilities. Pakistan is the only state in the area with a serious military potential and an administration that works. But it has no money. No amount of Western and other aid could make the Pakistan Army a match for the Red Army. But it could make Pakistan a much tougher nut to crack than it is at present. And small armies can give much larger ones a great deal of trouble, as the Finns taught the Soviets and the Greeks the Italians in the last war. We may lose our money but there is no other horse to back.

5. The Soviets will not withdraw from Afghanistan and, in due course, will contain the Resistance enough to make full use of the country as a base. But we should, as a matter of extreme urgency, ensure a steady supply of arms - especially anti-tank and anti-aircraft weapons - to the Freedom Fighters. President Zia left me in no doubt that he would provide all necessary transit facilities. He would not, I judge, worry too much about the origin of the weapons involved. What matters is to get them in quickly.

6. The United States will have to provide the bulk of the Western military presence. But Britain and other European powers should also make their contribution according to the forces available now and those that can be raised in the future.

7. When it comes to aid to Pakistan and to the Afghan Freedom Fighters, the European Community, Japan and the Arab states in the Gulf are together far richer than the United States. They are also more directly interested in safeguarding Gulf oil. This is a burden which could be taken on quickly by a consortium of all or some of the states concerned. This would be useful in itself and would give encouragement to the United States.

I am copying this letter and its two annexes to Peter Carrington and Francis Pym.

gm
Julian
Julian Amery

The Rt.Hon. Mrs. Margaret Thatcher, M.P.



Note of impressions formed in the light of talks between President Zia Ul Haq and other Pakistani leaders with Mr. Julian Amery and Colonel Neil McLean. 25th - 28th July, 1980.

The House of Commons Select Committee on Foreign Affairs recently concluded that they had "heard no evidence that the invasion of Afghanistan was part of a Soviet Grand Strategy to extend its influence to the Gulf and threaten Western oil supplies". This report had not yet reached Pakistan before I flew home. Bill McLean, however, who stayed on and had further talks with President Zia and Shah Nawaz tells me that it caused consternation in Islamabad. Shah Nawaz, apparently, found it impossible to believe that the British Parliament could indulge in such wishful thinking that he instructed the Embassy in London to check the facts.

President Zia and his colleagues are the natural heirs of the officers and officials who played the Great Game in the days of the Raj. Many of them too are of tribal origin and know Afghanistan well. In their view it has always been the Russian objective to gain control of Afghanistan, not as an end in itself, but as the gateway to the Sub-Continent and the Gulf. No doubt, they say, the Kremlin hoped to achieve this objective through a puppet government and seriously underestimated the extent of Afghan resistance first to Communism and then to the Red Army. But the Soviets will not withdraw their forces. They want control of Afghanistan's communications and airports - of Afghanistan as a base for both military operations and subversion. They cannot have this without a continuing military presence. They could not, as in Cuba, leave a Communist Government in charge. After the anti-Soviet feeling stirred up by the invasion even a regime, non-aligned but friendly to the Soviets, like that of President Daud would be swept away.

Western opinion has fastened on the serious embarrassment which the Soviet aggression has caused Moscow internationally and on the violence of the Afghan Resistance. In Pakistani eyes however these disadvantages are more than offset by the solid military and diplomatic advantages derived by Moscow from the takeover of Afghanistan. Not the least has been the impact on India.

Despite routine denunciations of the Soviet invasion, Delhi is seen as moving towards an undeclared alliance with Moscow. The \$1.6 billion Indo-Soviet arms deal (at heavily discounted prices) and the Indian recognition of the pro-Soviet Government in Kampuchea - with its serious implications for the non-aligned movement - are indications of this. India

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has important economic links with the West. But with the Red Army at Jelalabad less than 300 miles from the Indian border, and with several centres of disaffection in India itself, Delhi is in no position to stand up to the Soviets. Instead by collaborating with them Mrs. Gandhi can hope to secure increased security against China and important gains at Pakistan's expense.

Pakistan's Foreign Minister, Agha Shahi - so we were told - had a reasonably friendly reception on his latest visit to Delhi. But the Pakistani leaders are more concerned with the capability of the Indians than their intentions. Some two thirds of the Indian army are concentrated on the Pakistan border. Indian equipment is far superior to that of Pakistan. Much of the latest Soviet-Indian arms deal consists of tanks and other weapons systems hardly suitable for ^aconfrontation with China in the Himalayas. So what do the Indians want these weapons for? and against whom?

General Zia believes that it is still a main objective of the Indian Government to reunite the Sub Continent under Delhi. They might not go so far as to annex the Punjab and Sind but could well seek to turn both provinces into satellite states. It is not just a question of Indian ambitions. ^{here} Mrs. Gandhi is driven to expansionist policies because she cannot solve India's social, economic and minority problems.

Already, before the invasion of Afghanistan, the Pakistan Army was heavily outnumbered and out-gunned by the Indians. But at least it only had one front to defend. Now the Pakistan forces and the country's capital, Islamabad, are caught in the narrow neck of land which separates the Indian from the Russian armies. And it is 1000 miles from Islamabad to Karachi and the sea.

Another advantage which the Soviets derive from their invasion of Afghanistan is a greatly increased leverage over the situation in Iran. In public the Pakistan leaders profess sympathy and even solidarity with the Teheran regime. This is because of Iranian denunciations of the Soviet invasion of Afghanistan and of the strongly Islamic character of the Khomeini regime. In private, however, their tone is very different. Most of the Iranian officers they worked with in CENTO have been murdered. They regard the Iranian Army as irreparably weakened. They see Iran itself disintegrating despite the efforts of the remaining security forces to contain the separatist movements in Kurdistan and Azerbaijan.



Nevertheless President Zia believes that Khomeini remains the master of the Persian heartland and that nothing can stand against him there. He believes the West should wait six to nine months before attempting any active policy in Iran. He judges the Soviets will do the same. But, once Khomeini ceases to control Teheran, there will be a race for the succession between the pro-Soviet and the pro-Western forces. The West should prepare for this. In such a race the Red Army based on the Soviet Union to the north and now of Afghanistan to the East will have a head start. It is less than 300 miles and easy going all the way from the Afghan border to Bandar Abbas and the Straits of Hormuz. If the Soviets chose to promote an independent Baluchistan under their own or Afghan aegis the Baluchis of Pakistan would almost certainly be drawn in. A partition of Pakistan between India and the Soviet Empire looks very much on the cards.

It seems to be the general view that President Zia and the ruling military junta command the obedience of the country. But the Opposition to them is strong and could become subversive. Mr. Bhutto's sons - we were told - have recently been to Kabul, Damascus and Moscow. Begum Bhutto and her daughter are said to have expressed understanding for the Soviet invasion of Afghanistan. Their supporters are agitating for the compulsory repatriation of the million or so Afghan refugees who, despite international relief, are a heavy burden on the Pakistan economy. If the Soviets want to destabilise Pakistan there is no lack of instruments to hand. Baluchi discontent with the Central Government, alleged Pakistan support for Afghan Resistance, and appeals from the Bhutto Party itself could all provide pretexts for intervention.

How far is such intervention likely? President Zia agrees that Iran is a much more tempting prize for the Soviets than Pakistan. At the same time he judges that the Soviets could get away more easily, in the eyes of international opinion, with a partition of Pakistan between themselves and India than with the takeover of a major oil producer like Iran. They would need a very good pretext to move into Iran.

What then is Pakistani policy and strategy to be? President Zia would clearly welcome massive military aid from the West. But of this there is little sign. In eight hours of discussion with Brzinski they reached no agreed view. The President would also welcome a strong Western



4.

presence in the area and would provide facilities for it in Pakistan if it was on a sufficient scale, since in his judgement Pakistan cannot be defended from the sea. But such a presence will take five years, he believes, to become an effective counterweight to the existing, let alone the potential, Soviet force deployment. Will the Western build-up take place in time? Is the physical power available or the will? Or will the present crisis end in a partition of spheres of influence - another Yalta - leaving Pakistan on the wrong side of the divide? The President is clearly deeply mistrustful of the U.S. administration. "If their present policy continues, the U.S. will be left with only Saudi Arabia and it would be very hard to defend Saudi Arabia without Pakistan".

Thus President Zia's problem, as he sees it, is how to hold the position until the situation clarifies. For ~~that~~ purpose he relies physically on the power of the Army to maintain stability at home and politically on a constant stress on Islamic values.

The military junta which in effect rules Pakistan appears to be united; and any risk of a challenge to President Zia personally has probably been diminished by the recent decision to separate the office of Provincial Governor from that of Corps Commander (except in the case of Baluchistan where his son-in-law holds both).

President Zia is undoubtedly a sincere Moslem and Islamic survival is after all the only *raison d'etre* for Pakistan's existence at all. But he also has strong political reasons for pursuing an ostentatiously Islamic policy. He and his colleagues hope, thereby, to convince Moscow that any attack on Pakistan would strain Soviet relations with the rest of the Islamic world still further. They also hope that it may help them secure financial aid from the oil bearing Arab states. Above all, perhaps, they see in their emphasis on Islamic values the best way of securing mass popular support for their regime as against the modernising values embraced by the Bhutto Party.

The other main plank in his policy is to do all he can to sustain the Afghan Resistance. He knows the Freedom Fighters cannot drive out the Soviets by themselves any more than French or Yugoslav Resistance could drive out the Nazis. But the more of a hornets nest Afghanistan can be made, the more difficult it will be to use it as a base. Precious time may thus be gained.



Note on the Afghan Resistance based on Pakistan Military Intelligence briefing, talks between the Governor and Chief Secretary of the N.W. Frontier Province with Mr. Julian Amery and Colonel Neil McLean, and Colonel McLean's tour of the Afghan border areas.

Afghan resistance is basically tribal. The different racial groups have always had separatist tendencies and were only very lightly administered from Kabul. In so far as the Central Government was tolerated it was because of the prestige and patronage of the dynasty and the mutual bond of Islam. The advent of a Communist and thus anti-Islamic regime caused the eruption of a volcano that had always been smouldering. Left to themselves the Taraki and Amin regimes would have been swept away. But the Soviet invasion ^{to save the new regime} sparked off an explosion of traditional Afghan xenophobia. We have had some experience of this in the past.

The Resistance itself is not total and apart from a few main towns where Soviet garrisons provide some backing for the Communist administration the whole country is virtually "liberated". Even in the towns, Resistance groups are very active.

There are some six main Afghan groups in Pakistan which claim to represent the Resistance and have links with different political forces in the Islamic world. They are useful as channels for raising funds, obtaining arms and mobilising external political support. But they do not, so far at least, control the different Resistance groups inside Afghanistan. These are under their own local leaders and, it seems, operate only in their own areas.

The Pakistanis are naturally anxious to avoid any overt action on their part which could tempt the Russians into hot pursuit operations. There have already been a number of violations of Pakistani air space which they construe as a warning. They have, however, inherited from the Raj a number of agreements between earlier Viceroy's and Afghan rulers which allow the tribes to move freely to and fro across the border. They can thus plead that they are not entitled to intercept border crossings and in any case could not physically do so. Nor, so far, can the Soviets.

This was very evident during the hour or so we spent at the Khyber Pass where there was a constant flow of tribesmen moving both ways with pack animals and occasional lorries and trucks.



2.

There has always been a private enterprise armaments industry in the Pakistani tribal territory; and this is becoming increasingly sophisticated. Asked whether the locals could yet copy Russian type sub-machine guns, the answer was "not yet, probably in the next 2 - 3 months". There is also extensive smuggling of arms through Baluchistan; and Karachi has the advantage of being a Free Port. Students of the free market economy may like to note that the price of rifles etc. fluctuates within about 48 hours of any successful ambush of Soviet forces or defection of Afghan units leading to the capture of Soviet weapons. With any success the price comes down. Soviet occupation of the ^Wachan, however, seems to have cut off any direct line of communication between Afghanistan and China.

The Soviets have some 90,000 troops in Afghanistan and seek to control the Resistance with armoured patrols and helicopter gunships. Most Soviet troops from the Moslem Soviet republics have been withdrawn. Some 11,000 SAS type troops trained in anti-guerilla tactics have been sent in. The Afghan Army itself has been depleted to some 40,000 troops and ^{has} have so far proved more of a liability than an asset to the Soviets. The latter, however, are making some effort to rebuild the Afghan army. According to Pakistani sources 1200 Afghan NCOs have been sent to the USSR for training and another 500 are being retrained in Kabul. The pay of the Afghan Army has been raised; and some 3000 young Parcham Communists are receiving paramilitary training.

Yet despite the "total" nature of the Afghan Resistance - and the word "total" was used repeatedly - the Soviets still have complete control of essential Afghan facilities such as airports and roads. Military transport has to travel in convoy. Bridges have to be guarded. All this imposes a strain on the occupying power (most of the Red Army garrison is employed on internal security) but does not deny it the use of the country as a base for other operations.

Afghan refugees

There are officially some 900,000 Afghan refugees in Pakistan. The Governor of the North West Frontier Province, however, believes the real figure to be well over a million since there are a number of refugees who are not living in camps but with relatives from the same tribes living in Pakistan. Despite international aid, this represents a very heavy burden on the already



3.

weakened Pakistan economy. The Bhutto supporters are agitating to have the refugees repatriated.

We visited one camp, accompanied by the local refugee commissioner, where we met some 300 refugees. Enquiries about their need for food, medicines blankets etc. brought the emphatic reply from their spokesman, loudly supported by all present, "don't bother about those things, give us guns to fight the Russians".

Baluchistan

President Daud encouraged Baluchi separatism and was supported in this by India and Iraq.

The Baluchis gave the Bhutto Government much trouble and led him to imprison their hereditary sirdars. These have now been released, but there is continuing resentment against the number of Punjabi and Sindi officials who administer the province (President Zia's son-in-law is Governor and Corps Commander) and a demand for some form of autonomy. This is to some extent ^{restrained} ~~limited~~ by the fact that a large proportion of the population of Pakistan ~~and~~ Baluchistan is in fact Pathan. Nevertheless any determined Soviet Campaign for Baluchi separatism would inevitably meet with considerable response locally.

N.B. One curious piece of information given to us which might be worth checking is that Soviet Maritime GHQ has been moved ~~from~~ Moscow to Tashkent.



10 DOWNING STREET

*Subject filed in
Pakistan: June 1980:
Visit of Pakistan Foreign Minister.*

From the Private Secretary

17 June 1980

CALL BY THE FOREIGN MINISTER OF PAKISTAN

The Foreign Minister of Pakistan, Mr. Agha Shahi, called on the Prime Minister this afternoon. He was accompanied by the Pakistan Ambassador and by Mr. Riaz Pivacha. Mr. Blaker was also present.

After an exchange of courtesies, Mr. Agha Shahi described to the Prime Minister the background to the establishment of the Committee of Three by the Islamic Conference. He did so in terms very similar to those which he had used with the Foreign and Commonwealth Secretary earlier in the day. The Prime Minister said that the establishment of the Committee of Three had been an admirable initiative. The Soviet Government was sensitive to the pressure of world opinion. The Islamic Conference had done well to sustain this pressure, especially in the non-aligned movement. The conditions being laid down by the Soviet Government for a withdrawal from Afghanistan seemed impossible to meet. The position of a number of tribes across the border between Pakistan and Afghanistan meant that the Soviet requirement for an end to "interference" was unrealistic. In the circumstances it was not easy to envisage a formula which would lead to a Soviet withdrawal.

The Prime Minister asked Mr. Agha Shahi for his views on what sort of government the Afghans would choose if free to do so; whether they would ever learn to cooperate; and whether they would continue to resist the Russians. Mr. Agha Shahi said that there were some distinguished emigres, e.g. Dr. Yussuf, who might have a role to play. However, it was important not to focus too much attention on them for the moment. As regards the leaders of the Resistance, the Committee of Three were conferring political status on them by agreeing to meet them in Geneva. The Babrak Kamal regime would collapse as soon as the Soviet troops departed. Mr. Agha Shahi had made it plain to the Russians that he and his colleagues had no interest in promoting a government hostile to the Soviet Union. At the same time, it was clear that no purpose would be served by installing another puppet regime. If there was to be peace in Afghanistan, the

/new Prime Minister

- 2 -

new Prime Minister would have to be a man respected by the Afghans. Unfortunately, it looked as though the Soviet Government wished to prevent the Standing Committee from making progress. It seemed that they would prefer the Cubans or the Indians to be making the running.

As regards the ability of the Afghans to continue to fight against the Soviet troops, Mr. Agha Shahi said that they had kept the insurgency going for six months against all expectations. They had the will to go on doing so. However, they were suffering great hardship. The Soviet troops dominated the roads and were trying to starve the Afghan forces out of the hills. Moreover, the Afghans found it difficult to cope with the M24 helicopter. They needed anti-helicopter missiles. The Pakistan Government was being pressed to supply the Afghans with arms. However, Mr. Agha Shahi feared that if and when the insurgents succeeded in bringing down helicopters in large numbers, the Russians were likely to react against Pakistan. The position of the Pakistan Government would be impossible if the Russians, or a section of the Afghan army, were to seize a slice of Pakistan territory. Pakistan had no adequate defensive infrastructure in the west of the country.

Reverting to the general political situation, Mr. Agha Shahi said that Chancellor Kreisky, President Ceausescu and Chancellor Schmidt all backed the Islamic Conference initiative. If the Soviet Government were interested in withdrawal, there were real prospects that the Committee of Three would make progress. If, however, their objective was to seek a strategic advantage, then they would no doubt remain in Afghanistan, bringing in more troops if necessary. They would be well placed to act against Western interests in future. Pakistan's own position had been weakened, not only by the Soviet invasion of Afghanistan but also by the change of government in India. When Mr. Desai visited the Soviet Union in 1979 he had been asked to exert pressure against Pakistan in order to divert Pakistan attention from Afghanistan. Mr. Desai had refused, but Mrs. Gandhi was, of course, altogether more unpredictable. If the West were to try to match in Pakistan the massive arms deal which Mrs. Gandhi had just signed with the Soviet Union, they would have to supply equipment to the value of \$6 to 8 billion. Mrs. Gandhi was undermining her country's status as a member of the non-aligned movement.

Mr. Agha Shahi said that it was against this background that he wished to convey to the Prime Minister his Government's modest requests for assistance from HMG. They hoped that they might be supplied with:- a few Sea King helicopters armed with Exocet missiles; night vision devices; laser range finders; mortar locating equipment; surface to surface missiles (equivalent to the American Harpoon missile); and a fleet oiler or destroyer tender. He hoped that the equipment could be provided on easy terms and with the

/earliest

earliest possible delivery date. Mr. Agha Shahi also said that his Government were worried about the Indian Jaguars. The Mirages which the Pakistan Air Force were at present operating were not good enough. But it might be that they would have to continue to make do with them. The Prime Minister said that she would ensure that the Pakistan Government's requests were looked into.

In the non-military field, Mr. Agha Shahi said that his Government would welcome help with building up the infrastructure in the west of the country, particularly the roads and other forms of communication. Finally, he hoped it might be possible for a British team of experts in local government to be sent to Pakistan. President Zia was anxious to devolve powers to the country's regions and districts. Before embarking on a programme, he wished to have the benefit of British advice and expertise. The Prime Minister said that we would do everything we could to help.

At the end of the discussion, the Prime Minister asked Mr. Agha Shahi about the present situation inside Pakistan. Mr. Agha Shahi said that there was a strong feeling that Pakistan was standing alone. If it was possible for the Pakistani Army to be reasonably well equipped, there would be a regrowth of confidence. If, however, the equipment was not forthcoming - and the armed forces had had no new equipment for many, many years - pessimism would take over and the national will to resist external pressure would weaken.

I am sending copies of this letter to Brian Norbury (Ministry of Defence) and David Wright (Cabinet Office).

R.M.J. Lyne, Esq.,
Foreign and Commonwealth Office.

GR 265.

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FM ISLAMABAD 120615Z MAY 80.

TO ROUTINE FCO

TELNO 573 OF 12 MAY.

SAVING TO KABUL, MOSCOW, UKDEL NATO AND WASHINGTON.

MT.

PAKISTAN INTERNAL.

1. THERE HAVE BEEN AT LEAST TWO RECENT MAJOR EXPLOSIONS IN PESHAWAR, IN RATHER DISTURBING CIRCUMSTANCES. THE CENSORED PRESS WAS ALLOWED TO REPORT LAST WEEK THAT A HOUSE OF THE JAMIAT ISLAMI AFGHANI HAD BEEN BLOWN UP. IT WAS SUBSEQUENTLY REPORTED THAT ON 8 MAY THERE HAD BEEN AN EXPLOSION AT A POLICE STATION IN WHICH 12 POLICEMEN AND SIX CIVILIANS DIED AND 18 WERE INJURED. THE POLICE STATION WAS COMPLETELY DESTROYED.

2. PRESIDENT ZIA INCLUDED THE SUBJECT IN HIS BRIEFING OF THE PRESS ON HIS RETURN FROM BELGRADE AND THE PAKISTAN GOVERNMENT HAVE BEEN MAKING KNOWN THEIR CONCERN ABOUT THE SOPHISTICATION OF THESE EXPLOSIONS WHICH THEY DO NOT CONSIDER TO BE EITHER THE WORK OF AFGHAN REBELS OR DISSENTS OR ACCIDENTS INVOLVING AMATEUR BOMBMAKERS. THE EDITOR OF NAWA-I-WAQT TOLD A MEMBER OF MY LOCAL STAFF THAT THE PAKISTAN GOVERNMENT BELIEVED THAT THE K G B WERE INVOLVED AND THAT THERE HAVE BEEN SEVERAL OTHER EXPLOSIONS IN THE PAST TWO MONTHS WHICH HAVE NOT BEEN REPORTED. THERE IS SOME COLLATERAL FOR THIS BELIEF WHICH, TOGETHER WITH FURTHER DETAILS, IS BEING REPORTED ON OTHER CHANNELS.

3. IT IS DIFFICULT TO BE CERTAIN WHAT IS GOING ON BUT WE SHALL CONTINUE TO TRY TO CHECK THESE STORIES AND A MEMBER OF MY CHANCERY STAFF IS IN PESHAWAR TO SEE IF HE CAN DISCOVER MORE. MEANWHILE THERE IS BOUND TO BE SPECULATION THAT THE RUSSIANS ARE TRYING TO GIVE THE PAKISTANIS A STERN WARNING BEFORE THE ISLAMIC CONFERENCE NOT TO ALLOW THE AFGHANS TOO MUCH FREEDOM OF MANOEUVRE WITHIN PAKISTAN.

HIMVCTO C O DESK, PLEASE PASS SAVINGS TO MOSCOW, UKDEL NATO AND WASHINGTON.

THIS TELEGRAM
WAS NOT
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(REPEATED AS REQUESTED)

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TO IMMEDIATE FCO

TELNO 429 OF 16 APRIL

REPEATED FOR INFO IMMEDIATE SALISBURY, ROUTINE WASHINGTON,
MOSCOW AND DELHI.

Ph

SECRETARY OF STATE'S CALL ON GENERAL ZIA.

1. ON THE FOREIGN AFFAIRS FROM THERE HAS BEEN VERY LITTLE MOVEMENT FOR SOME WEEKS NOW. MUCH OF THE SENSE OF PURPOSE WHICH INSPIRED PAKISTAN LAST JANUARY SEEMS TO HAVE BEEN LOST AND DOUBTS AND ARGUMENTS HAVE CREPT IN. RELATIONS WITH THE AMERICANS ARE DETERIORATING. THE SAUDIS HAVE STILL NOT COME UP WITH ANY MONEY. THE NEXT ISLAMIC CONFERENCE MAY TAKE AMORE ANTI-WESTERN STANCE AND PAKISTAN MAY HAVE TO GO ALONG. ZIA IS HOPING TO SEE MRS. GANDHI IN SALISBURY TO TRY TO SECURE A MORE HELPFUL INDIAN POLICY.

2. THERE HAVE BEEN A NUMBER OF REPORTS RECENTLY THAT AGHA SHAHI IS PLANNING SOME SORT OF ACCOMMODATION WITH THE RUSSIANS OR AT LEAST A SOFTENING OF THE ANTI-SOVIET LINE AND THAT THIS IS BEING STRONGLY OPOSED BY ZIA. SIR FREDERIC BENNETT, WHO WAS HERE RECENTLY, PICKED UP INDICATIONS OF THIS. I AM REASONABLY CONFIDENT THAT THE PAKISTANIS WILL CONTINUE TO STAND FIRM, AS ARE THE AMERICANS AND CHINESE HERE. BUT THE PRESSURES ON THEM ARE GREAT AND THE GROWING INDIFFERENCE OF THE REST OF THE WORLD MAY HAVE AN EFFECT. THE SECRETARY OF STATE MIGHT WISH TO TAKE THE OPPORTUNITY OF HAS CALL ON GENERAL SIA AND ANY TALKS HE HAS WITH AGHA SHAHI TO PROBE THE PAKISTAN POSITION FURTHER AND TO SEE IF THERE HAS BEEN ANY WEAKENING IN THEIR RESOLVE.

3. OTHER CAUSE FOR CONCERN HERE, IS THE CONTINUED LACK OF ANY REAL MOVEMENT ON THE INTERNAL FRONT AND INDICATIONS OF INCREASING DISCONTENT WITH ZIA IN THE ARMY AND ELSEWHERE FOR DOING NOTHING AND FOR NOT GIVING A LEAD TO THE COUNTRY.

FORSTER

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TO PRIORITY F C O

TELEGRAM NUMBER 652 OF 8 FEBRUARY 1980

INFO PRIORITY JEDDA, NEW DELHI AND ISLAMABAD

Prime Minister

MAH/2

mt

YOUR TELNO 224 TO ISLAMABAD: BRZEZINSKI'S VISIT TO PAKISTAN.

1. WHEN I SAW BRZEZINSKI TODAY I ASKED HIM WHY THE PAKISTANIS NOW SEEMED RELATIVELY RELAXED ABOUT THE TIME-TABLE FOR RECEIVING ARMS FROM THE UNITED STATES. WERE THEY HOPING TO GET SOME OF THEM FROM ELSEWHERE OR WERE THEY RELUCTANT TO THROW THEMSELVES TOO MUCH INTO AMERICA'S ARMS ?

2. BRZEZINSKI SAID THAT HE HAD BEEN QUITE ENCOURAGED BY HIS VISIT TO PAKISTAN (I THINK THERE WAS CERTAIN AMOUNT OF RELIEF ABOUT IT AND HE GAVE ME A LONG ACCOUNT OF THE JAMMED RIFLE INCIDENT ON THE NORTH WEST FRONTIER) THE PAKISTANIS HAD BEGUN BY SAYING THAT THERE WERE OPTIONS OPEN TO THEM AND THAT THEY DID NOT NECESSARILY HAVE TO STAND UP TO THE SOVIET THREAT. IF THE AMERICANS WANTED THEM TO ADOPT THE OPTION OF RESISTANCE THEY WOULD HAVE TO DO TWO THINGS: SIGN A TREATY OF TERRITORIAL GUARANTEE INCLUDING AN ATTACK FROM INDIA, AND PROVIDE MUCH MORE THAN 400 MILLION DOLLARS WORTH OF MILITARY AND ECONOMIC AID. IN REPLY TO THIS, BRZEZINSKI SAID THAT THERE WAS NO QUESTION OF THE UNITED STATES AGREEING TO A TREATY, LET ALONE ONE WITH A REFERENCE IN IT TO INDIA. NOR WAS THE U.S. PREPARED TO GO ABOVE 400 MILLION DOLLARS WORTH OF AID. THERE COULD BE AN AFFIRMATION BY CONGRESS OF THE 1959 COMMITMENT. THE U.S. HAD DEMONSTRATED ITS INTEREST IN THE AREA AND ITS READINESS TO TAKE THE NECESSARY ACTION IN DEFENCE OF ITS INTERESTS. BRZEZINSKI TOLD ME THAT HE THOUGHT THAT SECURING THE CONFIDENCE OF THE PAKISTANIS WAS A BIT LIKE THE EXERCISE HE HAD BEEN INVOLVED IN A FEW YEARS AGO OF TRYING TO SECURE THE CONFIDENCE OF THE CHINESE. IT WAS A PSYCHOLOGICAL PROBLEM. BOTH CHINA AND PAKISTAN GAVE THE IMPRESSION THAT THEY FEARED THAT THE

/UNITED STATES

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UNITED STATES WAS HESITANT. HE, BRZEZINSKI, HAD ASSURED THEM THAT THE PRESIDENT HAD MADE UP HIS MIND. HE HAD SAID SO SPECIFICALLY. IT WAS WRONG OF THE PAKISTANIS TO QUESTION WHAT THE PRESIDENT HAD SAID.

3. BRZEZINSKI WAS CONFIDENT THAT THE PAKISTANIS DID NOT REALLY THINK THAT THEY HAD ANY OPTION. THEY WERE DETERMINED TO STAND UP TO THE SOVIET UNION. FURTHER DISCUSSIONS WOULD BE TAKING PLACE ABOUT THE SORT OF HELP THEY WOULD BE WANTING IN TERMS OF ARMS. THEY DROPPED ALL REFERENCES TO A TREATY. HE, BRZEZINSKI, WOULD LIKE TO KNOW BRITISH VIEWS - AND NO DOUBT THIS WOULD COME OUT IN THE FURTHER DISCUSSIONS WE WOULD BE HAVING WITH THE AMERICANS - ABOUT THE SORT OF WAY PAKISTAN MIGHT BEST BE HELPED. SEVERAL COUNTRIES WOULD BE INVOLVED. HE SEEMED TO THINK THAT THE U.K.'S CONTRIBUTION MIGHT BE IN GUNS (UNSPECIFIED). THE SAUDIS HAD MADE CLEAR THEIR WILLINGNESS TO PROVIDE SUBSTANTIAL FINANCE, BUT HAD BEEN INSISTENT THAT THE AMERICANS SHOULD NOT REVEAL DETAILS TO ANYONE ELSE SINCE THIS WAS FOR THE PAKISTANIS TO DO IF THEY SO WISHED.

HENDERSON

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Treasury Chambers, Parliament Street, SW1P 3AG

01-233 3000

17 January 1980

MILITARY AID TO PAKISTAN

Your office will have told you that I was not prepared to agree to the proposal in your minute of 11th January to John Nott that we should immediately tell the Pakistan Government that ECGD would be willing to support an additional £14 million of credit to Pakistan to finance arms sales.

My reasons were essentially those to which John Nott has drawn attention in his letter to you of 14th January. As he says, in no possible circumstances could there be a commercial case for increasing ECGD's exposure in Pakistan by £14 million. Pakistan is not by the wildest stretch of the imagination creditworthy. Their official foreign exchange reserves are minimal. Their overall financing requirement increased sharply last year and is likely to do so again this year under the influence of the oil price rises. They have had their aid debts rescheduled many times. They are likely to seek another rescheduling this year and may want the operation to cover officially-supported commercial debt, which would include ECGD-backed debt.

Against that background I think that it would be a travesty of the way in which ECGD are supposed to operate if they were to commit themselves now to substantial new credit guarantees for Pakistan - particularly for arms, which have no potential for earning foreign exchange with which to pay for themselves. John Nott is right to say that we would be dressing up as a loan what would probably turn out to be a grant.

Of course I appreciate the strong political case for bolstering Pakistan's morale at the moment. But if that has to be done by supplying them with arms, I think that the only honest thing to do in present circumstances would be to

/dc so

The Rt. Hon. The Lord Carrington, KCMG, MC



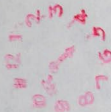
do so on very concessional terms - if not as a gift. I understand that that could be more appropriately done on your Votes than on Francis Pym's. If it was, I would naturally expect that the cost would be accommodated within existing public expenditure planning totals with no claim on the contingency reserve. ||

We will no doubt need to examine these various options more carefully before deciding how to proceed. You may in any case have returned from your visit to Pakistan with a clearer idea of the Pakistanis' likely requirements, and of how far the Americans may be prepared to meet them.

I am copying this letter to the Prime Minister, other members of OD and Sir Robert Armstrong.

(GEOFFREY HOWE)

17 JAN 21





From the Secretary of State

CONFIDENTIAL

The Rt Hon Sir Geoffrey Howe QC MP
Chancellor of the Exchequer
HM Treasury
Treasury Chambers
Parliament Street
London, SW1P 3AG

17 January 1980

Dear Geoffrey

You will have gathered from my reply of 14 January to Peter Carrington about aid for Pakistan that I am concerned at the financial strains falling on the Export Credits Guarantee Department. ECGD is in touch with your officials about this, and I do not want to sound alarmist; but the possible implications for public expenditure need to be noted.

There has recently been an exceptional run of defaults and payments delays in important export markets. Turkey is likely to cost ECGD a total of some £100m in claims, with little sign of her rescheduled payments being honoured at due dates. Zambia is not the only example of protracted payment delays in a market where, for political reasons, we have agreed that ECGD cover should nevertheless be maintained: claims on that market will probably total £40 m this financial year, and the same next. Iran may at best involve claims of about £160 m, of which perhaps less than half may be recovered; and, as recent papers amongst colleagues have pointed out, retaliatory economic warfare with that country could carry ECGD's total payments to some £550 m over the next three years.

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*From the Secretary of State*CONFIDENTIAL

ECGD has of course built up reserves against just such risks; but, as with its counterparts in other countries, these have never been regarded as proof against a truly "disaster" situation. These reserves stand at some £500 m, representing about 3% of total amounts at risk; but not all of this is available as ready cash to pay exporters' claims. If the worst were to happen on Iran and if only one other major new market were to default within the next year or so (for example, neither Brazil nor Korea nor Poland are entirely free of worries, for various reasons), ECGD might well have to seek temporary borrowings from the Consolidated Fund to meet its cash commitments, for the first time since Brazil defaulted in the mid-'50s.

You will doubtless be as anxious as I am that our officials should complete their assessment of prospects with great care and make appropriate recommendations. I need hardly say that ECGD has been taking, and will vigorously continue to take, steps to reduce losses and cut costs whenever the solution lies mainly in its own hands; but I must re-iterate my belief that in recent years there has been too much pressure on ECGD to extend its commitments for particular industrial or political interests. Over-riding cases may continue to occur; but I would hope that hence forth ECGD can be left to operate on its traditional commercial basis to the greatest possible extent.

I am copying this letter to the Prime Minister, Peter Carrington, Keith Joseph, Francis Pym and Sir Robert Armstrong.

Yours ever
John.

FROM:

CONFIDENTIAL

THE RT. HON. LORD HAILSHAM OF ST. MARYLEBONE, C.H., F.R.S., D.C.L.

Pakistan



HOUSE OF LORDS,
SW1A 0PW

17th January 1980

(2)

The Rt Hon The Lord Carrington KCMG MC
Secretary of State for Foreign &
Commonwealth Affairs
Downing Street
Whitehall
SW1.

Prime Minister
Mr. [unclear]
Mr. [unclear]

Dear Peter:

MILITARY AID TO PAKISTAN

I have seen a copy of your Minute of 11 January to John Nott,
and a copy of his letter to you of 14 January.

Encouragement and support of Pakistan is clearly justified
in the present circumstances. But I think we should be cautious
before committing ourselves to the extent proposed in your Minute.
I doubt whether what is suggested (except, conceivably, the guns)
would make the smallest difference to the capacity of the Soviet
Union to take over Pakistan. General Zia is nobody's favourite
person, and probably not very secure. The adverse effect on Indira
Gandhi of the proposed action would need to be taken into account.

I agree with John Nott that we are unlikely to recover the money
and what is presented as a loan will in the event turn out to be
a grant. Given the general financial situation, the proposed action
can in my view be justified only if it has an effect on the USSR
greater than I anticipate and on India less than I anticipate, and on
Zia more than he is likely to prove worth in the end.

I am sending copies of this letter to those who received your
Minute.

I hope I am wrong

Q.
[Signature]

CONFIDENTIAL

21 JAN 1980





From the Secretary of State

Top copy on Trade Jan 80
Export Credits Guarantee Dept
(ECGD) lost Escalation
Cover Scheme (2)

P. Miller

L5.

P. Miller

CONFIDENTIAL

The Rt Hon Sir Geoffrey Howe QC MP
Chancellor of the Exchequer
HM Treasury
Treasury Chambers
Parliament Street
London, SW1P 3AG

MK

17 January 1980

Dear Geoffrey,

You will have gathered from my reply of 14 January to Peter Carrington about aid for Pakistan that I am concerned at the financial strains falling on the Export Credits Guarantee Department. ECGD is in touch with your officials about this, and I do not want to sound alarmist; but the possible implications for public expenditure need to be noted.

There has recently been an exceptional run of defaults and payments delays in important export markets. Turkey is likely to cost ECGD a total of some £100m in claims, with little sign of her rescheduled payments being honoured at due dates. Zambia is not the only example of protracted payment delays in a market where, for political reasons, we have agreed that ECGD cover should nevertheless be maintained: claims on that market will probably total £40 m this financial year, and the same next. Iran may at best involve claims of about £160 m, of which perhaps less than half may be recovered; and, as recent papers amongst colleagues have pointed out, retaliatory economic warfare with that country could carry ECGD's total payments to some £550 m over the next three years.

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From the Secretary of State

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ECGD has of course built up reserves against just such risks; but, as with its counterparts in other countries, these have never been regarded as proof against a truly "disaster" situation. These reserves stand at some £500 m, representing about 3% of total amounts at risk; but not all of this is available as ready cash to pay exporters' claims. If the worst were to happen on Iran and if only one other major new market were to default within the next year or so (for example, neither Brazil nor Korea nor Poland are entirely free of worries, for various reasons), ECGD might well have to seek temporary borrowings from the Consolidated Fund to meet its cash commitments, for the first time since Brazil defaulted in the mid-'50s.

You will doubtless be as anxious as I am that our officials should complete their assessment of prospects with great care and make appropriate recommendations. I need hardly say that ECGD has been taking, and will vigorously continue to take, steps to reduce losses and cut costs whenever the solution lies mainly in its own hands; but I must re-iterate my belief that in recent years there has been too much pressure on ECGD to extend its commitments for particular industrial or political interests. Over-riding cases may continue to occur; but I would hope that hence forth ECGD can be left to operate on its traditional commercial basis to the greatest possible extent.

I am copying this letter to the Prime Minister, Peter Carrington, Keith Joseph, Francis Pym and Sir Robert Armstrong.

Yours ever
Edm.

118 JAN 1980

118 JAN 1980

CONFIDENTIAL

Pakistan



MINISTRY OF DEFENCE
MAIN BUILDING WHITEHALL LONDON SW1
Telephone 01-~~XXXXXX~~ 218 2111/3

CONFIDENTIAL

16th January 1980

MO 6/13

Brian Pym

(2)

Star Rodne

Paul

MILITARY AID TO PAKISTAN

You wrote to Brian Norbury on 10th January about the supply of 105 mm guns and ammunition to Pakistan as a possible part of an increased defence support effort for that country.

I should first confirm that Mr Pym fully shares Lord Carrington's view on the importance of support for Pakistan in the aftermath of the Soviet invasion of Afghanistan. We have registered this point in the context of the separate inter-Departmental correspondence on ECGD cover.

The difficulty we face on the supply of ammunition to go with the 20 x 105 mm guns readily available from stock arises from the serious shortage of all types of 165 mm ammunition which our own Services are facing at present. The Royal Ordnance Factories' current priority is to make up that deficiency and they are already behind schedule in doing so. Only in about eight months' time is there likely to be any spare production which we could consider making available to other purchasers.

In looking for ways round this difficulty we have tried to balance two considerations: first the high priority which should now be given to Pakistan's needs, and secondly the need to

/ avoid ...

R M J Lyne Esq
Foreign and Commonwealth Office

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avoid the serious detriment to our Services' operational capabilities which any further depletion of their stocks would imply. We believe we have found a solution that takes fair account of both factors. Before setting it out I should explain that the ammunition needed for the 105 mm gun has two elements, a shell and a cartridge, and that both are necessary for operation. We assess the Pakistanis' requirement for 20 guns as about 10,000 of each.

We have now located 10,000 "super" cartridges which would be available immediately from sales supply stocks. The Army, if necessary, could provide 5,000 shells. This opens up the following options, which should allow us to meet the Pakistanis' needs in a reasonable time-scale:-

- a. Either we provide them now with 5,000 shells from the Army and 5,000 super cartridges from the sales stock:
- b. Or, if they require a proportion of normal cartridges within the total of 5,000, the Army provides them now with 5,000 shells and up to 5,000 normal cartridges, replenishing its own stocks with a corresponding number of the super cartridges from sales supply;
- c. In either event, the Pakistanis can be offered the remaining 5,000 shells-plus-cartridges from spare ROF production when this is available in eight months' time; it should be noted that this would mean delaying supplies to some other customers, possibly including Oman. The Army would expect to make up any extra deficiency it had incurred itself at the same time.

As you pointed out, the ultimate purpose of the provision of 20 guns to the Pakistanis is to prepare for the production by them under licence of a much larger number of guns, possibly as many as 1,000. This will of course create a longer-term need for ammunition, and in that perspective we would hope also to explore with the Pakistanis the possibility of their

/ acquiring ...

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3

acquiring an additional licence to manufacture this type of ammunition themselves.

Although decisions on the supply of the guns and ammunition, as of any other relevant equipment items, can only be taken in the light of Lord Carrington's discussions in Pakistan, there are some additional points I should like to note at this stage.

- ✓ a. First, the Pakistanis may have ideas of their own about the quantity and type of ammunition they require and we would need to reconsider our own offer in the light of these.
- ✓ b. Secondly, the question of financing the supply of both guns and ammunition remains to be settled. Provided the extra ECGD cover is agreed, the easiest solution for the guns would be to sell them on appropriate credit terms via the IMS. However, it is not ECGD's normal practice to provide credit cover for ammunition and the cost of this (up to £2.5 million) might need to be dealt with separately - presumably as a cash sale.
- ✓ c. Finally, the sale of the guns will pose questions about the longer-term supply of spares (they are sold complete with an initial spares package) and the necessary training for Pakistani operators. We would have to discuss with the FCO the availability of spaces on the appropriate courses; the cost of these could be up to £270,000 depending on the extent of the Pakistanis' present expertise.

I am copying this letter to Michael Alexander at No 10, and to Stuart Hampson at the Department of Trade.

pm

Yours sincerely

James D. S. Dawson
(J D S DAWSON)

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CONFIDENTIAL

Pakistan



MINISTRY OF DEFENCE
MAIN BUILDING WHITEHALL LONDON SW1
Telephone 01-230 7000 218 2111/3

CONFIDENTIAL

15th January 1980

MO 6/13

Stan Rodnic,

La Rhind

MILITARY AID TO PAKISTAN

We spoke this morning about the Foreign and Commonwealth Secretary's minute of 11th January to the Secretary of State for Trade. This is just to put on record the strong MOD support which I expressed for the proposal to make a special extension in the ECGD cover limit for Pakistan, to be used exclusively for the purchase of agreed defence equipment. My Secretary of State shares the view of the general policy and strategic reasons for this put forward by Lord Carrington in his minute; and work is in hand here, as you know, to clarify further the position on the equipment items we might supply to Pakistan once the necessary credit cover was available.

I am copying this to the Private Secretary at No 10, and to the Private Secretaries to other members of OD and Sir Robert Armstrong.

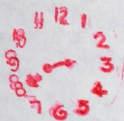
Yours sincerely
Jonathan Dawson

(J D S DAWSON)

R M J Lyne Esq
Foreign and Commonwealth Office

CONFIDENTIAL

16 JAN 1980





CONFIDENTIAL

From the Secretary of State

The Rt Hon The Lord Carrington KCMG MC
Secretary of State for Foreign &
Commonwealth Affairs
Downing Street
Whitehall
SW1

14 January 1980

Dear Peter.

MILITARY AID TO PAKISTAN

You minuted me on 11 January about the possibility of extending ECGD cover to Pakistan.

This comes at a difficult time for ECGD as a result of problems in Iran, Turkey, Zambia and other countries. The Exchequer is for the first time for very many years potentially exposed. I am very anxious that in future ECGD should be left to use its commercial discretion and should not be pressured to take decisions on other grounds, and I shall shortly be minuting colleagues on this point.

In no possible commercial circumstances could a case be made for raising the Pakistan limit by £14m. Nevertheless, if Geoffrey Howe agrees, I regard this as a quite exceptional strategic case. I would not therefore oppose it, although we have to recognise that this money could well be lost and that we are dressing up as a loan

contd/....

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2 -

From the Secretary of State

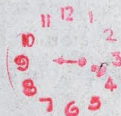
what we shall probably have to regard as a grant.

I am sending copies of this letter to the Prime Minister, other OD colleagues and Sir Robert Armstrong.

Yours ever
John.

JOHN NOTT

115 JAN 1963





CONFIDENTIAL

Pakistan

(2)

Prime Minister

Lt.

11/1

no

FCS/80/11

SECRETARY OF STATE FOR TRADE

Military Aid to Pakistan

1. The Soviet invasion and occupation of Afghanistan is a threat to peace and stability in the region. Pakistan and Iran are the most vulnerable. These are a fragile barrier to Soviet aspirations to dominate the Arabian Gulf and its oil fields and to gain an outlet to the Indian Ocean. The potential threat to vital Western interests is obvious.
2. We can do nothing about Iran at present. Pakistan seems likely to be the prime target and we could show support for her and strengthen her by supplying more defence equipment. Much of her existing equipment is obsolescent. Little has been supplied from Britain in recent years, but Pakistan is currently interested in several types of equipment which we can offer (see Annex A).
3. Pakistan's poor economy and financial situation has constrained her purchasing of defence equipment. British suppliers are unable to ease the constraint by offering credit, because of the lack of credit support. The ECGD cover limit set in December 1979 is £19 million. All of this is committed for the supply of ships. Short of donating arms to Pakistan, for which we have no funds, the only way seen to facilitate commercial supply is to raise the ECGD cover limit. To provide the arms summarised in Annex A would require an increase of £14 million in the ECGD cover limit to a total of £33 million. This increase which I hope can be provided as S2 cover should be reserved for use in buying agreed defence equipment.
4. An increase of this order in ECGD's cover limit may well not be justifiable in terms of the normal economic criteria, but the political argument for bolstering Pakistan's morale is a strong one. The implicit Soviet threat could ultimately be very

/damaging to

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damaging to our own and general Western interests. In my judgement the exceptional action I propose is justified by the circumstances. I invite your support and that of our colleagues for the proposed increase in the ECGD cover limit as probably the least costly way for us to achieve the object.

5. If we are to make further ECGD cover available, there is merit in saying so as soon as possible - ideally during my talks with the Pakistan Government on 15 January. I should therefore be grateful for an early response (which in the first instance might be given to my Private Secretary by telephone, in view of my visit to Islamabad).

6. I am sending copies of this minute to the Prime Minister, other OD colleagues and Sir R Armstrong.

C
/

(CARRINGTON)

Foreign and Commonwealth Office
11 January 1980

CONFIDENTIAL

11 JAN 1980





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ANNEX A

BRITISH DEFENCE EQUIPMENT CURRENTLY OF INTEREST TO PAKISTAN
High Frequency (HF) Manpack Radio

Pakistan has an urgent requirement to replace its ageing communications equipment. Both Plessey and Racal are competing for this order against international competition. A decision is due to be taken by the Pakistan MOD on a short list of three firms from the eight which originally tendered. Plessey are believed to be a favourite. They consider that they have a good chance of getting on to the short list, but availability of credit against Italian/Yugoslav competition is expected to be a decisive factor. It is also possible that in current circumstances the USA will make a radio available as a gift. The prospective order is for 500 sets to be made in country of origin plus a further 4,500 sets to be made in Pakistan and is worth in the order of £20 million over a period of 5-6 years. The value of the initial 500 sets would be approximately £3.5 million. If the financial problems could be resolved and an early decision were made by Pakistan, Plessey estimate that they could start deliveries within 2-3 months and that Pakistan could have its own production lines within a year.

Cymbeline Mortar Locating Radar

The British Embassy in Islamabad has reported that Pakistan is keen to buy Cymbeline mortar locating radar manufactured by EMI Ltd. Similar ~~interest~~ was reported to EMI some time ago by their agents, but it subsequently waned, possibly because of difficulties in securing long term credit. The requirement was for nine radars plus spares and equipment worth about £5 million. Subject to negotiation of financing arrangements (including ECGD cover), deliveries could start 12 months from contract signature and be completed within a further 6 months.

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105mm Light Gun and Ammunition

Discussions have been going on for some time with the Pakistan MOD about a licensing arrangement for local manufacture of 1,000 guns. Quotations were submitted last November. MOD would prefer to make the licensing arrangement subject to supply initially of 50 guns manufactured in Britain. These would cost £5.8 million. 20 guns are available now at a cost of £2.32 million. Ammunition for these (approximately 500 rounds per gun) would add another £2.5 million.

Summary

	<u>£ Million</u>
500 HF Manpack Radios	3.5
9 Cymbeline radars	5.0
20 Light guns	2.3
plus ammunition	2.5
	13.3

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Foreign and Commonwealth Office

London S.W.1

10 January 1980

(2)

Prime Minister

Dear Brian,

Amber

Military Aid to Pakistan

We expect to approach other Departments in the very near future about ways in which we could help Pakistan to acquire additional defence equipment from the UK.

Among the items of equipment which we understand Pakistan would like to buy are 20 x 105 mm Light Guns. They form a particularly attractive part of the package because they are available off the shelf. However, we have been told that 105 mm ammunition is not available from ROF stocks and would take 12-18 months to produce. The only way the ammunition needed could be supplied quickly is from Army stocks.

Lord Carrington appreciates that the Army's first concern must be to fulfil its NATO and home defence commitments. But as we are seeking only 10-12,000 rounds for Pakistan, he hopes that this quantity of ammunition could be made available to accompany the proposed offer of guns. Quite apart from the need to help Pakistani morale in face of developments in the region, there is a prospect of further business. We understand that if the Pakistanis buy the guns, they will wish to manufacture up to 1,000 locally under licence.

In view of the Soviet threat from Afghanistan, we wish to do what we can to help. The guns will help, but self-evidently only with ammunition. Lord Carrington would therefore be grateful if Mr Pym could agree to arrange for the Army to sell the ammunition needed if Pakistan takes up an offer to buy the guns.

I am copying this letter to Michael Alexander at No 10.

yours ever
Roderic Lyne

(R M J Lyne)
Private Secretary

B M Norbury Esq
Private Secretary to
Secretary of State for Defence

CONFIDENTIAL

10 JAN 1971



IMMEDIATE

ADVANCE COPY

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V

DWF F 001/122

LGI NR291/022.

KAR NR782/022.

00 FCO

00 WASHINGTON

00 HSP5

00 MODUK

PP DELHI

PP KABUL

PP KARACHI

GR 670.

CONFIDENTIAL AAD

FM ISLAMABAD 221535Z NOV 79.

TO IMMEDIATE FCO

TELNO 746 OF 22 NOVEMBER

REPEATED FOR INFO IMMEDIATE WASHINGTON, MOD DI4,
PRIORITY DELHI, KABUL, KARACHI.

BURNING OF AMERICAN EMBASSY IN ISLAMABAD.

SAD

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PS / No 10 DS

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PS / LPS

PS / Mr Braken

PS / PUS

Chief Clerk

Mr Cortazzi

Mr Murray

Assessment Staff

DIO

Substantive
Affair.

1810

P. K. Sta

ans

Prime Minister

Pres

BURNING OF AMERICAN EMBASSY IN ISLAMABAD.

1. IT IS STILL NOT EASY TO DETERMINE WHAT LAY BEHIND YESTERDAY'S EVENTS. THERE HAD BEEN SOME RUMOURS AND WARNINGS OF AN ATTACK (AND ATTACKS ON AMERICAN INSTITUTIONS IN KARACHI AND LAHORE TOOK PLACE ON 16 NOVEMBER), BUT THERE HAD BEEN NO PARTICULAR BUILD-UP OF ANTI-AMERICAN FEELING AND NO INDICATION THAT FEELINGS WERE SO INFLAMED THAT THE DESTRUCTION OF THE AMERICAN EMBASSY AND VERY NEARLY OF ITS PERSONNEL WAS A POSSIBILITY. THERE IS SOME EVIDENCE OF PRE-PLANNING ON THE PART OF THE DEMONSTRATORS, POSSIBLY AS A CONTINGENCY IN THE EVENT OF SOME AMERICAN ACTION AGAINST IRAN. BUT IT IS MOST LIKELY THAT THE OUT-BREAK WAS LARGELY TOUCHED OFF BY THE EVENTS IN MECCAS AND BROADCASTS IMPLYING AMERICAN AND ISRAELI IMPLICATION. FEELINGS STARTED TO RUN VERY HIGH IN THE BAZAARS AS SOON AS NEWS OF THESE BROADCASTS WAS RECEIVED DURING THE MORNING. ALSO IT WAS THE EVE OF MUHARRAM, CLASSICALLY THE MONTH FOR TENSION AND TROUBLE AMONG THE MUSLIMS OF THE SUB-CONTINENT. THERE WERE ARABIC SPEAKERS AND IRANIANS AMONG THE STUDENTS AND IT SEEMS LIKELY THAT THERE WAS A SMALL GROUP OF PROFESSIONAL INSTIGATORS AS WELL AS SOME LEFT-WING MILITANTS ANXIOUS TO EMBARRASS THE GOVERNMENT.

2. MORE DIFFICULT TO DETERMINE IS WHY THE POLICE PROVED SO INEFFECTIVE AND THE ARMY TOOK SO LONG TO INTERVENE. IT COULD HAVE BEEN STRAIGHT INEFFICIENCY AND UNDOUBTEDLY THERE WAS A LARGE ELEMENT OF THAT BUT I AM INCLINED TO THINK THAT TO AN EXTENT IT WAS DELIBERATE. THE EXPLANATIONS MAY BE :-

(I) ZIA HAS INCREASINGLY MADE ISLAMISATION THE MAIN FEATURE OF HIS POLICY (HE HAD SPENT THE MORNING DELIVERING ISLAMIC EXHORTATIONS IN RAWALPINDI ON A BICYCLE, THUS, ACCORDING TO THE M F A TYING UP LARGE NUMBERS OF SECURITY FORCES), AND SINCE THE DEMONSTRATORS WOULD SEEM TO BE ATTACKING THE EMBASSY IN THE CAUSE OF ISLAM HE FELT HE HAD TO SHOW SOME SUPPORT FOR THEM.

(II) SWIFT AND BRUTAL ARMY ACTION MIGHT HAVE TOUCHED OFF FURTHER TROUBLE PARTICULARLY BETWEEN SHIAS AND SUNNIS AND HE MAY HAVE THOUGHT IT BEST TO LET THE STORM BLOW ITSELF OUT ON THE AMERICANS.

(III) SWIFT ACTION WOULD PROBABLY HAVE INVOLVED THE ARMY IN FIRING ON THE MOB WHICH WOULD HAVE INCREASED ITS UNPOPULARITY IN THE COUNTRY.

(IV) IT IS CONCEIVABLE THAT THIS WAS ANOTHER INDICATION OF STRAINED RELATIONS BETWEEN ZIA AND THE ARMY COUNCIL. ZIA APPEARED TO BE

YESTERDAY'S
ATTACK
TOOK
UP

(IV) IT IS CONCEIVABLE THAT THIS WAS ANOTHER INDICATION OF STRAINED RELATIONS BETWEEN ZIA AND THE ARMY COUNCIL. ZIA APPEARED TO BE RUNNING THE WHOLE SHOW HIMSELF AND NONE OF THE OTHER GENERALS CAME INTO IT. THEY MAY HAVE DECIDED TO LET HIM SORT THIS ONE OUT HIMSELF RATHER THAN INVOLVE THE ARMY IN UNPOPULAR ACTION. IF THERE WAS A DELIBERATE DELAY, AND ALL THE ABOVE IS PURELY SPECULATIVE, THEN OF COURSE IT WAS TOTALLY IRRESPONSIBLE. THE AFFAIR GOT COMPLETELY OUT OF HAND AND IT WAS DUE TO LUCK RATHER THAN THE ARMY THAT ONLY TWO AMERICANS WERE KILLED.

3. THE FUTURE IS ALSO DIFFICULT TO PREDICT. IT MAY BE THAT THE STORM HAS BLOWN ITSELF OUT AND THAT SUCH MANIFESTATIONS AS THERE ARE OF A MILITARY PRESENCE WILL DETER ANY FURTHER TROUBLE. OR, HAVING ACHIEVED ONE SUCCESS, THE DEMONSTRATORS MAY BE WAITING FOR THE RIGHT MOMENT FOR ANOTHER SWIFT ATTACK. CLEARLY WE IN THIS EMBASSY ARE A LIKELY TARGET FOR ANY FURTHER ATTACK. THE AMERICAN EMBASSY HAS BEEN DESTROYED AND NOTHING MORE CAN BE DONE THERE, SO WE COULD BE THE NEXT TARGET. THIS IS LIKELY TO DEPEND ON EXTERNAL EVENTS, PARTICULARLY IN IRAN. STRONG AMERICAN ACTION AGAINST THE IRANIANS COULD LEAD TO AN OUTBURST HERE DIRECTED AGAINST US AS A FURROGATE. WE WILL CONTINUE TO WATCH THE SITUATION CLOSELY. AS YOU KNOW THE AMERICANS ARE PULLING OUT MOST OF THEIR STAFF AND ALL DEPENDANTS (WE HAVE AGREED WITH U.S. EMBASSY TO USE THIS EMBASSY'S GROUNDS AS MARSHALLING POINT FOR U.S. EVACUEES DURING COVER OF DARKNESS TONIGHT. THIS WILL BE DONE WITH FULL PAKISTAN MILITARY COOPERATION AND PROTECTION). I DO NOT THINK THAT, SO FAR AS THIS EMBASSY IS CONCERNED, THE RISKS AS YET CALL FOR SIMILAR ACTION ON OUR PART. I CONTINUE TO RECEIVE ASSURANCES OF FULL PROTECTION FROM FOREIGN SECRETARY, DEPUTY CHIEF MARTIAL LAW ADMINISTRATOR AND OTHERS.

FORSTER.

BT

ans

NNNNQ

PAKISTAN INTERNAL SITUATION: ADVANCE COPIES

PS
PS/SIR I GILMOUR
PS/MR BLAKER
PS/PUS
MR CORTAZZI
MR MURRAY
MR FIGG
MR P H MOBERLY

IMMEDIATE

PS/NO 10 DOWNING ST
DIO {CABINET OFFICE

Arrangements Staff

HD, Sec D

HD/NAID

HD/SAD

PUSD (2)

OTD (2)

HD/CONS DEPT

CONS EM UNIT

NEWS DEPT
RESIDENT CLERK

(rec/w.H.)

CR 220.

CONFIDENTIAL

DECKBY 220830Z

FM ISLAMABAD 220740Z NOV 79

TO IMMEDIATE FCO

TELNO 742 OF 22 NOVEMBER

REPEATED FOR INFO IMMEDIATE WASHINGTON, KARACHI, MOD DIA.

ISLAMABAD SITREP.

1. THE U.S. EMBASSY AND COMPOUND IS NOW TOTALLY DESTROYED, EMPTY AND UNDER GUARD. ONE MORE BODY (PRESUMED TO BE THAT OF ELLIS) HAS BEEN DISCOVERED IN THE WRECKAGE. THE EMBASSY STAFF HAVE MOVED TO THE USAID BUILDING (TELEPHONE ISLAMABAD 24017). THE U.S. AMBASSADOR HAS INFORMED ZIA OF WASHINGTON'S DECISION TO WITHDRAW DEPENDENTS AND NON-ESSENTIAL STAFF.

2. THE CITY IS QUIET BUT FOR KNOTS OF CITIZENS READING THE PAPERS. A FEW TROOPS ARE PATROLLING IN LORRIES BUT THERE ARE NO SIGNS OF ANY PICKETS.

2. THE CITY IS QUIET BUT FOR KNOTS OF CITIZENS READING THE PAPERS. A FEW TROOPS ARE PATROLLING IN LORRIES BUT THERE ARE NO SIGNS OF ANY PICKETS.

3. DESPITE PERSONAL ASSURANCES FROM ZIA THAT WE WOULD CONTINUE TO BE ADEQUATELY PROTECTED TODAY MILITARY GUARDS HAVE BEEN WITHDRAWN FROM EMBASSY AND REPLACED WITH 40-MAN ARMED POLICE PATROL WITH NO RADIO COMMUNICATIONS. THERE ARE SMALL BUT IRREGULAR MILITARY PATROLS AROUND THE DIPLOMATIC ENCLAVE AREA. WE ARE CONTINUING TO PRESS FOR ADEQUATE PROTECTION FOR THE EMBASSY AND FOR THE COMPOUND AND BRITISH COUNCIL OFFICES (WHICH HAVE NOT YET RECEIVED ANY PROTECTION AT ALL DESPITE CONTINUOUS REQUESTS).

4. THE B.C. LIBRARY IN RAWALPINDI HAS BEEN EXTENSIVELY DAMAGED AND OVER 12,000 VOLUMES DESTROYED. WE SHALL BE SUBMITTING PROTEST AND DEMAND FOR COMPENSATION TO M F A TODAY. VISITORS TO RAWALPINDI THIS MORNING REPORT MOB DAMAGE TO OFFICES OF PAN-AM AND LUFTHANSA BUT NOT (NOT) BRITISH AIRWAYS. THE BRITISH AIRWAYS FLIGHT CAME AND LEFT TODAY WITHOUT INCIDENT.

5. THERE WERE REPORTS OF MOBS IN PESHAWAR THIS MORNING BUT WE HAVE NOW HEARD THAT THEY HAVE BEEN DISPERSED.

6. WE ARE STILL COOPERATING WITH U.S. EMBASSY ON COMMUNICATIONS.

FORSTER.

BT

NNNN

PRIME MINISTER

Pakistan

Latest reports of the situation in Islamabad are not encouraging.

The main target is the American Embassy. One American marine has already been killed. The 60 odd US staff are now retreating into a protected vault in the centre of their building.

The British library in Rawalpindi has been stoned. Staff have been evacuated from the libraries in both Rawalpindi and Islamabad. There has been no direct threat to the British Embassy yet, but the unruly mob in the city could quite easily divert its attention to the British Embassy.

President Zia is avoiding receiving calls from the British Ambassador. We have however made contact with Zia through the Pakistan Ambassador in London. He reports that President Zia accepts responsibility for the protection of diplomatic staff, and has ordered increased protection. The Foreign Office have been in telephone contact with the British Embassy, who report no sign of the promised further protection. The Lord Privy Seal will be attempting to speak to President Zia by telephone to reinforce British concern both for British staff and for the safety of American staff.

The occasion of the trouble is reports of CIA/Israeli involvement in the take-over of the Mecca mosque.

MAD

21 November 1979

GR150

UNCLASSIFIED

FM ISLAMABAD 211645Z NOV 79

TO FLASH FCO

TELNO 737 OF 21 NOV 79

AND FLASH TO WASHINGTON

Prime Minister ②

ISLAMABAD SITREP.

21. 11. 79

NEARLY ALL AMERICANS HAVE SAFELY EVACUATED THE EMBASSY WHICH IS A BURNT OUT SHELL. MOST OF THE AMERICAN QUARTERS IN THE COMPOUND HAVE BEEN WRECKED: THERE IS ONE DEAD MARINE AND SOME US STAFF ARE UNACCOUNTED FOR. A LARGE PARTY OF AMERICANS ARE SHELTERING IN OUR EMBASSY. ANOTHER SMALL GROUP ARE REPORTED SAFE WITH THE PAKISTAN MILITARY. BRIGADIER SARFAZ HAS BROUGHT 16 RESCUED AMERICANS TO THE MFA.

WE HAVE ONLY ONE SUBALTERN AND 15 TROOPS AS PROTECTION HERE. BRIGADIER SARFAZ WAS SAID BY PRISIDENT ZIA TO BE BRINGING REINFORCEMENTS BUT THERE IS NO SIGN OF THEM YET.

2. PRESIDENT ZIA SPOKE BY TELEPHONE TO THE AMERICAN AMBASSADOR WHO IS USING THIS EMBASSY AS HIS FORWARD HQ. THE AMBASSADOR ASKED FOR EXTRA MILITARY PROTECTION FOR ALL HIS PEOPLE ESPECIALLY THOSE WHO ARE HERE WITH US. (THERE ARE REPORTS THAT SOME OF THE MOB ARE OUT LOOKING FOR AMERICANS AND WE BELIEVE THAT 4 AT LEAST ARE BEING HELD AS HOSTAGES). THE AMBASSADOR ALSO ASKED ZIA FOR A THOROUGH SEARCH OF THE WHOLE US COMPOUND FOR ANYONE WHO MIGHT BE LEFT IN THERE ALIVE

3. WE HOPE TO TELEGRAPH A LIST OF ALL US ACCOUNTED FOR BEFORE LONG.

FORSTER.

FCO/WHITEHALL DISTRIBUTION:
SAD

out.

GRS 480

CONFIDENTIAL

CONFIDENTIAL

Pakistan

FM ISLAMABAD 1711100Z OCT

DESKBY FCO 171300Z

FM ISLAMABAD 171020Z OCT 79

TO IMMEDIATE FCO

TEL NO 634 OF 17 OCTOBER

INFO IMMEDIATE DELHI, KARACHI, MODUK DI4, WASHINGTON, BOMBAY (FOR
MR RAISSON'S PARTY)

SAVING KABUL, TEHRAN

Prime Minister

MODUK PSE PASS DI4.

Ans

MIPT: PAKISTAN POLITICAL: COMMENT

1. ZIA'S DILEMMA, ALBEIT PARTLY OF HIS OWN MAKING, HAS BEEN A DIFFICULT ONE - HOW TO HAND OVER POWER AND WHOM TO HAND IT OVER TO WITHOUT LETTING THE PPP COME BACK. I BELIEVE HIS COMMITMENT TO DEMOCRACY IN 1977 WAS GENUINE AND THAT HE SUBSEQUENTLY HOPED TO CONTRIVE A SITUATION IN WHICH THERE COULD BE ELECTIONS WITHOUT THE PPP. HOWEVER, WHEN THE LOCAL ELECTIONS MADE CLEAR THE CONTINUING STRENGTH OF THE PPP, AND WHEN EVENTUALLY THE PNA REFUSED TO COOPERATE WITH ZIA'S GROUND RULES FOR THE ELECTIONS, HE WAS FACED WITH HOLDING A BOGUS ELECTION OR CANCELLING IT.

2. I DO NOT THEREFORE SUBSCRIBE TO THE VIEW THAT ALL ZIA'S ACTIONS HAVE BEEN AN ELABORATE CHARADE AND THAT HE WAS ALL ALONG DETERMINED TO REMAIN AN AUTHORITARIAN RULER. BUT I DO NOT THINK THAT HE IS A DEMOCRAT AT HEART. IN PRIVATE HE REFERS TO THE "GOLDEN DAYS" UNDER AYUB, AND THERE IS SOME EVIDENCE THAT HE IS BEGINNING TO ENJOY POWER: AS A SLODIER AUTHORITARIAN METHODS OF GOVERNMENT COME NATURALLY. SOME OF HIS STATEMENTS, PARTICULARLY ON ISLAMISATION, ARE BEGINNING TO TAKE ON A MESSIANIC FLAVOUR. BUT HE AND THOSE AROUND HIM SEEM TO BE AWARE OF THE DANGERS OF A LONG PERIOD OF ARMY RULE. THE NEW MEASURES WHICH HE HAS ANNOUNCED ARE TOUGH, BUT PROVIDED THAT THERE IS NO VIOLENT REACTION, THERE IS A REASONABLE PROSPECT THAT ONCE THEY HAVE SERVED THEIR PURPOSE IN HEADING OFF TROUBLE, A Milder REGIME WILL BE TOLERATED IN PRACTICE. CERTAINLY SINCE I HAVE BEEN HERE THE REGIME HAS PRESENTED A GENTLEFACE WITH NO ARBITRARY ARRESTS, A FREE AND RELATIVELY OUTSPOKEN PRESS AND, DESPITE THE PUBLICITY, NO HAND-CHOPPOINGS. IT NOW HAS THE TRAPPINGS OF A MORE CONVENTIONAL MILITARY DICTATORSHIP AND IT REMAINS TO BE SEEN HOW FAR THESE POWERS WILL BE USED.

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3. LOOKING TO THE FUTURE, ZIA HAS NOW RID HIMSELF OF THE SHORT TERM PROBLEMS WHICH HE HAD MADE FOR HIMSELF BY FIXING A DAY FOR ELECTIONS .HOWEVER, BY INDEFINITE POSTPONEMENT OF A POLL HE HAS LEFT THE POLITICIANS, AND INDEED ANYONE ELSE OPPOSED TO HIM, WITH NO WAY OF EXPRESSING OPPOSITION OR OF PREPARING FOR THE RETURN OF DEMOCRACY. ZIA'S FELLOW-GENRALS IN THE ARMY COUNCIL ARE PROBABLY NOW THE BEST CHECK ON HIM. THEY WILL NEIGHER WANT HIM TO BECOME TOO STRONG PERSONALLY NOR WILL THEY RELISH THE PROSPECT OF THE ARMY BECOMING THE FOCUS FOR DISCONTENT. THEY KNOW THAT THE COUNTRY NEEDS 3 TO 4 YEARS OF STABLE GOVERNMENT TO SORT OUT ITS ECONOMIC AND POLITICAL PROBLEMS AND THEY NO DOUBT BELIEVE THAT A MARTIAL LAW REGIME IS THE BEST WAY TO PROVIDE THIS, (MANY EDUCATED PAKISTANIS WOULD AGREE WITH THEM) BUT THEY WILL KNOW FROM THE PREVIOUS HISTORY OF THIS COUNTRY, AND PARTICULARLY YAHYA KHAN'S TROUBLED REIGN WHERE THIS CAN LEAD.

4. SEE MIFT.

FCO PASS SAVING TEHRAN .

FORSTER

(REPEATED AS REQUESTED)

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