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Foreign and Commonwealth Office

CONFIDENTIAL London SWIA 2AH

28 August 1990

Near Charles,

Afghanistan

The Foreign Secretary has been reviewing the situation in Afghanistan and believes the Prime Minister may wish to know of recent developments.

I enclose a note which concludes that disunity within the resistance is increasing rather than diminishing, and that they do not currently pose a coherent and credible challenge, military or political, to the regime. Najibullah has had some success in attempting to widen the regime's appeal, although his measures are largely cosmetic. There is a growing possibility that before the end of the year the US and the Soviet Union could agree on a settlement which the regime could accept and which might split the resistance. This in turn could lead to further UN involvement and requests for more active British involvement.

Three recent developments are relevant to this assessment. First, Najibullah has been absent from Kabul, in the Soviet Union, for an unprecedented three weeks. An acting President has been appointed in his absence for the first time. This may presage political changes. Secondly, we have seen no signs yet that the crisis in the Gulf is causing the Saudis or the Pakistanis to withdraw their backing for the resistance. The Pakistanis are sending 5,000 troops to Saudi Arabia. Thirdly, the change of government in Islamabad could invigorate Pakistan's support for the resistance, while reinforcing the existing division between the moderate and hardline factions.

None of this need affect the progress of the bilateral US/Soviet Union talks as long as the principals retain the energy to keep addressing the issues. We shall remain in touch with the Americans. Real progress has been made and they could be on the verge of a deal.

(S L Cass)
Private Secretary

C D Powell Esq 10 Downing Street



AFGHANISTAN

In the last year, the <u>resistance</u> have had nothing but setbacks. Militarily, they have not actually lost ground inside Afghanistan, but they have failed to capture cities or to make any significant gains. There have been serious supply difficulties from Pakistan. There are frequent reports of different resistance groups fighting each other, rather than the Afghan Government forces. The continual rocketing of regime-held cities has caused many civilian casualties, and has lost sympathy for the resistance. Politically, the various resistance groups are more divided than ever, unable to agree even the basic principles of a programme. The Afghan Interim Government whose initial mandate ended on 15 February, has failed to find a successor body, although it is itself unpopular and widely held to be weak and unrepresentative.

The growing extremism and Islamic fanaticism shown by some resistance groups, particularly Hekmatyar's Hezb-i-Islami, risks driving away Western aid agencies and alienating the more moderate groups. There have been a series of threats and brutal attacks against aid workers. These have all been attributed to Hezb-i-Islami and caused the withdrawal of a number of aid agencies. Hekmatyar previously enjoyed the main support of the Americans, the Saudis and the Pakistanis, who saw him as the best prospect for securing a military victory. He still says this is his aim, although it looks increasingly unrealistic. His own opportunistic support for the abortive coup attempt by the regime's Defence Minister, General Tanai, in March, has lost him support among other parts of the resistance. Nevertheless,

/Saudi

Saudi support for him continues, and there is some evidence that the new Pakistan caretaker Government will step up its support for him (not least in return for the assistance Hekmatyar has given in supporting Kashmiri extremists).

The <u>regime</u> have likewise made no military progress, although they continue to control most of the cities. They still depend on the large amounts of military and non-military supplies they receive from the Soviet Union. But they have survived for 18 months, despite many predictions that they would collapse as soon as Soviet troops withdrew. Indeed, they are if anything stronger now than before Najibullah launched a programme of "national reconciliation", under which he changed the name of his Party (to Watan, or Homeland Party) and appointed a non-Party Prime Minister. Although he has retained all real power in his own hands, he has undeniably increased his regime's acceptability to many Afghans.

The bilateral talks between the US and Soviet Union offer the best hope of making real progress. Regular exchanges this year at official and Ministerial level have got down to the fine detail of a settlement process. In parallel, the UN Secretary General's personal representative, Benon Sevan, continues wide-ranging consultations with all parties, including Najibullah, in an effort to identify possibilities for a settlement. The Soviet Union appears to be trying genuinely to make the talks succeed. The key issue still remains whether Najibullah should retain power during an interim period leading up to internationally supervised elections. The latest Soviet proposal is that, while Najibullah might remain Head of State, the actual business of government during the electoral period would be entrusted to an Electoral Commission. This proposal was discussed by Mr Baker at his most recent meeting with Mr Shevardnadze at Irkutsk on 2 August. Little progress seems to have been made there, and consideration of Afghanistan has since been overshadowed by the Gulf crisis. But it is clear that the

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idea of an Electoral Commission has considerable interest for both sides. In the meantime, the UN are continuing to draw up plans for implementing any agreement which may be reached between the superpowers.

The <u>Americans</u> want a political settlement, partly because of Congressional pressures, and partly because Afghanistan is fast becoming yesterday's war and one of the last remaining conflicts of the Brezhnev era. Although some Congressmen still favour support for the resistance, many see no reason to continue funding when:-

- (a) the Russians have withdrawn;
- (b) the resistance is getting nowhere; and
- (c) some parts of the resistance are turning nastily anti-Western.

The Senate Intelligence Committee voted in mid-July to cut military aid to the resistance by a third (though this has not yet been approved by the House Committee).

The Russians also want a settlement, so they can stop pouring aid into Afghanistan and wind up this residual dispute with the US which could hold up Western economic support to the Soviet Union. Najibullah goes along with the idea of a settlement partly because the Russians are telling him to, and partly because he may well fancy his chances in any election against the chronically disorganised resistance. Although the resistance, especially Hekmatyar, are clinging to the hope of a victory, the moderate groups are becoming disillusioned by the poor prospects, and by their failure even to achieve a common front. If the Americans and Russians agree a programme leading to free elections, the moderate groups in the resistance may well break ranks and support it. Hekmatyar himself still receives large amounts of Saudi aid, is heavily armed, and enjoys much support from Pakistan. He is unlikely to agree to any compromise.

The major problem still outstanding is the return of the over 5 million refugees from Pakistan and Iran. The UNHCR have launched a programme for this. But it is making slow progress. Its prospects are doubtful given the continued dangers, especially from mines and the shortages of food inside Afghanistan; and, for the men, the relative comfort and ready availability of guns in the camps in Pakistan.

HMG's direct involvement is limited. We are not party to the US-Soviet talks, although we are following them closely through the Americans The next UN development is likely to be the resolution on Afghanistan at this year's General Assembly. Advance preparation between Pakistan, the US and the Soviet Union should again succeed in achieving a consensus resolution. If the US-Soviet talks do bear fruit, we shall, as a Permanent Member of the Security Council, need to know what is happening in Afghanistan as preparations are made to hold elections. is clear that the UN intend to play a major part in this process. We shall be invited to contribute. There will be considerable international and domestic interest. All this could in due course make it advisable to reopen our Embassy in Kabul.

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