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Authority NND 009 021
By MN NARA Date 1/29/08

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A/ISS/IPS, Department of State
E.O. 12958, as amended
October 11, 2007

THE WHITE HOUSE

WASH

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SECRET (XGDS)

MEMORANDUM OF CONVERSATION

PARTICIPANTS:

Zulfikar Ali Bhutto, Prime Minister of Pakistan
Aziz Ahmed, Minister of State for Defense and Foreign Affairs
Agha Shahi, Foreign Secretary
Rafi Raza, Minister of Production, Industries and Town Planning
His Excellency Sahabzada Yaqub-Khan, Pakistan Ambassador to the U. S.

Henry A. Kissinger, Secretary of State
Henry Byroade, U.S. Ambassador to Pakistan
Winston Lord, Director, Policy Planning Staff
Alfred L. Atherton, Assistant Secretary of State for Near Eastern and South Asian Affairs
Bruce Laingen, Acting Deputy Assistant Secretary of State for Near Eastern and South Asian Affairs
Robert B. Oakley, NSC Staff

CLASSIFIED BY FRANK WISNER
SUBJECT TO GENERAL DECLASSIFICATION
SCHEDULE OF EXECUTIVE ORDER 11652
AUTOMATICALLY DOWNGRADED AT TWO-
YEAR INTERVALS AND DECLASSIFIED ON
DECEMBER 31, -----

PLACE:

Prime Minister's Office, Islamabad, Pakistan

DATE AND TIME:

October 31, 1974, 1400 - 1530

Bhutto:

Did you get some rest?

Kissinger:

Not much. I have been working on my World Food Conference Speech. I am learning a lot about agriculture. I am trying to say something at Rome despite the united opposition of the bureaucracy in Washington. For once the problem is not my favorite whipping boy, the Foreign Service, but the people in agriculture. They are accustomed to selling on a free market when there is a surplus whereas there is now a need to allocate resources. This is a new conception and they are not geared to it.

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BYAUTH - Dr. Henry A. Kissinger
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Bhutto: I remember we had a team of American advisors on our development program in the early 1960s, from Harvard I think. They advised us not to become self-sufficient in wheat but to industrialize instead because there would always be a U.S. surplus.

Kissinger: I was told of two problems when I first came into the government. One was whether to use U.S. oil at \$2.75 a barrel or to use Arab oil at \$2.25 a barrel. I was told that the thing to do was to use Arab oil so our oil would stay at the same price. Then there was the proposition of the Shah to guarantee us a 25-year supply of all of Iran's oil production at a fixed price of about \$4 a barrel. The experts rejected this on the grounds it would be seen as a plot against Libya. If we had made that deal we would not have trouble today.

Bhutto: You certainly should have taken it. Let me tell you how welcome you and Mrs. Kissinger are here in Pakistan.

Kissinger: She is at Murree. The last time a Kissinger went to a Pakistan hill station, he ended up in China.

Bhutto: I hope Nancy comes back. The last time you were here you were so fatigued. Your eyes were leaden. I thought it would be cruel to talk to you about our small problems.

Kissinger: Strangely enough, I remember that talk more clearly than all the others I had on that long trip.

Bhutto: But we did not talk about women.

Kissinger: Don't say that in front of my wife.

Bhutto: There will be a party for the two of you tonight. But we will have a protocol problem among ourselves. Aziz Ahmed is a former bureaucrat and very conscious of protocol while I am formally the Foreign Minister. I am also the Minister of Defense since one has to maintain tight control in order to avoid a coup.

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Kissinger: There is no protocol problem with me. I accept Aziz Ahmed as your spokesman for foreign affairs. We welcome him as a friend.

Bhutto: We have no problems between our countries. We are your friend and your ally. We would like to have your views on our area of the world, which includes a little of the Middle East such as Egypt, Iran and Saudi Arabia. We have good relations with the other Arabs, too, including Syria and Algeria, with whom we have an excellent rapport.

Kissinger: I like both those men very much. They are strong men yet they are real human beings with lots of emotion.

Bhutto: I would have liked to have seen you in Moscow where we were staying next to each other.

Kissinger: I tried to get the Russians to let me see you. I referred to this often in my talks with them but they never took the hint. You have to hit them over the head with a mallet to get them to understand. I even told the Soviets that the Chinese had arranged for me to meet you when we were in Peking at the same time. This usually makes them do the same thing in order to keep up.

Bhutto: What about the draft communique? There is a small change I wish you could accept on no hegemony in the region.

Kissinger: I understand a problem has been raised about this. But we do not see the present phrase at all as endorsing the hegemony of India. Rather we see it as a lever against the USSR. To be quite frank, I never thought about the special Indian interpretation until Ambassador Byroade talked to me this morning. But in any event, you can be sure we will not be influenced at all by what the Indians say the phrase means but by our own perception of the situation. Our interpretation is that we are free to help you in an emergency. You will soon see President Ford and he will tell you himself that is still our position. Those are the judgments that will matter and not some dependent clause in a communique. What counts is our perception. Maybe I did not analyze this enough but it never occurred to me that you could be upset.

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Bhutto: I don't argue over small things like a few words of a communique. It is our talks that count. But someone in the Foreign Office saw it as a sort of a Monroe Doctrine.

Kissinger: I never thought of that interpretation until you had it called to my attention. It is not a frivolous comment. But our interpretation should be seen in light of our attitude toward the USSR and its role in the Sub-Continent.

Bhutto: Can you agree to our proposed wording for the communique here about no expansionism or hegemony? It is taken directly from the Shanghai Communique.

Kissinger: It is one thing to say it in a global context and another in a regional context.

Bhutto: Let's forget about it, then. But don't you come from New Delhi thinking that India is really expansionist?

Kissinger: After seeing India, I am thinking about supplying nuclear weapons, not only conventional arms, to Pakistan and even Bangladesh! There seems to me a difference between what they say and what they mean. In every meeting I had in Delhi I put on the record that the independence of integrity of Pakistan was a fundamental principle of American foreign policy. They know it. I called attention to your concerns about Afghanistan and Baluchistan. They swore they were exercising a moderating influence. They said it so strongly that I would be in a good position to go back to them. If you can get evidence that I can produce, I would make a case with them. They asked me to tell you they have no harmful intentions toward you. But their real perception is probably different. They may have a hegemonial tendency in the Sub-Continent. The Monroe Doctrine idea may not be so far off. But everything they said was in the other sense. I repeatedly told them of our support for you and they never commented or objected, thereby indicating acquiescence. But my perception is that we are dealing with a rather single-minded political approach which sees the Sub-Continent as eventually coming under their influence. This affects their entire attitude, including toward Nepal, etc.

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Bhutto: Yes, and even Afghanistan. Nehru talked about India extending from the Ganges to the Himalayas.

Kissinger: I always say that the rest of the world can be fortunate they are pacifists! I remember Mrs. Gandhi talking to President Nixon. She said little on Bangladesh but spent a lot of time on Baluchistan and Pushtunistan and of how her father had been accused of abandoning these areas.

Bhutto: They have a perverse interpretation of history. The fact that they demand to be recognized as a major power shows they really are not one. No truly great power makes such a demand. They do not really have such a position.

Kissinger: Their thinking is extremely convoluted. Look at Mrs. Gandhi's interview the day before I arrived. She is hard to deal with but Simla is nevertheless a useful contribution. I am accused by her of two things; not taking seriously India's position on the subcontinent and excluding India from our global strategy. Both can't be true.

Bhutto: She can't have it both ways. She is a difficult person to deal with. But she can be a nice person too. And she did a good thing at Simla.

Some of my advisers say that India has such economic problems she will not be free to cause trouble. But this is precisely what worries us. In India's history, it is always trying to thrust out. Sikkim and Bangladesh are two points in evidence. She took on Bangladesh and burned her fingers. One would have thought once bitten, twice shy. But no! Despite their problems they constitute a menace.

Kissinger: I think they have their eyes on Nepal.

Bhutto: I agree, and Bhutan. The whole historic process is the problem. The daughter does not depart from her father's books. Pakistan is the barrier to India's territorial ambitions. If it were not for that, we would not be concerned. It is not that we want toys to play with. We would like to be able to strip our army of its power and put it in its place. But we must protect our borders. If we are stronger, it will enable us to do more in negotiating. But the Indians are so stupid and arrogant they can not negotiate. They are getting so uppity!

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It requires a great deal of mental discipline to pursue with negotiations. I don't mind her so much. But her entourage! They're the cat's whiskers! When they came here the last time, I spoke to Foreign Secretary Singh about Sikkim, telling him that the whole world wants normal relations with us and vice versa. We try our best to normalize relations with India and then you explode an atomic device. He told us not to take any cognizance of it, not to worry, that it did not represent a militarist policy and that negotiations would resume within three months. But I told him they gobbled up Sikkim in the process.

Kissinger: Why did they do it? Didn't they already control the foreign policy of Sikkim?

Bhutto: They continue to get more arrogant. It's outside the scope of logic. They lie. It is the history of the SubContinent. The British gave representation to parts of states. Ceylon was also such a fragment. The Indians say their nuclear device is a PNE but no one believes it that. It was a bomb.

Kissinger: We have said publicly that we take seriously their assurances in order to recall to them their responsibilities. But I told all Indian officials to whom I spoke that they had a bomb and not to be so naive as to pretend otherwise. It is useful to take their assurances seriously since it strengthens the assurances. It makes it more difficult for them to call attention to their nuclear capability in a crisis. But I have no illusions and I said so even to a group of Indian intellectuals.

Bhutto: Who knows the intentions of the Devil! In a secret meeting of the Congress Party leaders the Indian Minister of State for Defense said they were planning the disintegration of Pakistan. We have evidence - through the Swiss. We are going to lodge a strong protest. We have so many people here whom they take to London and then to Delhi, I try to subvert them. Being a political leader, I don't shoot them. I try to establish contact with them in London. They are professional agitators. One was a classmate of mine in school; later Governor of Baluchistan.

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Kissinger: I am smiling because the Indians asked me so much about the activities of the CIA.

Bhutto: We have serious cause to be concerned. If Pakistan's existence is not important to the US, then say so. But I'd like to respectfully submit that it does concern the US. With our ties with Iran, China, and the Gulf, we can be useful to you. But you cannot say that our relations have gone up and down, they have gone only up and further up. The only time it didn't was when you had your illogical policy on China. Our own survival is so important that we could not support your China policy during the Kennedy period. But how do you tell a Great Power that its policy is illogical? I told Kennedy frankly that our relations with China were such that we could not accommodate the US. The only set-back to our relations was then, but it was a result of your global misunderstandings. Where, since 1947, has it been Pakistan that has been responsible for any downturns? I wanted to leave everything aside and not take up our problems in front of you. We respect our relations with you. We can not play the game of putting on a sad face for your benefit like India. I hope your relations with India have matured but your Ambassador to New Delhi seems to be taken in by all that baloney.

Kissinger: Not Moynihan. Absolutely not. I think he has a rather mature view of the situation. He said that he would resign if we ever sent you arms but when we shipped them he did not resign. We had reached agreement earlier for an over-time shipment but they actually arrived after he got to New Delhi; yet he stayed on. That sort of thing can not influence our policy. Pakistan is too important. If India were permitted to swallow Pakistan that would have profound implications, with China especially and throughout the Sub-Continent. It would set a precedent we would be bound to resist. Seventy million people can not be swallowed up and made to disappear.

Bhutto: But we would like to be able to resist it. Then we wouldn't have to put you in a difficult position. We need sufficient arms for our defense. We have no grandiose ideas. We don't want the quantities the Soviets give India. If we had that we could be on top of the world, but we do not want it. All we want is enough for our needs.

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Kissinger: I have talked to Aziz Ahmed about this and will talk to you later privately. No self-respecting power likes to be dependent on the good will of a neighboring state.

Bhutto: Yes - especially not one who's gone to war with us several times. India wants total domination through total security. She wants Pakistan totally insecure. We can accept partial insecurity but not total.

Kissinger: I agree with this analysis. It is not in our interests to see Pakistan totally insecure.

Bhutto: The UAE told us they had talked to you about helping us.

Kissinger: The Saudis also talked to us. They take the Chinese view of the situation seriously. King Faisal made a special point to me about arms for Pakistan.

Aziz Ahmed: The Indians say they are exercising a restraining influence in Kabul, but then they sent a military mission there!

Kissinger: The Soviets claim they are not encouraging the Afghans in stirring up Baluchistan and Pushtunistan, but they are giving arms to Afghanistan.

Bhutto: You told us that Baluchistan was our problem, an internal problem. I believe we have now broken the back of that problem. The grip of the feudal chiefs has been broken. It is a question of whether we are to have a feudal system or a modern progressive state. So when you get to Kabul you do not need to bother too much. Our assessment of the internal situation in Baluchistan is better than that of your Embassy. Of course, there are some bomb blasts, but Manhattan has them too.

Kissinger: I had a letter from Daoud asking me to use my influence to bring about a peaceful solution between Pakistan and Afghanistan.

Bhutto: They have changed their attitude. The Shah told me of this a few days ago. This shows how we have put down the difficulties in Baluchistan. The Afghans know it. That problem is on its way to resolution.

Kissinger: What shall I say to the Afghans?

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Bhutto: Tell them we are always interested in discussion and negotiations. But we are not ready to give away our country.

Kissinger: I don't want to take on this problem but I will certainly tell them to take it up with you.

Bhutto: Even the Soviets referred in the communique following my Moscow visit to the need for resolving the problem with Afghanistan by peaceful coexistence.

Kissinger: And the Afghans took it favorably.

Bhutto: We made our Moscow trip without upsetting the Chinese either. When I saw Brezhnev I told him very frankly that our relations with China were not going to be complicated by my trip to Moscow. China is too important to Pakistan.

Kissinger: What is going on inside China? I will go there by the end of the year but I have not met seriously with any of the leaders except Chou and Mao and they are now both too ill.

Bhutto: I went there in May and saw Mao. He was all there.

Kissinger: I have always found him all there, also. There are few Chiefs of State who can conduct a conversation as he does. I now think Mao spent so much time with me during my last visit in order to support what Chou had been telling me. The basic Chinese bible is "as Mao said" so his personal intervention will cement my exchanges with Chou. But I have no feel for what will happen after they disappear.

Bhutto: The Soviets seem optimistic about what will happen in China, optimistic for themselves that is. They talk of a breakup into different segments, of military juntas and a revival of warlords, etc. But the Chinese have been planning for this transition for years and I do not believe the Soviets are correct.

Kissinger: I have no way of telling. The military commanders have all been moved out of the areas where they had control. I would be surprised if there were a military takeover. But it is hard to predict; I don't know the dynamics of the place.

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Bhutto: I briefed the Chinese Ambassador about my trip to Moscow. I told him that if the superpowers are deceiving each other and even themselves about detente, it is none of our business. I cannot tell what lies in their hearts. If there are surprises, we will not be involved. If they are not deceiving each other and themselves, so much the better for us.

Kissinger: Detente coexists with competition. Both processes are going on simultaneously. We do have a mutual interest in preventing a nuclear conflict but we also have regional, ideological competition. The Chinese tell me the Soviet threat is to everyone but China. I tell them the USSR is closer to China than the US and more of a threat to them. Our policy is to get a concrete, meaningful demonstration of peaceful experience as the only means to resist pressures for a nuclear arms race or worse.

Bhutto: How long will the errors of Vietnam dominate the thinking of the American people?

Kissinger: That is an excellent question but you can be sure we will react if the Soviets step across the dividing line. If they do not step across the line we need to try and read their intentions.

Bhutto: Just what is the line?

Kissinger: That is easy. Any of our friends in Asia can be certain of our support if the USSR moves against them. What is more complicated is what happens if the Soviets arm another country which turns against one of our friends. That, of course, depends upon our administration and its courage and intelligence.

Bhutto: The weakness of the West, especially the economy, is giving the USSR a big advantage. Oil prices are responsible.

Kissinger: Only in part. Those were problems even before the rise in oil prices but to have the Western Europeans say they do not dare risk a confrontation with Abu Dhabi, what can you do in the face of such weakness?

Bhutto: France is very bad.

Kissinger: Italy is in very bad way also, but France is not yet that dead.

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Bhutto:

The situation in Europe reminds us of a visit to the Philippines when I was appointed as a Minister for the first time at the age of 38. [There was a very funny misunderstanding of words.]

Our balance of payments situation is terrible and we need fertilizer which has become extremely expensive. The increased oil prices are having a disastrous effect.

Kissinger:

Faisal is trying to bring about the end of his own monarchy by bringing in foreign resources and exports and techniques, which will speed up radicalization at home, and at the same time weakening the countries abroad on whom he must depend for support. He is also making Saudi Arabia more attractive for its covetous neighbors. I am saying this to you, a friend of Faisal, just as I am. But when he tells me of the modernizing he is encouraging, I think "Oh, you fool."

Bhutto:

I agree. The Monarchy cannot last with \$29 billion floating around!

What about the Middle East?

Kissinger:

I am not surprised by the recognition received by the PLO at Rabat but I can not tell who did what to whom. I can not figure out how they see the next phase of negotiations taking place. Sadat on the one hand says they don't need Geneva. On the other hand, there is Rabat and the Egyptian endorsement of the PLO. I really like the Arabs. Their personalities count for so much. Those I like the best are Asad and Boumediene, who cause me so much trouble. But I can not be sure where reality ends with the Arabs and where epic poetry begins. I can't tell if Rabat was epic poetry or insanity. If they try to settle all the issues simultaneously Israel will give an evasive reply and stall and we will be in a 1967-73 situation all over again. The US can never bring off a settlement of all the issues at once. Israel can not win the war with history but over the next three years the Arabs can not win, so neither side has a real option for war. Only the US can produce peace. But we need the cooperation of Asad and the crazy Israelis have put settlements right up to the line and will give him nothing. If we could get 10 kilometers for Asad this year, we would not hear from him again. He is a likeable, honorable man even if he is tough.

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Bhutto: I told you that is how he was.

Kissinger: So you did. The fact is that there must be a stop to this all-or-nothing approach or the Arabs will drive themselves into hostility to the US and Israel will have won this round. There will be a war of terrible consequences and Israel will turn it into a US-USSR confrontation. The Arabs will play the Israeli game. Right now I am being attacked at home because of Nixon and because Israel wants to weaken me and to undermine a step by step approach - not to get rid of me yet but to fix it so my advice will no longer prevail. No U.S. administration can impose a total solution on Israel. I will go to the Middle East to see Asad and Faisal and Sadat and Hussein after Rome, to try and find out what happened. The Arabs would make a terrible mistake if they turn it into a global confrontation. No one else in the U.S. can do as much as I can. Look at what happened to Rogers when he tried to bring about a total settlement all at once. We can not accept another oil embargo from the Arabs. I don't know what the Western Europeans will do, they are so weak and shortsighted. We have had reasonable communications from Egypt and Saudi Arabia since Rabat but I will have to go to find out where things stand. The Soviets want to block any solitary U.S. initiative but what can they do if they succeed in blocking us? Gromyko then will give me a long list of ten points and forty sub-points and demand that the US force Israel to accept them. If we do it, the USSR gets the credit. If not, we are blamed by the USSR. Why should the USSR get the credit? If we are going to do anything, it will be for the Arabs and not the USSR.

Bhutto: No, do it for peace. You should associate the USSR to the extent that they are responsible for some of the tough aspects.

Kissinger: As a practical matter, it will end up as a total solution. But I believe we must go a few steps each time. We must decide if this is still a possibility. The Israelis should have given the West Bank to Jordan under UN administration and then have a plebiscite in 2-3 years. The PLO would have won. But now we are in a real mess. If the Arabs had made a secret arrangement to give the West Bank to the PLO after Hussein got it back, that would have been all right. But to do it this way is all wrong. If there is no solution, there will be a series of wars over the next 20-30 years, leading to the eventual destruction of Israel.

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- Bhutto: We have a deep stake in the situation in the Middle East. I hope I am wrong but I am pessimistic. I was enthusiastic when you took it on. You should go to the Middle East this time but you should consider very carefully whether or not future direct involvement by you will not be counter-productive.
- Kissinger: I agree with what you say but what are your reasons?
- Bhutto: There are no magical solutions and your involvement in a deadlock would be hard for you, for the US and for your friends like us. We don't want to see you get tied down.
- Kissinger: I will only get involved if a negotiation begins whose end I can clearly see.
- Bhutto: Also, let them come to the US. That way, if they do not take your advice, you are not so directly involved.
- Kissinger: I agree. I can not conduct all the negotiations. My personal involvement will only be to clinch it. But first I must see if it is possible to get negotiations going. That is why I made them come to Washington this summer. But just when we planned to move on the Jordan front, we had a change in Presidents and had to hold off until November. Now we are faced with the momentum of the Arab decisions at Rabat.
- Bhutto: Don't forget that Sadat must have some help. If he tries to move without it, he could end up in trouble at home.
- Kissinger: What help does he need?
- Bhutto: For example, the nuclear reactor you promised Egypt should be delivered promptly. You asked less of India in the way of safeguards.
- Kissinger: Whatever safeguards we apply to Egypt will be negotiated on a multilateral basis and then applied to Israel, also. And to India. It is in the interest of all the world suppliers to control nuclear material. But it is not exactly a glorious situation for a Secretary of State to tell leaders of other governments why he cannot do something he pledged because of a domestic situation at home. There are limits on what we can do for you, also. Our domestic situation is really a mess. Watergate gave all those who had been defeated politically in the dispute over

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Vietnam new strength. And as soon as Nixon was gone, they all came after me and Rockefeller. Ford has spoken out strongly but the fight will take 2 or 3 months.

Bhutto: What about your visit to China?

Kissinger: What shall I tell the Chinese about you?

Bhutto: Tell them we stuck our necks out to uphold our China policy in Moscow. I told Kosygin very firmly what our China policy was. I told him we can't afford bad relations with China. We recognized China in 1960 before there was a problem with the USSR. At that time the problem was with our ally, the USA. Now they want us to go back on good relations of 24 years. We will not do it but our relations with China will not harm Soviet interests. I told this to Kosygin.

Kissinger: What are your relations with Iran?

Bhutto: Very good. There is the stupid quarrel over the name of the Persian Gulf or the Arabian Gulf. We have no problem with the name of the Indian Ocean. But if it comes to a crunch we will call it the Persian Gulf. Iran is our neighbor. Saudi Arabia is far away.

Kissinger: Have Iran's new, improved relations with India lessened the Shah's interest in your security?

Bhutto: I have taken it philosophically. The Shah is a Monarch and you can't question a Monarch! He will eventually awaken to the contradictions of his policy. Iran has a problem with Baluchistan and so do we. The Shah has a concept of a new region from Ethiopia to Indonesia but we did not talk about it much.

Kissinger: He is definitely a man with big conceptions. That is rare.

Bhutto: We will not allow Iran's new flirt with India to complicate our relations with Iran. There will come a clash between them, in time, but I won't tell him that.

Kissinger: The Shah must understand that his security will be in jeopardy if the high price of oil keeps up.

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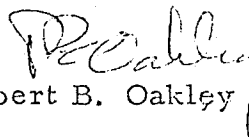
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Bhutto: I wish we had his money to buy some.

Kissinger: You have 75 million persons. He has 25. You have a skilled people so do not despair. You are a martial people, but there is no evidence of the Persian fighting anyone for the past 1000 years! Pakistan has great opportunities.

Bhutto: If we had all that money we could buy our own arms and you could go to sleep out here!

(Meeting ended when Prime Minister Bhutto and Secretary Kissinger went off for a private talk.)


Robert B. Oakley