<<<<>>>>>	UNCLASSIFIED
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INFO OCT-01 ISO-00 CIAE-00 DODE-	00 PM-03 H-01 INR-07 L-02
OMB-01 AID-05 MC-02 TRSE-00 C 092416 R 101007Z FEB 75 FM AMEMBASSY ISLAMABAD TO SECSTATE WASHDC 8771 INFO AMEMBASSY KABUL AMCONSUL KARACHI AMCONSUL LAHORE	DEPARTMENT OF STATE IM/IPS/CE/IP B Date: 8 / 7 (1) RELEASE (2) DECLASSIFY DECONTAOL (2) DENY IN PART
AMEMBASSY NEW DELHI	FOIA Exemptions $()$ CLASSIFY as () S or () C Sec. PA Exemptions $()$ DOWNGRADE TS to () S or () 1249
E.O. 11652: N/A TAGS: PFOR, PK, US SUBJ: RESTRAINED OPTIMISM ON MI	

INCLUDING EXTENSIVE LAUDATORY WEEKEND EDITORIAL COMMENT. HANDLING OF ARMS SUPPLY ISSUE WILL BE OF PARTICULAR INTEREST TO DEPARTMENT AND WARRANTS SEPARATE ANALYSIS GIVEN HERE.

2. MOST PAPERS PUT ARMS ISSUE IN BROADER CONTEXT OF WARM RECEPTION BHUTTO RECEIVED IN WASHINGTON AND EXTENSIVE MISSIONARY ACTIVITY HE CARRIED OUT THERE, HIS REPORTED SUCCESS IN ESTABLISHING A FRIENDLY RELATIONSHIP WITH PRESIDENT FORD, HIS ACHIEVEMENT IN WINNING REITERATED US POLITICAL (AS WELL AS ECONOMIC) SUPPORT FOR PAKISTAN AS DEMONSTRATED IN THE PHRASING OF THE JOINT STATEMENT, AND HIS EXPRESSIONS OF SATISFACTION WITH HIS VISIT. AGAINST THIS BACKGROUND, MEDIA HAS EXPRESSED RESTRAINED OPTIMISM ABOUT PROSPECTS FOR EARLY LIFTING OF THE LETHAL

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WEAPONS EMBARGO. SEVERAL EDITORIALS MENTION GREATER IMPORTANCE OF CONGRESS IN FOREIGN POLICY MAKING PROCESS AND NEED TO WIN CONGRESSIONAL APPROVAL FOR POLICY CHANGE; GENERAL ASSUMPTION SEEMS TO BE THAT BHUTTO HAS MADE CONSIDERABLE HEADWAY IN THIS AREA BY HIS EFFECTIVENESS IN PUTTING PAKISTAN'S CASE TO HILL LEADERS AND THE PRESS. THERE IS A NOTICEABLE ABSENCE OF ANY SOURNESS ABOUT FACT THAT NO DECISION HAS YET BEEN ANNOUNCED.

3. SOME EDITORIALS MENTION FOREIGN REPORTS ABOUT AN EARLY POLICY CHANGE (E.G. PPP ORGAN MUSAWAAT, WHICH QUOTES BBC AS SAYING CONGRESS WILL APPROVE SUPPLY OF ARMS TO PAKISTAN THIS MONTH), AND STORIES FILED BY PAK CORRESPONDENTS WHO ACCOMPANIED BHUTTO CARRY BOTH FIRST HAND AND SECOND HAND SPECULATION ON THIS SCORE, FOR EXAMPLE, H.K. BURKI. IN HIS SUNDAY COMMENTARY IN THE PAK TIMES, WROTE THAT DESPITE THE INDIAN CAMPAIGN TO PREVENT THIS HAPPENING, "THE EMBARGO, IT APPEARS, MAY BE LIFTED IN THE NEXT FEW WEEKS. THE FORD ADMINISTRATION CERTAINLY REGARDS ITS CONTINUATION UNJUSTIFIED. SOME OF THE CONGRESSIONAL HURDLES THE PM HAS HELPED REMOVE AND THIS SHOULD ENCOURAGE PRESIDENT FORD TO MOVE FORWARD." TODAY'S PAK TIMES REPORTS GWERTZMAN'S NEW YORK TIMES ITEM THAT US PLANS "TO ANNOUNCE IN THE NEXT TWO OR THREE WEEKS A DECISION ... " (PAK TIMES REPORT GOES ON TO WARN PARENTHETICALLY THAT "IT MAY BE NOTED THAT WHILE THE AMERICAN PRESS WAS GENERALLY HINTING THAT THE EMBARGO MAY BE LIFTED, THE PRIME MINISTER HAD STATED THAT THE PRESIDENT HAD NEITHER SAID A CATEGORICAL YES NOR NO ON THIS QUESTION,")

4. BURKI HAS CAUTIONED THAT IT WOULD BE WRONG TO CONCLUDE THAT ONCE THE BAN IS WITHDRAWN ARMS WILL BEGIN TO FLOW FREELY TO PAKISTAN AND CONCLUDES THAT WERE THE EMBARGO LIFTED THE US WILL NOT SELL CERTAIN TYPES OF WEAPONS TO PAKISTAN AND MAY SELL OTHERS ONLY IN VERY LIMITED QUANTITIES. ASIDE FROM THIS, THERE APPEARS TO BE LITTLE SPECULATION ABOUT WHAT A CHANGE IN POLICY WILL ACTUALLY MEAN. HOWEVER, MANY EDITORIALS NOTE APPROVINGLY BHUTTO'S STATEMENTS THAT PAKISTAN NEEDS ARMS FOR DEFENSE ONLY, CANNOT HOPE TO COMPETE WITH BIGGER, MORE POWERFUL INDIA, ETC. PRESS HAS ALSO TAKEN NOTE OF US POLICY TO ENCURAGE RECONCILIATION IN SUBCONTINENT AND NOT TO DO ANYTHING TO ALTER STRATEGIC

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BALANCE OR CONTRIBUTE TO AN ARMS RACE THEFT LASSIFIED