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EXCISE

11
ACTION SS-25

INFO OCT-01 ISO-00 SSO-00 NSCE-00 (ISO) W
067951

O 160940Z FEB 75
FM AMEMBASSY NEW DELHI
TO SECSTATE WASHDC IMMEDIATE 6933

SECTION 1 OF 2 NEW DELHI 2193

EXDIS

DECAPTIONED

E.O. 11652: GDS
TAGS: MASS, PFOR, PK, IN, US
SUBJECT: MILITARY SALES POLICY

1. SUMMARY: I HAD [REDACTED] WITH [REDACTED] ON OUR ARMS POLICY REVIEW BEFORE PARLIAMENT OPENS FEBRUARY 17. I REPEATED THAT WE HAD MADE NO FINAL DECISION AND THAT WE WOULD INFORM THE GOI BEFORE ANY ANNOUNCEMENT IS MADE. HE UNDERSTOOD THIS. I EXPLAINED THE BASIC PRINCIPLES OF OUR POLICY AS SET FORTH BY THE SECRETARY AND THE WHITE HOUSE AND DESCRIBED THE POSITIVE PRIVATE ASSURANCES WHICH BHUTTO HAD GIVEN US DURING HIS VISIT TO WASHINGTON. US-INDIAN RELATIONS HAD BEEN PROCEEDING IN A SATISFACTORY MANNER AND I HOPED THAT THE MOMENTUM COULD BE MAINTAINED. IN REPLY [REDACTED] NOTED TWO INDIAN CONCERNS ABOUT A POSSIBLE CHANGE IN OUR POLICY. INDIA FEARED USE OF AMERICAN ARMS AGAINST INDIA AS IN THE PAST. EVEN IF THE ARMS WERE NOT USED, INDIA FEARED THEIR PSYCHOLOGICAL EFFECT OF TURNING PAKISTAN AWAY FROM THE SIMLA PROCESS. WHILE THE GOI UNDERSTANDS THAT WE HAVE NOT YET MADE A DECISION, IT IS DEEPLY CONCERNED ABOUT WHAT WE MAY DO AND MUST COPE WITH A BARRAGE OF QUESTIONS IN PARLIAMENT NEXT WEEK. END SUMMARY

2. IT SEEMED A GOOD IDEA TO REVIEW WITH THE GOI THE STATUS OF OUR MILITARY SALES POLICY AGAIN PRIOR TO THE OPENING OF PARLIAMENT ON MONDAY. CONSEQUENTLY, I TALKED TO [REDACTED]

[REDACTED] ALSO THERE. I EXPLAINED AT THE OUTSET THAT THE US ARMS POLICY WAS UNDER ACTIVE REVIEW BUT, PRESS [REDACTED]

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 EXCISE
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SPECULATIONS TO THE CONTRARY, NO FINAL DECISION HAD YET BEEN TAKEN. I ASSURED TRIVEDI THAT WE WOULD INFORM THE GOI PRIOR TO ANY PUBLIC ANNOUNCEMENT.

3. I EXPLAINED WITH CARE THE BASIC PRINCIPLES OF OUR POLICIES IN REGARD TO SOUTH ASIA--WE WOULD NOT CONTRIBUTE TO AN ARMS RACE, WE WOULD NOT ALTER THE STRATEGIC BALANCE, AND WE CONTINUE TO SUPPORT SOUTH ASIAN RECONCILIATION. AS AUTHORIZED BY SECTO 109, I SAID THAT THE PRESIDENT AND THE SECRETARY HAD MADE THE PRINCIPLES OF OUR POLICY UNMISTAKABLY CLEAR TO BHUTTO AND URGED HIM TO CONTINUE TO SEE IMPROVED RELATIONS WITH INDIA, AFGHAN-ISTAN, AND BANGLADESH. BHUTTO HAD RESPONDED POSITIVELY TO THIS APPEAL. HE STATED PRIVATELY IN WASHINGTON THAT PAKISTAN HAD TURNED AWAY FROM CONFRONTATION WITH INDIA AND THAT HE WAS COMMITTED TO THE SIMLA PROCESS. I TOLD TRIVEDI THAT BHUTTO HAD SAID THE COMING KASHMIR AGREEMENT WITH SHEIKH ABDULLAH WOULD BE A SETBACK TO THE SIMLA NEGOTIATIONS BUT HE HAD NOTED PRIVATELY TO THE SECRETARY THAT HE HOPED THE INDIAN GOVERNMENT WOULD NOT REGARD THE PAKISTAI REACTION, WHICH WOULD BE CAREFULLY CONTROLLED, AS A DEPARTURE FROM HIS COMMITMENT TO PEACEFUL RELATIONS.

3. I WENT ON TO DESCRIBE THE THOROUGHLY SATISFACTORY WAY IN WHICH I THOUGHT US-INDIA RELATIONS WERE PROCEEDING, AND IN WHICH I HOPED THEY WOULD CONTINUE TO PROCEED. I MENTIONED PARTICULARLY THE SUCCESSFUL MEETINGS OF THE SUBCOMMISSIONS AND THE DIRECTIONS WHICH THE SECRETARY HAD GIVEN TO THE US CHAIR- MEN TO ACHIEVE RESULTS. THE U.S. GOVERNMENT WAS TRYING TO DO THINGS THROUGH THESE BODIES WHICH IT ORDINARILY DID NOT UNDER- TAKE. WE WERE DETERMINED TO HAVE ACTIONS IN MOTION BY THE TIME OF THE FOREIGN MINISTER'S VISIT TO WASHINGTON ON MARCH 13-14. (I DECIDED NOT TO SPEAK OF THE SLOW PACE OF INDIAN PREPARATIONS; WE ARE DONG THAT ELSEWHERE).

4. FINALLY, I SAID MY YEARS IN SOUTH ASIA ENABLED ME TO UNDER- STAND THE POLITICAL PROBLEMS EVEN A REVIEW OF OUR ARMS POLICY GAVE THE GOI. THERE WERE ISSUES SUCH AS THIS IN THE US. BUT I HOPED THAT THE TWO GOVERNMENTS COULD WORK TOGETHER TO CONTAIN THIS REACTION SO THAT THE GOOD MOMENTUM IN OUR RELATIONS COULD BE PRESERVED.



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5.  LISTENED CAREFULLY TO ALL OF THIS AND COMMENTED THAT IT WAS USEFUL TO HAVE SUCH A REVIEW ON THE EVE OF THE PARLIAMENT SESSION. HE SAID THAT I HAD UNDOUBTEDLY NOTED THAT THE GOI HAD REACTED ONLY TO THE FACT THAT THE POLICY WAS UNDER REVIEW. WE

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HAD SEEN IN THE PRESS BOTH THE FOREIGN MINISTERS COMMENTS TO THE PARLIAMENTARY CONSULTATIVE COMMITTEE AND THE PRIME MINISTERS INTERVIEW IN THE NEW YORK TIMES. (THE PRIME MINISTER'S COMMENTS HAD BEEN MODERATE: WHILE SHE SAID THAT THE INDIAN PEOPLE FELT VERY STRONGLY ABOUT THE USE OF US ARMS AGAINST INDIA, SHE HAD ALSO FELT THAT INDIA AND THE US SHOULD TRY TO FIND AND ENLARGE AREAS OF FRIENDSHIP AND COOPERATION.) IT WAS TRUE THAT PARLIAMENT WAS QUITE EXERCISED ON THE ARMS ISSUE AND MANY QUESTIONS WOULD BE ASKED. BUT IT WAS MORE THAN A PARLIAMENTARY ISSUE: THE PUBLIC AT LARGE WAS DISTURBED THAT ANY ARMS PROVIDED PAKISTAN MIGHT BE USED AGAINST INDIA.

6. [REDACTED] WENT ON TO EXPRESS A FEAR WHICH ONE FREQUENTLY HEARS IN INDIA. PROVISION OF ARMS TO PAKISTAN WOULD CREATE A PSYCHOLOGICAL FEELING IN PAKISTAN AGAINST THE SIMLA PROCESS. IT WOULD ARREST THE MOVEMENT IN PAKISTAN AWAY FROM MILITARISM. THIS WOULD TAKE PLACE EVEN IF THE ARMS WERE NOT USED. I INTERRUPTED TO EXPLAIN THAT I WAS FAMILIAR WITH THE INDIAN VIEW BUT I WAS ENCOURAGED BY BHUTTOS PRIVATE ASSURANCES TO THE PRESIDENT AND THE SECRETARY THAT THIS WAS NOT HIS INTENTION.

[REDACTED] HE ALSO NOTED THAT, OF COURSE, HE WAS AWARE THAT THE USG HAD NOT YET DECIDED TO CHANGE ITS POLICY.

[REDACTED]

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[REDACTED]

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ACTION SS-25

INFO OCT-01 ISO-00 SSO-00 NSCE-00 (ISO) W
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FM AMEMBASSY NEW DELHI
TO SECSTATE WASHDC IMMEDIATE 6934

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7. [REDACTED] TURNED TO TELL ME THE STORY OF THE SIMLA NEGOTIATIONS [REDACTED] WHO HAD ALSO BEEN THERE. TOLD ME THE SAME THING SOME DAYS AGO). MRS. GANDHI HAD TOLD BHUTTO THAT IF HE DESIRED A RELATIONSHIP OF COOPERATION, THERE COULD BE PERMANENT SOLUTIONS TO ALL INDIA-PAKISTAN PROBLEMS. BHUTTO HAD SAID THAT IT HAD BEEN HE WHO HAD PREACHED, "CONFRONTATION FOR ONE THOUSAND YEARS." HE DID NOT BELIEVE THIS ANY MORE: HE BELIEVED IN PERMANENT PEACE. BUT, [REDACTED] WHEN BHUTTO HAD RETURNED TO PAKISTAN HE CHANGED HIS TONE. AT THIS POINT I AGAIN SPOKE OF BHUTTO'S ENCOURAGING COMMENTS IN WASHINGTON. I SAID THAT THE SIMLA PROCESS HAD ENDURED OVER THE YEARS SINCE THE AGREEMENT. THERE HAD BEEN SHOCKS. SOME OF WHICH HAD BEEN CAUSED BY INDIA, BUT NEGOTIATIONS HAD CONTINUED. YES, THEY HAD, AGREED [REDACTED] BUT IT HAD REQUIRED REPEATED INITIATIVES BY MRS. GANDHI. INDIA KNOWS THAT IT HAS THE SUPPORT OF THE US AND BELIEVES THAT IT CAN SUCCEED. BUT ARMS LEAD TO PSYCHOLOGICAL CHANGES. BHUTTO'S PRIVATE STATEMENTS ARE HELPFUL, BUT WHAT HE HAS SAID IN PUBLIC (AGAIN THE NEW YORK TIMES) IS CONTRADICTORY. [REDACTED]

8. AT THE CLOSE OF THE CONVERSATION [REDACTED] ASKED TWO QUESTIONS. FIRST, COULD I TELL HIM WHEN OUR ARMS DECISION WOULD BE MADE? DID MY VISIT INDICATE A DECISION WAS IMMINENT (OBVIOUSLY, THE INDIANS DO NOT WISH TO BE TAKEN BY SURPRISE IN PARLIAMENT). I ANSWERED THAT I DID NOT KNOW WHEN THE REVIEW WOULD BE COMPLETED AND THAT MY VISIT TO THE MINISTRY HAD BEEN INTENDED TO SET FORTH THE SITUATION AS IS WAS AT PRESENT RATHER THAN TO ALERT THEM [REDACTED]

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TO AN IMPENDING DECISION. SECOND, HE ASKED IF WHAT WAS BEING CONSIDERED WAS ANOTHER ONE TIME EXCEPTION. I REPLIED THAT I BELIEVED THAT THE POLICY AS A WHOLE WAS UNDER REVIEW AND THAT THE REVIEW COVERED MORE THAN ONE OPTION.

9. COMMENT: IT WAS A CALM AND CAREFUL DISCUSSION DURING WHICH IT BECAME CLEAR THAT INDIAN OFFICIALS, AT ANY RATE, ARE NOT JUMPING THE GUN IN THEIR REACTION TO A POSSIBLE CHANGE OF POLICY. BUT THEY ARE DEEPLY CONCERNED ABOUT WHAT WE MAY DO AND ARE IN WORRIED ABOUT HOW TO HANDLE THE BARRAGE WHICH WILL COME FROM BOTH THE CONGRESS AND THE OPPOSITION NEXT WEEK IN PARLIAMENT. EVEN IF WE MAKE ONLY A LIMITED CHANGE IN OUR POLICY, THEY FEAR THE PSYCHOLOGICAL EFFECT ON PAKISTAN AND IN THIS REGARD WISH THAT BHUTTO'S PUBLIC PROFESSIONS WOULD BE CONSISTENT WITH THOSE HE HAS MADE IN PRIVATE. I BELIEVE THAT THE EXCHANGE WAS HELPFUL AND HOPE THAT THE EMBASSY MAY CONTINUE TO BE KEPT INFORMED AS OUR REVIEW PROCEEDS SO THAT WE MAY KEEP IN TOUCH WITH THE GOI

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HERE.

10. WHILE NEITHER [REDACTED] MENTIONED THE FOREIGN MINISTER'S VISIT IN THE CONTEXT OF INDIAN REACTION, [REDACTED] CORRESPONDENT IN NEW DELHI, TOLD THE POLITICAL COUNSELOR FEB 15 THAT HE COULD SAY ON ABSOLUTELY UNIMPEACHABLE AUTHORITY THAT IF A US ARMS POLICY DECISION WAS ANNOUNCED PRIOR TO THE FONMIN'S VISIT TO THE US THE MINISTER WOULD POSTPONE HIS VISIT. [REDACTED] SAID THAT OPPOSITION AND INTERNAL CONGRESS PARTY PRESSURE WOULD MAKE A VISIT TO THE US IN THE IMMEDIATE AFTERMATH OF SUCH AN ANNOUNCEMENT UNTENABLE FOR THE GOI AND THE MINISTER PERSONALLY. AS I SAID, I DO NOT HAVE THIS FROM AN INDIAN GOVT SOURCE DIRECTLY BUT [REDACTED] TENDS TO BE CAUTIOUS AND CAREFUL IN MAKING CATEGORICAL STATEMENTS. [REDACTED] AND I AM INCLINED TO TAKE HIS COMMENTS SERIOUSLY.
SCHNEIDER

[REDACTED]

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*** Current Handling Restrictions *** EXDIS
*** Current Classification *** [REDACTED]

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