

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

*AL - Get note
from Hal what it
means. - V*

7338

ACTION 7311

March 16, 1970

SECRET

MEMORANDUM FOR THE PRESIDENT

FROM: Henry A. Kissinger *HK*
SUBJECT: Decision on South Asian Arms Supply

*I think Option 4
fits Pak - my*

The pressures on the NSC agenda have several times delayed consideration of our military supply policy toward India and Pakistan. Rather than let it slip further, you may wish to make your decision apart from the NSC.

The options have come up through the NSC system and have been considered in the Review Group. A paper is attached (Tab A) detailing the background and argument presented in those deliberations. Secretary Rogers has also sent you his own recommendations (Tab B), and the Defense position is stated below.

The Problem. Present policy embargoes the sale of lethal equipment to India and Pakistan but permits sale of spare parts for previously supplied equipment and of secondhand U. S. equipment by third countries. Whether this embargo continues is of greater concern to Pakistan than to India because (1) Pakistan's US-equipped units increasingly require re-supply and (2) Pakistan with its less-developed arms industry depends more heavily on foreign sources. President Yahya has been pressing for a decision to tell his military what they can plan on.

The key question in the decision is: Given the fact that any decision will be regarded as either pro-Indian or pro-Pakistani, does provision of some military assistance to Pakistan further U.S. interests sufficiently to justify re-injecting the U. S. into the India-Pakistan balance?

There is no question that the U. S. has an interest in doing whatever it can to help maintain a pro-Western and independent Pakistan. This means that the U. S. has an interest in maintaining a political relationship with Pakistan and--to the limited extent that U. S. action will limit the situation--in contributing to its economic and political stability.

The U. S. today, however, has little direct interest in the military capability of Pakistani forces per se. If Pakistan fought anyone, it would fight India, probably with the cooperation of Communist China.

SECRET

SECRET

- 2 -

The main arguments for any move in Pakistan's direction, therefore, are to maintain a U.S. relationship with President Yahya and, in an effort to help keep a pro-Western government in power, to provide whatever limited help the U.S. can in helping him to meet the needs of his military who provide his political base. Local political forces will determine the outcome of his effort to re-stabilize Pakistan's politics, but some would argue that a little more U.S. military help would at least strengthen his hand with his own supporters. In any event, the military will either remain directly involved in politics or be hovering in the background prepared to intervene against excesses, and there is some U.S. interest in maintaining a relationship. There is also the argument for keeping a U.S. hand in while the USSR and China are competing for position in Pakistan.

The main argument against relaxing the present embargo is that it injects the U.S. again into Indo-Pakistani animosity without enhancing U.S. capacity to bring India and Pakistan closer over the long run. This argument is often put in terms of adverse Indian reaction, but the real argument is that for the past four years the U.S. -- rightly or wrongly -- has tried to disengage from the Indo-Pakistani rivalry and to deal with each country on the basis of mutual bilateral interests. Each side will inevitably judge U.S. decisions in terms of that rivalry, but the U.S. can maintain some distance if it tries.

These arguments are detailed in relation to each option in the paper at Tab A. But in short, there are three main choices:

- retain the embargo;
- lift the embargo to permit sales on a case-by-case basis;
- make one-time exceptions or slight changes in the policy to favor Pakistan.

Secretary Rogers recommends (Tab B) retaining the embargo essentially on the grounds stated above. Defense, on balance, has stated its view in the Review Group that the embargo should be lifted.

If a gesture toward Pakistan without changing basic policy seemed consistent with U.S. interests, there are these specific possibilities:

SECRET

SECRET

- 3 -

Option 1. One-time sale of aircraft to Pakistan. Pakistan has asked for six F-104 fighters and four B-57 bombers to fill out existing squadrons. The disadvantage in the B-57s is that they are offensive weapons.

Option 2. Approve the Turkish-Pakistani tank transaction. This would cost \$3.7 million in military assistance to replace the tanks in Turkey. It could be done within the scope of present policy.

Option 3. Sell 100 M-47 tanks directly as a one-time exception to present policy. This would avoid Congressional criticism of a "contrived" third-country sale and be cheaper.

Option 4. Permit continued sale of replacements for Pakistan. This would permit the sale on a continuing basis of equipment to replace that previously supplied by the U.S. but lost through normal attrition. The same kinds of tanks and planes as above would be included, but this would open the question of supplying the next generation of equipment where older items had become obsolete, e. g. F-5 aircraft to replace F-86s.

JK
In addition to these military moves, there are several possibilities on the economic side: (1) increased use of US-owned Pakistani currency in East Pakistan's rural works program, (2) additional PL 480 assistance for East Pakistan and (3) perhaps some additional development lending (although this would have to come from already low aid allocations to other key countries like Turkey and Korea).

I agree we do this by all means
It is my feeling that ~~these economic possibilities should not be treated as alternatives -- that the maximum feasible should be done in this area~~ whatever is decided on the military side. It is in the economic area that the U.S. can continue to have the most impact on Pakistan's chances for stability.

The most rational approach to the military supply problem itself would be Option 4 -- allowing Pakistan (and India) to buy replacement equipment as well as spare parts. This would permit Pakistan at least to delay completely re-equipping its units but at the same time not significantly affect the military balance. This is the only one among the options presented that would be significant enough in Pakistani eyes to look like more than a gesture. But it also contains the seeds of future tension since the U.S. would constantly be in a position of fending off Pakistani requests to upgrade their equipment under the guise of replacement.

SECRET

SECRET

- 4 -

The complications of going back into the regular supply business are such, however, that on balance it seems more consistent with U.S. interests to minimize our military relationship. The forces at work in Pakistan are such that U.S. military assistance is not likely to affect their balance significantly one way or another.

Recommendation: That present policy be reconfirmed but that--to meet your desire to make some gesture toward Pakistan--one-time exceptions for Pakistan be approved to permit the following:

- sale of six F-104s and 4 B-57s;
- Turkish tank sale

Approve _____ / Disapprove _____

*I believe option 4 is less
provocative politically in the U.S. -
& for that matter in India -
If option 4 plus some
increased economic package will
be considered a substantial gesture
I believe we should go on that -*

*The 104s -) B57s
& Turkish Tanks
would all cause
an uproar in the U.S.
with our usual critics -
I can defend option 4
more easily - despite the 7013 -*

SECRET