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OFFICE OF THE DEPUTY ASSISTANT SECRETARY OF DEFENSE
NEAR EASTERN AND SOUTH ASIAN AFFAIRS

February 5, 1992

MEMORANDUM FOR: Mr. Lilley *[Signature]*

SUBJECT: Commercial Sales of Spare Parts to
Pakistan (U)

(U) The Senate Select Committee on Intelligence raised the issue of commercial sales to Pakistan with Secretary Baker today. The committee took the position that the sales contravene the Pressler suspension. Baker read the response next under.

(U) This is likely to be only the first round and Congress may press to have the sales stop. The question then becomes, how strongly will we defend existing policy? Our sense is that State will roll.

~~(S)~~ Reversing our policy now will be extremely damaging. It will challenge our credibility and undermine our efforts to get five-power talks started. A central tenet of our strategy is to buy time to allow the GOP to build political cover for rolling-back the program. Cutting spare parts will have an immediate impact, draw immediate reaction, and kill any hope of buying time.

(U) We need to inform USDP. Suggest you forward this memo.

[Signature: Fred Smith]

Frederick C. Smith *[initials]*

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Korean Liaison Structure subject to Asst. Sec. 7

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NO OBJECTION TO FULL RELEASE

Commercial Arms Sales to Pakistan

Question

Has the State Department interpreted the Pressler Amendment on Pakistan to permit commercial exports of defense articles since October 1990?

Answer

- o We carefully reviewed the Pressler Amendment and its legislative history when the President did not certify in 1990 that Pakistan did not possess a nuclear device.
- o As a legal matter, it does not apply to commercial arms sales or exports controlled by the Department of Commerce.
- o Munitions and spare parts necessary to maintain the Pakistani military at current levels are considered on a case by case basis.
- o Commercial sales are limited. None is approved that would contravene either the letter or the spirit of the Pressler amendment,

Background. The Pressler Amendment (Section 620E(e) of the Foreign Assistance Act) was not well-drafted. The Administration's conclusion was based on the technical terms used in the Amendment and the fact that Congress did not use the language normally employed in legislation when it seeks to prohibit commercial exports. The very limited legislative history suggests that Congress intended to ban Government assistance and deliveries, but did not deal with commercial exports. Department officials have briefed SFRC and HFAC staff on our policy.

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