

PAKISTAN

Summary Talker

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7/17

Basic Objective of DoD in This Meeting: Get State and NSC agreement to begin the process of planning on FMS credits for Pakistan beginning in FY 82.

Elements of Urgency and Importance:

- Prospects of intensified Soviet campaign in Afghanistan after the Olympics, with possibility of spilling over into Pakistan.
- Need to ensure that Saudi funds come available for Pakistani military purchases by showing US willingness to do likewise eventually.
- Need to plan over a longer range for the evolving situation, rather than focusing on reacting, probably inadequately, in a crisis.

Insufficiency of State Approach:

- State paper doesn't reflect seriousness of threat (which nonetheless it's not to be overplayed - it involves border incursions).
- State paper underplays the need to be responsive to the Saudis.
- State assumes too easily that Pakistanis are opposed in principle to our FMS credits; our reading is still that our offer earlier this year was considered insufficient for the risks entailed.
- Items to be found for sale quickly (REDEYE, etc.) may be insufficient, besides Chinese may be able to supply those small items more quickly. *not SA-7 (Redye equivalent)*
- Too easy an assumption that ESF will spring funds for military purchases.

Therefore, Need to Plan on FMS Credits for FY 82:

- Must be substantial:
 - Any worthwhile force element will cost at least \$300-500 million.
 - Must avoid "peanuts" accusation.
 - Must show Saudis we are in game substantially.
- DoD suggests up to \$400 million a year.
- Will need to grant concessionary repayment terms (10/20) so as not to contradict policy of allowing near-term debt rescheduling.
- Embassy Islamabad supports security assistance resumption.

What Could Go Wrong?

- Pakistanis could turn us down again (but we can't discuss FY 82 credits with them till firm decision is made, probably in December).
- Pakistanis petrified at any approach to Congress on sales or credits - for fear their nuclear program will come under critical scrutiny.
- Pakistani nuclear explosion would spoil any assistance program.
- India could be very disturbed (but what Pakistanis can buy with Saudi or US funds will not equal Indian acquisitions from Soviets and US).
- Over the long term, we don't want to be too close to Zia.

Alternative Security Approaches are Available; Will They Work?

- Pakistanis might settle for stronger security guarantees, but State is reluctant to approach Congress for a treaty.
- US intervention forces in the event of Soviet action are probably not a substitute for Pakistanis achieving own defense. Likely threats in near future not appropriately countered by threat of US intervention, and Paks won't give us access.

This PRC Needs to:

- Reaffirm willingness to make sales to Pakistan and to change or override Symington Amendment.
- Begin planning for FMS credits as well as other forms of assistance.
- Instruct no further inter-agency contingency planning till situation clarifies.

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