

MEMORANDUM

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SECRETARY OF DEFENSE

NATIONAL SECURITY COUNCIL

*Pak*

*- PRC 7/2/79*

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Presidential Review Committee Meeting

November 30, 1978

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Authority: EO 13526  
Chief, Records & Declass Div, WHS  
Date: APR 01 2016

*104*

Time and Place: 10:30 a.m. - 12:30 p.m.,  
White House Situation Room

Subject: PRC on Pakistan -- Summary of Conclusions

Participants:

State

David Newson, Under Secretary  
for Political Affairs  
Lucy Benson, Under Secretary  
for Security Assistance,  
Science and Technology  
Harold Saunders, Assistant  
Secretary for Near Eastern  
and South Asian Affairs

Arms Control and Disarmament Agency  
Spurgeon Keeny, Acting Director  
Thomas Hirschfeld, Deputy Assistant  
Director

Joint Chiefs of Staff  
Lt. General William Smith

Defense

Charles Duncan, Deputy Secretary  
Robert Murray, Deputy Assistant  
Secretary for Near Eastern,  
African, and South Asian  
Affairs

Central Intelligence Agency  
Sayre Stevens, Deputy Director,  
National Foreign Assessment  
Center  
Robert Ames, Acting NIO for  
Near Eastern and South Asian  
Affairs

White House  
Dr. Zbigniew Brzezinski

Office of Management and Budget

Randy Jayne, Associate Director  
for National Security and  
International Affairs  
Ed Sanders, Associate Director  
for International Affairs

National Security Council  
Thomas Thornton  
Gary Sick

Agency for International Development

John Gilligan, Administrator, Agency  
for International Development  
Malcolm Butler, Deputy Assistant for  
Intragovernmental Affairs

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*9 Mar 79*

330-82-0205, box 20, Pullman 1979  
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Review on 1 JAN 98

Extended by \_\_\_\_\_  
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SEC DEF CONTR No. 00557

PRC ON PAKISTAN  
November 30, 1978

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SUMMARY OF CONCLUSIONS

The PRC met to discuss specific issues relating to Pakistan and the broader regional context of which Pakistan is a critical part.

Regional Context: There was general agreement that we need to look beyond Pakistan. What we are primarily concerned about is the impact that problems in Pakistan (and Iran and Afghanistan) are likely to have on the West Asian and Persian Gulf region (the Subcontinent to the Red Sea). We should approach our policy choices in Pakistan within this broader context.

At this point we lack such a broad framework, both geographically (in that we have not dealt with the Subcontinent-through-Red Sea region as a whole) and conceptually (in that we have not examined a range of alternatives that goes beyond near-term restraints posed by resource shortages and by current public and Congressional attitudes).

The PRC agreed to set up an Interagency Working Group on an urgent basis to look at the region in broad geographic and conceptual terms. The group will consist of DOD, JCS, NSC, and State as chairman. AID, ACDA, Treasury and others will be called on to assist as appropriate. It will draw up a plan for further study and action and present it to the PRC for approval before the end of December.

CIA will provide appropriate estimative intelligence inputs.

The PRC addressed some specific Pakistani issues that can be dealt with even before the formulation of a broader framework:

Political: It was agreed to keep open the question of inviting President Zia to visit the United States; a decision on this cannot be made until the outcome of the Bhutto case is clear. In addition, we will concentrate on more substantive exchanges with the Pakistanis at all levels to show attentiveness, and seek to encourage Western European and Japanese support for maintaining Pakistan's western orientation.

Nuclear Issues: It is clear that the Pakistanis continue to look for ways to develop a nuclear explosive capability and that their activities, if unchecked, will ultimately force us to cut off our economic assistance and military sales. A Pakistani explosive capability seems about five years away, and there are some steps that they may take before then that would force a cutoff. Meanwhile our current strategy should not be confrontational. We will continue to monitor the situation closely,

continue to impress on the Pakistanis the effect that their nuclear program can have on our relationship, and seek to gain influence by building up other areas of our relationship. We are not at the moment at a critical juncture; thus we should move ahead with certain positive steps (see below) and then resume the nuclear dialog forcefully and make clear what specific kinds of Pakistani behavior are unacceptable, so that they will not be surprised if we are forced to cut off aid because they have passed certain milestones on the road to a nuclear capability.

Military Sales: During Lucy Benson's visit the Pakistanis agreed to prepare a want list of material that is uniquely of US origin and fits within our arms sales policy. We expect the list to be forthcoming.

In the meantime, however, the Pakistanis have specifically asked us about the availability of aircraft and helicopter-borne TOWs. We will need Presidential approval for both of these.

-- While we have turned them down on A-7s and told them we would react receptively to requests for the F-16 or F-18, the PRC proposes to increase to 76 the number of F-5Es that we are willing to sell Pakistan from the 40 approved earlier by the President. (The Pakistanis had suggested 100.) These additional aircraft would be provided as one-for-one replacements of obsolete F-86s.

-- The Pakistanis have legitimate concerns about Indian and Afghan tank forces and the PRC recommends making available a helicopter TOW system. The PRC, except for ACDA, agreed that this sale would not require the President to make an exception to PD-13.

The PRC further agreed that: FMS financing is not available although we may have to reconsider later; we would consider approval of third-country transfer of US-origin equipment to Pakistan (specifically tanks); and if the Pakistanis request, we will recommend to the Saudis and UAE that they pay the bills.

The PRC also agreed, at DOD request, that a clarification is needed in existing Presidential guidance on arms sales policy to South Asia as regards equality of treatment for India and Pakistan. NSC undertook to provide clarification.

Economic Assistance: The Pakistanis believe that we are committed to restore earlier aid levels (\$60 million and more annually) now that they have been denied the French reprocessing plant. At current FY 80 budget levels it will be very hard to eke out more funds for Pakistan than the \$40 million now provided for. State believes that at a minimum the level should be \$50 million. AID, OMB and Henry Owen expressed strong reservations in view of Pakistan's poor economic performance. The PRC did recognize the need for modest additional resources and it was agreed to

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look into the possibility of making Pakistan eligible for Security Supporting Assistance in FY 80 if funds could be found. In any event, this should be looked at in connection with FY 81. State noted that \$10 million might be taken from both the Egyptian and Israeli SSA allocations in FY 80.

There was general consensus that debt relief at this time is not appropriate for Pakistan but the question will be kept under review with Treasury.

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