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NSA, Men Cons, Box \$6, 10/17/2,

## THE WHITE HOUSE Washington

## MEMORANDUM OF CONVERSATION

PARTICIPANTS:

MEMORANDUM

Aziz Ahmed, Minister of State for Foreign Affairs and Defense, Pakistan Sahabzada Yaqub Khan, Pakistani Ambassador to the United States

President Gerald Ford
Dr. Henry A. Kissinger, Secretary of State and Assistant to the President for National Security Affairs
Lt. General Brent Scowcroft, Deputy Assistant

to the President for National Security Affairs

DATE AND TIME:

Thursday, October 17, 1974 3:40 - 4:33 p.m.

PLACE:

The Oval Office The White House

[The press was admitted briefly to take photographs.]

The President: Thank you for the letter from Prime Minister Bhutto. How long have you been here now?

Ahmed: Three weeks, two of which I was in the hospital.

The President: Was it serious?

Ahmed: It turned out to be malaria.

[The press was ushered out.]

<u>Kissinger:</u> They say that death is nature's way of telling your husband to slow down.

The President: I am pleased to welcome you here and to assure you of my desire to continue the good relationship we have between us and Pakistan.

CLASSIFIED BY: HENRY A. KISSINGER

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<u>Ahmed</u>: We are proud of this relationship. It is our only guarantee of survival as an independent state. We thought that India would want to leave us alone after having reduced us in size. We don't think India's designs have changed, basically. What we didn't count on was the Soviet Union. The breaking-up of Pakistan whetted the Soviet appetite. The Soviet modus operandi is to have us join the Asian Collective Security pact. They are becoming more insistent all the time and they raise it incessantly.

India is five times as strong as us, but the Soviet Union continues to supply them with military equipment. The Indian budget is the highest ever.

Kissinger: If we didn't know they were pacifists, we would be worried.

<u>Ahmed:</u> We know that India is not planning to invade China, so they must be for us. Now they are arming Afghanistan. Our information -- and the information the Chinese have -- is that the Soviet Union had a hand in the Daoud revolution. Daoud has now for the fist time come out with a territorial demand against Pakistan. Before they had only propagandized, inciting the tribes. Now they have publicly said they don't regard the North West Territory or Baluchistan as part of Pakistan. They have finally come out into the open -- and only because of Soviet encouragement. Otherwise they wouldn't have done it.

The President: What kind of capability do they have?

<u>Ahmed:</u> They are no problem by themselves. But in concert with India and with the backing of the Soviet Union, they are dangerous.

So we are in a jam. There is a pincer against us -- India with sophisticated weapons and a defense budget of \$ 2 1/2 billion. We ask them why do they need it? Who is it against? India's Foreign Minister said we would have to discuss that. I told him their actions don't match their profession. The Soviet Union has its eye on the Persian Gulf -- Iraq, Iran, Afghanistan, Pakistan and India. Of these, Iraq, Afghanistan and India are in the Soviet pocket. Only Pakistan stands in their way. Also we are friendly with the PRC, which they don't like, and also with you.

We think the Soviet Union doesn't want the disintegration of Pakistan but only to bend our will to their policies. Over the past years I have had the honor to meet your predecessor two times and Dr. Kissinger four times.

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Your government has been sympathetic. But I think you don't think the threat is as great as we do -- but we are on the firing line. It also has been tempting to think that political action would take care of the problem. Your predecessor, I believe, spoke to the Kremlin leaders about this. It doesn't seem to have been effective. In 1948 and 1949 you agreed to give us equipment. That was cut off in 1964-65, and there has been nothing since we cut if off.

The President: There has been some aid.

Ahmed: On a descending scale.

The President: Congress has had almost a 180-degree change of heart on aid -- the first vote I cast was \$7 billion for the Marshall Plan.

Ahmed: That served Europe.

The President: So I am as concerned as others that Congress doesn't seem to see the importance of these tools for us. We struggle to get what we have. It is very disturbing to me.

<u>Ahmed</u>: We find it so to our cost. For nine years we have been shut off. We can't even buy it from another country. The Chinese have been good to us but they have no sophisticated weapons, and tanks are no good without missiles. We are at the mercy of India militarily, and also of Afghanistan if it is supported by the Soviet Union.

The next war can come easily whenever the Soviet Union, India and Afghanistan want it -- and we would be wiped out. The next time Afghanistan won't stay neutral.

We bought some things from France, but they fleeced us -- they skinned us.

We are getting weaker and weaker and in greater and greater peril. Your predecessor and the Secretary of State said, "Be patient, wait for our elections, don't embarrass us," and on and on. We have been patient, but the Prime Minister wanted me to tell you we are desperate.

I told our Parliament that President Nixon said the independence and integrity of Pakistan are a cornerstone of United States policy. The opposition

4

said, "Tell us another one." No one believes in the reliability of the United States. We leave what we can do to your judgment.

<u>The President:</u> I am personally very sympathetic. I don't want to reiterate a story you have already heard, but we do have a problem. To get the boost in economic aid, we have to take a beating on military aid. We took a terrible beating on the restrictive amendments on the aid bill. Our question is how best to distribute it when the pile is smaller. And the elections may make Congress even more against aid. We will do the best we can. We will review the military grant and sales. We will do what we can in economic aid. We have given 100,000 tons of wheat. When the crops are in, we will see what more we can do. We stopped a Soviet grain sale which would have made things even more difficult. We will do the best we can.

Ahmed: I thank you for what you have said.

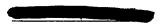
<u>Kissinger</u>: There is distinction to be made on military assistance. On grants there is no hope, but we will try to permit cash military sales. We did, however, help in 1971. We are exploring a change which would permit third country sales. We will pursue that in the new Congress.

I will be prepared to make a public statement about the independence and territorial integrity of Pakistan. I would be glad to do that, and it would be even more useful if I do it in Pakistan.

<u>Ahmed:</u> I advisedly said military assistance, not military aid, because I understand. Even sales will be of considerable assistance.

The President: We won't skin you on any sales.

<u>Ahmed</u>: You know of our economic situation. We thought we would have a good harvest and break even. Unfortunately, we had a shortfall of 1.1 million tons of wheat. It was a great surprise and a blow to us. We need a minimum of 100,000 tons of oil. We thought we would earn \$1.5 billion on exports. But the cotton market has crashed and we earn only \$1 billion now. So, subtract \$300 million for oil and there isn't much left. We have already bought 650,000 tons of wheat and 60,000 (?) tons of oil. The 100,000 of oil will cost us about \$150 million, out of about \$300 million left.



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The President: We will do our best. We didn't have as good a crop as we hoped. It is down about 15 percent. As far as oil goes, we have a real problem, but our friends will get what we have available.