FIRST DAoud/Bhutto SUMMIT -- RETROSPECTION

SecState WASHDC

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1. Summary. President Daoud and Prime Minister Bhutto have overcome significant obstacles to achieve genuine personal rapport. Their June 1976 summit meetings in Kabul have resulted in setting up a continuing dialogue and in continuing the halt to the propaganda each country had directed against the other. Much can happen to derail this effort, and next steps may be slow in coming, but a start has been made. It has been demonstrated, at least in the short run, that opposition from the Afghan Left and the Pushtun "ethnics" to Daoud's softening his line on Pushtunistan is manageable. Daoud's gesture in inviting Bhutto makes it...
unlikely the issue can ever be viewed in Afghanistan in quite the same way as in the past.

Regional stability has been enhanced ... a state of affairs the U.S. can applaud. End Summary.

2. One week after Prime Minister Bhutto's departure from Kabul, talks we have had with a number of influential Afghans in and out of government convince us that the ice has been broken in Afghanistan-Pakistan relations. The Daoud/Bhutto Summit, made possible by the statesmanship of both leaders, signals the beginning of a welcome warming trend in bilateral affairs, contributing to regional stability.

3. Two key concessions probably made the summit possible: the Paks were willing publicly to recognize that there is a "political difference" (the Pushtunistan issue) which has been a centerpiece of Afghan foreign policy for generations; the Afghans (i.e., Daoud) were willing to have high level bilateral discussions without bringing up the subject of the fate of the Pushtun nationalist Wali Khan and his now banned National Awami Party (NAP) in Pakistan, which the Paks consider to be "internal matters".

4. Head of State and Prime Minister Daoud and
Prime Minister Bhutto can be credited with three main achievements resulting from the June 7-11, 1976 Summit talks:

First: The two men established what appears to be genuine personal rapport, overcoming pre-conceived negative impressions each had had of the other.

Second: Daoud has agreed to visit Pakistan to continue the bilateral dialogue. Such a trip was earlier literally unthinkable.

Third: Both sides have agreed to halt hostile propaganda --- directed principally to the ethnic minorities in each country --- which had been for so long the scurrilous background for official relations.

5. So a good beginning has been made and we regard this Afghan-Pak thaw, contributing as it does to regional stability, as definitely in the U.S. interest. There also may ensue economic opportunities for the U.S. should Pak-Afghan relations subsequently permit work on joint projects, for example the exploitation of the rich Hajikak iron deposits. Iranian interest in improving the Afghan/Pak relationship has been and will be important to continuing positive results.
6. We believe the Russians and their local adherents are somewhat off balance after the Summit. We have reports of factional bickering in leftist circles over whether "abandonment of Pushtunistan" by Daoud constitutes "betrayal of the 1973 revolution". The domestic left is off balance, and we think Soviet interests are off balance too, at least as they are perceived here by Soviet Embassy officials.

7. The thaw though begun, is hardly begun. Many things could occur to derail this promising beginning: a change of leaders; a terrorist incident; a personal misunderstanding between high level persons on either side. We intend to continue stressing the importance the U.S. attaches to continuation and broadening of bilateral diplomacy without outside interference.

8. What happens next and when remains to be seen. Presumably the Afghans will appoint an Ambassador to Islamabad before Daoud goes there. There are some reports that Daoud will travel soon, but it is hard to see how this can be before late July at the earliest as he has Mrs. Gandhi coming July 4-7, the Indonesian Foreign Minister on July 11, and his own national day celebrations July 17-19. We tend to think that concrete steps that ensue on both sides will take
place with minimal fanfare as befits the sober, serious, low-key atmosphere to date of this fragile rapprochement.

9. One thing we believe certain: after being adamant all his life on the issue of Pushtunistan Daoud has given a clear signal of change of heart. We believe it improbable this issue can ever again be viewed exactly in Afghanistan in quite the same way.

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