AS MY MESSAGES HAVE SUGGESTED, I HAVE BEEN RELUCTANT UNTIL NOW TO COMMENT IN ANY COMPREHENSIVE WAY ABOUT THE INITIATIVES THE DEPARTMENT HAS TAKEN TO DETER PAKISTAN FROM MOVING FURTHER TOWARD THE DEVELOPMENT OF A NUCLEAR OPTION. THIS UNCUSTOMARY HESITANCE ON MY PART IN SPEAKING OUT ON AN ISSUE SO CENTRAL TO OUR RELATIONSHIP WITH PAKISTAN HAS STEMMED LARGELY FROM MY APPRECIATION BOTH OF THE POLITICAL AND TECHNICAL RAMIFICATIONS OF THE NUCLEAR PROLIFERATION PROBLEM AND OF THE INEVITABLE COMPLEXITY OF ANY STRATEGY WE CAN DEVISE TO ATTAIN OUR GOAL OF LIMITING THE SPREAD OF NUCLEAR WEAPONRY. CABLE TRAFFIC WE'VE RECEIVED HERE ABOUT OUR VARIOUS APPROACHES AND MY OWN EXCHANGES WITH THE PAKS HAVE NOW MADE THE NON-PROLIFERATION LANDSCAPE CLEARER, AND I FEEL I MIGHT PROFITABLY WEIGH IN WITH SOME THOUGHTS AS I SEE THE SITUATION DEVELOPING FROM MY ISLAMABAD Vantage Point.

2. ALTHOUGH I HAVE NOT OF COURSE SEEN THE TEXT OF BHUTTO'S REPLY TO THE PRESIDENT'S LETTER, WHICH I UNDERSTAND AMBASSADOR YAQUB EXPECTS TO PASS TO YOU WHEN HE RETURNS TO WASHINGTON THIS WEEK, I THINK THERE...
IS LITTLE REASON TO EXPECT THAT THE PRIME MINISTER WILL BE AS RESPONSIVE AS WE WOULD WISH TO THE CONCERNS AND SUGGESTIONS THE PRESIDENT EXPRESSED TO HIM. UNLESS I AM WRONG, THE REPLY, COMING IN THE WAKE OF THE NEGATIVE FRENCH REACTION TO OUR DEMARCHE ON THE REPROCESSING PLANT, WILL IN EFFECT BRING TO AN END THE FIRST "EASY" PHASE OF THE EXERCISE TO LEAD PAKISTAN AWAY FROM THE NUCLEAR OPTION PATH. AS WE MOVE AHEAD TO CONSIDER FRESH OPTIONS IN DEALING WITH THE PROBLEM, I BELIEVE IT IMPORTANT THAT WE EXAMINE OUR PRIORITIES REGARDING PAKISTAN MORE CLOSELY THAN WE WERE PERHAPS ABLE TO DO IN THE HURRIED EFFORTS TO GET TO THE PAKS, FRENCH, GERMANS BEFORE THE TRILATERAL SAFEGUARDS WERE APPROVED AND THE PAK-FRENCH AGREEMENT SIGNED.

3. IT SEEMS TO ME THAT WE MUST DETERMINE ANSWERS TO THREE FUNDAMENTAL QUESTIONS BEFORE WE CAN DEVISE ANY COHERENT STRATEGY IN WORKING TOWARDS OUR GOALS HERE. THEY ARE (1) HOW REALLY IMPORTANT IS IT TO US IN THE CONTEXT OF OUR OVERALL NON-PROLIFERATION EFFORT THAT PAKISTAN BE CLEARLY SEEN TO HAVE ABANDONED ITS NUCLEAR OPTION; (2) WHERE DOES OUR EFFORT TO BRING ABOUT THIS PUBLIC SELF-DENYING ACTION ON THE GOP'S PART RANK VIS-A-VIS OTHER ASPECTS OF OUR RELATIONS WITH PAKISTAN; AND, STEMMING FROM THESE FIRST TWO QUESTIONS, (3) WHAT PRICE ARE WE WILLING TO PAY IN TERMS OF OUR BILATERAL TIES AND OUR APPROACH TO THE BROADER SOUTH ASIAN REGION TO BRING PAKISTAN AROUND. I FEAR THAT UNLESS WE COME UP WITH SERIOUSLY CONSIDERED ANSWERS TO THESE QUESTIONS WE COULD EASILY STUMBLE INTO DIFFICULTIES EVEN GREATER THAN THOSE WE ALREADY FACE IN DEALING WITH THE NUCLEAR PROBLEM HERE.

4. I CERTAINLY CANNOT SUGGEST ANSWERS TO THESE QUESTIONS, WHICH HAVE SIGNIFICANCE OBVIOUSLY GOING FAR BEYOND OUR LOCAL INTERESTS HERE. WHAT I WANT TO DO IN THIS MESSAGE IS TO OUTLINE FOR YOU SOME OF THE IMPLICATIONS VARIOUS ANSWERS MIGHT HAVE FOR US IN PAKISTAN AND ELSEWHERE IN THIS REGION.

5. I THINK THAT AT THE VERY ONSET WE HAVE GOT TO...
Assume that if we conclude that Pakistan must be seen to have given up its nuclear option and that this aim is of overriding importance in our priorities here, then we are going to face some very tough decisions in Washington. I believe that all evidence we've seen so far indicates that Bhutto intends to keep his nuclear option open -- you know his reasons -- and that it will be very costly to get him to do otherwise, particularly in what promises to be an election year in Pakistan.

6. I know that you will be examining a series of options designed to persuade Bhutto to change his mind -- if that is indeed what we have determined we must do -- and that among these will be one outlining a succession of subtle and more obvious pressures we can bring to bear on the Paks. However advisable or even necessary this approach may possibly seem in terms of congressional attitudes, and the impact it may be thought to have on nuclear suppliers and threshold countries, I don't think it will work. My judgement is that Bhutto is most unlikely to be brought around by threats and pressures, whether these are diplomatically phrased in terms of potential problems on the Hill or put in the more direct language of negative linkage to ongoing or anticipated economic aid and military sales programs. (I don't question the very real possibility of congressional fallout. The Pakistanis for their part may be skeptical about its genuineness and may suspect that the executive instigated it, but whatever conclusions they reach they are unlikely to be deterred.) Any number of scenarios can be prepared mapping out the way things will go if we persist in this negative approach. In my view they will all have two things in common: a serious deterioration in US-Pakistan relations coupled with failure to bring the Paks around, we will have got ourselves the worst of both worlds.
7. Indeed, the likelihood of the Paks persisting in achieving a nuclear option will probably be increased rather than diminished by our taking this harsh line with them. If Bhutto is as determined to go ahead with a complete nuclear fuel cycle as he believes he is and if he perceives that his possibilities for obtaining and paying for the conventional weapons he feels Pakistan needs will be significantly reduced by our actions, a nuclear deterrent could become an even more attractive proposition for him. I am not in a position to judge what the Indians would do under these circumstances -- a Pakistan with limited conventional military power seemingly going down the nuclear road -- but it is certainly relevant to question the effect such a situation would have on what has up till now been our primary goal of regional stability.

8. A more positive approach will have better prospects for success than this negative non-starter. But in considering that strategy we should not delude ourselves about the costs involved. These are likely to be high. They are certainly going to be higher than the couple of squadrons of A-7s I understand some in the Department have already suggested as an appropriate quid pro quo, if we decide that non-proliferation...
MUST BE GIVEN THE HIGHEST PRIORIT Y, WE WILL HAVE TO INVOLVE OURSELVES MORE DEEPLY IN PAKISTAN'S SECURITY CONCERNS THAN WE'VE BEEN WILLING TO DO BEFORE. (BHUTTO SUGGESTED AS MUCH IN WASHINGTON LAST FEBRUARY WHEN HE SAID FOR THE PRIVATE RECORD THAT "IN DEVELOPING ITS NUCLEAR TECHNOLOGY, PAKISTAN WOULD NOT DIVERT ANY OF ITS URGENTLY NEEDED DEVELOPMENT RESOURCES TO THE EXPENSIVE EFFORTS REQU IRAED TO PRODUCE A NUCLEAR EXPLOSION (BEGIN UNDERLINE) PROVIDED ITS DEFENSE IN THE CONVENTIONAL FIELD IS ASSURED," (END UNDERLINE), WE WILL HAVE TO MOVE FURTHER AND FASTER IN OUR MILITARY SALES PROGRAMS HERE THAN WE'VE BEEN PREPARED TO DO SINCE THE ARMS EMBARGO WAS LIFTED. WE HAD BETTER FACE THE FACT THAT THIS MIGHT EVEN INVOLVE OUR AGREEING TO SELL THE PAKS MEDIUM TANKS, THE NEXT MAJOR ITEM AFTER FIGHTER AIRCRAFT ON THE LIST OF EQUIPMENT IN WHICH THEY'VE SHOWN AN INTEREST, I'M NOT RECOMMENDING THAT WE GO THIS ROUTE, WHICH ASSOCIATES US WITH THE PAKS MUCH MORE CLOSIY THAN I HAVE THOUGHT APPROPRIATE, BUT IF WE ARE IN DEAD EARNEST ABOUT NON-PROLIFERATION WE MAY HAVE TO START DOWN IT AND BE PREPARED TO ACCEPT THE CONSEQUENCES, (WHETHER CONGRESS WILL ACCEPT OUR ASSESSMENT OF THE PRIORITIES INVOLVED AND ALLOW US TO DO SO IS A QUESTION YOU ARE IN A BETTER POSITION THAN I TO ANSWER.)

9. AMONG THESE CONSEQUENCES, OF COURSE, WILL BE TROUBLE WITH INDIA, FOR ANY MEANINGFUL EFFORT TO SATISFY PAKISTAN'S SECURITY NEEDS IN THE CONVENTIONAL FIELD AS A MEANS OF HEADING OFF HER GOING THE NUCLEAR ROUTE WILL INEVITABLY PRODUCE AN ADVERSE REACTION IN NEW DELHI (WHICH IS NOT LIKELY TO BE IMPRESSED BY THE NON-PROLIFERATION ARGUMENT) AND COULD REQUIRE SIGNIFICANT MODIFICATIONS IN OUR SOUTH ASIAN ARMS SUPPLY POLICY. OTHER GOALS WE SEEK IN THE REGION MAY BE ENDANGERED IN THE PROCESS, AGAIN IT IS A QUESTION OF PRIORITIES.

10. PERHAPS OUR BEST HOPE RESTS IN A COMBINATION OF POSITIVE MEASURES TO ENHANCE PAKISTAN'S SECURITY (AND TO PROVIDE BHUTTO WITH VISIBLE EVIDENCE OF OUR CONCERN FOR ENABLING HIM TO BE SEEN TO BE ACHIEVING THE

NOT TO BE REPRODUCED WITHOUT THE AUTHORIZATION OF THE EXECUTIVE SECRETARY
BASICALLY PHONY "ECONOMIC PURPOSES" HE CITES AS HIS
OSTENSIBLE REASON FOR ACQUIRING NUCLEAR TECHNOLOGY.)
PARTICIPATION IN A MULTINATIONAL REPROCESSING
FACILITY, SUGGESTED TO BHUTTO BY BOTH THE PRESIDENT
AND YOURSELF, COULD BE SUCH A FACE-SAVING GAMBIT,
WITH IRAN THE OBVIOUS PLACE FOR THE PLANT (ALTHOUGH
THIS WOULD BE VERY HARD INDEED FOR BHUTTO TO SWALLOW
AT THIS LATE STAGE). I WOULD URGE THAT WE LOOK
CAREFULLY AT THIS POSSIBILITY AND DO WHATEVER WE CAN
TO INTEREST BOTH THE SHAH AND BHUTTO IN IT. LOOKING
AT THE PROBLEM IN TERMS OF FORESTALLING A NUCLEAR
PAKISTAN, I WOULD HOPE THAT IF NECESSARY WE ADOPT AS
FLEXIBLE AN APPROACH AS POSSIBLE, IN THE CONTEXT OF
OUR OTHER REQUIREMENTS, TOWARDS SAFE-GUARDING SUCH A
FACILITY.

11. I HOPE THAT ALL OF THIS WILL BE OF SOME USE.
IF I HAVE SKETCHED OUT MY PERCEPTIONS IN FAIRLY
STARK TERMS IT IS BECAUSE I BELIEVE WE FACE A VERY
DIFFICULT SITUATION WHICH CALLS FOR SOME VERY FUNDAMENTAL
DECISIONS ON PRIORITIES AND THE STRATEGY TO BE PURSUED
ONCE THESE ARE DETERMINED.
BYROADE