1. SUMMARY. GON DEMONSTRATED BY DEED AND WORD THROUGHOUT DEPSEC RUSH'S APRIL 18-20 VISIT THAT IT HOLDS CONTINUATION OF TANGIBLE AND SIGNIFICANT US PRESENCE IN NEPAL AS HIGHLY IMPORTANT TO ITS ONGOING STRUGGLE TO DEVELOP AS TRULY INDEPENDENT NATION. VISIT ILLUMINATED OTHER NEPALESE FOREIGN-POLICY ATTITUDES AS WELL, NOTABLY DEEP SUSPICION OF ULTIMATE INDIAN INTENTIONS (REINFORCED BY RECENT EVENTS IN SIKKIM) AND CONVICTION EXPRESSED BY KING THAT INTERNAL STABILITY WAS BEST CONTRIBUTION NEPAL COULD MAKE TO REGIONAL STABILITY. END SUMMARY.

2. VISIT TO KATHMANDU APRIL 18-20 BY DEPSEC RUSH AND
ASSISTANT SECRETARY SISCO, WHICH WAS WELCOMED ENTHUSIASTICALLY BY NEPALESE, CAPPED UNUSUALLY STIMULATING WEEK DURING WHICH WE OBTAINED FRESH CLARIFICATION AND CONFIRMATION OF CERTAIN ATTITUDES SHARED BY TOP NEPALESE LEADERS REGARDING NEPAL'S FOREIGN RELATIONS. WHILE OFFICIAL CONVERSATIONS HAVE BEEN REPORTED SEPTELS, WHAT EMERGED FROM VISIT IS IMPORTANT ENOUGH TO HIGHLIGHT IN MORE GENERAL ASSESSMENT, THEMES: GON STRESSED THROUGHOUT TALKS WERE DRAWN FROM UNUSUALLY LUCID BRIEF PREPARED BY NEPALESE FOREIGN MINISTRY (WE SUSPECT AMBASSADOR KHANAL WAS AUTHOR) FOR INTERNAL GON USE; DURING DEPSEC'S VISIT, COPY OF WHICH FOREIGN MINISTRY GAVE AMBASSADOR LAISE ON APRIL 18, JUST PRIOR TO DEPSEC'S ARRIVAL (TEXT BEING POUCHED). COINCIDING WITH DEPSEC'S VISIT WERE WEEK-LONG VISIT BY HARVARD POLITICAL SCIENTIST KARL DEUTSCH WHO HELD BRILLIANT SEMINAR FOR TOP NEPALESE LEADERS FOR TWO DAYS PRECEDING DEPSEC'S VISIT (KATHMANDU 1963); DEUTSCH ALSO HAD LONG SESSION WITH KING (WHO HAD BEEN ONE OF DEUTSCH's PRIZE STUDENTS AT HARVARD). NEPALESE ATTITUDES DISPLAYED DURING DEUTSCH VISIT, PLUS GON BRIEF FOR DEPSEC VISIT, HAVE BEEN DRAWN ON IN ADDITION TO STATEMENTS AND OTHER INDICATIONS OF NEPALESE POLICY ELICITED DURING DEPSEC's VISIT, AS RAW MATERIALS FOR EMBASSY ASSESSMENT WHICH CONSTITUTES BALANCE OF THIS MESSAGE.

3. HEGEMONY AND REGIONAL POWERS: INDIA'S ASSUMPTION OF SUBCONTINENTAL PREEMINENCE AS ONE OF NEW REALITIES IN WAKE OF 1971 WAR IS INCREASINGLY DISTURBING TO NEPALESE, WHO ARE PROBING FOR ITS IMPLICATIONS AND FEARING WORST. FOREIGN MINISTRY BRIEF INCLUDES STATEMENTS SUCH AS THIS: "WHILE WELCOMING THE GENERAL TREND TOWARDS DETENTE, BECAUSE OF OUR BASIC STAKE AT PEACE AND DEVELOPMENT, HIS MAJESTY'S GOVERNMENT HOPES THAT THE SMALLER COUNTRIES SHOULD BE ABLE TO DECIDE THEIR OWN DESTINY IN EXERCISE OF THEIR SOVEREIGN RIGHTS. HIS MAJESTY'S GOVERNMENT FEELS THAT ANY TRADING OF THE DESTINIES OF SMALLER POWERS IN THE INTEREST OF EITHER GLOBAL OR REGIONAL OR SUB-REGIONAL BALANCE OF POWER WILL AGGRAVATE RATHER THAN REDUCE TENSION." WHEN DEUTSCH ARGUED THAT CURRENT TRENDS IN INTERNATIONAL RELATIONS HAD SHARPLY LIMITED CAPACITY OF SUPERPOWERS TO PURSUE HEGEMONISTIC POLICIES VIS-A-VIS WEAKER AND SMALLER COUNTRIES, CHIRAN THAPA, PALACE AIDE AND FOREIGN POLICY ADVISOR TO KING, REACTED BY...
EXPLAINING TO MISSION OFFICIAL HIS VIEW THAT THESE SAME TRENDS ALSO MADE IT EASIER AND MORE FEASIBLE FOR MIDDLE-RANKING REGIONAL POWERS (READ INDIA) TO PURSUE HEGEMONISTIC AMBITIONS TOWARD SMALLER NEIGHBORS.

4. INDIA AND THE SOVIET UNION: NEPALESE LEADERS PERCEIVE INDIA AS THE MAJOR POTENTIAL THREAT TO FUTURE INTEGRITY OF NEPALESE NATION, AND CONSTRUE INDO-SOVIET TREATY AS SIGNIFICANTLY INCREASING THIS THREAT. SOVIET SUPPORT FOR INDIA IN REGIONAL CONTEXT IS THUS VIEWED AS AT LEAST POTENTIALLY DESTABILIZING FACTOR. FOREIGN MINISTRY DRAFT BRIEF HINTS AT THESE CONCERNS IN FOLLOWING STATEMENT: "BESIDES, ANY IMPROVEMENT IN THE RELATIONS BETWEEN INDIA AND THE UNITED STATES ON THE ONE HAND AND INDIA AND CHINA ON THE OTHER IS WELCOME TO US. HOWEVER, ANY SUCH IMPROVEMENT WILL HAVE TO TAKE INTO ACCOUNT THE INTERESTS AND NATIONAL ASPIRATIONS OF THE SMALLER COUNTRIES OF THE REGION. ALTHOUGH WITH THE SIGNING OF THE INDO-SOVIET PEACE AND FRIENDSHIP TREATY, THE INDIAN NATIONALISM MAY NOT COMPROMISE WITH SOVIET INTEREST, IT HAS HELPED FURTHER INDIA'S PREDOMINANCE IN THE REGION AND HAS COMPLICATED THE SOLUTION OF THE REGIONAL ISSUES INCLUDING THE SINO-INDIA BORDER PROBLEM" AS RESULT OF DEUTSCH TALKS HERE, WE HAVE ADDITIONAL EVIDENCE THAT KING BIREN德拉 PERSONALLY HAS DEEP-SEATED FEAR OF INDIAN INTENTIONS, HEIGHTENED A SENSE THAT PM GANDHI ACTS FAR MORE RUTHLESSLY AND DECISIVELY TO GET WHAT SHE WANTS FOR INDIA THAN DID HER LATE FATHER. WHILE NEPALESE LEADERS, INCLUDING KING, RECOGNIZE THAT PRESENT INDIAN STANCE TOWARD NEPAL RESPECTS NEPALESE SOVEREIGNTY AND IS BROADLY CONSISTENT WITH NEPAL'S OWN INTERESTS, NEPALESE FEARS THAT SITUATION COULD CHANGE VIRTUALLY OVERNIGHT. FOR EXAMPLE, THEY SENSE THAT IF INTERNAL DISORDER SHOULD EROPT IN NEPAL, AS IT DID RECENTLY IN SIKKIM, THEN INDIA, EMBOLDENED BY SOVIET SUPPORT, COULD FEEL COMPelled BY PERCEPTIONS OF ITS OWN
STRATEGIC INTERESTS TO INTERVENE BY FORCE IF NECESSARY, BUT CERTAINLY IN WAYS THAT WOULD CLEARLY -- AND PERMANENTLY -- ESTABLISH SUPREMACY OF INDIAN INFLUENCE. THIS APPARENTLY WAS WHAT KING HAD IN MIND WHEN HE REMARKED TO DEPSEC RUSH (AS REPORTED IN NEW DELHI 4657) THAT INTERNAL STABILITY WAS BEST CONTRIBUTION NEPAL COULD MAKE TO REGIONAL STABILITY. THIS ALSO EXPLAINS CLOSE ATTENTION KING AND VIRTUALLY ALL OTHER POLITICALLY ALERT NEPALESE HAVE BEEN PAYING TO DEVELOPMENTS IN SIKKIM, INCLUDING AN EFFORT TO ESTIMATE EXTENT TO WHICH INDIA INSTIGATED DISTURBANCES AS OPPOSED MERELY TO REACTING TO THEM.

5. IMPORTANCE OF US ROLE: AS FIRST VISIT OF HIGH RANKING DEPARTMENT OFFICIALS TO NEPAL, DEPSEC'S ARRIVAL PROVIDED UNIQUE OCCASION FOR GON TO EXPRESS VALUE IT ATTACHES TO ITS RELATIONS WITH US, AND GON MADE MOST OF OPPORTUNITY. DEPSEC AND PARTY WERE TREATED AS GUESTS OF GOVERNMENT. KING GAVE VISITORS AUDIENCE DESPITE FACT THAT VISIT COINCIDED WITH
OFFICIAL MOURNING PERIOD FOR LATE QUEEN GRANDMOTHER, AND, OF COURSE, PRIVATE TALKS AND RECORD OF DEPSEC'S CONVERSATIONS WITH KING, PRIME MINISTER, AND FOREIGN MINISTER, AS WELL AS CONTENTS OF FOREIGN MINISTRY INTERNAL BRIEF, ALL ECHO REPRAIN OF HIGH REGARD NEPALESE HAVE FOR US AND FOR WHAT US HAS DONE FOR NEPAL. IN PARTICULAR, GON REJOICED THAT US NOW SEES ITS INTERESTS IN NEPAL AS DIRECTLY BILATERAL AND NOT DERIVATIVE OF ITS INTERESTS IN ANY THIRD COUNTRY (I.E., INDIA). KING STRESSED THIS POINT PARTICULARLY, WHEN DEPSEC STRESSED SAME POINT IN HIS TOAST FOLLOWING DINNER FOREIGN MINISTER HOSTED FOR HIM APRIL 19, ENTHUSIASTIC AND EMOTIONAL NEPALESE REACTION CONSTITUTED DRAMATIC EVIDENCE THAT THIS THEME INDEED IS TOUCHSTONE OF OUR BILATERAL RELATIONSHIP AS FAR AS NEPALESE ARE CONCERNED, TRUE, NEPALESE LEADERS, INCLUDING KING, SEE AMERICA AS IMPORTANT TO THEM AS A MAJOR SOURCE OF AID AND TECHNICAL ASSISTANCE, BUT EQUALLY IMPORTANTLY, THEY WELCOME SIGNALS FROM US THAT INCREASED INDIAN PREDOMINANCE IN SOUTH ASIA DOES NOT MEAN THAT WE WILL PERMIT INDIA ATTITUDES TO REGULATE OR DETERMINE THE NATURE OF US-NEPAL BILATERAL RELATIONS. NEPALESE LEADERS FIND SUCH A US POSTURE DEEPLY ENCOURAGING AND REASSURING IN THEIR EFForts TO MAINTAIN NEPAL'S INDEPENDENCE AND SOVEREIGNTY, THOUGH THEY REALIZE THIS US STANCE CARRIES WITH IT NO SPECIFIC COMMITMENT TO LEND THEM POLITICAL SUPPORT VIS-A-VIS INDIA.

7. CONCLUSIONS. VISIT DEMONSTRATED NOT ONLY HIGH VALUE GON ATTACHES TO US RELATIONSHIP BUT ALSO, IMPLICITLY, PROBLEMS AND CONTRADICTIONS US CONTINUES TO FACE IN ESTABLISHING A SUBCONTINENTAL POLICY THAT AT ONE AND THE SAME TIME RECOGNIZES IMPORTANCE OF MAINTAINING SATISFACTORY RELATIONS WITH INDIA WHILE PURSUING OUR LEGITIMATE BILATERAL INTERESTS IN AND WITH INDIA'S SMALLER NEIGHBORS. (WHILE OUR SITUATION IN LANDLOCKED NEPAL IS SOMEWHAT UNIQUE, WE SUSPECT THAT SIMILAR CONTRADICTIONS EXIST TO SOME DEGREE OR OTHER IN REGARD TO OUR RELATIONS WITH SUCH OTHER NEIGHBORS AS CEYLON, BANGLADESH, AND EVEN PAKISTAN.) AS TO HOW WE RECONCILE THESE CONFLICTING INTERESTS BETWEEN US-NEPALESE AND US-INDIAN RELATIONS IN F PAL, POLICY CONSIDERATIONS SUGGESTED IN OUR 4457 OF NOVEMBER 20, 1972, APPEAR REMAIN GENERALLY VALID, A US POSTURE IN ANY SMALL STATE NEIGHBORING INDIA THAT IS
IN KEEPING WITH INTERNATIONAL NORMS, IS CLEAR IN ITS PURPOSE, OPENLY EXPLAINED, STEADY, AND PREDICTABLE, OUGHT TO BE ABLE TO FURTHER OUR MUTUAL INTERESTS WITH THE NEIGHBOR WITHOUT CAUSING UNDUE SUSPICION OR OPPOSITION IN INDIA --- AS LONG AS DELHI CONTINUES TO FOLLOW POLICIES TOWARD ITS NEIGHBORS THAT ARE, IN FACT AS WELL AS IN WORD, BASED ON RESPECT FOR THE NEIGHBOR'S INDEPENDENCE, AS THE INDIAN FOREIGN MINISTER ASSURED DEPSEC THEY WERE (TEHRAN 2749, PARA 19). UNFORTUNATELY, CURRENT EMANATIONS FROM INDIAN EMBASSY AND LOCAL INDIAN JOURNALISTS SUGGEST INDIANS HERE ARE INTERPRETING DEPSEC VISIT TO NEPAL AS ANTI-INDIAN IN INTENT. WE HOPE, HOWEVER, THAT THIS IS TRANSITORY SOUR GRAPES RATHER THAN BEGINNING OF NEW PHASE DURING WHICH INDIA INTERPRETS ITS INTERESTS IN NEPAL IN PARANOID AND POSSESSIVE MANNER.

LAISE