PRIORITY

ISLAMABAD

EXDIS

E.O. 11652: N/A
TAGS: SNAR, PK
SUBJECT: NARCOTICS

REF: A. ISLAMABAD 4715
B. ISLAMABAD 4788

1. DEPARTMENT APPRECIATES THOUGHTFUL AND POSITIVE RESPONSE IN REF A TO SUGGESTION OF USING BHUTTO VISIT TO ACCELERATE DECISIONS ON ENDING OPIUM PRODUCTION, AND WELCOMES EMBASSY INITIATIVES REPORTED REF B.

2. EMBASSY NOW REQUESTED PRESENT PROPOSAL TO GOP AS SOON AS POSSIBLE, STRESSING FOLLOWING POINTS:
A. U.S. TEAM RECOMMENDATIONS THAT SETTLED AREA PRODUCTION BE TERMINATED AT END THIS CROP YEAR HAS FULL BACKING WITHIN USG. WE ARE NOW MAKING THIS FORMAL REQUEST TO GOP.
B. WE WOULD LIKE TO HAVE GOP DECISION PRIOR TO BHUTTO VISIT TO WASHINGTON. HOPEFULLY ANNOUNCEMENT OF BAN ON SETTLED AREAS AND TIMETABLE FOR OTHER AREAS WOULD BE MADE AT OR NEAR TIME OF VISIT, ALTHOUGH WILL DEFER TO GOP ON ANNOUNCEMENT.
C. USG PREPARED BE OF ASSISTANCE TO GOP IN FORMING AND EQUIPPING AN AGREED NUMBER OF NARCOTICS STRIKE SQUADS.
D. USG ALSO PREPARED CONSIDER HOW US ASSISTANCE WITH ECONOMIC PROBLEMS CAN BE UTILIZED FACILITATE END OF PRODUCTION.
3. DEPARTMENT NOTES POSITION TAKEN BY QAMARUL ISLAM WITH CHARGE JUNE 11 THAT ONLY TWO YEAR PHASE-OUT POSSIBLE. NEVERTHELESS REQUEST EMBASSY MAKE SERIOUS EFFORT OBTAIN GOP AGREEMENT TO TOTAL SETTLED AREA BAN THIS CROP YEAR AND REPORT OUTCOME BEFORE FALLING BACK ON ALTERNATIVE PROPOSAL. SHOULD FALL-BACK POSITION BECOME NECESSARY, WE FAR PREFER ALTERNATIVE PROPOSAL OF EMBASSY, I.E., THAT TWO YEAR PHASE-OUT BE DONE GEOGRAPHICALLY RATHER THAN ORAKZAI FORMULA WHICH SEEMS A BIT DISINGENUOUS. IF GOP COULD CONTROL ILLICIT OUTPUT OF SETTLED AREAS, THERE WOULD BE NO NEED FOR TOTAL BAN ON PRODUCTION. PROBLEM HAS BEEN AND NO DOUBT CONTINUES TO BE THAT ENFORCEMENT AUTHORITIES IN PLACE CAN'T AND/OR WON'T DISCRIMINATE BETWEEN AN ILLICIT POPPY AND A LICIT ONE WHEN BOTH GROWN SIDE BY SIDE.

4. SINCE TIME VERY SHORT, HOPE MISSION CAN QUICKLY DEVELOP OUTLINES OF DEVELOPMENT ASSISTANCE WHICH YOU BELIEVE MAY BE NEEDED TO HELP GOP MAKE FAVORABLE DECISION. PLEASE NOTE HOWEVER, THAT WE ARE NOT CONTEMPLATING VERY LARGE FINANCIAL INPUT FOR DEVELOPMENT ASPECTS OF NARCOTICS CONTROL. WE ARE HOWEVER WILLING TO CONSIDER SELECTIVE INPUTS, PARTICULARLY OF FOREIGN EXCHANGE COSTS {NOT TO COVER LOSSES FROM ILLICIT EXPORTS} OF UPLIFT PROGRAM FOR AREAS WHERE POPPY CULTIVATION MAKES MAJOR IMPACT ON ECONOMY, THAT IS PRIMARILY SWABI TEHSIL IN SETTLED DISTRICTS. WE WOULD HOPE THIS COULD BE ACCOMPLISHED IN CONTEXT OF PLANNED BARANI PROJECT EXPANDED AND CONCENTRATED IN NUFP, BUT FUNCTIONALLY DESIGNED FOR SOMEWHAT BROADER PURPOSES THAN NARCOTICS PRODUCTION CONTROL.