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Case Number: 200200101

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PAGE 01

STATE 300009 050411Z

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TO ALL SOUTH ASIA COLLECTIVE PRIORITY

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E.O. 12356: DECL: OADR
TAGS: AMGT
SUBJECT: WEEKLY SOUTH ASIA ACTIVITY REPORT,
- NOVEMBER 4, 1994

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MONDAY, OCTOBER 31
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(C) INDIA - AMERICAN KIDNAPPED/FREED BY KASHMIR
MILITANTS: A LITTLE-KNOW KASHMIRI MILITANT GROUP
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PAGE 02

STATE 300009 050411Z

(REPORTEDLY WITH AFGHAN CONNECTIONS) ABDUCTED AN AMERICAN
CITIZEN IN INDIA AND ON OCTOBER 31 THREATENED TO KILL HIM
AND THREE KIDNAPPED BRITONS UNLESS A GROUP OF 10 MILITANTS
WAS RELEASED. POLICE INVESTIGATING A ROBBERY FOUND THE
AMERICAN -- BELLA JOSEF NUSS -- IN CHAINS IN THE TOWN OF
CHAZIABAD (EAST OF NEW DELHI), ALIVE AND UNHURT. INDIAN

Current Class: CONFIDENTIAL

UNITED STATES DEPARTMENT OF STATE
REVIEW AUTHORITY: SHARON E. AHMAD
DATE/CASE ID: 22 APR 2003 200200101

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AUTHORITIES ARE RETURNING HIM TO OUR EMBASSY IN NEW DELHI. BBC REPORTS THAT INDIAN POLICE HAD A SHOOTOUT WITH THE MILITANTS HOLDING THE BRITONS; ONE MILITANT WAS SAID TO HAVE BEEN WOUNDED, BUT THERE WERE NO DETAILS ON THE FATE OF THE CAPTIVES. (NEW DELHI 17589, BBC-TV, LORTON/CUBBISON 10/31 TELCON)

(U) PAKISTAN - GOP AND RUSSIANS DISCUSS PM'S VISIT, KASHMIR: WHILE IN ISLAMABAD TO PARTICIPATE IN TAJIK TALKS, RUSSIAN DEPUTY FOREIGN MINISTER CHERNYSHOV AND PAKISTANI FM ASSEF ALI DISCUSSED PLANS FOR PM BHUTTO TO VISIT RUSSIA LATER IN 1994. NO DATES FOR THE TRIP HAVE BEEN SET. ALI PRESSURED FOR RUSSIA TO SUPPORT PAKISTAN'S UN POSITION ON KASHMIR. THE RUSSIANS WERE REPORTEDLY NONCOMMITAL. (ISLAMABAD 10248)


(U) PAKISTAN - ENERGY SECTOR drawing INTEREST FROM OMAN: OMAN OIL COMPANY AND RAYTHEON HAVE AGREED TO CONDUCT A FEASIBILITY STUDY FOR THE CONSTRUCTION OF TWO 600 MEGAWATT ELECTRIC POWER GENERATION PLANTS IN OMAN TO PROVIDE ENERGY FOR PAKISTAN VIA UNDERSEA CABLE. OMAN PLANS TO APPROACH THE GOP FOR SOVEREIGN GUARANTEES, INCLUDING ASSURANCES THAT PAKISTAN WILL PURCHASE THE ELECTRICITY. (MUSCAT 5527).

(C) AFGHANISTAN/PAKISTAN - THE AFGHAN WAY TO CENTRAL ASIA: THE GOP HAS ALLOCATED USD 1.66 MILLION FOR SUPERFICIAL REPAIRS OF THE 800 KM ROAD LINKING PAKISTAN AND TURKMENISTAN. AFGHAN TRIBAL CONTRACTORS WILL
UNDERTAKE THE REPAIRS, AND BE ENTITLED TO LEVY A CUSTOMS
DUTY ON COMMERCIAL GOODS. INTERIOR MINISTER BABAR AND A
VISITING GROUP OF WESTERN ENVOYS, INCLUDING AMBASSADOR
MONJO, SAW PROGRESS IN RECONSTRUCTION AND STABILITY NEAR
HERAT, BUT NOTED CONTINUING INSTABILITY IN KANDAHAR DURING
A SHORT STOP THERE. WHILE THE ECONOMIC PROSPECTS OF THE
LAND ROUTE APPEAR MARGINAL, POLITICAL AND OTHER FACTORS
MAY BE CONTRIBUTING TO THE GOP'S INTEREST IN
RE-ESTABLISHING THE LINK TO CENTRAL ASIA. (KARACHI 5156,
ISLAMABAD 10272)

(C) SRI LANKA - IMPACT OF ASSASSINATION ON TALKS WITH
TIGERS: IN HER FIRST PRESS CONFERENCE SINCE THE OCTOBER

CONFIDENTIAL

CONFIDENTIAL

PAGE 04 STATE 300009 0504112
24 BOMBING WHICH KILLED UNP PRESIDENTIAL CANDIDATE GAMINI
DISSANAYAKE, PM KUMARATUNGA ACKNOWLEDGED THAT PEACE TALKS
WITH THE LTTE WOULD BE AFFECTED IF THE INVESTIGATION
SHOWED EVIDENCE OF TIGER INVOLVEMENT IN THE ATTACK. SHE
REJECTED CLAIMS OF GOVERNMENT COMPLICITY IN THE ATTACK OR
INADEQUATE ATTENTION TO SECURITY. THE OCTOBER 29 STATE
FUNERAL FOR DISSANAYAKE TOOK PLACE PEACEFULLY. (COLOMBO
5628, 5655)

(C) BANGLADESH - GOVERNMENT MAKES COMPROMISE PROPOSAL:
IN RESPONSE TO THE OPPOSITION’S DEMAND FOR A CARETAKER
GOVERNMENT, BNP NEGOTIATORS (OR POSSIBLY THE MEDIATOR)
PROPOSED A NATIONAL GOVERNMENT COMPRISED OF RULING BNP AND
OPPOSITION PARTIES AND HEADED BY PM ZIA. OPPOSITION
FIGURES HAVE REJECTED THE GOVERNMENT'S PROPOSAL, WITH
FURTHER RALLIES AND PUBLIC DEMONSTRATIONS PLANNED AS THE
STALEMATE CONTINUES. (DHAKA 7512)

(U) BANGLADESH - DROUGHT REPORTED IN NORTHERN
BANGLADESH: AS A RESULT OF LOWER RAINFALL IN NORTHERN
BANGLADESH THIS YEAR, THE BDG ESTIMATES A NATIONWIDE
DECLINE IN TOTAL RICE PRODUCTION OF 5-10 PERCENT. RECENT
RAINFALL, THE BDG’S RELIEF PROGRAMS, AND AMPLE PRIVATE
RICE STOCKS ARE EXPECTED TO OFFSET LOCALIZED HARDSHIPS
AFFECTING NORTHERN LANDLESS FARMERS. (DHAKA 7509)

(C) NEPAL - PARTY MANIFESTOES LONG ON PROMISES: PARTY
ELECTION MANIFESTOES FOR THE NOVEMBER 15 ELECTIONS ARE

Current Class: CONFIDENTIAL

Page: 3
LONG ON PROMISES BUT SHORT ON DETAILS. ALL PARTIES CALL FOR SOME FORM OF LAND DISTRIBUTION FROM LANDLORDS TO PEASANTS. NON-ALIGNMENT FOREIGN POLICY IS A THEME, AS IS CONFIDENTIAL

CONFIDENTIAL

PAGE 05  STATE  300009  050411Z
CONTINUED ECONOMIC RESTRUCTURING AND IMPROVED TREATMENT OF WOMEN. THE NEPALI CONGRESS PURGES TO SOLVE THE BHUTANESE REFUGEE PROBLEM "THROUGH MUTUAL UNDERSTANDING."
(KATHMANDU 5890)

TUESDAY, NOVEMBER 1

(U) INDIA - PM RAO TAKES CONTROL OF KASHMIR PORTFOLIO:
THE DELHI PRESS REPORTED THAT PM RAO HAS CREATED A SEPARATE DEPARTMENT UNDER HIS OWN SUPERVISION TO HANDLE KASHMIR, TAKING IT AWAY FROM FEUDING HOME MINISTER CHAVAN AND MINISTER OF STATE RAJESH PILOT. (NEW DELHI 17614)

(LOU) INDIA - MUSLIMS DESERT CONGRESS IN MAHARASHTRA:
BOMBAY'S MUSLIMS, DISenchanted at the government's RESPONSE TO THE BOMBAY RIOTS AND BOMBINGS, SEEM DETERMINED TO VOTE AGAINST CONGRESS (I) CANDIDATES EVEN WHERE IT HELPS THE BJP. CONGRESS CHIEF MINISTER PAWAR HAS WRITTEN OFF THEIR VOTE, BUT SHOULDN'T BE ABLE TO EKE OUT A NARROW VICTORY IN THE COMING ELECTIONS (PROBABLY IN JANUARY 1995) BY WOOING RURAL VOTERS AND DEFECTORS FROM OTHER PARTIES. (BOMBAY 4447)

(LOU) INDIA - PILOTS GROUND INDIAN AIRLINE: IN RESPONSE TO A MANAGEMENT DECISION TO REINSTATE TWO PILOTS WHO DEFECKED TO ONE OF THE NEW PRIVATE DOMESTIC AIRLINES, AIR INDIA PILOTS STAGED A MASSIVE SICK CALL, VIRTUALLY GROUNDING THE AIRLINE AT ALL FOUR MAJOR METROPOLITAN HUBS

CONFIDENTIAL

PAGE 06  STATE  300009  050411Z
-- NEW DELHI, BOMBAY, MADRAS AND CALCUTTA. THE UNION DEMANDED THAT RETURNED PILOTS BE PLACED AT THE BOTTOM OF THE SENIORITY LIST. THE NEW AIRLINES ARE FLYING AT

Current Class: CONFIDENTIAL
VIRTUALLY FULL CAPACITY ON TRUNK LINES AS A RESULT OF THE PILOTS' ACTION. (NEW DELHI 17634)

(U) AFGHANISTAN - AGREEMENT REACHED TO RESUME MCCOLLUM AGREEMENT WAS REACHED NOVEMBER 1 TO RESTRUCTURE THE MCCOLLUM PROGRAM, UNDER WHICH DOD HAS PROVIDED HUMANITARIAN SUPPLIES TO AFGHANISTAN, AND IMMEDIATELY RESUME SHIPMENTS. DETAILS NEED TO BE WORKED OUT, BUT PRM WILL ASK EMBASSY ISLAMABAD TO CONSULT WITH UNHCR, THE ULTIMATE CONSIGNEE, AND SUBMIT A LIST OF SPECIFIC GOODS IN ORDER TO CRAFT A FORMAL TASKING TO DOD. DOD HAS AMPLE FUNDS FOR TRANSPORTATION, WHICH MAY MAKE IT POSSIBLE TO SHIP BY AIR TO PROVIDE IMMEDIATE RELIEF TO AFGHANS FLEEING KABUL FOR JALALABAD. (PRM MEETING 11/1)

(U) AFGHANISTAN - SHAKY TAJIK BORDER CEASE-FIRE EXTENDED: TAJIK GOVERNMENT AND OPPOSITION NEGOTIATORS IN ISLAMABAD AGREED TO EXTEND THE TWO WEEK CEASE-FIRE ALONG THE AFGHAN-TAJIK BORDER UNTIL FEBRUARY 1995. TWENTY THREE INCIDENTS OF CROSS-BORDER FIRING OR INCURSIONS HAVE BEEN REPORTED SINCE THE CEASE-FIRE WENT INTO EFFECT OCTOBER 20, ACCORDING TO RUSSIAN MEDIA SOURCES. (AP, INTERFAX)

(C) SRI LANKA - TRYING TO GET MOVEMENT ON VOA: FM KADIRGAMAR RAISED THE WORK STOPPAGE AT THE VOA SITE WITH PM KUMARATUNGA. THE PM CONSIDERS THE SITUATION TOO VOLATILE AND DOES NOT WANT WORK TO RESUME BEFORE THE NOVEMBER 9 PRESIDENTIAL ELECTIONS. HOWEVER, KADIRGAMAR CONFIDENTIAL

PAGE 07 STATE 300009 050411Z
ASSURED AMBASSADOR SCHAFFER THAT THE GSL IS COMMITTED TO THE PROJECT AND SAID THE MFA WILL TAKE UP THE MATTER WITH THE PM'S POINT MAN ON THE ISSUE. OUR EMBASSY WILL SEEK TO LIMIT THE DELAY BUT EXPECTS THE GSL WILL WANT TO GO SLOWLY. (COLOMBO 5681)

(C) PAKISTAN - OPPOSITION WALKS OUT OF ASSEMBLY; OPPOSITION DEPUTIES WALKED OUT OF NATIONAL ASSEMBLY SESSIONS ON OCTOBER 29 AND 30 AFTER THE GOP REFUSED TO PERMIT THREE OPPOSITION MEMBERS JAILED ON CRIMINAL CHARGES TO TAKE PART. NATIONAL ASSEMBLY SPEAKER YOUSAF RAZA GILANI ORDERED THE GOP TO ALLOW THE MEMBERS TO ATTEND THE SESSION. THE GOP, WHICH HAS RELEASED OPPOSITION MEMBERS
JAILED UNDER MAINTENANCE OF PUBLIC ORDER LAWS, ARGUES THAT IT DOES NOT HAVE AUTHORITY TO RELEASE INDIVIDUALS JAILED ON CRIMINAL CHARGES. THE EMBASSY FINDS THE GOP'S POSITION DISINGENUOUS AND NOTES THAT THE GOP HAS RELEASED ASSEMBLY MEMBERS IN SIMILAR SITUATIONS IN THE PAST. (ISLAMABAD 10368)

(U) PAKISTAN - PEPSI COMPLAINTS ABOUT GOP TAX AND TARIFF MEASURES: PAB MET TODAY WITH PEPSI'S GOVERNMENT AFFAIRS DIRECTOR TO DISCUSS RECENT GOP FISCAL MEASURES THAT PEPSI BELIEVES PENALIZE FOREIGN FIRMS WITH ESTABLISHED MANUFACTURING FACILITIES IN PAKISTAN. SPECIFICALLY, PEPSI IS UPSET THAT THE GOP IMPOSED NEW EXCISE TAXES ON LOCALLY PRODUCED SOFT DRINK CONCENTRATES AND BEVERAGE CANS WHILE LOWERING IMPORT DUTIES ON SOFT DRINKS. WE SUGGESTED THAT PEPSI AND OTHER SOFT DRINK FIRMS RAISE THEIR CONCERNS WITH THE GOP.

CONFIDENTIAL

PAGE 08 STATE 300009 050411Z

(U) BANGLADESH: CHILD LABOR DEADLINE DROPPED: THE BANGLADESH GARMENT MANUFACTURERS AND EXPORTERS ASSOCIATION (BGMMEA) ANNOUNCED OCTOBER 31 THAT IT WOULD POSTPONE INDEFINITELY ITS SELF-IMPOSED OCTOBER 31 DEADLINE FOR ELIMINATING CHILD LABOR FROM THE BANGLADESHI GARMENT INDUSTRY. THE EXTENSION ALLOWS THE INDUSTRY TO IMPLEMENT A NUMBER OF TRANSITIONAL MEASURES PROPOSED BY UNICEF AND OTHERS THAT WOULD CREATE EDUCATIONAL OPPORTUNITIES FOR THE CHILDREN WITHIN THEIR CURRENT JOBS. THE POSTPONEMENT ALSO AVOIDS JOB TERMINATION FOR MANY UNDERAGE WORKERS, WHICH WOULD HAVE LED TO EVEN WORSE EMPLOYMENT ALTERNATIVES FOR MANY OF THEM. (DHAKA 7569)

WEDNESDAY, NOVEMBER 2

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(LOU) AFGHANISTAN - NEW WAVE OF INTERNALLY DISPLACED PERSONS FLEE KABUL: A THOUSAND INTERNALLY DISPLACED PERSONS (IDPS) ARE ARRIVING IN JALALABAD FROM KABUL DAILY. UNOCHA ANTICIPATES A TOTAL OF 150,000 NEW ARRIVALS WILL JOIN THE OVER 200,000 IDPS NOW IN CAMPS THERE. A NEWLY ESTABLISHED IDP CAMP ALREADY HOLDS 21,000 DISPLACED

Current Class: CONFIDENTIAL
KABULIS. THE UN WILL REQUIRE ADDITIONAL RESOURCES TO DEAL WITH THE CRISIS, AND IS ABOUT TO RELEASE AN ANNUAL APPEAL TOTALLING JUST OVER DOLLARS 100 MILLION. (ISLAMABAD 10350)

(C) AFGHANISTAN - MESTIRI UPEAT, MOVING AHEAD: MESTIRI IS BEGINNING PRELIMINARY DISCUSSIONS WITH AFGHANS ON CONFIDENTIAL

CONFIDENTIAL

FORMING AN INTERIM RULING COUNCIL FOLLOWING HIS SUCCESSFUL MEETINGS INSIDE AFGHANISTAN WITH RABBANI, HEMATVIR, ISMAIL KHAN, MASOOD, DOSTAM, AND OTHERS. ABDUL HAQ AND PIR GAILANI WILL LIKELY CHAIR MESTIRI'S WORKING GROUPS ON SECURITY AND POLITICAL LEGITIMACY, RESPECTIVELY. HOWEVER, THREE PRO-RABBANI PASHTUN ISLAMIST LEADERS (SAYYAF, KHALIS, AND MOHAMMADI) OPPOSE MESTIRI'S EFFORTS. (ISLAMABAD 10418)

(LOU) INDIA - PM RAO RAISES STAKES IN ANDHRA PRADESH: FACED WITH POLLS SHOWING THE TELUGU DESAM PARTY (TDP) EDGING OUT CONGRESS (I) IN A.P., PM RAO IS CAMPAIGNING HEAVILY IN HIS HOME STATE WITH THE BOLD MESSAGE THAT STATE ELECTIONS ARE A REFERENDUM ON HIM PERSONALLY. CASTE ISSUES ARE INCREASINGLY PROMINENT IN THE SOUTH, AND CONGRESS (I) IS SCRAMBLING TO FIND NEW CONSTITUENCIES. (MADRAS 3477)

(C) PAKISTAN - INDIA AND PAKISTAN CLASH AT THE UN: PAKISTANI AND INDIAN DELEGATES ONCE AGAIN TANGLED OVER KASHMIR DURING AN OCTOBER 27 GENERAL ASSEMBLY PLENARY. GOP DELEGATE QYED QAI ALI SHAH BEGAN THE CONFLICT BY LAMBASTING INDIA'S "UNPARALLELED REIGN OF TERROR" IN KASHMIR. THE INDIAN DELEGATE RESPONDED, SCORING PAKISTAN FOR ITS "TIRESOME" FOCUS ON THE ISSUE. (USUN 4678)

(C) PAKISTAN - CIA POPPY ESTIMATES MISLEADING: EMBASSY NARCOTICS AFFAIRS SECTION (NAS) OPium POPPY ESTIMATES SHOW A SLIGHT DECLINE IN POPPY CULTIVATION DURING 1994, IN SHARP CONTRAST TO COUNTERNARCOTICS CENTER (CNC) ESTIMATES, WHICH SHOW A 15 PERCENT INCREASE IN CULTIVATION. NAS CONFIDENTIAL

CONFIDENTIAL

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POPPIE ESTIMATES ARE BASED ON FIELD DATA, WHICH CAN BE
RELIABLY COLLECTED IN PAKISTAN. THE EMBASSY RECOMMENDS
THAT WASHINGTON REEVALUATE THE CNC'S IMAGERY-BASED
ESTIMATES PRIOR TO INCORPORATING THEM INTO THE NARCOTICS
STRATEGY REPORT, WHICH FORMS THE BASIS FOR CERTIFICATION
DECISIONS. (ISLAMABAD 10428)

(U) PAKISTAN - ENERGY DEPSEC WHITE VISIT: THE EMBASSY
HAS PROVIDED PRELIMINARY PROGRAMMING IDEAS TO DOE FOR THE
DECEMBER 12-17 VISIT OF DEPSEC BILL WHITE. WHITE WILL BE
JOINED BY A DELEGATION OF SOME 30 BUSINESS LEADERS, PLUS
TEN DOE STAFFERS. THE EMBASSY IS PROPOSING STOPS IN
KARACHI, QUETTA AND ISLAMABAD. (ISLAMABAD 10375)

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THURSDAY, NOVEMBER 3
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(C) PAKISTAN - SHAIKH REVIEWS U.S. VISIT: FOREIGN
SECRETARY SHAIKH WELCOMED U.S. WILLINGNESS TO CONSIDER
BECOMING MORE INVOLVED IN RESOLVING THE KASHMIR DISPUTE,
DURING AN OCTOBER 31 MEETING WITH AMBASSADOR MONJO.
SHAIKH WAS UNENTHUSIASTIC ABOUT MEETING WITH INDIAN
FOREIGN SECRETARY SRINIVASAN AT UPCOMING COMMONWEALTH
MEETINGS. ON NONPROLIFERATION, SHAIKH SAID THE U.S. AND
PAKISTAN SHOULD FOCUS ON THE FISSILE MATERIAL BAN AT
UNGA. SHAIKH SAID IT WAS IMPORTANT THAT UPCOMING HIGH
LEVEL VISITS PRODUCE RESULTS. (ISLAMABAD 10474)

(C) PAKISTAN - PM'S SPEECH MIXES WOMEN'S RIGHTS, ISLAMIC
CONFIDENTIAL

PAGE 11 STATE 300009 050411Z
THEMES: SPEAKING AT AN OCTOBER 30 CEREMONY IN KARACHI FOR
BUSINESS AND PROFESSIONAL WOMEN, PM BHUTTO ADDED A
RELIGIOUS NOTE IN HER REMARKS, ASSERTING THAT THE PROBLEMS
OF WOMEN IN THE MUSLIM WORLD "ARE NOT THE FAULT OF
ISLAM." BHUTTO PLEDGED TO FUND LEGAL AID FOR VICTIMS OF
DOMESTIC VIOLENCE AND TO REINSTATE WOMEN'S SEATS IN THE
NATIONAL ASSEMBLY. TENSIONS WERE EVIDENT BETWEEN BENAZIR
BHUTTO AND HER MOTHER, NUSRAT BHUTTO, ALSO SEATED ON THE
PLATFORM. (KARACHI 5242)

(C) PAKISTAN - OPPOSITION CRITICIZES POWER PROJECT: THE

Current Class: CONFIDENTIAL
OPPOSITION PAKISTAN MUSLIM LEAGUE RAN A SERIES OF PRESS
ADS IN KARACHI, HIGHLIGHTING THE ABORTED 250 MEGAWATT
POWER PLANT MOU SIGNED BY THE DALLAS-BASED POWERBRIDGE
COMPANY IN THE SPRING. THE ADS SUGGEST THE GOP SIGNED THE
POWERBRIDGE PROJECT AND OTHERS SIMPLY FOR PARTISAN
POLITICAL ADVANTAGE AND PROVIDE AMMUNITION TO BHUTTO
CRITICS WISHING TO DENIGRATE THE CONTRACTS SIGNED DURING
THE O'LEARY VISIT. (KARACHI 5251)

(U) PAKISTAN - UNION TEXAS TO INVEST IN NEW OIL/GAS
EXPLORATION: UNION TEXAS, ALREADY PRODUCING OVER
ONE-THIRD OF PAKISTAN'S CRUDE OIL, HAS ANNOUNCED PLANS TO
INVEST USD 170 MILLION OVER THE NEXT THREE YEARS FOR
ADDITIONAL OIL AND GAS EXPLORATION. THE COMPANY THINKS
HIGHLY OF THE GOP'S NEW PETROLEUM POLICY, WHICH PROVIDES
BETTER INCENTIVES FOR OIL AND GAS FINDS. (KARACHI 5238)

(C) AFGHANISTAN - MORE ALLEGATIONS OF INDIAN
INVOLEMENT: FIFTEEN INDIAN TECHNICIANS AND THREE PILOTS
ASSIST AHMAD SHAH MASOOD AT HIS BAGRAM AIR BASE, ACCORDING
CONFIDENTIAL

CONFIDENTIAL

PAGE 12 STATE 300009 050411Z
TO QAZI HUMAYUN OF PAKISTAN'S FOREIGN MINISTRY. THE
TECHNICIANS REPAIR MILITARY AIRCRAFT, ALTHOUGH THE PILOTS
DO NOT FLY THEM ON COMBAT MISSIONS, HUMAYUN CONTINUED. HE
ADDED THAT THE INFORMATION COMES FROM TWO MASOOD PILOTS
WHO DEFECTED TO DOSTAMI IN SEPTEMBER. (ISLAMABAD 10475)

(U) AFGHANISTAN - BATTLE FOR THE PAKISTANI CONVOY: THE
TEST-CASE CONVOY FROM PAKISTAN TO CENTRAL ASIA HAS BECOME
THE FOCUS OF A SHARP CLASH IN KANDAHAR PROVINCE BETWEEN
FOUR LOCAL COMMANDERS AND THE "TALEBS" (STUDENT MILITIAMEN
FROM A SMALL PAKISTANI RELIGIOUS PARTY WHO HAVE TAKEN OVER
THE SPIN BOLDAK CROSSING POINT ON THE AFGHAN-PAKISTAN
BORDER). THE CLASH HAS UNITED THE RIVAL AFGHAN
COMMANDERS, NORMALLY AT EACH OTHERS' THROATS. (PAB/VOA
TELCON)

(U) AFGHANISTAN - THE AMAZING AFGHANI: THE AFGHANI HAS
DECLINED AGAINST THE DOLLAR AT AN ANNUAL RATE OF 112
PERCENT OVER THE PAST SIX MONTHS, BUT THE PRICES OF MOST
COMMODITIES HAVE NOT APPRECIATED BY SIMILAR AMOUNTS.
EXPANSION OF THE ECONOMY, HOARDING, AND NATIONAL PRIDE ARE
ALL POSSIBLE EXPLANATIONS FOR THIS PHENOMENON BUT, LIKE
THE AFGHAN ECONOMY ITSELF, THE REMARKABLE RESILIENCY OF THE AFGHANI REMAINS A MYSTERY. (PESHAWAR 1022)

FRIDAY, NOVEMBER 4

(AFghanistan - UN STRUGGLES TO DELIVER FOOD TO KABUL: NEITHER THE UN NOR THE ICRC HAS BEEN ABLE TO CONFIDENTIAL

CONFIDENTIAL

PAGE 13 STATE 300009 0504112
DELIVER FOOD INTO KABUL FOR SEVERAL MONTHS BECAUSE OF THE BLOCKADE IMPOSED BY HEKMATYAR AND HIS ALLIES. HEKMATYAR, THOUGH CORDIAL AND SEEMINGLY COOPERATIVE WITH THE UN, IS EITHER BEING DISINGENUOUS OR IS UNABLE TO CONTROL RELEVANT COMMANDERS - OR BOTH. ALTHOUGH A WINTER FOOD EMERGENCY LOOKS IMMINENT, RECENT TRAVELLERS REPORT THAT FOOD IS STILL AVAILABLE TO THOSE ABLE TO PAY, AND THERE IS NO EVIDENCE YET OF MASS STARVATION AMONG THE DWINDLING NUMBER OF KABULIS REMAINING IN THE CITY. (ISLAMABAD 10473)

(A) AFGHANISTAN - NEW FIGHTING AND NEW FORCES IN KANDAHAR: FIGHTING Erupted THE WEEK OF NOVEMBER 1 IN KANDAHAR PROVINCE BETWEEN AN ALLIANCE OF ESTABLISHED HIG AND NIFA COMMANDERS AND A NEW, HITHERTO UNKNOWN GROUP CALLED THE TALIBAN ("SEEKERS"). THE TALIBAN ARE A WELL-ARMED GROUP OF YOUNG RELIGIOUS STUDENTS APPARENTLY MOTIVATED BY FRUSTRATION WITH THE PARTY LEADERS' FAILURE TO ACHIEVE PEACE AND BY THE CORRUPTION OF LOCAL COMMANDERS. THE GROUP'S IMMEDIATE GOAL APPEARS TO BE REOPENING THE CHAMAN-KANDAHAR HIGHWAY, WHICH HAS SPARKED THE RECENT FIGHTING AND LED MANY TO SUSPECT THE TALIBAN ARE SUPPORTED BY THE GOP AND BUSINESS INTERESTS SEEKING TO OPEN TRADE ROUTES FROM PAKISTAN TO CENTRAL ASIA. (PESHAWAR 1030)

(U) PAKISTAN/AFGHANISTAN - GOP TO ENCOURAGE REFUGEE RETURN: THE GOP IS REPORTEDLY DEVELOPING A PLAN TO ENCOURAGE VOLUNTARY REPATRIATION OF THE 1.2 MILLION AFGHAN REFUGEES STILL RESIDING IN PAKISTAN. ALTHOUGH THERE HAVE BEEN HINTS OF A HARDER LINE TOWARDS AFGHANS, THE GOP IS CONFIDENTIAL.
CONFIDENTIAL

PAGE 14

STATE 300009 050411Z
NOT LIKELY TO BREAK WITH ITS LIBERAL ASYLUM POLICY BY PUSHING AFGHANS BACK, AND ITS PLAN IS LIKELY TO BE BASED ON POSITIVE INCENTIVES DESIGNED TO CREATE A "CONGENIAL ATMOSPHERE" INSIDE AFGHANISTAN TO DRAW REFUGEES HOME.
(ISLAMABAD 10446)

(C) PAKISTAN - SHARIAT ACTIVISTS RAMPAGE IN NWFP: MEMBERS OF A MOVEMENT TO IMPLEMENT SHARIAT LAW IN THE NORTHWEST FRONTIER PROVINCES (NWFP) MALAKAND DIVISION KILLED A PROVINCIAL MINISTER, OCCUPIED POLICE STATIONS AND AN AIRPORT IN SWAT, AND BARRICADED GOVERNMENT OFFICES AS THEIR AGITATION CAMPAIGN EXPANDED NOVEMBER 3. EARLIER IN THE WEEK, THE BLACK-TURBANED ACTIVISTS HAD TAKEN SEVERAL GOVERNMENT OFFICIALS HOSTAGE, COMPLAINING THAT NWFP CHIEF MINISTER SHERPAO HAD RENEGED ON PROMISES (MADE AFTER PROTESTORS BLOCKED ROADS THIS SPRING) TO ESTABLISH SHARIAT LAW IN THE DIVISION. THE GOVERNMENT HAS DISPATCHED 8,000 TROOPS TO THE AREA IN AN EFFORT TO RESTORE ORDER.
(PESHAWAR 1027, PESHAWAR 1031)

(C) PAKISTAN - OPPOSITION, GOP CONTINUE TO SPAR IN ASSEMBLY: OPPOSITION LEADERS CONTINUE TO DEMAND THE RELEASE OF THREE JAILED PAKISTAN MUSLIM LEAGUE (PML/N) DEPUTIES TO PARTICIPATE IN ASSEMBLY SESSIONS, AND THE SPEAKER OF THE NATIONAL ASSEMBLY HAS REFERRED THE LEGALITY OF THIS QUESTION TO THE PRIVILEGES COMMITTEE. THE PML/N, WHICH RESIGNED FROM ALL COMMITTEE ASSIGNMENTS EARLIER THIS YEAR, IS FIGHTING TO HAVE THE MATTER REFERRED TO AN AD HOC COMMITTEE. ON A SEPARATE MATTER, PML/N MILITANT NAWAZ KHOKHAR TOLD THE EMBASSY HE BELIEVES BHUTTO WILL REMAIN IN POWER FOR AT LEAST ANOTHER YEAR. ACCORDING TO KHOKHAR,

CONFIDENTIAL

PAGE 15

STATE 300009 050411Z
CRACKS ARE BEGINNING TO APPEAR BETWEEN MODERATES AND MILITANTS IN THE OPPOSITION.
(ISLAMABAD 10368, ISLAMABAD 10468)

(C) PAKISTAN - FOREX RESERVES UP; IMF COMING TO TOWN: FOREIGN EXCHANGE RESERVES CONTINUE THEIR DRAMATIC RECOVERY FROM THE SUMMER OF 1993 AND NOW STAND AT USD 3.1 BILLION,
OR 19 WEEKS OF IMPORT COVER. THE SURGE IS NOW BEING
DRIVEN BY PROCEEDS FROM THE SALE OF SHARE VOUCHERS EQUAL
TO 12 PERCENT OF THE VALUE OF THE PAKISTAN
TELECOMMUNICATIONS CORP. AND BY IMF DISBURSEMENTS.
MEANWHILE, AN IMF TEAM WILL VISIT IN NOVEMBER TO DISCUSS
THE STATUS OF THE THREE-YEAR IMF CREDIT FACILITY.
(ISLAMABAD 10483)

(C) PAKISTAN - PHARMACEUTICAL FIRMS GET SOME RELIEF: THE
GOP HAS OFFICIALLY PERMITTED DRUG COMPANIES TO RAISE
PRICES ON CONTROLLED PRODUCTS BY 7.5 PERCENT IN RETURN FOR
AN INDUSTRY PLEDGE TO CONTINUE ITS "VOLUNTARY" PRICE
FREEZE ON NON-CONTROLLED ITEMS, MARKING THE LATEST CHAPTER
IN A LONG-RUNNING DEBATE. NONETHELESS MOST DRUG
COMPANIES, MANY OF THEM U.S. MULTINATIONALS, EXPECT
FURTHER PRESSURE TO HOLD PRICES DOWN. PFIZER, A U.S.
FIRM, RECENTLY CUT ITS WORKFORCE ALMOST IN HALF AFTER A
TENSE STANDOFF WITH UNIONIZED EMPLOYEES. (KARACHI 5246)

(C) INDIA - GOI WARNS CODEL ON KASHMIR VISIT: MEA JOINT
SECRETARY LAHRI WARNED OUR CHARGE THAT IF CODEL
ACKERMAN'S PLANNED VISIT TO KASHMIR DOES NOT INCLUDE A
VISIT TO A REFUGEE CAMP AND A CALL ON THE STATE GOVERNMENT
CONFIDENTIAL

CONFIDENTIAL

PAGE 16  STATE  300009  050411Z
IN JAMMU, A "SERIOUS MISUNDERSTANDING" MIGHT RESULT.
LAHRI ALSO PROVIDED A WRITTEN RESPONSE ("FOR DISCUSSION")
TO DEFENSE SECRETARY PERRY'S CONCEPT PAPER ON DEFENSE
COOPERATION AND PRESENTED A PROPOSED AGENDA FOR INDO-U.S.
FOREIGN POLICY CONSULTATIONS TO BE HELD IN NEW DELHI IN
EARLY 1995. (NEW DELHI 17808)

(C) INDIA - BRITISH KIDNAP VICTIMS DEBRIEF: THE BRITISH
HIGH COMMISSION IN NEW DELHI (STRICTLY PROTECT) REPORTS
THAT: (A) THE THREE BRITISH NATIONALS' KIDNAPPERS CLAIMED
TO BE THE SAME AS THOSE WHO HELD TWO HOSTAGES IN KASHMIR
IN JUNE; (B) THE VICTIMS WERE TARGETED BECAUSE OF THEIR
NATIONALITY; AND (C) THE KIDNAPPER IDENTIFIED AS "ROHIT
SHARMA," WHO LEFT A RANSOM PACKAGE AT THE BBC, WAS WOUNDED
AT THE GHAZIABAD HOUSE. SHARMA HOLDS A BRITISH PASSPORT,
ATTENDED THE LONDON SCHOOL OF ECONOMICS, AND SPENT TIME IN
BOSNIA WHERE THE ABUSE OF MUSLIM WOMEN APPARENTLY
RADICALIZED HIS VIEWS. (NEW DELHI 17807)
SRI LANKA - POLITICS BACK ON TRACK: PM KUMARATUNGA'S PRESIDENTIAL CAMPAIGN HAS REGAINED DIRECTION FOLLOWING THE SHOCK OF OPPOSITION (UNP) CANDIDATE DISSANAYAKE'S ASSASSINATION OCTOBER 24. THE PM IS USING HER OWN PERSONAL HISTORY OF LOSSES AND HAS NOT BACKED OFF HER PLAN TO NEGOTIATE AN END TO THE CIVIL CONFLICT. DISSANAYAKE'S LOSS HIGHLIGHTS INTERNAL WEAKNESSES IN THE UNP, WHICH THREATEN THEIR CANDIDATE'S (SRIMA DISSANAYAKE) CHANCES. UNP LEADER WICKREMESINGHE IS DOING LITTLE TO HELP SRIMA, SEEMINGLY MARKING TIME UNTIL FUTURE ELECTIONS. (COLOMBO 5783)