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E.O. 11552: GJS

TAGS: MNUC, TECH, US, FR, PK

SUBJECT: REPROCESSING ISSUE

1. IT WAS A MEMORABLE MEMORIAL DAY WEEK-END. PRESIDENT
AND GISCARD DISCUSSED REPROCESSING PLANT SALE DURING THEIR
MAY 26 MEETING. WHEN DE GUIRINGAUU MET SECRETARY ON
MAY 29, HE SAID THAT FRANCE HAS DECIDED NOT TO SELL THE
REPROCESSING PLANT TO PAKISTAN. HE ADDED THAT HE WOULD
INFORM PAK UA PERNREP AKHUND OF FRENCH DECISION BY MAY 31.

2. OUR TWO IMMEDIATE GOALS ARE TO GUARD AGAINST AN
INTEMPERATE PAKISTANI REACTION ONCE IT LEARNS OF THE
FRENCH DECISION, AND TO DISSUADE PAKISTAN FROM ATTEMPTING
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UNITED STATES DEPARTMENT OF STATE
REVIEW AUTHORITY: FRANK E SCHMELZER
DATE/CASE ID: 01 JUL 2004 199900276

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TO DEVELOP A NUCLEAR OPTION ON ITS OWN, WE BELIEVE OUR CHANCES OF ACHIEVING THESE GOALS ARE ENHANCED IF WE CAN OFFER PAKISTAN A PACKAGE OF TANGIBLE INCENTIVES AND SOME POLITICAL SUPPORT. ON THE POLITICAL SIDE, WE ARE CONSIDERING AN ISLAMABAD VISIT BY AMBASSADOR NIXON, A KARACHI PORT CALL BY A NUCLEAR CRUISER, AND POSSIBLE INTELLIGENCE EXCHANGES ON SOVIET ACTIVITIES IN AFGHANISTAN.

3. THE SECRETARY WILL MEET SHAHI IN NEW YORK MAY 2ND. WE WILL RECOMMEND THAT AFTER THAT MEETING, WE BRIEF A VERY SMALL NUMBER OF KEY PEOPLE ON THE HILL. WE WANT TO BRING THE SHAM UP TO DATE AS SOON AS POSSIBLE, AND WANT TO MAINTAIN A DIALOGUE WITH INDIA ON OUR EFFORTS TO REASSURE PAKISTAN ABOUT ITS SECURITY CONCERNS.

4. WE WILL KEEP YOU INFORMED AS THE DRAMA UNFOLDS AND WOULD APPRECIATE ANY THOUGHTS YOU MAY HAVE. AS A FIRST STEP, THE FOLLOWING ARE THE UNCLEARED TALKING POINTS WHICH WE ARE SUGGESTING THE SECRETARY USE WITH SHAHI: IF YOU WOULD LIKE TO SUGGEST ANY CHANGES, PLEASE LET US KNOW ASAP.

5. POINTS TO BE MADE WITH AGHA/SHAHI:

-- WE RECOGNIZE THE NEW AND SERIOUS THREAT TO PAKISTAN'S SECURITY POSED BY AFGHAN EVENTS. WE, LIKE THE PAKISTANIS, ARE ATTEMPTING TO KEEP LINES OPEN TO THE NEW AFGHAN REGIME AND REINFORCE ANY NATIONALIST TENDENCIES, BUT WE ARE UNDER NO ILLUSIONS ABOUT THE POTENTIAL OF THAT REGIME -- WITH OR WITHOUT SOVIET ENCOURAGEMENT -- TO MAKE TROUBLE FOR ITS NEIGHBORS.
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-- I HAVE RAISED OUR CONCERNS ABOUT AFGHANISTAN WITH GROMYKO THIS WEEK. YOU ALSO SAW THAT MR. BRZEZINSKI IN HIS "MEET THE PRESS" INTERVIEW WARNED OF THE THREAT TO DETENTE POSED BY SOVIET EFFORTS TO ENCIRCLE AND PENETRATE THE MIDDLE EAST.

-- OUR AMBASSADOR IN KABUL IN EARLY CONVERSATIONS WITH PRESIDENT TARAKI AND MEMBERS OF THE NEW GOVERNMENT HAS EMPHASIZED OUR INTEREST IN REGIONAL STABILITY.

-- IN THE LONGER RUN, THE AFGHAN PROBLEM MUST BE LOOKED AT IN A REGIONAL CONTEXT. IN OUR VIEW, COOPERATION AMONG COUNTRIES OF THE REGION BECOMES MORE IMPORTANT THAN EVER. IN OUR CONVERSATIONS, WE HAVE FOUND THAT THE IRANIANS, SAUDIS, TURKS AND INDIANS ALL SAY THEY ARE DISTURBED BY THE IMPLICATIONS FOR THE REGIME OF AFGHAN EVENTS. WE WILL BE PURSUING THESE DISCUSSIONS, MOST IMMEDIATELY WITH PRIME MINISTER DESAI ON JUNE 13-14 IN WASHINGTON.

-- IN ADDITION, I WOULD LIKE TO PROPOSE THAT UNDER SECRETARY NEWSOM VISIT PAKISTAN AT A MUTUALLY CONVENIENT TIME FOR A MORE DETAILED EXCHANGE OF VIEWS ON THE SITUATION IN THE REGION. I WOULD HOPE THAT HE MIGHT ALSO VISIT TEHRAN AND JIDDHA AND EXPLORE IDEAS FOR FURTHER COOPERATION.

-- THE FRENCH HAVE INFORMED US OF THEIR DECISION ON THE REPROCESSING PLANT. WE UNDERSTAND THE POLITICAL SENSITIVITY OF THIS ISSUE IN PAKISTAN AND WOULD LIKE TO BE HELPFUL IN ANY WAY WE CAN.

-- I LOOK FORWARD TO AN EARLY RESUMPTION OF OUR CLOSE AND FRIENDLY TIES. IN THIS CONNECTION, AND IN LIGHT OF AFGHAN EVENTS, I HAVE ASKED MY STAFF TO SUGGEST WAYS WE CAN BE OF ASSISTANCE. WE WILL, OF COURSE, LIFT THE SECRET

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FREEZE ON NEW AID DISBURSEMENTS. WE WILL ALSO CONSIDER
REQUESTS FOR MILITARY SALES WHICH FALL WITHIN OUR GLOBAL
MILITARY SALES.

-- WE ARE LOOKING AT OTHER WAYS WE CAN BE HELPFUL IN THE
ECONOMIC DEVELOPMENT FIELD, AND LOOK FORWARD TO TALKS
BETWEEN OUR EXPERTS IN ISLAMABAD ON THIS ISSUE. WE ALSO
PROPOSE DISCUSSIONS WITH THE GOP ON HOW WE CAN BEST
ASSIST PAKISTAN IN THE NON-NUCLEAR ENERGY FIELD. IN
THAT REGARD, IF THE GOP SO WISHES, WE WOULD BE WILLING
TO INITIATE DISCUSSIONS ON NEGOTIATING A BILATERAL NU-
CLEAR COOPERATION AGREEMENT WHICH, IF SIGNED, WOULD ALLOW
FOR MORE AMERICAN COOPERATION IN PAKISTAN'S NUCLEAR RE-
SEARCH AND POSSIBLE POWER PROGRAMS.

-- SOME OF THESE IDEAS ARE NECESSARILY SOMEWHAT TENTATIVE;
THEY ALL REQUIRE COMPREHENSIVE DISCUSSIONS BETWEEN OUR
TWO GOVERNMENTS. I WISH TO EMPHASIZE, HOWEVER, THE
CENTRAL FACT THAT NOW THAT THE REPROCESSING ISSUE IS
REMOVED FROM US, WE FULLY INTEND TO ACTIVELY WORK TO STRENGTHEN
OUR RELATIONS WITH PAKISTAN IN THE FIRM BELIEF THAT
BOTH OUR COUNTRIES WILL BENEFIT FROM SUCH TIES.

-- YOU ARE AWARE THAT THE GLENN AMENDMENT APPLIES ONLY
IF REPROCESSING EQUIPMENT AND TECHNOLOGY ARE TRANSFERRED
FROM ABROAD. HOWEVER, I MUST BE ABSOLUTELY FRANK WITH
YOU AND SAY THAT NEITHER THE CONGRESS NOR THE ADMINIS-
TRAITION COULD SUPPORT ANY AID PROGRAM OR MILITARY SALES IF
PAKISTAN SEeks TO DEVELOP REPROCESSING CAPABILITY ON ITS
OWN OR TAKES ANY FURTHER STEPS TOWARD THE DEVELOPMENT OF
NUCLEAR EXPLOSIVES. VANCE