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PAKISTAN--AN ALLY WITH LIABILITIES

1. For the past two months, _____

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_____ an increasingly vicious struggle for

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internal power in that country, a free-for-all that has now become front-page news.

A. Pakistan has considerable potential as a Free World ally; it is one of the world's two largest Moslem nations--population 76 million a member of the Baghdad Pact and SEATO, and is one of the West's most outspoken allies in Asia.

B. However, Pakistan's three major liabilities--the country's chronic political instability, the serious malfunctioning of its economy, and bitter quarrels with India and Afghanistan--are dangerously reducing her value as an ally.

2. The first of these liabilities--political instability--has been on the rise ever since the 1951 assassination of Prime Minister Liaquat Ali Khan, the able politician who had kept a tight rein on the Moslem League, Pakistan's only significant political force in those early days.

A. In contrast to the politically able Liaquat, Pakistan's present leaders--such as President Mirza and Prime Minister Chaudhri Mohammad Ali, former civil servants, and Gen. Ayub, an army professional--belong to a tradition of rule that gives little thought to popular support. These leaders have lost control of the Moslem League, and the League, in turn, has lost its position as Pakistan's main political force.

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B. The result is political structure made up of fragments (chart): Mirza and Chaudhri ~~are now~~ ^(HAVE BEEN) forced to develop at least an appearance of popular support by means of alliances--in West Pakistan, with the newly-founded Republican Party, and in East Pakistan, with the irresponsible United Front.

C. Today, the right of each of these patchwork alliances to rule its province has been challenged (by the Moslem League in West Pakistan, and by the Awami League in East Pakistan). The Republicans have managed--at least temporarily--to weather the challenge in West Pakistan. In East Pakistan, however, the struggle for political control of the province is still unresolved.

D. As a result, some changes seem likely in Pakistan's national leadership within the next few months. The most probable change appears to be Chaudhri's replacement as prime minister ^{or possible} ~~either~~ ^(REPLACEMENTS:) by H. S. Suhrawardy, national leader of the Awami League; or by Amjad Ali, the Finance Minister and former ambassador to Washington; or by Mustaq Gurmani, the governor of West Pakistan. In the meantime, Pakistan's domestic and foreign policy and the nation's administration will probably continue to be hamstrung by factional strife.

3. One present example of Pakistan's second liability--its malfunctioning economy--is provided by near-famine conditions in East Pakistan and the probable beginnings of a food shortage in West Pakistan. Pakistan was a food surplus area in pre-partition India, but today food shortages have come to be annual occurrences.

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A. As in the past, the Pakistanis have responded to this year's famine threat by turning to the US for emergency assistance, and Karachi is now requesting 900,000 tons of relief food.

B. Besides this perennial food problem, both Pakistan's relatively undeveloped industry and its shortage of foreign exchange keep the price of most manufactured goods beyond the reach of the average Pakistani consumer. With an increasing population, even the most optimistic of Pakistan's long-range economic plans envisions little but the maintenance of present low living standards.

4. Pakistan's third liability--a preoccupation with its disputes over Kashmir and Pushtoonistan

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A. As an example, Karachi plans to "return" the Kashmir dispute to the UN in July--just after Nehru's visit to the US. This Pakistani action will probably provoke intensification of Indian press attacks on us--including the charge that we have established air bases in the Pakistani-occupied portion of Kashmir.

B. Pakistan has insisted that both the SEATO and Baghdad Pact councils include in their communique statements on the Kashmir dispute, and that SEATO also give ~~the~~ support on the Pushtoonistan question. This has resulted in vigorous protests from both India and Afghanistan, ^{ISTAN, AND GIVEN AN APPEARANCE OF SUBSTANCE TO THEIR} charges that the two US-supported pacts are directed against them.

C. A rash of border clashes with India early this year, as well as two major Afghan border incidents in April and May, have sharpened parallel and more valid Indian and Afghan fears that Pakistan's US-supplied military equipment may someday be used against them. President Mirza, meanwhile, has protested American

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investigation of the possible use of US weapons in these border clashes.

D. Pakistan has also increased pressure for speeded-up delivery of US arms. Prime Minister Chaudhri has candidly told our Ambassador that he needed early delivery of a light bomber squadron to offset India's possible acquisition of British Canberra bombers.

5. Pakistan's domestic problems and regional squabbles, moreover, have created a situation in which Karachi finds it expedient to ~~explore~~ ^(ESTABLISH) ~~ties~~ ^{NEW} with the USSR and Communist China.

A. Internationally, there is considerable belief in Pakistan that Soviet support of India and Afghanistan is a sort of "punishment for Pakistan's strong pro-Western policies and therefore that modification of these policies might buy the USSR's neutrality or even support on Kashmir and Pushtoonistan.

B. Domestically, the economic crisis has made it difficult for the government to resist Bloc trade overtures. On 23 May, Karachi "gratefully accepted" a "free gift" of 40,000 tons of grain from the USSR, while the unreliability of coal imports from India has inspired a Pakistani agreement to buy 425,000 tons of Chinese coal during 1956. Finally, the need to dispose of Pakistan's cotton crop has prompted the foreign minister to request US approval to export 412,000 bales (or double last year's exports) to Communist China in 1956.

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