

S-E-C-R-E-T

CENTRAL INTELLIGENCE AGENCY
OFFICE OF NATIONAL ESTIMATES

18 August 1965

MEMORANDUM FOR THE DIRECTOR

SUBJECT: Indo-Pakistani Problems

1. Indo-Pakistani hostility. Hindu-Muslim antagonisms go back for centuries; they were seriously aggravated when India and Pakistan became separate countries in 1947. Since then the strongest motive force in Pakistani foreign policy has been the desire for security against the assumed threat of Indian domination. India, larger and stronger, has seen little need to improve relations, and has only rarely tried to do so. Pakistan's policies towards other countries have been heavily influenced by what such countries could and would do to help it against India; India's choice of friends has reflected its judgment as to who would support India against Pakistan, and, more recently, against Communist China.

2. Despite their antagonisms, India and Pakistan have been able -- or forced by the pressure of events -- to resolve some of their mutual problems. They were able, on their own, to divide up the fiscal assets as well as the administrative and military machinery of former British

MORI/CDF

S-E-C-R-E-T

S-E-C-R-E-T

India. In 1960, after a long and difficult series of negotiations, they agreed on a satisfactory distribution of the Indus River valley waters. The prospects of very substantial benefits (large dams, canals, other engineering projects to be built by several Western powers) plus strong pressures by those powers led to the agreement.

3. However, the Kashmir dispute remains unsolved and virulent. Kashmir is predominantly Muslim, but its Hindu ruler opted to join India at the time of independence. Karachi claims (probably correctly) that the Kashmiris would vote to join Pakistan in a free election. It initially tried to seize the area, but failed. Since 1948 it has exerted numerous diplomatic efforts, in the UN and elsewhere, to make good its claims. The US, the UK, and other powers have exerted considerable effort and pressure on the two disputants in a series of futile efforts to get an agreement. Recently there has been considerable fighting on the cease fire line as well as new Pakistani efforts to start a guerrilla uprising there.

4. Pakistan's search for security: (1) CENTO and SEATO.

Pakistan, fearing India, first turned to the West for protection. The US, seeking to implement its "containment" policy, was organizing a chain of alliances around the borders of the USSR. Pakistan seized upon this as a means of security. Military aid, provided by the US

S-E-C-R-E-T

for the purpose of resisting Communist aggression, was accepted by Pakistan primarily as a means of deterring any aggressive Indian designs. Pakistan signed an arms agreement pact with the US in 1953, and joined SEATO in 1954 and CENTO in 1955. From 1954 to 1964, it received nearly one billion dollars in military assistance from the US. It had, until 1962, generally close working relations with the West and hostile ones with the Communist powers.

5. India: 1962 and the search for security from China.

Though angered by Pakistan's Western alliances, India did not initially feel itself threatened by its smaller neighbor. However, in October 1962, the Chinese army inflicted a humiliating defeat on the Indians. India then embarked on a policy of major military expansion, enlarging its army from 550,000 to over 900,000. It began a program leading to self sufficiency in the production of large quantities of tanks, artillery, aircraft, etc. It received commitments of large amounts of military aid from both the US and the USSR. New Delhi describes its efforts as aimed solely at preventing Communist Chinese aggression. However, it clearly intends to have armed forces large enough to deal with both Pakistan and China.

- 3 -

S-E-C-R-E-T

S-E-C-R-E-T

6. Pakistan's search for security: (2) China. This Indian military buildup badly frightened Karachi. It believes that the strengthened Indian army is aimed not only against China, but against Pakistan as well. In fact, substantial elements of the Indian armed forces are deployed toward the borders of Pakistan rather than China. Since 1962, President Ayub has gone out of his way to establish good relations with China as a counter to increasing Indian strength. At the same time Pakistan's relations with the US have worsened. Nonetheless it still remains formally allied with the US, permits USA-60 in Feshavar to continue to operate, and continues to receive major US military and economic assistance.

7. Outlook: Indian-Pakistani hostility is likely to persist, and the Kashmir dispute will almost certainly continue to prove intractable. Indeed, tensions which have been aggravated by recent crises in the Ramn of Kutch and in Kashmir are likely in the immediate future to continue at a heightened level. While a major war between the two countries is more likely than at any time since 1948, we believe that it will probably be averted. But the policy of the two nations will continue to be primarily determined by their fear of and hostility towards one another, and not by Cold War issues.

8. India is determined to acquire the military hardware it feels it needs. In 1964, it received a US commitment of \$100 million worth of aid for each of the next five years, and it will not wish to jeopardize this commitment by any falling-out with the US.

S-E-C-R-E-T

Indian hostility toward and fear of China, also make it desirous of maintaining friendly relations with the US. At the same time, India will seek to maintain good relations with the USSR which has already furnished SAMs, tanks, and the facilities for building Mig 21s, and which is considering furnishing four submarines. In addition, India looks to the USSR as a counterweight to Chinese pressures against Indian borders.

9. So long as Pakistan continues to estimate that it cannot count on US support and influence to restrain Indian hostility, so long will it continue to be friendly with China which it will see as the only available force that can bring pressure against India. Pakistan almost certainly realizes that it has no real possibility of getting meaningful economic or military assistance from Peiping and only a small chance of receiving aid from Moscow. Moreover, Ayub Khan, though perhaps not certain of his advisers, would be reluctant to break Pakistan's ties with the West. But all Pakistanis regard the Indian problem as their paramount one.

10. In this situation, some US policy aims will certainly be frustrated. In particular, there is no chance whatever in the foreseeable future of getting Pakistan and India to cooperate in mutual efforts against the Communist bloc. It will even be difficult

- 5 -

S-E-C-R-E-T

S-E-C-R-E-T

for the US to remain friendly at the same time with two countries so hostile to each other. Each is capable of choosing to forego American aid rather than yield to direct pressure on matters it deems of vital national interest. Nevertheless, US aid, both military and economic, will continue to be highly desired by both countries. A continuing willingness to provide assistance would in all likelihood continue to give the US some leverage on the policy of the respective countries.

FOR THE BOARD OF NATIONAL ESTIMATES:

ABBOT SMITH
Acting Chairman

- 6 -

S-E-C-R-E-T