

(E2)

Page: 1

RELEASED IN FULL

Current Class: CONFIDENTIAL
Current Handling: NOFORN, STADIS, ONLY
Document Number: 1994STATE300009

Channel: n/a

Case Number: 200200101

UNCLASSIFIED

<<<<. >>>>
PTQ6910

CONFIDENTIAL PTQ6910

PAGE 01 STATE 300009 050411Z
ORIGIN SA-01

INFO LOG-00 OASY-00 TEDE-00 ADS-00 ONY-00 SSO-00 /001R

DRAFTED BY: SA:STAFF:GNS
APPROVED BY: SA/FO:GNSIBLEY
DESIRED DISTRIBUTION:
SA/FO, SA/INS, SA/PAB, SA/RA ONLY

-----853AFB 050417Z /38
P 050408Z NOV 94
FM SECSTATE WASHDC
TO ALL SOUTH ASIA COLLECTIVE PRIORITY

C O N F I D E N T I A L STATE 300009

STADIS DECAPTIONED

NOFORN

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

MONDAY, OCTOBER 31

(C) INDIA - AMERICAN KIDNAPPED/FREED BY KASHMIR
MILITANTS: A LITTLE-KNOWN KASHMIRI MILITANT GROUP
CONFIDENTIAL

CONFIDENTIAL

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
GHAZIABAD (EAST OF NEW DELHI), ALIVE AND UNHURT. INDIAN

Current Class: CONFIDENTIAL

Page: 1

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

UNCLASSIFIED

Current Class: CONFIDENTIAL
 Current Handling: NOFORN, STADIS, ONLY
 Document Number: 1994STATE300009

Page: 2
 Channel: n/a

Case Number: 200200101

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 CHERNYSHEV 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 PRESSED FOR RUSSIA TO SUPPORT PAKISTAN'S UN POSITION ON KASHMIR. THE RUSSIANS WERE REPORTEDLY NONCOMMITTAL. (ISLAMABAD 10248)

(U) PAKISTAN - SHIA PARTY WINS NORTHERN AREAS ELECTIONS: ACCORDING TO PRELIMINARY REPORTS, THE SHIA SECTARIAN TERIK-I-JAFRIA PAKISTAN (TJP) PARTY WON 8 OF 25 SEATS IN OCTOBER 25 ELECTIONS TO THE EXPANDED NORTHERN AREAS COUNCIL. THE PPP PICKED UP 6 SEATS WHILE THE PML/N WON ONLY ONE. INDEPENDENT CANDIDATES WON THE REMAINING SEATS, EXCEPT FOR ONE FOR WHICH A WINNER WAS NOT ANNOUNCED. A SEPTEMBER 1994 PAKISTAN SUPREME COURT RULING THAT THE NORTHERN AREAS (PART OF THE FORMER PRINCELY STATE OF JAMMU
 CONFIDENTIAL

CONFIDENTIAL

PAGE 03 STATE 300009 050411Z
 AND KASHMIR) ARE NOT WITHIN THE JURISDICTION OF PAKISTAN'S AZAD KASHMIR GOVERNMENT CLEARED THE WAY FOR THE ELECTIONS. (ISLAMABAD 10207)

(U) PAKISTAN - ENERGY SECTOR DRAWS 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

Current Class: CONFIDENTIAL

Page: 2

Current Class: CONFIDENTIAL
 Current Handling: NOFORN, STADIS, ONLY
 Document Number: 1994STATE300009

Page: 3

Channel: n/a

Case Number: 200200101

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 050411Z
 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 REFUTED 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

Current Class: CONFIDENTIAL
 Current Handling: NOFORN, STADIS, ONLY
 Document Number: 1994STATE300009

Page: 4
 Channel: n/a

Case Number: 200200101

LONG ON PROMISES BUT SHORT ON DETAILS. ALL PARTIES CALL FOR SOME FORM OF LAND DISTRIBUTION FROM LANDLORDS TO PEASANTS. NON-ALIGNED 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 PLEDGES 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 SHOULD BE ABLE TO EKE OUT A NARROW VICTORY IN THE COMING ELECTIONS (PROBABLY IN JANUARY 1995) BY WOONG RURAL VOTERS AND DEFECTION FROM OTHER PARTIES.
 (BOMBAY 4447)

(LOU) INDIA - PILOTS GROUND INDIAN AIRLINE: IN RESPONSE TO A MANAGEMENT DECISION TO REINSTATE TWO PILOTS WHO DEFECTIONED 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

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

Page: 4

UNCLASSIFIED

Current Class: CONFIDENTIAL
Current Handling: NOFORN, STADIS, ONLY
Document Number: 1994STATE300009

Page: 5
Channel: n/a

Case Number: 200200101

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

(LOU) 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

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

Current Class: CONFIDENTIAL

Page: 5

UNCLASSIFIED

Current Class: CONFIDENTIAL
 Current Handling: NOFORN, STADIS, ONLY
 Document Number: 1994STATE300009

Page: 6

Channel: n/a

Case Number: 200200101

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

CONFIDENTIAL

PAGE 08 STATE 300009 050411Z

(U) BANGLADESH: CHILD LABOR DEADLINE DROPPED: THE BANGLADESH GARMENT MANUFACTURERS AND EXPORTERS ASSOCIATION (BGMEA) 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

(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

Page: 6

UNCLASSIFIED

Current Class: CONFIDENTIAL
Current Handling: NOFORN, STADIS, ONLY
Document Number: 1994STATE300009

Page: 7

Channel: n/a

Case Number: 200200101

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

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

CONFIDENTIAL

PAGE 09 STATE 300009 050411Z
FORMING AN INTERIM RULING COUNCIL FOLLOWING HIS SUCCESSFUL MEETINGS INSIDE AFGHANISTAN WITH RABBANI, HEKMATYAR, 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 TELEGU 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 QAIM 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

PAGE 10 STATE 300009 050411Z

Current Class: CONFIDENTIAL

Page: 7

UNCLASSIFIED

Current Class: CONFIDENTIAL
 Current Handling: NOFORN, STADIS, ONLY
 Document Number: 1994STATE300009

Page: 8

Channel: n/a

Case Number: 200200101

POPPY 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)

 THURSDAY, NOVEMBER 3

(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

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

Page: 8

Current Class: CONFIDENTIAL
 Current Handling: NOFORN, STADIS, ONLY
 Document Number: 1994STATE300009

Page: 9
 Channel: n/a

Case Number: 200200101

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 INVOLVEMENT: 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 DOSTAM 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

Current Class: CONFIDENTIAL

Page: 9

Current Class: CONFIDENTIAL
 Current Handling: NOFORN, STADIS, ONLY
 Document Number: 1994STATE300009

Page: 10
 Channel: n/a

Case Number: 200200101

THE AFGHAN ECONOMY ITSELF, THE REMARKABLE RESILIENCY OF
 THE AFGHANI REMAINS A MYSTERY. (PESHAWAR 1022)

 FRIDAY, NOVEMBER 4

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

CONFIDENTIAL

PAGE 13 STATE 300009 050411Z
 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)

(C) 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

Current Class: CONFIDENTIAL

Page: 10

UNCLASSIFIED

Current Class: CONFIDENTIAL
Current Handling: NOFORN, STADIS, ONLY
Document Number: 1994STATE300009

Page: 11
Channel: n/a

Case Number: 200200101

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

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,

Current Class: CONFIDENTIAL

Page: 11

UNCLASSIFIED

Current Class: CONFIDENTIAL
 Current Handling: NOFORN, STADIS, ONLY
 Document Number: 1994STATE300009

Page: 12
 Channel: n/a

Case Number: 200200101

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 LAHIRI 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. LAHIRI 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 TARGETTED 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)

Current Class: CONFIDENTIAL

Page: 12

UNCLASSIFIED

Current Class: CONFIDENTIAL
Current Handling: NOFORN, STADIS, ONLY
Document Number: 1994STATE300009

Page: 13
Channel: n/a

Case Number: 200200101

(C) 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)

CONFIDENTIAL

CONFIDENTIAL

PAGE 17 STATE 300009 050411Z
CHRISTOPHER

CONFIDENTIAL

NNNN

Current Class: CONFIDENTIAL

Page: 13

UNCLASSIFIED