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THE WHITE HOUSE

WASHINGTON

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August 18, 1971

THE PRESIDENT HAS SEEN.

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MEMORANDUM FOR THE PRESIDENT

FROM:

Henry A. Kissinger K

SUBJECT:

Implications of the Situation in South Asia

As Ambassador Farland and Deputy AID Administrator Williams prepare for their approach to President Yahya, this memo explores some of the implications of the situation in South Asia for our strategy. I am sending you separately another analytical memo dealing solely with the Indo-Soviet Friendship treaty.

Situation Within South Asia

You are familiar with the situation, but it seems worth stating some of the key elements that govern it.

- --President Yahya is committed to preventing Bengali independence. Since this is probably futile over time, the issue is how to get through the transitional period without a blow-up.
- --In East Pakistan, a serious insurgency movement is now underway in the countryside and is beginning to penetrate the major cities. This has been fed by the Indians in terms of logistics, training and some arms, but basically reflects a strong Bengali will to resist the West Pakistanis. This in turn provokes an army response which stimulates further refugee flow.
- --The refugee flow to India continues. This has increased to a rate of some 50,000 per day after a drop in late July. This could be a temporary aberration; it could result from a new increase in violence; or it could reflect hunger in some pockets, although there is enough food overall in East Pakistan now.

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- --The Indians before March preferred a united Pakistan when they thought the Bengalis might play a dominant role, but now that they judge this is no longer possible they would like to see an independent Bangla Desh as soon as possible. The problem with their policy is that they may be able through their support for the guerrillas to do enough to stalemate a political settlement in East Pakistan but not enough to produce independence. Increased guerrilla activity will also slow food distribution and increase the flow of refugees.
- --Also affecting Indian policy entirely apart from any broader political strategy are important economic considerations. Just maintaining the present number of refugees is projected to cost \$600 million in a year, a figure larger than the net flow of foreign aid from consortium donors. With their economic development program threatened with disruption anyway, they may give much more weight to political considerations than to how the aid givers might react to any military move.
- --The determining factor in stemming and then hopefully reversing the refugee flow is the economic and political situation in East Pakistan. Few if any refugees will return under present conditions and more will probably leave East Pakistan. A major international effort can be made to avert famine, but the cycle of guerrilla attack and army reprisal will affect not only food distribution but also the restoration of normal conditions in which refugees or potential refugees can feel safe.
- -- The UN has taken an unexpectedly (for it) bold step in ordering a substantial staff to East Pakistan. If violence continues, they could well get cold feet and leave the US alone.

A US Strategy

The dilemma that derives from this situation is that:

--it is crucial to provide relief against famine if a new flood of refugees and an intensified excuse for Indian interference is to be avoided but

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-- even food distribution could be thwarted if President Yahya is unable either to regain absolute control militarily or to undercut the guerrillas politically.

The only strategy for us to follow in this situation is to concentrate the world's attention on averting famine as an umbrella under which hopefully enough might be done to deprive India of an excuse for intervention and to give Yahya a face-saving way of taking some of the political steps he may have to take if he has to rely on political measures rather than on military control to re-establish normal conditions.

At this stage in our stance toward China, a US effort to split off part of Pakistan in the name of self-determination would have implications for Taiwan and Tibet in Peking's eyes. It is also important that they not feel that we are lining up with India and the USSR against them. That is why for the moment it is important that we stay one step behind the Soviets in India, although over the longer run, we have no interest in writing off 600 million Indians and Bengalis.

At the same time, we must make a maximum effort to deprive India of an excuse to attack Pakistan. We do not want to lose our position in India altogether or to have to take sides between the USSR and China. At this stage in our China exercise we would be presented with excruciating choices if the Chinese were to attack India following an outbreak of Indo-Pakistani hostilities.

The situation is complicated by our uncertain leverage in India. The Indians still want the US as a balance to the USSR and, paradoxically, for our influence in Pakistan. The response I got in India was: "You say your policy is directed at preserving your influence in Pakistan; please use it." But we are unlikely to deter them from moves which they regard to be in their vital interests. US economic assistance is important to their development under normal circumstances, but they may well see the costs of the refugee influx as absorbing their development resources and energies anyway. Also, they react negatively to any suggestion that aid is being used as pressure. Still the Indians know they will get more help for the refugees from us than from all the rest of the world.

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What would do us the most good now is to have from Yahya a comprehensive package that we could claim some credit for both in New Delhi and in our Congress. Then we would be in a position to tell the Indians that (a) we are taking at face value their concern about the refugee burden and (b) if that is their real concern, then we expect their cooperation in moving the refugees back and in helping to create the conditions, insofar as they can, to make that possible. Once we have Yahya's response, renewed efforts to restrain the Indians can be made, but for the moment it seems wise to concentrate on improving the program for East Pakistan.