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MEMORANDUM

SUBJECT: Impact of Afghan Coup in the Region

Jummary

Afghanistan's relations with Pakistan and Iran may be seriously and adversely affected by President Daud's assumption of power. The Soviet position in Kabul may have been enhanced—but only marginally—and there will probably be no significant change in relations. Other countries in the region—with the possible exception of India—have little or no stake in what goes on in Kabul.

SECRET

Pakistan

Before Daud came to power, relations between Islamabad and Kabul were already cooling, and further deterioration is likely. The basic issue is Pushtunistan. President Bhutto's difficulties with opposition leaders in the two frontier provinces were seen by many in Afghanistan as an attempt to oppress closely related people in Pakistan. Prime Minister Shafiq apparently wanted good relations with Pakistan and wasn't very interested in Pushtunistan. Nevertheless, popular and paramilitary sentiment forced him to increase anti-Fakistani propaganda, and Pakistan, in May, accused the Afghans of blatant interference in Pakistan's domestic affairs.

Daud-unlike Shafiq-is concerned about Pushtunistan, and when he was prime minister he sent tribesmen and some regular troops into Pakistan in an attempt to stir up a rebellion on the frontier. Tension peaked in the early 1960s, when the two countries appeared close to war, diplomatic relations were broken, and the border closed. Daud's efforts were almost a total failure. Pakistani tribesmen generally did not respond, the closure of the border (originally designed to hurt Pakistan) cut off the bulk of Afghanistan's foreign trade, and the end result of this policy was an erosion of Daud's prestige which contributed greatly to his dismissal as prime minister in 1963.

Since that time, the Afghans have kept alive their propaganda, but gradually shifted their position from advocating independence for Pushtunistan to advocating increased autonomy for the Pakistani frontier provinces. We have no good indication of what Daud now plans to do about Pushtunistan. Presumably he is more aware now of the dangers to Afghanistan and to him of an activist Pushtunistan policy. On the other hand, if Shafiq, who didn't care, could be pushed into an increased propaganda campaign, Daud, who cares deeply, could pursue a policy which would create serious problems with Pakistan.

The Pakistanis have announced that they want to continue good relations with the Afghans and has accorded early recognition to the new government. They were concerned that Daud, in his first radio address, singled out Pushtunistan as the only political dispute Afghanistan has with any country.

One factor in determining future course of Afghan-Pakistani relations could be the reaction to the Afghan coup in the Pakistani frontier provinces. If anti-Bhutto leaders there think they are likely to get increased support from Afghanistan, they could increase their agitation for provincial autonomy. Bhutto might well react by clamping down harder in the two provinces, thereby increasing sentiment for aiding Pushtunistan in Kabul. So far, neither Bhutto nor his opponents have sought to exploit the coup.

Iran

Daud's assumption of power threatens the continued improvement of relations between Tehran and Kabul.

Prior to the coup, relations appeared to be improving.

- -- After years of negotiations, the two countries agreed on the apportionment of the waters of the Helmand River, solving their major bilateral problem.
- -- Tehran agreed to complete a paved road from the Persian Gulf port of Bandar Abbas to Afghanistan, and to let the Afghans use the road free of charge and the port for a token payment. The completion of this project would have relieved Afghanistan of its dependence on Pakistan as the route for the bulk of its exports.

The Helmand Agreement--the main symbol of improved relations--had been approved by the Afghan parliament, but had not yet been decreed by the King, so Afghanistan

could still scrap it. Some Afghans regard it as a sell out to the Shah. If Daud refuses to complete the ratification procedure, he would jeopardize the road and port facilities Iran has promised. If he gets into serious difficulties with Pakistan he will need the alternate route to the sea, but there is, of course, no guarantee that the Shah would let him use it in such circumstances.

Daud's relations with Pakistan will affect his relations with Tehran. Both Dauds predelictions and the pressures on him--such as sentiment for Pushtunistan and anti-Iranian xenophobia--make it doubtful that he will pursue policies the Shah will like.

India

For the Indians, the change in government will have both advantage and disadvantates.

- -- Daud's accession increases Pakistan's problems.
- -- He has promised real democracy, and, even if the Indians don't believe him, they like to hear such statements.
- -- They may find it a little easier to work with him. Shafiq and Zahir were trying to improve relations with Iran and--despite some problems--with Pakistan, and the Indians are currently displeased by policies of both countries.
- -- On the other hand, the Indians will not welcome a situation that could decrease stability on the subcontinent with possibly unforeseen adverse results for New Delhi, and is likely to make dealing with both Iran and Pakistan more complicated.

Daud presumably regards India as a useful counterweight to Pakistan. His assumption of power may well lead to closer relations between New Delhi and Kabul, although such a development will probably not be of great significance for either country.

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<u>USSR</u>

Moscow was the first to recognize the Daud regime. The Soviet ambassador there met with Daud on 19 July to convey his government's decision. The East European ambassadors in Kabul subsequently did the same.

The Soviets may have had some forewarning of the coup because there are more than 200 Soviet military technicians and advisers in Afghanistan, many of them working with the army units that provide the backbone of the coup group. There is no evidence at this stage, however, that the Soviets instigated or were actively involved in the coup.

In fact, there is no apparent reason for the Soviets to encourage a change in government. They made substantial inroads into Afghanistan during the rule of Daud prior to 1963, but they have maintained good relations with King Zahir over the past 10 years. Trade with the USSR grew from 33 percent of Afghanistan's total trade in 1963 to over 40 percent by 1971. Moscow extended substantial grants of economic aid in 1968 and 1972, and military assistance--both in terms of hardware and training--has continued steadily. On the political front, President Podgorny's visit to Kabul in late May was described by both Afghan and Soviet officials as having gone well. Soviets undoubtedly were disappointed that Zahir did not endorse this scheme for an Asian Security Conference, but the Soviet press treated the visit in ecstatic terms, noting that "for than half a century not a single cloud had darkened the horizon of Soviet-Afghan relations."

Soviet media have reported Daud's statements on Afghan foreign policy with the exception of his remarks on Pakistan and his reference to the Pushtunistan problem. This suggests that Moscow is aware that it will have problems in its relations with Pakistan and Iran should Daud choose to pursue a more assertive policy in this area.

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