Secret



# Weekly Summary Special Report

Afghanistan: President Daoud's First Six Months

State Department review completed



Secret

Νº

957

February 15, 1974 No. 0007/74A

Approved For Release 2005/06/09: CIA-RDP85T00875R001500060003-3

Approved For Release 2005/06/09: CIA-RDP85T00875R001500060003-3

## AFGHANISTAN

### President Daoud's First Six Months

On July 17, 1973, a decade after the King dismissed him as prime minister, Mohammad Daoud Khan returned to power in a daring military coup staged by a small group of predominantly junior officers. Since then, Daoud has devoted his efforts to securing his power at home and to the pursuit of a foreign policy that has significantly worsened relations with Pakistan. Although Daoud now appears to have gained the upper hand over his rivals, either the dangers inherent in his Pakistan policy or failure to deal with basic political and economic problems could ultimately bring about his downfall.

Special Report

-1-

#### The Consolidation of Power

Last July, it was unclear whether Daoud, who as prime minister had been virtual dictator from 1953 to 1963, would be able to regain his former unchallenged power. Despite conflicting reports as to his role in the coup, the bulk of the evidence suggests that the young officers who overthrew the monarchy and established a republic acted largely on their own with little—if any—direction from Daoud.

In the earliest days of the new republic, Daoud, the young military officers and a few others seem to have shared power in the Central Committee they established as the supreme governing authority. There was probably considerable disagreement among them as to even the general direction the country should take, and none apparently had any thought-out program. It took the committee nine days to issue even general outlines of how the government would operate, and another week to decide on a cabinet.

The distribution of portfolios was the first good indication of Daoud's progress in asserting his authority. He retained all of the offices he had assumed a few days after the coup, which included those of president, prime minister, defense minister and foreign minister. In addition, long-

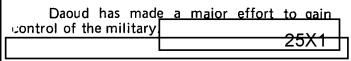
time associates of his were named as deputy prime minister and as the heads of some lesser ministries. The junior officers and their friends received the interior and four other portfolios in an arrangement that was a compromise but clearly favored Daoud.

Since then, the junior officers, inexperienced and in some cases incompetent, have generally performed poorly both as administrators and in the backstage maneuvering for power. Daoud may even be keeping some in office to demonstrate their lack of ability and thus neutralize them. In any case, as Daoud's authority has grown, that of the Central Committee has diminished.

At present Daoud appears to make the major decisions in Afghanistan, assisted by men he knows and trusts. His most important adviser and confidant is Mohammed Naim, who has no official position but is Daoud's brother and served as foreign minister when Daoud was prime minister. Deputy Prime Minister Sharq, once Daoud's private secretary, is also important, despite some reports of tension between him and Daoud. Wahid Abdullah, a long-time confidant, apparently plays an influential role in formulating foreign policy.

Even so, Daoud has not triumphed completely over the young officers. Although their power has clearly been waning, the President probably still cannot act without taking their wishes into account. Most of these officers are Soviet-trained and many lean far more to the left than Daoud. They have helped put a number of pro-Soviet officials in high positions in several ministries. Even should Daoud continue to gain power at the expense of the rest of the Central Committee, the leftists—some of them members of Parcham, the pro-Soviet Communist Party—in the bureaucracy will continue to influence the government's policies.

#### The Military



25X<sup>2</sup>

February 15, 1974

|2

The new army commander, General Mustagni, is a long-time friend of Daoud, who managed to survive in the army even when Daoud was in eclipse. In an attempt to ensure the loyalty of the lower ranks, all non-commissioned officers were promoted to third lieutenant. The young military officers who staged the coup have also garnered some rewards as any of them or their friends who could claim even peripheral involvement were promoted at least two grades.

In September, the government announced it had uncovered a major coup plot headed by a former prime minister, Mohammad Hashim Maiwandwal. Among those accused of being involved were retired air force commander Razak, who had actively supported Daoud shortly after the coup, and Lieutenant General Khan Mohammad Khan, who for a few days after the coup thought Daoud had named him defense minister.

It is still not clear exactly who was behind these arrests. At the time, it appeared that Daoud might have been out-maneuvered by other members of the Central Committee, but this now seems unlikely because the end result was to remove a number of Daoud's potential rivals. Maiwandwal allegedly committed "suicide"; Razak is now serving a life sentence; Khan Mohammad Khan was executed. Other officers, more junior, were accused of plotting another coup in December, and in mid-January arrests were still being made.

Although this alleged plotting probably reflects some actual opposition to the new regime, the government may be overreacting. In any event, Daoud is not likely to take chances with the military. The events of last summer made it clear both to him and to any dissatisfied group in the military that an Afghan government can be overthrown rather easily.

#### The Politicians

During the ten years Daoud was out of office, King Zahir had tried a limited "experiment in democracy." A sometimes irresponsible parliament gained steadily in power. Prime ministers—



Mohammad Daoud Khan

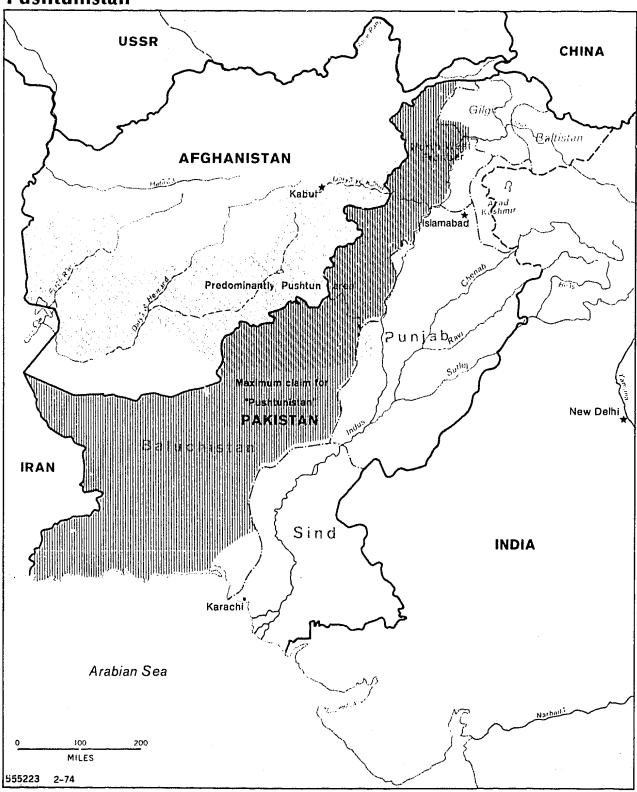
despite the frustration of having the responsibility for governing while Zahir retained ultimate authority—became important national figures. And political parties, although never legalized, began to develop.

None of the politicians had a strong power base, however, and Daoud has successfully cowed, won over, or destroyed potential rivals among them. Ex - prime minister Shafiq, who was turned out by Daoud's coup, had little opportunity to develop a following, but he remains in jail anyhow. Probably the most successful at building a personal following was former prime minister Maiwandwal, who served from 1965 to 1967. Daoud reportedly tried to win his support with the offer of a high post in the new government; if so, Maiwandwal refused. In September, he was arrested and accused of organizing a foreignbacked coup attempt; after a week of questioning, the Afghan press reported he had confessed and then committed suicide.

Some other politicians have fared better. Two members of Shafiq's cabinet are now in Daoud's. Former prime minister Etemadi is Daoud's new ambassador in Moscow. Daoud has

Special Report

#### Pushtunistan



Special Report

- 4 -

named a few members of the disbanded parliament to important positions, such as provincial governorships, but for the most part they are maintaining a very low profile.

The close associates of deposed King Zahir have been no problem for Daoud, probably because the politically apathetic Afghan people had little love for Zahir. In addition, Daoud's close relationship to the King—his cousin and brother-in-law—gives his succession some legitimacy.

Zahir, who was in Italy at the time of the coup, quickly abdicated and recognized the republic, perhaps as the price for getting his immediate family to Rome. Prince Abdul Wali, another cousin of the King, and regarded as the second most important man in the country in pre-coup days, is being tried for treason.

#### The Traditional Society

The religious conservatives—who protest often and sometimes violently against such things as communism, unveiled women, mini-skirts and motion pictures-attribute many of the changes in Afghan society that they deplore to Daoud's earlier period in power. Their influence has eroded steadily for several decades, however, and many urban, educated Afghans are content with the pro-forma assertions of loyalty to Islam expected of all leaders. Nevertheless, the religious leaders are still capable of stirring up short-lived local disorders, and Daoud has cracked down. In September, a few were sent to jail for organizing demonstrations, and as many as 900 may have been arrested for their part in the alleged military coup plot exposed in December. Even so, some are still preaching against Daoud.

Afghanistan's Pushtun tribes have acquiesced in the change in government. Almost half of the country's people are Pushtuns, and even though only about a tenth of the population still leads a nomadic life, tribal loyalties remain a basic factor in Afghan politics and society. Daoud kept up his contacts with tribal leaders when he was out of power; as President, he has tended to give the impression that his is a Pushtun administration. His policy toward Pakistan, on which much of his

attention has been focused, is probably designed partly with the tribes in mind.

#### Daoud's Foreign Policy

#### Pushtunistan Again

Daoud has increased tensions with Islamabad, but the normally cool relations between Pakistan and Afghanistan had been growing colder for several months before he came to power. The immediate cause was Kabul's disapproval of the way the Bhutto government was treating its political opposition in Pakistan's two frontier provinces—in effect, a revival of the "Pushtunistan issue."

Pushtunistan has been a major irritant since Pakistan became independent in 1947. The Pushtuns (who are called Pathans in Pakistan) are the dominant ethnic group in both Afghanistan and Pakistan's North-West Frontier Province; they also predominate in the northern part of Pakistan's Baluchistan Province. In the past, few Afghans have openly advocated the annexation of the Pushtu-speaking areas of Pakistan to Afghanistan, but Kabul has long supported their formation into an independent (or at least semi-autonomous) state called Pushtunistan. The Afghans have usually included all of Baluchistan Province in the proposed Pushtunistan, although the Baluchi tribesmen who predominate in the southern part of the province are neither Pushtuns nor Pushtu-speakers.

In the early 1960s, Pakistan and Afghanistan almost went to war when Daoud, attempting to force creation of Pushtunistan, tried to stir up tribal rebellion in Pakistan. Daoud's policy resulted in economic problems for Afghanistan, however, and his subsequent decline in prestige helped furnish the King with an opportunity to dismiss him from office.

When Daoud gained control again in Kabul last July the Pakistanis immediately became apprehensive that Pushtunistan would become once more a major problem between the two countries. Daoud did nothing to reassure them by noting in

Special Report

February 15, 1974

- 5 -

his first speech that the question of Pushtunistan was Afghanistan's only dispute with a foreign country.

In the months that followed, the Afghans have greatly stepped up their propaganda on Pushtunistan. The Pakistanis have replied with denunciations of the government in Kabul and with warnings against meddling in Pakistan's internal affairs. Both countries have increased the strength of their forces along the border, although neither has so far made the preparations that would be expected for full-scale war.

Domestic politics in Pakistan complicate the problem. The strongest single party in both frontier provinces—the National Awami Party—advocates much greater provincial autonomy. Many in the frontier provinces see Afghanistan as a natural ally in this domestic dispute, although, at least until recently, most did not seem willing to go beyond trying to extract concessions from Prime Minister Bhutto by pointing to the possibility that they might turn to Kabul.

Bhutto, for his part, has long been suspicious that National Awami Party leader Wali Khan and



The Khyber Pass

other opposition figures are intent on secession. He has responded with a mixture of repressive measures and efforts to reach a compromise. As his suspicions have grown, he has also taken a progressively harder line toward Kabul.

The Afghans see Bhutto's actions as further evidence of his oppression of Pushtuns and Baluchis. Daoud, long personally inclined toward intervention, has come under increasing pressure from his associates, the military, and politically aware Pushtuns to do something to help the "oppressed brethren."

Despite the pressures and mutual suspicions, at this time none of the parties appears to want a violent confrontation. Relations at the moment, in fact, appear to be improving, at least superficially. Bhutto does not want his country torn by civil war, particularly in view of the large number of Pushtuns in the Pakistan Army. Most National Awami Party leaders apparently believe that they stand little chance of success in gaining greater autonomy through force so long as Bhutto retains control of the armed forces and of the government. Bhutto and the opposition have appeared to be on a collision course a number of times, but have always reached at least a temporary compromise, usually at what seemed to be the last minute.

The Pakistanis are concerned that India, the USSR, or both might intervene to assist Kabul if it should come to war between Islamabad and Kabul. Daoud apparently is aware that he cannot count on outside help, however, and that his army and air force are no match for the larger, better-trained Pakistani forces. There have been several incidents that either side could have pushed to a major crisis, but neither did.

In October, for example, a five-man Pakistani paramilitary unit was captured after it entered Afghanistan allegedly in pursuit of smugglers. Tensions rose, but the Afghans released the Pakistanis quiety. A month later, the Pakistanis threatened to enforce restrictions—such as requiring passports—on tribesmen during their annual migration from Afghanistan. Such a policy could have led to clashes along the border had the tribes

decided to migrate anyway, or would have saddled Kabul with caring for the tribes had they stayed in Afghanistan. Despite the threat, the Pakistanis do not appear to have made a serious effort to enforce the restrictions—which would have come too late to affect many of the migrants this season—and last month decided to drop the issue.

In coming months, Bhutto, Daoud, and the National Awami Party will all continue to try to enhance their positions. In the process, any or all could easily make miscalculations that would bring unsought violence closer; they might even decide that force offers the best prospect for success.

25X1

A misreading in Kabul of the point at which 25X1 conditions in Pakistan would make intervention profitable could be particularly dangerous.

Nevertheless, there is increasing evidence that Daoud is turning from advocating autonomy for Pushtunistan to seeking the incor-25X1poration of Pakistan's frontier provinces into a greater Afghanistan, which may well have always been his ultimate goal. If this is indeed now his objective, it could reflect a serious mis-estimation of the state of affairs across the border.

#### Other Foreign Relations

Traditionally, the basis of Kabul's relations with the Great Powers has been an effort to ensure Afghan independence by playing one outsider off against another. Daoud also subscribes to this policy, although his version of Afghan nationalism may give Pushtunistan even greater priority. For relations with most countries, such a shift in emphasis makes little difference.

Daoud wants good relations with the US, although it is not clear whether his main purpose

is to offset Soviet influence or to limit US support for Pakistan. Relations may, in fact, be marginally better than under his somewhat pro-Western predecessor, because Daoud does not have to stand up to Washington to prove his independence.

The Pushtunistan policy and Afghan military weakness have, however, pushed Kabul somewhat closer to the USSR. Moscow may have speeded up arms shipments, which should eventually improve the quality of the Afghan inventory. It is not known whether any new arms agreements have been signed since the coup, but Soviet military delegations have visited Kabul, there may be a few more Soviet military advisers in the country, and more Afghans are being trained in the USSR. The Pakistanis—and their friends, the Iranians—see these developments as further evidence of a grand Soviet design to extend Moscow's influence in the entire area, with Pakistan and Iran as major targets.

Neither the change in government nor the current oil crisis has had much effect on trade with the USSR, Afghanistan's largest trading partner. With no commercially exploitable oil resources and no refinery facilities, Afghanistan relies heavily on the USSR to meet its petroleum needs. For political reasons, Moscow is unlikely to reduce petroleum shipments especially since the amounts are so small. Further, the USSR would not want to jeopardize its imports of Afghan natural gas, which are over twice as valuable as its petroleum exports to Afghanistan. Prices of traded commodities are set at annual bilateral negotiations, the next session to begin this month.

Daoud has also tried to improve relations with India, a potential ally against Pakistan. Kabul apparently will receive limited economic and military aid. At this time, however, the Indians almost certainly do not believe that a further breakup of Pakistan is in New Delhi's best interests.

The Chinese, who support Pakistan, had for several years been trying to establish a modest influence in Kabul, largely through economic aid.

Special Report

- 7 -

Relations have cooled since the coup, however, and although they remain ostensibly correct, the Chinese say no new aid projects are planned.

#### Political and Economic Problems

Daoud's preoccupation with the Pushtunistan issue and with his potential domestic rivals has left little time for dealing with the country's basic political and economic problems.

He took power with a promise to "establish a real and reasonable democracy" and may well be planning to promulgate a constitution later this year. If he should do so, the government would still be under his control and would be unlikely to provide the kind of democracy favored by many in the small, modern sector of the society. It would, in fact, probably guarantee no greater institutional stability than the 64-year-old President can provide personally.

At the time of the coup, Daoud also promised land and fiscal reform, greater industrialization, and an end to Afghanistan's "economic paralysis." By early November, however, the US Embassy was reporting that the economy was drifting toward complete stagnation. Commercial activity was at a standstill, and the new regime was neither developing new economic plans nor acting on the programs and plans of the previous government. Moreover, an overvalued currency was damaging the export trade.

Since then, there has been some improvement, and commercial activity has picked up.

Daoud finally approved the establishment of an internationally supported industrial development bank and the acceptance of several foreign loans. In December, he established a High Economic Council, with a mandate to review the country's economic policies.

Whatever he does, Daoud will be unable to deliver all he has promised. The basic problem, of course, is that Afghanistan is a very poor country, with few known natural resources and an unskilled population. It can hardly expect the sort of prosperity its rulers have been promising for years.

#### Outlook

Most Afghans will probably be willing to be ruled by Daoud even if he is unable to effect the reforms he has promised and even if the country continues to be poor. The central government does not usually touch their lives directly, and so they do not give it either the credit or the blame for much that happens. They are probably as indifferent to Daoud as they were to Zahir.

The potential threat to Daoud comes rather from the small, better-educated, more-urbanized part of the society, particularly the officer corps and the leftists in the bureaucracy. In time, they may well take action if Daoud does not appear to be making progress in the economic field, or if his Pushtunistan policy again fails. For the time being, however, Daoud appears to be winning the struggle for dominance.

25X1

25X1

Special Report