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TELEGRAM NO 93 OF 7 JANUARY

INFO PRIORITY UKDEL NATO, PARIS, BONN, ROME, MOSCOW, OTTAWA,  
ROUTINE OTHER NATO POSTS, BELGRADE, BUCHAREST, SOFIA, WARSAW,  
EAST BERLIN, PRAGUE, BUDAPEST, UKMIS NEW YORK, CANBERRA, UKREP  
BRUSSELS .

OUR TELEGRAMS 68 AND 73: AFGHANISTAN AND US/SOVIET RELATIONS

1. SHINN, SOVIET COUNTRY DIRECTOR (STATE) HAS GIVEN US THE FOLLOWING DETAILS OF THE IMMEDIATE IMPLICATIONS FOR US/SOVIET RELATIONS. (THIS NO DOUBT OVERLAPS THE CATALOGUE GIVEN TO NATO EARLIER TODAY - UKDEL NATO TELNO 011, PARAGRAPH 2).

2. WARREN CHRISTOPHER IS HANDING TO THE SOVIET CHARGE THIS AFTERNOON THREE NOTES COVERING

(A) A REDUCTION IN THE FREQUENCY OF AEROFLOT FLIGHTS TO THE UNITED STATES PERMITTED UNDER THE CIVIL AIR AGREEMENT. OF THE TWO FLIGHTS PER WEEK TO NEW YORK AND ONE FLIGHT PER WEEK TO WASHINGTON, THE RUSSIANS WILL HAVE TO CUT OUT ONE FLIGHT PER WEEK OF THEIR CHOICE.

(B) THE WITHDRAWAL OF CONSULAR PERSONNEL (ROUGHLY 15-20 IN EACH CASE) FROM THE RESPECTIVE CONSULATES IN KIEV AND NEW YORK;

(C) THE DECISION TO MAKE NO FURTHER ALLOCATION OF FISHING RIGHTS IN US WATERS. THE ALLOCATION ALREADY MADE TO THE RUSSIANS COVERING UP TO 120 THOUSAND TONS FROM THE BERING SEA TO THE END OF THE CURRENT FISHING YEAR WILL BE ALLOWED TO STAND. ANOTHER BATCH OF ALLOCATIONS DUE TO BE MADE WITHIN THE NEXT TWO TO THREE WEEKS COVERING A TOTAL OF ABOUT 350 THOUSAND TONS IN THE PACIFIC OCEAN WILL BE CANCELLED.

3. THREE JOINT COMMITTEE MEETINGS (HOUSING, HEALTH AND AGRICULTURE) DUE TO BE HELD SOON HAVE BEEN CANCELLED. A MEETING OF THE TRADE COMMISSION SCHEDULED FOR APRIL HAS BEEN POSTPONED. TRADE SEMINARS DUE TO BE HELD AT THE US EMBASSY IN MOSCOW HAVE BEEN CANCELLED. THE BAN ON ALL HIGH TECHNOLOGY EXPORTS, PENDING A REVIEW OF US LICENSING POLICY TO DEVISE NEW CRITERIA, WOULD AFFECT QUITE A FEW IMMINENT EXPORTS (NOT SPECIFIED). THE MAGNETO HYDRO-DYNAMIC

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PROJECT OUTSIDE MOSCOW, A COOPERATIVE VENTURE UNDER THE BILATERAL ENERGY AGREEMENT, HAS BEEN SUSPENDED INDEFINITELY.

4. THE RUSSIANS HAVE BEEN TOLD THAT THERE IS NO PROSPECT OF MOVING FORWARD THE NECESSARY LEGISLATION TO GRANT MFN. THE ADMINISTRATION HAVE BEEN IN TOUCH WITH US INDUSTRY TO DISCOURAGE NEW VENTURES. SPECIFICALLY, SHUSHKOV HAS BEEN TOLD THAT FURTHER ACTION IS SUSPENDED UNDER CONTRACTS SIGNED BY ALCOA FOR A NEW ALUMINIUM SMELTER AND BY ARMCO STEEL (WHOSE HEAD, BILL VERITY, IS ALSO VICE CHAIRMAN OF THE SEMI-OFFICIAL TRADE AND ECONOMIC COUNCIL).

5. ON EXCHANGES OF LESSER IMPORTANCE US POLICY WOULD BE TO HOLD THEM DOWN TO A LEVEL OF LOW VISIBILITY WHILE PERMITTING ACTIVITIES WHERE THERE IS A CLEAR HUMANITARIAN INTEREST (EG SENDING TWO EXPERTS IN ARTERIO SCHLEROSIS UNDER THE HEALTH AGREEMENT) AND EXCHANGES INVOLVING OFFICIALS OF NOT MORE THAN ASSISTANT SECRETARY RANK. NEGOTIATIONS BEGUN RECENTLY ON A NEW CULTURAL AGREEMENT WOULD BE DELAYED. CONGRESSMAN GREEN, DUE TO VISIT SOVIET UNION NEXT WEEK, HAS POSTPONED AND OTHER PARLIAMENTARY EXCHANGES WILL PROBABLY BE SUSPENDED. THE AMERICANS WOULD DISCOURAGE SOCIAL CONTACTS BETWEEN US OFFICIALS AND THE RUSSIANS. THEY WOULD SCALE DOWN THEIR EMBASSY IN KABUL TO ABOUT TEN UNDER A CHARGE D'AFFAIRES. THEY WOULD STEP UP BROADCASTING BY RADIO LIBERTY, FREE EUROPE AND THE VOICE OF AMERICA WITH PARTICULAR EMPHASIS ON THE INVASION OF AFGHANISTAN. NO JUDGMENT HAD BEEN MADE YET ABOUT IMPLICATIONS FOR US POLICY TOWARD INDIVIDUAL EAST EUROPEAN COUNTRIES.

6. THE EVALUATION OF US POLICY WITH THE HELP OF AMBASSADOR WATSON, TO WHICH THE PRESIDENT HAD REFERRED IN HIS BROADCAST, HAD NOW BEEN ESSENTIALLY COMPLETED. WATSON WOULD BE RETURNING TO MOSCOW BY THE END OF THIS WEEK. (SHINN PAID A COMPLIMENT IN PASSING TO HM AMBASSADOR AT MOSCOW FOR WHAT HE DESCRIBED AS HIS "PROFOUND INFLUENCE" ON AMBASSADOR WATSON'S THINKING ABOUT THE NEED FOR US RESPONSIVE MEASURES TO BE BOTH SIGNIFICANT AND OF LONG DURATION). IN ADDITION TO THE FOREGOING, THE EVALUATION HAD ENABLED THEM TO IDENTIFY A FURTHER SET OF MEASURES TO BE KEPT IN RESERVE FOR POSSIBLE FUTURE USE. THESE INCLUDED COMPLETE SUSPENSION OF THE AIR SERVICES AGREEMENT, SUSPENSION OF THE MARITIME AGREEMENT GIVING

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SOVIET SHIPS ACCESS TO SOME 40 US PORTS, AND REDUCTION OF EMBASSY PERSONNEL. SHINN SAID HE WAS UNABLE TO SHED MUCH LIGHT ON WHAT THE PRESIDENT HAD MEANT BY HIS REFERENCE TO "THE NECESSARY LEGISLATION" BY CONGRESS IN RESPONSE TO THE CRISIS. NONE OF THE MEASURES IN PARAGRAPHS 2-5 ABOVE REQUIRED ACTION BY CONGRESS, THOUGH COMPLETE SUSPENSION OF EXISTING AGREEMENTS AND/OR NEGOTIATION OF NEW ONES WOULD DO SO. HE ASSUMED THAT THE PRESIDENT WAS REFERRING TO DOMESTIC ASPECTS OF THE GRAIN EMBARGO DECISION AS WELL AS THE PACKAGE OF ASSISTANCE FOR PAKISTAN. (ON THESE TWO SUBJECTS WE ARE REPORTING SEPARATELY - SEE ALSO MY 2 IFTS, NOT TO ALL).

HENDERSON

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TELEGRAM NUMBER 83 OF 7 JANUARY 80.

INFORMATION UK DEL NATO, UK MIS NEW YORK, KABUL, ISLAMABAD, NEW DELHI, PARIS, BONN, ROME, OTTAWA AND MOSCOW.

U.S. CONTACTS WITH AFGHANISTAN.

1. WE GAVE STATE DEPARTMENT LAST WEEK A BRIEF ACCOUNT OF OUR CURRENT STEPS TO WIND DOWN RELATIONS WITH THE REGIME IN KABUL (YOUR TEL NO 007 TO KABUL). LORTON (STATE DEPARTMENT) BRIEFED US TODAY ON U.S. INTENTIONS, ALTHOUGH THESE HAD NOT YET BEEN FINALLY AGREED. BRIEFING ON THEM WOULD BE SENT TO CAPITALS LATER THIS WEEK.

2. THE ADMINISTRATION HAD DECIDED:

(A) TO END ALL BILATERAL AID AGREEMENTS WITH AFGHANISTAN, AND TO DIVERT ELSEWHERE ANY AID-FINANCED EQUIPMENT STILL IN THE PIPELINE. (IN ANY CASE THE PIPELINE WOULD HAVE HAD TO BE CLOSED DOWN BY 31 MAY; IT WOULD NOW BE CLOSED DOWN WITH IMMEDIATE EFFECT.)

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(B) TO REDUCE THE U.S. EMBASSY STAFF IN KABUL BY AT LEAST HALF. NO MORE THAN 20 US-BASED STAFF (INCLUDING MARINE GUARDS) WOULD BE LEFT. THE POSITION ON LOCALLY ENGAGED STAFF WAS STILL UNCLEAR.

(C) TO AVOID ANY IMPRESSION OF "BUSINESS AS USUAL" U.S. OFFICIALS HAD BEEN INSTRUCTED TO ESCHEW SOCIAL CONTACTS WITH THEIR AFGHAN COUNTERPARTS.

(D) RECOGNITION AS SUCH DID NOT ARISE AS AN ISSUE, GIVEN U.S. PRACTICE. BUT THE LINE THAT RELATIONS WERE STILL "UNDER REVIEW" WOULD BE MAINTAINED FOR THE TIME BEING. THE U.S. WAS IN NO HURRY TO ANNOUNCE THAT RELATIONS (ON WHICH RECOGNITION WAS BASED) WERE NORMAL.

(E) TO REVIEW EXPORTS TO AFGHANISTAN OF STRATEGIC SIGNIFICANCE IN THE SAME WAY AS THOSE TO THE SOVIET UNION WOULD BE REVIEWED. HOWEVER AFGHANISTAN WOULD NOT BE FORMALLY PLACED IN CATEGORY Y I-E. CLASSIFIED AS A COCOM COUNTRY.

(F) TO CLOSE THE ICA OFFICE IN KABUL TEMPORARILY, WITH THE PRESUMPTION THAT THIS WOULD BE THE CASE INDEFINITELY.

(G) TO CONTINUE PREVIOUS U.S. OPPOSITION, ON HUMAN RIGHTS GROUNDS, TO AFGHANISTAN FROM IFIS.

3. THE ADMINISTRATION WERE ALSO REVIEWING:

(I) THEIR SMALL COMMITMENT TO THE WFP PROGRAMME IN AFGHANISTAN; AND

(II) THE DESIRABILITY OF MULTILATERAL APPROACHES TO THE UNDP AND IFIS TO LIMIT THEIR PROGRAMMES WHICH WERE UNDERSTOOD TO BE SIGNIFICANT IN AFGHANISTAN. THE U.S. HAD TAKEN NO POSITION ON THIS POINT AND WOULD WISH TO CONSULT THE ALLIES.

HENDERSON

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