By Richard M. Weintraub Approved For Release 2000

ISLAMABAD, Pakistan, Dec. 1 —Pakistan People's Party leader Benazir Bhutto was named prime minister tonight, making the 35year-old daughter of the late prime minister Zulfigar Ali Bhutto one of the youngest leaders of a major country and the only woman to head a modern Islamic state.

President Ghulam Ishaq Khan, in a nationally televised address, praised Bhutto as a "young, educated, cultured and talented lady. She is endowed with the best of leadership qualities and statesmanlike vision."

Immediately after announcing the selection of Bhutto, Ishaq Khan revoked the state of emergency declared after the death of president Mohammed Zia ul-Haq in a plane crash on Aug. 17 and disbanded the emergency council that was formed to help run the country.

The caretaker Cabinet named by Zia after he ousted the government of prime minister Mohammed Khan Junejo on May 29 also was dissolved, giving Bhutto a clear field to form her own government and take over the running of the country. She is to be sworn in to office on Friday.

Supporters of Bhutto celebrated here and elsewhere across the country, Cars and motorcycles flying the flag of her party honked their horns in the crowded streets of Islamabad and Rawalpindi, The Associated Press reported, and in Karachi, Bhutto's home city, tens of thousands of celebrants jammed the streets of the working-class Lyari neighborhood tonight.

As she takes office, Bhutto faces major challenges at home and abroad. She must approve a new budget by mid-December that must answer stringent demands by the International Monetary Fund in order for Pakistan to qualify for muchneeded assistance for its serious balance-of-payments situation.

Abroad, the Feb, 15 deadline for withdrawal of Soviet troops from Afghanistan presents her with major decisions regarding her country Applica weed of the Release ernment in Kabul and the return of some 3 million Afghan refugees in



Benazir Bhutto, 35, is the first woman to be named to lead a Moslem nation.

Soviet troops from Afghanistan and remove the Soviet-backed government in Kabul. She has had close contacts with U.S. officials on these issues and others, leaving U.S. diplomats generally supportive of the prospect of a Bhutto-led govern-

In Washington, the White House said, President Reagan sent Bhutto a letter of congratulations saying that the United States was "encouraged by this renewed commitment of first time in more than a decade. in Pakistan to constitutional procedures" and looked forward to close 20098989811 : CIA-REP 96400

Ishaq Khan, at 73, is more than double the age of the prime minisovershadowed Pakistani politics ever since.

Ishaq Khan is now rumored to be a favored candidate for a full term as president in the election scheduled for Dec. 12. The relationship between the two will be crucial to the country's future:

Ishaq Khan became president upon Zia's death, opening the way for unfettered elections to restore democratic rule to Pakistan for the

In his address today, he said the people of Pakistan had shown a 7923 September 2005 Semocratic principles ... despite the lack of dem-

ocratic practices in the political life

This document is made available through the declassification efforts and research of John Greenewald, Jr., creator of:

## The Black Vault



The Black Vault is the largest online Freedom of Information Act (FOIA) document clearinghouse in the world. The research efforts here are responsible for the declassification of hundreds of thousands of pages released by the U.S. Government & Military.

**Discover the Truth at: http://www.theblackvault.com**