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# MEMORANDUM OF CONVERSATION

23 MAY 1972

Paris, France May 2, 1972

SUBJECT:

US-French Bilateral Exchange on Africa:

IV -- Non-Francophone Africa

PARTICIPANTS:

France:

Philippe Rebeyrol, Director, Africa

Pierre Carraud, Deputy Director,

Non-Francophone Africa French Embassy

Paul Gaschignard, Deputy Director,

Francophone Africa

Paul Guidi, Alternate Deputy Director,

Francophone Africa

Michel Peissik, Desk Officer, Africa

U.S.:

David D. Newsom, Assistant Secretary

for African Affairs

William Witman, II, Special Assistant, AF

H. Allen Holmes, Political Counselor,

Embassy Paris

Andrew L. Steigman, First Secretary,

Embassy Paris

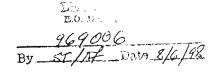
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## Ghana

The military regime is in control, Assistant Secretary Newsom noted, and has no current opposition, but is still drifting in its policy and basic orientations. It is just beginning to assert its control over the bureaucracy and the para-statal companies, but is still living on ad hoc decision-making and has no long-term economic plan. Imports have recently been brought under full licensing, which may result in some food shortages, and the debt problem -- reviewed with the GOF recently by Deputy Assistant Secretary Smith (Paris 7182) -- remains acute. We are concerned over the possible dangers inherent in continued drifting by the regime and the risk of radical and unpredictable actions if there is no international resolution of the debt problem. In connection with the latter, we see no solution acceptable to the NRC other than under

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IBRD auspices and dealing with both debts and the country's basic economic needs, and we hope the GOF can agree to this approach. US assistance will continue, though the level is likely to be somewhat lower than in past because of the current situation.

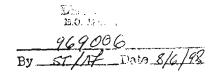
M. Rebeyrol commented that the GOF also attaches great importance to the role of the IBRD, but added that the Bank appears to move very slowly. M. Carraud observed that agreement had been reached for a joint IBRD/IMF mission, which had perhaps already left for Ghana. The link between aid and debts, he said, which the GOF wishes to avoid, is somewhat theoretical for France because of its very small bilateral aid program. The GOF is, however, keenly aware of the importance of doing something for the NRC in order to hold it to a basically western orientation. The French share our judgment of the NRC's erratic behavior, but this only reenforces French consciousness of their need for aid. The GOF sees no alternative to the NRC at present, though some criticism of its performance and defense of Busia's record has begun to appear.

### 2. Nigeria

We see no sign of any immediate challenge to the FMG, Assistant Secretary Newsom said, though it faces a multiplicity of problems -- including administrative disorganization, unemployment, inflation, overcentralization of decision-making, and corruption. The reconciliation after the civil war was dramatic and the country seems to be facing the new problems of development. Growing petroleum revenues have bolstered the power of the FMG over the states. The country is now financially solvent, though developmental problems remain. On the external side, Nigeria is beginning to feel its strength and seeking to play a role in Africa. Thus far, it has given priority in use of its revenues to its massive domestic needs, though the loans to Dahomey suggest the FMG may be taking a new direction in this regard.

US relations with Nigeria are satisfactory, Mr. Newsom continued, though there are a few scars remaining from what the FMG considered to be our ambivalent attitude during the civil war. The Nigerians show a high degree of sensitivity over southern African issues, more so than anywhere else except one or two countries in East Africa. We will hear more and more about Nigeria on the African scene, the Assistant Secretary concluded, and no one will have any special relationship with the FMG.





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M. Carraud echoed Mr. Newsom's judgment of the importance to be attached to the Nigerian emergence on the African scene. He noted that French interests in Nigeria are important, and that Peugeot will be building an assembly plant near Kaduna. The FMG, he said, has taken a firm but careful approach to the problem of Nigerianization, moving steadily toward its goals but avoiding any abrupt nationalizations. M. Rebeyrol added that French-Nigerian relations are relatively satisfactory despite some unfavorable memories from the recent past. The GOF hopes its current negotiations with the FMG over terms for a French loan can be brought to a rapid conclusion.

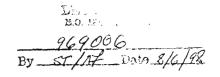
#### 3. Equatorial Guinea

This is a one-man country, M. Carraud observed, and Macias' behavior defies Cartesian analysis. He is unpredictable. He has alienated his country from Spain even though the latter continues to supply an important part of his budget, and has welcomed the Soviets, Chinese, and other Communists though their influence is hard to measure. These latter may be useful to Macias largely as props for his effort to keep the Fang on top in the local political hierarchy. French Embassy remains on the spot, largely to provide some western alternative for the GOEG. French aid is extremely limited, largely because offers of technical assistance and of ASECNA membership have not been answered. The French have sold a helicopter to the GOEG, which is just arriving with a French crew. M. Rebeyrol added that Macias has a pathological, almost neurotic, suspicion of foreigners, especially whites, which creates problems for the Communists as well as for the West in their dealings with the GOEG. Mr. Newsom noted that we no longer have any personnel permanently stationed in Equatorial Guinea, but rely on regular visits from Yaoundé. The question of returning a permanent presence to Santa Isabel remains under study in Washington.

#### 4. Horn of Africa

Reviewing the situation in the Horn, M. <u>Carraud</u> saw little change in the Ethiopian political picture. The Emperor remains on top, and the succession remains the principal question. The Emperor's role in helping with the southern Sudan settlement is seen by the French to have served his own interest as well because of the parallels with the situation in Eritrea. The Ethiopians are concerned at a reported buildup of the Somali army, but the French feel this threat has been exaggerated.





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Soviet influence in Somalia, which frightens the Ethiopians, is limited both by Somali incapacity to absorb resources and technical assistance and by limits on Soviet interest. The French do not believe the Soviets are interested in provoking a serious clash between Ethiopia and Somalia, and see the Somali army -- which they estimate at between 15,000 and 25,000 -- as representing no significant threat.

Somali intentions with regard to the TFAI are not clear, M. Carraud continued. Their public statements differ considerably from their private assurances to the GOF, but the French are not inclined to dramatize the situation. The GOF doubts the Somalis want to push the situation too hard, and the French are in general not especially pessimistic about prospects for the Horn.

Assistant Secretary Newsom pointed out that the major USG interest in the Horn is in Ethiopia, which continues to receive 70% of our total grant military aid to Africa. The Emperor was alarmed at the prospects of a cut in this aid, which will not now be as severe as had initially been feared, which he may have believed related to a parallel reduction of 40% in our personnel strength at Kagnew and thus interpreted as a lessening of US interest in Ethiopia. We have assured him, however, that neither cut is intended to signal any lessening of US interest in, or support for, Ethiopia, and we believe the Emperor is now satisfied.

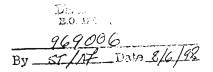
The internal situation in Ethiopia appears to us to be reasonably good. Should the Emperor disappear suddenly from the scene, we believe the Crown Prince would probably succeed constitutionally. The real test would then be his ability to wield effective power.

We have been intrigued by recent signals from Somalia, Mr. Newsom continued, the validity of which is still hard to assess. Our new Ambassador has been warmly received and has had two long talks with General Siad, and the Somali Ambassador in Washington has been delivering an equally cordial message with great stress on economic development. Siad has suggested that he is finding Soviet military aid a heavy financial burden on Somalia and may want to cut it back, and is thus exploring permanent détente with Ethiopia as an alternative means of dealing with Somalia's security problems. Mr. Newsom said he had discussed this development in Addis Ababa with the Emperor, the Prime Minister, and the Foreign Minister, all of whom took a very hard line. While Siad is making friendly noises, they say, he is rewriting Somali schoolbooks to include irredentist claims. The Emperor



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said in private talks, however, that he finds Siad personally honest and sincere, and that he will turn his personal attention to Somalia once the Sudanese situation is settled. He added that he hopes to see Siad in Rabat at the June summit meeting of the OAU. The Emperor stressed to Mr. Newsom that Ethiopia cannot cede any territory, but the Foreign Minister spoke in a separate exchange of possible "adjustments." We do not want to get into the middle of this in any way, and feel it is not yet possible to make any realistic appraisal of the prospects for eventual settlement.

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