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AFRICA REVIEW

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Senegal: Looking Beyond Senghor

There are signs that President Leopold Senghor, who apparently is in ill health, may be preparing to step down in the not too distant future in favor of his constitutional successor, Prime Minister Abdou Diouf. Diouf's succession is opposed by important political interests, and it is doubtful that the Army would permit him automatically to assume office. Key power-brokers believe a new president must be popularly elected to claim a mandate and should not obtain office simply as Senghor's chosen heir. If elections are held, we believe Senegal's new president probably would be a senior member of Senghor's party such as Foreign Minister Babacar Ba, who would continue Senghor's moderate, generally pro-Western policies.

Rumors of the President's illness and signs of transition planning have already set in motion jockeying for power by political factions eager for change in a country dominated by Senghor since independence was gained in 1960. With Senghor's passing, a heated--possibly protracted--succession struggle could ensue, and long pent-up political and social pressures would be released. As the arbiter of the country's future, the Army could intervene to impose a new president or seize power in the event of civil unrest. Senegalese military leaders are generally moderate and well disposed toward the US. The armed forces Chief of Staff, General Idrissa Fall, is the most likely candidate to head a military regime.

Senegal without Senghor will play a diminished role on the African scene more commensurate with its modest resources. Any new leader will be more occupied with the country's severe economic and social problems, and a civilian president will have to be more attuned to the views of progressive, leftist-inclined elements. A more nationalistic foreign policy seems likely, which would increase Senegal's independence toward France and cause it to move closer to the African and Third World mainstream. Senegal will continue to value good relations

with the US as an alternative to dependence on France, but will be somewhat less inclined to support US positions on key African and international issues.

Diouf and Prospects for Constitutional Succession



Prime Minister Abdou Diouf

Prime Minister Diouf is the designated successor under a constitutional amendment Senghor pushed through the national assembly two years ago. If the President resigns, is incapacitated, or dies, Diouf is supposed to serve the remainder of the five-year term to which Senghor was elected last February. Diouf may very well not be allowed to succeed Senghor despite his apparent assets. He has served as Prime Minister since 1970, with extensive periods as acting head of state, and is regarded as an honest, intelligent, and able administrator. Only 42, Diouf

gets on well with the young, well-educated technocrats turned politicians who have dominated the cabinet in recent years. As a Muslim, Diouf has served Senghor as emissary to Senegal's politically influential Muslim brotherhoods.

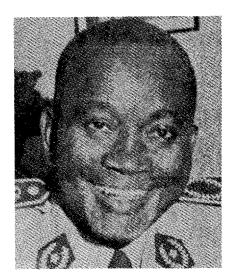
Diouf's automatic succession is contested by an important faction in Senghor's party, by the main opposition party, and by the armed forces Chief of Staff, General Fall. These elements all favor revising the constitution through popular referendum to require a new presidential election should Senghor leave the scene. Altering the succession scenario reportedly will be given top consideration by the usually docile National Assembly when it reconvenes next month.

Part of Diouf's problem is that he is not regarded as a man of presidential timber who can hold Senegal together. He is seen as a self-effacing creature of Senghor who lacks his own power base and political charisma. General Fall shares these sentiments and also distrusts

Diouf's intentions toward the military. Additionally, a growing number of influential Senegalese insist that a new president must have his own popular mandate and no longer tolerate the idea that Senghor can dictate his own successor. Considerable personal opportunism marks this attitude.

The Army as Arbiter

Unlike most African countries, Senegal has an apolitical military establishment that does not seem eager to intervene in the political process or to covet power for itself. The 8,500-man Army will act as the final arbiter in case of a prolonged squabble over the presidential succession or an outbreak of civil unrest. Unless the constitution is amended to block Prime Minister Diouf from automatic succession, it seems likely that General Fall will insist on holding new presidential elections even if Senghor looms in the background to provide a form of legitimacy to his dauphin. Diouf could count on some support among the national police and paramilitary gendarmerie, but these services are likely to line up with the Army in a political showdown.



Chief of Staff Idrissa Fall

If the armed forces are drawn into running the government, General Fall would be the foremost candidate to assume leadership. A 46-year-old, French-trained professional soldier, he is respected by the officer corps and is genuinely popular with his men. Furthermore, he belongs to the most politically important Muslim brotherhood--the Mourides. Fall has a reputation as an able administrator, a moderate, and a strong nationalist. He is friendly toward the US and would like to reduce Senegal's heavy dependence on France.

The Army Chief of Staff, Colonel Coumba Diouf Niang-also a Mouride--might well see himself as a kingmaker if an impasse arose in the choice of Senghor's successor. In contrast to General Fall, Niang is widely disliked in

the military, where he is regarded as an unscrupulous opportunist who would stop at nothing to advance himself.

The Succession and Other Political Interest Groups

The Religious Brotherhoods

Outside the military, Senegal's Muslim brotherhoods will have an important voice in the presidential succession. The brotherhoods command the religious loyalty of the country's predominantly Muslim population and either own or control virtually all land used to grow peanuts, the only cash crop. Weakened by their rivalries and lack of sophistication in the modern political arena, the brotherhoods are not in a position to dictate national leaders or policies. They are interested, however, in receiving assurances that their economic and social interests will not be threatened. In turn, they can influence the peasant vote and will use their riches to make as many candidates for high office as possible beholden to them. The most influential brotherhoods are the Tidjanyya and the smaller, but economically stronger Mourides.

The French

The French have a vested interest in Senegal, which under Senghor has been a leader among West Africa's moderate French-speaking states and a firm supporter of Paris' policies in Francophone Africa. As the first French colony in Africa, Senegal's associations with France are very deep, and Paris can be expected to aid discreetly its favored presidential successor, who apparently is Prime Minister Diouf at this time. Day-to-day French influence stems from its dominance of the modern economic sector, indispensable financial aid (\$113,500,000 in direct aid in 1977), and the defense relationship with Senegal, which includes a major French military base at Dakar.* Senegal's close relationship with France under Senghor and the pervasiveness of the French presence have long fueled leftist, anti-French, nationalist sentiment which an antagonistic

*The French presently have more than 1,300 naval, air, and ground personnel and a Jaguar aircraft squadron in the area of Dakar.

political figure could try to parlay into popular support. These trends are behind Senegal's efforts in recent years to shift the focus in its foreign relations away from France and to be more open toward the US.

Students, Workers, and Intellectuals

Students, workers, and intellectuals are the most socially conscious, leftist inclined, and anti-French elements in Senegal. They are inclined to support candidates on the leftmost end of the political spectrum. These groups united in a general strike in 1968 that nearly brought down the government. Today, especially among students and intellectuals, many Senegalese evince a deep yearning for change, for broader and more direct participation in the government, and for fresh political faces and new directions.

In recent years, students and workers have been coopted or otherwise kept under control and off the political stage by firm government action. With Senghor's passing and Senegal's continuing poor economic situation, restlessness among students and workers could again become difficult to control and fan wider popular discontent or even rioting. Domestic concerns are thus likely to predominate regardless of what leader comes to power. These will include high unemployment and shortages of jobs for ever increasing numbers of frustrated university graduates, a drop in government export earnings because of the latest drought, rural hunger, and corruption in the government.

Civilian Contenders for Power

The Ruling Party

In the likely event that Senghor's successor is determined by new presidential elections, the primary focus of the succession struggle will be within Senghor's long dominant, slightly left of center, Socialist Party. There is little doubt that Prime Minister Diouf would be challenged by other senior party members for the nomination. Foreign Minister Babacar Ba, as Diouf's strongest rival in the government, has long been regarded as his most likely challenger.



Foreign Minister Babacar Ba

The 47-year-old Ba has high caste origins in Senegal's most populous region, long experience in the government, and a sizable national political base. He is intelligent, a skilled negotiator, and previously played an important role as Finance Minister. In the past, Ba has served as acting head of state during simultaneous absences of both Senghor and Diouf. Though close to the French, he favors diversifying Senegal's relations to dilute French influence and to expand the US role in Senegal.

One reason Ba is not Senghor's designated successor may be because he was cabinet chief under former leftist Prime Minister Mamadou Dia, whose attempted coup in 1962 was squelched by the military. Ba's attractiveness--particularly to the military--may be dimmed by his aloof and irascible character and by his public image as being susceptible to corruption. Though a Muslim, he may have eroded some of his standing with the Mouride Islamic brotherhood.

In the event of a serious party impasse over the selection of a presidential candidate, the military and other elements may seek to draft a respected civilian figure. This might offer the military a more palatable way of resolving a political crisis than a direct take-over. One attractive candidate may be the 57-year-old Senegalese Director-General of UNESCO, Amadou Mahtar M'Bow. His international standing combined with past cabinet experience at home, good Muslim credentials, and a record of political activity outside and within the Socialist Party could make him an acceptable compromise candidate. In addition, he once served in the French Army, as have many top Senegalese Army officers. Some influential Senegalese, however, believe M'Bow's lower caste origins limit his chances for the presidency.

A dark horse candidate might be Minister of Higher Education Ousmane Camara. A former militant student leader and a technocrat with political strength in the Socialist Party, he has served successfully in several other politically sensitive posts such as security chief, Minister of Interior, and Minister of Labor. His hardline approach to public order might be seen as positive credentials by the military for handling future political crises.

The Other Parties

Opposition to Senghor and his Socialist Party traditionally has come from the Senegalese left. Leftist leaders at this time appear to have limited mass appeal, despite their ambitions. Any determined bid for power by extreme leftists would cause Senegal's fundamentally conservative military leaders to intervene to protect the country. In the last four years, Senghor has nurtured two legal opposition parties and tolerated a third underground group in order to strengthen his own party for his passing by subjecting it to greater competition and public debate.

All 18 opposition seats in the 100-man National Assembly are held by the Senegalese Democratic Party led by attorney Abdoulaye Wade. A moderate, who espouses nationalistic and egalitarian policies, Wade has sought to stake out political ground to the left of Senghor's party and has opportunistically opposed Senghor on most key issues. Wade has sought with little success to organize under his leadership a national front of all leftist political groups. He probably has made the most headway among opposition groups in building a grass-roots political organization and has cultivated some support among the Mourides. Wade has yet to demonstrate, however, the base of strength and popular appeal that would be likely to win him the military's support.

Majhmout Diop, leader of the legal wing of the Marxist-Leninist African Party of Independence, has done little to reestablish himself as a credible political figure since his party was officially sanctioned in 1976. The diehard remnants of this old party probably do not

number more than a few hundred persons, and Diop's pledge to play politics under the rules laid down by the government has cost him support from more radical leftist elements.

The most prominent challenge to the legal threeparty system comes from Senegal's nonofficial leftist opposition, the National Democractic Regroupment led by professor Cheikh Anta Diop. He is an admirer of Guinea President Sekou Toure and a proponent of radical African causes. Cheikh Diop's group includes the best known figures in Senegalese opposition politics, including former Prime Minister Mamadou Dia and his Interior Minister Valdiodio Ndiaye. This group has captured the imagination of Senegal's leftist intellectuals and academics in Dakar with its strong nationalist tenets and professed concern for the peasant masses. Cheikh Diop possesses family ties with the Mourides and for a time received active support to legalize his party from an influential Mouride political adviser. (SECRET NOFORN-NOCONTRACT-ORCON)

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Zaire: Continuing Economic Malaise

President Mobutu continues to receive little support from Zaire's troubled economy in his efforts to boost his his sagging political fortunes aggravated by the invasion of the Shaba Region in May by Angola-based rebels. Foreign exchange remains tight, foodstuffs and other essential imports are scarce, and inflation goes unchecked. The President is also unlikely to generate much popular sympathy by having accepted an austerity program after considerable pressure to do so from Zaire's leading Western creditors. An unexpected surprise has been the nearnormal operation of the Kolwezi mining complex despite the exodus of 800-1,000 foreign technicians during the Shaba incursion. The mines are unlikely to maintain a high output level for long, however, without some return of the expatriate presence.

Good News from Shaba

The mining sector has rebounded more quickly than expected from the Shaba fighting. According to Zairian data, which has been generally confirmed by

output during July totaled 33,600 tons, almost 90 percent of last year's monthly rate. Cobalt production for the month reached 1,200 tons, substantially above the 1977 monthly rate. Mining officials have improved the cobalt recovery rate from processed copper to take advantage of currently favorable market conditions. Cobalt prices have jumped from \$6.85 a pound to \$12.50 a pound since the Shaba invasion.

The Zairians now estimate maximum output for the year at 380,000 tons of copper and 12,000 tons of cobalt compared with last year's totals of 435,000 tons and 10,000 tons, respectively. In addition to the production forecasts, Mobutu must also take satisfaction in the fact that Zairian cadre are operating the Kolwezi facilities with no major difficulties. A few senior expatriates fly in from Lubumbashi for daily inspection visits. Some French and Belgian personnel previously in

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copper

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Kolwezi reportedly have already been rehired. At present, there are a minimum of 35 white technicians in Kolwezi--23 French, 11 Belgians, and one British. Mobutu wants to reduce the number of foreign personnel in Shaba by at least half and has notified many that their services are not needed.

Problems Continue Elsewhere

The upbeat reports from the mines are not repeated elsewhere in the economy. The Shaba disruptions have had negligible impact on the world price of copper-Zaire's major export--and Kinshasa's foreign exchange position remains precarious. We estimate Zaire needs \$500 million this year to keep the economy afloat and cover \$300 million in debt amortization payments. Western donors pledged a substantial amount in emergency aid in June, and Kinshasa is trying to resume negotiations broken off during the Shaba fighting on a \$215 million loan with a consortium of 60 Western banks.

The payments squeeze has prompted new government import restrictions that would cut back sharply on purchases of a wide range of consumer goods. The move comes at a time when stocks of many staples are already low, and prices in Kinshasa have risen more than 80 percent above those of a year ago. In addition, the country's main flour mill will shut down soon unless the government settles some overdue accounts for shipments of imported wheat.

Construction timetables for major development projects may also be affected. One US firm in charge of the 2,000-kilometer transmission line connecting the Kolwezi mining facilities with the Inga hydroelectric plant has warned the government that further work will stop if adequate funds are not forthcoming. The transmission line is essential if government plans to expand copper and other industrial production are to be realized.

The government has also been unable to check its proclivity for excessive spending. Expenditures for the first half of this year outpaced revenues by almost \$200 million, and no letup is in sight. Even this deficit is understated because of financial juggling. As expected, most of the overspending went for salaries—all civil servants were recently given a 25 percent wage

increase--and the President's private slush fund. Mobutu uses the latter to pay off political and military supporters as well as to advance his personal wealth through real estate and other dealings.

The continuing economic decline and pressure from Western creditors have pushed Mobutu to accept a severe austerity program, the third since 1967. The latest reforms, drawn up by the International Monetary Fund just before the Shaba incursion, are to be implemented following ratification of the package by the Fund next month. The stabilization measures include substantial IMF involvement in day-to-day operations of the central bank and Finance Ministry. A group of Fund experts assigned to the central bank has already arrived in Kinshasa, and the budget team is slated to come this month. The program also requires a shift in investment spending to agriculture and basic infrastructure, both ignored in Mobutu's rush to industrialize.

Outlook: Rough Road Ahead

Zaire's economic outlook during the next year or so will depend in large part on the situation at the Shaba mines. Senior expatriates in Lubumbashi believe the July production rates for copper and cobalt are not sustainable and that production during the next several months will suffer because of inadequate preventive maintenance and the inexperienced Zairian staff operating Kolwezi's sophisticated facilities. Kinshasa's inability to guarantee the timely delivery of spare parts will become increasingly important as existing stocks are exhausted.

A rash of equipment failures will almost certainly put pressure on Mobutu to bring in additional European technicians. A senior Zairian mining official was in Paris recently to negotiate the hiring of 25 French technicians, but we do not know the outcome of these discussions. Most of the 800-1,000 foreign workers who fled Kolwezi are ready to resume their former positions. Few of these people have been able to locate other jobs because of the current economic slump in Belgium and other industrialized countries and the substantial excess capacity in the world copper market.

The expatriates by and large are unimpressed with existing security as provided by the Pan-African group, although they believe the Pan-African group is superior to anything the Zairians have to offer. Indeed, Brussels has reportedly insisted on adequate security in Kolwezi before permitting Belgian citizens to return. The French are training a brigade of Zairian paratroopers to replace the multinational African force, but training will not be completed until the middle of next year. The continuing Zaire-Angola rapprochement could ease expatriate uncertainties about renewed rebel attacks, but many problems must be resolved before a complete reconciliation is achieved.

Mobutu will also have to adhere to the austerity program if he is to have continued access to Western capital markets. Negotiations on the \$215-million bank loan and an IMF standby loan hinge on Kinshasa's performance. The foreign exchange guidelines promise longterm benefits by shifting funds to agricultural and transport projects, but their immediate impact will be more cuts in consumer imports. Popular dissatisfaction with the government is almost certain to rise as goods become increasingly scarce and prices soar. At the same time, IMF supervision of the federal budget will probably limit Mobutu's ability to draw on public funds for his personal use, including buying off potential political opponents. The President has backed off from similar reform programs in the past when the political situation became tense, and he may well be tempted to do so again. Such a move, however, would mean losing overseas credits, jeopardizing the future of Zaire's modern economy, and greatly enhancing the possibility of Mobutu's removal. (SECRET NOFORN)

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Namibia: Obstacles to a Settlement

The leader of the South-West Africa People's Organization, Sam Nujoma, told US officials early this week that SWAPO may not agree to a negotiated settlement in Namibia unless a separate cease-fire agreement is signed and SWAPO guerrillas are placed at five locations inside This issue has not sur-Namibia under UN supervision. faced, however, in subsequent discussions in New York involving the Western five, the African group, and UN SWAPO has only about 200 trained guerrillas officials. operating inside Namibia, and it may be planning to infiltrate large numbers of guerrillas into the territory as South Africa withdraws its forces. Pretoria would object strongly if this issue is introduced into the negotiations; it has already raised several other major objections to UN Secretary Waldheim's report on Namibia.

Nujoma is seeking a written cease-fire agreement signed separately by SWAPO and South Africa. Although South Africa apparently supports the idea of a written cease-fire agreement, it strongly suspects that SWAPO would not abide by it. Nujoma argues that SWAPO needs such a document in order to convince its military commanders to adhere to a cease-fire. The idea of having SWAPO guerrillas located at bases inside Namibia may have come from a hardline faction within the leadership that includes the military commanders. They strongly suspect South Africa's motives in agreeing to a negotiated settlement and may have insisted that SWAPO also maintain armed forces during the transition. By locating them in Namibia and not across the border in Angola or Zambia, SWAPO would be able to "show the flag"; its querrillas would also be able to vote.

SWAPO views such an agreement as the prelude to the assignment of both South African and SWAPO forces to bases inside Namibia during the transition period. Pretoria has agreed to permit 1,500 of its soldiers to be restricted to one or two bases in northern Namibia; SWAPO is

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proposing that its forces be confined to five locations--Katima Mulilo, Tsumeb, Runtu, Ondangua, and Windhoek. Pretoria doubtless would view such a demand by SWAPO as an effort to wreck a negotiated settlement.

SWAPO would have difficulty justifying the need for five bases, particularly one as far south as Windhoek. South African officials estimate that in mid-August SWAPO had no more than 200 guerrillas operating along Namibia's northern border with Angola and Zambia. They believe that less than 30 trained guerrillas have infiltrated into central and southern Namibia to conduct terrorist activities.

SWAPO no doubt hopes to fill the five camps with guerrillas infiltrated into Namibia after South Africa withdraws its forces. SWAPO's secretary of defense is said to have told his military commanders last July to move their guerrillas into areas vacated by South African forces as soon as they are withdrawn. SWAPO may also ask its adherents in the territory to proclaim themselves as guerrilla fighters.

Other Concerns

Nujoma cited as SWAPO's other major objection to Waldheim's recommendations the lack of any mention of the current drive in Namibia to register voters. Nujoma attacked the registration campaign as blatantly biased against SWAPO, objecting specifically to plans to stop the process later this month. Although the African group has supported SWAPO on this issue, Waldheim has been reluctant to include specific language in his report that would nullify the South African registration effort.

SWAPO has also complained that the role of the UN Special Representative for Namibia has not been clearly spelled out. Last month, Nujoma indicated that he might seek Security Council approval of a resolution establishing the Special Representative in a predominant relationship over the South African-appointed Administrator General as part of a general effort to seek "clarifications" of Waldheim's recommendations.

Although SWAPO appears satisfied with the proposed UN force level of 7,500 soldiers, South Africa has raised major objections. Foreign Minister Botha maintains that UN forces would not be required to police the northern border, assuming SWAPO adhered to a cease-fire. If SWAPO violated the cease-fire, Botha said South Africa would have to resume responsibility for maintaining order in the territory. Pretoria, however, may be willing to lift its objection if the specific figure of 7,500 soldiers is not mentioned in the final report, or Waldheim gives assurances that the UN would consider sending fewer soldiers if conditions warranted.

Prior to his departure for consultations in Pretoria, Botha gave Waldheim a long memorandum detailing South Africa's current position and noting SWAPO's recent terrorist actions in Namibia. The document, drafted the day after the South African cabinet met to discuss the Namibian situation, reiterated South Africa's objections to the size of the UN peacekeeping force and the inclusion of a police contingent and stressed the importance of holding elections in the territory before 31 December. It also maintains that the delay in implementing the Western proposals "was not due to any fault on the part of South Africa"--reflecting South Africa's growing eagerness to proceed with the implementation of the transition proposals. (SECRET NOFORN-NOCONTRACT-ORCON)

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Namibia: Pressures in SWAPO To Continue the Guerrilla Struggle*

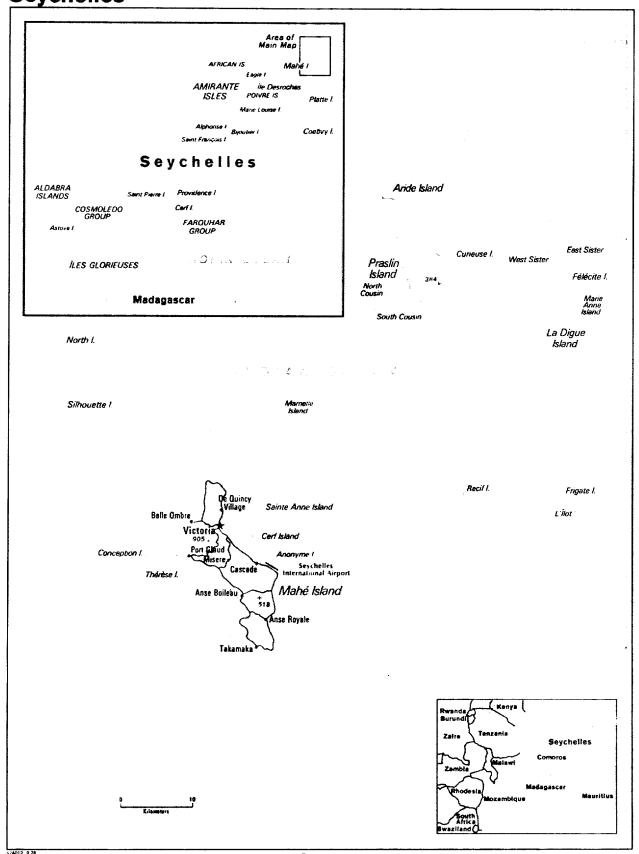
The leadership of the South-West Africa People's Organization is divided over whether SWAPO should continue the guerrilla struggle or support Western proposals for a peaceful transition to independence in Namibia. Many key political and military leaders strongly distrust South Africa's motives in accepting the Western plan and urge that SWAPO continue fighting until South Africa withdraws from the territory. Many also fear they would stand little chance of being elected to an important post if they returned to Namibia.

Consequently, SWAPO terrorist activity will probably continue and possibly intensify in northern Namibia at least until a formal cease-fire goes into effect. If South Africa retaliates by launching a major strike against SWAPO bases deep inside Angola or Zambia, this could give some SWAPO leaders the excuse they have been seeking to renege on their acceptance of the Western plan. Even if SWAPO agrees to a cease-fire, some of its military commanders may attempt to continue guerrilla activities.

SWAPO is under strong pressure, however, from the frontline African states to accept the Western plan, including its cease-fire provisions. The frontline states probably would oppose any effort-either military or political--by SWAPO's militant leaders to wreck a peaceful settlement. If SWAPO were denied the support and sanctuary of the frontline states, it would not be able to sustain a prolonged guerrilla war. (SECRET NOFORN-NOCONTRACT-ORCON)

*The above key points are from a memorandum entitled Namibia: Pressures To Continue the Guerrilla Struggle (RPM 78-10341), published on 5 September 1978. Copies of the memorandum may be obtained from the author.

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Seychelles: A Possible Joint Fishing Venture With Moscow

President France Albert Rene reportedly agreed in principle last June to the establishment of a joint fishing company with Moscow, but now seems to be dragging his feet. Rene's reluctance to conclude the deal may be an attempt to extract similar offers of support from Western countries. Despite the relatively leftist orientation of his regime and his large cadre of radical supporters, Rene seems eager to maintain his country's nonaligned stance.

Under the agreement, the Soviets would be allowed to use one of the country's islands as a repair base for their trawlers, as well as installing a floating drydock for the service and maintenance of their fishing fleet. Rene also granted landing privileges to Aeroflot, enabling the Soviets to rotate their fishing and repair crews between the two countries.

Moscow had attempted to reach a similar agreement with Mauritius, but its efforts failed last June when relations deteriorated and it is eager to implement the fishing accord with the Seychelles as soon as possible. Rene, however, has called for further negotiations—expected to take between six and 18 months—to clarify the extent of the Soviet Union's role in the arrangement and its presence in the Seychelles and the islands' territorial waters. In the meantime Moscow is striving to avoid irritating Rene or giving him an excuse to back out of the agreement. The Soviets, for example, have decided not to use the facilities of an island chandlering service operated by the brother of James Mancham, whom Rene deposed in 1977.

Rene agreed to meet the Soviet fishing delegation last June to discuss Soviet poaching in Seychelles waters and establish a licensing fee for Soviet fishing in his country's maritime zone. The Soviets ignored these issues, however, and proposed the joint fishing venture.

Rene at first flatly rejected the offer and reiterated his policy of not entering into arrangements that would undermine the creation of a government-owned fishing industry.*

Rene's subsequent decision to entertain Moscow's proposal was probably made at least in part to encourage other major powers to increase their economic assistance to the Seychelles. Rene has already approached London and Paris for funds for modernizing the Seychelles' fisheries. He probably reasons that his chances of receiving Western aid will improve once these countries learn that the Seychelles may enter into a joint fishing agreement with Moscow.

Although a staunch advocate of nonalignment and opposed to foreign military bases in the Seychelles, Rene recognizes the benefits of Western economic involvement in the development of his country. In a recent trip to Tanzania, Rene stated--partly for the benefit of his hosts--that he would

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If Western economic aid for the fishing industry fails to materialize, Rene recognizes he still has an interested partner in Moscow, which is eager to broaden its influence in the Indian Ocean at Western expense. At a minimum, Rene will insist that his country have the major voice in the joint fishing company, and he will be careful to guard the Seychelles' sovereignty. (SECRET NOFORN-NOCONTRACT)

*The Seychelles fishing industry relies on traditional methods and equipment. Rene has indicated that it is necessary to improve this sector for the economic well-being of the islands. Fish is a staple food for the islanders, and at present the entire catch is used for domestic consumption. Rene probably envisions exporting fish once the fishing industry is modernized.

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FOR THE RECORD

ANGOLA-PORTUGAL: About 500 Angolan refugees have left Portugal for Angola over the past month. According to UN officials, another 500 are preparing to return shortly, and the list of those seeking repatriation is growing rapidly. They estimate that several thousand refugees will return to Angola if sufficient funding can be found. Although the Angolans are giving priority to the repatriation of skilled refugees, they have indicated that all will be permitted to return except those who are known to have opposed the government. The first group of returnees included teachers, mechanics, carpenters, restaurant workers, and clerks. About two-thirds of the repatriates are black, one-fifth white, and about a tenth mulatto. There are about 10,000 Angolans--mostly refugees--in Portugal. The repatriation of a substantial number of them would help alleviate Portugal's unemployment, housing, and other social problems. (CONFIDENTIAL)

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ANGOLA - SOUTH AFRICA: Angola released eight South African prisoners of war on Saturday in exchange for three Cuban soldiers captured during fighting in Angola three years ago. All the prisoners received good treatment while in captivity and were in good health. other South African soldier, captured by guerrillas of the South-West Africa People's Organization earlier this year, is still being held in Angola. According to officials of the International Red Cross, who arranged the transfer at N'Giva in southern Angola, South African and Angolan officials present at the exchange took the occasion to discuss other matters of mutual interest--most likely the return of refugees who fled to Namibia to escape the fighting in Angola and possibly the status of the incomplete Cunene hydroelectric project, which is to provide power and irrigation to Angola and Namibia. Angolan and South African officials have met secretly on several occasions in the past to discuss these issues as well as the creation of a security zone along the Angolan-Namibian border. The last round of talks were broken off by the Angolans last fall for unspecified reasons. (CONFIDENTIAL)

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ANNEX

Ethnic Factors Threatening Namibia's Future

If South Africa and the South-West Africa People's Organization endorse UN Secretary General Waldheim's recommendations on a Namibian independence program, a UN peacekeeping force will be dispatched to the territory to supervise the election of a constituent assembly to draft a constitution for an independent government.

Ethnic factors will play a key role both in the success of the election and in the stability of an independent government. Clashes between rival tribal groups, disguised by political party affiliations, are likely to mar the election campaign.* Once an independent government has been established, tribal tensions accompanied by the departure of whites will threaten its stability.

The Ethnic Mix

Namibia's population of about 1 million is exceptionally diverse. It includes eight major black groups, two mulatto groups, and three white groups. They live in a predominantly desert or semidesert land of about 824,000 square kilometers, twice the size of California. Its population density, a little more than one person per square kilometer, is the lowest in sub-Saharan Africa.

The north is relatively populous, and mounting population pressures have forced thousands of Ovambos into the contract labor force. This force, which is employed

*All of Namibia's political parties (there are more than 30) are tribally based. Even SWAPO, which has succeeded in gaining appreciable support from more than one tribe, is still predominantly an Ovambo organization.

in the fishing, mining, and ranching industries in all parts of Namibia, has been instrumental in spreading SWAPO propaganda outside its Ovambo stronghold, and Ovambo workers have fought with other tribes over political issues.

The South African Government, which has administered Namibia since 1920, stresses the differences among the nonwhite groups. Its policies of separate development, which have included the creation of homelands for each black group and segregation by tribal group in the urban townships, have perpetuated those differences. Critics of apartheid charge that South Africa exaggerates the differences. The truth lies somewhere in between. While Pretoria's policies have discouraged improvements in intertribal relations, ill will between some of the groups would persist no matter what policies the ruling administration followed.

Pretoria and most of the 100,000 Namibian whites argue that an independent government will fail unless ethnic factors are considered in its formulation. point out that the Ovambos, who number about 450,000, comprise half of the nonwhite population and would suppress the smaller groups in a government not structured along ethnic lines. Partly for this reason, Pretoria has backed the Democratic Turnhalle Alliance that has been pressing for an ethnic-based constitution in an effort to ally white and black political parties that support the principle of ethnicity. The Alliance, however, is losing its image as a nonracial political front. Even the moderate black parties in it are charging that a government elected on an ethnic basis is a ruse to perpetuate white rule; they are now declaring their support for a government elected by universal suffrage.

Political rivalries combined with intertribal animosities and overcrowded conditions to incite rioting in the black townships earlier this year. More than 40 blacks were killed. Chief Clemens Kapuuo, who commanded the support of most of the Hereros and was the leading moderate black politician in the territory, was assassinated, presumably by Ovambo supporters of SWAPO.

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The major clashes were between Herero supporters of the Alliance and Ovambo migrant workers who supported SWAPO.* These two groups are most likely to vie for political supremacy after independence.

The Ethnic Factor and the Future

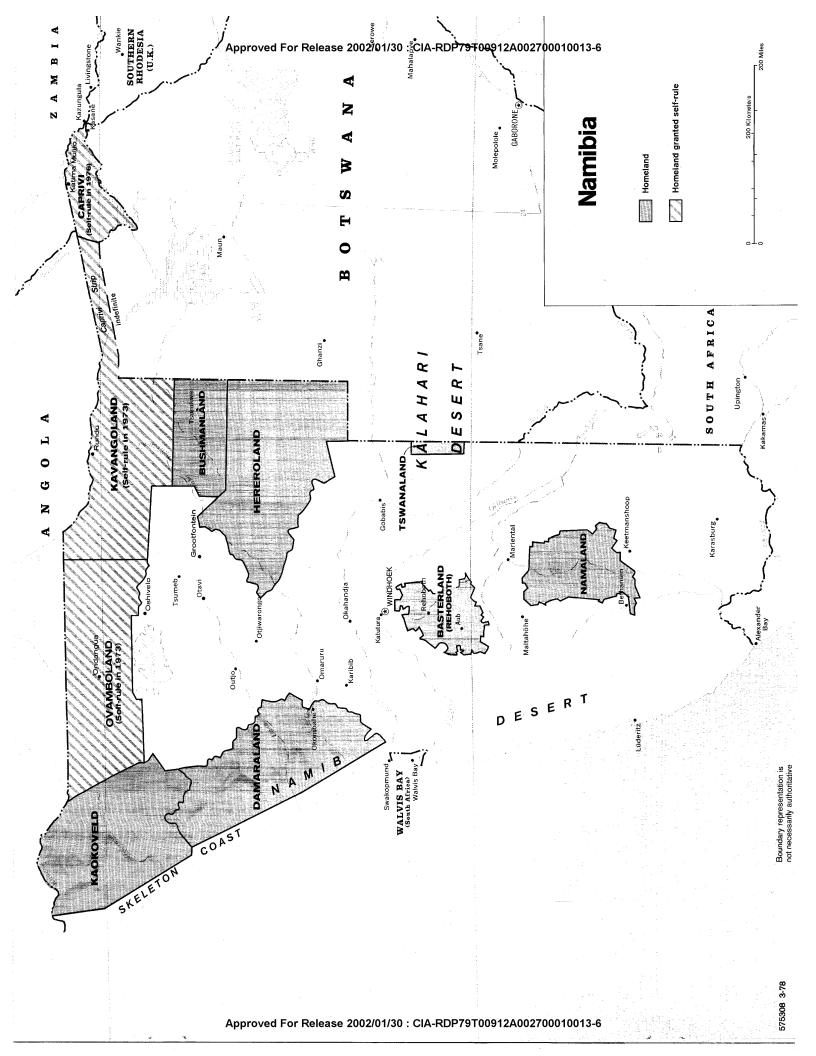
Intertribal relations will affect the stability of an independent government, whether it is dominated by SWAPO or by a political alliance sympathetic with South Africa. The impact of strained relations will be most severe if an election is held without SWAPO participation or if SWAPO loses the election.

If the UN-arranged agreement falls through and an election unsanctioned by the UN is held without SWAPO participation, SWAPO would probably try to promote a general boycott of the process. Ovambo contract workers would play a key role, and communal fighting would almost certainly result. Continued fighting, combined with a resurgence of warfare in the north, would be a serious threat to a government so elected.

If SWAPO loses or fails to attain a clear-cut victory in a UN-sponsored election, the new government would probably have to contend with continued guerrilla insurgency in the north and growing terrorism throughout the country. Relations between the Ovambos and the other tribes would further deteriorate. Most whites would stay on, at least for a time, to assess the prospects for an administration that would favor their interests. Continued hostilities, however, would discourage many whites, and an exodus would begin.

*The Hereros, who number only about 60,000, are more cohesive and politically knowledgeable than other black groups. If their numbers had not been reduced by warfare with other tribes in the 19th century and with German colonialists early in this century, the Hereros would probably play a more important political role today than the Ovambos. They lobbied for Namibian independence as early as 1949. They worked closely with Namibian whites to draft the Turnhalle constitution because they favored a government structure that would prevent the Ovambos from gaining political supremacy. Although their fear of Ovambo domination has not lessened, they have pulled away from an unequivocal endorsement of an ethnicbased government.

If SWAPO wins the election, the Ovambos are certain to be the predominant tribe in the new administration even though SWAPO would strive to play down its Ovambo image. The shock of an Ovambo-dominated government could provoke serious tribal disputes. Because of the small size and isolation of the other tribes, however, the Ovambos would not be politically challenged for some time. Many whites would leave, especially if the new government launched nationalizations of ranches and other white businesses. (SWAPO has thus far been surprisingly moderate in shaping its economic plans, apparently in hopes of retaining some white businesses and administrative The 70,000 Afrikaners, who have strong ties to South Africa, would be the first to leave. The Germans (about 30,000) and English-speakers (10,000) would take a longer look at political events before departing. The Germans, who have the strongest roots in Namibia among the whites, would stay unless expropriation of their property or antiwhite fervor forced them out. (CONFI-DENTIAL)



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