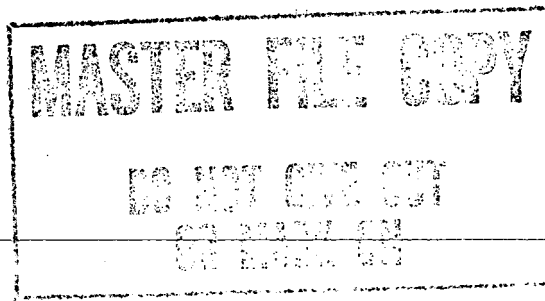




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Guinea: Looking to the West

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An Intelligence Assessment

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ALA 83-10034
March 1983

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Guinea: Looking to the West

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An Intelligence Assessment

This paper was prepared by [redacted]
Office of African and Latin American Analysis.
Comments and queries are welcome and may be
addressed to the Chief, West-East Africa Division,
ALA, [redacted]

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**Guinea:
Looking to the West**

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Key Judgments

*Information available
as of 1 March 1983
was used in this report.*

Over the past several years, Guinea's President Sekou Toure, long one of Africa's most vociferous radicals and strongest supporters of Moscow, has expressed growing frustration with the Soviet Union and has established closer ties with the United States and other Western governments. He is also improving relations with estranged moderate African neighbors and is playing an active role in Third World and Islamic politics. We believe Toure's altered behavior is designed to elicit substantial Western economic aid and does not reflect an ideological commitment to the West.

Toure first made clear his displeasure with Moscow in 1977-78 when he withdrew landing rights to Soviet naval reconnaissance aircraft and refused transit privileges for Soviet planes transporting Cuban troops to Ethiopia to stem a Somali invasion. The US Embassy reports that since then he has sharply reduced the number of Soviet military advisers—which now stands at around 40 to 50—and refused repeated Soviet requests for the use and construction of naval facilities.

As Toure has loosened his ties to Moscow, he has become a vigorous spokesman for moderate West African states concerned about Libyan leader Qadhafi's interference in regional affairs. He has been tentatively scheduled to head the Organization of African Unity beginning in mid-1983—although the OAU's present organizational problems seem likely to delay this—and would like to chair the Nonaligned Movement's summit in the mid-1980s. In our judgment, Toure's ambition to exercise a prominent role in African affairs and his distrust of Qadhafi's intentions will continue to bring him into conflict with the Libyan leader.

We believe Toure's foreign policy initiatives are driven by problems on the home front. Although Toure still maintains tight control of the principal centers of power in Guinea, such as the bureaucracy and the military, he is encountering unprecedented public dissatisfaction with his record of nearly 25 years of rigid and generally unproductive state socialism. His policies have made a shambles of a once-promising economy and have kept Guinea within the ranks of the world's poorest countries. We estimate real GDP growth since independence from France in 1958 has lagged behind population growth, and Guinea's \$221 per capita income is one of the lowest in the world. Although more than 80 percent of the population is engaged in agriculture, official data indicate that marketed production of crops has declined continuously over the last 20 years and accounts for about one-fourth of real GDP. Bauxite, the country's major export and

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principal foreign exchange earner, is now facing a weakening market. To revive the economy, Toure is making some major adjustments in its socialist orientation and is seeking massive infusions of financial aid and investment principally from moderate Arab states and the West.

US Embassy reports indicate that Moscow's failure to provide adequate economic help has contributed to Toure's strong dissatisfaction with the Soviets. He is particularly critical of what he views as the USSR's paltry and inappropriate economic and military aid programs, upon which Guinea has depended since independence. In the past 24 years the Soviets have provided Conakry a total of \$215 million in economic aid and almost \$97 million in military assistance, including arms, training, and advisers. In recent years, however, Moscow has tightened the terms of its assistance and has refused to continue extending general trade credits to Guinea.

Toure is anxious to secure Western, particularly US, aid and investment to get the economy back on track. We believe, however, that his expectations exceed what Western financial institutions are willing to provide as a result of the financial crises in Mexico, Brazil, and Argentina.

We believe that, in the near term, Toure's policies will remain generally compatible with US interests in Africa. He will support Moroccan King Hassan against Algeria and the Polisario insurgency, promote the influence of moderate states in the Organization of African Unity, oppose Libyan activities south of the Sahara, and turn aside Soviet requests for a greater presence and influence in Guinea. Over the longer term, however, if US and other Western assistance does not materialize as Toure hopes, we believe he could again adopt a strident tone toward the West and reconsider his willingness to act as a bridge between Washington and leftist Third World states. In addition, he will be particularly sensitive to what he might see as an infringement of his independence in foreign policy and especially to anything that might increase his vulnerability to charges that he is an instrument of US policies.

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Figure 1
Guinea: Economic Activity



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Guinea: Looking to the West

To Moscow and Back: A Difficult Disengagement

When Sekou Toure broke with France at the time of Guinea's independence in 1958, most observers agreed that the Soviets saw in Guinea an opportunity to establish a foothold in Africa.¹ Guinea was agriculturally self-supporting, had a relatively modern governmental structure, and had won international prestige as the first French-speaking, Sub-Saharan African country to claim independence. We believe Moscow reasoned that Toure's Marxism and vocal support for African unity would make him a useful spokesman for Soviet interests. The Soviets sought and obtained access to Guinea's air and naval facilities as well as its rich natural resources, particularly bauxite. We believe Toure had little choice but to turn to the Soviets, because Western countries, under pressure from France, had turned aside his requests for aid.

The Soviets moved quickly to strengthen their position with Conakry. Within six months of Guinea's independence, Moscow and its allies had guaranteed to purchase all of its agricultural exports and had offered short-term trade credits, which permitted Conakry to import more consumer goods than it could cover with its exports. The Soviets soon followed with military aid commitments and with medium- and long-term loans to finance the purchase of capital equipment and the construction of development projects. Since 1958, according to US Government figures, the Soviets have committed an estimated \$215 million in economic aid to Guinea spanning the agricultural, minerals, health, and education sectors.

¹ When France granted Guinea independence in October 1958, Toure voted against membership in the French community under President de Gaulle's new constitution, the only head of state among France's ex-colonies to do so. Toure believed the Franco-African tie infringed on African independence and unity. He paid dearly for this gesture. The French ended all aid and took with them all movable equipment associated with their administration—everything from archives to typewriters.

US Embassy sources indicate that by 1961 Communist countries accounted for nearly one-third of Guinea's total foreign trade derived mainly from exploitation of Guinean bauxite. The US Embassy reports that the \$100 million Kindia bauxite mine has become a major Soviet economic project in West Africa—second only to the \$1.2 billion Ajaokuta steel mill in Nigeria—and that Guinea is the USSR's major overseas supplier of bauxite.

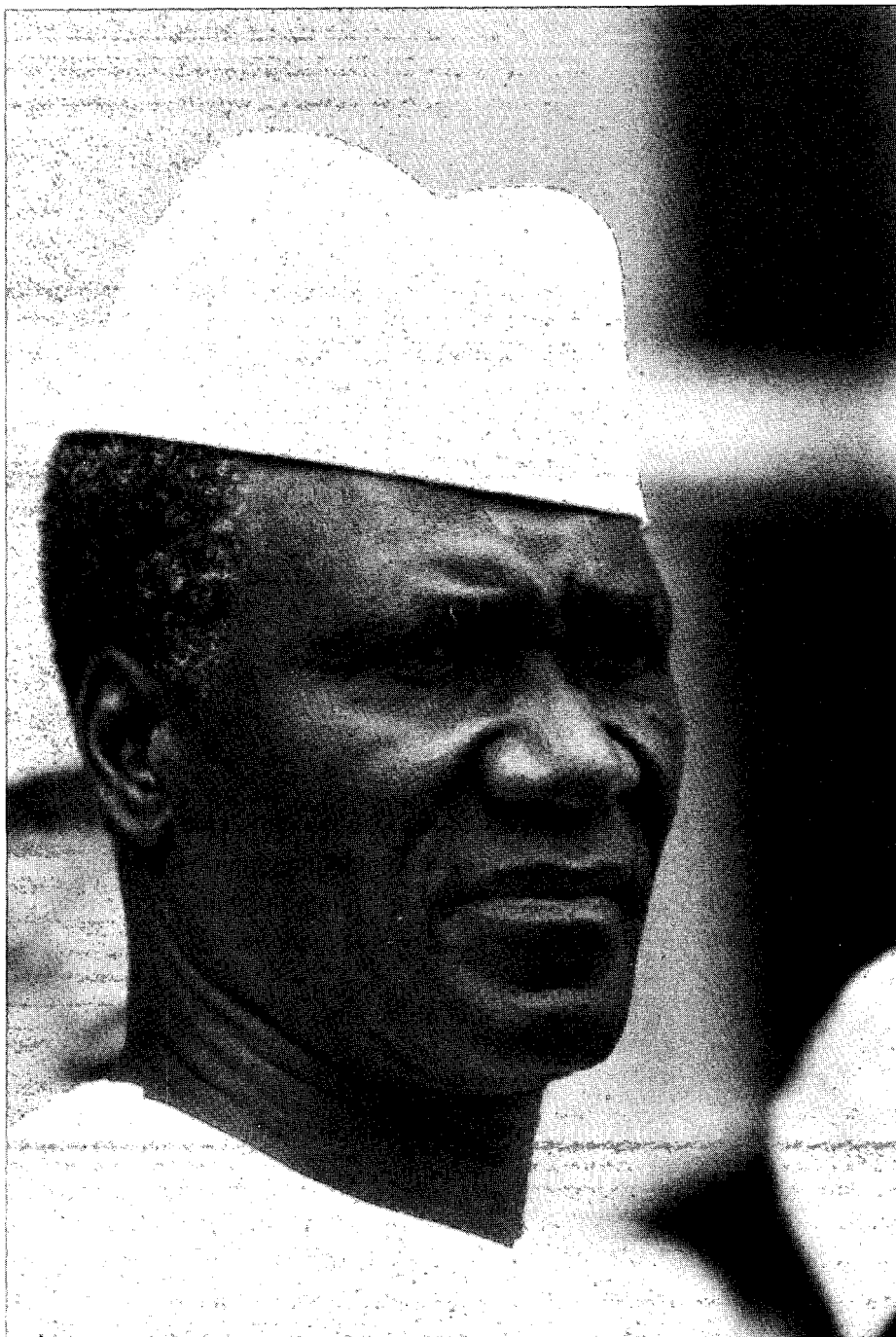
During the 1970s the trade and capital commitments of the Soviet Union and other Communist countries increased at a steady, although modest, rate. In exchange for aid from Moscow, Toure allowed Soviet naval TU-95 reconnaissance aircraft to use Guinean facilities for flights over the northern Atlantic and granted the Soviet Navy logistic support at the port of Conakry.

During this period Soviet technicians performed some useful services—and they still do. For example, over 250 Soviet professors teach in Guinean universities, Soviet doctors and technicians staff sections of several hospitals, and Soviet scientists run a large oceanographic research center in Conakry.

Still, Toure's relations with Moscow were not smooth. Following Toure's receipt of the Lenin Peace Prize in 1961, a wave of Soviet propaganda aimed at young Guineans provoked him to criticize Moscow and briefly to seek better relations with the United States. In 1965 Toure veered back to a closer alignment with the Soviets, then turned on them in 1967 when Moscow began to increase pressure for repayment of Guinea's debts. Relations with the Eastern Bloc again took a turn for the better when Toure blamed the West for the exile invasion in 1970 and the Soviets agreed to Toure's request for a small Soviet naval patrol to operate off the Guinean coast.

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President Sekou Toure



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The President

In our view, Sekou Toure's political maneuvering reflects his commitment to independence for Guinea and black Africa and his concept of absolute equality between states. Toure's desire to follow a truly independent course, however, is affected by Guinea's economic weakness and the need for foreign assistance. He has expressed his frustration by reacting strenuously—and often paranoically—to pressure from foreign creditors and Guinean exiles and to what he believes are imminent invasions by mercenaries. These factors also have affected Conakry's relations with both the East and West Blocs and with neighboring states [redacted]

Toure has been head of state longer than any other Sub-Saharan African leader, largely, in our view, as the result of a repressive security apparatus and his political skills, oratorical gifts, and personal charm. US Embassy reporting indicates that Toure remains intensely preoccupied with his job, regularly putting in 20-hour days. According to US officials and

academic observers, Toure trusts no one, particularly those who are closest to the center of power. Although now anxious to court international public opinion, he controls all expressions of domestic opinion, and tolerates no dissent. Nevertheless, Toure has managed to balance his tough style of rule and personal whims with an ability to maintain support for his personal power and status. [redacted]

Toure's domestic political philosophy is based on his version of socialism that combines both private enterprise and traditional African systems of rule. He holds on to many of the symbols of power once associated with precolonial Malinke paramount chiefs—such as settling private disputes and personally distributing money and other favors to his followers. In our view, Toure has permitted the transformation of elements of his Malinke tribe into a national elite, even though he is personally committed to social equality. [redacted]

According to US Embassy officials, Toure signaled a major shift away from the East in 1977. Much of Toure's disenchantment with the USSR stems from Moscow's failure to help Guinea halt an increasingly serious economic decline. Moscow has done nothing to increase its low levels of aid; indeed, it has tightened the terms for its assistance. [redacted]

The first indication of Toure's disaffection was his decision to withdraw the Soviets' longstanding privilege of landing their reconnaissance aircraft at Conakry airbase. The following year, Toure refused transit privileges to Soviet planes carrying several thousand Cuban troops to Ethiopia to help turn back a Somali invasion. US Embassy reports indicate that in 1978 the Guineans began to reduce the number of Soviet advisers attached to the Guinean armed forces, and since then Toure has rejected repeated Soviet proposals to construct naval facilities on Tamara Island in Conakry harbor and to renew landing rights for the TU-95 flights. In 1981 Toure publicly condemned the Soviet invasion of Afghanistan. [redacted]

Despite Guinea's change in policies, however, US Embassy sources report that Conakry continues to depend on the Soviets for its military needs, as Western donors are unwilling to provide arms on the concessionary terms Moscow offers, and imports from the Eastern Bloc consist almost entirely of military supplies. [redacted]

[redacted] In December 1982 the Soviets sent a repair ship to Conakry to provide some much-needed military maintenance, and Toure still sends some Guinean military to the USSR for training. In return, the Soviets are allowed the use of air and naval facilities at Conakry in support of their activities along the West African coast: a number of Soviet naval vessels, including several submarines, visited Conakry during the past year. Guinea continues to be used as a transshipment point for Soviet military equipment destined for Mali. [redacted]

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Economic and Military Points of Friction With the Soviets

Western journalists have reported that the Guineans are increasingly dissatisfied with the terms of their bauxite contracts with Moscow. Guinea's payments on development loans to the USSR are made largely in bauxite and take the lion's share of profits—about \$24 million annually—from the Soviet-managed Kindia mine. In 1980 Guinea supplied 2.4 million tons of bauxite to the USSR, all of it from Kindia. The US Embassy reports that Toure has publicly criticized the Soviets at Kindia for what he sees as their poor direction and unfair price scales. Nevertheless, we believe that despite Toure's unhappiness, he is not willing to bar the Soviets from the Kindia project because he knows that the mine is not an economically attractive investment for Western firms. Industry officials allege that the quality of Kindia ore is low and probably could not command better terms elsewhere.

US Embassy sources indicate that Conakry is also unhappy over Soviet use of Guinea's fishing grounds under the terms of their agreement.

The Guineans, moreover, have become dissatisfied in recent years with their military arms supply, training, and maintenance relationship with Moscow. The Soviets have been Guinea's major military benefactors since 1958, furnishing almost \$97 million in equipment, training, and advisory support. According to US Embassy sources, Conakry complained to the Soviets in early 1982 that most of the military equipment they had provided was now unusable either because of obsolescence or lack of spare parts. About \$30 million in military equipment on order since the late 1970s remains undelivered

the Soviets asked for \$225,000 in advance to service one of two AN-12 military transport aircraft in Guinea's inventory. Although Soviet maintenance and supply of spare parts normally are provided through cash agreements separate from general military accords, US Embassy sources report that the Guinean Air Force saw this demand as further proof that Conakry's dependence on the Soviets adversely affects the military. Reflecting this and other dissatisfactions, Toure has cut the number of Soviet advisers in Guinea from 115 in 1977 to between 40 and 50 in 1982.

Exploring the Alternatives

With little hope of gaining the substantial infusion of aid from Moscow he believed necessary to revive the Guinean economy, Toure in the late 1970s began to seek better relations with the United States and other Western countries and with moderate Arab states. At the 11th Congress of his Democratic Party of Guinea (PDG) in November 1978, Toure emphasized a new policy of negotiation and cooperation with the West. Since then, he has systematically visited Western and Arab leaders, renewed political ties, and actively sought Western business investment. Although Toure still occasionally criticizes Western positions on southern Africa, in general he no longer censures the Western presence and influence in Africa and, according to US Embassy reports, has welcomed some

US initiatives in the region, such as US aid to Morocco during its war in the Western Sahara. As a result, it is our judgment that Guinea's relations with the United States, France, and the other Western powers are now at their warmest in over 20 years.

The West

According to a US Embassy study, the West has responded to Toure's changes in policy since the mid-1970s with growing development aid, which in the past several years has totaled about \$100 million annually—compared with an average of \$40 million a

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year between 1960 and 1976. Most non-Soviet aid comes from the European Community (EC) which provided a total of about \$84.2 million during the period 1976-80. It consists mainly of technical assistance for agriculture, mining, and Guinea's neglected power, communications, and transportation networks. The United States, the only Western donor whose program has continued without interruption since Guinea's independence, has provided nearly \$120 million of aid for food since 1958 and a slightly larger amount for other purposes. [REDACTED]

Toure's attempt to improve bilateral political relations with individual Western countries has so far produced mixed results. Ties with France, restored in 1975 after a nearly 20-year hiatus, were developed further during a visit to Conakry by French President Giscard d'Estaing in 1978 and by the resumption of French assistance. US Embassy reporting indicates, however, that the relationship has cooled somewhat since then because of French Socialist Party criticism of Guinea's record on human rights. In September 1982, after more than a year of negotiation, Toure finally visited Paris. Despite official Guinean statements that the visit was a success, the US Embassy in Conakry reported that Toure was angered by criticism in the French press. The US Embassy in Paris also reported that Toure was unable to persuade the French to increase substantially their bilateral economic and technical assistance beyond the current level of about \$10-15 million per year. [REDACTED]

Toure visited Washington in 1979 and again in June 1982 to solicit private and government support for Guinean development plans. In February 1982 US Steel agreed after lengthy negotiations to provide 10 percent of the \$200 million startup funding for exploiting the Mifergui-Nimba iron ore deposits in the Nimba Mountains near the Liberian border. Toure also hopes to develop Guinea's offshore oil resources with the help of Union Texas Oil Company, and US firms are involved in the exploration of what industry officials believe are promising diamond deposits. Since Toure's latest visit, however, few US firms have expressed interest in going beyond their existing investment commitments in Guinea, and available information indicates similarly limited results from Toure's other state visits to Bonn in 1981 and to Spain and Canada in 1982. [REDACTED]

The US Embassy reports that, in an effort to attract Western aid and investment, Toure has attempted to change Guinea's image as a backward, dictatorial regime. He has eased state control of the economy and has offered duty and tax exemptions for potential investors in priority ventures such as mining, agriculture, and manufacturing. Although Toure has retained the country's authoritarian political structure and his one-man style of rule, over the last few years he has resorted less often to charges of plotting as pretexts for arbitrary arrests, a pattern common in the earlier years of his presidency. He has offered amnesty to thousands of Guineans who fled abroad, freed many political prisoners, and allowed Amnesty International to visit some of Guinea's refurbished detention camps in the last year. [REDACTED]

US Government data indicate that Western trade and investment have clearly increased as a result of Toure's initiatives. With \$332 million total trade in 1981 compared with \$118 million in 1975, the EC is Guinea's largest trading partner. The Community takes nearly 40 percent of Guinea's exports—predominantly bauxite—and provides approximately 55 percent of Guinea's imports—primarily machinery and other industrial goods. This compares with a 14-percent and 49-percent share, respectively, as late as 1973. On the investment side, Western interest has concentrated on mining. [REDACTED]

The Arabs

Toure—a Muslim—has also taken steps to lessen his isolation from the Islamic world community and has established ties with moderate Arab states. He has made several pilgrimages to Mecca and has attended many Islamic conferences and meetings of Islamic chiefs of state in the role of a senior Muslim statesman—usually seeking aid for Guinea. In our judgment, he has met with some success. According to press sources, Guinea has become one of the major Sub-Saharan African recipients of Arab economic aid during the last decade with more than \$600 million in commitments, although we estimate that Conakry received only about one-fourth of that amount. To date, Saudi Arabia is by far the leading donor. In

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Table 1
Guinea: Receipts of Economic Aid
From Arab OPEC States, 1978-80

Million US \$

Donor	1974-80	1977	1978	1979	1980
All OPEC	139.6	16.1	40.4	14.9	10.0
Algeria	11.2				
Iraq	15.3		9.3		
Kuwait	11.5	3.1	5.5	2.9	
Libya	31.3	1.3	10.0	10.0	
Qatar	9.0				
Saudi Arabia	56.0	11.7	14.3		10.0
UAE	5.3		1.3	2.0	

October 1981 the US Embassy reported that a visiting Saudi delegation signed agreements establishing the Islamic Bank of Guinea, the Islamic Investment Company of Guinea, and the Guinean Islamic Society for Solidarity. As of July 1982 the OPEC Fund reported that its loans to Guinea over the last few years have totaled \$22 million. [REDACTED]

At the same time Toure's moderate stance has brought him into conflict with Libyan leader Qadhafi. We believe that Toure is suspicious of Qadhafi's motives and wants to limit Libyan influence in Sub-Saharan Africa. In recent years Toure has publicly criticized Libyan intervention in the Western Sahara conflict and Chad, refused to grant diplomatic status to a Libyan People's Bureau (resident mission), and brought home Guinean civilian and military students from Libya, claiming they were being trained for subversive purposes. In retaliation, Qadhafi canceled a proposed \$33 million loan for the construction of the Conakry oil refinery in 1980 and has held back fuel shipments to Guinea. [REDACTED]

Nevertheless, Qadhafi is continuing to maintain some ties with Guinea. We believe that Qadhafi sees Guinea as a useful staging area for regional subversion and—in view of Toure's age—may hope that continued Libyan aid will give Tripoli some influence over

the Guinean Government after Toure is gone. Qadhafi has offered both economic development aid and military training. [REDACTED]

[REDACTED] Libya has also taken a share in Guinea's most ambitious development project, the Mifergui-Nimba complex, in return for guaranteed access to supplies of iron ore mined there. [REDACTED]

African Neighbors

Toure's turn toward moderation has been accompanied by an effort to establish a new image as a respected African elder statesman. As dean of Sub-Saharan chiefs of state after nearly a quarter of a century in power, Toure wants a place in history. In addition, Toure—who almost certainly realizes that other African states are unlikely sources of economic aid for Guinea—probably hopes that any incremental prestige he may gain in Africa will be, among its other effects, conducive to obtaining yet more help from the West and the Arabs. In our view, he sees the chairmanship of the OAU (he hopes to host the next summit and to be named chairman as a result of an

informal agreement) as potentially one of his greatest achievements. He is equally eager during the next several years to become chairman of the Nonaligned Movement; he was one of the movement's founders. As a result, Toure has made some effort to resolve disputes between moderate and radical African governments over the admission to the OAU of the Polisario-backed Saharan Democratic Arab Republic (SDAR), as well as discord over which Chadian delegation should be accredited by the OAU. These issues contributed to the failure to hold an OAU summit in 1982, and Toure recognizes that they could scuttle his chance at the chairmanship and possibly destroy the organization itself. [REDACTED]

In keeping with his new role as senior statesman and spokesman for African unity, Toure has begun to end his self-imposed isolation from his moderate African neighbors and is adopting a more moderate stance on

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regional issues. This change was accelerated at a meeting in Monrovia in 1978 where he renewed friendly relations with Senegal and Ivory Coast after a 20-year estrangement caused by Toure's distorted perception of these governments' support of Guinean dissidents. He has since traveled widely in the region and has been well received by other heads of state. He has tried to mediate territorial disputes between Mali and Upper Volta, as well as political differences between several other West African countries.² He has joined regional groups, such as the Organization for the Development of the Gambia River and the Mano River Union, and has been a vocal supporter of the Economic Community of West African States (ECOWAS). Toure is again trying to promote a Guinea-Mali union, despite two unsuccessful attempts in the past. [redacted]

The Politics of Authoritarianism

In our view, Toure's efforts to realign his foreign policies have been facilitated by his continuing firm grasp on power at home. His harsh style of rule and the country's economic decline have generated some opposition, but we believe Toure, a spellbinding orator and master of political maneuver, still commands respect from most Guineans. Academic studies and US Embassy reports indicate that Toure over the years has neutralized, imprisoned, or executed virtually all opponents. He also has the firm support of his security forces, which, together with a pervasive party apparatus, control all aspects of public life. All Guineans over 15 belong to the Democratic Party of Guinea—the country's only party—or to one or more state-sponsored mass organizations that cater to labor, women, youth, and other interest groups. The

² In April 1982 Toure mediated longstanding differences between President Houphouet-Boigny of Ivory Coast, whose son-in-law was executed in 1980 during the Liberian coup, and Liberian Head of State Doe who has been barred from visiting family members in Ivory Coast. He brought together the Presidents of Senegal, The Gambia, and Guinea-Bissau the same month to ease tensions between them after Guinea-Bissau granted refuge to Gambian coup leader, Kukoi Samba Sanyang, in 1982. More recently, he offered his services to head off a possible outbreak of hostilities between Liberia and Sierra Leone after Doe sent troops to the border in response to claims in a Freetown newspaper that he murdered his wife. [redacted]

President exercises authority largely through the party Politbureau, which transmits presidential decisions to the parallel hierarchies of the government and party. Politbureau members are closely tied to Toure by family and tribal origin [redacted]

Dealing With Opposition

Despite his tight control of the political apparatus, the President has been the object of three assassination attempts over the last two years—the latest in April 1982. In the past, Toure utilized genuine or fictitious plot scenarios to divert attention from staggering economic problems and to intimidate potential rivals. We believe that Toure's failure publicly to identify and purge the instigators of the recent incidents—despite recurring rumors of high-level government and military involvement—suggests that those involved could again make Toure a target. [redacted]

We believe there are many ranking members of Toure's government who would like to see him ousted. All have family, friends, or associates who have suffered torture, imprisonment, or death during past purges. No one among Guinea's ruling class has been left untouched by Toure's repressive policies. Many feel threatened by his whimsical and arbitrary means of moving people in and out of power. In 1982, for example, Toure's campaign against public immorality—corruption, crime, alcohol, and drug abuse—resulted in the dismissal of three ministers. These changes—and the reassignment of the Naval Chief of Staff—seem to have been sparked by the President's unhappiness with the success some members of the Politbureau have had in establishing support among the armed forces. [redacted]

Tribal problems, by contrast, have not played a large part in Guinea's postindependence history. During the colonial period, Guinea was ruled by the Fula under French tutelage. With the election of Toure, a Malinke, to the presidency in 1958, the Malinke have become preeminent in politics and in the economy, and the President depends upon them for support. Although academic observers report that the Fula resent their loss of power, they lack the means to do anything about it [redacted]

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Keeping an Eye on the Military

We believe that the armed forces also are infected by growing discontent. US Embassy reports indicate that since the late 1970s many members of the 13,000-man armed forces have become unhappy with their personal status and with the state of the country's economy. They are particularly dissatisfied with unfulfilled government promises of prosperity and with slow promotions, late pay, and the poor quality of Soviet-supplied military equipment. [REDACTED]

Nonetheless, we believe that for the present Toure has the military under control. He has replaced career officers with party loyalists and has attached party committees to each military barracks, using them to expose "plots" against his regime. At one time in the 1970s, according to published sources, over a third of the officer corps was under arrest. [REDACTED]

In an effort to preserve his control, Toure offers a measure of conciliation along with heavyhanded retribution. In March 1982, for example, the government announced promotions for approximately 200 officers, the first in several years and the largest list in recent memory. Over 70 percent of the promotions went to members of Toure's Malinke tribe. At the same time, the US Embassy reports he has intensified surveillance of military officers, tightened up reporting procedures on alleged seditious activities, and ordered wholesale military reassignments and detentions. [REDACTED]

Exile Groups

We doubt that any of the several groups of Guinean exiles are sufficiently organized to pose a serious threat or alternative to the government, although the potential for assassination of Toure exists. The numbers of exiles are formidable—according to academic sources, over half a million live in Senegal and Ivory Coast alone—but they are divided and without broadly based leadership. Still, according to US Embassy reports, Toure is unnerved by exile claims of responsibility for at least one assassination attempt and is concerned about infiltration of terrorist groups from abroad. He continues to negotiate with Liberia, Ivory Coast, and France for the return of exile leaders accused of hostile acts toward his government. One of

Toure's major disappointments during his visit to Paris in September 1982 was his failure to obtain a promise from President Mitterrand to muzzle Guinean dissidents living in France. [REDACTED]

Succession

Domestically, Toure's past performance indicates to us that he will continue his unyielding style of rule with few if any changes. His government has been relatively stable for a quarter of a century, and Toure seems, for now, to be securely in place. With the advantages of tight control of the military, divided internal foes, and an impotent exile opposition, Toure is unlikely to face a serious challenge, at least over the short term. However, he remains vulnerable to an isolated assassination attempt, which could come with little or no warning. [REDACTED]

If Toure were removed from the scene there is no clear choice of a successor. The constitution provides for an interim government by the Cabinet until a president is elected by universal suffrage. In our judgment, a struggle for power within the government elite or a military coup would be likely and would risk spreading disorder through Guinea's highly centralized institutions. We lack information to predict the outcome of such a development, but possible consequences include the ascendancy of a compromise candidate to preserve the present elite's power, or a takeover by a part of the military. No one now in the leadership is likely soon to alter the present pro-Western swing in Guinea's foreign relations. All the potential contenders for the presidency have shown a pragmatic understanding of Guinea's need for Western assistance. Nevertheless, in our judgment, factional disputes during the succession period could make Guinea more vulnerable to Soviet pressures. Most younger government and military leaders have studied either in Communist countries or at Guinean universities with expatriate staffs from the Soviet Bloc and we suspect that some might look to the Soviets for guidance. [REDACTED]

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Potential Successors

In the event of Toure's passing from the scene under circumstances other than those of a military coup, we believe the Cabinet would be the likely source of a successor. The Cabinet has evolved into two major groups, leftist and moderate. According to US Embassy officials, President Toure does not seem to favor one or the other but allows each limited influence and then punishes each in turn as he sees it becoming a threat to his own position. [redacted]

The leftist group centers on Mamadi Keita, Minister of Higher Education and the President's brother-in-law, and the President's nephew, Siaka Toure, Minister of Transport and former director of the Deuxieme Bureau, the powerful state security organization that is now in the hands of the President's moderate brother, Ismael Toure. US officials report that this group has favored a Soviet presence in Guinea and that Keita, long an associate of the President's, fears that too rapid a rate of liberalization could threaten the government's political control. Keita reportedly sees Toure's opening to the West as a threat to the ideological base of the regime. Nevertheless, US officials report that he is cooperative in his dealings with them and may be beginning to appreciate the usefulness of Western aid. [redacted]

The moderate group is dominated by the President's brother, Ismael Toure, the moving force behind Guinea's industrial and mining development and the new

director of the state security organization. Once at the top of the government hierarchy, and potentially a strong contender to succeed his brother, Ismael was demoted in 1979 when he openly challenged some of Sekou Toure's economic policies. Ismael has since regained favor, but he has not yet been given the wide-ranging responsibilities he had held as Minister of Finance. Ismael is widely disliked by Cabinet members for his abrasive, ruthless style, and he would probably find it difficult to establish a dominant position in the post-Sekou Toure era without a widespread government purge. Although we believe Ismael Toure favors a far more rapid rate of liberalization than Keita's group would permit, most observers agree that both Cabinet factions regard foreign aid and investment for development from a pragmatic rather than an ideological point of view. [redacted]

Abdoulaye Toure, Guinea's able Foreign Minister, is also mentioned by foreign observers as a possible successor to the presidency. We believe, however, he would be unlikely to achieve more than a figurehead position. An effective administrator and bureaucrat, he is not firmly identified with either the leftists or moderates. [redacted]

Economic Pressures

The increased unhappiness among both military and civilian elites with Toure's rule is in large part attributable to the country's disastrous economic state. Although Guinea has the potential to develop one of the strongest economies in black Africa,³ the

³ Data from US Government and international financial institutions show that Guinea's mineral wealth includes one-third of the world's known reserves of high-grade bauxite and sizable deposits of high-grade iron ore and diamonds. The country's hydroelectric potential is over 62 billion kilowatt-hours, and the Guinean watershed can support the cultivation of a variety of tropical agricultural products.

economy is foundering after nearly 25 years of mismanagement. We estimate that real GDP growth from 1958 to 1982 averaged 1.3 percent a year, less than half the rate of increase in population. As a result, per capita income is just under \$221, making Guinea one of the world's poorest countries. IMF reporting indicate that Guinea also had persistent current account deficits the past several years. To finance these deficits, Conakry has resorted to extensive overseas borrowing that has pushed the external debt to over \$1.5 billion.⁴ We estimate that servicing this debt now consumes 18 percent of Guinea's annual foreign exchange earnings.

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Table 2
Guinea: Selected Socioeconomic Indicators

	Guinea	Average for Sub-Saharan Africa	Average for Less Developed Countries
Adult literacy, 1977 (percent)	20	27	48
Urbanization, 1980 (percent)	19	21	32
Life expectancy at birth, 1979 (years)	44	47	53
Population growth rate, 1971-80 (average annual percent)	2.8	2.8	2.4
Per capita income, 1981 (US \$)	221	490	871
Labor force in agricul- ture, 1979 (percent)	82	71	58

World Bank analysis and US Embassy reporting show that Toure reorganized a once-promising colonial economy into a number of unproductive state enterprises operating under highly centralized control. These concerns have become crushing liabilities, absorbing scarce financial resources while offering no workable programs to invigorate the economy. Agriculture has been especially hard hit, the result of poor planning, inefficient government schemes to control both production and distribution of foodstuffs, and artificially low producer prices. According to press sources, at least half of the country's crops are smuggled out of the country or sold on the black market, transforming Guinea from a position of near self-sufficiency in food production to a net importer. Public services are also in shambles, as Conakry has

⁴ This includes: \$200 million from multilateral Western sources; \$900 million from bilateral Western sources; \$200 million from private creditors; and around \$200 million from the Eastern Bloc.

not replaced roads, telecommunication facilities, industrial plants, and public buildings built by the French more than 25 years ago. Soaring food and fuel costs have pushed inflation to more than 25 percent annually for the past few years. The cost of living probably has increased even more, as US Embassy reporting shows that most commercial transactions occur on the black market, where the value of the syli is as little as one-sixth the official exchange rate.

Over the longer term, we anticipate a continued decline in urban living standards unless Toure modifies his policies of centralized socialism. He made some changes in 1977, when market women, who control trade in Conakry's central market, marched on the presidential palace to protest the government's ban on private enterprise. The government conceded by allowing private retail and wholesale trade in all products except essential foodstuffs and later ended the state monopoly of import and export trade. In 1981 the government created the Ministry of Small- and Medium-Sized Enterprises to encourage more private-sector involvement in the economy. We expect, however, that implementation of these revisions will be hampered by the same bureaucratic inefficiencies that have held back economic progress so far.

Even if Toure succeeds in opening up the economy, there is a chance the effort could backfire. State control of the economy has been a hallmark of Toure's political philosophy, and a wholesale dismantling of parastatal corporations could be resisted strongly by influential hardline Marxist elements within the government. They could be joined by other officials who would view the elimination of these institutions as a loss of a major source of political patronage and employment. We also anticipate that his reform proposals will almost certainly result in higher consumer prices, which Conakry will be hard pressed to offset with increased wages. Failure to reverse the economic slide could increase support for a move to push Toure aside, either through a coup or assassination.

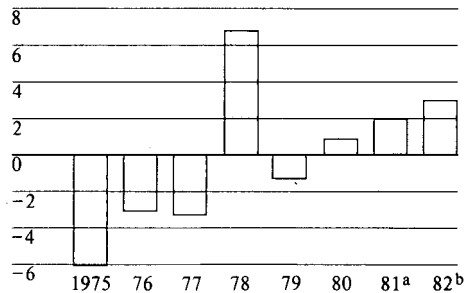
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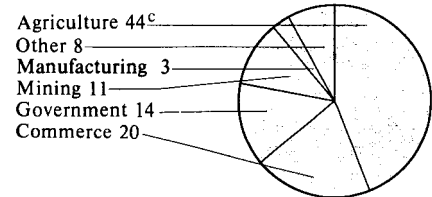
Figure 2
Guinea: Key Economic Indicators

Note change in scales.

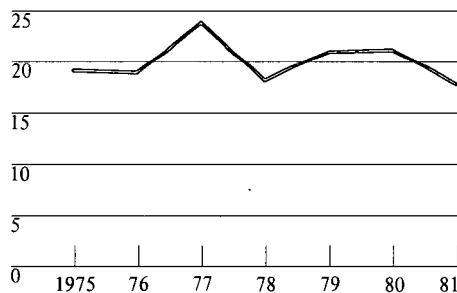
Real GDP Growth
Percent



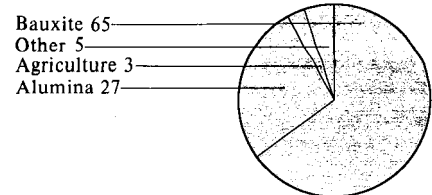
Composition of GDP, 1980
Percent



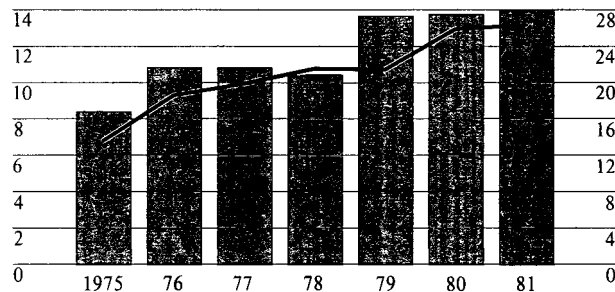
Debt Service Ratio
Percent



Composition of Exports, 1980
Percent



Bauxite Production
Thousands of metric tons



Average Value of Bauxite Exports to the United States
US \$ per metric ton

^a Estimated.

^b Projected.

^c Includes crop production, livestock, fisheries, and forestry.

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Table 3
Current Account

Million US \$

	1976	1977	1978	1979	1980 ^a
Balance of trade	-40.8	63.7	60.5	61.5	131.1
Exports (f.o.b.)	252.6	293.3	327.9	363.7	521.9
Bauxite	175.2	205.0	232.8	247.4	339.2
Alumina	71.5	72.8	88.2	100.3	139.4
Other	5.9	15.5	6.8	16.0	43.3
Imports (c.i.f.)	293.4	229.6	267.4	302.2	390.8
Net services and private transfers	-76.5	-102.7	-130.4	-156.3	-176.9
Current account ^b	-117.3	-39.0	-69.9	-94.8	-45.8

^a Estimated.^b Because of rounding, components may not add to totals shown.

Implications for the United States

For the next few years at least, we expect Toure will continue to pursue better relations with the West. He is likely to intensify efforts to attract higher levels of Western investment in developing Guinea's iron ore and other mineral resources. In addition, he will look for greater levels of economic development, particularly in agriculture, and will approach private Western financial institutions for loans to help with Guinea's cash flow problems. To improve his prospects for Western aid and investment, Toure—in our view—will continue to work against Libyan activities in Africa, to act as a useful bridge between the West and radical Third World governments, and to deny the Soviets access to Guinean air and naval facilities. []

In our judgment, a positive response by the West to Toure's requests for financial and technical aid—such as Western support for the Mifergui-Nimba iron ore project—would help convince him and other influential Guineans of the wisdom of moving away from the Soviets and toward the West. We believe such a trend could be further reinforced by offers of an increased Western military aid program as an alternative to Soviet assistance, which is Moscow's primary remaining source of influence with Toure. Evidence available

to us suggests that Moscow does not plan at present any major new commitments of military aid. We believe that prospects for greater US influence with Toure would be enhanced if, as we expect, he approaches the International Monetary Fund for additional financial support. He would then probably seek US assistance in persuading the IMF to provide funds without requiring politically risky conditions such as devaluation. []

If Toure's expectations on this or other issues are not met, however, it is our judgment that he would begin to have second thoughts about the benefits of closer ties with the West. Toure's previous responses, when faced with a setback or increased economic pressures, suggests to us that he will respond by threatening to turn again to the East in search of benefactors. He could again allow Soviet TU-95 reconnaissance aircraft landings at Conakry or indicate a willingness to open negotiations with Moscow on a long-desired Soviet naval installation on Tamara Island outside Conakry. Toure would probably step up his criticism of US policies and back off from his denunciations of Libyan activity in Africa. In these circumstances, we would anticipate a more difficult climate for US

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businesses could occur, including the possible cancellation of operating permits for those firms already in the country. During a chill in bilateral relations in 1966, Toure expelled the Peace Corps and a major US business concern and harassed US nationals in the country. [REDACTED]

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Moscow's ability to take advantage of these developments, however, will be limited. The Soviets will be unable to provide the level and kind of economic assistance that Toure will want. Toure also will resist any efforts by Moscow to put him in a position where he perceives his freedom of action is threatened or his policy positions can be seen as dictated by a super-power. Nevertheless, Toure will continue to maintain some ties with the Soviets both to sustain his non-aligned credentials and to maintain access to Soviet military equipment. [REDACTED]

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