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24 May 1977

MEMORANDUM FOR: Chief Receptionist

Please provide the following representatives with USIB badges.
Their respective agencies have certified their clearances to us.

SUBJECT: "Conflict in the Sahara" TIME: 1000

ROOM NO: 7E62 CHAIRMAN:

25X

Air Force: ✓ Capt. Gary Koldyke

AGENCY:

NSA :
DIA :

OER
ORPA
OCR
CPS
DDO
OSR

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Army : ✓ Nancy McCabe

State : ✓ David Newton
✓ Bryan Flora
✓ Ed Schaeffer

Navy : ✓ Alex Button

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Please refer questions to:

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DATE: 24 May 1977

The following attended the inter-agency meeting on _____

IIM 77-008: THE CONFLICT IN THE WESTERN SAHARA

Phone No.

State Department:

David Newton INR/RNA
Brian M. FLORA
EDWARD W. SCHAEFER

[Redacted Phone Number Box]

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Defense Intelligence Agency:

[Redacted Name Box]

[Redacted Address/Phone Box]

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Air Force:

Capt Gary Koldyke 695-7817

Army:

Nancy McCabe x 73048

Navy:

ALEX BUTTON x 53974

NSA:

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Treasury:

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FBI:

[Redacted Name Box]

AGENCY

NAME

PHONE NO.

CIA
CIA
CIA/OSR
CIA/DDO
CIA/DDO
CIA/CPS
DIA/DB

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Political and Economic Consequences of a Protracted
Guerrilla War

Morocco

30. The stability of King Hassan's regime is closely linked to the success of his Saharan venture. The popularity of his actions to date leaves him little room to make concessions, and puts pressure on him to continue to prosecute the war against the POLISARIO, even if it means increasing support for Mauritania in the event that Nouakchott is unable to hold up its end of the alliance. A continuation of the war at about the current level poses two potential threats to Hassan. Although we judge these threats to be relatively minor at present, they both will become more serious over time.

31. The inevitable strains of an inconclusive conflict have probably led to some degree of dissatisfaction within the military. The army has suffered from low morale, poor discipline, lackluster leadership at the local level, and a poor logistics system. These shortcomings have compounded the frustration of troops engaged in a no-win situation in the desolate Sahara. Additionally, various reports have indicated some dissatisfaction within the military with Hassan's policy of avoiding direct attack on POLISARIO bases in Algeria. Hassan appears to be in full control of his military, however, and that

situation is unlikely to change during the coming year. Having capitalized on the Sahara issue to increase his popularity, he now appears to be in his strongest position vis-a-vis the military since the abortive coups of 1971 and 1972. Morocco's successful intervention in Zaire should further boost his prestige with the military.

32. A more serious difficulty is the possibility that the economic burden of the Saharan conflict could lead to increased social unrest. Though we cannot measure precisely the war's cost, military expenditures are partly responsible for the current strains in the Moroccan economy. The inflation rate is approaching 20 percent, the government has halved its program of subsidies for consumer goods, and unemployment is rampant in urban areas. Politically aware elements increasingly believe that the Saharan operation and the related support for Mauritania are major causes for high inflation, unemployment, and shortages of consumer items.

33. Morocco's overall economic situation in 1977, however, appears relatively more favorable than it was last year. Massive loan commitments and grants ^{this year,} perhaps eventually totaling \$775 million, from oil-rich Arab states will largely cover its Saharan expenditures, ~~and we believe that of this amount perhaps \$300 million will be allotted to arms purchases.~~ In addition, the current trend toward political liberalization, including

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the reduction of press censorship and the election of a new parliament, could serve as a safety valve for dissatisfaction over economic issues. On balance, given widespread popular support for Hassan's Saharan policy, the present level of conflict probably will not cause serious problems for the Moroccan regime within the next two years, barring an unforeseen termination of the country's foreign subsidies.

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NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

May 2, 1977

SECRET (GDS)

MEMORANDUM FOR:

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[Redacted]

CIA Headquarters
Room 7E62
Langley, Virginia

SUBJECT: Proposed Study on "The Conflict in the
Western Sahara."

My interest in the Sahara issue goes beyond its probable importance. The terms of reference outlined in Bob Bowie's memorandum of April 20, 1977, seem to touch on most of the significant points, with one exception. I see no indication that any thought is being given to what a negotiated settlement including Algeria and Morocco might look like. Does either side have a fall-back position? When I was in Algiers a year or so ago, I heard people talk about various acceptable outcomes. Could the study go into some of these, at least on hypothetical future positions? Also, on the Moroccan side is there any chance of a change in policy? Who has influence over whom if some kind of negotiation or mediation were to begin? How sure are we of our answers to these questions, given the sources of information?

Bill

William B. Quandt

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FILE: ITM Morocco



DEPARTMENT OF STATE

Washington, D.C. 20520

P

April 27, 1977

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MEMORANDUM

TO : CIA/NIO/NESA -

FROM : NEA/AFN - Winifred S. Weislogel *WWS*

SUBJECT: Comments on Terms of Reference (TOR) for Sahara Study

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- I.
 - A. 1. Should include tribal relationships
 - 4. Successes and Failures
 - 5. Prospects for future of Polisario movement
- B.
 - 3. Press campaign (Add)
- II. A.
 - 1.
 - d. Ideological differences (Add)
 - 2.
 - c.
 - (2) Phasedown of Tindouf (Add)
 - 3. Diplomatic efforts by Algeria in OAU, UN and non-aligned
- B. Morocco/Mauritania - The TOR for this section implies an identity of experience, objective and interest which does not exist. There are differences of approach, closer tribal linkages with Mauritania than with Morocco and some lingering fears in Nouakchott that Morocco may not have abandoned completely its designs on Mauritanian territory. These should be examined in the study. It should also deal with the attitude of the Saharan population toward Moroccan and Mauritanian control and its effect on overall situation.

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IV.

C. Point three should emphasize the high priority placed by Algeria on economic development.

VI.

A. Should point out the basic issues which an acceptable settlement would probably have to address, including the question of self determination and the longstanding Algerian-Moroccan border problem.

The paper makes no mention of the refugee problem, which could easily take on greater international importance or could affect the U.S. position in view of the new Administration's stance on human rights.

The paper might note any effect which Moroccan intervention in Zaire might have on the Sahara dispute. In my view the Zaire imbroglio guarantees no Algerian acceptance of a negotiated Sahara settlement, even if they had been disposed to do so, until the outcome in Zaire is clear. If the GOM forces are in and out successfully and quickly, I doubt there will be any effect. If the Moroccans get bogged down, I imagine their involvement in Zaire would exacerbate many of the same tensions resulting from the Sahara conflict and could encourage increased Algerian/Polisario activity.

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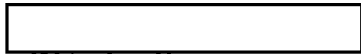
Mr. Leslie Janka
Deputy Asst Secretary of Defense, ISA
Room 4E840, Pentagon

Capt. Gary Koldyke
AF/INAKB
Room 4B879, Pentagon

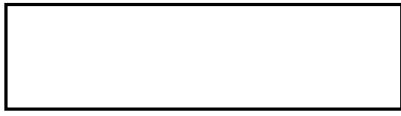
Asst Secretary (Intelligence)/Director
of Defense Intelligence
Room 3E282, Pentagon

Mr. Alex Button
Estimates Branch
Office of Naval Intelligence
Room 5B681, Pentagon

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NSA (G-6)
Room 4A156
Ft. Meade



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Mr. William Quandt
NSC Staff
Room 386, Old EOB

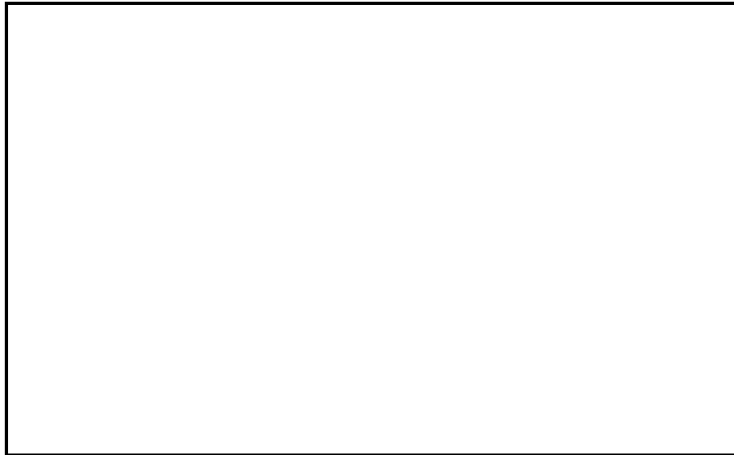
Ms Nancy McCabe
DAMI-F11
Room 2D485, Pentagon

Mr. Harold Saunders
Director, Bureau of Intelligence
and Research
Room 6531, State Dept

Mr. Foster Collins
Office of National Security
Room 4325, Main Treasury

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Mr. Nicholas Veliotis
Deputy Asst Secretary, NEA
Room 6242, State Dept



Mr. Arthur Day
Deputy Asst Secretary, NEA
Room 6242, State Dept

~~Mr. Robert Morrison
ACDA
Room 6510, State Dept~~

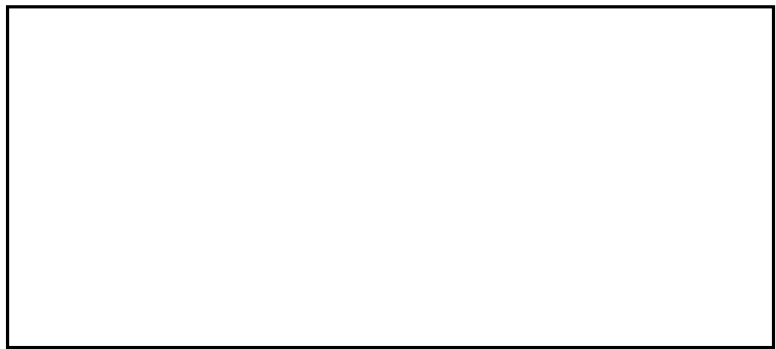
Mr. Thomas Stern *Richard Ericson*
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Room 7317, State Dept

Mr. Richard Violette
DSAA
OSD/ISA Pentagon *(Room 4B659)*

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BGen Charles D. Youree
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Room 2E968, Pentagon

Mr. Harry J. Shaw
Chief, Military Assistance Branch
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NIO/CF
NIO/AF
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IC Staff
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OER - 6G17

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CPS - 7F30

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THE DIRECTOR OF CENTRAL INTELLIGENCE

WASHINGTON, D. C. 20505

National Intelligence Officers

20 April 1977

MEMORANDUM

SUBJECT: NI IIM 77-008: THE CONFLICT IN THE WESTERN SAHARA

1. The protracted guerrilla war involving Moroccan, Algerian, Mauritanian and Polisario interests in the ex-Spanish Sahara continues to be a potentially escalatory and explosive situation. In view of the US Government's interests in the area, I have asked that a study be undertaken to examine the current situation, assess the likelihood of expanded fighting, and explore the elements of a possible settlement.

2. The proposed Terms of Reference (TOR) for this IIM have been prepared by the designated Project Officer, [redacted] (DIA/DN-2E2), [redacted] in consultation with regional experts from State (INR) and CIA (ORPA). It would be appreciated if you would review the draft TOR and provide your comments concerning it to the National Intelligence Officer for the Near East and South Asia (NIO/NESA), [redacted] [redacted] or his assistant [redacted]. If any addressee feels that it would be desirable to hold a meeting to discuss the TOR, the NIO/NESA can make such arrangements. In the absence of such a request, however, the draft TOR -- as modified in light of your comments -- will be adopted for the IIM. It would thus be appreciated if your comments could be submitted by COB 29 April.

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3. The tentative production schedule for this IIM envisages completion of the first draft by 9 May and consideration of the draft by NFIB representatives during mid-May.

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[redacted signature box]

Robert R. Bowie
Deputy to the DCI for National Intelligence

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SUBJECT: THE CONFLICT IN THE WESTERN SAHARA

I. The Continuing Guerrilla Campaign

A. THE POLISARIO

1. Aim, motivation and morale of the POLISARIO
2. Size and disposition of forces
3. Tactics and capabilities
4. Successes

B. OUTSIDE SUPPORT

1. Military
 - a. Algeria
 - b. Libya and others
2. Diplomatic (recognitions)

II. Algeria and Moroccan/Mauritanian Confrontation

A. ALGERIAN

1. Motivation
 - a. Geopolitical competition with Morocco
 - b. Deny Morocco Saharan resources
 - c. Formation of pro-Algerian Saharan state
2. Augmentation of conventional military forces
 - a. Soviet deliveries

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- b. Libyan connection
- c. Disposition of forces
 - 1. Build-up at Tindouf

B. MOROCCO/MAURITANIA

- 1. Objectives
- 2. Modernization and augmentation of armed forces
 - a. Arms resources
 - b. Arab financial backing
- 3. Strategy
 - a. Diplomatic
 - (1) Sustain support from Arab and African states
 - b. Military
 - (1) Moroccan/Mauritanian alliance
 - (2) Tactics
 - (a) Sweeps
 - (b) Use of Saharan troops
 - (c) Border crossings
 - (3) Effectiveness of operations and continuing problems

III. The Consequences of a Prolonged Guerrilla Campaign

- A. POSSIBLE INTERNAL POLITICAL AND ECONOMIC REPERCUSSIONS
 - 1. Morocco
 - 2. Algeria
 - 3. Mauritania

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IV. Constraints against a Conventional War

A. DECISIVE VICTORY UNLIKELY

1. Terrain
2. Logistics

B. RESTRAINTS ON MOROCCO

1. Possible adverse effect on the Monarchy
2. Algerian military superiority
3. Cost to an already strained economy

C. ALGERIAN LIMITATIONS

1. Lack of internal support
2. Vulnerability of LNG plants
3. Diversion of scarce resources

D. DIPLOMATIC REPERCUSSIONS

1. Political ramifications
2. Arab response
3. Soviet reaction
4. The French role

V. U.S. Interest in Regional Stability

- A. STRATEGIC
- B. POLITICAL
- C. ECONOMIC

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VI. Outlook

A. PROGNOSIS FOR A SETTLEMENT

1. Previous negotiation attempts
2. Depth of commitment
3. Negotiated settlement unlikely

B. CONCLUSIONS

1. Protracted guerrilla war expected
2. Increase in limited border raids
3. Conventional war unlikely

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