

Executive Registry
64-2360/1
2360
(Attached)

MEMORANDUM FOR: Mr. Walt W. Rostow *gard*
Counselor and Chairman, Policy
Planning Council
Department of State

ATTENTION : Mr. Joseph Yager *gard*

SUBJECT : Nigeria National Policy Paper

1. The proposed National Policy Paper on Nigeria has been carefully reviewed by the Central Intelligence Agency. While I am in general agreement with the intelligence judgments upon which the policy paper is based, this Agency continues to feel that such matters as the unemployment problem, the pervasive corruption in government, and the issue of the recent census are likely to have a more significant bearing on Nigeria's future than this paper indicates. I am therefore submitting as an attachment further comments on these and other subjects with the request that they be considered by the African Policy Committee in its final review of the paper.

2. I endorse those provisions in the paper which have a bearing on US intelligence activities.

JOHN A. McCONE
Director

MORI/CFD 452089 Pages 10 thru
15

Attachment

(EXECUTIVE REGISTRY FILE *State*)

LTR
TO
C/PPC

2 APR 1964

Executive Registry
64-2360

MEMORANDUM FOR: Director of Central Intelligence

SUBJECT : Nigeria National Policy Paper

64-2360/1
(actual)

1. This memorandum contains a recommendation for approval by the Director in paragraph 5; a letter for his signature is attached.

2. The Nigeria National Policy Paper (Basic attachment) has been completed by an interagency working group in which senior DD/I and DD/P officers participated, and is now ready for review and approval at the departmental level. The salient points of the paper are described in attachment A.

3. The DD/P, the Acting Chairman of the Board of National Estimates, and the Special Assistant to the DDS&T have reviewed and approved this paper. The Acting Chairman, Board of National Estimates, further states that a SNIE on Nigeria is not called for at this time. (Attachment B).

4. While this final draft of the paper has been considerably revised to meet our objections to earlier drafts, we continue to have some reservations on specific points of policy recommendations and intelligence judgments, which we have noted in an attachment to be forwarded to the Policy Planning Council. (Attachment C). Our criticisms, however, are not such as to require Agency disapproval of the paper.

5. I therefore recommend that you approve the paper by signing the attached memorandum which I will then transmit to the Chairman, Policy Planning Council.

[Redacted Signature Box]

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RAY S. CLINE
Deputy Director (Intelligence)

Attachments:

- 1. Tabs A, B, C as above
- 2. Basic NPP
- 3. Ltr for DCI signature

RDKovar:du:2 Apr 64

Distribution:

Orig - Addressee ^{W/ATTS}

- ✓ 1 - DDCI ^{W/ATTS} 1 - ExDir ^{W/ATTS} 1 DD/P 2-AD/NE 1 - Mr. Sheldon (via CGS)
- 2 - O/DDI (DDI Chrono & NPP Chrono)

EXHIBIT 3 05 64
EXECUTIVE REGISTRY FILE

TAB
A

2 April 1964

MEMORANDUM FOR THE DEPUTY DIRECTOR/INTELLIGENCE

SUBJECT: Nigeria National Policy Paper

1. The salient points of the Nigeria National Policy

Paper may be summarized as follows:

a. Nigeria is currently under moderate, generally democratic, pro-Western leadership. The Nigerian Federal structure is, however, a delicate balance of mutually distrustful, regionally based, tribes, having little or no national consciousness. The recent census controversy has intensified tribal antagonisms. There is considerable social discontent; radical and pro-Communist opposition to the conservative rulers is growing but is not yet a major factor.

b. The principal interest of the US in Nigeria is to see the country prosper within the Free World as a leader and good example for other African countries. This can be accomplished if Nigeria maintains political stability and demonstrates some success in economic development. US aid (\$225 million is committed for the Six-Year Plan (1962-1968)) can help to some extent. The US should encourage the formation of a government of national unity after the 1964 elections and, with a view to possible changes on the political scene, should cultivate new contacts among the younger, more radical, political groups.

2. The paper requires updating in a few places before final approval, and we are submitting a few detailed comments for consideration by the drafters of the final version; these comments are not of major importance (copy attached). The paper is generally acceptable to ONE, OCL, ORR, and DDP, and CIA concurrence is recommended.

ABBOT SMITH
Acting Senior Intelligence
Support Officer

TAB
B

2 April 1964

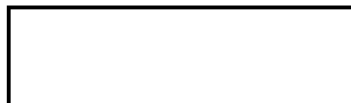
MEMORANDUM FOR THE DIRECTOR

SUBJECT: Nigeria National Policy Paper

1. With respect to the major substantive intelligence judgments, we find the present draft generally satisfactory, and we would recommend Agency concurrence in it.

2. We do not believe that a SNIE on Nigeria would be useful at this time in connection with the Policy Paper. NIE 60-64, on West Africa (scheduled for USIB consideration on 2 April 1964), treats generally of Nigeria, and we believe it is sufficient for the time being.

FOR THE BOARD OF NATIONAL ESTIMATES:



ABBOT SMITH
Acting Chairman

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C

S E C R E T

1 April 1964

CIA COMMENTS ON THE NIGERIA NATIONAL POLICY PAPER

We find this draft a marked improvement over the paper submitted last November and reviewed by us on 3 January 1964. Most of our earlier comments have been embodied in the present draft, and the paper has been considerably reduced in size. The overly optimistic picture of Nigerian economic prospects has been toned down considerably in this version, resulting in a more balanced presentation. Our criticisms of the paper are not major ones, and relate to matters of emphasis. Mainly, we believe that the paper continues to treat lightly the magnitude of the unemployment problem and the endemic corruption which permeates most government levels. Also, the 1963 census figures, released in late February, 1964, are likely to cause greater economic and political repercussions than are indicated in the paper.

I. GENERAL CONSIDERATIONS

A. We believe that the problem of increasing unemployment and underemployment bodes ill for political stability and economic peace. The paper states (page 5, second full paragraph) that social discontent could be kept within manageable proportions if the political

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leadership develops sufficient awareness of the dangers, and adequately demonstrates its sincere concern for social welfare. We believe that much more than awareness and concern are called for, and that unless decisive measures are undertaken by the Nigerian governments, a potentially dangerous situation will emerge

B. We note in connection with the labor force that the Policy Paper's recommendations for the support of labor unions are somewhat unrealistic. On the one hand it is suggested that the US support a strong western-style labor movement whose efforts would be primarily oriented towards seeking higher wages. On the other hand, we are to urge restraint on organized labor in the matter of higher wages. In any event the organized sector of Nigerian labor is relatively small and we doubt that wage increases for the organized sector would add substantially to the already existing inflationary pressures.

C. The release of the new census figures alters markedly our position on the growth prospects for the Nigerian economy within the framework of the Six Year Plan ending in 1968. We are now concerned that the very limited growth envisaged in this plan is likely to be non-existent and that the stagnation evident throughout 1963 might well characterize the economy for sometime to come. The unexpected

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S E C R E T

addition of 14-18 million Nigerians indicated by the new census, causes us to restate our earlier views of economic prospects in even gloomy terms. Before the current census data became available we commented:

"Even if all the economic development plans were successfully completed the annual per capita increase in private consumption would be about 1% during the plan period, hardly enough to make a significant impression on the public. We concluded that even under the best of circumstances Nigerian economic prospects are not especially bright, and that fulfillment of the development schemes are not likely to make an appreciable contribution to political or social stability."

It is now apparent that the planned annual per capita increase in private consumption will be less than the unimpressive 1% indicated above.

D. We would note that the political organization of Nigeria - a relatively loose Federal structure - has impeded and is likely to continue to impede the development effort. The goals of the Development Plan have been frustrated by numerous shortcomings, including:

- 1) corruption on a massive scale at virtually all levels of political and economic activity,

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- 2) poor coordination between federal and regional governments,
- 3) lack of national objectives in many ministries,
- 4) no properly coordinated government policy for private investment,
- 5) the lack of statistics essential for economic planning.

II. SOME SPECIFIC COMMENTS

Pages 1 and 2. Several references are made to US economic aid, implying that economic development of Nigeria will greatly enhance its political stability. The paper over-emphasizes the role of economic events and treats the Six Year Plan as a panacea for political ills. Economic development alone will not solve the problems of political instability in Nigeria, for these problems are social, tribal, psychological, religious and political in nature, as well as economic.

Page 4. First full paragraph. We believe that "unlikely" is too strong a word to use in reference to the possibility of regional secession. Most of the top leaders will work to retain federal

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unity, but tribal and regional antagonisms have become intensified over the census issue, and the possibility of a break-up of the Federation cannot be ruled out so summarily.

Page 24, We do not understand the word "hope" in referring to Nigerian reaction to the assassination of President Kennedy.

Page 27. We suggest striking out the phrase "though slender", in referring to the NPC majority in Parliament. The NPC has 57% of the seats.

Page 29, Paragraph 2. The recent "working agreement" of the AG and NCNC parties in the Western Region ought to be mentioned.

Pages 40-41. The census figures have not been taken into account in this section. References to per capita income should be updated.

Page 56, last paragraph. Diplomatic relations have also been established with Rumania.

Pages 58-59. Reference might be made to the fact that a preponderance of Nigerian officers, commissioned and NCO's, are Ibos and Yorubas from the South, traditionally disliked by the Fulani and Hausa northerners who constitute more than half of the

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S E C R E T

troops. In the event of a serious north-south confrontation, or upon the withdrawal of British officers in a year or so, the reliability of the Nigerian forces will be open to question.

Page 65. The discussion of Nigerian negotiations with the EEC could be clarified. Nigeria appears to be applying for association membership.

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