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DIRECTORATE OF INTELLIGENCE

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GHANA: Threat From the Extreme Left



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Summary

We believe Head of State Jerry Rawlings is likely to come under mounting pressure from the extreme left in the coming months to reverse the moderate policies that he has followed since 1983. Radicals--led by Kojo Tsikata, the regime's Marxist-oriented security advisor--believe popular frustration with Ghana's Western-supported economic austerity program gives them an opening to regain lost influence, according to the US Embassy. Rawlings' search for accommodation with the West, cooperation with the IMF, and reduction of Ghana's enthusiasm for the Soviet Bloc and Libya prompted the extreme left to charge him with betraying the original principles of the "revolution."



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We believe Rawlings will try to stick to his moderate policies, but that he will revert to his earlier radicalism if necessary to preserve his position. If he does so, we believe economic reform would slip, radical models for restructuring Ghana would reemerge, and foreign policy would regain a distinctly anti-Western tone. Should Rawlings be ousted,

This memorandum was prepared for the Director, African Affairs, National Security Council. It was written by West Branch, Africa Division of the Office of African and Latin American Analysis. It has been coordinated with the Directorate of Operations. Questions and comments are welcome and may be directed to the Chief, Africa Division, ALA,



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assassinated, or resign, we believe Ghana would enter a prolonged period of instability, affording the Soviets, Libyans, and Cubans new opportunities for exploitation and influence. [redacted]

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The Setting

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Former Flight Lieutenant Jerry Rawlings, who seized power in a 1981 coup, initially launched Ghana on a radical domestic and foreign policy track that tried to pick up from his short-lived populist regime in 1979. In renewing what he termed his "holy war," Rawlings pledged to distribute wealth more equitably and announced a campaign against mismanagement, corruption, and black marketeering as part of a new social, economic, and political order to reverse Ghana's 25 years of decline. Rawlings was highly critical of the West, and publicly blamed the United States and Britain for supporting the country's incompetent and corrupt Limann administration, which had ruled from 1979 to 1981. [redacted]

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The record shows, however, that Rawling's preoccupation with his personal survival and the consolidation of his power prevented much headway on his reform program. He found himself in an uneasy partnership with radical factions that helped return him to power. Rawlings provided the charisma and mass appeal that the radicals lacked, while the radicals provided Rawlings with needed expertise in intelligence and security. The partnership was uneasy, however, because Rawlings consistently rejected the extreme left's more radical policies. [redacted]

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At the same time that Rawlings was trying to work out a relationship with the radicals, the ruling military council was paralyzed by indecisiveness, which fell hardest on the economic front. Rawlings failed to attract sufficient financial assistance from the USSR and Libya. US Embassy reporting indicated that Moscow declined to commit substantial resources to an unstable regime with a questionable commitment to Soviet-approved development and foreign policy positions, while Tripoli--faced with falling oil revenues-- offered some oil credits and food aid, but refused to subsidize chronically-poor Ghana. As a result, Rawlings sought to improve relations with the West out of economic necessity. Ghana signed an agreement for IMF support in 1983 that resulted in one of the toughest austerity programs in sub-Saharan Africa. In public forums, he also toned down his anti-Western rhetoric and emphasized Ghana's commitment to "nonalignment." [redacted]

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Since taking those steps in 1983, the record shows that Rawlings has pursued more pragmatic domestic and foreign policies, has demonstrated a

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better grasp of policy planning and goals, and has reduced the influence of the radicals. Indeed, Rawlings has managed to attract some important, Western-leaning officials to the regime and placed them in economic management while removing some hardline Marxists. [redacted]

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The Growth of Moderation

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Rawlings' more pragmatic outlook, in our view, underscores his maturation in office, greater grasp of reality, and improved self-control. Rawlings now privately admits his earlier errors, according to the US Embassy, and he recently told the US Ambassador it was "too bad that the marginals and incompetents" had played such a large initial role in the revolution. [redacted]

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Political Moderates in Ascendancy

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Rawlings has relied increasingly on the moderate, Western-leaning officials to run the day-to-day operations of government, according to the US Embassy. Moderates now gaining prominence include Dan Annan, a former chief justice who serves in Rawlings' absence as acting chairman of the ruling Provisional National Defense Council, and Dr. Kwesi Botchway, who as Secretary of Finance and Economic Planning is the architect of Ghana's IMF-supported program of economic austerity and recovery. Rawlings, moreover, has purged many of the extreme leftists who dominated the lower and middle levels of government. The US Embassy reports that one of the most dramatic signs of moderation was last year's restructuring of the previously radical "defense committees," which the extreme left had used to monitor and indoctrinate the Army and potentially troublesome civilian groups. [redacted]

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Economic Reform

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In his first two years, Rawlings pursued largely rhetorical economic policies that provided no remedy for major economic problems, according to US Embassy reports. For example, he exhorted farmers to produce more, temporarily placed restrictions on bank withdrawals, and called on market traders to lower their prices, while rejecting badly needed devaluation and other long overdue reforms. As a result, the economy continued to deteriorate. [redacted]

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Falling production of cocoa--the principal source of export earnings--together with rising inflation and food shortages, declining industrial production, and swelling unemployment finally prompted Rawlings to depart from these ineffective ad hoc economic policies and to cooperate with Western-backed international lending institutions and donor countries. According to the US Embassy, since 1983, with IMF and World Bank support, Accra has:

- Devalued its currency five times.
- Reduced the budget deficit.
- Emphasized the rural sector and food production.
- Reorganized some inefficient state enterprises.
- Reduced urban consumer subsidies.
- Devised a new investment code to encourage private enterprise and foreign investment.

The US Embassy indicates that these measures, although politically unpopular, have produced some positive results. Last year, inflation fell from 115 percent in 1983 to 35 percent, Ghana had its best corn crop in 10 years--as a result of good rains--and real GDP growth was 5.5 percent, one of the highest growth rates since independence. [redacted]

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Limits to Economic Reform

In our judgment, recent economic growth--largely the result of increased cocoa and wood exports--has had little impact on the average Ghanaian. The US Embassy observes that the urban and working classes have not benefited directly from the new economic policies and have been hard hit by falling real wages. At best, according to the US Embassy, Ghana is only "at the beginning of the beginning of economic recovery." Cocoa production--though up, and the mainstay of the economy--is far behind its record production of 400,000 tons in 1964. Ghana, once the world's largest cocoa producer, is expected to be only in fifth place this year, [redacted] Only 10 to 15 percent of the country's industrial capacity is being utilized as a result of spare parts shortages. And despite an impressive corn harvest last year, Ghana must still import foodstuffs. [redacted]

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The longer-term prospects are bleak and, in our view, pose a challenge to Rawlings or any successor government. Ghana spends almost half of its foreign exchange earnings on oil imports, and the US Embassy reports that prospects are not encouraging for discoveries of local crude in quantities to cover more than a small fraction of the country's energy needs. Moreover, officials of international lending institutions believe a debt bulge will occur in 1987 or 1988, when debt service payments will equal 40 percent of exports. Beyond these adverse economic developments, census data indicate that Ghana's population of 13 million is growing by 2.6 percent annually, and the urban population is growing at a 5 percent average, challenging the government's ability to create enough jobs and provide sufficient food. [redacted]

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Challenges to Stability

While Rawlings has brought more pragmatists into the government and adopted more moderate policies, we agree with recent US Embassy reports suggesting that he is likely to face increasing pressure from the extreme left, which is seeking to exploit what it perceives as growing popular frustration with economic austerity. In our judgment, neither the regular armed forces nor militant exiles pose a substantial threat to Rawlings at present. [redacted]

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The Left. In our judgment, the radical left will try to exploit any failure of Rawling's economic program to yield tangible results. We agree with US Embassy reporting that hardship that would follow further substantial currency devaluations could catalyze leftist-led opposition to Rawlings. US Embassy reporting emphasizes that extreme leftists, both within the government and those who lost their posts in earlier purges, are waiting for the opportunity to regain their influence. Radicals still control three key positions: Kojo Tsikata is the chief of security and counter-intelligence; Obed Asamoah is the foreign minister; and Kofi Djin is interior minister. [redacted]

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We believe Tsikata may pose the greatest challenge to Rawlings's moderate course and possibly to the regime itself. In the past year, according to the US Embassy, Tsikata has consolidated control over the security apparatus and, with Soviet Bloc assistance, established an effective counterintelligence organization. The US Embassy reports that this security force--and not the military--was responsible for the impressive series of arrests last year of dissidents involved in at least one abortive attack by exiles and several additional coup plots. [redacted]

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[redacted] Tsikata and Rawlings--though fellow Ewe tribesmen--are drifting apart over the course of Ghana's revolution. We believe that while Rawlings is a fervent nationalist who seeks an "African" solution to Ghana's woes, Tsikata--who lived in Cuba in the late 1960s--is impressed with Soviet Bloc models and favors a Marxist-Leninist revolution. Moreover, Tsikata did nothing to prevent the publication and distribution by radical organizations of anti-Rawlings tracts earlier this year, which accused him of betraying the regime's revolutionary goals. We believe Rawlings probably finds it safer to include Tsikata in the regime --where he can be watched--rather than to have him outside the system where he could pose a greater threat. [redacted]

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A key unknown in the Tsikata-Rawlings' drift is which can garner the loyalty of the 500-man Force Reserve Unit. [redacted]

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[redacted] Rawlings and Tsikata each regard the Cuban-trained unit as the regime's primary line of defense against coups by exiles and the regular military. Its leader is Major Courage Quashigah, who is a rival of Army Commander Major General Arnold Quainoo, a key associate of Rawlings. We

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do not know where his loyalties would lie should there be a confrontation between Rawlings and Tsikata. [redacted]

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The Military. For its part, the regular military appears to lack the unity and the leadership to directly challenge Rawlings. Nonetheless, should serious intra-regime conflicts erupt, we believe Army elements in the vicinity of the capital could be tempted to intervene, and not necessarily on behalf of either Rawlings or Tsikata. Army Commander Quainoo has been portrayed by US defense attache reporting as consistently trying to limit the influence of regime radicals over the regular military, and to curb the influence of radical officers and NCOs in the armed forces. Attache reporting suggests he has the support of portions of both the enlisted ranks and officers, and that he played a leading role in the recent restructuring of the previously radical-dominated military defense committees. [redacted]

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Exiles. We believe exiles based in neighboring Togo, Ivory Coast, and Nigeria are likely to remain a minor irritant rather than a major threat to Rawlings. Indeed, the US Embassy reports that Tsikata's effective intelligence and security apparatus has penetrated the exiles' ranks. Moreover, the exiles are divided by differences between officers and enlisted men, tribal rivalries, and ideological outlook, according to the US Embassy. [redacted]

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Foreign Influences

We suspect Rawlings will come under growing pressure from the extreme left to foster closer ties with the Soviet Union, Libya, and Cuba especially if, as we expect, links with the West do not result in a substantial improvement in the Ghanaian economy. As a consequence of this pressure, we believe Rawlings will try to maintain good ties with the Soviet Bloc and Tripoli to preserve his revolutionary image and to secure continued access to intelligence and security training. [redacted]

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The USSR

Since 1982, Accra has accepted limited arms from the Soviet Union and intelligence training from its allies. [redacted]

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US Embassy reports that 100 to 200 Ghanaian intelligence officers-- selected by Tsikata--have been sent to Bulgaria, East Germany, and Cuba for security training. Rawlings, [redacted] continues to reject a wider military relationship with the USSR and appears to us to be warier of Moscow's intentions and various aid offers than is Tsikata. [redacted]

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Educational assistance programs afford the USSR some opportunities for influence that, in part, compensates for Moscow's inability to cement a deeper military relationship. According to the Soviet Ambassador in Accra, some 1,000 Ghanaian students are currently in the USSR on scholarship. Past US Embassy reporting put the number of Ghanaian students in Moscow at the time of Rawlings' coup at 650. [redacted]

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Moscow's economic assistance has been limited to a \$10 million loan extended in 1982. According to the US Embassy, this loan will be used to complete Soviet projects begun before the overthrow of the late President Nkrumah in 1966, including a gold refinery at Tawarka and a technical institute at Tema. A small number of Soviet technicians is in Ghana to help reactivate aid projects, according to the US Embassy. Trade between the two countries is limited to barter deals, predominately Ghanaian cocoa for Soviet agricultural equipment, machinery, and medicine. We believe the general low priority accorded West Africa, plus continuing Soviet caution in dealing with unstable African populist regimes limits its economic commitments. [redacted]

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Libya

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We believe the Libyans--in their quest for regional influence--will seek better relations with Ghana, and Accra may be responsive in order to placate the extreme left. US Embassy [redacted] reported that after the 1981 coup, Libyan efforts to cultivate Accra included a \$95 million oil credit, food aid during Ghana's drought, and military supplies--including small arms, ammunition, uniforms, and military vehicles. [redacted]

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Ghana's relations with Libya cooled in 1983 and 1984, due largely to Rawlings wariness of Qadhafi's intentions and inability to attract meaningful development aid. In 1983, the US Embassy reported that Rawlings rejected a mutual defense pact that would have allowed Libyan troops to be based in Ghana. Libya responded by cutting off badly needed credits for oil supplies, according to US Embassy reports. [redacted]

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We believe that harrassment by exiles or a coup attempt might cause Rawlings to turn to Tripoli for new military assistance. Libya, in our view, is likely to offer small military and economic aid packages from time to time, but is unlikely to offer the low-cost, long-term oil credits Ghana seeks. Libyan leader Qadhafi probably will continue his close relationship with Tsikata, who has visited Tripoli on several occasions, as a means of influencing Ghanaian developments. We note that Ghana has not criticized Libya's African policies, including its de facto annexation of northern Chad. [redacted]

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Cuba

Havana's most important role is the provision of intelligence training and academic scholarships. [redacted]

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[redacted] The US Embassy notes that some 600 Ghanaian students were enrolled in Cuban schools last year. We believe that the Cuban-Ghanaian relationship rests largely on Tsikata's admiration for the Cuban revolution and on Havana's proven security expertise. Previous US Embassy reporting indicated Tsikata at one time favored the stationing of Cuban troops in Ghana. We have no evidence that Cuban troops or military advisers are now present. [redacted]

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Cuban economic influence is minimal, and we do not expect it to increase. The US Embassy reports that Havana has been providing limited technical aid and training to the Rawlings regime for some time mainly in the areas of agriculture and health. [redacted]

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Outlook

We believe Rawlings will try to maintain his current moderate policies in the near term in order to preserve the aid and trade relationships he needs with the West. In our view, however, he will back off, if necessary, to preserve his position rather than lose all popular support or risk a total break with the radicals, whose security expertise he needs. In our view, should Rawlings return to his earlier radicalism, Tsikata, the Soviets, the Libyans, and the Cubans will be afforded new opportunities for influence at the expense of the regime's moderates and the West. Economic reforms would slip, radical models for social and military restructuring would be revived, and Rawlings would lash out at the West, particularly the United States, to demonstrate his revolutionary zeal. We believe, however, that an even more radical Rawlings would still require massive Western economic assistance to keep the country afloat, thus helping to temper some of his actions. [redacted]

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Should Rawlings be removed in a palace coup, assassinated, or resign, we strongly believe that a prolonged period of instability would ensue. In our view, there is no immediate leadership alternative to Rawlings, including Tsikata, who could build as broad a popular base or possesses as much ability to stir popular support. Both the extreme left and the factions in the military representing diverse ideological and tribal aspirations would likely jockey for power. In our view, such chaos would afford the Soviets, Libyans, and Cubans new opportunities for influence. [redacted]

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[redacted]

Should Tsikata come to power, he probably would rule by force of arms, providing he received quick and substantial Libyan and Cuban military support and had the loyalty of the Force Reserve Unit. In our view, however, a Tsikata-led regime would prove more unstable than one led by Rawlings because it would be even less popular with Ghanaians and cause greater fissures within the military. [redacted]

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SUBJECT: GHANA: Threat From The Extreme Left

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