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Central Intelligence Agency



Washington, D. C. 20505

DIRECTORATE OF INTELLIGENCE

29 November 1985

Angola: Dos Santos Up Beat Before Party Congress [Redacted]

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Summary

A Party Congress--only the third since the MPLA seized control in 1975 with Soviet and Cuban backing--is slated for 6-10 December. President dos Santos's position within the Party appears more secure than at any time since he came to power in 1979. On the eve of the Congress, the MPLA leadership, undoubtedly encouraged by its recent military successes against UNITA, appears even more determined to pursue a military solution to the insurgency. Although dos Santos is likely to gain increased personal power at the Congress, we believe his policy options are narrowed because of the regime's growing military dependence on the Soviets and Cubans. The Congress is likely to adopt some reforms to improve party discipline and to revive the economy, but we expect these measures will do little to broaden the regime's narrow base of support or to arrest the economic decline. [Redacted]

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The MPLA's current air of confidence could well be short-lived in our view. The regime still faces the difficult task of building on the momentum of the past year, as the government's improved performance against the insurgents in

This memorandum was requested by Phillip Ringdahl, Director of African Affairs, National Security Council. It was prepared by [Redacted] Central Branch, of the Office of African and Latin American Analysis. The paper was coordinated with the Directorate of Operations. Questions and comments are welcome and may be directed to the Chief, Africa Division, [Redacted]

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eastern and southeastern Angola have not hampered UNITA's guerrilla activities in the north and elsewhere. The MPLA is unlikely to make visible headway in revamping the nation's shattered economy and providing basic services to provincial centers and rural areas. [redacted]

\* \* \*

### Mood in Luanda

In our judgment, the mood in Luanda will be decidedly upbeat when President and party chief Jose Eduardo dos Santos opens the Second Ordinary MPLA Party Congress slated for 6-10 December (See Annex A for the role the Party Congress plays in Angola's one-party state). The regime is likely heartened by the improved military performance that the Angolan Army demonstrated--with considerable Soviet and Cuban help--in this year's offensive against UNITA insurgents. Moreover, in our view, Luanda's successful hosting last September of a ministerial meeting of the Nonaligned Movement--in the face of UNITA's threat to interrupt the conference--gained the regime some much needed international prestige. [redacted]

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This air of confidence will stand in marked contrast to the gloomy atmosphere that [redacted] has gripped Luanda recent years, as UNITA broke out of its stronghold in southeastern Angola and eventually spread its operations throughout much of the country. In our view, the low point for the MPLA occurred in August 1983, when UNITA regulars overran and temporarily occupied the fortified town of Cangamba. [redacted] the Cangamba defeat shocked Luanda and its Communist backers and stimulated a major Soviet military supply delivery and advisory effort. This year, according to Radio Luanda, the MPLA regained Cazombo to the north of UNITA's southeast stronghold and nearly captured Mavinga in the southeast in September until driven back by South African air strikes. Until 1985, the MPLA had mounted annual offensives every year since 1977 without notable success. [redacted]

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### Dos Santos' Situation On The Eve Of The Congress

In our judgment, the 43-year-old dos Santos goes into the Party Congress in a stronger personal position than he has enjoyed at any time since he became the compromise choice for President following the death of MPLA founder Agostinho Neto in 1979. [redacted]

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[redacted] dos Santos has managed to mute the bitter feuds that have plagued the MPLA since its founding, and has gradually appointed a strong group of like-minded, pragmatic loyalists to key party



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and government positions.\* We believe the old-guard, mulatto-led faction has been weakened, but it probably still retains veto power over most major policy decisions. The once prominent black nationalist group, known as the Catete faction, appears to us to be largely defunct. We believe dos Santos's strong backing from Moscow and Havana also has substantially reduced his vulnerability to hardliners in the party.



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Strengthened on the home front, dos Santos has nevertheless lost flexibility in his foreign policy. In our view, his regime has become increasingly dependent on Moscow and Havana since late 1983, when the fall of Cangamba forced Luanda to request more Communist military assistance. Substantial new Soviet arms and 5,000 additional Cuban troops were sent to back up the Angolan forces.



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In exchange for this military assistance, dos Santos has moved closer to the Soviets. In the process, dos Santos's earlier, more moderate policies--which included pursuing a negotiated regional settlement leading to a Cuban withdrawal, attempting to increase economic ties with the West, and exploring possible reconciliation with UNITA--appear to have been put on hold, although Western businessmen indicate Luanda remains as eager as ever to attract Western investments.



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Congress Themes

The Angolan media and dos Santos' speech at a party conference last January indicate there will be three major themes at the Party Congress: prosecuting the war, consolidating political power, and improving the economy. We anticipate dos Santos will use the gathering to reaffirm publicly Angola's ties to the USSR and Cuba as well as to thank his allies for their support. We expect US policy toward southern Africa to come under sharp criticism. Dos Santos will almost surely attack the repeal of the Clark Amendment, voice suspicion of future Washington's intentions, and accuse the United States of supporting repression in South Africa.



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Prosecuting the War. The success of this year's government offensive against UNITA--code named "Operation Party Congress"--will give the delegates something to cheer about. We expect dos Santos will seek and easily gain a strengthened MPLA commitment to the armed struggle against both UNITA and South Africa, including a more vigorous annual campaign next year. We also believe the Party Congress will serve as a forum to reject explicitly any chance of reconciliation with UNITA. [redacted]

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In our judgment, reaffirmation of a military solution to Angolan insurgency will further tighten Luanda's ties to Moscow and Havana. Dos Santos may use the occasion to reiterate that Cuban troops will not only remain in Angola, but that their numbers will increase in direct proportion to the perceived threat from South Africa. He probably will reaffirm Angola's commitment to its four point conditions for any Cuban troop withdrawal:

- An end to South African violations of Angolan territory;
- The unconditional withdrawal of South African troops from Angolan territory;
- An end to South African support for UNITA; and,
- Immediate implementation of UNSCR 435 for Namibian independence, in expectation that this would lead to domination by Marxist-oriented SWAPO insurgents backed by Luanda and the Soviet Union.

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We do not expect the MPLA to close the door entirely on resuming talks aimed at a regional settlement, and the government probably will continue related behind-the-scenes contacts. The Congress may call for some confidence-building gesture from Washington--such as diplomatic recognition--that could motivate Luanda to return to the bargaining table. Even so, we doubt that Luanda would jeopardize fundamental Soviet interests--continued Angolan military dependence on the USSR, access to Angolan military facilities, and a pro-Soviet regime in Luanda--by displaying serious interest in US-sponsored negotiations. [redacted]

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Consolidating Political Power. Dos Santos probably will try to move more men of his own choosing into national, regional, local level party positions, while taking care to avoid controversial changes in top level party officials that would undermine the unity he has forged. [redacted]

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We believe the President will also push for measures intended to improve the party's (government's) performance and to broaden its popular appeal. At a party conference last January, dos Santos was openly critical of the MPLA's failure--after a decade of holding power--to establish a stronger grassroots base. Foreign diplomatic reporting suggests that dos Santos wants to move the MPLA away from its elitist image by adding members from tribes throughout the country. He specifically wants to attract Ovimbundus from southern and southeastern Angola where UNITA's strength lies.

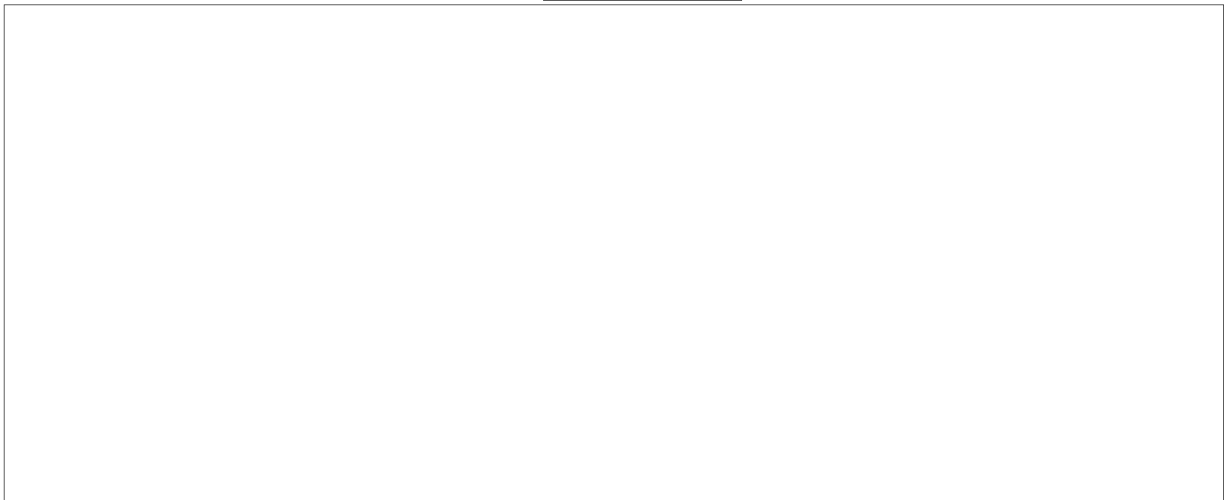
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We expect dos Santos to press to correct what he has previously and openly identified as the most serious shortcomings in the MPLA:

- The failure of MPLA officials to assert their authority;
- Ideological and educational shortcomings among party members, which undermines loyalty to the MPLA by the rank and file;
- A lack of discipline and determination on the part of many party members to carry out MPLA policies; and,
- A lack of liaison and communications between central and provincial authorities.

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The Economy. The Congress, after reviewing the country's five-year development plan begun in 1980, is likely to adopt economic reforms drafted by a team of Hungarian economists aimed at stemming economic decline. Although the regime is not about to abandon the basic tenets of State socialism, the reforms--will decentralize the economic decisionmaking process, place greater emphasis on the small businesses and private farms, and allocate more resources to improve food supplies and housing.

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[redacted]

We believe that the ability of the MPLA to implement economic reforms will be hampered by the continuing civil war, which has disrupted every nonoil sector. Angola's social and economic development has taken a distant second place to Luanda's need to sustain the anti-guerrilla campaign. For most Angolans, the quality of life has deteriorated markedly since independence in 1975 (See Annex B for a more detailed treatment of the country's economic problems.) [redacted]

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#### UNITA Disruption?

In our opinion a successful Congress--held without interruption--will boost dos Santos's claims that his leadership has stemmed the UNITA tide. [redacted] UNITA hopes to disrupt the Congress in order to regain prestige, improve its morale, and score propaganda points. We doubt that UNITA has the capability to stage attacks within Luanda, however, although it is possible that South Africa will attempt a special forces raid for which UNITA could claim credit. [redacted]

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#### Outlook

Dos Santos and the MPLA are going into the Party Congress claiming they have slowed if not halted UNITA momentum, and Luanda's challenge will be to make these claims credible. We believe that at least for the next 12 months, the regime is probably secure whether it can maintain its present, perceived advantage or not. [redacted]

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Despite the government's improved military performance on the battlefield, it still confronts a serious situation:

- UNITA remains a formidable foe capable of carrying out guerrilla warfare throughout most of the country. The Army's victories did little more than underscore UNITA's well-known weaknesses in materiel and inability to fight regular troops in conventional warfare; and,
- Reforms of the party and economy likely will have only marginal impact and do little to win popular support. UNITA retains the ability to disrupt economic enterprises and transportation which already has reduced the domestic economy to subsistence level. We do not expect there will be relief from such major difficulties as food shortages, disrupted transport, electric power interruptions, and below-capacity manufacturing. [redacted]

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Although dos Santos is likely gain increased personal power at the Congress, we believe his growing military dependence on the Soviets and Cubans will leave him little in the way of policy options. The regime, therefore, is not likely to pursue new initiatives in the coming year,



such as regional settlement, that would be at odds with what the Soviets see as their fundamental interests. 



## Annex A

The Popular Movement for the Liberation of Angola

[REDACTED]

MPLA membership stood at approximately 20,000, out of the country's estimated population of 7.6 million. The party's official ideology is Marxism-Leninism and it has transformed itself from a pre-independence guerrilla movement into a "vanguard" party that the ruling elite hopes to use to transform Angola into a Communist state. [REDACTED]

In theory, the supreme organ of the party is the Congress, which is supposed to meet every five years. In fact, actual power is concentrated in the 14-member Politburo, which is elected by the 100-member Central Committee (75 full members and 25 associate). The Central Committee meets every six months, while the Politburo--which oversees the party secretariat that is responsible for day-to-day implementation of policy--meets more frequently. [REDACTED]

There have been only two previous party congresses since the MPLA took control in Lunada when Angola became independent in 1975. The 1977 First Ordinary Congress and the 1980 Extraordinary Congress achieved little and were overshadowed by the UNITA insurgency, organizational difficulties, Angola's economic problems, party factionalism, and leadership uncertainties. [REDACTED]

Leaders

Jose Eduardo dos Santos--President of Angola, Commander in Chief of the Armed Forces, and President of the MPLA since September 1979...43 years old...claims to be a nationalist first and Marxist-Leninist second...has formed broad leadership coalition behind war effort.

Lucio Lara--a founder of the MPLA in 1956...is the party's Secretary General and Secretary for Organization...is a member of the Politburo and Central Committee...a doctrinaire Marxist-Leninist and leader of a pro-Soviet hardline faction.

Politburo Members

Full Members: Jose Eduardo dos Santos

Col. Joao Luis Neto (Xietu)\*

Col. Pedro Maria Tonha (Pedale)

Lt. Col. Antonio dos Santos Franca (N'Dalu)

Col. Joao Rodrigues Lopes (Ludy)

Lucio Lara (Tchikweka)

Pascoal Luvualu

Lt. Col. Evaristo Domingos (Kimba)

Lt. Col. Juliao Mateus Paulo (Dino Matros)

Lt. Col. Manuel Alexandre Rodrigues (Kito)

Lt. Col. Francisco Magalhaes Paiva (N'Vunda)

Lt. Col. Henrique Carvalho Santos (Onambwe)

Kundi Paiama

Roberto de Almeida (Jofre Rocha)

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\*Names in parentheses are names given to individuals during the pre-independence liberation struggle. Today many leaders are referred to by these and not their real names.

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## Annex B

Angola's Declining Economy

We believe the cost of battling the UNITA insurgency offsets most of the economic benefits of the continuing oil boom in Angola. Oil production, which accounts for 90 percent of Angolan exports, has roughly doubled since 1982 and is projected by industry experts to double again by about 1990, reaching some 550,000 barrels per day. Every nonoil sector in the economy, however, is suffering from the impact of fighting between the MPLA government and UNITA insurgents. We estimate that Luanda has used the bulk of its foreign exchange windfall from oil exports to make hard currency payments to the USSR, Cuba, and other Communist military suppliers and to maintain the second largest standing army in black Africa. Substantial new arms deliveries this year, together with requirements to service existing military debt, will continue to drain foreign exchange reserves. As a result, in our judgment, little relief from economic hardships can be expected through 1986. [redacted]

Public statements by MPLA leaders indicate growing concern about the dismal performance of the economy's nonoil sectors. Economic problems were a major theme at a party conference held last January. Two commissions created at the conference were instructed to present reports on ways to improve economic performance at the Party Congress. [redacted]

Although recent comments by dos Santos to Western businessmen indicate his interest in strengthening the private sector of the economy, little change in Angola's centrally planned economy is likely to occur. Angola has called on Western firms--particularly oil companies--for help on a variety of economic projects, such as road repairs, hotel construction, and agricultural assistance. Luanda signed an agreement with France last January to help restore coffee production. Angola joined the Lome Convention in April 1985 in hopes of obtaining credits and aid from the European Community. [redacted]

Prospects for increased Western investment outside of oil production are poor because of continued civil war and the aversion of potential investors to Angola's socialist economic system. Therefore, we believe the prospects for achieving an economic turnaround in 1986 are dim, despite the probability of significant increases in oil production. [redacted]



SUBJECT: Angola: Dos Santos Up Beat Before Party Congress

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- 1-- NIO for USSR
- 1-- NIC
- 1-- DDO/Africa
- 1-- DDO/AF
- 1-- PDB Staff
- 1-- ILS
- 1-- C/DDI/PES
- 1-- D/ALA
- 1-- ALA Research Director
- 2-- ALA/PS (one sourced copy; one clean)
- 4-- OCPAS/IMD/CB
- 4-- ALA/AF
- 4-- ALA/C
- 4-- ALA/C (file)

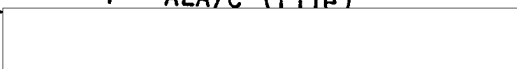
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