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CENTRAL INTELLIGENCE AGENCY
Directorate of Intelligence
June 19, 1975

MEMORANDUM

SUBJECT: Israel and Iran in Sub-Saharan Africa

Neither Iran nor Israel have extensive economic or political ties in black Africa. Iranian activity in the area is increasing, however, while Tel Aviv is seeking only a limited diplomatic comeback following the severance of its relations with almost all of the black governments as a result of the October war. Iranian involvement centers mainly on matters pertaining to its long-term security and development needs. Both Iran and Israel have substantial interests in white-ruled South Africa.

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I. Israel and Sub-Saharan AfricaTel Aviv's Eroded Position

Israel's position in Africa has not recovered since the Arab-Israeli war of October 1973 when practically all black African states severed relations with Tel Aviv under Arab pressure. Today, only five governments south of the Sahara maintain formal relations with Israel: South Africa, Lesotho, Swaziland, Malawi, and Mauritius.

The October war completed a deterioration in Israeli-African relations that had been under way for some time. In the 1960s, the Israelis could count on black African support for their position on the Middle East at the UN and in other international forums. At that time, most African states had been independent for only a short time and Israel's modest technical and military training assistance were valuable in helping them undertake military and economic development efforts.

By 1970, however, Israel's own interest in Africa was waning, and many African countries were finding it increasingly difficult to justify their ties with Tel Aviv in light of the growth of strong pro-Arab sentiment in the UN and the Organization of African Unity. Israeli aid no longer matched the attractive promises of assistance that had been coming from the Arabs particularly Libya and Saudi Arabia. Such promises coincided with growing African disenchantment with Israel's refusal to return the occupied territories--helped along by constant Arab diplomatic efforts--and with increasing Arab support on issues of major importance to the Africans, especially the termination of white minority rule in southern Africa.

Contact Points Remain

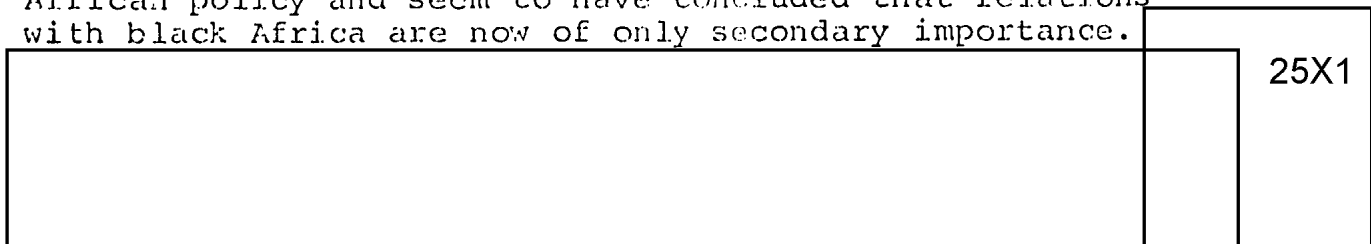
Not all of the black African states that broke relations with Israel have severed official contacts, however. Tel Aviv maintains interest sections in third-country embassies in at least three such states, Kenya, Ghana and Ivory Coast. From time to time contacts occur between high-level Israeli and African officials, particularly at the UN.

Israeli private investment and commercial activity has decreased substantially in black Africa since the October war. There is still enough of this activity, however, to give Tel Aviv a toehold in several countries, notably Kenya. On the other hand, Israel has phased out nearly all its formal assistance and the few remaining programs may be allowed to expire.

Limited Comeback Sought

The Israelis recently have taken another look at their African policy and seem to have concluded that relations with black Africa are now of only secondary importance.

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African-Arab Solidarity

Tel Aviv realizes that any comeback in black Africa will be slow, if not impossible, as long as African-Arab relations

remain reasonably close.

many African governments have become disenchanted with the paucity of aid the Arabs have provided to help overcome sharply higher energy costs. At the same time, however, Arab-African cooperation probably has been given a new boost by Arab support, particularly from Algeria, for world economic reforms that would benefit the less developed African states.

Israel and South Africa

In trying to woo at least some of the Africans back, Tel Aviv also faces the hurdle of its close identification with white-ruled South Africa. Black Africa's rupture with Israel has led to a definite warming of ties between Tel Aviv and South Africa, which has an affluent Jewish community. Within a few months after the October war, Israel upgraded its mission in Pretoria to embassy status.

In the past two years, Tel Aviv has made a vigorous effort to expand commercial ties with South Africa. The Israelis also are showing strong interest in South Africa as a potentially lucrative arms market. Israel's exports to South Africa more than doubled from 1973 to 1974. The trade balance, however, remains favorable to Pretoria, which exports sizable quantities of minerals and foodstuffs to Israel.

II. Iran and Sub-Saharan Africa

Iranian Interests

Although sub-Saharan Africa is not yet a high priority region for Iran, Tehran is beginning to devote greater attention to the area. Iran now has diplomatic relations with 22 African states, and opened several new embassies in Africa during the past year. Its most extensive ties are with South Africa. In black Africa, Tehran is concerned primarily with the countries of the Horn of Africa, the island states off the east coast, and selected West African governments.

Iran's interest in Africa is determined to a large extent by its security concerns in the Indian Ocean and by its search for reliable sources of raw materials. The Shah is especially eager to develop sources of uranium for Iran's ambitious

nuclear energy program. The Shah is also seeking to enhance Iran's prestige in the Third World by establishing closer ties with the less developed African countries.

To date, Iran has provided little grant or loan assistance to African countries and trade between Tehran and Africa is slight. In order to secure maximum benefit from its modest aid activities, Iran favors bilateral projects over collaboration with other governments in regional aid projects or with international aid institutions. Less than one percent of Iran's total imports come from Africa, three-fourths of which are from South Africa. Less than two percent of Iran's non-oil exports are destined for Africa.

Iran and South Africa

South Africa is of primary importance to Iran because of the depth of their shared economic and strategic interests. Collaboration between the two governments has increased steadily since they established official ties in 1970. Tehran keeps relations with South Africa at the consular level, however, in order to minimize criticism by black African and Arab states.

The Shah recognizes that South Africa, as an Indian Ocean littoral state and a regional naval power, has a security role in the Indian Ocean and he has encouraged ties between the two naval services. Iranian naval ships visit South African ports--including stops for overhaul--and military officers exchange visits.

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Iran has important links to South Africa's petroleum and steel industries and transport system. Pretoria's overriding concern is access to Iranian crude oil. This concern has motivated South Africa to provide Tehran with some technical assistance, including the equipping and partial staffing of a mining college in Iran. Tehran provides roughly 40 percent of South Africa's crude oil needs, and has a 20 percent interest in a major South African refinery.

Tehran looks to South Africa as a source of enriched uranium. Last April, Pretoria announced that its pilot

uranium enrichment plant had gone into operation and that South Africa would proceed with a large-scale plant that could be producing enriched uranium for industrial use

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The Horn and Africa's Island States

Few governments in this region are favorably disposed to close ties with Iran. Nevertheless, Tehran tries to monitor political affairs here closely and is alert to opportunities to influence events towards a moderate course.

Iran has good relations with Sudan and has granted that government aid in the form of a \$54 million credit for the purchase of oil. Sudan's location on the Red Sea is a key factor in the Shah's willingness to give help.

The overthrow of Haile Selassie in Ethiopia and Soviet activities and influence in Somalia are viewed by the Shah as particularly ominous developments. Tehran may be expected to keep a close watch on what happens to the former French naval base at Diego Suarez in the Malagasy Republic that Paris relinquished last May. The present Malagasy government has barred all foreign warships, including those of Iran, from Madagascar's ports.

Iran's ties with Mauritius, some 500 miles east off Madagascar, have been growing though formal relations between the two countries do not exist. Prime Minister Ramgoolam shares the Shah's interest in promoting greater economic and political cooperation among the countries of the Indian Ocean. Britain's recent decision to terminate its defense agreement with Mauritius and to close its communications facility on the island by mid-1976 could encourage closer Mauritian-Iranian relations. Iran currently supplies the island with most of its petroleum products.

West Africa

Several West African countries have been singled out for attention by the Shah either because of their mineral resources or because they produce crude oil. Senegal and Iran recently formed a joint venture firm that plans to establish a port, an oil refinery, and a phosphate mining complex. The \$250-million project is to be financed largely by Tehran. Iran will supply the refinery with three million tons of crude oil per year, while Senegalese phosphate ore is to be shipped to Iran for processing. The Iranians have held economic discussions this year with Ghana and Guinea concerning possible investment in uranium exploration and bauxite mining, but the projects are still in the talking stage.

Gabon and Angola, which is scheduled to become independent in November, have also drawn the Shah's attention. The two are respectively the second- and third-ranking oil producers in black Africa after Nigeria. Gabon, which recently became OPEC's 13th member, also has important uranium deposits.