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Africa Review

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31 October 1986

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| Africa Review | |
| Articles | |
| Zimbabwe: Movement Toward Political Merger | |
| Long-stalled unity talks between Prime Minister Mugabe's Zimbabwe African National Union (ZANU) and Joshua Nkomo's Zimbabwe African People's Union (ZAPU) have recently shown some signs of moving forward again. In the last several | spoken out in favor of a ZANU-ZAPU merger and has met with Nkomo on several occasions when unity talks appeared deadlocked. He also has sought to head off opposition to political union within his own party. |
| months, ZANU and ZAPU leaders have agreed on a name for the new party and on a party emblem. Although there is opposition to the merger within both parties and power-sharing arrangements have yet to be worked out, we believe a formal declaration of unity may be possible within the next year. | Mugabe has recently taken steps to foster an improved climate for unity talks. In August he ordered the release of 10 senior ZAPU political officials and military officers who had been arrested a year ago for alleged coup plotting. He announced that |
| For Mugabe, establishment of the new party would be a major step toward his goal of creating a one-party state. A merger—depending on how it works out—has the potential to ease deeply rooted tribal and regional tensions between the majority Shona, who largely | his government was reviewing charges against about 200 others detained on political grounds. Most important among those still in detention is Dumiso Dabengwa, a key leader of ZAPU's former military wing, who retains a large following within the party. |
| support Mugabe, and the minority Ndebele, who overwhelmingly favor Nkomo. In the near term, however, the outcome is unlikely to satisfy ZAPU militants or end armed dissidence. At the same time, any agreement is likely to intensify internal rivalries among the Shona factions, some of whom may seek to ally themselves with the Ndebele to enhance their political influence. A merger would tend to reduce the | Meanwhile, several important sticking points in the merger talks have been removed, according to the US Embassy. Nkomo has reluctantly conceded that Mugabe will head the new party and that it will retain the name ZANU. Mugabe and Nkomo have agreed that the new party emblem will include both a cockerel, representing ZANU, and two bulls, symbolizing ZAPU. |
| influence of Zimbabwe's white and other minor political parties, which increasingly are becoming politically irrelevant. | Impetus for Union |
| Recent Progress Mugabe and Nkomo, despite mutual suspicions, have expressed vague support for political unity for several years. Only since last year's parliamentary elections, however, in which ZAPU demonstrated its continuing appeal in its traditional stronghold of Matabeleland, has Mugabe clearly signaled his interest in proceeding toward unity. In the past year, Mugabe has publicly | Mugabe almost certainly views amalgamation of the two parties as consistent with his goal of a one-party state, a development that is likely to occur next year if, as we judge probable, the country's constitution is amended to eliminate provisions reserving seats in Parliament for whites. He also may believe that ZANU-ZAPU unity will reduce chronic but low-levely |

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armed dissidence in Matabeleland, which began after a major falling out between the two parties in 1982, and discourage any South African involvement with ZAPU dissidents. In our judgment, the recent deterioration in relations between Harare and Pretoria increases chances that the South Africans will look for ways—such as aiding the dissidents—to undermine the Zimbabwean leadership. In addition, Mugabe might use a merger as an excuse to shuffle the senior leadership of the ruling party and Cabinet,

and, we believe, put some ZAPU leaders in nominally important positions.

Nkomo and some ZAPU leaders probably are resigned to unity as their best hope of maintaining even a small slice of Zimbabwe's political pie.

Otherwise, they probably reason that the government would increasingly restrict ZAPU activities, further harass ZAPU members, and ultimately even dissolve the minority party. Many rank-and-file ZAPU supporters probably go along with the concept of unity because they know Nkomo has endorsed it, although they want significant concessions from the government.

Opposition to Merger

Mugabe and Nkomo will have to work hard to sell the plan to their respective parties. Some ZAPU loyalists contend that a merger would merely legitimate ZANU's dominance and forever relegate ZAPU to a subservient position. Moreover, they fear that Nkomo, who reportedly is tiring of political life, is capitulating to Mugabe so that the ZAPU leader can assume the role of elder statesman or retire in peace.

At the same time, there is opposition within ZANU from those who believe unity would undercut their tribal, regional, or personal interests. In particular, members of the Zezuru and Manyika subgroups of the Shona tribe, who now dominate the government and the ruling party, believe that the large and influential Karanga subgroup could cross tribal lines to form a powerful alliance with the Ndebele to try to deprive them of significant political power. In addition, some government officials, such as Home

Affairs Minister Nkala, privately express reservations about unity because they think it would lessen their personal influence. Nkala, who is the senior Ndebele in the present government but highly unpopular among his own ethnic group, apparently has concluded that his personal power would be greatly diluted if more Ndebeles joined the government and the ruling party.

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Zimbabwe's white and other minor political parties probably correctly believe a merger would reduce their influence further. Nonetheless, such groups appear resigned to the eventual formation of a one-party state and the fact that they will become increasingly irrelevant politically.

Prospects

We believe that a formal announcement of a merger of ZANU and ZAPU could take place within the next year if key issues are resolved. The status of remaining ZAPU detainees will have to be determined. Perhaps most important, Mugabe, with some advice from Nkomo, will have to apportion political offices to current members of ZANU and ZAPU. We expect Simon Muzenda, currently the second-ranking official in ZANU and the government, to be named first vice president of the new party and Nkomo to be designated second vice president. Similarly, it is likely that Zimbabwe will have two deputy prime ministers-probably Muzenda and Nkomo. ZAPU probably will demand several senior party and Cabinet posts, but Mugabe is unlikely to reserve many positions for ZAPU leaders, and they almost certainly will contend that they deserve more.

On balance, we believe the formation of a single party offers the potential over time to reduce strains that now exist between ZANU and ZAPU adherents. In the near term, however, the outcome is unlikely to satisfy ZAPU militants or end armed dissidence, especially if Pretoria becomes more deeply involved. At the same time, we believe that unification, at least at the outset, will foster greater competition among

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| present ZANU leaders for party and government posts. As a result, rivalries among Shona subgroups are likely to intensify. Mugabe, consistent with his past practice, almost certainly will seek to remain above the tribal and personal infighting and, to the extent possible, maintain a balance among key officials and interests. |
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Zambia: Problems With the Foreign Exchange Auction

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The danger that Lusaka will temporarily suspend or impose controls on the year-old foreign exchange auction that makes up the centerpiece of an ambitious economic reform program is growing, in our judgment. President Kaunda's heretofore vocal support for the auction may be eroding because of the current devaluation of the kwacha to about 12 cents, well beneath his goal of 20 cents. In addition, a sharp increase in inflation to more than 50 percent is spurring substantial domestic criticism of the auction system. We believe that Kaunda may use the issue of sanctions against South Africa to divert attention from economic hardship and possibly as an excuse to interfere in the auction in order to forestall further devaluation.

The growth in dissatisfaction with the weekly auction comes at a time when it is yielding increasingly positive economic results, according to reporting by the press and the US Embassy in Lusaka. Although no hard data on economic performance since the beginning of the auction are available, perceptions in some government and business circles are that a sharp improvement in the distribution and availability of foreign exchange has led to higher capacity utilization in industry and to increased labor and capital productivity. In addition, the steep devaluation of the kwacha is beginning to stimulate exports other than Zambia's export mainstays of copper and cobalt.

Auction Purposes

At its initiation, Kaunda portrayed the auction as the key element of a reform program designed to overcome the impact on the economy of falling copper prices and production and rising prices for imports. Industry data show that production of copper, which historically has accounted for roughly 90 percent of Zambian exports, has declined by more than one-third since it peaked in 1976. Falling world copper prices and rising import prices have reduced the foreign purchasing power of each ton of copper by three-fourths over the same period.

The Foreign Exchange Auction

The auction involves a four-stage process:

- Importers submit requests for foreign exchange to commercial banks, including information on the amounts wanted, the purpose, and the kwacha/ dollar bid rate.
- The banks set aside the required amounts of kwacha from the requestors' accounts and send the bids to the auction secretariat.
- The secretariat arranges the bids from highest to lowest and, at 1500 hours on Friday of each week, allocates the available foreign exchange beginning with the highest bidder.
- The secretariat publishes an official rate equal to that which exhausts the amount of foreign exchange on offer that week, but each bidder pays the rate that he bid.

After trying a series of devaluations through early 1983 followed by a system of basing the value of the kwacha on the exchange rates of major trading partners, Kaunda decided—at IMF (International Monetary Fund) urging—to try the auction in order to let market forces set the exchange rate. Reporting by the US Embassy and the IMF indicate that the objectives of the auction were to eliminate overvaluation as an obstacle to improving Zambia's competitive position in world trade and as the incentive for a thriving black market in foreign exchange in Zambia. More broadly, the auction was to be the key element in a program designed to reduce Zambian living standards to match the reduction in foreign purchasing power because of the decline in copper.

Positive Results

Following a dramatic devaluation from 45 cents to 20 cents in the first week's auction on 11 October 1985, the exchange rate has drifted down to about 12 cents.

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The principal immediate impact in October-November 1985 was virtually to end the black market, where traders had been able to purchase about 11 or 12 cents per kwacha before the auction.

Other positive results have been slower in coming and less clear-cut. The devaluation was instrumental in improving the bookkeeping picture of Zambia's copper mining conglomerate—Zambian Consolidated Copper Mining (ZCCM)—from a loss of 96 million kwacha (K96 million) from April to September 1985, to a K40 million profit between October 1985 and March 1986. At the same time, however, the devaluation was the main factor behind an increase of K3.2 billion in the local currency valuation of ZCCM's foreign debt, according to reporting by the US Embassy in Lusaka. ZCCM's heavy dependence on imported capital and operating inputs, moreover, sharply reduces the impact on the company's economic performance of the improvement in its financial picture in terms of local currency.

Zambian businessmen and farmers feel that a sharp improvement in the fairness with which foreign exchange is distributed represents a major plus for the auction, according to US Embassy reporting. Capacity utilization, capital and labor productivity, and exports other than copper all are beginning to increase because of the improved availability and distribution of foreign exchange and the positive impact of the devaluation on profitability, according to foreign press articles. The improving business climate may weigh in positively in a pending decision by H. J. Heinz, Inc., according to US Embassy reporting, about whether to undertake a large investment in Zambia.

Problems anticipated by opponents in operational aspects of the auction have not materialized. Statistics showing that less than one-fifth of auction funds have been spent on imports of consumer goods have countered fears that capital goods importers would lose out in auction bidding to well-off Zambians buying luxury goods. The Foreign Exchange Auction Committee has carried out its weekly task of deciding which bids to accept and which to reject without evidence of corruption.

Exchange Rate Problems

The principal auction problems have revolved around government efforts to prop up the exchange rate. Repeated comments in speeches by Kaunda and Bank of Zambia head Leonard Chivuno, who chairs the auction committee, reflect their feelings that the exchange rate should be maintained at no less than about 20 cents. One tactic used a number of times to support the rate has been to change the requirements for documentation of bids, thus reducing the number of successful bids until bidders mastered the new procedures. In July this ploy temporarily yielded a 20-cent exchange rate—up from 12 cents in prior weeks.

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Lusaka's longer term strategy to boost the exchange rate, however, has been to overfund the auction at the expense of alternative priority requirements for foreign exchange. Funding averaged almost \$11 million a week during the period from August to mid-October, well in excess of the \$5 million originally budgeted. The diversion of funds to the auction by Lusaka has been one reason for serious shortfalls in foreign exchange allocations for ZCCM, which by mid-September had received only \$70 million of the \$320 million that had been budgeted for 1986, according to US Embassy reporting. In August, the Bank of Zambia diverted funds to the auction from a foreign commercial bank loan that had been taken out to pay arrearages owed to the IMF.

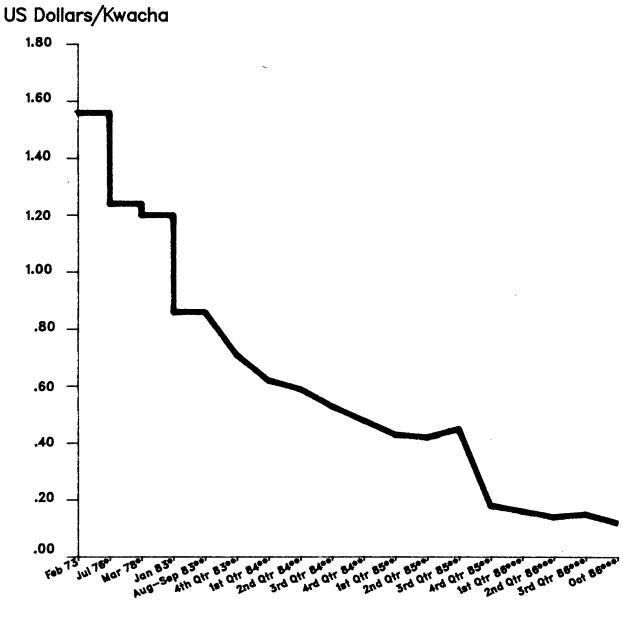
The most recent tactic by the Bank of Zambia to boost the exchange rate has been to promise more foreign exchange in each auction than has been available. As a result, the bank has fallen four to five weeks behind in providing funds to successful auction bidders, according to US Embassy reporting.

Auction Prospects

Despite statements of support by Kaunda, the danger that Lusaka will suspend the auction temporarily or impose controls on the exchange rate probably is increasing, in our judgment. The basic issue is whether the government will be willing to let the exchange rate continue to fall enough to offset

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Zambia: Exchange Rate Decline



^{*} Devaluation

*** Auction

^{**} Tied to a selected group of Foreign currencies

declines in copper production and in Zambia's terms We believe, however, that strong IMF, US, and other of trade until alternative exports are developed. Both foreign support for the auction will prevent Kaunda Kaunda and Chivuno are already frustrated by their from abandoning the auction or halting it for any inability to halt the decline at 20 cents. Despite lengthy period. Roughly half of the foreign exchange overfunding by Lusaka, high demand for foreign that has flowed through the auction over the past exchange in comparison with the amounts that the year—about \$350 million—has been provided by Bank of Zambia has agreed to disburse has depressed foreign donors. Abandoning the auction would further the rate to about 12 cents in recent weeks. jeopardize prospects for new IMF support that 25X1 already is threatened by Lusaka's failure to meet Prospects for development of alternative exports on a budget targets in last year's IMF program. 25X1 scale sufficient to offset the decline in copper any time 25X1 soon are poor, in our judgment, because of Zambia's uncompetitive capital and labor resource bases outside the copper industry. Although a project funded by the World Bank is under way to slow the decline in mining output, preliminary data indicate that copper production will be down to about 460,000 tons this year, from 479,000 tons in 1985. 25X1 Inflation resulting in part from the impact of devaluation on import prices is cited by opponents as the main drawback of the auction. Inflation has jumped to an annual rate in excess of 50 percent since the beginning of the auction, according to US Embassy reporting, compared with about 20 percent earlier. Although we believe that inflation probably stems as much from nonauction-related economic reforms such as government removal of subsidies and price controls, the auction has high visibility as a political target because of its weekly recurrence and the high consumption by relatively well-off government officials of now more expensive imported goods. 25X1 Kaunda's push for sanctions against South Africa may offer a cover to interfere in the auction. Kaunda hopes to protect the government against popular resentment at growing economic hardships by focusing attention on the external threat posed by sanctions and by asking for special treatment by the international community because of sacrifices Zambia must make to help others in the region, Similarly, Kaunda 25X1 might argue that interfering in the auction process is unavoidable because of external factors beyond Lusaka's control. 25X1

Liberia: The Military

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| One Year Later | | 25X1 |
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| President Doe has moved to consolidate his grip on the military since the unsuccessful coup attempt by former commanding Gen. Thomas Quiwonpka last November. A review of US Embassy reporting indicates that Doe has purged suspected dissidents and expanded the number and influence of troops belonging to his Krahn tribe. These kinsmen now appear to control key units in the capital and serve as his bodyguard. In our view, in the near term the military is unlikely to challenge Doe, but chronic pay arrears and tribal animosities are likely to continue, fueling tensions among both officers and enlisted men. Moreover, should the financially strapped government be unable to pay the units responsible for Doe's safety on time, the President's ability to counter either civilian or military challenges may be tested. The Coup Attempt and Its Aftermath Quiwonpka's 12 November coup attempt demonstrated that Doe had, at best, a narrow base of support in the 6,500-man Liberian military, in our view. According to US Embassy reporting, Quiwonpka's 35-man group quickly seized Monrovia's two key radio stations, prompting sympathetic responses from the Coast Guard and Army troops at Barclay Training Center, located just outside | agree with the US Embassy's assessment that Doe could not risk massive dismissals without fueling political tensions. Last June, Doe unconditionally pardoned nearly 150 soldiers, and the Embassy believes that all troops detained last year have been released. The Senior Ranks US Embassy and that Defense Minister Allison and Chief of Staff Dubar—key advisers to Doe—would like to retire soon. The US Embassy reports that Allison, more "a plodder than an innovator," has often swayed Doe from irrational decisions. Western observers also credit Allison with instilling a degree of discipline in the Army. Dubar, who suffers from hypertension, also has sought to make the military more professional, but he reportedly wields little influence over midlevel officers and enlisted men, In our view, although Doe will temporarily be hard pressed to replace Dubar and Allison with officers of similar stature, the retirements may offer opportunities for disgruntled midlevel officers. | 25X1 25X1 25X1 25X1 |
| Monrovia. | US | 25X1 25X1 |
| | Embassy and | |
| during the early stages of his attempt. Doe's vulnerability was underscored when six insurgents held elements of the 800-man EMG at bay for more than six hours. | fellow Krahn who rallied his troops during the coup attempt, has daily access to Doe. | 25X1 25X1 |
| Contrary to public expectations, Doe did not launch a massive purge of suspected military dissidents, but sporadic reprisals against Quiwonpka sympathizers occurred in late November. | Divisive Issues Tribal Rivalries. Although Quiwonpka's coup attempt was not tribally based—only a few members belonged to his Gio tribe—it highlighted the divisive nature of Liberia's ethnic rivalries. | 25X1 |
| , about 200 persons were arrested and 134 others were dismissed for alleged involvement in the coup attempt. | while a majority of the Coast | 20/1 |
| in reprisals immediately after the coupattempt, temporarily heightening tribal tensions. We | | 25X1 |

| Guardsmen who rebelled belonged to the Kru tribe, | According to defense attache sources, the Guard | |
|---|---|---------------|
| Gio officers assigned to the 1st Batallion performed | remains his most loyal unit. Moreover, | 25X1 |
| well in support of the regime. Nonetheless, some non- | some EMG soldiers claim they will | |
| Krahn soldiers resent their lack of representation in | never let civilians take power if Doe steps down, | 25 X 1 |
| the senior officer ranks and Krahn domination of | probably because they fear their loss of influence. | 3 |
| Army units in Monrovia, according to the US | Although their morale is generally thought to be | |
| Embassy. however, that | good, | 25X1 |
| Kpelle and Loma tribesmen still constitute the | are jealous of Doe's personal bodyguard unit, | 20/(1 |
| majority in the Army. For their part, Krahn soldiers | believing that it receives better equipment and higher | |
| believe their defeat of Quiwonpka's forces was a | pay. | 25 X 1 |
| "tribal" victory, | | 25 X 1 |
| | Doe also depends on his predominately Krahn 100- | 25X1 |
| | man bodyguard force, the Special Anti-Terrorism | 20/(1 |
| Since the failed coup attempt, Doe has bolstered the | Unit (SATU) for security, but its troops are | 25 X 1 |
| role of his fellow Krahns, and is creating "an army | occasionally ill-disciplined, and some are probably not | 25/1 |
| within an army," | loyal to the government. Billeted on Executive | |
| of the four | Mansion grounds, SATU answers only to Doe, | 25X1 ∠⊃∧ |
| key batallions—1st, 2nd, 6th, and the EMG—are | although EMG commander Smith reportedly is | |
| Krahn, and Krahns increasingly dominate the officer | responsible for the unit. | 25 X 1 |
| corps. some 45 | at least one SATU member was dismissed for | 25X1 |
| percent of the Liberian military is Krahn, and the | participating in the Quiwonpka coup attempt, and | |
| tribe holds 80 percent of key military positions. | last April 45 members | 25 X 1 |
| last summer | were transferred to border posts because of | 25 X 1 |
| nearly 500 Krahns were recruited—outside of normal | questionable loyalty. | 25X1 |
| channels—and they will be placed in units in | | |
| Monrovia following basic training. | Outlook | 25 X 1 |
| | In our view, the coup attempt and its aftermath have | |
| The Pay Issue | heightened tribal tensions, but the non-Krahn elements in the Army—increasingly stationed outside | |
| The government's continuing inability to pay the | the capital—cannot easily launch a successful coup | |
| military on time may also erode its support for Doe. | attempt. Moreover, a survey of US Embassy and | 05)/4 |
| morale | defense attache reporting does not identify an officer | 25 X 1 |
| generally remains low, and grumbling over pay arrears ranging from two to four months is fairly | of Quiwonpka's stature who could generate | |
| | widespread support to challenge Doe. The military | |
| dominated 1st Batallion and the | almost certainly will continue to suffer from ethnic | |
| EMG before other units. Dissent is likely to increase | bickering, poor organization, flagging morale, and | 25 X 1 |
| if Doe goes ahead with plans—announced in | pay arrears. For the near term, Doe can probably rely | |
| August—to make deductions from the salaries of all | on key Army units to remain loyal in the face of | |
| military personnel to pay for repairs on workshops and | relatively limited urban unrest. If Doe, however, fails | |
| aircraft hangers, | to pay these heavily Krahn units on time— | 25 X 1 |
| unorare nangero, | particularly the 1st Batallion and the EMG—his | 25X1 |
| | ability to stay in power could be challenged by | 20/1 |
| The Praetorian Guard | disgruntled junior officers or enlisted men. | 25X1 |
| For the near term, Doe will continue to rely on his | | |
| Krahn-dominated EMG to keep him in power. | | 25 X 1 |
| . The second of | | |
| ¹ The Kpelle make up some 20 percent of the population and the Loma 6 percent. The Gio and the Kru each amount to 8 percent, | | |
| while Doe's Krahn tribe is less than 5 percent, according to US | | |
| Embassy reporting. | | 25 X 1 |
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| and Cuba | | 25 X 1 |
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| Uganda: Sputtering Relations With the USSR, East Germany, and Cuba Uganda's relations with the Soviet Union and its East German and Cuban allies have improved marginally since President Museveni took power last January, but the two sides still appear somewhat wary of each other. In the eyes of Museveni and his National Resistance Movement (NRM), the USSR remains suspect because of its previous close ties to the former regimes of Idi Amin and Milton Obote. Kampala also appears frustrated with Moscow's failure to be more cooperative with the NRM government and with the Soviets' deflection of Ugandan requests for debt forgiveness and military assistance. East Germany and Cuba have tried to breathe new life into their relations with Uganda, but they have little to show for their efforts. Although Museveni espoused Marxist rhetoric as a student at the University of Dar es Salaam in the late 1960s, and some NRM training manuals are marked by socialist jargon, Museveni does not appear to place a high priority on quickly improving relations with the Soviet Union and its allies. On the contrary, his government has pursued more vigorously its frequently contradictory ties to regional neighbors, Libya, and the West. In our judgment, Museveni is likely to continue this approach as long as his government is able to keep regional relations on an even keel, to obtain sufficient military assistance from Libya, and to acquire enough developmental aid from the West. Political Relations Museveni's seizure of power apparently caught the Soviet Embassy in Kampala by supprise and initial. | Moscow had "no close friends" in the NRM government Although Soviet officials in Kampala made regular visits to NRM political education camps in March and April to discuss socialism and show Soviet films, this practice ended abruptly in early May when a senior NRM official refused to sanction further visits and stated that his government did not want the Soviets meddling in the training facilities. In May the Soviet Embassy sponsored a meeting of the Ugandan-Soviet Student Union that was attended by Soviet-educated Ugandans and NRM officials, The keynote speaker, Rehabilitation Minister Kirunda-Kivejinja, however, stunned his hosts by attacking Moscow for its past support of the Amin and Obote regimes and its failure to send Soviet officials to devastated rural areas—as Western capitals had done—to assess the damage and determine recovery needs. Foreign Minister Mukiibi echoed Kirunda-Kivejinja's remarks. Despite these criticisms, a brief prepared in mid-October by the Ugandan Foreign Ministry for Museveni's first meeting with the new Soviet Ambassador ignored problems and stressed the positive. | 25X1 25X1 25X1 25X1 25X1 25X1 25X1 |
| Museveni's seizure of power apparently caught the | | 25 X 1 |
| Soviet Embassy in Kampala by surprise, and initial | | |
| contacts between the two sides were slow to get under | | |
| way. | | 25 X 1 |
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| Management | | |
| Moscow was concerned that Museveni appeared to be | | |
| under Western influence, and in mid-February a | | |

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Soviet Embassy officer in Kampala stated that

| | Military Assistance Despite high-level Ugandan appeals, the Soviets thus | to Cuba for training in August, but Havana sent 21 back the next month when they tested positive for | |
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| | far have refused to provide new military assistance, in part, we believe, because of an outstanding \$31 | AIDS. | 25 X 1 |
| | million debt for military aid acquired by Amin in the 1970s. In 1983 the Soviets reportedly agreed to cancel | Economic and Developmental Assistance Soviet economic and developmental assistance has been minimal, as well, and there is no evidence to | 25 X 1 |
| | interest on the debt in exchange for a pledge by the Obote government to pay off the debt with 15 equal yearly installments beginning in 1990, | suggest that Moscow plans to be generous in the near term | 25X1 ' |
| | | the USSR has offered its customary portfolio of approximately 100 scholarships for college and trade | 25 X ′ |
| | | union training, technical assistance to renovate an old Soviet spinning mill project and an agricultural | 25X ² |
| | In August Ugandan Minister of State for Defense Bata led a delegation to Moscow to seek credits that would enable Kampala to purchase a wide variety of | college, and a few outdated printing presses. | 25X1 25X1 25X1 |
| 25 X 1 | Soviet military equipment, including artillery, helicopter gunships, mortars, armored personnel carriers, and Strella missiles, | | 25 X 1 |
| 25X1 | about a month later a | The Soviets have provided limited medical aid. approximately a dozen Soviet doctors work at hospitals in Kampala | |
| 25 X 1 | Soviet military delegation met with Museveni in Kampala to request that Uganda begin making payments on the military debt accrued by Amin. | and Busia on the Kenyan border. the Soviets donated some four tons of medical supplies to Uganda last April. | 25X ² |
| | payments on the minutary debt accrude by 71mm. | tono of medical supplies to a gamenta of | 25X ² |
| 25 X 1 | | Although there have been no concrete moves, the Soviets may be | 25 X 1 |
| 25X1 | We believe that Soviet reluctance to assist Uganda | interested in exploiting Uganda's mineral resources. Moscow is urging | |
| 25X1 | militarily also is tied to Moscow's concern about Museveni's staying power. The US Embassy in | the signing of an agreement on iron and tungsten, the Soviets are anxious to implement a dormant agreement on mineral | 25 X 1 |
| | Kampala reported that, just before the arrival of the Soviet military delegation last September, a midlevel Soviet diplomat stated that the Soviet Embassy | exploration initialed during the Amin era. | 25X1 25X1 |
| | believed security was deteriorating and Museveni could be losing his grip. | Soviet-Ugandan trade has been inactive since Obote's | 25X1 |
| | As with the Soviet Union, neither East Germany nor Cuba appears prepared to become more deeply | political demise in July 1985, and neither party appears seriously interested in restoring a significant trade relationship in the near term. Although Uganda | 25 X 1 |
| | involved in providing military assistance to Uganda. Although | has concluded barter agreements with East Germany and Cuba, there has been virtually no actual trade, and the agreements themselves have been thrown into | 25 X 1 |
| | | question. Museveni ordered his staff to curtail implementation of the arrangement with East Germany when he | 25 X 1 |
| | Uganda transported 77 soldiers | | 25 X 1 |

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| learned that the East Germans allegedly had overpriced their products by a factor of two to three. | Western donors. Nonetheless, faced with deteriorating security and economic decline, Museveni is likely to hold open all channels to | 25X1 |
| | potential aid donors and almost certainly would welcome any assistance offered by Moscow. | 25 X 1 |
| Uganda is unhappy with the terms of its barter deal with Cuba. Ugandan officials, for example, belatedly realized that the barter of coffee between two | | 25 X 1 |
| signatory states of the International Coffee Agreement is illegal, and that, because both Uganda and Cuba are signatories and coffee is Uganda's only substantial export crop, the entire agreement is | | |
| unworkable. Moreover, many of the agricultural products Cuba wished to export to Kampala are abundant in Uganda. As a consequence, Ugandan | | |
| officials reportedly plan to ignore the arrangement concluded in July. The US Embassy in Kampala | | |
| reported that a resident Cuban diplomat also has expressed skepticism that Uganda will abide by the | | |
| terms of the accord. | | 25 X 1 |
| Outlook | | |
| Uganda's relations with the Soviet Union and its allies | | |
| show no signs of a quick turnaround. Barring a major | | |
| upheaval in Uganda or a fundamental reordering of | | |
| regional relationships in East Africa, neither | | |
| Kampala nor Moscow seems likely to alter its views of the other. Moscow, for its part, shows little inclination | | |

For his part, Museveni generally has made cultivation of good relations with the USSR no better than his fourth foreign policy priority, ranking Moscow below his efforts with Libya, regional neighbors, and

transitory political advantage

to atone for its sponsorship of Amin and Obote by helping Uganda's moribund economy get on its feet or helping Museveni assert control throughout the countryside by providing military assistance. In our judgment, the Soviets probably view Uganda as a chronically unstable political backwater that is not worth the expenditure of significant resources. Moscow apparently believes that deeper involvement now would create many headaches for negligible and

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Africa Briefs

| Zimbabwe | Media Crackdown | 2 |
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| | The Mugabe government gradually is tightening its control over the Zimbabwean media, according to the US Embassy. Information Minister Shamuyarira—one of Zimbabwe's most pro-Soviet Cabinet ministers—lashed out last month at editors of the Financial Gazette, the country's only major independent newspaper, warning of "drastic action" if editorials continued to reflect alleged bias toward the United States, the United Kingdom, and South Africa. The Minister reportedly was particularly upset by an article pointing out the costs to Zimbabwe of imposing sanctions against South Africa. Earlier this year, the government threatened to detain three Zimbabwean journalists—who then fled the country—for writing articles the government found objectionable. Harare also recently announced a ban on manufacturing or using private television dishes, which could be used to receive foreign broadcasts. | 2 |
| | In our judgment, the trend toward greater curbs on the media is likely to continue and in part reflects Prime Minister Mugabe's efforts to extend his control over more aspects of Zimbabwean political life. Zimbabwe's five principal English newspapers and one vernacular paper already are largely government controlled, and Shamuyarira may now attempt to bring the Gazette under direct government supervision. Television and radio stations have been wholly government owned since independence. | 2 |
| | | 2 |

Declassified in Part - Sanitized Copy Approved for Release 2011/12/28: CIA-RDP87T00289R000301510001-9 Secret 25X1 25X1 **Political Maneuvering** Liberia President Doe's decision in September to lift the ban on the United People's Party (UPP)—Liberia's most popular opposition party—has prompted the other parties to quietly resume talks with the regime in order to salvage some influence. These parties-the Liberian Action Party, the Liberian Unity Party, and the Unity Party-probably realize they will lose political leverage if they fail to gain either Cabinet posts or legislative seats. The US Embassy reports that talks between the government and the parties, which collapsed in late June, were revived in September under the auspices of nonpartisan "goodwill ambassadors" and UPP the parties have chairman Baccus Matthews.... 25X1 given up their longstanding demands for new presidential and legislative elections, as well as one-half of the Cabinet posts. 25X1 ruling party insists that the parties must agree to "respect" the President, stop criticizing the economic situation, and refrain from "false allegations" if the talks are to succeed. 25X1 The three opposition parties have failed to rally Liberians against Doe. The parties participated in elections one year ago and formed the Grand Coalition last March to pressure Doe into resigning, but they lack a strong charismatic leader and a coherent strategy, US Embassy reporting indicates. The Coalition, which was declared illegal on 31 May, failed to capitalize on labor unrest during the spring. Moreover, since Doe's decision in June to grant amnesty to all those charged in the Quiwompka coup attempt, the parties have been unable to find a credible issue to attract public support, and have failed to offer an alternative program to solve Liberia's economic ills, according to US Embassy reporting. 25X1 We believe the opposition parties may undergo internal leadership and strategy changes in the next few months. A survey of US Embassy reporting indicates that the Liberian Action Party is in disarray. The party's nominal leader, Jackson Doe, has played only a minor role during the past year, and Ellen Johnson-Sirleafprobably the party's most prominent member-fled to the United States in

| | September. According to US Embassy and press reporting, some Liberians regard Unity Party leader Kesselly as an unscrupulous opportunist who is ineffective as the Coalition's chairman. The Embassy also reports that younger party leaders disagree with his strategy and have called for a civil disobedience campaign against Doe. Embassy reporting also indicates that younger members of the Liberian Unity Party are disenchanted with their leadership. | 25 X 1 |
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| Comoros-France | Prime Minister Chirac's Visit | 25X1 |
| | French Prime Minister Chirac's visit to Comoros last month probably has at least temporarily boosted President Abdallah's domestic standing but, in our view, did little to resolve longstanding bilateral issues. Although Chirac's visit—his first to Comoros since he became Prime Minister last March—appears to suggest that Paris will continue to back Abdallah's shaky autocratic regime against a fledgling opposition, Chirac quashed Abdallah's hope of obtaining increased French financial assistance, now about \$15 million annually. Chirac, however, did pledge additional technical assistance and some funding for infrastructure projects, according to the US Embassy. | 25X1 |
| | In our judgment, Abdallah also will try to capitalize on the continued uncertainty in Paris over the status of the island of Mayotte, administered by France but claimed by Comoros. Despite pressure from both Mayotte's inhabitants and some French officials to incorporate the island as a department in the French Republic, the US Embassy reports that Chirac told an audience during a brief stop in Mayotte that a referendum on the status of the island will be postponed. In our view, Abdallah is likely to continue to use his opposition to departmental status for Mayotte to rally domestic support and distract the populace from more immediate | |
| | concerns, including the declining economy, corruption, and nepotism. | 25X1 |

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