MEMORANDUM

NATIONAL SECURITY COUNCIL

CONFIDENTIAL

September 29, 1976

MEMORANDUM OF CONVERSATION

PARTICIPANTS:

President Ford

Dr. Henry A. Kissinger, Secretary of State William E. Simon, Secretary of Treasury

George Bush, Director, Central Intelligence Agency Bipartisan Congressional Leadership (list attached)

DATE AND TIME:

Tuesday, September 28, 1976

8:00 - 9:05 a.m.

PLACE:

The Cabinet Room

The White House

SUBJECT:

Report on Secretary Kissinger's Negotiations in

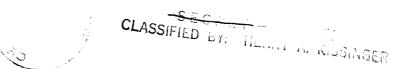
Southern Africa

The President: Thank you all for coming today. While I would also like to discuss certain legislative matters, I think it would be useful to first have a report on the recent negotiations undertaken by Secretary Kissinger in southern Africa. What we are trying to do in this complex, complicated area of the world is good for the United States and good for the people of southern Africa. And, too, there are the broader ramifications of the international implications. Henry has just spent about ten days in Africa and in my view has done a first-class job. While the situation is far from settled, I thought you needed an update so that you are fully briefed before you go home. Henry?

<u>Secretary Kissinger</u>: I think it would be useful if George Bush first gave an intelligence report.

George Bush: This is the intelligence report which I gave the President and Secretary Kissinger before the trip. Assuming nothing were done it was our assessment that it would be 1978, at the very maximum, when we would witness the end of white control of Rhodesia by force. The Black

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Governments which would emerge from the conflict would be more attuned to communist influence than governments brought about through negotiation. The Rhodesian Government was already under siege and the radical governments which we saw emerging from the violence would be beholden to outside communists.

There was and is increasing pressure on the Rhodesian government. While we believed they could hold out for the rest of the year, there would be escalating violence and continued incursions from Mozambique and surrounding countries. There was also the possibility of involvement by Cuban personnel and support of Soviet arms. Communists were already providing aid to insurgents.

We believe the front line governments - Mozambique, Botswana, Tanzania and Zambia - have played a restraining influence. We believed they want negotiations. However, if the situation remained unsettled and if asked by Mozambique, it was our assumption the Soviets and Cubans, and perhaps Chinese would respond. And as insurgents incurred into Rhodesia there would be pressure on South Africa to aid Rhodesia which would bring reaction from the neighboring governments.

The end result would be a bloody conflict resulting in Black rule no later than 1978. And as the emergent Black governments are expected to have a communist tilt, this would be harmful to the interests of the United States.

Secretary Kissinger: I wanted you to know the intelligence estimate on which we have been operating all this year. That is, that the whites in Rhodesia will be overthrown within two years. There is also the risk that South Africa would be forced into the conflict by public opinion. It is our view that communist intervention would then be certain. Moreover, the only way Rhodesia can defend itself is through incursions along neighboring borders. These countries will respond by asking for communist aid. The now moderate states will find guerrillas within their borders which will tend to radicalize their countries. These increasingly radicalized countries would then surround Zaire and could lead to an entire bloc in southern African hostile to the United States.

There has been support of our efforts by the moderate states. They know the potential impact of another foreign intervention. The issue goes far beyond the questions of Rhodesia or South West Africa. The impact extends elsewhere -- to the Middle East -- where a successful resolution of the situation of southern Africa by force will not be lost on the countries there.

The basic difficulty in this negotiation has been timing. The timing outlined by George Bush meant that I could not delay. The rainy season will begin in November. At that time, we can expect an escalation of hostilities.

The difference between the negotiations here and the Middle East is that in the Middle East there were two parties who had an agreement in principle. In southern Africa we have four front line states plus Angola. Among these five there is considerable distrust amongst each other. We also have four liberation movements which are severely divided.

We have tried to offset potential Soviet influence through an ordinance of self denial. We have said we would stay away from the liberation movements if they would keep the Soviets out. The Soviets have been putting on pressure to be able to aid and equip the liberation movements.

Our assessment of the situation in southern Africa is confirmed by the other governments, particularly South Africa and Rhodesia. When I met with Ian Smith I took him aside and asked him "Tell me if you think you will be better off next May if we do nothing". He responded that he could not say that -- he said things would be worse by then.

You must also understand that what the Black African leaders say to me privately is far different from what they say publicly. They say privately we want you to see what you can do. At the same time they make strong public pronouncements.

The settlement which has been put forth arose from British principles -British constitutional principles. When it was determined we could not
wait, I got in touch with the British. They had a plan for the transfer of
power in Rhodesia. I also got in touch with South Africa and asked them
whether they were ready to assist in this process. The South Africans
had the same interest we had. A negotiated transfer of power is in the
interests of the moderate blacks and South Africa. Understand there was
no deal made with South Africa for their participation -- no quids.

The British engaged in the drafting of a constitutional structure and a plan for the takeover of rule by Black leaders. Five missions, American and British, traveled throughout Black Africa trying out the ideas of this structure and plan. The basic approach was accepted.

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There were two choices in negotiating with Ian Smith. To get an agreement in principle on the concepts of majority rule and transition government leaving the negotiation of details to later. We were afraid this wouldn't work -- that when it came later to details, efforts would be made to blow it up. The second choice, which we adopted, was to make a synopsis of the British papers (on constitutional structure and transfer of power) and commit Smith to this process. This achieved a framework for negotiation on the fivepoint formula set forth by the British.

The five points, which Smith agreed to, I took to Presidents Nyrerere and Kaunda and asked them whether or not to go ahead -- whether or not I should tell Smith to delay his announcement. They said go ahead.

Last Sunday the five Presidents met in Lusaka. You have all read the lurid stories that the Presidents rejected the proposed settlement. This is not true. They have accepted the concepts. It was our fear that the radicals would demand a constitutional conference first, with the view this would take a year and a half and the fighting would continue in the interim. We want a transitional government first. What we are doing is urging the British to call a conference on the transitional government first and then a constitutional conference will follow.

I think the Black leaders in their public statements reflected that a Black cannot agree to anything offered by a white like Ian Smith and also that they may desire some changes in the details of the settlement.

Our biggest problem now is to keep the hardliners in Rhodesia from blowing it up and to keep the Black radicals from blowing it up. Concluding the issue is up to the British. The United States has no legal standing in Africa. For the British to call a conference quickly is the best.

Do not be concerned by the inflammatory statements you read in the press. Key African leaders are prepared to go ahead quickly with a conference (Tanzania, Zambia, Botswana). There is a good possibility for a moderate Rhodesian government, with safety for the minority. Nevertheless we will still have some hairy moments.

In respect to South West Africa there has also been major progress, though it has been quieter. South Africa has agreed to a constitutional conference to determine the future of South West Africa. We are in the process of negotiating with South Africa, local forces, and other governments to get a conference going in the United Nations. The United Nations is the agreed forum. One problem is that Angola is involved. Nevertheless South Africa has agreed to transfer power.

The President: Let me review with you the options we had. We could either do what Secretary Kissinger did or do nothing and get foreign intervention in southern Africa and a bloody war. We had the opportunity to move constructively despite the risks -- and the risks were high -- or let the inevitable, which George described to you, happen. There is progress -- and I am perhaps more optimistic than Henry -- which is in our interest and theirs in southern Africa.

Senator Scott: Isn't there one objection to holding the conference in Rhodesia?

<u>Secretary Kissinger</u>: This is true. The Rhodesians want it in London. Others most anywhere other than Rhodesia. It will probably be in Livingston which is in Zambia.

Let me take this chance to reiterate there are no secret commitments -none whatsoever. We have, however, been engaged in two study papers:
one on the look of the future Rhodesian government and another on economic
assistance. These are ongoing.

Senator Case: Did Smith insist on the lifting of sanctions.

<u>Secretary Kissinger</u>: Yes, he wanted them lifted right away. However, this will occur when the interim government is established and there is a black Prime Minister. He will then ask that the sanctions be lifted.

Representative McFall: In respect to the study on economic aid, will this be unilateral US assistance or multilateral.

Secretary Kissinger: It will not be unilateral. While nothing is yet definite (studies are not yet concluded) we envision something like a trust fund which will be used in part for investment in Rhodesia and in part as an insurance fund for people forced to leave. We would hope to get private contributions and, as well, funds from other governments. The amounts whites could draw from the insurance fund would be geared to how long they were to stay.

Representative McFall: Before Smith can sell all this to his people he must have to be able to tell them something about what they will get for their land.

Secretary Kissinger: There are no conditions on the settlement. Everything will go ahead before. They do, however, know we are undertaking a study.

Representative McFall: Then do you see this as a multilateral bank?

Secretary Kissinger: In a way. We believe the longer the whites stay the better for all -- the more viable the nation will be for the future. If the new government drives the whites out, the economy will collapse. In any event, they cannot drive them out for two years. This will be during the interim government in which the whites will still have a strong influence. After that the more whites who stay, the more money will be available for investment (rather than compensation).

Representative McFall: How much American participation is envisioned?

Secretary Kissinger: This is hard to quantify since nothing is definite. Over a five-ten year period the South Africans have used a figure of \$1.3 billion. This is their figure, not ours. We could guess the British would contribute 20-25%; the French maybe 10%. Perhaps the United States would give \$300 million. We hope for as much as possible from private sources.

In fact, Senator Javits told me he has had discussions with a private group putting together \$500 million for Black Rhodesians to enable them to vote under the current law there. If the amount is right it is substantial.

Senator Griffin: Will the British be picking up the ball now?

Secretary Kissinger: The British are moving but they tend to move in a bureaucratic way. We need someone to take charge and say this is it. Otherwise people will ask for more. But the British do have a source of legitimacy in Africa. Once a conference can be put together, it would take about 4-6 weeks to complete its work.

Question: Have you spoken with the Germans and Japanese?

Secretary Kissinger: I have not yet spoken with the Japanese, however I will be having breakfast with the Japanese Minister tomorrow. I have spoken with the Germans and they are supportive. They have not made any aid commitment because they want to save their contribution for aid to Southwest Africa. That is a former colony where many German settlers still remain.

The rest of the meeting turned to discussion of pending legislation. During this discussion, the Speaker mentioned the importance of congressional action on the stock disposal bill (defeated under suspension of the rules). Senator Griffin indicated the Senate would pass the conference report on the foreign aid bill today. Secretary Simon interjected the need for the Senate to pass the Bretton Woods Agreements act. Senators Byrd and Sparkman commented on the fact Senator Proxmire was holding this bill hostage to final action on the Export Administration Act Bill with its boycott provisions. Simon reiterated his view that boycott legislation is no more than Congress legislating higher crude oil prices.



The President

The Secretary of State

The Secretary of the Treasury

The Director of the Central Intelligence Agency

The Administrator of the Federal Energy Administration

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Doc Morgan
Bill Broomfield
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NATIONAL SECURITY COUNCIL

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CONFIDENTIAL ATTACHMENT

ACTION September 29, 1976

MEMORANDUM FOR:

BRENT SCOWCROFT

FROM:

CATHY deSIBOUR

SUBJECT:

Meeting with Bipartisan Leadership

Tuesday, September 28, 1976

Attached for your review is a Memorandum of Conversation drawn from my notes of the President's meeting with the Bipartisan Leadership which was held on Tuesday, September 28, 1976

RECOMMENDATION

That you review and approve the Memcon at Tab A.

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