To: The Deputy Secretary

From: AF - David D. Newsom

Proposed Closing of Kagnew Station

The Defense Department has proposed in its April 17 letter to you to close the Kagnew Communications Station at Asmara, effective June 30, 1974, four years before our agreement with the Ethiopian Government is due to expire and two years earlier than the 1976 close-out date we have previously anticipated based on the letter to the Department which you signed January 25, 1973, while still at the Defense Department.

I have serious reservations about an early and abrupt termination of the Kagnew facility in view of our long-standing close relationship with Ethiopia. It would be an unwelcome and disquieting development in Ethiopian eyes and would probably be regarded by the Emperor and his Government as foreshadowing a significant lessening of United States interest in and support for Ethiopia at a time when that country is facing a troubled and uncertain future. Any announcement about closing Kagnew coming just at the time of the Emperor's call on the President (which has now been approved, probably for May) and during the OAU tenth anniversary celebration would be especially unfortunate.

In the view of this Bureau, the removal process should be phased over a period of sufficient length to enable us to carry it out in a way that will quiet the Emperor's concerns, preserve our relationship with Ethiopia and obtain the maximum advantage in the Horn of Africa.

During a meeting with Defense Department representatives April 26, I expressed the Bureau's concerns, including the...
desirability of postponing any decision on Kagnew until a reply to a NSSM on the Horn, which the NSC is about to request, has been completed. The Defense representatives' primary preoccupation was clearly with defense budget costs.

We have proposed that the Secretary express our views in a memorandum to the President. Secretary Richardson will also be sending Defense's views to the President. We expect that the White House will then determine whether to decide now the date of closing or await the NSSM study.

I have seen Mr. Spiers' separate memorandum suggesting that we not seek to link the question of future military assistance to Ethiopia with the departure from Kagnew. I should like to expand on our view.

We have, since the early 1950s, been the primary supplier, largely on a grant basis, of military equipment for Ethiopia. We have largely trained the Ethiopian Army and Air Force.

It is inevitable that, with the departure of our military base from Ethiopia, a substantial part of the rationalization for this support with the Congress will disappear. At the same time, the Ethiopians feel under greater pressure as a result of Soviet arms shipments to Somalia and radical Arab support for the Eritrean Liberation movement. The Emperor, when he sees the President on May 15, will press for more, not less military equipment.

Obviously, we cannot commit ourselves to provide the current level of grant military assistance to Ethiopia indefinitely. At the same time, I doubt very much that we want to "walk away" and abruptly terminate our traditional support for Ethiopia. I believe, therefore, that the question of what our policy with respect to future military assistance to Ethiopia should be should be determined in the context of the phasing out of Kagnew and, preferably, before the Emperor's visit.

My own proposal is that we agree to look at the list of items we have discussed, but deferred, from previous years and seek to supply these items as a concluding part
of our grant equipment program and that we agree, further, to continue, subject to the availability of funds, a grant program over the next five years to cover Ethiopia's training and spare parts requirements. This would give the Emperor time to rearrange his own budgetary priorities, to find alternative sources of supply, and to complete the basic equipping of the units we have traditionally supported.

Clearances: AF/E - Mr. Coote
AF/RS - Mr. Navez

cc: P - Ambassador Porter
    T - Dr. Tarr
    PM - Mr. Spiers

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