SECRETARY'S STAFF MEETING

THURSDAY, MARCH 7, 1974 -- 3:10 P.M.

PRESENT:

The Secretary of State - HENRY A. KISSINGER

Mr. Sisco
Mr. Ingersoll
Mr. Brown
Mr. Easum
Mr. Hartman
Mr. Lord
Mr. Springsteen
Mr. McCloskey
Mr. Buffum
Mr. Bowdler
Mr. Maw
Mr. Casey
Mr. Hyland

SECRET

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PA/HO Department of State
E.O. 12958, as amended
May 4, 2006
MR. EASUM: I will scramble quickly through the Ethiopian situation. The Emperor will probably never be the same. He has had to make some extensive concessions which he has never had to make before. He has changed his entire cabinet, replacing fairly aristocratic types with progressive younger people. He has changed the entire high level military hierarchy. He has granted most of the bread and butter demands of the lower level military who started all this just a week ago. He has cut gas prices in half for the sake of the taxi and truck drivers. And he has changed the constitution so that he has now a constitutional monarchy rather than a completely autocratic
one, with the Prime Minister now being subservient to the Parliament.

SECRETARY KISSINGER: How does the Parliament get elected?

MR. EASUM: The Parliament gets elected but not through political parties. They get nominated. They are a fairly aristocratic bunch. So it is not all that egalitarian, but it is a great change over the past. The issue is still however very much in doubt. The Army has gone back to the barracks. They are no longer occupying public places or airports. But the teachers are on strike, the labor federation is on strike, as of today.

SECRETARY KISSINGER: What do they want?

MR. EASUM: Bread and butter demands primarily. They want a tripling of the daily wage, which would bring it up to two dollars. The students and teachers wanted educational reforms --

SECRETARY KISSINGER: Tripling it would bring it up to two dollars?

MR. EASUM: Yes. The figure is meaningless, unless you relate it to what you can buy, and I cannot do that at the moment.

SECRETARY KISSINGER: With an American salary
you could live very well there. We never can get Ambassadors out of these African countries.

MR. EASUM: In granting the bread and butter demands of the teachers and the labor federation, the problem is a financial one. Inflation is such that he doesn't have the financial resources to do what he would like to do. And he has probably already sopped up those resources by giving in to the Army, with the extensive list of demands they presented.

There is vague talk on the part of the demonstrators about land reform, social reform, political parties they want, freedom of speech, freedom of press, freedom of assembly, educational reform. All of these demands are very vague. They nonetheless have been distributed around town. And we don't know the degree to which the Army is going to lay back. They are certainly going to see what the Emperor does and what the new cabinet and the new Prime Minister do.

SECRETARY KISSINGER: How old is he now?

MR. EASUM: He is 83.

I think we can say it is fortunate, probably, for Ethiopia, this has happened now. It means that there will be some real change installed under the umbrella of the Emperor's personality. Where are the people simply disappeared
all of a sudden, without having had any changes made, that might have been a traumatic experience for the country.

We don't yet know how this is going to affect our relationships there. As of the moment, there is neither xenophobia nor any anti-American sentiment apparent, other than on the part of the so-called Ethiopian -- so-called students or demonstrators here yesterday. In fact, I think they were almost all Ethiopians, about sixty of them, and they were students. They were very well organized -- perhaps with a bit of technical assistance from Howard University. At any rate, they put on a good demonstration and were pretty articulate. They said "Down with the United States, down with American imperialism, down with the Emperor -- get the United States out of Latin America, Africa," and so on. But students here is one thing --

SECRETARY KISSINGER: Both -- or can we choose one?

MR. EASUM: Or all.

SECRETARY KISSINGER: What is their right to speak for Latin America?

MR. EASUM: Students have a right to speak, especially in front of the State Department, on almost any subject, I would guess.
Kagnew -- you asked about yesterday -- there seems to be no problem here for the Kagnew base -- although it is difficult to predict at this point in time. The reduction of our personnel there continues. There were some 3300 people there two years ago. Now there are only half that. By the end of this fiscal year, by the end of June, there will only be 100 civilian technicians operating in the residual communications facility, plus their families, plus eight or ten U.S. military personnel.

The issue, if we have one right now --

SECRETARY KISSINGER: What is more interesting is whether our getting out of Kagnew helped trigger this whole affair.

MR. EASUM: We don't have any evidence that is the case.

SECRETARY KISSINGER: We wouldn't have the evidence. It wouldn't be that direct.

MR. EASUM: Nor is there any indication that Somalia is making mischief on the border.

We have a Military Assistance Program with Ethiopia, and this presents the only issue before us at the moment. The issue is between this building and the Defense Department as to how we inform, and when, the Ethiopians of what we have decided to do.
SECRETARY KISSINGER: Which is what?

MR. EASUM: There is a $12.5 million grant MAP, Military Assistance Program, that has been approved by OMB. The Ethiopians know that. What they do not know is in addition to that, $5 million in FMS credit sales have been approved for each of the coming three years. They haven't yet been told --

SECRETARY KISSINGER: What is the argument for not telling them?

MR. EASUM: The Defense Department, we believe, wants to use this as a quid pro quo for P-3 staging rights in Asmara. At any rate, at one point in time this seemed to be their design. Since these events have taken place in Ethiopia, I was told that the Defense Department may no longer be as interested in Asmara as a P-3 staging base as they were before. Our inclination would be to go ahead now and tell the Ethiopians this is our decision. But as I say, we are discussing this with Defense.

SECRETARY KISSINGER: What does that mean -- we are discussing it with Defense? Since when do they run negotiations?

MR. EASUM: They don't run them.

SECRETARY KISSINGER: Was the $5 million FMS --

MR. EASUM: But the problem is to us we are not
clear in our own minds how important P-3 staging rights are either. And --

SECRETARY KISSINGER: I haveno problem with P-3 staging rights. I have the problem that ever since we closed down Kagnew--there must have been a serious question in the Ethiopian mind whether we were pulling out of there. And ever since we closed down Kagnew, into which we were euchered by inaccurate information, I have been looking for some way by which we could show to the Ethiopian leadership that we meant to stay in the country. That is the overriding issue. If we want a P-3 base afterwards, I have no objection to that. And we can always withhold credits if they don't give us the base.

Now it is probably too late to get a hell of a lot for that $5 million. But you cannot determine the intangibles of confidence -- I mean if the Emperor was identified to some extent with us -- I just don't want to make too obvious a connection there. But you cannot determine the intangibles of prestige that may be affected by a shift in political relations.

I look at this $5 million as a token of an American interest there. Whether that is still worth it, after these upheavals, that I cannot judge. But to piddle it away
on a P-3 base area is stupid. I would much rather establish a political relationship and then use the political relationship to get the P-3 base -- rather than go in there to see whether we get P-3 landing rights for $5 million, and then they say "No, $6 million" -- and the whole impact of it will be gone.

MR. EASUM: This is the direction we have been going. We particularly did not want to hold back on this until the Prime Minister, the Minister of Defense and the others came here. We were threatened, you will recall, with a visit.

SECRETARY KISSINGER: I know. But they no longer exist.

MR. EASUM: They no longer exist. They are not coming. The Foreign Minister has succeeded himself. He is in office. Whether or not he is going to --

SECRETARY KISSINGER: Dare he leave the country?

MR. EASUM: Well, I doubt right now --

SECRETARY KISSINGER: That is the opposite of my situation. I dare not come back. (Laughter)

MR. EASUM: I would guess within a few days the situation will be stablized.

SECRETARY KISSINGER: As long as I take Sisco with me, no one can take my job.
MR. SISCO: But I am not coming with you next week.

SECRETARY KISSINGER: I will be back soon.

MR. EASUM: Our inclination is to tell them about the five and the five and the five. And we have a telegram --

SECRETARY KISSINGER: The three fives.

MR. EASUM: They know about the first five. They do not know the following year and the year after that we are prepared to give credit.

SECRETARY KISSINGER: If I could get a sense of how stable that new government is -- as soon as we have that, I would be in favor of doing it, and the hell with the P-3 base as a quid pro quo for the notification. I am in favor of going for the P-3 base. But I think we will be better off in the context of a good relationship than as a sort of a horse trade.

MR. EASUM: Okay.

Anything else on Ethiopia?

SECRETARY KISSINGER: No.

[Omitted here are portions of the discussion unrelated to the Horn of Africa.]