1. Summary. Ethiopian Prime Minister has asked that USG provide Ethiopia, on an immediate emergency basis, military equipment in quantities far beyond current level of our military assistance program for this country. In our view, there are certain immediate measures which USG can take within limits of presently planned military assistance program which would expedite arrival of military equipment.
in Ethiopia and provide some evidence of desire to respond to IEG's current fears regarding Somalia. Such measures will fall far short of what IEG considers necessary at present time. We do not believe it would be practical under present circumstances for USG to embark upon a greatly increased and vastly expensive military assistance program which might cause Soviet Union to increase its deliveries to Somalia. We also believe, however, that decision to turn down PriMin's request should be made in full realization that the eventual consequence, in full view of the world, may be the unpleasant scenario described by the PriMin or a decision in desperation by the Ethiopian Government to switch from the US to China as its principal protector.

2. Arguments which were put forward by PriMin and FonMin undoubtedly reflect pressure being exerted by Ethiopian military, which now has vastly increased political influence. Nevertheless, many of their points are valid. First, it is true that equipment which Somalia could utilize in a sudden attack is clearly superior in number and quality to that which Ethiopia could bring to bear in Ogaden. Secondly, an entirely possible intensification of current political
turmoil in Ethiopia would surely cause Somali leadership to consider a golden and fleeting opportunity to obtain a chunk of Ogaden should be seized. Thirdly, PriMin is quite probably right that an initially successful Somali strike would be sufficient, when added to pre-existing internal strains, to topple present Ethiopian Government. Fourthly, such development would generate considerable resentment among Ethiopians high and low against US for having failed protect or rescue Ethiopia from this crisis. Fifthly, the new government would probably be much more radical than present one and more inclined turn to Chinese or Russians rather than United States. Sixthly, this sequence of events would make a marked impression on many other countries, particularly nearby ones, by conveying impression that it is far safer to have USSR rather than US as one's backer.

3. Current situation bears some resemblance to such critical American policy decisions as those regarding Chiang Kai-shek's China, Israel, South Korea, and South Vietnam. We may face in near future what one in earlier years might have called "the loss of Ethiopia". This can come about in either of two ways. Receiving no satis-

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faction from its present urgent plea, Endalkachew Government or a successor cabinet may with greatest reluctance decide turn to China as its principal patron and source of military equipment. The other possibility is scenario which has been described by PriMin Endalkachew. We presently consider it somewhat less than probable that one or the other of these outcomes will occur soon if we continue our present policy unchanged, but they are real possibilities indeed.

4. In earlier years USG would probably have responded to such a challenge with a massive infusion of military equipment. In circumstances of today such a course appears entirely impractical unless importance of an Ethiopia friendly to US is very great indeed. From Addis Ababa it appears that Ethiopia's importance to US remains potentially very considerable because of Ethiopia's strategic location in relation to Middle Eastern arena, the crucial Arabian Peninsula, the reopening Suez Canal and US naval forces in the Indian Ocean -- to say nothing of the important natural gas and possibly oil resources of Ogaden. Nevertheless, it also appears from Addis Ababa that this importance, in context of severely restrained total military assistance
resources, is insufficient to justify initiation of a massive military assistance program. We suspect that even an initial tranche of $100 million worth of military equipment promptly delivered might not be sufficient to guarantee Ethiopia against Somali attack, particularly in the event of intensified political turmoil. Nor would it ensure that the Endalkachew government will not be toppled for other reasons and replaced by a group either more radical or perhaps better equipped to accede to demands for change and reform now being widely pressed. Moreover, word of an emergency assistance program would certainly stimulate urgent Somali pleas for increased arms deliveries to which USSR might respond. USG is all too familiar with escalation of this nature.

5. There seems little point in making a minor increase in current military assistance level in response to PriMin's plea. Such a response would not really alter dimensions of problem.

6. In considering our response we should bear in mind that unofficial as well as overt IEMF leadership's opinion of Endalkachew stewardship of Ethiopia's national security is highly germane to PriMin's political survival. We
must also consider what, if anything, we should do to preserve favorable bias toward US, not only of possibly evanescent Endalkachew IEG but of group which may govern Ethiopia tomorrow and is already wielding sufficient influence to have forced series Cabinet concessions.

7. Within current MAP resource constraints, there are a number of immediate measures which could apparently be taken which would provide some evidence of a desire respond to IEG's current fears regarding Somalia. They include:

(A) Expeditious full funding of FY-74 MAP Program followed by appropriate priority for expedited delivery of line items therein;

(B) Continued expedited delivery of items funded under previous MAP programs;

(C) Expedited handling of FY-74 FMS credit offer to include concessionary terms, expedited negotiations, and placing of a crash priority on delivery of M60 tanks/spare parts/ammunition if and when bought thereunder;

(D) Expedited tender of a cash sales offer for 126 Sidewinders (AIM9B);

(E) Immediate granting of approval for funding of HMS Ethiopia labor costs under FY-74 credit;
We believe consideration should also be given to one or two aircraft deliveries at Addis Ababa airport of MAP equipment. Such deliveries would spread awareness that USG is continuing to provide Ethiopia with needed military equipment and would demonstrate to IEG our desire to provide some rapid assistance. We do not believe it would affect Soviet reaction to Somali arms requests. Embassy/MAAG offer this suggestion only in event, however, that extra transportation costs could be funded from a source other than FY-74 MAP funds for IEG.

8. In addition to measures proposed in previous para, we continue to believe that an approach by USG to USSR in an endeavor to curtail Soviet deliveries to Somalia deserves consideration, even though we are not sanguine regarding results of such action.

9. Although approach discussed in para 7 appears desirable to us, it falls far short of what IEG would consider an adequate response to PriMin's plea. We believe for reasons cited in para 4 that USG should not provide the kind of emergency military assistance which PriMin has requested. We also believe, however, that this decision should be taken in full realization that it may quite possibly,
though we presently believe not probably, lead before long to the scenario described by the PriMin or to a decision of desperation on the part of the IEG that it must turn to China rather than the US as its principal protector.