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THE WHITE HOUSE

WASHINGTON

MEMORANDUM OF CONVERSATION

SUBJECT: Meeting with President Mobutu Sese Seko of Zaire

PARTICIPANTS: The President
The Vice President
Secretary of the Treasury James Baker
Chief of Staff Donald T. Regan
Acting Assistant to the President for National Security Affairs, Alton G. Keel, Jr.
Deputy Secretary of State John Whitehead
Deputy Secretary of Defense William Taft
AID Administrator Peter McPherson
Ambassador Vernon Walters
Assistant Secretary of State Chester Crocker
U.S. Ambassador to Zaire Brandon Grove
Clark Murdock, NSC

President Mobutu Sese Seko
Counselor to the President Liloo Nkema
Director, President's Office, Mbikayi Kalongo
Ambassador to the U.S., Karl-i-Bond Nguz
Commissioner for Finance, Malumba Mabi
Commissioner for Foreign Affairs, wa Dondo Kengo
Commissioner for Citizens Rights, Mayidika Nimy
Private Counselor to the President, Yale Seti

DATE, TIME AND PLACE: December 9, 1986, 11:30 AM -- 1:30 PM
The Oval Office, Cabinet Room, Roosevelt Room, Rose Garden

The President opened the tete-a-tete by expressing his great appreciation of more than 20 years of cooperation between the US and Zaire and his admiration for President Mobutu's constructive role in Africa. He stressed the importance he attached to the Zairean President's personal counsel and encouraged its continuation. He concluded his opening remarks by noting his disappointment that Zaire seemed to no longer desire the Peace Corps and expressed hope that this was not the last word.

President Mobutu thanked the President for his kind words and said he wanted to discuss the general state of our bilateral relations, leaving the economic, military and security details to his meetings with the President's senior advisors. The Zairean President knew that his country's problems were well understood in Washington but he wanted to highlight the Libyan threat to Zaire, which is number one on Qadhafi's hit list because of

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Zairean recognition of Israel and role in Chad. Mobutu noted that everywhere Qadhafi turned in Africa. Mobutu was in his path and consequently would never be forgiven by the Libyan leader, that Zaire's determination was strong but it lacked the means. The President agreed that Qadhafi was a worldwide troublemaker and the United States wanted to do everything it could, even though the budgetary situation kept us from doing everything we liked.

The President opened the plenary session by noting that Zaire's economic reform was a crucial example for Africa and that we admired the determination Zaire had shown over the last several years. He recognized Zaire's heavy foreign debt burden and said the United States would do its best to help. The President also expressed his deep concern that Zaire might now take steps that would harm the economy and make it difficult for Zaire's friends to help. He stressed that it was essential to rapidly reach agreement with the IMF to avoid delaying or cancelling planned disbursements, noting that he was speaking frankly as President Mobutu's friend. He concluded by expressing his pleasure at Mobutu's increasingly active role in southern African affairs.

President Mobutu noted that the President was quite correct to highlight the economic plan and then proceeded to passionately describe how the last four years of the IMF program have been the most difficult in Zaire's history -- the sacrifices of his people, the losses in capital outflow (\$500 million in debt payments in 1986) and export earnings (\$400 million to falling prices in 1986), the lack of economic growth, etc. He insisted that he was "not in rebellion against any institution" but Zaire is a net exporter of capital -- \$1.3 billion over 1983-86 in outflows whereas less than one third of that has flowed in -- which was given to governments, not private groups. He exclaimed that "Our friends are choking us off" and asked, "For \$5 billion, is it worth it to asphyxiate us?"

The President called on AID Administrator McPherson who expressed our admiration for his program and stressed the importance of working with the IMF. He mentioned the possibility of more generous Paris Club financing and the prospect of an additional \$12 million in grant food aid in support of Zaire's reform efforts.

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President Mobutu thanked him but said more aid -- whether \$12 or \$2 million -- was not what Zaire was asking for but rather relief from a four-year IMF program that had caused serious rioting in Sudan, Morocco, and Ghana. Only in Zaire, he insisted, were the people disciplined and responsive to their leader, asking whether the United States wanted the same results in Zaire as in these other countries.

The President replied negatively and said we would help as much as we can, but are constrained by budget deficits. Secretary Baker added that we wanted to help with the IMF, that we understood that Zaire's efforts to achieve external credibility through the IMF could undermine his internal credibility with his people. He cautioned, however, that Zaire not take unilateral steps that would make an IMF agreement impossible. He concluded that the only way to growth was through a more generous Paris Club financing, which in turn required the IMF.

President Mobutu said that for four years our friends have said this and we have always listened. But once burned, twice shy as we paid out \$500 million last year. We will stay with the program but it is hard for us to keep accepting the same promises without seeing more clearly where it is going. In 1987, even if your government gives us \$12 million more, we will pay out much more than we take in. Only if you help us with the World Bank and the IMF will we get more. Secretary Baker said we will do just that.

The President said that our relationship is too rewarding, twenty years of standing together, and we must continue to work together. Let us now turn to our mutual enemy, Mr. Qadhafi. President Mobutu struck the same themes as in the tete-a-tete and Deputy Secretary Taft discussed U.S. cooperation with Zaire and looked forward to the possibility of a spring exercise. President Mobutu welcomed the exercise, but raised his concern that the American "army of the rich" would put his "army of the poor" at a psychological disadvantage. Noting the French example, he argued that he needed the means to put his men on the same footing and not feel inferior. Deputy Secretary Taft said that we were planning to make sure this (the adverse morale effect) did not happen.

The President and Vice President opened the luncheon by noting the importance the Frontline States attach to transportation and inquiring about the possibilities for the Benguela railroad. President Mobutu said that the FLS first suggested to him that the neighboring states put in troops to protect the railroad. He refused, but suggested the idea of getting UNITA and the MPLA to agree to neutral corridor for the railroad which would be used

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only for exports and imports. Zambia and Zimbabwe were to approach Luanda while he would approach Savimbi. Mobutu noted that he himself could not ask Savimbi and asked that we sound out the insurgent leader on this issue. Mobutu also maintained that the Angolans had asked him to help improve the US-Angola relationship. Ambassador Walters interjected that these were the same Angolans who voted against us in the UN more than anybody else. President Mobutu said that he had even today informed the Angolans of the Armacost trip and the possibility of seeing him. Mobutu concluded that the neutral corridor problem was very complex and he did not know if Savimbi would bite. He thought, however, that this was an auspicious beginning. Assistant Secretary Crocker noted that we were already in contact with UNITA on this issue and that UNITA had not yet formulated clear terms for agreeing. President Mobutu acknowledged this point, adding that there were potential plusses for UNITA. The Vice President asked how much it would cost to repair the Benguela railroad and President Mobutu replied that Tiny Rowlands could always do it himself.

The President commented on all the Cubans and Soviets in Angola, drawing the parallel to Nicaragua, and its potential as a base for Soviet expansionism throughout Africa. President Mobutu agreed and cautioned that we shouldn't expect too much from the Angolans since they were clinging to power through the Cubans. Since it was a matter of life and death, they would view with suspicion anyone who asked them to let the Cubans go, believing that was simply a way to let UNITA win. He added that Zaire too was uncomfortable with all the Soviets and Cubans there. The luncheon concluded informally with several jokes by both sides.

The President's departure statement emphasized the strong, longstanding ties between the US and Zaire, our admiration for his sound voice in international forums and constructive role, such as in Chad. He noted that much of the conversation was on economic matters, praising President Mobutu's courage and noting his current economic difficulties. He also praised President Mobutu's efforts on southern African issues and expressed again his pleasure at our close relations.

President Mobutu thanked the President for his gracious words and hospitality and expressed his satisfaction at the close, cooperative relationship between the countries.

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