

U.S. - PORTUGUESE RELATIONS

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AT HEARINGS  
before the

SUBCOMMITTEE ON AFRICA

"... the fact that Portugal stood by its allies during the recent difficulties and the U.S. is extremely grateful for that... I would like to say that as far as the U.S. is concerned, our journey together is not finished.", Secretary of State, Henry Kissinger, Lisbon, December 18, 1973.

"Under international law sovereignty over the Portuguese territories is invested in the state of Portugal. Now we recognise Portuguese sovereignty, even while we continually urge Portugal, as we do, to permit the exercise of self-determination in these territories." Ambassador George Bush, Security Council, November 22, 1973.

"There are no wars in Africa." Secretary of State William Rogers, to the Senate Foreign Relations Committee quoted by Congressman Charles Diggs, March 20, 1973.

"The question of U.S. official relations with leaders of opposition movements in colonial territories has always posed a dilemma for American policymakers.

These movements are a political fact. On the one hand, the absence of contact or support from us leaves the leaders subject to certain other outside influences. On the other hand,

the United States has traditionally been unwilling to recognize opposition elements in colonial territories until an internationally recognized transfer of power has taken place. That situation still prevails today." Assistant Secretary of State, David Newsom, Chicago, 1972

"Q. Mr. Secretary, there has been a debate within the Government over many years as to whether it is good or bad for the United States that the Suez Canal be open. What is your view now, since one by-product of this negotiation may be the opening of the Canal?"

A. I would say that obviously the United States has no overwhelming reason of its own to get the Suez Canal opened. So the arguments pro and con have to be seen within the context of the general contribution that opening of the Suez Canal would make to peace in the Middle East. In that context, the United States would feel that it would be a positive step towards peace in the Middle East, and the greater ease by which the Soviet Union can transfer its fleet from the Mediterranean to the Indian Ocean can be compensated both by the greater ease with which we can transfer some of our ships into the Indian Ocean and other measures that can be taken of a different nature." Secretary of State, Henry Kissinger, Press Conference, Washington January 22, 1974 .

Mr. Chairman, it seems to me that brief as they are those five statements reflect all the major elements of U.S. policy towards Portugal, exposing quite nakedly the biases underlying that policy and sign posting the dangers inherent in such a policy.

They underscore ~~the~~ desire of the U.S. to see Portugal play a continued role in Africa in the interests of what has elsewhere been termed regional stability, the refusal of the U.S. government to recognize the liberation movements as being the legitimate representatives of the people, the increasing strategic interest that the U.S. has in the Indian Ocean and thus in the maintenance of "friendly" dominant powers in the area concerned particularly in South Africa and the coastal Portuguese colonies.

These postures are being strengthened in face of a rapidly changing situation in Southern Africa and assume particular importance. They mean that despite some disclaiming rhetoric U.S. policy is becoming inextricably bound up with the rescuing and maintenance of some form of Portuguese colonial rule and general white dominance throughout the Southern Africa region, in a period where such forces are coming under increasingly powerful and successful attack.

Whatever the truth may have been ten years ago the men and women of the liberation movements can no longer be characterized as hunted, shadowy "terrorist" figures, slipping in and out of the jungle, peripheral to any important developments in the area. The movements in the Portuguese territories, with which we are

dealing today, have to be recognized as a mature and cohesive force integrally linked to the general population of their countries. Despite almost overwhelming military odds - the Portuguese have used close to 200,000 well armed troops and much Western built equipment in the wars - the movements have succeeded in establishing permanent bases, in penetrating deep into the interior of their countries and in liberating significant land areas and population groups. They have conquered severe logistical problems and maintain long, well functioning lines of communication and supply.

The fighting units are well armed and have displayed a high level of morale and discipline; they are carefully deployed, operating according to clearly defined plans of the central committee of the movement they represent. The liberated areas reflect the same level of maturity. New systems of administration have been established involving a high degree of popular participation. Basic education, medical and judicial systems are being constructed.- the liberated areas are involved in what can best be described as a period of national reconstruction which ultimately affects the lives of several million people.

These very real achievements have been recognized and acknowledged by a wide variety of countries, international agencies, churches and individuals of varying political loyalties. The United Nations sent a mission into Guinea-Bissau with the PAIGC in 1971 which issued a very careful report on the significant signs of progress it had observed.

The governments of countries such as Sweden, Norway and Holland have given help to the nation-building activities of the movements; newspaper reporters and film-makers have recorded vivid impressions of the new schools and hospitals, of the revitalized life of the people, but the United States continues to prefer the judgment of the Portuguese - and State Department officials continually quote official Portuguese statements on issues such as the legitimacy of the new independent State of Guinea-Bissau.

In the same way the U.S. government tends to give legitimacy to claims made by the Portuguese about the manner in which it is seeking to preserve itself in Africa. Credence is given to Portuguese statements about economic, political and social developments designed to 'bring the non-white people into the mainstream', and the aldeamentos policy is taken at face value as part of such a progressive program. The true purpose of the Portuguese aldeamentos as a vital part of the Portuguese effort to regiment and control the population and isolate the liberation movements is no secret, and had received considerable publicity in the international press.

Professor Gerald Bender after an extensive visit to Angola with the cooperation of the Portuguese authorities reported in 1972 "By 1970 few Africans in the east lived outside the strategic resettlements and due to the program's rapid implementation and insufficient planning, their lives quickly became disordered. Most of them were required to give up a large portion of their traditional

social and economic patterns and to accept what one military officer described to this writer as the 'artificial life' of the resettlement. They were told that the necessity to abandon many traditional ways would be more than compensated for by new benefits which the Government could now provide. The Government explained that in the past it simply could not extend its services over an area of more than 200,000 square miles inhabited by less than two people per square mile. However, now that the resettlement program has been effected, practically none of these services has as yet been implemented. In addition, the new living patterns have led to an exacerbation of previously neglected problems, such as sanitation, communicable diseases, and agricultural aid, which require even more urgently not only the promised services but new ones.

In addition to these problems, an added negative aspect of resettlement life for the Africans relates to the very close proximity of the Portuguese troops who patrol the areas and 'protect' the population. One high official reported his concern to the Government over incidents of abuse by soldiers: 'The soldiers rob and pillage food, animals, clothes, radios, almost any objects of value, indiscriminately and without justification. They have also raped women in the villages, killing anyone who attempts to intercede, then later justifying the killing by accusing the man of having collaborated with the terrorists.' [ Journal of Comparative Politics, April, 1972 ]

Bernard Rivers, a British journalist visited Angola with one of the liberation movements in 1973 and asked many people he met about the Aldeamentos. One woman he interviewed told him about living conditions: "Each family had to live in a hut about seven foot square. Conditions were very insanitary, and there was no medical care available. They were not allowed to grow food outside the aldeamento, perhaps because of the proximity to the war zone. Instead they had to work in exchange for food. The work consisted of gathering stones, probably for road building. The working day lasted for over 12 hours, including walking to and from the area where the stones were found.

Chiyana and her husband would work for two days, and then on the third day would queue to collect one mugful of maize for each, as payment for the whole two day's work. Thus the family of two adults plus six children had to share two mugfuls of flour every three days. This was all the food they had.

Some people volunteer to go and live on the aldeamentos, even if they regret it later. But the Portuguese are prepared to use force to round up and hold those who will not cooperate willingly. Their methods are sufficiently forceful to lead, directly or indirectly, to many deaths.

Many or most of the aldeamentos in the disputed areas have armed guards, and are surrounded by barbed wire.

Medical facilities are practically non-existent, and food supplies are extremely limited.

Most of the men have in the past been forced to do a year of 'contract labor' at places such as private coffee plantations. Some have had to do this several times. The private employers, armed with whips and guns, paid workers just sufficient to keep them alive. Workers who complained have been known to die of the beatings this provoked." [/Africa No.31 , March, 1974].

### U.S. Policy: Background and Implementation

U.S. policy towards Portugal belongs in the broader context of U.S. policy towards Southern Africa.

I have referred to some of the critical determinants in this policy in previous testimony before this Committee and will not impose on your time by too much repetition. Important elements are:

1. The traditional dominant-subordinate relationship between Western European powers and their colonies and later ex-colonies in Africa.
2. The increasing dependency of the U.S. and its allies on the "third world", and Africa in particular for raw material, minerals, etc.
3. The continued need of the industrial countries for new markets for investment and trade.
4. The underlying U.S. assumption that the world ultimately divides into two camps - private enterprise and communist or close to communist, and that U.S. national interests are identifiable with the continued existence and expansion of private enterprise economies. The projection from this into a "cold-war" assessment

of international relationships.

5. The U.S. belief that U.S. and Western interests demand stability in Southern Africa, that violent confrontations and changes may generate new situations which do not favor perceived U.S. interests while the currently dominant white minority regimes can be relied on to adopt policies basically consistent with such U.S. interests.

6. A relatively new element needs to be added to these - the increasing pressure from military strategies and certain economic resource planners for a more active U.S. posture in the Indian Ocean with oil one of the major issues involved. The projected Diego Garcia scheme and the recent flood of military and strategic writings make this an issue it seems worth stressing at this point.

Typical of the proposals being made in this area are the conclusions of an article by Anthony Harrigan prominent military expert on "Security Interests in the Persian Gulf and Western Indian Ocean" in Strategic Review, Fall 1973. "Growing U.S. dependence on Middle East oil is extending our security frontiers to the Indian Ocean and the Persian Gulf. Areas once secured by British hegemony have, with British withdrawal, experienced a sharp increase in Soviet naval strength. The U.S. presence is weak.

An effective U.S. presence will require the use of air and naval bases of friendly powers to supplement the contribution of these powers to regional security. Cooperation with South Africa and

with Portugal for the use of Mozambique is essential to security of the sea lanes. An even more immediate need is conclusion of new agreements with Portugal, a NATO ally of the United States, for permission to use Portuguese airfields in Mozambique in the event of a crisis.

Our NATO allies have an even greater dependence than the United States upon Persian Gulf Oil and African minerals. If NATO cannot extend its sphere of action to the Indian Ocean, the concerned powers must act in a new concert to secure the vital sea lanes.

Psychological effects of the Vietnam involvement make it politically difficult to increase U.S. security forces in the Indian Ocean at this time. Nevertheless, the urgency of a commitment to deter a Soviet fait accompli must influence prudent leaders to early action.

[ Note, the recent Portuguese offer of Nacala for use as a port by the U.S. and other reports of U.S. activities in a \$45 million consortium to develop Mozambique harbors fit all too uncomfortably into this scheme.]

7. The growing pressures placed on the white minority regimes, with South Africa still acting as the core of the whole region, but increasingly hard pressed by the intensifying liberation struggle.

8. The recognition that in the past Vietnam era domestic considerations will prevent the U.S. from acting as the world's gendarme.

9. The consequent need to strengthen sympathetic regional powers,

such as South Africa and Portugal in its African context.

10. The issue of narrow self interest - U.S. corporations have increased their holdings in the region dramatically in the last ten years. This by itself is not a pre-eminent determinant - but it will play a role in tightening the links that bind U.S. policy to Portuguese colonialism.

The most dramatic example of growing U.S. corporate involvement in Portugal's African colonies is the rapid expansion of U.S. petroleum interests in those areas, as well as in Portugal itself.

#### Portugal

Thirty-three off-shore blocks are potentially available for oil exploration. Of the eleven blocks already contracted by late 1973, five had gone to U.S. companies: three to Esso International, two to a consortium of Sun, Amarada Hess and Phillips Petroleum.

#### Angola

Gulf Oil continues to be the giant figure dominating actual oil production from all the Portuguese territories in Africa.

Total investment by the Cabinda Gulf Oil Company in Angola through 1972 amounted to \$US 209.0 million making Gulf one of the largest single investors in Southern Africa. In 1971 the Gulf Oil Corporation's net income from its activities in Angola was \$US 5.0 million or one percent of the company's total net income that year. In 1972, the Gulf Oil Corporation's net income from Angola was in the region of \$US 30.0 million.

In 1972, Cabinda Gulf paid the Portuguese authorities in Angola at least \$US 61.0 million, which included \$US 43.0 million in income taxes and \$US 18.0 million in royalties. Total payments by Cabinda Gulf to the Portuguese authorities in Angola over the period 1958-1972 amounted to \$US 96.7 million.

Cabinda Gulf is reported to have produced 6,297,985 tons of crude oil in 1972 of which 80,790 tons were supplied to the refinery in Luanda and the remainder exported to the following destinations:

	(metric tons)
Canada	2,269,161
United States and Trinidad and Tobago	1,807,647
Japan	1,327,488
Portugal	484,948
Spain	258,709
Denmark	69,272
Total	<hr/> 6,217,195

Oil exports for 1973 were expected to reach over 7 million tons - reflecting production of approximately 150,000 bbbpd.

Gulf had been energetically expanding its Angolan activities in the past year. Under the name of Iberian, it has moved into the Cuanza region, in the Cuanza Basin and the continental shelf in a consortium with two other U.S. corporations, Amoco and Occidental.

It has also been building a deep-water harbor in Cabinda capable of taking giant tankers.

Reports toward the end of 1973 indicated that Gulf had discovered enormously rich oil fields off-shore. Gulf has denied this, but the serious political implications of even Gulf's present degree of involvement with Portuguese colonialism are obvious.

1. Critics of Gulf's investment in Angola have pointed out that production of a strategic commodity like oil plays a direct role in enabling the colonial government to survive. Events since the 1973 Middle East war have expressed this direct connection

most clearly. Thus James MacManis, of the Guardian (Manchester) commented recently: "The bulk went to Canada, America, and Japan, with Portugal only fourth on the list of customers. The reason is that Cabinda oils has a high wax and sulphur content and is largely unsuitable for Portuguese refineries. ...

... Gulf Oil's contract stipulates that Portugal can take up to half the oil produced or 100 percent in an emergency.

When Portuguese cooperation with the American airlift to Israel brought about the Arab boycott, Lisbon and Washington reached an agreement. This was that America would continue to take heavy crude oil from Cabinda and would in return supply Portugal with what she needed in light crude oil.

As it happens much of the oil that Portugal now gets is "leaked" from the Middle East in spite of the embargo, but Cabinda remains vital particularly since the military efforts in Africa require huge amounts of petroleum." [ Guardian, March 6, 1974

2. There have been increasing reports recently of a build up among liberation movement forces in the neighborhood of the Cabinda region. [ See Appendix I ]

B,B,C. reported early in March that Portugal was rushing troop reinforcements to Cabinda in readiness for a major offensive.

M.P.L.A. has recently been increasing attacks on Portuguese troops in Cabinda. "MPLA guerrillas were reported to have wiped out a 36-man Portuguese patrol on February 23. The Portuguese unit was apparently making towards the town of Miknji in northeast

Cabinda which was partially evacuated last October after an MPLA attack. "

Thus Gulf Oil installations may soon be under direct attack from the liberation movements, a situation fraught with possible dangers, including the rapid escalation of U.S. government assistance to the Portuguese on behalf of American interests.

Apart from Gulf Oil several other U.S. oil companies are now active in Angola, lending credence to the belief that this is potentially a very rich oil area. The Portuguese themselves are sinking considerable sums into an intensified oil search - \$75 million by the ~~Petrangol~~ <sup>Petrangol</sup> group and \$68 million by the government itself for 1974 alone.

Argo Petroleum (Los Angeles), concession granted April 1972.

The Argo concession agreement which seems typical of the more recent oil agreements grants the territorial government free of charge twenty percent of the original shares, stipulates the payment of sundry annual and production bonuses to the colonial government, requires the company to give preference to Portuguese nationals, goods and services, and grants the Portuguese government preference in the purchase of up to 37.5 percent of company output and 100 percent in times of war or "emergency". The Portuguese government also reserves the right to establish an associate on a joint-venture basis with Argo, through a government owned company if oil is discovered.

Occidental and Amerco, in consortium with Gulf have signed a "farm out" contract with Angol and Petrangol covering parts of those two companies' concessions in the Cuanza Basin and the continental shelf. Texaco has since 1969 been a participant in a consortium with Angol which by the end of 1972 was producing 12,000 barrels per day. The consortium has recently extended its concession area.

Banger Oil Co. (Cheyenne), Superior Oil (Houston), Carlsburg Resources Corporation (Los Angeles), Milford Agency Cooperative (North Portland) were all reported to have applied for concessions in 1972.

Kilroy Corporation (Houston), General Exploration (Los Angeles), Tesoro Petroleum Corporation (Texas) were all reported to have sought concessions in 1973.

In March 1974 the Portuguese government announced that it plans to grant Exxon a 7,700 square mile concession off-shore North Angola. It also announced the grant of a 3,861 square mile on an off-shore concession made up of Sun Oil Co., Amerada Hess Corporation and Cities Service Co..

#### Mozambique

Hunt International (15,000 sq. km), Texaco (28,000 sq. km), and Kilroy Corporation (25,000 sq. km) are all reported to have concessions.

Mobil and Caltex have been involved in planning the construction of a new refinery.

Until November 1973 Amoco was also prospecting, having announced gas finds in 1971. But in November 1973 they relinquished the Mozambican concessions to Hunt Oil in order to obtain long sought concession rights from Tanzania. Tanzania had refused to grant Amoco the prospecting rights - for off-shore exploration - until that Corporation ended its relationship with its colonial government.

### Guinea-Bissau

Exxon received its first concession in the late 1950's, relinquished this concession in 1961, and received another concession in 1966 after the P.A.I.G.C. had begun the armed struggle. Drilling began in 1968 in shallow water apparently unsuccessfully; Exxon received a new concession in 1973 covering deeper water. This new concession was granted only a few months before the proclamation of the Republic of Guinea-Bissau, after the PAIGC had wrested control of two-thirds of the country from the Portuguese.

The position of the new government of Guinea-Bissau concerning foreign investment is clear. The Proclamation of the Republic itself stated that:

"From the historic moment of the proclamation of the State of Guinea-Bissau, authorities and organs of the Portuguese colonial State which exercise any political, military or administrative authority in our territory are illegal and their acts are null and void. Consequently, from that moment on, the Portuguese State has

no right to assume any obligations or commitments in relation to our country. All treaties, conventions, agreements, alliances, and concessions involving our country which were entered into in the past by the Portuguese colonialists will be submitted to the People's National Assembly, the supreme embodiment of State power, which will proceed to review them in accordance with the interests of our peoples."

Eight Protestant denominations, one Roman Catholic Order and the National Council of Churches have formed a coalition entitled the "Church Project on United States Investments in Southern Africa" to urge all U.S. corporations to "wind up any... operation currently underway" in Angola, Mozambique or Guinea-Bissau. In its proxy statement for Bethlehem Steel, Texaco, and Exxon the Project says: we believe that "the continued presence of Exxon in Guinea-Bissau operating under a purported concession from Portugal serves to strengthen the Portuguese political position."

Such church action is only one aspect of the increasing protest which has been generated by continued U.S. corporate involvement in the Portuguese colonies.

∟ It should be noted that there has also been increasing recent U.S. interest in minerals prospecting in the Portuguese colonies. Bethlehem Steel has joined a consortium which has been granted a concession covering several thousand square miles in the district of Tete, now one of the most important contested areas in Mozambique. ∟

The attitude of the liberation movements towards U.S. corporations operating in Angola, Mozambique and Guinea-Bissau is clearly reflected in the MPLA "Statement on Oil Policy" attached as Appendix II.

### U.S. Policy in Practice

#### The Renegotiation of the Azores Agreement - a hidden price tag:

It is unnecessary to repeat here all the arguments which were raised in protest against the Nixon signing of the Azores Agreement in 1971 particularly as Congressman Diggs played so central a role in exposing the nature of the pact at that time. The Agreement having lapsed on February 3, 1974 is now being renegotiated, and all the original objections still apply. Let me stress just two points. Any agreement, however apparently beneficial to the U.S. carries with it the enormous question of principle - Should the U.S. form an alliance with a colonial power thereby strengthening that power? A series of press releases from the Export-Import Bank indicate how some of the loan funds were used in 1973. On June 21st, the Ex-Im Bank announced the sale of 22 General Electric locomotives to Mozambique at a cost of \$9.5 million. On July 19th, \$4 million was used to finance the sale of tire production facilities in Mozambique. On August 10th, \$30.2 million was used for the sale of one Boeing 747 to Portugal. On September 11th, \$7.8 million for the sale of goods and services required for a pulp and paper

manufacturing facility in Portugal. On October 5th, \$6 million was used to help finance the sale of one Boeing 737-200 jet aircraft spare parts and related ground equipment purchased by Mozambique's Harbors Railways and Transport Administration.

Secondly, the question arises of the hidden costs of this Agreement. It is now widely believed that in addition to the obvious price being paid to Portugal there are hidden costs to this Agreement. Two of the most important of these are ;

- a) the more generous provision of military type equipment by the U.S. to Portugal.
- b) Political support for the Portuguese particularly over the issue of Guinea-Bissau.

#### Guinea-Bissau

On the 24th of September 1973, the territory of Guinea-Bissau proclaimed itself a Republic and declared Portugal to be in illegal occupation of the new State's territory. The new African government created by the 120 member Peoples National Assembly of Guinea-Bissau was recognized by 69 nations by the fourth week of October and is currently recognized by 74 nations. In early November Aristides Pereira, Secretary General of the PAIGC announced that the Republic controlled 72% of the land mass, with only fortified bases and major towns still held by the Portuguese. He announced that over 50 percent of the 650,000 people of Guinea-Bissau, some 350,000 live within the liberated zones.

On November 2, the General Assembly of the United Nations voted 94 to 7 (with 30 abstentions) to condemn Portugal for its "illegal occupation" of Guinea-Bissau. This was a significant vote, for it served in fact to confirm Guinea-Bissau's new international status.

The United States refused to support the resolution because as Mr. Evans the relevant delegate explained: "We have discerned nothing to convince us that the declaration of independence is justified. Needless to say, we are aware that the insurgents occupy and claim to administer certain areas within the Territory and along its borders. It is our observation however, that Portugal continues to control the population centers, most rural areas and the administration of the Territory."

This total failure to acknowledge the credibility or legitimacy of the P.A.I.G.C. is even more explicit in a letter written by Claude G. Ross, Acting Assistant Secretary for African Affairs to Congressman Donald M. Fraser.        See Appendix IV        Referring to the PAIGC as "a group" Ross states that they do "not control as much as one-third of the territory." "There is no settled capital... where foreign representatives could be received... the PAIGC probably controls between 25,000 to 50,000 people out of a total Portuguese Guinea population of 490,000."

It seems clear that the U.S. has decided to adopt, at least publically, a position of belief in Portuguese propaganda.

Technical and legal arguments raised are equally unconvincing. The U.S. currently has no Embassy or Consulate in Bissau - and seems quite content to carry on its contacts with the Portuguese through its Ambassador in Conakry (Guinea) coincidentally also the site of the PAIGC offices at the moment!

It seems difficult to believe that the U.S. really believes either the thin legalisms or Portuguese "facts" that it uses to defend its refusal to recognize the legitimacy of the new state. Amilcar Cabral once said to Gerard Chaliand, pointing to a large tree in one of the liberated areas of his country "You see, once we have independence this wouldn't be bad as a capitol for our country: a tree where you could rest after a trip to the villages."

∟ "The Legacy of Amilcar Cabral", Ramparts, April, 1973 p.19 ∟

If the United States wanted to recognize the Republic of Guinea-Bissau it could, there is a clear basis, both in fact and in international law for such recognition, ∟ See Appendix V for some strongly documented arguments on the basis in international law for the recognition of the Republic of Guinea-Bissau. ∟

U.S. failure to welcome and recognize the new State is a deliberate political act which announces to the world continued U.S. support for colonial rule. A renewal of the Azores Agreement would simply reinforce the Portuguese ability to continue exacting this high price for its continued services. It is a price that is far too high to pay.

Continued Breaches of the Arms Embargo.

Finally it is important to point out that a serious breach of the arms embargo seems to be indicated by the continuing sale of American helicopters to the Portuguese Government in Mozambique.

The sale of 12 of these helicopters was first announced in the Portuguese press in December 1972. The U.S. Export Control Office of the Commerce Department refused to reveal the model numbers of the helicopters, despite the fact that they had been sent to a war zone, on the grounds that this was "privileged commercial information not available to the American public." (Record of Hearings on the Arms Embargo, 1973, p8)

We have subsequently learned the model specifications of 8 of the helicopters sold:

2 Bell Jet Ranger 206B

4 Bell 47G 5A

2 Hiller UH12E4

Without labouring the point it is worth indicating that the 47G.5As, altho classified as commercial models - this being the latest model in the particular Bellrange - are designed to be used with Bell's Ag Master "chemical application system". Bell boasts that the system can be installed by 2 people in twenty-five minutes!

Flying at 60 mph a helicopter fitted with this equipment can spray up to 14.4 acres a minute. The model can be fitted to carry external loads, such as litters. It can also be easily adapted for amphibious operation by adding 2 air-inflated nylon floats. (This

may well be a particularly useful adaptation for use in operations on the Zambezi and Cabora Bassa.)

The Jet Ranger 206 B is a 1971, more powerful version of the standard Jet Ranger, 206 A. It is interesting to note that in 1968 Bell developed a very slightly modified version of its standard commercial 206 A Jet Ranger, in response to U.S. Government requests. The modified version, designated OH - 58 Kiowa by the U.S. Army was extensively used in Vietnam.

The differences between the military and commercial models are described by experts as minimal;

In addition to sales of the special models to the U.S. Army and Navy Bell has sold both the commercial and militarised versions of this model to other military purchasers. Thus in 1971 it was announced that the Australian Government had bought 75 OH-58 A for its army and also 116 of the commercial Jet Ranger. The Canadian Army has been a buyer and 7 Jet Rangers have been sold to the Brazilian Airforce, 4 of these machines have been reported as being used for counterinsurgency operations. They are armed with a four-tube M A launcher for air to ground rockets and a machine gun.

2 2

Standard easily mounted optional equipment for the 206 A Jet Ranger includes high intensity night lights, a camera access door and a wide range of electronic gadgetry.

Two points emerge clearly. The "commercial" models of these Bell helicopters are so designed that they are ideal for many military operations, (herbicide spraying, photo reconnaissance night searches etc.) Further the variation between the so-called commercial and the military version of the Jet Ranger are so slight as to make their adaptation post purchase a very simple task.

The purchase of these helicopters appears to have been

at least partly financed by Ex-Im loans. In November 1972 the Ex-Im Bank extended a \$7.5 million line of credit to a Portuguese institution, the Sociedade Financeira Portuguesa. A subsequent announcement in the Mozambique press reported that the Mozambique Government had been granted a loan of \$1.9 million from the Sociedade to finance the purchase of up to 12 helicopters.

In February 1974 the Johannesburg Star announced that the Mozambique Government had signed a contract worth almost \$3 million with Bell for another 12 Bell helicopters. The report said the helicopters will be assembled in Lourenco Marques and will be distributed among civilian government departments.

I Would like to conclude, Mr. Chairman, with a summary of what we see as our major concerns at this point:

1. The continued refusal of the U.S. Government to recognize the Liberation Movements as the real representatives of the people of Angola, Mozambique and Guinea-Bissau.
2. The dangerous consequences of the U.S. commitment to a continued Portuguese presence in Africa as legitimate; we believe this means that each policy step the U.S. takes is in the direction of a greater military and political support for Portugal - and therefore an act of hostility to the people of Africa struggling for their freedom.
3. That given the obvious conflict inside Portugal which was referred to this afternoon, it is particularly important that the U.S. does nothing to strengthen the forces of reaction in the situation where

there is internal Portuguese pressure against the continued wars in Africa. We oppose any renewal of the Azores Agreement and are deeply perturbed by the Diego Garcia negotiations.

Finally, we believe that the secrecy in which such policies are made and implemented serves both to heighten suspicion about the nature of U.S. policies in Africa and to make increasingly important pressures that these negotiations be fully disclosed to Congress so that the people of the United States become aware of the commitments that are being made in their behalf.

I would conclude at that point.

March 14, 1974