

DECLASSIFIED  
PA/HO Department of State  
E.O. 12958, as amended  
April 21, 2005

THE WHITE HOUSE

(10666)

WASHINGTON

~~CONFIDENTIAL~~

INFORMATION

June 6, 1970

MEMORANDUM FOR THE PRESIDENT

FROM: Henry A. Kissinger *AK*

SUBJECT: Termination of U. S. Economic Aid to Somalia

Elliot Richardson has informed you (Tab A) of the termination of U. S. economic aid to Somalia, effective June 1, 1970. Section 620 (n) of the Foreign Assistance Act requires termination of U. S. bilateral aid to any country whose ships trade with North Vietnam. Several ships engaged in such trade operate under a Somali flag of convenience.

Section 614(a) of the Act allows a waiver of this and other provisions if you determine that it is "important to the security of the United States," but the Secretary decided not to ask you for a waiver in this case. (The waiver provision has been used only in cases of M.A.P.) The Secretary delayed the timing of the aid cutoff while repeated efforts were made to persuade the Somalis to phase down their involvement in North Vietnamese trade, but these efforts proved unavailing.

Our action may damage our relations with Somalia and produce a sharp reaction, especially in view of the political climate in Somalia and the leftist orientation of the new revolutionary government (which took power in a military coup in October 1969). Though we have no indication yet that they would do so, the Somalis might go so far as to break relations. The expulsion earlier this year of the Peace Corps contingent and five U. S. Embassy personnel had already brought our relations to a low point. On June 2, the President of the Somali Supreme Revolutionary Council denounced the aid cutoff and reasserted Somalia's nonalignment and "dignity and sovereignty."

Our aid to Somalia has been shrinking in recent years. It was down to \$2.1 million for FY 1970, and \$1.9 million was allocated for FY 1971. The aid cutoff will end teacher training, agricultural instruction, and police training programs, and any further consideration of PL 480 sales. Projects will be wound down in a gradual and orderly manner, and loan funds already committed will be furnished, so that the Somalis will have a chance to continue the projects on their own.

U. S. aid has been cut off previously to Malta (1969), Cyprus (1968), and Hong Kong (1968) under Section 620 (n), but the aid programs involved were considerably smaller.

Attachment

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DEPARTMENT OF STATE  
WASHINGTON

7844

May 29, 1970

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MEMORANDUM FOR THE PRESIDENT

Subject: Termination of Aid to Somalia

On May 28 Ambassador Hadsel in Mogadiscio notified General Siad, President of the Supreme Revolutionary Council, that we must terminate our bilateral economic aid program to Somalia as of June 1, 1970. He emphasized that present programs would be phased out in an orderly manner over a period of some months.

Our action was taken under the provisions of Section 620(n) of the Foreign Assistance Act of 1961, as amended, which requires termination of bilateral assistance to any country whose ships engage in trade with North Viet Nam. Several are engaged in such trade under a Somali flag of convenience. Our repeated attempts to bring an end to this trade have proved unavailing.

General Siad expressed dismay over termination of our aid and indicated it would strengthen the hand of those Somalis opposed to the United States. He expressed the hope that the action would not damage too seriously relations between the two countries. Nevertheless, the current political climate in Somali and the orientation of the new revolutionary government could lead the Supreme Revolutionary Council to take precipitous action, possibly even including a rupture in diplomatic relations.

  
Acting Secretary