Clarence Cove and Point William on Fernando Po drawn "from Nature and on stone by Commander Wm. Allen, R.N." when he was on the island in 1833. The view is from the Governor's house with Mount Cameroon in the background. The hand colored lithograph is from a rare folio of six views of what is now Equatorial Guinea, published in 1838.

Equatorial Guinea: Machinations in Founding a National Bank
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EQUATORIAL GUINEA:
MACHINATIONS IN FOUNDING A NATIONAL BANK

Robert C. Gard

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The cover reproduction is slightly reduced in area and scale from a color plate contained in a series of six on Fernando Po in Nature and on Stone by Commander William Allen, R.N., published in 1838. No publisher is indicated on our library copy which, we believe, is rare. None is recorded in the British Museum, the Library of Congress, the Huntington Library, and other sources we have searched.

Rear Admiral Allen was born in 1792 and died in Weymouth at the age of 71. He had wide experience, including an attack on Java, before volunteering to accompany Richard Lander and R.A.K. Oldfield up the Niger in 1832. Lander was killed and Allen was one of only nine survivors who returned to England in 1834, out of the forty-seven members of the expedition. In 1833, the then Lieutenant Allen had visited Fernando Po and the series of six colorful views of the island were the result.

The British naval officer returned to Fernando Po in 1841 with Captain H.D. Trotter. Their two volume A Narrative of the Expedition to the River Niger (London: Richard Bentley, 1848) contains several illustrations and wood engravings of Fernando Po, including Point William, done by Allen, but no color plates.

In addition, Allen brought out two volumes of Picturesque Views on the island of Ascension (1838) where he recovered from severe fever after the Lander expedition, and on the Niger (1840). He also exhibited landscape paintings at the Royal Academy from 1828-1847.

Allen was given a laudatory obituary in Gentlemen's Magazine in May, 1864 (pp. 659-660). It says that Allen's journal of the first expedition with Lander was superior but could not be published owing to an agreement with the backers of the expedition. The obituary also credits Allen with originating the idea of what is now the Suez Canal, based upon a two-volume geological study which he illustrated himself.

J. Loetterle and M. LeBlanc
Introduction

This is an extract from a much longer work. Rearranged a bit and with two sections deleted, it is Chapter 26 of a 1000-page typed manuscript of 27 chapters about the political-economic history of Equatorial Guinea.

Equatorial Guinea was Spanish Guinea until July 15, 1968, when the colony was granted independence. It is snuggled between Gabon and the Cameroons on the Gulf of Guinea, southeast of Nigeria. It includes Río Muni on the mainland, the islands of Fernando Po Annobon, Corisco, Elobey Grande, Elobey Chico, and the adjacent islets. The city of Santa Isabel, named after Isabel II of Spain, on Fernando Po, an island immediately south of Eastern Nigeria contains more than half of the fewer than 100,000 people of Equatorial Guinea. International Red Cross flights into Biafra originated in Santa Isabel during the recent Nigerian civil war.

The island of Fernando Po was fought over, was ceded by Portugal to Spain in 1778, and then was contested by the Spanish and the British until 1844, when the British lost interest. The port of Santa Isabel was useful during the heyday of the slave trade and as a harbor for ships carrying ivory, rubber, palm oil, and precious wood from the rich volcanic island and the interior mainland, but efforts at European colonization were thwarted time and again by disease and death. Finally, by the Treaty of Paris in 1900, which settled arrangements between France and Spain for colonial control of most of West Africa, Spanish Guinea was recognized in Europe. It consisted of Fernando Po, several smaller islands, and the province of Río Muni, an additional 26,000 square kilometers on the mainland whose major port is Bata.

A thousand or more Europeans managed the Africans, many of whom moved back and forth between Liberia, Nigeria, and Spanish Guinea as migrant laborers. Coffee and cacao plantations were profitable, and almost all of the crops were sold in Spain through state monopolies run by syndicates of prominent, wealthy Spanish politicians and businessmen. They were the twentieth-century counterparts of the British East India Company which flourished in the eighteenth and nineteenth centuries.
Just before independence and more after it, Spanish and other businessmen sought to establish themselves in advantageous positions in Equatorial Guinea. Some were reputable and some were not. The story recounted here is about some who were not.

One of the more reputable was Antonio García-Trevijano Forte. Trevijano was a leading partner in a number of syndicates, helped to finance others, advised various ministers as well as the president of the newly independent country, and befriended the author of this unusual manuscript. Thus, he is a major source of the material that follows.

The manuscript from which the following account is extracted was completed by Robert Gregory Gard working in Spain and Guinea from June, 1969, to June, 1970. Gard, then a young man of 21, undertook his research in part to demonstrate that dissertations can be written without the preparation of the formal curriculum required of B.A., and Ph.D. students in American universities. His narrative is not always easy to follow, and the work lacks the discipline of a theoretical framework. One occasionally wonders what point is being made or why a bit of information is included. In the main, however, Gard has succeeded in his endeavor, and it is to be hoped that his entire manuscript will be published in due course.

Most of this excerpt from Gard's manuscript is presented in its original form. In two places long asides have been removed so that the attention of the reader will not be diverted from the story of Francisco Paesa Sanchez de Caballer, a fraud and a rogue who very nearly succeeded in founding a bank in Equatorial Guinea in 1969 with the consent of the president of the new nation. It is a story worth reporting because it illustrates some of the development problems of a newly independent country cut suddenly adrift from a colonial power, lacking a cadre of indigenous trained civil servants and the institutions of nationhood, and relying on the uncertain advice of adventurers. The section about the purported sale of arms to Biafra also illustrates the difficulties a newly independent nation may have in establishing sound political relationships with neighbors. And the growing suspicion of his advisers and ministers by Macias, President of Equatorial Guinea, illustrates the problem of establishing a stable, representative government in a country not accustomed to governing itself.

Because the story is somewhat involved, a cast of characters is presented herewith in order of appearance.
Macias -- Francisco MaciasNguema: President of Equatorial Guinea.

Paesa -- Francisco Paesa Sanchez de Caballer: A Spanish adventurer who invents stories and manipulates acquaintances in order to make his fortune by starting a bank in Equatorial Guinea in 1968-1969.

Agudo -- Lorenzo Agudo Mendez: A friend of Paesa, equally adventurous, who helped Paesa by giving him a draft on a Construction Loan Bank in Madrid contingent upon Paesa's starting a Bank of the South in Spain, which Paesa never did.

Lalmolda -- Vincente Lalmolda: A French friend of the wealthy French family, Achille-Fould, through whom Paesa met Aymar Achille-Fould.

Achille-Fould -- Aymar Achille-Fould: A French multi-millionaire who headed many investment groups.

Profinanco -- A "paper" company set up by Paesa and Lalmolda designed to finance the Bank of the South.

Robles -- Mariano Robles Romero-Robledo: Spanish representative for various firms interested in doing business in Guinea.

Trevijano -- Antonio Garcia-Trevijano Forte: A wealthy and successful Spanish businessman, lawyer, and writer. An adviser to Macias, President of Guinea, and a major source of information for the author. A friend of various members of Opus Dei, a powerful religious-political organization.

Armijo -- Francisco Gonzales-Armijo Borrallo: Prospective partner in potential private bank in Guinea; a former partner of Trevijano and adviser to Macias.

Novais -- Jose Antonio Novais Tome: Another prospective partner in the potential private bank in Guinea.
Delvoye -- Charles Delvoye: Retired French air-colonel and successful engineering consultant, invited by Novais and Paesa to draw up plans for a free port at Bata, harbor for Equatorial Guinea.

Alvarez -- Juan Gomez Alvarez: An acquaintance of Paesa who loaned him 250,000 pesetas.

Nsue -- Jose Nsue Angue Osa: Minister of Education and adviser to Macias; confidant of Trevijano.

The Munger Africana Library is pleased to present this extraordinary extract. We cannot, of course, substantiate all the quotations nor can we guarantee the validity of all the sources. But Mr. Gard's documentation is extensive and impressive.

Robert W. Oliver
EQUATORIAL GUINEA:
MACHINATIONS IN FOUNGING A NATIONAL BANK

Robert C. Gard

Francisco Paesa Sanchez de Caballer was born in Madrid on February 28, 1936. He eventually married a Frenchwoman and settled down in a small tract home at 177 Badalone, on the outskirts of Madrid. In the early months of 1968, Paesa made plans to establish a Bank of the South in Equatorial Guinea, even though he had no capital of his own. His sole asset was his friend Lorenzo Agudo Mendea, who was at the time the Director of the Construction Loan Bank in Madrid.

According to the new director of the Construction Bank, Antonio Diaz de Celada, Agudo was fired in April, 1968, because of the role he played in trying to found the Bank of the South with Paesa. Celada described Agudo as a rogue who, because of his many run-ins with the law, "was known in thirty-two judicatures in Madrid."¹ Celada, who also knew Paesa personally, described him as a man "more naive than smart," who "knew nothing about banking."² As a note of interest, the President of the Construction Loan Bank was Nicolas Franco Bahamonde, Generalissimo Franco's brother. Because of his position with the bank, Nicolas read all the information gathered about Paesa's and Agudo's efforts to found the Bank of the South.

At the time he met Agudo, Paesa was passing himself off as an agronomist, though he had neither completed the requisite studies nor passed the examination necessary to receive a license. Paesa and Agudo became good friends even though the latter quickly learned that the former was a fake. Agudo sympathized with Paesa because he himself had often posed in the past as something he was not in order to gain certain rewards and objectives. Agudo even helped Paesa along by making him business cards that introduced him as a board member of the Construction Loan Bank. Technically, in order to become a board member of the Construction Loan Bank, one had to
make a large contribution to the bank. Paesa never made such a contribution. In fact, he never even paid back the 70,000-peseta loan that Agudo had procured for him.

Paesa, realizing that he and Agudo were two of a kind, took his idea about founding the bank of the South to Agudo, who agreed to become a partner. In his capacity as Director of the Construction Loan Bank, Agudo made out a bank draft to Paesa for 30,000,000 pesetas. Agudo signed the draft and gave it to Paesa, who took it to the Spanish-American bank. There Paesa opened up an account in which the 30,000,000 pesetas were to be deposited by the Construction Loan Bank as soon as the Spanish government chartered the Bank of the South.

Paesa then tried to interest Vicente Lalmolda into putting up a part of the capital for the Bank of the South. Lalmolda was a Frenchman who had married the daughter of the man that had conducted the 1962 political campaign of Aymar Achille-Fould for Assembly Representative of the French province of Gironde. Through this marital relationship, Lalmolda had become a friend of Achille-Fould's brother, who lived in Tarbes, France. Knowing the Achille-Fould family had definite benefits because the family was very rich and very friendly with the Rothschild family.

The multimillionaire Aymar Achille-Fould headed a powerful financial group formed by SEPCOEUR (general finance and commerce), SOCIMEG (owner of 3,500 apartments), FINACOR (general finance), SOCOMI (owner of twenty-two oil tankers), Chateau Beshabels (finance and marketing of wines), and the Nigeria Marimer Trading Co. (involved in commerce and transportation along the Niger river). The group had interests in thirty countries, including the Ivory Coast, Nigeria, and the Cameroons. In 1962, Achille-Fould started his political career by winning the election for Assembly Representative of Gironde. He ran as a member of the small Progrès et Démocratie Moderne party, previously headed by Jacques Duhamel, former Minister of Agriculture.

Soon after Lalmolda married, he moved to Madrid. After spending some time there, he contacted Achille-Fould's brother in Tarbes and requested him to ask Aymar if Aymar's financial group would be interested in doing business in Spain. Lalmolda claimed he could obtain favorable contracts from the Spanish government for the group because he had acquired good connections in the Spanish administration. Achille-Fould's brother passed the
word along to Aymar, who responded that he would be interested if any reasonable offers were proposed. 7

An informal arrangement was instituted between Lalmolda and Aymar Achille-Fould's group. If the group accepted a deal propagated by Lalmolda, then Lalmolda would earn a commission; but he would not receive a salary as the informal agent of the group in Spain. The group was mainly interested in obtaining purchase orders for its concrete products, especially its cheaply produced concrete piping appropriate for irrigation systems. The group would not mind supplying Spain with concrete piping for irrigation projects in Andalusia, for example. Until Paesa contacted him, Lalmolda had proposed only one deal to the group. He had asked the group if it would be interested in signing a contract for the construction of 500 miles of highway. The group had turned down the proposal due to the political implications inherent in arranging a long-term loan for the Spanish government.

When Paesa approached Lalmolda about the Bank of the South, Paesa introduced himself as a board member of the Construction Loan Bank and said he was worth 100,000,000 pesetas. 8 To prove his net worth, Paesa displayed a report of his assets that he himself had written. Lalmolda was satisfied with Paesa's proof of solvency and consequently expressed an interest in participating in the bank. Together they devised a scheme. First they would constitute an all-purpose finance company and then they would use it to finance the bank. Their initial step was to draft an outline of the constitution for their proposed finance company. In the outline, the company was named PROFINANCO and was capitalized at five million pesetas. The capital would not be disbursed until the legal constitution of PROFINANCO took place. The corporate object of PROFINANCO was three-fold: "(l) short-term financing of the importation and exportation of equipment, (2) promotion and financing of immobile operations, and (3) financing of short-term loans." 9

Shortly thereafter, Lalmolda brought his friends Pablo Metternich (the Prince of Metternich) and Madame Comtesse Maria Borkowska into the new company, while Paesa brought in his brother-in-law, Alfonso Garcia Jimenez, and his friend Lorenzo Agudo. Before PROFINANCO's constitution could be notarized and registered in the General Register of Companies, the Bank of the South deal fell through. The Spanish government refused to charter the bank because of the bad reports it had received about Paesa and Agudo.
PROFINANCO's status was allowed to drift for several months until near the end of the summer of 1968, when Paesa consulted Mariano Robles as to ways of salvaging something from the ill-fated bank deal. Paesa told Robles that he used to work for the Rothschilds and now served as the President of PROFINANCO, one of the companies in Achille-Fould's group. Paesa also mentioned that his wife was Achille-Fould's daughter. Robles was impressed.

According to Trevijano, "When [Paesa] consulted the lawyer Mariano Robles about this affair, he heard Mariano Robles talking over the telephone to a Mr. Ferrer in Barcelona, who wanted Robles to put him in contact with you [referring to Macias, President of Equatorial Guinea and his close associates] in order to discuss the establishment of a bank in Equatorial Guinea backed by Catalan capital. Upon overhearing the conversation, Paesa tells Robles that he would be interested in a bank in Guinea. Then Mariano Robles puts him in contact with Armijo and Novais." ¹⁰

As revealed in an earlier chapter, Mariano Robles was the Spanish representative for several domestic and foreign firms that were interested in doing business in Guinea. Jose Ramon Ferrer Bergua Ruete was a board member of SACOMEX,¹¹ one of the companies Robles represented. This might have been the same Ferrer with whom Robles talked over the phone while he was in the presence of Paesa.

Robles introduced Paesa to Armijo and Novais. Paesa repeated the same story about how he had worked for the Rothschilds, had married an Achille-Fould, and now acted as president of PROFINANCO. Just as Robles had been, Novais and Armijo were impressed and taken in by this story, all of which was false. Paesa's wife was not the daughter of Achille-Fould,¹² nor had Paesa ever worked for the Rothschilds. Paesa's claim of being the president of PROFINANCO was also technically false, since the company was still just an idea on paper. It had not been duly constituted.

As evidence to back up his claims, Paesa gave Armijo and Novais copies of what was supposed to be a bank report on PROFINANCO. The report read:

PROFINANCO CO.
San Bernardo, 97-Lower
Madrid
ANTECEDENTS

10
It is one of the firms that form a French financial group composed of: SEPCOEUR at 31 Lisbonne Street, Paris, concerned with finance and commerce in general; SOCIMEG, 4 Septembre Street, Tarbes, France, owner of 3,500 apartments; SOCOMI, 31 Lisbonne Street, Paris, owner of 22 oil tankers rented to Shell Co.; FINACOR, 352 St. Honoré Street, Paris, financier of Parisian group; CHATEAU BEHABELLER, in Bordeaux, France, concerned with finance and marketing of wines in general; NIGERIA MARIMER TRADING CO. at 31 Lisbonne Street, Paris, concerned with commerce and general transport; and PROFINANCO CO. at 97 San Bernardo Street, Madrid, concerned with finance and commerce in general.

PROFINANCO CO.

Until it joined this group, PROFINANCO was a private business under the management of Mr. Francisco Paesa Sanchez de Caballero. It was constituted in the month of August, 1968, as a company in Madrid by means of the appropriate document, which fixed its headquarters at said address. In the near future, it may move to 75 Velazquez Street, where it has acquired office space. Its board of directors is composed of the following men:

President: Mr. Francisco Paesa Sanchez de Caballero
Vice President: Mr. Alfonso Garcia Jimenez
Board Members: Prince Pablo Metternich, Mr. Achille-Fould in representation of the financial group in Paris, and Vicente Lalmolda in representation of the other French financial group.

CORPORATE OBJECT

The corporate object of PROFINANCO is to finance any kind of commercial operation, importation, exportation, and commerce in general. PROFINANCO CO. is the firm that represents the group in Spain with respect to all kinds of operations and has offices of control in said [Spain], with a branch office in Zaragoza.

The group also has branch offices in 30 countries: Hong Kong, Beirut, Formosa, Seoul, Bangkok, Singapore, South Vietnam, Indonesia, Philippines, Pakistan, Melbourne,
India, Saudi Arabia, Kuwait, Tunis, Cartago, Zambia, Ivory Coast, Cameroons, Nigeria, and others.

PROFINANCO has teamed up with the Huarte Company of this capital and the Insurance Indemnity Consortium to construct 3,500 separate dwellings in the Cameroons.

CAPITALIZATION

PROFINANCO has been capitalized at 5,000,000 pesetas, totally subscribed and disbursed, its real investments being much greater. It conducts its mercantile operations exclusively through the Spanish-American Bank, the bank that has granted it an extendible credit of 3,000,000 dollars for the carrying out of its international operations.

The general investments of the group total an estimated 10,000,000 dollars. (Note: FINACOR also previously made investments with foreign capital in Spain through the Foreign Bank of Spain, the Spanish-American Bank, and the Stock Exchange.)

CREDIT RATING

Because of its recent creation as a company, nothing is known about this firm that would give it a bad reputation. Given its solvency, it should be dealt with in accordance with the foregoing data.\textsuperscript{13} Novais and Armijo did not know that the foregoing report had been written by Paesa himself. Practically all the information about PROFINANCO in the report was false.

The address of San Bernardo 97-Lower, appearing at the top of the bank report, was where Paesa said PROFINANCO's offices were located. Before he had concocted the fraudulent report, he had rented an office at that address and registered it under the nonexistent PROFINANCO. The porter of the building at that address remembered Paesa and PROFINANCO. He recalled that only two men ever used the office (probably the other man was Alfonso Garcia Jimenez).\textsuperscript{14} The existence of this office had a single significance. If Novais, Armijo, Robles or anyone else inquired whether a company named PROFINANCO had offices at that address, he would be told that it had indeed. Paesa rented the office for four or five months and then suddenly moved out without leaving a forwarding address. Paesa told the porter that it was necessary to leave because there was some
argument as to who owned the office.

At the time the bank report was written, PROFINANCO was not a member of Achille-Fould's financial group. In fact, Lalmolda had not even approached Achille-Fould about PROFINANCO. He was going to but did not because the Spanish government refused to charter the Bank of the South. Moreover, PROFINANCO had not been constituted in August, 1968, as the fraudulent report purported. In order to be legally constituted, it would have had to register with the General Register of Companies, which it had not done. Nor had PROFINANCO acquired office space at 75 Velazquez Street.

In the bank report, Paesa referred to Vicente Lalmolda as a representative for a French financial group distinct from Achille-Fould's. In this manner, Lalmolda was pushed into the background so that it would never be necessary for Armijo, Novais, or Robles to meet him. Indeed, they were never allowed to meet him. If they had been introduced to Lalmolda, Paesa's story about his marriage to Achille-Fould's daughter would have been exposed as false.

PROFINANCO did not have a branch office in Zaragoza. It had never made any agreement with Huarte Company and the Insurance Indemnity Consortium. It did not have a capital of 5,000,000 pesetas, and it did not have a credit of 3,000,000 dollars with the Spanish-American Bank.

With his fraudulent stories and bank report, Paesa sold Armijo and Novais on the idea of establishing a bank backed by PROFINANCO in Equatorial Guinea. As Robles heard more about the idea, he too wanted to participate. Armijo, Novais, and Robles promised Paesa that they would exploit their influence with the Guinean government in order to gain a charter for the bank as soon as Paesa got confirmation from Aymar Achille-Fould that the French group would supply the capital for the venture.

Next Paesa visited Vicente Lalmolda and proposed that they should constitute PROFINANCO legally, register it with the General Register of Companies, and use it to back a private bank in Equatorial Guinea. Lalmolda was fascinated with the idea but, before discussing things further, he wanted proof from Paesa that Paesa could finance his end of the venture. As a form of proof and guaranty, Paesa showed Lalmolda the bank draft of 30,000,000 pesetas signed by Lorenzo Agudo. Of course, the draft was utterly worthless because the Spanish government had not chartered the
Bank of the South. Lalmolda, however, did not check out the status of the draft, accepted it at face value, and was satisfied that Paesa could put up his share of the capital. In his conversations with Lalmolda, Paesa never mentioned anything about the participation of Robles, Novais, or Armijo.

Francisco Paesa and Vicente Lalmolda flew to Paris on October 20, 1968 in the hope of gaining Achille-Fould's backing for PROFINANCO and the bank. Aymar Achille-Fould offered his backing for PROFINANCO as soon as PROFINANCO was registered as a company and as soon as Paesa deposited the five million pesetas in PROFINANCO's account that he had promised to deposit in order to guarantee the solvency of the new company. Achille-Fould promised to extend PROFINANCO two or three million dollars in credit when these two conditions were fulfilled. The credit would be renewable in two or three years, provided Achille-Fould was satisfied with PROFINANCO's performance.

Naturally, Achille-Fould wanted to know about the other partners in PROFINANCO. Lalmolda gave him a list of their names and any positions they held in other companies. Achille-Fould was pleased to hear that the Director of the Construction Loan Bank was involved in PROFINANCO. He told Lalmolda that he would like to exploit Agudo's connections with the Construction Loan Bank. Achille-Fould requested Lalmolda to try to negotiate a contract between SOCLEME and the Construction Loan Bank for the construction of homes in Spain. Of course, Lalmolda would not be successful because Lorenzo Agudo had been fired from his position with the Construction Loan Bank six months earlier. Lalmolda did not know that Agudo had been fired because Agudo was still posing as the bank's director. It seems incredible that Lalmolda would not have investigated Agudo more thoroughly, but he did not.

Though enthusiastic about PROFINANCO and building homes in Spain, Achille-Fould treated the plan of a private bank in Equatorial Guinea with skepticism. He did not want any part of it unless Lalmolda made his vague generalizations more specific. He told Lalmolda to put the plan on paper so that its potentialities could be evaluated realistically. Until that was done, Achille-Fould refused to make a definitive decision. As it later turned out, he never backed the bank or PROFINANCO.

Paesa did not have 5,000,000 pesetas to deposit in PROFINANCO's account. This meant that he could not meet one
of Achille-Fould's conditions and that Achille-Fould, therefore, would not back PROFINANCO. Fully cognizant of this, Paesa returned to Madrid and told Novais, Armijo, and Robles that the deal was settled — Achille-Fould would back a private bank in Guinea through PROFINANCO.

The next thing to settle was the form and extent of Novais', Armijo's, and Robles' participation in the bank. They and Paesa decided to form their own finance company, which would be backed by PROFINANCO. This new company and PROFINANCO would found the bank as a joint venture. On October 24, Paesa, Novais, Armijo, and Robles signed a contract that committed them to the future establishment of their finance company. The contract read:

In Madrid, on October 24, 1968, Mr. Francisco Paesa Sanchez de Caballer, Mr. Mariano Robles Romero-Robledo, Mr. Francisco Gonzalez-Armijo Borrabo, and Mr. Jose Antonio Novais Tome, all of whom are of legal age and reside in this capital, recognizing one another's capacity to enter into a legal, binding contract,

AGREE

First. To constitute a Finance Company for the purposes of promoting their activities in Equatorial Guinea and whose name, capital, and headquarters will be stipulated at the proper moment.

Second. That the activities of this Company will be fundamentally the promotion and realization of industrial projects, public works, state projects and, in general, all activities that are normally carried out by a finance company.

Third. To reserve for the Guinean people and the Guinean government a share in all the companies that are promoted. The percentage of the share will be determined in each case by the Finance Company and the Guinean government.

Fourth. That the PROFINANCO Co., with headquarters in Madrid and belonging to the Achille-Fould group of companies, will financially back this Finance Company.

Fifth. To raise capital for the Government of Equatorial Guinea and private enterprises established in the country. Such capital will not have political overtones.

Sixth. That this contract will be notarized at the proper moment.
Signed by the parties listed at the beginning of this contract, in the place and date mentioned.

Signatures: Mariano Robles Robero-Robledo, Jose Antonio Novais Tome, Francisco Gonzales-Armijo Borrallo, and Francisco Paesa Sanchez de Caballar. 19

A few days after this contract was signed, Armijo and Paesa flew to Guinea to solicit a charter for a private bank from Macias.

**Progress of Paesa's Attempts to Do Business in Guinea**

In Equatorial Guinea during the early part of November, 1968, Paesa and Armijo were busy trying to convince Macias to give them a charter for a bank. Pedro Econg referred to their activities in a letter he wrote to Trevijano on November 12:

> Among the economic groups [referring to several capitalist groups that had recently approached the Guinean government with economic proposals] is our mutual friend Armijo, who has spent more than a week with us since he arrived from Douala and Paris. He is accompanied by the director [Paesa] of a company [PROFINANCO] that says it has "seventy-five million dollars to invest in Guinean industry and the creation of an agricultural bank" etc., etc. They were even received by the President, who told them that Guinea had lived approximately two centuries with promises and controversy and that the moment of Guinean reality [the moment of action] had arrived. He asked them to put into writing everything they planned to do. The director left for Madrid but promised to return in the near future. 20

While in Guinea, Armijo told Paesa about his dreams of making Santa Isabel or Bata into a huge free port. The idea infatuated Paesa, who, upon returning to Madrid, talked it over with Novais. Novais said he knew just the man who could put their ideas on paper. That man was Charles Delvoye, a Frenchman.

Charles Delvoye was a retired colonel in the French air force. He had served in Madrid as the French embassy's military attaché from 1963 to 1966. He met Novais in 1963. 21 After Delvoye left the embassy in 1966, he was grabbed up by a French firm named SODETEC (Société d'Études Techniques et d'Entreprises Générales).

SODETEC was a legitimate, highly successful organization, which
offered consultative services to many industries. It had a capital of 10,000,000 French francs and employed 1,700 people. In the past, it had been involved in many French defense contracts, (especially relating to the Mirage jet), in NATO defense contracts, in nuclear experiments in the Sahara desert, and even in aspects of the formulation of the Spanish government's Plan of Development. In Spain, SODETEG rented an office at 97 San Bernardo, Madrid, from the last part of 1967 to October 1, 1969. At first, Delvoye was the only member of its staff. However, by October, 1969, the staff had increased to ten or twelve people. This forced SODETEG to move to another location.22

The reason why Novais immediately thought of Charles Delvoye when Paesa brought up the subject of port facilities was that Novais had recently encountered Delvoye accidently. Prior to this encounter, Novais and Delvoye had not seen each other for years. In keeping an appointment with Paesa at PROFINANCO's office, Novais was strolling through the halls of the building at 97 San Bernardo when he met Delvoye. Naturally, they told one another what they had been doing in the last few years. Delvoye gave Novais his business card and told him to look him up if he ever needed any consultation on engineering or related technical matters. That was exactly what Novais did.

Novais asked Delvoye to draw up some plans for a free port in Bata. Delvoye complied, and ordered his staff to make some preliminary drawings.23 Novais gave these drawings to Paesa, who took them to Guinea in mid-November. Paesa also took a set of plans for an insurance agency that was to be affiliated with PROFINANCO's bank. The insurance agency was Robles' idea.

Macias was not enthusiastic about the private bank, the free port, or the insurance agency. He told Paesa that a national bank capable of issuing money was what he really wanted. Articles XI and XII of the secret Spanish-Guinean Covenant expressly forbade the establishment of any national bank without the authorization of the Spanish government. Nevertheless, Macias encouraged Paesa to give up his plans for a private bank and to make new ones for a national bank. Paesa, who did not care whether he founded a national bank or a private one as long as there was still a chance of making money, eagerly changed his plans to conform to Macias' wishes. Armijo and Paesa returned to Madrid with a written authorization from Macias that empowered them to formulate plans for establishing a national bank.
In Madrid, Paesa and Armijo met with Novais and Robles to constitute a finance company in compliance with the contract they had signed on October 24, 1968. They drew up the constitution of the Finance Company of Equatorial Guinea (FINGUINEA) and had it notarized. According to Trevijano, Paesa subscribed to fifty-one per cent of the shares, "Armijo twenty-nine per cent, Novais ten per cent, and Mariano Robles ten per cent".  

After FINGUINEA was constituted, Paesa went to see Vicente Lalmolda. He showed Lalmolda Macias' written authorization concerning a national bank and tried to get Lalmolda to go along with the change in plans. Lalmolda, however, did not want any part of a bank that would issue money, and tried to convince Paesa to drop the idea. Lalmolda feared that a bank of issuance established in defiance of the secret protocol agreements would incite the Spanish government to retaliate against PROFINANCO. Lalmolda had only wanted to start a private commercial bank.

A few weeks before, on November 12, Lalmolda had received a memorandum from Achille-Fould's Economic Representative, Jean Simone, that cast considerable doubt on Paesa's reputation and solvency. The memo affirmed that Achille-Fould was still waiting for Paesa to deposit 5,000,000 pesetas in PROFINANCO's account and described Paesa's famous 30,000,000-peseta bank draft as a mere piece of paper contingent on the signature of Lorenzo Agudo in his capacity as Director of the Construction Loan Bank. Since Agudo had ceased to hold that office, continued the memo, the paper was now absolutely worthless. According to Achille-Fould's sources, Agudo owed the Construction Loan Bank in excess of 1,000,000 pesetas. Therefore, the bank was not about to make good on Agudo's bank draft to Paesa. The memo also stated that there existed no evidence whatsoever to the effect that Paesa was worth 100,000,000 pesetas. In other words, the memo implied that Paesa was a charlatan. Because of the memo and of Paesa's insistence on establishing a bank of issuance, Lalmolda saw no other alternative than to dissociate himself from Paesa and withdraw from PROFINANCO. Lalmolda conveyed his decision to Metternich and Borkowska, who pulled out of PROFINANCO too, leaving Paesa in charge of a company that had as its sole asset a ream or two of stationery with the company letterhead.

Paesa did not fool Robles, Novais, and Armijo for long about the decisive loss of Achille-Fould's backing. They soon found out about it and realized what sort of game Paesa was playing. Seeing that
he was like them—simply an adventurous but insolvent man wanting to get rich quick by establishing a bank in Guinea—did not end their dreams. They felt that Macias' written authorization for a national bank of issuance was worth something, even though they themselves did not have the financial means at the present time to use it.

In order to explain the loss of Achille-Fould's backing to Macias, Novais concocted a false, exotic story. He told Macias that Achille-Fould used the Nigeria Marimer Trading Company as a front to sell arms to Biafra. After discovering this, Novais supposedly convinced Paesa to refuse the financial backing of his father-in-law on the grounds that it would detrimentally affect the diplomatic relations between Nigeria and Equatorial Guinea. Macias swallowed the story.

The story also gained credence in some circles of the Spanish government. As a case in point, Fernando Moran Lopez, Assistant Director General of African Affairs, believed it. He even assured me in our interview of December 4, 1969, that Aymar Achille-Fould was the president of a pro-Biafran society.

Far from abetting the Biafran cause, Aymar Achille-Fould was destined to hurt it. In December, 1968, he headed a four-man private committee formed to investigate the charges of genocide alleged against the Federal Government of Nigeria. In addition to Achille-Fould, the following deputies of the French National Assembly composed the committee: Maurice Brugnon and André Saint Paul, both from the opposition, and Jean Louis Massoubre of the UDR.

Achille-Fould communicated to the Nigerian Ambassador in Paris his intention to take the committee through the rebel zone and the federal zone of Nigeria. The ambassador fully endorsed the plan that the committee should visit both areas and offered to help the committee make the necessary arrangements in the federal zone. In the end, the ambassador arranged all the details of the committee's itinerary and managed to get the Nigerian federal government to pay all the committee's expenses.

When Achille-Fould attempted to arrange the part of the trip that would take the committee through the rebel zone, he encountered difficulties with the Biafran government, which refused to allow the committee to enter Biafra. Apparently the refusal hinged on the insistence of the committee to travel through the federal zone. The
Biafran government had already agreed to let another committee of deputies from the French National Assembly visit Biafra. But one of the conditions of that agreement was that the committee would visit only Biafra.

Achille-Fould's committee officially concluded at the end of its investigation that the word genocide was an exaggeration and was improperly applied. In the name of the committee, Achille-Fould released a statement to the press. It was published in part in Le Monde on February 13, 1969. At one point the statement read: "... in the name of our delegation ... we have not gotten the impression of genocide anywhere [in the federal zone]." Achille-Fould reaffirmed this conclusion for Figaro and Combat.

If Achille-Fould had been selling arms to Colonel Ojukwu, he certainly would not have encountered any difficulty in getting into Biafra. Furthermore, instead of arriving at the aforesaid conclusion, he would probably have arrived at the opposite conclusion in order to foster sympathy for the Biafran cause.

The scandals concerning French participation in the Biafran war were probably more responsible than anything else in making Macias believe Novais' story about Achille-Fould. Several French magazines had implied that Mr. Foccart, the French Secretary General in charge of African and Malagasy Affairs, was running guns along a route from Paris to Lisbon to São Tomé to Enugu. Furthermore, the story that the revolutionary leader Ojukwu and the House of Rothschild had signed an agreement that stipulated that the Rothschilds would give 6,000,000 pounds sterling to the Biafran government in exchange for the exclusive rights of exploitation and extraction of columbite ore, uranium, coal, tin concentrates, natural oil, and gold ore in the territorial jurisdiction of the Republic of Biafra for a period of ten years had also gained widespread credence. The existence of this agreement had made many people believe that De Gaulle and Pompidou had come out in favor of Biafra in order to protect the interests of the Rothschilds in Biafra. This was credible when one took into account that De Gaulle's and Pompidou's personal fortunes were taken care of by the Bank of Rothschild. Others believed that De Gaulle had helped to promote the war because it brought in large amounts of revenue from arms sales. The beleagured French treasury needed every franc it could get. Given the fact that France was a major source of pro-Biafran propaganda, and considering the environment of suspicion that hovered over Biafra's relationship
with France, it was no wonder that Macias accepted at face value Novais' explanation about the loss of Achille-Fould's backing.

Paesa's Search for Financial Backers

After Lalmolda and others had withdrawn from PROFINANCO, Paesa found himself in a jam. He needed financial backing to make Macias' authorization of a national bank worth something, and he needed money to pay his expenses while he searched for backers. According to Trevijano, what Paesa and Armijo did was to "look up an acquaintance of Paesa, a man from Bilbao named Juan Gomez Alvarez, to ask him for money in exchange for whatever he wanted in Guinea because Armijo 'psychologically controls Macias and is the real powerholder.' The speech that Armijo made for Macias to deliver on the day of independence is the conclusive proof that sways Mr. Gomez Alvarez. Mr. Gomez Alvarez gives them two hundred fifty thousand pesetas (he has given them almost one million seven hundred thousand up to now); and, with this money, instead of going directly to Guinea, Armijo and Paesa go to Paris so that (1) Paesa can offer a deal to the French Rothschilds and (2) so that Armijo, for your [Macias and his ministers'] benefit, can pretend to be involved with powerful international groups."32

Armijo and Paesa did go to Paris to look for French backing. That much is certain. Armijo was registered at the Meurice Hotel at 228 Rue de Rivoli, Paris I, from December 9 to 11, 1968.33 It is not certain but probable that Paesa approached the Rothschilds because he believed that they were deeply involved in Biafra and therefore would jump at the chance to control the national bank of Equatorial Guinea, the country from which mercy flights were being made Enugu. Moreover, controlling the national bank of Equatorial Guinea would aid the Rothschilds in acquiring all the subterranean oil rights between Fernando Po and Port Harcourt. The deal must have looked inviting to the Rothschilds. In spite of this they turned it down, probably on account of warnings about Paesa's background given them by their personal friend Aymar Achille-Fould.

From Paris, Paesa moved on to Geneva, where he registered at the Hotel de la Paix. He looked for backers but did not find them. However, he and his partners had to make others believe that he did. So they spread the story that Paesa had obtained the backing of a group of international bankers, including several Swiss ones.

Paesa and his partners kept up this subterfuge for almost one
entire year. Novais, for example, was still propagating this story when I spoke with him on July 2, 1969. He told me that when Paesa returned to Madrid from Switzerland he was accompanied by "an important French banker named Mr. Richi, a Swiss banker, three Englishmen, and the Prince of Metternich." Novais assured me that Paesa and his backers "arrived at an agreement and the bankers went to Santa Isabel, where they set up the Bank of Equatorial Guinea as a private bank, owned 25% by the Guinean government, 10% by the finance company formed by Novais, Armijo, Robles, and Paesa, and 65% by the international bankers." Novais' story was a downright lie. Suffice it to say now that Metternich had severed all relations with Paesa at about the same time Lalmolda had, and that Paesa had not given up the idea of establishing a national bank of issuance.

Despite its blatant falsity, the story about the backing of international financiers and especially Swiss bankers gained acceptance in Guinea and in several key circles in Spain, including the Bureau of National Security. Novais, Armijo, Robles, and Paesa did not let anyone know the truth—not even a fellow collaborator like Caballero, who firmly believed that "Paesa had found backing in the Union of Swiss Banking and therefore had been able to open a branch office of the Bank of Guinea in Geneva and begin operations." As a point of interest, it should be noted that Caballero believed also that Paesa's wife was a daughter of Achille-Fould's and that it had been Novais and Armijo who rejected Achille-Fould's backing when they had discovered that he ran guns to Biafra.

In Geneva, Paesa had indeed opened what was supposed to be a branch of the Bank of Equatorial Guinea before he returned to Madrid. The branch served as a front for something that did not exist. In other words, it served the same purpose as had the office of PROFINANCO at 97 San Bernardo Street in Madrid. The Geneva branch served its function well because its existence convinced Trevijano that Paesa had Swiss backing. In a confidential report, Trevijano wrote:

I believe that the Overseas Int. Company is the company that is ready to supply Paesa with three million dollars to constitute the Bank of Equatorial Guinea, but I do not yet have positive proof. The two groups—the French "Alled Fuch" and the English "Rothschild"—that today are involved in the constitution of the Bank of Equatorial Guinea appeared when Paesa obtained from Macias the first certificate authorizing the constitution of the bank....
From what Trevijano wrote, it is obvious that he also believed some of the rumors about Paesa's connections with the Rothschilds and Achille-Fould. Trevijano's mispelling of Achille-Fould indicates, however, that he had done little research to verify the rumors and had accepted them at face value. But he was skeptical about the truth of one story that Armijo, Novais, and Paesa were spreading. Trevijano related that story as follows: "What Armijo, Novais, and Paesa say in Madrid, Bilbao, and Paris in order to promote their swindle is that Macias personally and secretly has a five per cent interest [in the bank] that figures under the name of Armijo and a ten per cent interest that the foreign group will deposit in the Bank of Bonn in an account held by Macias' wife." 36

This rumor and the one about Swiss bankers caused much concern in the Spanish government because the Spanish government believed them, as I will demonstrate with the examples that follow. The file on Paesa in the Spanish Bureau of National Security read: "... Francisco Gonzalez Armijo and the mentioned Francisco Paesa had associated with each other to found in Guinea a bank backed by Swiss capital and denominated 'Bank of Equatorial Guinea'." 37 Several officials in the Spanish Ministry of Foreign Affairs told me that they were certain that PROFINANCO was backed by Swiss capital and that Macias and the Guinean Angel Masie had shares in Paesa's bank. Other officials in other ministries told me the same thing. I only encountered one Spanish official who suspected that Paesa did not have the Swiss backing he claimed he had. That official was Fernando Rodriguez Lopez, the only Spaniard that possessed any first-hand knowledge about the bank. Lopez was also a good friend of Masie and therefore was in a good position to comment on the rumor concerning Macias' and Masie's participation in the bank. On January 15, 1970, Lopez told me: "It would not surprise me if Masie personally had an interest in the bank. Nevertheless, I never saw any document [relating to the constitution of the bank] that bore the signature of Macias or Masie."

In effect practically all the rumors floating about indicated that Paesa had the necessary financial support--either French, English, or Swiss--to open his bank. The idea of a national bank backed by foreign capital scared the Spanish government. Such a bank would cause detrimental repercussions with respect to the Spanish peseta, would greatly complicate relations with Guinea, and would decrease Spanish influence in the area to a bare minimum. As a result of this prevailing fear, the Director General of Security received orders
from his superiors to spy on Novais, Armijo, Paesa, and Caballero and to obstruct their lines of communication with Guinea.

In Guinea, Macias took advantage of the Spanish government's fears. In conferences with the Spanish ambassador, he threatened to give Paesa permission to open the bank if the Spanish government did not send him 426 million pesetas soon. In other words, Macias thought that he had discovered Spain's Achilles' heel. On the other hand, if Spain did not yield to his threats, he was perfectly willing to allow the bank to open because he believed that it was viable and that it really would make Guinea independent of Spain.

In the meantime, acting in the name of the Spanish government, Fernando Moran Lopez, the Spanish Assistant Director of African Affairs, tried to convince Macias to enter into a permanent monetary union with Spain similar to the one functioning between the former French-African colonies and France. The monetary system proposed was almost identical to the one advocated in the Ministry of Finance's report to the 1967 Interministerial Commission on Guinea. Guinea was still using the Spanish peseta as its currency in compliance with Article XI of the Spanish-Guinean Covenant.

In December, 1968, the Spanish Ministry of Finance sent Mr. Chancho and Mr. Maron from the Department of the Treasury and the Budget to Guinea. The object of their mission was to help the Guinean Minister of Finance formulate the Guinean national budget and convince him that there was no need of the 426 million pesetas demanded of Spain by Macias as part of the independence agreements. While these two Spaniards were in Guinea, they wrote a report for Macias analyzing the pros and cons of the three monetary systems described in the Spanish Ministry of Finance's report to the 1967 Interministerial Commission. The report on the whole was very objective and realistic. Macias did not like the report because it made such a good case for a monetary union between Spain and Equatorial Guinea. Macias wanted a completely independent monetary system even though his country obviously could not in the near future earn the foreign exchange necessary for the viability of such a system.

During the first week of December, 1968, Armijo, Novais, and Paesa made plans to go to Guinea to negotiate the opening of their bank with Macias. Since they knew that the Bureau of National Security was keeping them under surveillance, they schemed to make it appear that they were going to Guinea for reasons unrelated to the bank. Macias cooperated with them. On December 10, he ordered his Chief of the
Civil House of the Presidency to telegraph Novais:

HIS EXCELLENCY PRESIDENT REPUBLIC TAKES PLEASURE INVITE YOU VISIT EQUATORIAL GUINEA REASON JOURNALISTIC REPORTS OF INTEREST STOP I BEG YOU COME HERE SOON AS POSSIBLE. 38

Following the telegram, Macias sent a letter to Novais, which read:

In my own behalf and that of my people, I want to express our gratitude to you for the help that you have given us in our struggle for independence. It is my desire and that of my Government that you be the first official guest of our country. I beg you to accept our invitation to visit us and to come as soon as possible to Equatorial Guinea. 39

The telegram and the letter gave Novais a good pretext to go to Guinea. He took the December 16 flight to Santa Isabel. A week later, Armijo and Paesa showed up there.

Novais had gone to Guinea primarily to talk with Macias about the bank; but once he got there, he soon became involved in two other tasks. Macias wanted Novais (1) to help plan an international press campaign to bring pressure to bear on Spain, and (2) to negotiate an agreement with the Red Cross. The primary objective of the campaign was to convince the international community that the Guinean government could not function because the Spanish government had not given the aid that it had previously promised to give. If the campaign succeeded in its objective, Spain would certainly lose prestige in international circles. Novais reasoned that:

The Spanish government cannot afford the luxury of losing international prestige because such prestige is badly needed at the present time owing to:

a) Spain's negotiations with North America to resolve the problem of the [U.S. military] bases.

b) Spain is a member of the Security Council of the UN and must give an example.

c) The problem of Gibraltar. 40

The secondary objectives of the campaign were:

1. To let the world know what Equatorial Guinea really is and what Equatorial Guinea has to offer.
2. To demonstrate President Francisco MaciasNguema's capacity for statesmanship.

3. To make international investors fully confident in the stability of Equatorial Guinea by virtue of the example of political maturity she is giving to the world. 41

The third "secondary objective" showed that Novais recognized the need for foreign investment. Macias was always hostile to it, but Novais convinced him that it was necessary.

The second "secondary objective" was a part of Novais' and Armijo's plan to flatter Macias so that he would be more responsive to their requests concerning the bank, the free port, and the insurance agency. They told Macias that he had a great predestined role set out for him in Africa. Novais made plans to project Macias as:

a) The incarnation of the people that he governs and that has elected him by a huge margin against the wishes of the ex-colonial power and the pressure groups of the country [Guinea].

b) President Macias is the only Spanish-speaking African statesman; therefore, he is the only Chief of State who can serve as the liaison between two great continents of the third world: Africa and America.

c) President Macias can play the role of mediator perfectly in any international problem (especially African) because he has no interests outside his own country and because Equatorial Guinea is a small country without expansionist ambitions. 42

Novais realized that all this was so much malarky, but he conceived it for a specific reason. He tantalized Macias with prospects (b) and (c) and then told Macias that, if he wanted (b) and (c) to come true, he would have to be "independent, since the guarantee of economic independence is the only way of guaranteeing his political independence." 43 In other words, Macias could never become an international arbitrator unless he was politically independent. To be politically independent, he would have to be economically independent, meaning that his country would have to be economically independent. For this to happen, his country would have to have its own national bank of issuance—the ultimate conclusion that Novais wanted Macias to reach.

Trevijano evaluated the situation correctly when he wrote that
Novais "has made him [Macias] believe that he is already the moral successor in Africa of the Emperor of Ethiopia. . . ." 44 Trevijano realized that Novais was doing all this to foster a propitious environment for the bank. Not only did Trevijano fear that Novais would get permission to establish the bank, but he also feared that such talk of grandeur would "foment in Macias a tendency toward personal dictatorship and violation of the laws and the constitution, which would place him in an irreversible process." 45

Whether or not Novais wanted to nudge Macias along the road to dictatorship is uncertain, but there is no doubt that Armijo wanted Macias to become a dictator. The more power Macias would take for himself, the more power Armijo would gain—provided, of course, he remained in good stead with Macias. In this way, Armijo would not have to worry about former allies that he had alienated, such as Bonifacio Ondo and Salome Jones; he would not have to worry about opposition from Trevijano's allies, such as Jose Nsue and Moises Mba; and he would not have to worry about the very strong anti-Macias faction led by Atanasio.

Since the day of his final split with Trevijano, Armijo had been constantly encouraging Macias to distrust Trevijano's Guinean allies. He had concocted his own libelous rumors about Jose Nsue, Pedro E Congo, and Moises Mba and had passed on other rumors that were already in circulation. Aware of Armijo's activities in this regard, Trevijano warned Jose Nsue:

What I think these three individuals [Paesa, Novais, and Armijo] are trying to do, perhaps unconsciously, by their efforts is to create in Macias a psychosis of fear and distrust regarding his ministers, especially you and Pedro E Congo, making him believe, or at least suspect, that you are ready to betray him in collusion with Atanasio or the Spanish government.

Armijo himself, with whom I have talked on the telephone (because I have refused to receive him in person), has even said to me that Macias had commented to him, "I don't trust Jose, there are some strange things going on between him and Atanasio." Armijo added that you and Pedro have fallen into disfavor with Macias and that Macias believes that you made the trip to Comillas in order to discuss ways of presenting the candidacy of Andres Moises [in the presidential elections] and taking votes away from Macias. In the face of my insults, Armijo answered that he knew that all this was a lie but that

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you were to blame for it because you did not want to talk to him. In his madness, he went so far as to tell me that he, Armijo, had the power in Guinea and that he could "strike anyone down with lightning". He advised me to stop writing you so as not to alienate you from Macias. 46

Guinean Government's Reaction to Chartering Paesa's Bank

After returning to Madrid from Guinea in late December, 1968, Novais met with Mr. Cuenca, the Spanish Chargé d'Affaires for Equatorial Guinea, in order to relay a message from Macias. Novais told Cuenca that Macias would drastically alter his policy toward Spain at the end of fifteen days if the Spanish government did not offer Guinea agreements more appropriate than those it had offered so far. 47 On January 2, 1969, Novais repeated the warning to Mr. Benitez de Lugo, Juridical Advisor to Guinea appointed by the Spanish government, and, on succeeding days, to several other Spanish officials, including Fernando Moran Lopez.

By using Novais, Macias made sure his message got through to the top officials in the Spanish government. The Spanish government interpreted the message to mean that Macias would inaugurate the national bank if he did not get his way on the agreements. Had the Spanish government appeased Macias, he probably would have delayed the opening of the bank indefinitely. Novais did not realize this because he felt certain that Macias would charter and inaugurate the bank regardless of how the Spanish government responded to the message. Novais had simply not caught on that Macias was using him and the unchartered bank as much as he, Novais, was using Macias.

The first thing Armijo and Paesa did when they arrived in Guinea in late December was to take: 48

... their constitution of FINGUINEA to Mr. Eworo Oyono, who as the Minister of Justice was also the Supreme Notary of the Republic. They asked him whether he would object to notarizing the constitution of the Bank of Equatorial Guinea in his capacity as the Supreme Notary of Equatorial Guinea. Naturally, the minister did not object and he ordered a subordinate to come to write the affidavit that he himself would sign. The capital of the Bank of Equatorial Guinea was set at 210,000,000 pesetas, which was distributed in the following manner: 115,000,000 FINGUINEA
63,000,000 Guinean government, 30% (At that time, there was a surplus of 340 million pesetas at the disposal of the Guinean Ministry of Finance because the Department of Finance had collected more than what it had spent that year.)

20,000,000 Paesa
12,000,000 Armijo

The document constituting the Bank of Equatorial Guinea looked good, but it was not worth much, for two reasons. First, neither FINGUI NEA nor the company that backed it had ever been registered in the Mercantile Register of Madrid or Santa Isabel. Because of this, according to both Spanish and Guinean laws, neither company could begin operations. Second, neither Paesa, Armijo, Robles, nor Novais had enough money to disburse the share of FINGUI NEA. This also meant that Paesa and Armijo could not disburse their own shares.

The financial limitations of Armijo, Robles, Paesa, and Novais would force them to follow one of two strategies

1. They could wait for the Guinean government to disburse its share. The government though already hard-pressed for money, could divert 63,000,000 pesetas from the surplus funds in the Ministry of Finance to the bank. The bank could begin operations using only the 63,000,000 pesetas. Then Armijo, Paesa, Novais, and Robles could later disburse their shares by using their proportion of the profits or by acquiring backing from French or Swiss groups. They probably believed that they could easily persuade financiers to back them if they could point to a functioning bank.

2. They could wait for the Guinean government to disburse 63,000,000 pesetas. Then Armijo and Paesa could take the money, flee from Equatorial Guinea, and at a later date give Robles and Novais their shares, barring double-crosses of course.

Novais, Armijo, Robles, and Paesa probably opted for the first strategy and viewed the second strategy as a possible contingency in the event that the first one failed. There was one Spanish governmental department—the Bureau of National Security—that was sure that Armijo and Paesa intended to follow the second strategy from the beginning. The files on Paesa in that bureau contended that Armijo and Paesa’s "intentions were to conduct a large-scale operation and
then leave for Switzerland with what they obtained through their tricks. 149

According to the constitution of the Bank of Equatorial Guinea, the bank would have the right to acquire and control foreign exchange, the right to issue a Guinean currency, and the right to constitute an affiliated national insurance agency. The board of directors was composed solely of Paesa as president and Armijo as a voting member. The Guinean government would select its representatives on the board later.

Paesa and Armijo submitted the constitution of the bank to President Macias, who appointed a subcommission to study it. The subcommission, presided over by Jose Nsue, was to make a report on the viability of the bank. The Minister of the Interior, Angel Masie, suggested that the subcommission consult Fernando Rodriguez Lopez on the matter. 50 Lopez was the Technical Juridical Advisor to the Ministry of the Interior.

Observing Masie's suggestion, Jose Nsue gave Fernando Rodriguez Lopez three documents to study. They were (1) the notarized constitution of FINGUINEA, (2) the notarized constitution of the Bank of Equatorial Guinea, and (3) the plans for the location and the construction of the bank building.

Lopez studied the documents and came to the conclusion that the bank would be infeasible either as a private bank or as a national bank. On Saturday, December 28, at 10 p.m., he attended a meeting of Agustin Daniel Grange, Angel Masie, Pedro Ecomg, Antonio Eworo, and Francisco Paesa in the Ministry of Public Works. Lopez submitted his conclusions and advised those attending that:

1. The bank should be a private bank without the right to issue money.
2. Paesa and his associates should disburse their shares before permission to open the bank is granted.
3. The disbursement should be made in Swiss francs or another strong currency. 51

Paesa complained that he could not possibly comply with Lopez's third piece of advice because the laws of the Spanish Institute of Foreign Money forbade any Spanish citizen from taking foreign exchange out of Spain. Lopez rebutted that Paesa should have no trouble obtaining Swiss
francs if he really had Swiss backers. From that point on, Paesa looked upon Lopez as the last obstacle blocking the opening of the Bank of Equatorial Guinea.

Lopez described what happened next:

It seems that Paesa and Armijo told Macias that I gave copies of the notarized constitution of the bank to Ambassador Duran. Macias became convinced of this at the persuasion of Messrs. Armijo and Paesa and accused me of transmitting Guinean government secrets. He gave the order of my expulsion on December 30, 1968. Angel Masie pleaded with Macias to let me remain. On January 7, the day designated for my departure, the police came to see me to tell me that I could stay if I saw Macias. I responded that I was not interested and I left. 52

Concerning the charge that he had given Duran a copy of the bank constitution, Lopez said, "This is a lie. I had not given it to Duran because he had not asked me to . . . and even if he had asked me to I could not have given it to him without the permission of my immediate superiors." 53

The episode with Lopez seems to indicate that Macias was ready to listen more to Paesa and Armijo than to one of his own ministers (Angel Masie). In actuality, Macias was beginning to ignore all his ministers to a great extent, indicating that he was progressively assuming the traits of a dictator. Armijo and Paesa might have been happy about this, but Macias' ministers certainly were not.

In view of Macias' attitude toward Lopez, the subcommission dared not stand in Paesa and Armijo's way. It was obvious to the subcommission members that Paesa and Armijo had considerable influence with Macias. So the subcommission returned a report that was favorable to the opening of the bank.

Macias then told Paesa and Armijo to start construction on the bank. He assured them that he would allow the bank to open once it was constructed.

Construction started in early January, 1969. After seeing the foundations of his bank laid, Paesa left for Europe to buy a vault and have it shipped to Santa Isabel. Armijo wrote Novais about these latest events and asked him to do a favor: "If Paesa is not in Madrid, try to contact him and tell him to send me the dimensions of the door
The news excited Novais and Robles, making them more certain than ever that the bank would soon be opened and they would be rich.

**Trevijano's January Report**

I have often quoted excerpts from a confidential report that Trevijano wrote for his friend, Jose Nsue, Minister of Education. Since the report, dated January 15, 1969, was the major cause of a split between Trevijano and Macias, it will now be discussed in detail.

On December 22, 1968, Jose Nsue informed Trevijano by letter that "I have to tell you in advance that you are going to be appointed the lawyer representing our Government in Madrid after the negotiation of the agreements [of cooperation, aid etc., between Spain and Guinea]. The President has told me that."

This notice led Trevijano to believe that he was in good standing with President Macias.

In his capacity as the chairman of the subcommission to study the feasibility of the Bank of Equatorial Guinea, Jose Nsue solicited the opinion of Trevijano concerning the bank and its founders in late December. Trevijano complied and prepared the aforementioned lengthy report during the first weeks of January for two reasons. First, he wanted to stop the bank from opening; and second, he felt that the preparation of such a report was his duty as the future lawyer for Guinean interests in Madrid. He asked Nsue to show the report to Macias in the hope that it would convince Macias to dissociate himself from Armijo, Novais, and Paesa and to deny the bank a charter.

Trevijano prefaced his report with a few comments concerning his progress in hiring teachers and advisors for Guinea and with his opinion about fusing all the Guinean political parties into one. His reference to the single-party idea was extremely significant.

In a mid-December Guinean Council of Ministers meeting, President Macias demanded the fusion of all political parties. Over the protests of his ministers, he formulated a bill that would require all parties to merge and that would make Guinea a single-party state. Apparently Macias' bill was not worded in legal language because Jose Nsue, on behalf of Macias, asked Trevijano to draft a one-party bill. That was why Trevijano referred to it in his report.
Trevijano was not against the idea of simple unification of the major parties as long as it did not mean outlawing other parties. He was dead set against a de jure one-party state. In his report, Trevijano said he had abstained from drafting the requested bill because he was not sure what was wanted. It [the bill] will be radically different depending on whether it deals with the creation of a single party or the simple fusion of the existing three parties. He hoped that Macias did not intend "to violate the democratic right [of Guineans] to form other parties in the future in accordance with the constitution." Unfortunately, Macias intended to do exactly that. He wanted to outlaw all other parties except the one he directed.

Macias was trying to employ the same tactic that Franco had employed with the National Movement so many years before. Some Spanish newspapers hailed Macias' new line because it demonstrated that Guinea was beginning to introduce the same enlightened measures as Spain had.

Trevijano endorsed the attitude of Macias that Equatorial Guinea should issue her own currency in order to eradicate her economic dependency on Spain. Trevijano believed that there were two ways of accomplishing this: "that of creating a national currency backed by reserves of gold, dollars, or pounds sterling acquired through the sale of the futures of cacao, and that of creating a national currency guaranteed by the World Bank." In his report, Trevijano continued to say that: "The first of these two solutions is the one I advised Macias to adopt in the confidential report you handed over to him; the second solution of the World Bank is the one I intend to deal with in my trip to North America, provided Macias still thinks I should make it. Of course, the hypothesis of a Guinean currency backed by a private bank, Spanish or foreign, must be totally discarded because this solution is the most irresponsible and practically incompatible with the sovereignty of the State."

Trevijano was certain that Guinea could obtain enough foreign reserves to back a national bank by selling cacao on the international market. "I want to inform Macias of the fabulous price that cacao is getting on the free market at the London, New York, and Chicago exchanges. The Biafran war, which has destroyed the crops of Nigeria, the second producer in the world, and the floods in Ghana and Brazil, first and third world producers, have provoked a rise in cacao prices similar to that of 1954, more than double the normal market price. This means that the price that the Spanish Cacao
Syndicate pays you will be less than half of what you can obtain on the international market. This confirms that the solution or advice I gave the President was right. Today you can, using intelligence and agility, obtain foreign exchange and gold by selling your cacao on credit at the New York exchange, where I have already prepared the way [referring to his dealings with Bache & Co., which was ready to sell the futures of Guinean cacao on the New York commodity market]. If this operation is well executed, negotiating beforehand with the Spanish government for freedom of commerce with regard to cacao, and given the figures that you have sent me respecting your production of cacao, I believe that this year the State of Guinea would be able to accumulate gold or foreign exchange reserves approximately equivalent to seven hundred million pesetas. With this reserve, your national bank could begin operations and could issue your own money, beginning the process of your economic emancipation.  

Following these introductory remarks, Trevijano began to attack the bank, Paesa, Novais, and Armijo by name. According to Trevijano, Paesa, as "an agent of the lowest category for the Rothschild group in Paris", 62 had drawn the Rothschilds into the bank deal. Trevijano elaborated the dangers that could result from the involvement of the Rothschilds:

The House of Rothschild that is a partner in the Bank of Equatorial Guinea intends to dominate the Guinean government in order to protect and defend the immense fortune that it has tied up in the Biafran war. If it [the House of Rothschild] wins the war, there will be a fatal danger of Fernando Po's being separated from continental Guinea and being annexed by or drawn into a federation with Biafra. If they [Rothschilds] lose the war, they will need to control Guinea for its petroleum and strategic commercial position with respect to the Cameroons and Gabon, where they have huge investments, in order to compensate their enormous economic losses. Then the danger will come from the continent, especially Gabon. This group has had its eye on Guinea for a long time. 63

Pointing out the major arguments against the bank, Trevijano wrote:

In the second place, I am going to talk about the technical aspect of the constitution of the Bank of Equatorial Guinea. On the one hand, this constitution is illegal, since the provisional agreements signed with Spain obligate the Government
of Guinea not to adopt any financial measure or public concession without the previous agreement of the Spanish government. Guinea is too small to permit itself to violate any kind of international agreement that it has signed. The consequences and the precedent may be very grave. Have you thought about what can happen if the Spanish government refuses to recognize the legality of this bank? Have you calculated the repercussion that this measure can have on the next negotiations for economic aid? Have you taken into account that this measure is incompatible with the spirit of the negotiations with Spain concerning the bilateral agreements? It seems good to me that you are exercising your sovereignty because you have attained your independence for that purpose. But, if you do not take into account all these questions, then what seems to you as an act of sovereignty may turn out to be nothing more than a dangerous venture for your people.

On the other hand, to authorize a private bank, which is going to concern itself with private, commercial operations, to use the name of Equatorial Guinea is to tolerate inevitable confusion between it and the national bank of emission and is to associate the name of Equatorial Guinea with the risk of failure in the financial operations of a private company, which is in no way controlled by you.

In addition, the share of the State of Guinea of twenty-five per cent of the capital of a private company is the worst combination of public and private capital. The worst because anything less than fifty per cent does not mean a thing when it is time to make decisions or exercise control, whereas it does serve to commit and handcuff the government to private capital. Perhaps you believe that you will always be able to nationalize the bank if it does not conduct itself well. Unfortunately, this is a mere illusion. It is an illusion because, in spite of having three representatives on the board of directors of the bank and owning twenty-five per cent, you will never be able to know whether the bank is conducting its business well since the principal sources of information will not be at your disposal. And besides, until your government controls your economy, you will not be able to apply a policy of nationalization since, if you nationalize this bank, which is the first combination of private and Guinean public capital, it will be impossible for you later on to find sound [ethical] foreign capitalists who will
want to invest in Guinea. 64

In the report, Trevijano notified Jose Nsue of an important development:

The ambition of Armijo, which has no limits and is only comparable to his ignorance, which also has no limits, has caused the defection of Mariano Robles, who, frightened by the wasp's nest that he unconsciously put himself into and demonstrating the signs of praiseworthy honesty, has informed the other three that he is withdrawing from the "Guinean Finance Co." and is leaving them his share. 65

Over the telephone, Robles had notified Trevijano of his decision to dissociate himself from Novais, Armijo, and Paesa. I do not believe that Robles withdrew owing to his "praiseworthy honesty." I believe that his friends in the Bureau of National Security told him that the secret police had orders to arrest any shareholder in the bank if and when the bank opened. Robles did not wish to push his luck, so he pulled out.

Trevijano also touched on the subject of the free port advocated by Novais, Armijo, and Paesa: "The fame of Paesa is that of a swindler, and the three who remain are carrying out indefatigable activities to swindle in the name of Guinea anyone who falls into their hands. After the matter with the bank, they have recently been meeting with the Moras and the timbermen, offering them in exchange for millions [of pesetas] shares in the free port, the rights to which they have been granted in another document they show". 66

Trevijano concluded his thorough report by forewarning that he would renounce his ties with Guinea if the bank were not stopped from opening:

In all this, there is much that is ridiculous and grotesque; but, if you are ready to permit these three amoral individuals to continue demolishing and soiling your noble, exemplary behavior, if the news about the bank is true, and if Macias does not decide to impede or annul this concession, for which he will have a thousand legal pretexts, then Jose, and with the profound sorrow of someone who watches a cause that he has believed in crumble before him and that is reason enough to live for, I cannot continue to bear the responsibility for your destiny. 67
Trevijan knew that he was playing with fire by harshly criticizing Paesa, Novais, and Armijo in the report. He realized that they would try to retaliate in several ways. Novais and Paesa had already communicated one threat to Trevijano through his friend Vicente Galan. They had told Galan that they would give the newspaper PUEBLO a list of enterprises partially owned by Trevijano that were prepared to do business in Guinea. The list would help PUEBLO fight the suit that Trevijano had filed against it.

Macias' Reaction to the Trevijano Report

In compliance with Trevijano's wishes, Jose Nsue remitted the January 15 report to Macias. The implications contained in it infuriated Macias. He immediately confronted Armijo and Paesa with the report. After reading it, they said that Trevijano just wanted to discredit them because they stood in his way. According to them, he was trying to create and to control a neocolonialist, imperialist, capitalist monopoly of the Guinean economy. As substantiating evidence, they produced a copy of NEGOTIATIONS, the document that Trevijano had written on November 25, 1968, to list the companies he had talked to about investing in Guinea.

Macias was not as angered by what Trevijano had said about Armijo, Novais, and Paesa in the report as he was by what Trevijano had said about him. In other words, Macias' pride was hurt. Macias ordered the Chief of the Civil House of the Presidency, Pedro ElaNguema, to write Trevijano the following letter:

I am terribly sorry that I must communicate to you that His Excellency the Chief of State is extremely indignant about the letter [January 15 report] that you sent His Most Honorable Minister of National Education of the Republic, Mr. JOSE NSUE ANGUE OSA.

As you know very well, His Excellency the President of the Republic did not know you until Messrs. Justino Mba, Salome Jones, and his friend Armijo, etc. introduced you to him for the sole reason of soliciting your advice on constitutional matters during the Conference. In this regard and in that atmosphere, the Chief of State maintained contact with you without making any politico-economic commitments.

You said that Messrs. Paesa and Armijo are trying to use the Chief of State; to this respect let it be clear to you
that neither Paesa, Armijo, you nor any government is capable of manipulating or using him. His Excellency realizes very well that your subterfuges and intentions are with respect to Equatorial Guinea. Paesa will conduct his business in the country as you could have conducted your business, but no one will manipulate or use His Excellency the Chief of State. . . .

In conclusion, I wish to repeat that His Excellency is disgusted with the entire content of the letter that you sent the Minister of Education of the Republic; and because of this, His Excellency may abstain from dealing with you ever again. A Chief of State of a sovereign country must never be talked about in the terms that have been used in your letter, nor should you have posed such questions regarding his actions. 68

Upon reading Ela's letter, Trevijano felt insulted. His pride was hurt to such an extent that he did not even write a reply to the letter. He simply severed all his relations with Guinea. 69

Spanish Government's Reaction to Possible Opening of Bank

On January 25, 1969, Franco declared a state of exception under which all civil liberties were temporarily abrogated in Spain. This measure made it easier for his government to handle some of the domestic problems it was facing. Dissidents could now be arrested without cause, and complete censorship could be imposed on all internal publications. Although the state of exception had nothing to do with the problems in Equatorial Guinea per se, it gave the Bureau of National Security great latitude in the ways it could stop Armijo, Novais, and Paesa from opening their bank.

The Spanish government was extremely anxious about the possible opening of the Bank of Equatorial Guinea. The gravity of this anxiety was revealed by the fact that General Franco himself dealt with the problem. After consulting his brother Nicolas about the data that the Construction Loan Bank had gathered on Paesa, Franco recalled Juan Duran-Loriga to Madrid. On January 30, the two discussed what Paesa was currently doing and what chances the bank had of opening.

On February 3, Atanasio Ndongo and Angel Masie stopped in Madrid on their way back from the United States. Castiella took advantage of the opportunity to speak with each separately. Because of the rumors that Masie was personally involved in Paesa's bank, Castiella grilled Masie about the bank. Masie did not volunteer any information. On the
other hand, Ndongo was more helpful. He told Castiella that the bank was on the verge of opening. If the Spanish government wanted to stop it from beginning operations, it would have to act swiftly.

Macias had always mistrusted Ndongo and had begun to mistrust Masie when Masie had tried to protect Rodriguez Lopez. The audiences that Masie and Ndongo had with Castiella acted to make Macias even more suspicious. Macias still feared that his ministers might be conspiring to overthrow him, since none of them had received their full wages for three months.

After talking things over with Duran and Castiella, Franco decided to implement a two-point plan. According to the first point, the Bureau of National Security was to keep Armijo, Paesa, and Novais under constant surveillance and prevent them from returning to Guinea. All three were in Spain in early February. Novais had returned from Guinea more than a month before, Paesa had followed soon afterward to buy a vault, and Armijo had returned recently to tie up loose ends. The Bureau did not bother to watch Robles because he had informed it that he had dissociated himself from Novais, Armijo, and Paesa.

The second point of the plan was to send two officials from the Bank of Spain to Guinea to conduct a study on the Guinean national budget. During their stay, the Spanish officials suggested many ways of decreasing the Guinean budgetary deficit, estimated by the Guinean government at 426 million pesetas. Macias rejected almost all of these suggestions because most of them called for the centralization of administrative functions. He did not intend to alienate any of his political supporters by divesting them of their posts.

When the two Spanish officials returned to Spain, they wrote the Spanish government a report which concluded that the actual deficit in the Guinean budget was far less that 426 million pesetas. Of course, this report made the Spanish government more determined not to acquiesce to Macias' demands.

As a result of the rapidly increasing tensions between Spain and Equatorial Guinea, the Director General of Security ordered Armijo detained on February 6. 70 Armijo was interrogated about the bank for a few hours and then released. The Director General also ordered the detention of Paesa, but the security police could not find him.

A few days after his release, Armijo flew to Paris, where he
stayed at the Meurice Hotel from February 8 to 11. This caused the Spanish security police to think that Paesa must also be in Paris. They asked the French police to warn Paesa not to go to Guinea. The French police located Paesa in Paris and conveyed the warning. 71 Subsequently Armijo flew to Equatorial Guinea and Paesa flew to Geneva.
EDITORIAL EPILOGUE

In Chapter 27 of his manuscript, Gard concludes the story of Paesa and the proposed Bank of Equatorial Guinea. In précis, this is what happened.

Relations between President Macías and his cabinet, never cordial, worsened in early February, 1969, and Macías feared a coup d'état. To strengthen his position, Macías began a speaking tour of Río Muni (mainland Guinea), winning approbation by denouncing the Spanish. This led to such open hostility between the Africans and the Europeans that the Spanish Ambassador ordered the Spanish Civil Guard to seize control of Guinean airports. Macías appealed to the United Nations and ordered the Spanish Ambassador to leave Guinea. An attempted coup followed but was put down, and Macías' African enemies were killed, many from continuous beatings and other forms of torture.

In all this, Paesa, Novais, and Armijo supported Macías and continued to seek control of some kind of a bank in Guinea. Novais even concocted press releases issued in Macías' name. On March 6, 1969, Novais was arrested in Spain on charges of high treason. He was released, but he, Paesa, and Armijo were blamed by the Spanish government for the turmoil in Guinea: "On the bad advice of the representatives of a certain Spanish financial group [Novais, Armijo, and Paesa] -- very possibly with dubious international connections -- that made him believe in magic alternatives [Bank of Equatorial Africa], the President [Macías] deliberately provoked the crisis and then found himself overwhelmed by the events." (Gard, p. 794).

In the end, Macías discovered that Paesa, Novais, and Armijo did not have the assets or the backing they claimed, for which reason a Bank of Equatorial Guinea could not be started. Without funds, Macías was obliged to reach an agreement with the Spanish government by which the Spanish Civil Guard was removed from Guinea (along with almost all of the Spanish settlers) and Spain agreed to provide some economic aid. Macías was in firm, dictatorial control, but Guinea had lost the advice of a loyal internal opposition and of most Europeans. Paesa was obliged to seek his fortune in new adventures.

R. W. O.
FOOTNOTES

1. From my interview with the Director of the Construction Loan Bank, Antonio Diaz de Celada, on February 5, 1970.

2. Ibid.


4. SEPCOEUR, S. A. R. L. (Société pour le Commerce Européen, Société à Responsabilité Limitée) was formed on January 31, 1964, by Aymar Marie Achille-Fould, Paul Meyer Gaston, and Leopold Stora Maurice as a company dedicated to all types of commercial, industrial, and financial operations. (Taken from reference source No. 488, 64 B 918 at Bureau No. 6 of the Mercantile Register at the Tribunal de Paris, Quai de Corse 1, Paris.)

5. FINACOR (Société Financière et Commerciale de l'Or et des Métaux) was formed on October 8, 1947, by Leon Schick, Jean Streichenberger, and Pierre Schwed to engage in financial, commercial, agricultural, and industrial operations. It experienced frequent fusions with other companies, such as the Société Financière d'Etudes et de Recherches (SFERE), CANTUEL, the Société de Boulonneries de Saint-Michel, the Société Immobilière et Mobilière Alpes Provence (SIMAP), the Société de Gestions Mobilières Marbel, and the Société Financière Fleurus-F.F. It owned 50% or more of GEPAR, METAPREX, INTERACOR, and 10 to 50% of S. F. C., MONECOR, and E. L. L. (No. au Dépôt 9933, 54 B 3630).

6. SOCOGAMI (Société de Caution Mutuelle des Grands Magasins Indépendants), later redenominated SOCOMI, was formed on June 15, 1948, by Robert Jung, Émile Decre, Bernard Verbe, Georges Lancon and Marcel Fournier. It greatly expanded in the ensuing years before it joined the financial group of Achille-Fould. (No. au Dépôt 3641, 57 B 5876.)


From the original outline of PROFINANCO's constitution given to me by Lalmolda.

Confidential report dated January 15, 1969, from Trevijano to Jose Nsue.

Madrid's Mercantile Register, Tomo 1784, folio 1.

From my interview with Paesa's wife on December 13, 1969. Confirmed in my interview with Jean Simone on January 12, 1970. Paesa's story was so effective that Caballero still believed it when I interviewed him on November 6, 1969.

From a typewritten copy of the supposed bank report on PROFINANCE.

From my interview with porter at 97 San Bernardo on November 11, 1969.

I solicited confirmation of the registration of PROFINANCO from the General Register of Companies in December, 1969. That agency stated in Document No. 23966 that PROFINANCO had never been registered.

According to the superintendent of the building at that address, PROFINANCO had never acquired space there. From my interview with the superintendent on December 1, 1969.

After his Guinean escapade ended, Paesa continued to pose fraudently as a man of wealth. In early 1972, he courted one of the former wives of ex-President Sukarno of Indonesia. Gossip magazines and newspapers reported that Mr. Paesa was an extremely rich man, who lived on a huge Swiss estate formerly owned by Henry Ford II. They wrote that he was getting a divorce from his Spanish wife so that he could marry Sukarno's widow, to whom he had given a diamond worth 1.5 million dollars as an engagement present.

From my interview with Jean Simone on January 12, 1970. Simone was entrusted with taking care of all future transactions between PROFINANCO and Achille-Fould.

From my handwritten copy of the contract.

Letter from Pedro Econg to Trevijano, dated November 12, 1968, in Santa Isabel.
From my interview with Delvoye on December 12, 1969.

From my interview with the porter of the building at 97 San Bernardo on November 12, 1969.

At 10 a.m. on December 12, 1969, I telephoned Charles Delvoye. He admitted to having helped design port facilities for Bata at the request of Novais. But two hours later, when I interviewed him in person, he denied any connection with the plans of a free port or with Paesa.

From my interview with Fernando Rodriguez Lopez on January 15, 1970. Lopez said he personally saw and read the constitution of FINGUINEA.

Confidential report dated January 15, 1969, from Trevijano to Jose Nsue.

From my carbon copy of the memo.

Novais told me the same story in our interview of July 2, 1969.

According to Fernando Rodriguez Lopez in our interview of January 15, 1970, Paesa told Macias that his wife was Achille-Fould's daughter.


The following information came from an interview I had on January 10, 1970, with Mr. Riquelme, Achille-Fould's Political Secretary. The interview took place in the offices of Achille-Fould at 164 Blvd. Haussmann, Paris.


Confidential report dated January 15, 1969, from Trevijano to Jose Nsue.
Dates taken from the register of the Meurice Hotel.

Caballero told me this in our interview of November 6, 1969.

Confidential report dated January 15, 1969, from Trevijano to Jose Nsue.

Ibid.

Excerpt from a resumé of the file on Paesa in the Bureau of National Security. The resumé was given to me by the Director General of Security.

From the original December 10 telegram to Novais.

Copy of letter sent to Novais by Macías.

From a document drafted by Novais and entitled Campana de Promoción ante la Opinión Pública Internacional de la República de Guinea Ecuatorial y su Presidente S.E. Don Francisco Macías Nguema.

Ibid.

Ibid.

Ibid.

Confidential report dated January 15, 1969, from Trevijano to Jose Nsue.

Ibid.

Ibid.

Ibid.

From my interview with Novais on August 8, 1969.

All of the following quotation and most of the following information about the events in late December relating to the chartering of Paesa's bank came from my interview with Fernando Rodriguez Lopez on January 15, 1970. At the time of the interview, Mr. Lopez served on the Interministerial Commission to Help the Repatriates of Equatorial Guinea, which came under the jurisdiction of the Director General of Domestic Policy and Social Assistance of the Ministry of the Interior.
The Ministry of the Interior, in document 4416, dated December 16, 1969, and recorded in the General Register of the ministry, approved my request to interview Mr. Lopez. Therefore, he possessed official sanction to give me the information he did.

49 Excerpt from a résumé of the file on Paesa in the Bureau of National Security.

50 Angel Masie was Francisco Macias' first cousin. The name Macias was the Spanish form of the name Masie. Fernando Rodriguez Lopez and Angel Masie were old friends. Masie had been Lopez's student when Lopez taught administrative law in the School of Social Graduates of Guinea in 1965.

51 From my interview with Lopez on January 15, 1969.

52 Ibid.

53 Ibid.

54 Undated letter from Armijo to Novais. In our interview of July 24, 1969, Novais told me that the letter was sent in early January, 1969.

55 Letter dated December 22, 1968, in Santa Isabel, from Jose Nsue to Trevijano.

56 From my interview with Trevijano on August 1, 1969.

57-67 Confidential report dated January 15, 1969, from Trevijano to Jose Nsue.

68 Letter dated January 22, 1969, in Santa Isabel, from Pedro Ela Nguema to Trevijano.

69 From my interview with Trevijano on July 23, 1969.

70 Date taken from the files of the Bureau of National Security on December 27, 1969.

71 From my interview with Eduardo Blanco on November 21, 1969.
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