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Withdrawer

SMF 7/23/2007

File Folder LIBERIA (2/20/81-3/22/81)

FOIA

M2007-074

Box Number 2

BLANTON

48

ID	Doc Type	Document Description	No of Pages	Doc Date	Restrictions
38759	CABLE	201157Z FEB 81 <i>PAR 12/15/2010 MR074/1</i>	4	2/20/1981	B1
38761	CABLE	041220Z MAR 81 <i>R 5/15/2008 M07-074</i>	8	3/4/1981	B1
38762	BIO	BIO <i>R 5/15/2008 M07-074</i>	1	ND	B1
38763	CABLE	201624Z FEB 81 <i>R 5/15/2008 M07-074</i>	3	2/20/1981	B1
38915	CABLE	121858Z MAR 81 <i>R 5/15/2008 M07-074</i>	8	3/12/1981	B1
38917	CABLE	121914Z MAR 81 <i>R 5/15/2008 M07-074</i>	3	3/12/1981	B1
38920	MEMO	KIMMITT THROUGH SCHWEITZER TO ALLEN RE LIBERIA <i>R 5/15/2008 M07-074</i>	1	3/20/1981	B1
38924	CABLE	210208Z MAR 81 <i>R 5/15/2008 M07-074</i>	3	3/21/1981	B1

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DATE 02/26/81

WHITE HOUSE SITUATION ROOM

PAGE 001

WHSR COMMENT:

RA NAM CDL VP
EOB:AF,ARA,ASIMET

MESSAGE ANNOTATIONS:

NO MESSAGE ANNOTATIONS

MESSAGE:

IMMEDIATE
DE RUTAMA #1342/01 0511200
O 201157Z FEB 81
FM AMEMBASSY MONROVIA

TO SECSTATE WASHDC IMMEDIATE 4183

INFO USINT HAVANA 0014
AMEMBASSY ABIDJAN 8680
AMEMBASSY FREETOWN 5512
SECDEF WASHDC
USCINCPUR VAHINGEN GE
DIA WASHINGTON DC
BT

~~SECRET~~ SECTION 01 OF 02 MONROVIA 01342
SECDEF FOR ASK:ISA/OSAA-TS//LTC ISOM//
USCINCPUR FOR ECJ4/7-SAJ2//
DIA FOR DB-3DL/DC-4A/AAT-6/JSI-55
WARNING NOTICE: INTELLIGENCE SOURCES AND METHODS
INVOLVED -- [REDACTED]
NOT RELEASABLE TO CONTRACTORS OR CONTRACTOR/
CONSULTANTS -- [REDACTED]

E.O. 12958: R05-4 2/26/81 (MITHOEFER, WILLIAM C.) OR-P
TAGS: EAID, PEPR, CU, LI
SUBJECT: LIBERIAN FOREIGN MINISTER TO VISIT CUBA

1. (C) DURING FEB 18 MEETING WITH FONMIN MATTHEWS HE SAID DURING THE NAM MINISTERIAL MEETING IN NEW DELHI THE CUBAN FOREIGN MINISTER HAD INVITED HIM TO VISIT HAVANA [REDACTED]. MATTHEWS INDICATED HE INTENDED TO BE IN WASHINGTON SOME TIME IN MARCH AND WOULD GO TO HAVANA EITHER BEFORE OR AFTER HIS WASHINGTON VISIT. HE SAID IT MIGHT BE A GOOD IDEA TO VISIT WASHINGTON AFTER THE HAVANA TRIP O HE COULD BRIEF EVERYONE ON WHAT HAPPENED. MATTHEWS

DECLASSIFIED IN PART

NLRRMOT 074#38759

BY LW MARA DATE 12/15/10

E.O. 12958-1
As Amended
Sec. 3.3(b)(1)(i)

DATE 02/25/81

WHITE HOUSE SITUATION ROOM

PAGE 002

MESSAGE (CONTINUED):

CLAIMED HEAD OF STATE DOE WAS INTERESTED IN HIS MAKING THE VISIT. HE CONTINUED: "THEY WANT US TO SEE WHAT THEY ARE DOING AND I EXPRESSED A WILLINGNESS TO GO, ESPECIALLY SINCE IT IS ONLY 90 MILES FROM THE US." MATTHEWS SAID HE HAD INFORMED FOREIGN MINISTER MALMIERCA THERE WERE SOME MAJOR SHORTCOMINGS IN THE LIBERIAN-CUBAN RELATIONSHIP. FOR EXAMPLE, THE CUBAN AMBASSADOR ONLY VISITED LIBERIA ONCE WHEN HE PRESENTED HIS CREDENTIALS. MATTHEWS WAS TOLD BY THE FOREIGN MINISTER THAT THE CUBANS ALREADY HAD A REPRESENTATIVE HERE TRYING TO RENT SUITABLE SPACE, WHEN THE ADMINISTRATIVE ARRANGEMENTS WERE COMPLETED, THEN THERE WOULD BE A RESIDENT CUBAN CHARGE, WITH THE AMBASSADOR REMAINING IN FREETOWN. MATTHEWS THEN ASKED: "HOW MUCH OF A PROBLEM WILL THIS CREATE FOR YOU?" HE CONTINUED BY SAYING IT WAS NOT IN THE BEST INTERESTS OF THE US TO PUSH SMALL COUNTRIES TOO HARD ON PROBLEMS SUCH AS THIS, ESPECIALLY AS NOTHING MUCH HAS CHANGED IN CUBA. SOVIET INFLUENCE IS LARGELY A RESULT OF SUPPORT GIVEN DURING THE REVOLUTION.

2. (C) THE CHARGE RESPONDED THAT IT WAS DIFFICULT TO PREDICT HOW THE NEW ADMINISTRATION WOULD REACT TO THIS NEWS. HOWEVER, IT WOULD SURELY NOT FOLLOW FORMER UN AMBASSADOR ANDREW YOUNG'S OBSERVATION THAT CUBAN PRESENCE IN AFRICA HAD A STABILIZING EFFECT. IN FACT, IN VIEW OF THE LARGE NUMBERS OF CUBAN TROOPS AND TECHNICIANS REMAINING IN ANGOLA AND ETHIOPIA, A CUBAN PRESENCE WHERE THERE HAD BEEN NONE PREVIOUSLY MIGHT WELL BE CAUSE FOR CONCERN. ON THE OTHER HAND, IT WOULD NOT BE THE FIRST TIME A LIBERIAN FOREIGN MINISTER HAD VISITED HAVANA, AS CECIL DENNIS HAD ATTENDED THE 1979 NAM MEETING THERE.

3. (C) MATTHEWS SAID HE HAD ALSO MET THE JAMAICAN FOREIGN MINISTER AT THE NAM MINISTERIAL. THE FOREIGN MINISTER HAD ALSO INVITED HIM FOR A VISIT, WHICH MIGHT PROVE INTERESTING AS MATTHEWS'S WIFE WAS ALSO JAMAICAN AND HE HAD NEVER VISITED HER NATION. HOWEVER, IN A MOST REVEALING COMMENT, MATTHEWS SAID "IF THERE IS LITTLE POSSIBILITY OF SERIOUS ECONOMIC BENEFITS, THEN IT MAY NOT BE WORTH WHILE."

4. (S) [REDACTED]

[REDACTED] IT WAS THE CUBAN FOREIGN MINISTER WHO COMPLAINED LIBERIA WAS NOT INTERESTED IN CLOSER RELATIONS AND HAD SENT AMBASSADORS ONLY FOR THE PRESENTATION OF CREDENTIALS, INSTEAD OF THE OTHER WAY

DATE 02/25/61

WHITE HOUSE SITUATION ROOM

PAGE 003

MESSAGE (CONTINUED):

AROUND. ACTUALLY BOTH VERSIONS ARE IN ERROR, AS THE CUBANS MADE SEVERAL TRIPS HERE BEFORE AND DURING THE OAU SUMMIT AND WOULD HAVE ESTABLISHED AN EMBASSY HERE EXCEPT FOR THE OBJECTIONS OF TOLBERT AND HIS SECURITY ADVISORS AT THAT TIME. SEVERAL LIBERIAN DELEGATIONS HAVE GONE TO HAVANA IN CONNECTION WITH NAM BUSINESS. HOWEVER, THE MAIN THING IS THAT MATTHEWS FLIRTATION WITH "GENUINE" NON-ALIGNMENT ENDURES.

[REDACTED]

MATTHEWS PROBABLY FIGURES THIS POSTURE COSTS HIM NOTHING WHILE PERMITTING HIM TO MASQUERADE AS MORE OF A SOCIALIST THAN HE REALLY

PSNI 009943

TORI 051/13110Z

RTG: 201157Z FEB 61

~~*****SECRET*****~~

3

DATE 02/25/81

WHITE HOUSE SITUATION ROOM

PAGE 001

MESSAGE ANNOTATIONS:

NO MESSAGE ANNOTATIONS

MESSAGE:

IMMEDIATE

DE RUTANA #1342/02 0511206

O 201157Z FEB 81

FM AMEMBASSY MONROVIA

TO SECSTATE WASHDC IMMEDIATE 4184

INFO USINT HAVANA 0815

AMEMBASSY ABIDJAN 8831

AMEMBASSY FREETOWN 5513

SECDEF WASHDC

USCINCPAC VAIHINGEN GE

DIA WASHINGTON DC

BT

S E C R E T SECTION 02 OF 02 MONROVIA 21342
 IS. THEREBY IT ENABLES HIM TO CUT THE GROUND OUT FROM
 UNDER HIS MORE RADICAL MOVEMENT FOR JUSTICE IN AFRICA
 (MOJA) RIVALS (PLANNING AND ECONOMIC AFFAIRS MINISTER
 TIPOTEH AND EDUCATION MINISTER FAHNBULLEH). WALKER

PSN: 009952

TOR: 051/13119Z

RTG: 201157Z FEB 81

~~*****SECRET*****~~

*****CONFIDENTIAL*****

DATE 23/05/81

WHITE HOUSE SITUATION ROOM

PAGE 001

WHRR COMMENT:

RA NAN COL VF
EO:ECOH,AF,HEUR

38761

MESSAGE ANNOTATIONS:

NO MESSAGE ANNOTATIONS

MESSAGE:

IMMEDIATE
DE RUTANA #1658/81 0031228
O 241220Z MAR 81
FM AMEMBASSY MONROVIA

TO SECRETARY WASHDC IMMEDIATE 4351

INFO AMEMBASSY LONDON PRIORITY 1500
AMEMBASSY PARIS PRIORITY 2530
BT

~~CONFIDENTIAL~~ SECTION #1 OF #3 MONROVIA #1658
E.O. 12869 RFS-4 3/2/81 (WALKER, JULIUS W., JR.) OR-M
TASS: SAID, AFIN, LT
SUBJECT: LIBERIA'S FOREIGN FINANCIAL OBLIGATIONS,
- FEBRUARY-JUNE 1981

1. (A - ENTIRE TEXT)

2. SUMMARY: IMF RESIDENT REPRESENTATIVE ROBERT SHARER RECENTLY COMPLETED A MEMORANDUM OF LIBERIA'S FOREIGN INCOME AND EXPENDITURES FOR THE PERIOD FEBRUARY 12 THRU JUNE 30, 1981. HE SHARED THIS MEMORANDUM WITH US AT THE REQUEST OF NATIONAL BANK GOVERNOR HANSON. THE PROJECTED DIFFERENCE BETWEEN PRESENTLY IDENTIFIABLE FOREIGN INCOME AND ESSENTIAL OBLIGATIONS WHICH MUST BE PAID OFFSHORE IS A DEFICIT OF \$40 MILLION. DISCOUNTING THOSE FOREIGN PAYMENTS, WHICH ON A VARIETY OF ASSUMPTIONS COULD BE EITHER DEFERRED OR ROLLED OVER, THE DEFICIT COULD BE AS LITTLE AS \$12.6 MILLION. A SUM EQUAL TO THIS AMOUNT IS DUE TO BE PAID BY LATE MARCH OR MID-APRIL -- THE FIRST ANNIVERSARY OF THE REVOLUTION -- AT THE LATEST, IN ORDER TO AVOID A DEFAULT TO THE OIL FINANCING CONSORTIUM. SUCH A DEFAULT WOULD PROBABLY RESULT IN THE DISSOLUTION OF THE CONSORTIUM AND THE CANCELLATION OF THE FAVORABLE CRUDE SUPPLY CONTRACT WITH SAUDI ARABIA. THE SITUATION PRESENTS US WITH AN UNUSUAL OPPORTUNITY -- BOTH POLITICAL AND

*****CONFIDENTIAL*****

DECLASSIFIED

NLRR M07-074#38761

BY LOT NARA DATE 5/15/06

DATE 03/26/81

WHITE HOUSE SITUATION ROOM

PAGE 002

MESSAGE (CONTINUED):

FINANCIAL -- TO DEMONSTRATE THE NEW ADMINISTRATION'S SUPPORT FOR LIBERIA. THE OIL PAYMENT MUST BE MADE BY MID-APRIL, PRECISELY WHEN THE GOL WILL BE CELEBRATING THE FIRST ANNIVERSARY OF ITS APRIL 12, 1980 REVOLUTION. WE HAVE SEPARATELY SUGGESTED THE USG BE REPRESENTED BY A DELEGATION FROM WASHINGTON AT THESE CELEBRATIONS. WE UNDERSTAND THE GOL IS PLANNING TO APPROACH THE COMMERCIAL BANKS FOR BRIDGE FINANCING TO THE WAY IMF DRAWING OF \$6 MILLION. THIS WOULD ONLY POSTPONE THE CRUNCH INTO MAY, BUT WOULD PROVIDE ADDITIONAL TIME FOR THE GOL TO UNDERTAKE THE SEVERAL MEASURES, IDENTIFIED BY SHARER, TO INCREASE OFFSHORE INCOME AND REDUCE EXPENDITURES. THUS, A US IMF GRANT, IN ADDITION TO DEMONSTRATING POLITICAL SUPPORT, COULD BE A KEY ELEMENT IN A FINANCIAL PACKAGE -- INCLUDING COMMERCIAL BANK PARTICIPATION IN A LONDON CLUB RESTRUCTURING OR REFINANCING AND GOL MEASURES SUCH AS SALE OF THE 737 -- TO TIE THE GOL OVER UNTIL THE IMF PROGRAM FOR THE SECOND YEAR OF THE STAND-BY BEGINS JULY FIRST. SHARER ALSO IDENTIFIED SEVERAL STEPS WHICH COULD INCREASE OFFSHORE INCOME AND REDUCE OFFSHORE EXPENDITURES. END SUMMARY.

3. IMF RESIDENT REPRESENTATIVE ROBERT SHARER HAS COMPLETED A PROJECTION OF LIBERIA'S ESTIMATED EXTERNAL (OFFSHORE) SOURCES OF INCOME AND OBLIGATIONS FOR THE PERIOD FEBRUARY 12 - JUNE 30, 1981. (NOTE: A COPY OF THE MEMORANDUM IS BEING POACHED TO AF/V.) THIS FORECAST OF EXTERNAL RECEIPTS AND OBLIGATIONS DUE IS, OF COURSE, BASED ON A COMPLEX SET OF ASSUMPTIONS AND PROJECTIONS (SEPTEL). ANY NUMBER OF FACTORS COULD CHANGE THE OUTLOOK OVER THE NEXT FIVE MONTHS. WE BELIEVE WEL GOVERNOR HANSON AND DEPUTY FINANCE MINISTER BESTMAN WILL USE SHARER'S FORECAST AS THE BASIS FOR THEIR PRESENTATIONS NEXT WEEK TO NEW YORK BANKERS AND WASHINGTON OFFICIALS (SEPTEL FOLLOWS). IF ALL ESSENTIAL FOREIGN OBLIGATIONS (SEE SEPTEL FOR LIST OF SUCH PAYMENTS) ARE MET THROUGH JUNE 30, THE ESTIMATED OFFSHORE DEFICIT WOULD BE \$48.9 MILLION. FOREIGN INCOME FOR THE PERIOD IS ESTIMATED AT \$78 MILLION; OBLIGATIONS ARE ESTIMATED AT \$110 MILLION. OF THIS \$110 MILLION, \$21.1 MILLION IS IN THE FORM OF SHORT TERM COMMERCIAL BANK ADVANCES TO THE NATIONAL BANK AND NATIONAL HOUSING AND SAVINGS BANK. IT SHOULD BE POSSIBLE TO ROLL OVER THESE OBLIGATIONS. DEDUCTING THIS WOULD REDUCE THE PROJECTED DEFICIT TO \$28.9 MILLION. SHARER ALSO PROPOSES LIBERIA COULD POSTPONE PAYING ITS SUBSCRIPTIONS TO INTERNATIONAL BODIES SUCH AS THE UNITED NATIONS AND THE AFRICAN

DATE 03/06/81

WHITE HOUSE SITUATION ROOM

PAGE 003

MESSAGE (CONTINUED):

DEVELOPMENT BANK AND THUS SAVE \$1.1 MILLION THROUGH JUNE 30. (COMMENT: FONMIN MATTHEWS' SUPPORT FOR THE CAR REQUEST FOR DUES RELIEF AT LAST WEEK'S OAU MINISTERIAL COULD PRESAGE LIBERIA'S INTERNATIONAL ORGANIZATION STANCE FOR THE NEXT FEW MONTHS.) FINALLY, SHARER CALCULATED THAT IF PAYMENTS ON LIBERIA'S FOREIGN COMMERCIAL DEBT ARE DELAYED PENDING RESCHEDULING OR REFINANCING (PREFERABLE) THROUGH THE LONDON CLUB IN APRIL, LIBERIA WOULD NOT NEED AN ADDITIONAL \$13.2 MILLION OVER THE NEXT FOUR MONTHS. THESE THREE CATEGORIES OF SAVINGS, IF REALIZED, WOULD LEAVE LIBERIA WITH AN OVERALL EXTERNAL DEFICIT OF ONLY \$12.6 MILLION, ASSUMING ALL OTHER ASSUMPTIONS REMAIN UNCHANGED. TOTAL OFFSHORE EXPENDITURES WOULD BE \$82.6 MILLION THROUGH JUNE 30. HOWEVER, THIS IS A BEST CASE SCENARIO AND ANY NUMBER OF UNFORESEEN FACTORS COULD RESULT IN AN EVEN GREATER DEFICIT -- EITHER DOMESTIC OR OFFSHORE.

PSN: 25547

TOR: 03/13:33Z

RTG: 041202Z MAR 81

DATE 03/26/81

WHITE HOUSE SITUATION ROOM

PAGE 001

MESSAGE ANNOTATIONS:

NO MESSAGE ANNOTATIONS

MESSAGE:

IMMEDIATE
 DE RUTANA #1658/02 #631237
 O 041220Z MAR 81
 FM AMEMBASSY MONROVIA

TO SECSTATE WASHDC IMMEDIATE 4352

INFO AMEMBASSY LONDON PRIORITY 1501
 AMEMBASSY PARIS PRIORITY 2539
 BT

C O N F I D E N T I A L SECTION 02 OF 03 MONROVIA #1658

4. THE BREAKDOWN BY MONTHS WOULD BE AS FOLLOWS:

	(IN \$ MILLIONS)					
	FEB	MARCH	APRIL	MAY	JUNE	TOTAL
	(12-20)					
INCOME	11.1	12.8	13.8	21.2	11.9	70.8
EXPENDITURE	11.2	27.3	13.8	18.8	18.4	89.5

TAKE TO IMPROVE ITS EXTERNAL FINANCIAL POSITION. ON THE INCOME SIDE, THEY INCLUDE:

A. IMPROVE LPKC'S (LIBERIA PRODUCE MARKETING CORPORATION) DOMESTIC CASH POSITION SO IT CAN BUY - AND THUS EXPORT - MORE COFFEE.

B. SELL THE R-737

C. ENCOURAGE MORE COMPANIES TO PAY TAXES AND OIL BILLS EARLY AND OFFSHORE BY OFFERING A DISCOUNT. THIS COULD REPLACE SOME OF THE FUNDS THE NATIONAL BANK MUST NOW BORROW AT ABOUT 20 PERCENT INTEREST.

D. SEEK ADDITIONAL SHORT TERM BANK ADVANCES FOR THE NATIONAL BANK.

ON THE EXPENDITURE SIDE, THE PROPOSALS INCLUDE:

A. NOT ALLOWING THE NATIONAL HOUSING AND SAVINGS BANK AND THE BANK OF LIBERIA TO OPEN LETTERS OF CREDIT OR MAKE FOREIGN TRANSFERS WITHOUT PRIOR APPROVAL OF THE NATIONAL BANK AND/OR THE MINISTRY OF FINANCE.

B. RESTRICT DOMESTIC OIL CONSUMPTION (I.E., IMPOSE CONSERVATION MEASURES).

C. REMOVE RICE IMPORTS FROM THE PUBLIC SECTOR (I.E., STOP SUBSIDIZING THE PRICE OF RICE).

D. FREEZE STAFFING OF LIBERIAN EMBASSIES AND INTER-AGENCY TRANSFERS.

DATE 23/06/81

WHITE HOUSE SITUATION ROOM

PAGE 002

MESSAGE (CONTINUED):

THOUGH THE EFFECTS OF THESE MEASURES CANNOT ALL BE QUANTIFIED AT THIS TIME, THE MEASURES WOULD DEFINITELY HELP IMPROVE LIBERIA'S OFFSHORE FINANCIAL POSITION. WE HOPE SHARER'S PROPOSALS WILL BE THE SUBJECT OF CONSIDERABLE DEBATE WITHIN THE GOL AND HOPE SOME WILL EVENTUALLY BE IMPLEMENTED. WE BELIEVE THE USG SHOULD SUPPORT ALL OF SHARER'S PROPOSALS EXCEPT POSSIBLY FOR THE FREEZE ON EMBASSY STAFFING. THE GOL NEEDS TO GET SOME OF ITS NEW AMBASSADORS ABROAD AS SOON AS POSSIBLE. WE REALIZE THE RICE PROPOSAL MAY BE POLITICALLY IMPOSSIBLE AS IT WOULD HAVE THE EFFECT OF RAISING THE PRICE - THE ISSUE WHICH TRIGGERED THE 1979 RIOTS.

6. THE OFFSHORE CREDIT CRUNCH COMES AT AN EXTREMELY SENSITIVE TIME POLYTICALLY, THE FIRST ANNIVERSARY OF THE REVOLUTION. MANY LIBERIANS ARE PSYCHOLOGICALLY PREPARED FOR SOMETHING DRAMATIC TO HAPPEN THIS COMING APRIL. IT WOULD BE ABOUT THE WORST TIME FOR THE GOL TO DEFAULT ON ITS OBLIGATIONS TO THE OIL FINANCING CONSORTIUM. WE CAN EXPECT THE GOL TO EXERT GREAT PRESSURE ON US TO HELP IT OUT OF THIS BIND. A DISBURSEMENT OF U.S. ASSISTANCE AT THE TIME OF THE FIRST ANNIVERSARY OF THE REVOLUTION WOULD BE BOTH DRAMATIC AND EFFECTIVE. IF SHARER'S PREDICTIONS PROVE ACCURATE, THE GOL WILL NEED TO OBTAIN \$12.6 MILLION OFFSHORE BY MID-APRIL. ONE POSSIBLE SOURCE OF FUND WHICH SHARER WILL PROBABLY EVENTUALLY ADVISE THE GOL TO TAP IS THE COMMERCIAL BANKS IN THE FORM OF A SHORT TERM BRIDGING LOAN TIED TO THE \$7.6-8.6 MILLION IMF DRAWING ON MAY 1. THIS WOULD ONLY POSTPONE THE CRISIS, AS THE IMF DRAWING HAS BEEN CALCULATED INTO SHARER'S PROJECTION OF MAY'S OFFSHORE REVENUES. WE COULD SPLIT THE GRANT - PART NOW, PART IN MAY - BUT THAT WOULD REALLY SEEM MIZERLY. IT IS ALSO QUESTIONABLE WHETHER BANKS BEING INVITED BY LIBERIA TO A LONDON CLUB MEETING WOULD BE FAVORABLY DISPOSED TO MAKE YET ANOTHER BRIDGING LOAN.

7. THE BEST SOLUTION TO THE PROBLEM IN TERMS OF PROTECTING U.S. INTERESTS IN LIBERIA WOULD BE FOR THE USG SINGLY OR WITH OTHER DONORS TO GIVE LIBERIA A \$12.6 MILLION GRANT TO TIE IT OVER THE FINANCIAL CRUNCH. IT SHOULD BE NOTED THE OVERALL PROBLEM RESULTS IN LARGE MEASURE FROM FACTORS BEYOND LIBERIA'S CONTROL. THEY INCLUDE ESCALATING OIL PRICES, STAGNANT IRON ORE PRICES, AND THE CAPITAL FLIGHT WHICH FOLLOWED THE COUP. IF A GRANT IS FORTHCOMING TO

*** ~~C O N F I D E N T I A L~~ ***

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DATE 03/06/81

WHITE HOUSE SITUATION ROOM

PAGE 003

END OF MESSAGE FOOTER

PSN: 25548

TOR: 03/13135Z

RTG: 241220Z MAR 81

*****~~C O N F I D E N T I A L~~*****

5

DATE 03/06/81

WHITE HOUSE SITUATION ROOM

PAGE 001

MESSAGE ANNOTATIONS:

NO MESSAGE ANNOTATIONS

MESSAGE:

IMMEDIATE

DE BUTAKA #1658/83 #631245

O #41207Z MAR 81

FM AMEMBASSY MONROVIA

TO SECRETATE WASHDC IMMEDIATE 4353

INFO AMEMBASSY LONDON PRIORITY 1502

AMEMBASSY PARIS PRIORITY 2547

BT

C O N F I D E N T I A L SECTION 03 OF 03 MONROVIA 01658
 TIDE LIBERIA THROUGH TO JUNE 30, WHAT FOLLOWS? GIVING
 UNFORESEEN DIFFICULTIES, THERE SHOULD BE NO NEED FOR
 FURTHER EMERGENCY BAIL-OUT ASSISTANCE TO COVER FOREIGN
 OR DOMESTIC OBLIGATIONS. AN IMF MISSION WILL ARRIVE IN
 MAY TO NEGOTIATE THE SECOND YEAR OF THE STABILIZATION
 PROGRAM. THE CORNERSTONE OF THIS EFFORT WILL BE DEVELOP-
 MENT OF LIBERIA'S FY 01/02 BUDGET (JULY 1, 1981 - JUNE 30,
 1982). AS LONG AS FOREIGN OBLIGATIONS ARE TREATED AS A
 SEPARATE CATEGORY AND THE BUDGET KEEPS THE FOREIGN
 DEFICIT WITHIN COMMERCIALLY FINANCEABLE LIMITS, THERE
 SHOULD BE NO REPEAT OF THE CURRENT FINANCIAL CRUNCH.
 ACCORDING TO SHAPER, IT IS THE FY 01/02 BUDGET WHICH WILL
 DETERMINE WHETHER LIBERIA WILL REALLY PULL OUT OF ITS
 PRESENT FINANCIAL DIFFICULTIES. IF THE GOL REFUSES TO
 AGREE TO A BUDGET WITH A REASONABLE DEFICIT OR IF IT
 OVERSPENDS ITS AGREED BUDGET CEILINGS, LIBERIA WILL ONCE
 AGAIN BE OUT LOOKING FOR EMERGENCY GRANTS. IT IS
 DIFFICULT TO SEE HOW FINANCIAL ASSISTANCE WOULD REALLY
 HELP LIBERIA OR PROTECT OUR INTERESTS HERE IF THE GOL
 WERE TO EXHIBIT SUCH A LACK OF DISCIPLINE. BUT WE HAVE
 NOT ARRIVED AT THAT POINT. IN THE INTERIM LIBERIA NEEDS
 \$12.6 MILLION (GIVE OR TAKE SEVERAL HUNDRED THOUSAND
 DOLLARS). WE PROPOSE THE USG SHOULD PROVIDE THIS SUM,
 WHETHER SINGLY OR IN CONCERT WITH OTHER AID DONORS. THIS
 GRANT AID SHOULD DEFINITELY BE TIED TO ACHIEVEMENT OF
 CERTAIN GOALS WE WOULD LIKE TO SEE REACHED SUCH AS:

- SALE OF THE B-737
- COMMITMENT TO CONTINUE DEFERMENT OF
- NON-ESSENTIAL PAYMENTS AND NOT TO
- UNDERTAKE NEW NON-ESSENTIAL CONTRACTS

DATE 03/28/81

WHITE HOUSE SITUATION ROOM

PAGE 002

MESSAGE (CONTINUED):

- DA PROGRAMS
- RELEASE OF A SUBSTANTIAL NUMBER OF POLITICAL PRISONERS
- RESTORATION OF CIVIL LAW
- RETENTION OF RESPONSIBLE MANAGEMENT AT THE REFINERY
- ADOPTION OF AUSTERE FY 81/82 BUDGET (THE IMF WILL INSIST ON THIS, IN ANY CASE)
- INVITE UFG TO ASSIGN ADVISORS TO SELECTED MINISTRIES SUCH AS FINANCE, PLANNING, COMMERCE, ACTION FOR DEVELOPMENT AND PROGRESS, AND TO THE NATIONAL BANK.

8. AS A FINAL NOTE OF CAUTION, WE REPEAT THAT SHARER'S PROJECTION OF EXTERNAL OBLIGATIONS ONLY INCLUDES THOSE OBLIGATIONS WHICH ARE DEEMED ESSENTIAL. SHARER'S FIGURES DO NOT TAKE ACCOUNT OF POSSIBLE PENDING OBLIGATIONS SUCH AS THE MEMORANDUM OF UNDERSTANDING WITH FOKKER FOR THE PURCHASE OF FOUR AIRCRAFT FOR \$38 MILLION. IT MUST ALSO BE REMEMBERED THAT SHARER DOES NOT CONTROL THE MINISTRY OF FINANCE. THERE IS A NEW MINISTER WHO MAY OR MAY NOT DO WELL AT EXPENDITURE CONTROL OR WHO MAY OR MAY NOT BE RECEPTIVE TO ADVICE FROM SHARER OR US. A GRANT OF \$12.8 MILLION SHOULD THUS BE SEEN AS THE MOST LIKELY MINIMUM REQUIREMENT TO GET THE GOL THROUGH THE NEXT FOUR MONTHS OF EXTERNAL OBLIGATIONS. GIVEN DISCIPLINED BEHAVIOR ON THE PART OF THE GOL, \$12.8 MILLION SHOULD PROVE SUFFICIENT TO MEET ESSENTIAL NEEDS. THE GOL WILL UNDOUBTEDLY LOOK UPON THIS SUM AS AN ABSOLUTE MINIMUM REQUIREMENT. IF HE FULFILL THAT REQUIREMENT HE SHOULD NOT EXPECT THE GOL TO START LOOKING ELSEWHERE (I.E. LIBYA) FOR HELP WITH THEIR LESS ESSENTIAL, YET STILL IMPORTANT NEEDS. FOR MAXIMUM POLITICAL IMPACT, THE GRANT SHOULD BE MADE BY THE TIME OF THE ANNIVERSARY OF THE COUP. WALKER

PSMI 25562

TCR: 03/13:58Z

RTG: 4122Z MAR 81

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

1040
S/S 8107047

March 11, 1981

MEMORANDUM FOR:

Mr. L. Paul Bremer, III
Executive Secretary
Department of State

SUBJECT: Agreement for Liberia Ambassador

The President has reviewed and concurs in the recommendation of the Department of State that the appointment of Joseph Saye Guannu as Ambassador-Extraordinary and Plenipotentiary of the Republic of Liberia to the United States would be agreeable to the Government of the United States. You are requested to so inform the Government of the Republic of Liberia.



Allen Lenz
Staff Director

NATIONAL SECURITY COUNCIL

UNCLASSIFIED WITH
CONFIDENTIAL ATTACHMENT

March 11, 1981

ACTION

MEMORANDUM FOR: ALLEN LENZ
FROM: FRED WETTERING 
SUBJECT: Agreement for Liberia Ambassador

Attached is the Agreement regarding the appointment of Joseph Saye Guannu of the Republic of Liberia. I agree with the view that he will be an acceptable Ambassador.

RECOMMENDATION:

That you sign your memo to State.

UNCLASSIFIED WITH
CONFIDENTIAL ATTACHMENT



DEPARTMENT OF STATE
Washington, D.C. 20520

NSC 9104

8107047

14

~~CONFIDENTIAL~~

March 6, 1981

MEMORANDUM FOR MR. RICHARD V. ALLEN
THE WHITE HOUSE

Subject: Appointment of Joseph Saye Guannu of the
Republic of Liberia as Ambassador to the
United States.

The Government of the Republic of Liberia has inquired whether our Government agrees to the appointment of Dr. Joseph Saye Guannu as Ambassador Extraordinary and Plenipotentiary of Liberia to the United States (Tab 2). The nomination of Wesley M. Johnson, for whom agreement was granted on September 30, 1980, has been withdrawn. A biography of Dr. Guannu is attached (Tab 1).

The Department believes from the information available that Dr. Guannu will make an excellent ambassador to the United States and recommends that the President agree to the proposed appointment. If he concurs, the Department will inform the Government of the Republic of Liberia.

L. Paul Bremer, III
Executive Secretary

Attachments:

1. Biography.
2. Telegram No. 01364
from Monrovia.

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Department of State Guidelines, July 21, '81

By SA NARA, Date 7/23/07

~~CONFIDENTIAL~~
(UNCLASSIFIED UPON REMOVAL
OF ATTACHMENTS)

~~CONFIDENTIAL~~

BIOGRAPHY - Joseph Saye Guannu

Republic of Liberia

Joseph Saye Guannu was born on September 17, 1940 at Sanniquellie, Nimba County, Liberia.

Dr. Guannu was educated at the College of Great Falls in Great Falls, Montana, from which he received a B.A. degree in History in 1966, and at Fordham University in New York, which awarded him M.A. and Ph.D. degrees in political science in 1968 and 1972, respectively.

Dr. Guannu was Assistant Professor of Political Science at Glassboro State College in Glassboro, New Jersey (1969-74) and Associate Professor of Political Science, Glassboro State College (1974-76). He served as Assistant Minister, Liberian Foreign Service Institute and Coordinator of Research, Ministry of Foreign Affairs, Monrovia, Liberia (1976-80). He was appointed Ambassador-at-Large in 1980. Dr. Guannu is the author of three publications: Liberian History Before 1857 (1977), Liberian History Since 1857 (1979), The Inaugural Addresses of the Presidents of Liberia: From Roberts to Tolbert 1847 to 1976 (1980).

He is married and has three children.

A thorough search of United States Government sources reveals no grounds for objection.

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GDS 3/4/87

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BY LOT NARA DATE 5/15/08

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PAGE 01 MONROV 01364 01 OF 02 201700Z
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NSAF-00 SSO-00 INRE-00 /038
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FM AMEMBASSY MONROVIA
TO SECSTATE WASHDC IMMEDIATE 4196
~~CONFIDENTIAL~~ SECTION 01 OF 02 MONROVIA 01364
E.O. 12065: GDS 2/20/87 (WALKER, JULIUS W., JR.) OR-M
TAGS: PDIP, LI, US

SUBJECT: REQUEST FOR AGREEMENT: LIBERIAN AMBASSADOR-
DESIGNATE DR. JOSEPH SAYE GUANNU

1. (LOU) LIBERIAN CHIEF OF PROTOCOL J. ADOLPHUS DURING
CALLED AT THE EMPASSY AT HIS REQUEST TO DELIVER A CONFIDENTIAL
NOTE REQUESTING AGREEMENT FOR THE APPOINTMENT OF
DR. JOSEPH SAYE GUANNU AS AMBASSADOR EXTRAORDINARY AND
PLENIPOTENTIARY OF THE REPUBLIC OF LIBERIA TO THE UNITED
STATES.

2. (LOU) THE CURRICULUM VITAE OF AMBASSADOR-DESIGNATE
GUANNU IS AS FOLLOWS:

NAME: JOSEPH SAYE GUANNU
NATIONALITY: LIBERIAN
DATE AND PLACE OF BIRTH: SEPTEMBER 17, 1947;
SANNIQUILLIE, NIMBA COUNTY
MARITAL STATUS: MARRIED; 3 CHILDREN
EDUCATIONAL BACKGROUND: ELEMENTARY EDUCATION: ST.
MARY'S SCHOOL, SANNIQUILLIE

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PAGE 02 MONROV 01364 01 OF 02 201700Z
SENIOR HIGH SCHOOL CERTIFICATE:
ST. PATRICK'S HIGH SCHOOL,
MONROVIA
B.A. HISTORY, COLLEGE OF GREAT
FALLS, GREAT FALLS, MONTANA,
1966
M.A. POLITICAL SCIENCE, FORDHAM
UNIVERSITY, NEW YORK CITY, 1968
COLUMBIA UNIVERSITY, SUMMER, 1966
PH.D. POLITICAL SCIENCE, FORDHAM
UNIVERSITY, NEW YORK CITY, 1972
SCHOLARSHIP AWARDS: COLLEGE OF GREAT FALLS SCHOLAR-
SHIP FOR UNDERGRADUATE STUDIES,
1963-66
AND UNIVERSITIES, 1966
EDUCATION DEVELOPMENT GRANT FOR
GRADUATE STUDIES, 1967-68
FORD FOUNDATION FELLOWSHIP FOR
RESEARCH ON DOCTORAL THESIS, 1969

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NLRR 107-074#38763

BY LOU NARA DATE 5/15/08

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03/06/81 211532 PRINTER: LJ

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FORDHAM UNIVERSITY PRESIDENTIAL
SCHOLARSHIP FOR GRADUATE STUDIES,
1967-72

PROFESSIONAL
~~CONFIDENTIAL~~
~~CONFIDENTIAL~~
PAGE 03

MONROV 01364 01 OF 02 201700Z

- EXPERIENCE:

ASSISTANT PROFESSOR OF POLITICAL
GLASSBORO, NEW JERSEY, 1969-74
SCIENCE, GLASSBORO STATE COLLEGE,
GLASSBORO, NEW JERSEY 1974-76
ASSISTANT MINISTER, LIBRARIAN
FOREIGN SERVICE INSTITUTE AND
CO-ORDINATOR OF RESEARCH,
MINISTRY OF FOREIGN AFFAIRS,
DECEMBER 1976-80

PUBLICATIONS:

AMBASSADOR-AT-LARGE, 1980
LIBERIAN HISTORY BEFORE 1857
(1977)
LIBERIAN HISTORY SINCE 1857 (1979)
THE INAUGURAL ADDRESSES OF THE
PRESIDENTS OF LIBERIA: FROM
ROBERTS TO TOLBERT 1847 TO 1976
(1980)

ORGANIZATIONAL
MEMBERSHIP:

LIBERIAN STUDIES ASSOCIATION
AFRICAN STUDIES ASSOCIATION

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PAGE 2

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TO SECSTATE WASHDC IMMEDIATE 4197

~~CONFIDENTIAL~~ SECTION 02 OF 02 MONROVIA 01364

- AMERICAN POLITICAL SCIENCE

- ASSOCIATION

- ASSOCIATION OF LIBERIAN AUTHORS

3. (S) FOREIGN MINISTER MATTHEWS PROMISED THIS REQUEST DURING OUR CONVERSATION OF FEBRUARY 18. FROM OUR PERSONAL KNOWLEDGE OF GUANNU AND OF WESLEY JOHNSON (WHOSE AGREEMENT WAS REQUESTED AND RECEIVED IN SEPTEMBER 1980), WE BELIEVE THE U.S. HAS MADE A NET GAIN IN RECEIVING THIS SECOND REQUEST. WE KNOW THE GOL WILL APPRECIATE A PROMPT RESPONSE TO THEIR PROPOSAL. WALTER

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RECEIVED 07 MAR 81 10

TO ALLEN

FROM BREMER

DOCDATE 06 MAR 81

DECLASSIFIED
White House Guidelines, August 28, 1997
By Asj NARA, Date 7/23/07

KEYWORDS: LIBERIA

AGREEMENT

GUANNU, JOSEPH S

SUBJECT: APPT OF GUANNU AS LIBERIAN AMB TO US

ACTION: PREPARE MEMO FOR ~~A~~ ^{LENZ} to Bremer DUE: 12 MAR 81 STATUS S FILES

FOR ACTION

FOR COMMENT

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WHITE HOUSE SITUATION ROOM

PAGE 01

WHTS ASSIGNED DISTRIBUTION:

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WHSR COMMENT:

38915

MESSAGE ANNOTATIONS:

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MESSAGE:

IMMEDIATE
DE RUTANA #1977/01 071100Z
O 121058Z MAR 81 ZFF4
FM AMEMBASSY MONROVIA

TO SECSTATE WARHDC NIACT IMMEDIATE 4522

~~C O N F I D E N T I A L~~ SECTION 01 OF 03 MONROVIA 01977
E.O. 12065: GOR 3/12/87 (WALKER, JULIUS W) OR-M
TAGS: FAID, EPIN, LI
SUBJ: AID REQUIREMENTS FOR LIBERIA
REF: (A) MONROVIA 1058; (B) MONROVIA 1093

1. (R-ENTIRE TEXT)

2. SUMMARY: THE U.S. MUST PROVIDE LIBERIA WITH NO LESS THAN \$25 MILLION IN ESP OR OTHER BUDGET SUPPORT ASSISTANCE THIS FISCAL YEAR IF LIBERIA IS TO MEET ITS MOST URGENT FOREIGN PAYMENTS. IN ADDITION, WE RECOMMEND \$5 MILLION MORE IN PL-480 TITLE 1. FOR FY 82 WE RECOMMEND \$35 MILLION IN ESP AND AN ADDITIONAL \$15 MILLION IN PL-480 TITLE 1. END SUMMARY.

3. RATIONALE. OUR EFFORTS TO REDUCE THE INFLUENCE OF THE SOVIET/LIBYAN/CUBAN/ETHIOPIAN GROUP IN LIBERIA CAN ONLY BE SUSTAINED IF WE PROVIDE AN ALTERNATIVE TO THE OBJECTIVE BASIS ON WHICH THESE CONTACTS HAVE OSTENSIBLY BEEN MAINTAINED. THAT BASIS IS OF COURSE LIBERIA'S CRITICAL NEED FOR FUNDS TO MEET ITS FINANCIAL OBLIGATIONS AND SUSTAIN ITS OIL IMPORTS (SEE REF A). A SECOND RATIONALE FOR SUCH CONTACTS RELATES TO THE KINDS OF ASSISTANCE WHICH THE GOL BELIEVES IT WANTS AND NEEDS. OUR OWN DIFFICULTIES IN RESPONDING TO THESE FACTORS LEADS TO A SITUATION WHICH STRENGTHENS THE HAND OF THOSE WHO, FOR

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BY LBJ NARA DATE 5/15/08

MONROVIA 1977

DTG: 121058Z MAR 81 05N: 037300
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WHITE HOUSE SITUATION ROOM

PAGE 02

MESSAGE (CONTINUED):

THEIR OWN REASONS, WANT CLOSER TIES WITH NON-WESTERN NATIONS.

4. SHORT-TERM POSITION: UPDATE. THE SHORT-TERM FINANCIAL REQUIREMENTS WERE SPELLED OUT IN REF B. WE BELIEVED BRIDGING TO THE IMF MAY DRAWING AND THE SALE OF THE BOEING 737, IF THIS CAN BE COMPLETED BY MID-APRIL, WOULD HAVE ENABLED THE GOL TO MEET ITS OIL PAYMENTS DUE THROUGH APRIL 14. HOWEVER, THE PAYMENTS OUTLOOK HAS TURNED EVEN MORE SHAKEY IN THE PAST TWO DAYS. AT A MARCH 12 MEETING OF NATIONAL BANK, NATIONAL HOUSING AND SAVINGS BANK AND LIBERIAN PETROLEUM REFINERY CORPORATION OFFICIALS, IT WAS AGREED THE PAYMENT FOR THE SHIPMENT OF PRODUCT ON ITS ARRIVAL MARCH 16, WOULD REQUIRE ADVANCE CASH PAYMENT BY MAJOR USERS WITH EXPORT EARNINGS, SUCH AS SONG AND LAMCO. THESE CORPORATIONS WILL NECESSARILY HAVE TO CONSULT THEIR HOME OFFICES, FAILURE TO PAY WILL RESULT IN ALMOST IMMEDIATE SHORTAGES OF CERTAIN PRODUCTS, SUCH AS DIESEL AND FUEL OIL. IN ADDITION TO PROVIDING POWER FOR THE IRON ORE MINES, FUEL OIL IS USED BY THE LIBERIAN ELECTRICITY CORPORATION TO GENERATE POWER DURING THE DRY SEASON (NOVEMBER TO APRIL). THERE IS THUS A DISTINCT POSSIBILITY OF SHORTAGES AND BROWN OUTS LATER THIS MONTH. FURTHERMORE, THE COMMERCIAL BANKS MAY BE RELUCTANT TO PROVIDE BRIDGE FINANCING WITHOUT FIRM COMMITMENTS FROM THE IMF THAT THE FUNDS WILL BE AVAILABLE. THE IMF WILL BE UNABLE TO GIVE SUCH ASSURANCES UNTIL SATISFIED THE MARCH 31 TARGETS IN THE STABILIZATION AGREEMENT HAVE BEEN MET. DATA COLLECTION FOR THE CABLE FROM THE GOL TO THE IMF EVIDENCING COMPLIANCE MAY NOT BE COMPLETED PRIOR TO APRIL 10 (THE LARGEST SINGLE PAYMENT IS DUE BY APRIL 13); IT IS POSSIBLE, BUT VERY TIGHT. ALSO A FIRM CONTRACT MIGHT NOT BE SIGNED FOR THE SALE OF THE PLANE IN TIME TO COLLECT PAYMENT OR TO ENABLE THE COMMERCIAL BANKS TO BRIDGE TO THESE FUNDS BEFORE APRIL 13. WE BELIEVE THE US TREASURY SHOULD BE PREPARED TO USE ITS EXCHANGE STABILIZATION FUND TO BRIDGE TO THESE RECEIPTS IF THE COMMERCIAL BANKS CANNOT OR WILL NOT DO SO.

5. SHORT-TERM REQUIREMENT. WE HAD RECOMMENDED AN ADDITIONAL \$7 MILLION IN ESF FUND BY JUNE 30 (REF B). THIS WAS AN ABSOLUTE ROCK BOTTOM ESTIMATE, BEFORE THE FURTHER WEAKNESSES REVEALED BY THE MARCH 12 MEETING. THIS IS OBVIOUSLY ONE OF THOSE SITUATIONS WHERE IF ANYTHING

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WHITE HOUSE SITUATION ROOM

PAGE 03

MESSAGE (CONTINUED):

GOES WRONG -- AND SOMETHING PROBABLY WILL -- THERE IS ABSOLUTELY NO MARGIN FOR ERROR. ACCORDINGLY, WE MUST BUDGET FOR ABOUT \$12.5 MILLION, THE FULL AMOUNT OF THE ESTIMATED GAP (REF B), BEFORE JUNE 30. WE SEE NO POSSIBILITY THE FUNDS CAN COME FROM ELSEWHERE; IF WE CANNOT ASSURE THE LIBERIANS THESE MINIMAL NEEDS WILL BE MET, THEY WILL HAVE TO CONTINUE LOOKING TO OTHER POTENTIAL AID DONORS -- MOST LIKELY, LIBYA. AS WE NOTED, WE ASSUME THE 737 WILL BE SOLD, AND US 28F SHOULD BE MADE CONDITIONAL ON SUCH SALE.

6. GOI' EFFORTS. WE NOTE IN THIS REGARD THE LIBERIAN GOVERNMENT HAS MADE STRENUOUS INTERNAL EFFORTS TO MEET ITS OWN NEEDS. IT HAS IMPLEMENTED THE IMF STABILIZATION PROGRAM, AND WE HAVE EVERY REASON TO BELIEVE THE MARCH 31 TARGETS WILL BE MET. IT HAS INSTITUTED A COMPULSORY SAVINGS BOND PROGRAM WHICH IS INEVITABLY HIGHLY UNPOPULAR. WHILE NO DOUBT MORE COULD BE DONE TO REDUCE NON-ESSENTIAL EXPENDITURES, WE BELIEVE ITS PERFORMANCE IS HIGHLY CREDIBLE IN THE LIGHT OF POLITICAL

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DTG:121858Z MAR 81 SSN: #37309
TOR: 071/200Z

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 O 121858Z MAR 81
 FM AMEMBASSY MONROVIA

TO SECSTATE WASHDC NIACT IMMEDIATE 4523

C O N F I D E N T I A L SECTION 02 OF 03 MONROVIA 01977
 REALITIES HERE.

7. NIAC PROJECT. ANOTHER SHORT-TERM MEASURE WHICH WE CONTINUE TO BELIEVE IS CRITICAL TO THE CONTINUED WELL BEING OF THIS COUNTRY IS APPROVAL OF THE EXIM BANK LOAN TO THE NATIONAL IRON ORE COMPANY. CLOSURE OF THIS MINE WOULD BOTH REDUCE EXPORT EARNINGS AND LEAD TO SUBSTANTIAL UNEMPLOYMENT IN THE SENSITIVE BORDER AREA, WHERE NO ALTERNATIVES EXIST. PERHAPS ONCE EXIM BANK IS ABLE TO TAKE STOCK OF ITS RESOURCES FOLLOWING ITS MORATORIUM ON NEW LENDING, IT MIGHT RECONSIDER ITS POSITION ON THIS LOAN.

8. US FY 81 NEEDS. IT IS DIFFICULT TO ESTIMATE REQUIREMENTS FOR THE BALANCE OF THE U.S. FISCAL YEAR, OWING TO THE FACT NEITHER THE GOL BUDGET NOR THE NEW IMF STABILIZATION PROGRAM FOR THE GOL FISCAL YEAR BEGINNING JULY 1 HAVE AS YET BEEN DRAFTED. HOWEVER, THE MAJOR REQUIREMENTS FOR EXTERNAL RESOURCES DERIVE FROM THE TRANSFER PROBLEM, I.E., THE NEED TO OBTAIN OFFSHORE FUNDS TO MEET FOREIGN OBLIGATIONS. THE IMF IS FULLY ALERT TO THIS PROBLEM, AND WILL ADDRESS IT IN ITS SPECIFIC RECOMMENDATIONS FOR THE SECOND YEAR OF THE STANDBY AGREEMENT (JULY 1, 1981 THROUGH JUNE 30, 1982). AN IMF MISSION IS TO NEGOTIATE THE NEW PROGRAM WITH THE GOL BEFORE JULY, WHILE WE DO NOT KNOW WHAT MEASURES WILL BE AGREED UPON, WE DO KNOW THE

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PAGE 02

MESSAGE (CONTINUED):

LEVEL OF IMF DRAWINGS IS SET AT SDR 33 MILLION (ABOUT \$40 MILLION).

9. FY 81 ESP. FROM OUR PREVIOUS EXPERIENCE, WE ANTICIPATE THE GAP BETWEEN EXTERNAL RECEIPTS AND MINIMUM ESSENTIAL OFFSHORE PAYMENTS IN THE JULY/SEPTEMBER QUARTER WILL BE ABOUT THE SAME AS IT HAS BEEN IN THE RECENT PAST, PERHAPS A BIT HIGHER IN LIGHT OF CONTINUING INCREASES IN THE PRICE OF OIL. ALSO, THE EXTRAORDINARY RECEIPTS FROM THE SALE OF THE PLANE WOULD NOT BE REPEATED. WE THEREFORE BELIEVE A MINIMUM OF ANOTHER \$12.5 MILLION SHOULD BE SET ASIDE FOR THIS QUARTER, DISBURSEMENT TO BE DEPENDENT ON SATISFACTORY COMPLIANCE WITH OTHER UNDERSTANDINGS REACHED WITH THE GOI, AND OF COURSE DEMONSTRATED NEED. THIS WOULD BE A TOTAL OF \$25 MILLION IN ADDITIONAL FUNDS NEEDED IN FY-1981. WE REPEAT, THIS IS A MINIMAL ESTIMATE WHICH WOULD NOT PERMIT THE GOI TO START PAYING OFF DEFERRED OBLIGATIONS, AND HIGHER LEVELS OF ASSISTANCE SHOULD NOT BE RULED OUT IF US BUDGET CONSTRAINTS PERMIT.

10. FY 81 PL-400. IN ADDITION, WE BELIEVE AN ADDITIONAL \$5 MILLION IN PL-400, TITLE I FUNDS WILL BE REQUIRED DURING FY-1981 TO MEET MARKET REQUIREMENTS IN THE SECOND HALF OF 1981. RISING WORLD PRICES FOR RICE HAVE RESULTED IN HIGHER COSTS FOR COMMERCIAL SHIPMENTS (WHICH UNDER PRESENT ARRANGEMENTS ARE FINANCED THROUGH THE CENTRAL BANK, ADDING TO ITS NEED FOR OFFSHORE CASH) AND HIGHER COSTS FOR RICE SUBSIDIES INTERNALLY. THE IMF IS RECOMMENDING AN INCREASE IN THE PRICE OF RICE; THIS WOULD BE A SERIOUS POLITICAL STEP, HOWEVER, AND WE DO NOT EXPECT THIS COULD BE AGREED TO ANY TIME SOON. OUR CONTINUED SUPPORT OF THIS ESSENTIAL IMPORT IS THEREFORE CRITICAL.

11. RECOMMENDED APPROACH TO SAUDIS. AS WE NOTED IN REF A, WE CONSIDER EXPANSION OF THE OIL FACILITY EXTREMELY IMPORTANT, AND WERE ENCOURAGED TO LEARN FROM PARIS 7323 THAT THE U.S. BANKS APPEAR TO BE ON BOARD. THE SAUDI ARABIA'S HAD EARLIER BEEN PROVIDING 90-DAY CREDIT ON L/C'S ON OIL EXPORTS TO LIBERIA, AND THIS WAS SUBSEQUENTLY REDUCED TO 30 DAYS. IF THE 90 DAY PERIOD COULD BE REIN- STATED, THIS WOULD STILL ENABLE THE SYNDICATE TO EXTEND 90-DAY ADVANCES, BUT WOULD STRETCH OUT THE OVERALL PAYMENT PERIOD FOR LIBERIA TO 150 DAYS (VICE 120), IN EFFECT

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PAGE 03

MESSAGE (CONTINUED):

PROVIDING ONE "FREE" MONTH, FOUR MONTHS LATER. WE RECOMMEND THE DEPARTMENT APPROACH THE SAUDIS TO GRANT 60-DAY CREDIT ONCE AGAIN AND ALSO SEEK THEIR ASSISTANCE IN ENCOURAGING THE ARAB BANKS TO BE MORE FORTHCOMING IN INCREASING THE SIZE OF THE FACILITY.

12. FY-82. WE ARE CONCERNED THAT BILATERAL ECONOMIC ASSISTANCE NOW FORECAST FOR LIBERIA FOR FY-1982 IS WHOLLY INADEQUATE. THE OUTLOOK FOR EXPORTS AND BUSINESS ACTIVITY, FROM WHICH THE GOL'S REVENUES ARE ULTIMATELY DERIVED, IS NOT PROMISING. OUR ASSISTANCE SHOULD BE AIMED NOT ONLY AT ENSURING AN ADEQUATE LEVEL OF FINANCING TO MEET ESSENTIAL EXTERNAL OBLIGATIONS, BUT ALSO TO MEET THE MOST URGENT DEVELOPMENT NEEDS AS PERCEIVED BY THE GOL. THE FORMER CONSIDERATION ARGUES FOR THE ALLOCATION OF SUBSTANTIAL ESP RESOURCES TO THIS COUNTRY, AS MOST OTHER TYPES OF ASSISTANCE WILL NOT HAVE THE DESIRED IMPACT ON THE GOL'S EXTERNAL POSITION. IN ITS 1980 STABILIZATION PROGRAM, THE IMP ASSUMED THE EXTERNAL FINANCING GAP TO BE EQUIVALENT TO THE GOL'S BUDGET

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WHITE HOUSE SITUATION ROOM

PAGE 01

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MESSAGE ANNOTATIONS:

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IMMEDIATE
DE RUTAMA #1977/03 #711926
O 121858Z MAR 81
FM AMEMBASSY MONROVIA

TO SECSTATE WASHDC NIACT IMMEDIATE 4624

C O N F I D E N T I A L SECTION 03 OF 03 MONROVIA 01977
DEFICIT. THIS IS MISLEADING, AS THE MAJOR OFFSHORE
OBLIGATION -- PAYMENT FOR IMPORTED OIL -- IS A NON-
BUDGETARY ITEM. A LARGE PART OF THE GOL'S SUCCESS IN
MEETING ITS OIL PAYMENTS UP UNTIL NOW HAS DEPENDED
ESSENTIALLY ON DEFERRING MOST OTHER OFFSHORE OBLIGATIONS,
AND SOONER OR LATER THESE MUST BE PAID.

13. FY-82 ESF AND PL-488. OUR BEST ESTIMATE OF THE
MINIMUM SIZE OF THE OFFSHORE DEFICIT WHICH MUST BE MET
IN FY-1982 IS AT PRESENT \$100 MILLION. OF THIS,
\$40 MILLION WILL BE COVERED BY THE SECOND YEAR OF THE
IMF STANDBY AGREEMENT. THIS LEAVES \$60 MILLION WHICH
MUST STILL BE FOUND. (IT SHOULD BE NOTED WE ARE BASING
THIS ON PAST EXPERIENCE, NOT ON HARD FIGURES, WHICH
ARE NOT AVAILABLE AT PRESENT.) WE BELIEVE WE SHOULD
BE PREPARED TO PROVIDE AT LEAST \$35 MILLION OF THIS AS
ESF FINANCING. IF THIS SEEMS HIGH, IT SHOULD BE NOTED
WE ALREADY HAVE PROVIDED \$12 MILLION THIS FISCAL YEAR
AND ARE PROPOSING AN ADDITIONAL \$25 MILLION, I.E.,
\$37 MILLION FOR FY-1981. WE ALSO PROPOSE AN ADDITIONAL
\$15 MILLION TO BE MADE AVAILABLE IN PL-488 ASSISTANCE,
BOTH TO ENSURE RICE SUPPLIES AND TO REDUCE DIRECT
FOREIGN EXPENDITURES ON THIS ESSENTIAL COMMODITY. SOME
OF THE BALANCE CAN BE COVERED BY OTHER WESTERN DONORS
(ALTHOUGH MOST OF THE AID PROVIDED BY OTHER DONORS IS
PROJECT ASSISTANCE WHICH DOES NOT PROVIDE THE OFFSHORE

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WHITE HOUSE SITUATION ROOM

PAGE 02

MESSAGE (CONTINUED):

CASH RESOURCES NEEDED TO MEET GOL OBLIGATIONS). FOR THE BALANCE, THE COMMERCIAL BANKS SHOULD BE URGED TO CONTINUE THEIR NORMAL FINANCIAL ARRANGEMENTS WITH LIBERIA. ALSO, THE SIZE OF THE IMF STANDBY AGREEMENT MIGHT BE INCREASED.

14. THE ESP FUNDS SHOULD BE STAGED OVER THE FISCAL YEAR, TO GIVE US AN OPPORTUNITY TO ENSURE OTHER DEFECTIVES OF THE USG ARE BEING MET PARI PASSU WITH THE DISBURSEMENT OF FUNDS.

15. THE ABOVE ASSUMES THERE WILL BE ANOTHER DEBT RESCHEDULING ON COMPLETION OF THE PERIOD COVERED BY THE AGREEMENT CONCLUDED IN PARIS LAST DECEMBER, AS WE SEE NO WAY THE GOL COULD MANAGE THIS DEBT BURDEN IN FY-1982. WALKER

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DATE 03/17/81

WHITE HOUSE SITUATION ROOM

PAGE #1

WHTS ASSIGNED DISTRIBUTION:

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WHR COMMENT:

38917

MESSAGE ANNOTATIONS:

NO MESSAGE ANNOTATIONS

MESSAGE:

IMMEDIATE
DE RUTANA #1978 0711030
O 121914Z MAR 81
FM AMEMBASSY MONROVIA

TO SECSTATE WASHDC IMMEDIATE 4525

~~S E C R E T~~ MONROVIA #1978

EXDIS
FROM LAYMON WALKER
E.O. 12065: ROS-1 3/12/81 (WALKER, JULIUS W., JR.) OR-M
TAGS: PINS, PINT, SAID, PEPR, LT, LY, US
SUBJECT: SUPPORT FOR LIBERIA

1. (~~SECRET~~ - ENTIRE TEXT)

2. FROM MY DISCUSSIONS WITH KEY LEADERS HERE (DETAILS SEPTLR), IT IS CLEAR THERE IS A CONFRONTATION BETWEEN DOE, QUIWONKPA AND OTHER MILITARY MEN ON THE ONE HAND, AND FOREIGN MINISTER MATTHEWS ON THE OTHER OVER THE QUESTION OF LIBYAN, CUBAN AND SOVIET PRESENCE/INTENTIONS IN LIBERIA. WITH ALL PARTIES, INCLUDING MATTHEWS, I EMPHASIZED OUR SUPPORT FOR DOE AND HIS SUPPORTERS. WHILE THEIR HAND IS NOT YET FULLY PLAYED OUT, DOE AND QUIWONKPA HAVE ALREADY STUCK THEIR NECKS OUT AND I BELIEVE THEY WILL CARRY THROUGH. IT REMAINS TO BE SEEN WHETHER MATTHEWS WILL BACK OFF, BUT MY HUNCH IS HE WILL NOT, AND THE RESULT COULD BE THAT HE WILL BE REMOVED OR RESIGN FROM THE GOVERNMENT.

3. IN THESE CIRCUMSTANCES, IT IS IMPORTANT WE FOLLOW THROUGH QUICKLY AND EFFECTIVELY. IN MY TALK WITH DOE I TOLD HIM I WOULD BE RECOMMENDING A COMMAND AND CONTROL MTT AND A JOINT EXERCISE IN THE NEAR FUTURE. DOE WAS VERY

MONROVIA 1978

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TOR: 071/2007Z

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NLRR M07-074#38917
BY LJS NARA DATE 5/15/08

DATE 3/17/81

WHITE HOUSE SITUATION ROOM

PAGE 02

MESSAGE (CONTINUED):

PLEASED AND SAID THIS WAS EXACTLY WHAT WAS NEEDED. IT WOULD PERMIT HIM TO DEMONSTRATE TO HIS PRC COLLEAGUES, AND OTHERS, THAT AMERICAN SUPPORT IS FORTHCOMING WHEN TOUGH DECISIONS ARE TAKEN. DETAILED RECOMMENDATIONS ARE BEING SENT SEPTEL ON WHAT WE SHOULD BE DOING ON THE MILITARY SIDE IN BOTH THE SHORT AND LONGER TERMS. WHAT I WANT TO EMPHASIZE HERE IS WE MUST (A) CONFIRM QUICKLY TO DOE WHAT I OUTLINED TO HIM AND (B) GET OUR PEOPLE ON THE GROUND ASAP. IF WE DANGLE, DOE MAY BE FORCED TO PULL BACK FROM HIS INTENTION TO KICK OUT THE LIBYANS AND CUBANS AND TO REDUCE THE SOVIET EMBASSY STAFF FROM 23 TO 6. IN THE PROCESS, WE WOULD UNDERCUT DOE AND SERIOUSLY EXPOSE STRONG FRIENDS LIKE QUIWONKPA.

4. THROUGHOUT MY DISCUSSIONS, I ALSO PRESSED THE LIBERIAN LEADERSHIP TO MOVE QUICKLY ON SELLING THEIR 737 SO THAT IN COMBINATION WITH A BRIDGE LOAN BY THE COMMERCIAL BANKS WE CAN GET THROUGH THE CURRENT FISCAL CRISIS. I WAS ASSURED BY ALL THE PLANE WILL SHORTLY BE SOLD, BUT I REMAIN CONCERNED SOMETHING WILL SLIP, EITHER ON THE PLANE OR WITH THE BANKS, OR BOTH. I STRONGLY RECOMMEND WE READY OURSELVES TO MOVE INTO THE BREACH. FULLER RECOMMENATIONS ARE BEING SENT IN BY SEPTEL ON THE ECONOMIC SIDE, BUT I WANT TO EMPHASIZE HERE THAT WE NEED URGENTLY TO IDENTIFY SOME ESP AND/OR WEIGH IN WITH TREASURY TO BE PREPARED TO BRIDGE THE IMF DRAWING THROUGH THE EXCHANGE STABILIZATION FUND. WE CAN'T LET THE MARCH/APRIL OIL PAYMENT FALL THROUGH.

5. IN CONCLUSION, I BELIEVE OUR SHORT-TERM CRISIS MANAGEMENT DIPLOMACY STANDS A GOOD CHANCE OF WORKING AGAIN. IN THE PROCESS WE MAY ALSO HAVE REINFORCED OUR FRIENDS AND COUNTERED A THREATENING EXPANSION OF LIBYAN AND CUBAN PRESENCE. WE CANNOT, HOWEVER, EXPECT TO PROTECT AND ADVANCE OUR INTERESTS IN LIBERIA BY THIS KIND OF AD HOC DIPLOMACY. THE KIND OF INCREASED LEVELS OF FUNDING AND COMMITMENT THAT ARE BEING RECOMMENDED TO THE SIG ARE THE ONLY SOUND BASE FROM WHICH TO OPERATE.

6. DEPARTMENT MAY WISH TO PASS THIS MESSAGE WHICH WAS QUICKLY PREPARED FROM INITIAL THOUGHTS TO SECDEF, JCS AND USCINCPUR.
WALKER

MONROVIA 1978

DTG: 121914Z MAR 81 BBN: 337323
TOR: 371/2057Z

*****~~S E C R E T~~*****

30

DATE 03/17/81

WHITE HOUSE SITUATION ROOM

PAGE 03

END OF MESSAGE FOOTER

MONROVIA 1978

DTG: 121914Z MAR 81 SSNI: 037323
TOR: 071/2057Z

*****~~S E C R E T~~*****

MEMORANDUM

NATIONAL SECURITY COUNCIL

1424

~~CONFIDENTIAL~~

INFORMATION

March 20, 1981

MEMORANDUM FOR: RICHARD V. ALLEN
THROUGH: ROBERT L. SCHWEITZER
FROM: ROBERT M. KIMMITT *Bob*
SUBJECT: Liberia (C)

State informs Fred Wettering and me that a Haig memorandum proposing reprogramming of security assistance funds for Liberia is on the Secretary's desk for signature. The memorandum may arrive at an odd time over the weekend, and we wanted to be sure you were briefed on it. As was the case with the El Salvador reprogramming received last weekend, State will propose reductions in the Israeli and Egyptian accounts, obviously a major policy decision. (C)

Staffing will require coordination with OMB, who probably will not be able to clear until Monday. (Jim Baker's office this week referred the El Salvador package to OMB, since they were not mentioned in your forwarding memorandum.) We will forward the package as soon as staffing is completed. (C)

cc: Fred Wettering
Geoff Kemp

JC & BN HAVE SEEN

~~CONFIDENTIAL~~

Review March 20, 1984

DECLASSIFIED

NLRR M07-074 #38920
BY LOI NARA DATE 5/15/08

RECEIVED 21 MAR 81 09

TO ALLEN

FROM KIMMITT

DOCDATE 20 MAR 81

SCHWEITZER

DECLASSIFIED

White House Guidelines, August 28, 1997

By AMJ NARA Date 7/23/07

KEYWORDS: MILITARY ASSISTANCE

LIBERIA

FOREIGN ASSISTANCE

SUBJECT: SECURITY ASSISTANCE FOR LIBERIA

ACTION: FOR INFORMATION

DUE:

STATUS IX FILES

FOR ACTION

FOR COMMENT

FOR INFO

ALLEN

WETTERING

KEMP

DEAL

COMMENTS

REF#

LOG

NSCIFID

(D /)

ACTION OFFICER (S)

ASSIGNED

ACTION REQUIRED

DUE

COPIES TO

3/27

noted by Colson & Nance

RR, SC, WE, GK, TD

DISPATCH

W/ATTCH

FILE

PA (C)

[Handwritten signature]

SENSITIVE

PAGE 113 SITUATION(S) MESSAGE(S) LIST(S) DATE 04/07/01//087

SITUATION: CHECK
SUBJECT CATEGORY: LIST

MESSAGE / ANNOTATION:

MESSAGE:

IMMEDIATE
Z 210200Z MAR 01
FM SECSTATE WASHDC

BTI APBHQASBY MONROVIA IMMEDIATE 1917

SECRET STATE 072414

EXDIS FOR CHANGE FROM WALKER
E.O. 12958: AOS-1 2/20/01 (WALKER, LANNON)

TAGS: PINT, PEPI, EAD, MASS, LI

SUBJECT: (S) LAYING DOWN THE LINE TO ONE

REF: MONROVIA 1905

1. ~~SECRET~~ - ENTIRE TEXT.

2. SETTEL DESCRIBES SECURITY/MILITARY SUPPORT FOR LINE IS CURRENTLY ARRANGED IN RESPONSE TO DOE'S REQUEST AND CONVERSATIONS DURING LANNON WALKER'S VISIT. AS SOON AS POSSIBLE, YOU SHOULD BEGIN MEETING WITH DOE TO DISCUSS THE RELATED ISSUES:

- (A) THE ISSUE OF SOVIET, LIBYAN AND CUBAN PRESENCE AND
- (B) THE APRIL 12 CELEBRATIONS AND THE PRESENCE OF FOREIGN DELEGATIONS.

3. WITH REFERENCE TO THE REDUCTION ON SOVIET PRESENCE AND THE REMOVAL OF CUBAN AND LIBYAN RESIDENT MISSIONS, YOU SHOULD REVIEW WITH DOE CONVERSATIONS HELD WITH QUINONAPA, ROUIER AND HIMSELF CONCERNING SECURITY SITUATION, PARTICULARLY KORTAL. YOU SHOULD RECALL DOE'S ASSESSMENT THAT LIBYAN, LIBAN AND LARGE SOVIET PRESENCE POSSES DANGERS FOR LIBERIA'S CURRENT STABILITY. ENCOURAGE DOE TO MOVE

***** WHAR COMMENTS *****

RY: NAN, CBL, VP
ECON, AF, ASI, ET

DECLASSIFIED

NLRR M07-074#38924

BY 607 NARA DATE 5/15/08

SENSITIVE

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SITUATION(S) MESSAGE(S) LISTING

DATE 04/07/81//097

SITUATION: CHECK
SUBJECT CATEGORY: LIST

MESSAGE / ANNOTATION:

EXPEDITIOUSLY, AS HE HAS AGREED, TO CLOSE DOWN THE LIBYAN AND CUBAN MISSIONS AND REDUCE THE SOVIET PRESENCE. RECALL THAT ODE SAID THAT AS SOON AS LANNON VADKEN COULD CONFIRM ACTION ON HIS REQUESTS, HE WOULD MOVE. REITERATE ALL SECURITY RELATED MATTERS WE HAVE ADDRESSED AND CONCLUDE BY ASKING ODE WHAT HIS PLANS ARE. INFORM HIM THAT WE NEED TO KNOW WHAT TIME FRAME HE INTENDS TO ACT IN, NOTING THAT AFTER OUR STRENUOUS EFFORTS ON HIS BEHALF, WE LOOK FORWARD TO POSITIVE ACTION ON HIS COMMITMENT TO US.

4. WITH REFERENCE TO THE APRIL 12 CELEBRATIONS, YOU SHOULD SHARE WITH ODE OUR GROWING CONCERNS ABOUT THE POTENTIAL COSTS OF THE CELEBRATIONS. YOU ARE REQUESTED TO MAKE THE FOLLOWING POINTS:

-- ON A DIFFERENT SUBJECT, WE ARE CONCERNED THAT THERE ARE, AS YET, NO FIRM PROGRAM AND BUDGET FOR THE APRIL 12 CELEBRATIONS. CONSIDERING LIBERIA'S PRESENT FINANCIAL POSITION, WE BELIEVE IT IMPORTANT THAT SCARCE RESOURCES BE USED WISELY.

-- WE BELIEVE THAT LIBERIA MIGHT FIND IT APPROPRIATE TO ANNOUNCE THAT, AS AN ECONOMY MEASURE, THE CELEBRATIONS WILL BE A "FAMILY AFFAIR", ATTENDED ONLY BY LIBERIANS AND REPRESENTATIVES OF RESIDENT FOREIGN MISSIONS. WE THINK THAT SERIOUS CONSIDERATION SHOULD BE GIVEN TO ANNOUNCING THAT NO FOREIGN DELEGATIONS WILL BE INVITED AS A MEASURE OF AUSTERITY AND SACRIFICE. WE BELIEVE THAT LIBERIA'S FRIENDS WILL UNDERSTAND SUCH A GESTURE AND WELCOME IT AS A SIGNAL OF ADDITIONAL FINANCIAL SERIOUSNESS ON THE PART OF THE GOVERNMENT.

-- UNDER NO CIRCUMSTANCES WILL THE UNITED STATES COMMIT ANY FUNDS TO PAY FOR COSTS OF THE CELEBRATIONS. OTHER PRIORITIES TAKE PRECEDENCE.

5. HOPEFULLY YOU WILL BE ABLE TO TURN ODE AROUND TO THE AUSTERITY LINE ON APRIL 12 CELEBRATIONS, BUT IF HE INSISTS ON GOING AHEAD WITH EXISTING PLANS TO INVITE DELEGATIONS, ADVISE HIM THAT IF, BEFORE APRIL 12, THE SOVIET MISSION IS REDUCED AND THE CUBAN AND LIBYAN MISSIONS ARE CLOSED, THE QUESTION OF THEIR DELEGATIONS BEING PRESENT AT THE CELEBRATIONS THEN WILL NOT OCCUR. HOWEVER, IF THEY ARE STILL PRESENT AND HAVE DELEGATIONS AT THE CELEBRATIONS, INFORM ODE THAT THE US WILL NOT BE ABLE TO SEND A DELEGATION AND HE WILL JEOPARDIZE OUR STRENUOUS EFFORTS TO SECURE

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SITUATION(S) MESSAGE(S) LISTING

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SITUATION: CHECK
SUBJECT CATEGORY: LIST

MESSAGE / ANNOTATION:

ADDITIONAL ASSISTANCE.

6. YOU SHOULD DESCRIBE TO DOE THE CURRENT DIFFICULTIES

IN SECURING ADDITIONAL RESOURCES. LAY OUT FOR HIM THE KIND OF PRESSURES AGAINST WORLDWIDE FUNDING LEVELS, AND OUR DETERMINATION TO PROVIDE THE GREATEST RESOURCES TO OUR DEMONSTRATED FRIENDS. YOU SHOULD HAVE DOE CONSIDER THE NEGATIVE IMPLICATIONS OF OUR HAVING TO INFORM THE SAME CONGRESS FROM WHICH WE MUST SEEK THE FUNDS THAT LIBERIA HAS FAILED TO KEEP ITS PART OF BARGAINS MADE. MAKE IT CLEAR TO DOE THAT HE MUST DELIVER OR ELSE WE CANNOT SUCCEED IN OUR EFFORTS ON HIS BEHALF.

HAIG

BT

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