

Subject Econ P01
Indebtedness A-3

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PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. T172C/83

THE EXECUTIVE MANSION
OFFICE OF THE HEAD OF STATE
MONROVIA, LIBERIA

November 2, 1983

Dear Madam Prime Minister:

I take this opportunity to write your Excellency for the first time, on matters affecting the economic, social and political conditions in our country. I do so because of the long history of friendship between your country and the Republic of Liberia.

It is heartening to note that your government has been generous, over the years in providing assistance to our government.

As we have proceeded in our task of reconstructing our country, we have experienced severe economic setbacks due principally to two major factors:

1. The general decline in price and demand for our principal export commodities, caused by the worldwide recession, and
2. The debt burden we inherited which amounted to nearly a billion dollars at the time we came to power.

Therefore, much of the scarce resources we have endeavoured to obtain, since the encumbrance of our leadership, have gone toward the payment of interest on loans which date as far as 1943.

Her Excellency Margaret Thatcher
Prime Minister of Great Britain
10 Downing Street
London, UNITED KINGDOM.

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A careful survey has been made of most of the loans obtained by the government of Liberia between 1943-1980. Records indicate that our indebtedness to donor countries and international financial institutions exceed one billion dollars.

We are currently establishing a technical team to carefully examine each of the loans obtained to determine whether payment has been completed and how these loans utilized.

We shall also seek the possibility of having some of the loans converted to grants and we will also begin a systematic appeal to donor countries to have them cancel some of these long-standing commitments.

At the same time, we feel convinced that a large percentage of the funds acquired for national development ended up in private accounts, with the majority of Liberians obtaining no benefits. This has been an unfortunate situation affecting our country in the last few years.

I am bringing this situation to your attention with the hope that you will develop an indepth understanding of the great problems our nation is facing and to ask you to use your good offices in having your government examine our commitment to it.

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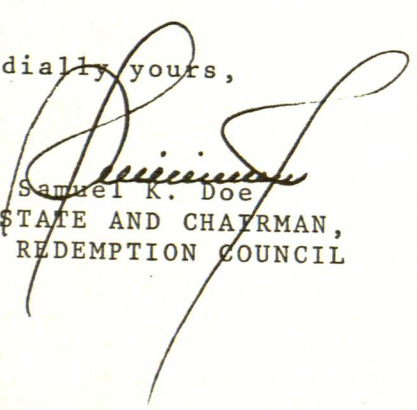
We hope that after such an examination your government will help relieve us of some of the burden through any of the above mentioned conditions, whether cancellation or conversion of loans to grants.

We have thought to present this issue to your Excellency because of our firm belief in the friendship between our two countries and in the free enterprise system of government which our two nations have persistently pursued.

I am taking the liberty to forward you a copy of a document giving you an idea of some of our outstanding loans for the period covering the last 20 years.

Please accept, Madam Prime Minister, the assurances of my highest esteem and very personal regards.

Cordially yours,


CIC Samuel K. Doe
HEAD OF STATE AND CHAIRMAN,
PEOPLE'S REDEMPTION COUNCIL