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THE SECRETARY OF STATE

WASHINGTON

November 2, 1981

MEMORANDUM FOR:

THE PRESIDENT

From

: Alexander M. Haig, Jr. 70

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Jamaican Situation. Bill Clark and Tom Enders spent approximately three hours with Prime Minister Seaga in Antigua. Seaga seemed depressed but his mood improved in the course of the discussion. He responded favorably to the suggestions in your letter and was pleased by the proposal that former OMB Director Roy Ash advise him on setting up an OMB-type mechanism.

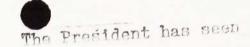
Seaga believes that he can manage, barely, to meet first year IMF tagrets in March. But he is extremely concerned about a foreign exchange gap in the next Jamaican fiscal year which is exacerbated by continuing cutbacks in bauxite and alumina production. Seaga is also worried about Jamaica's bad press and its effect on tourism. We discussed several possibilities: (1) a second stockpile purchase of bauxite for U.S. FY 1982/83, (2) changes in Jamaican tax law to permit tax credits rather than tax deductions on bauxite, (3) persuading high level Americans to visit Jamaica early in the season to encourage tourism and (4) bolstering Jamaica's capability to attract new foreign investments.

SECRET

DECLASSIFIED

WARA DATE 7/3/11

RDS 2/3 11/2/01 (HAIG, Alexander M., Jr.)



THE WHITE HOUSE

WASHINGTON

November 3, 1981 SECRET ATTACHMENT

MEMORANDUM FOR THE PRESIDENT

FROM:

RICHARD V. ALLEN

SUBJECT:

Secretary Haig's Evening Report

Attached is Secretary Haig's Evening Report for Monday, November 2, 1981.

CC: The Vice President Ed Meese Jim Baker Mike Deaver

SECRET ATTACHMENT
Received Tuesday, November 3, 1981 - 10:59 A.M.