

NIO/Africa
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TALKING POINTS: ZAIRE'S IMF PROBLEM

Background: President Mobutu, with periodic encouragement personally from the President and other senior US officials, has kept Zaire in compliance with IMF-mandated reforms and sustained a series of IMF programs for almost four years--a record in Africa. Earlier this year, Mobutu raised civil servant wages 25 percent in response to increased grumbling caused by reform-induced austerity. This exceeded the IMF recommendation of a 15 percent raise. As a result, the IMF suspended payment of the April and June tranches of Mobutu's \$130 million program,



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Talking Points

- President Mobutu has a record in terms of reform and compliance with IMF teams unmatched in Africa. He continues to try, despite increasing pressures arising from the continuing short-term austerity mandated.
- [redacted] should the IMF not grant this waiver, Mobutu is likely to abandon compliance and dismiss the most reform-minded members of his government.
- The Belgians have promised Mobutu their support in the IMF and have suggested he focus on the US vote as the key. The French are likely to do the same. Mobutu would interpret anything other than a favorable US position very negatively, reinforcing his suspicions about alleged US plans to ease him out a la Marcos.
- A negative IMF vote or a negative US position would likely impel Mobutu to reassess our extremely close ties. This could jeopardize a program which the President has deemed of major importance to US security. It would also undercut a 21-year period of mutual support and cooperation unmatched in Africa.

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A negative US position would at best cast a pall over Secretary Shultz's forthcoming Africa trip and his 15 October meeting with Mobutu and also have an effect on the Washington visit and Presidential meeting planned for Mobutu in November/December.