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25 March 1982

MEMORANDUM FOR: Director of Central Intelligence

THROUGH:

Deputy Director of Central Intelligence

FROM:

John N. McMahon Executive Director

SUBJECT:

Jamaica

1. The other evening Bob Gates and I were musing about the situation in Central America and how it seems to be a bottomless pit when it comes to aid. He made the comment that it's too bad that we don't give more aid to Jamaica. When you come to think of it, here is an island that we won over from the Soviet pawn Manley and having accomplished that, we sort of walk away leaving it to Seaga on his own to bail out a very difficult economy. Oddly enough Seaga has made some headway in trying to turn the corner but the landslide victory and popular mandate which brought him to power can easily melt away if Jamaica doesn't show some economic improvement. Last year, including developmental assistance from us, economic support funds and PL 480, the U.S. contribution to Jamaica was \$69 million--projected this year is only \$87 million.

2. Why doesn't the U.S. get in back of Seaga and make Jamaica a showcase in the Caribbean to show to the peoples of that area, including Central America, what being free and friendly to the U.S. can do for you.

3. Here we are today still dumping money into Nicaragua--it doesn't make any sense.

John N. McMahon

cc DDI

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