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Where's the cash? Liberia's new president finds empty coffers

Де готівка? Новий президент Ліберії виявив порожню скарбницю

Президент Ліберії Джозеф Ньюма Боакаї каже, що він успадкував економіку з фінансовою звітністю, яка не має сенсу, бо грошей менше, ніж має бути. У своєму зверненні до нації 79-річний Д. Боакаї, який переміг найкращого футболіста світу 1995 року Джорджа Веа у другому турі президентських виборів, сказав, що на даний момент Ліберія перебуває під санкціями за несплату внесків Африканському союзу та Африканському банку розвитку. Він заявив, що заборгованість перед Європейським інвестиційним банком вплинула на завершення головного дорожнього проекту країни – залізниці Санніквеллі-Логуато. Критики кажуть, що Д. Веа, футбольний герой та гордість Ліберії, програв вибори, бо за його правління процвітала корупція. В 2023 р. Ліберія посіла 139 місце зі 180 країн у рейтингу корупції Transparency International.

<https://www.news24.com/news24/africa/news/wheres-the-cash-liberias-new-president-finds-empty-coffers-20240130>

Liberia's new president said its international reserves were half of what was claimed by his predecessor.

To curb corruption, he plans to use sweeping audits.

Liberia defaulted on its debts to international lenders, stalling major infrastructure projects.

Liberia's President Joseph Nyuma Boakai says he inherited an economy with financial statements that don't make sense, because there is less money than there should be.

In his State of the Nation Address this week, Boakai, 79, who beat 1995 World Footballer of the Year George Weah in a presidential election run-off last year, spoke of accountability.

He would "ensure that the executive leads by example", he promised, through cost-cutting measures, such as new fiscal rules and travel ordinances to curb unnecessary expenditure.

The first name to come out of Boakai's mouth was that of Weah, who last year claimed the Central Bank of Liberia's (CBL) international reserves stood at R760 million (US\$40 million).

To Boakai's shock, the figure revealed on 19 January was about half of Weah's claims.

He said:

The report of US\$40 million as the Government of Liberia's consolidated account balance, as of 19 January 2024, is not supported by fact.

"The balance reported by the CBL, as of the same date, was US\$20.5 million, highly encumbered, not US\$40 million," he said.

For that, Boakai reassured the nation of his earlier promise to audit everything and everyone in a position of authority.

"To this end, we re-emphasise our earlier commitment to audit and ensure that regular audits will be a culture across all branches of government, not only the executive," he said.

Boakai also bemoaned that the country's public debt rose by 601.8% between 2017, a year before Weah came into office, and 2023, when he left.

As such "certainly, the rescue mission was a necessity for Liberia's transformation", early in his first term.

Boakai said Liberia was a bad debtor and that had made life more complicated for the nation because it could not go back to lenders, especially the African Development Bank.

"As I am speaking, Liberia is under sanction for lack of payment of dues to the African Union and the African Development Bank," he said.

He said money owed to the European Investment Bank affected the completion of the country's major road project, the Sanniquellie-Loguato Road.

"Also, a default in payment of about US\$650 000 to the European Investment Bank is preventing a disbursement of over US\$13 million for the Sanniquellie-Loguato Road," he added.

Boakai secured a narrow second-round victory against Weah, the man he lost to in 2017.

Critics say Weah, a footballing hero and the pride of Liberia, lost the election because corruption was rampant during his tenure.

Last year, Liberia ranked 139 out of 180 countries on the Transparency International Corruption Index.

With just nine months into Weah's term, R1.8 billion (US\$96 million) was reported missing from the government's coffers.

An inquiry by Kroll, a Philadelphia-based firm, established that illegal printing of the local currency was what happened.