

Fellow Liberians:

Four months ago, during my State of the Nation address, I reported to you that the state of the nation remains strong. This is still true today, as I deliver my second major national address in 2019.

I wish to speak today to you, fellow citizens, my brothers and my sisters, on matters of critical national importance. I wish to speak to Liberians across our beloved country, and to Liberians in diaspora, and to Liberians of every tribe, age, religion, and political affiliation.

I have dedicated all of my energy, compassion, and solidarity over many decades to you all. Today, we share a determination to see our people prosper and our country develop.

We, the Liberian people, are strong and capable. We know this because we have overcome the division and destruction of war, we conquered Ebola, and we have peacefully transferred the honor and duties of political leadership in accordance with our constitution and the rule of law.

I am proud to say today that Liberia is a democracy where people, who seek to do so lawfully, peacefully, and responsibly, can and do express their opinions, whether in our legislature, on our campuses, in teashops, and in peaceful demonstrations.

This is not Sudan, where one man ruled for 30 years and now the military is in control. This is not Venezuela, where citizens are denied their rights, where the legislature is unable to play its role, and humanitarian aid is blocked from reaching people in desperate need.

In Liberia, while we will continue to face many challenges such as managing inflation, creating jobs, and fighting corruption; our commitment to democratic principles is strong and central to our country's development and stability.

My Fellow Citizens:

A nation is not defined only by easy and happy times, when everything is going well. Rather, a nation is defined by the ability of its people to overcome difficult moments in their history. And this is only possible when we come together as One People. Our strength will always lie in our unity, because if we are divided, we will never overcome the ills of our society.

Fellow citizens, we Liberians have had some difficult moments, but those moments do not define us. Those dark times did not define us. We overcame that gloomy history and today Liberia is a shining multiparty democracy in which freedom is supreme.

With the help of our regional and international partners, we overcame both war and the disease. Liberia has since remained a haven of peace and has undergone a successful democratic transfer of power.

Today the peace and security of this country is in the hands of Liberians themselves, after the withdrawal of all United Nations troops in 2018.

Today, we have a multi-party, active democracy in which political dissent or criticism is tolerated.

Today, we have unprecedented press and media freedom and have decriminalized free speech by law.

Today, Liberia is a democracy where civil society groups and organizations can advocate openly for issues they care about.

Today, Liberia is a democracy in which our integrity institutions monitor our implementation of law and policy.

My fellow Liberians, it is these freedoms that will define us as a people. It is our toleration of political opposition and opposing ideas, that will enrich our national dialogue and discourse.

It is our ability to manage this culture of freedom and tolerance for criticism, that can sustain our peace.

It is reconciliation and social justice for all Liberians, that will bring us all together to face and overcome our difficult moments.

Today, we face a difficult economic moment. But this moment, like other moments of our history, will soon come to pass.

The economic challenge we face today has to do with the structure of our economy. We have lost significant revenue from the fall in the prices of iron ore and rubber, and several of our rubber farmers have lost their income and ability to spend in the economy.

Liberia is no longer receiving the emergency aid that came in the years after war, and large grants from our multilateral partners have also dried up. The amount of remittances we receive from abroad in US dollars has also declined.

All of these realities complicate our macroeconomic situation. The sudden drop in US dollar inflows puts pressure on the economy, and devalues the Liberian dollar, moving prices upward. The macroeconomic policies we have today are policies tailored to the time that we had free inflows of United States dollars. We are now changing these policies to reflect the economic realities of our time.

And so, my fellow Liberians, I want you to know that I am aware of the difficulties and hardships that the rising exchange rate is causing you, and the effect it is having on prices of all goods and commodities in the market. I am deeply concerned about these issues, and I am working day and night to resolve them.

I will now summarize the broad actions that Government is taking to stabilize our economy:

We are delivering a new and improved fiscal policy that will be announced with the passage of a credible national budget for the 2019-2020 fiscal year. In the last several years, we have passed a budget that exceeds our revenue potential. We are now working together with counterparts in the other branches of Government to pass a realistic budget.

To achieve this will require sacrifices from all. Our actions will involve reform of our large wage bill; rationalizing Government spending to put more resources to critical sectors like health, education and agriculture; improving the way Government makes payments to Government entities and vendors who supply the Government with goods and services; and some actions on domestic arrears that the Government owes local vendors as a stimulus to the economy.

On the monetary front, we are taking actions to instill greater confidence in the Central Bank of Liberia and the banking sector at large. The integrity and independence of the Central Bank will be assured and protected under my administration, and this resolve will be critical in the years ahead.

In this regard, I wish to announce that the Government of Liberia, under my leadership, will no longer borrow from the Central Bank of Liberia for its short-term liquidity needs.

For monetary policy to work, Liberians must develop confidence in the banking sector. Today, most of the Liberian dollars in our economy is outside the banking sector. We are shortly going to announce new policy initiatives that should increase the confidence of Liberians in the Liberian dollar. These policies will provide strong incentives for Liberians to keep their money in the bank and for commercial banks to invest more in the Liberian dollar economy.

My Fellow Liberians, in spite of the difficult economic conditions, we did not default on our responsibility to ensure that the lives and livelihood of our people are improved.

Utilizing domestic revenue, which has increased as compared to the previous fiscal period, we implemented several infrastructure and social programs that are impacting our people significantly.

These projects include:

- the pavement of roads in the various communities in Monrovia and some leeward counties.
- the hiring of an additional 2000 health workers to greatly reduce the capacity gap in the health sector.
- the complete reconditioning of JFK medical laboratory along with ongoing comprehensive renovation of the facilities.
- the construction of hundreds of housing units for low-income earners.

- the introduction of tuition-free education in all public universities in Liberia.
- the training of more doctors for specialization in various fields of medicine
- the payment of all WAESCE students' fees in 2018.
- the allocation of over US\$ 6 million United States dollars to the Liberia Electricity Corporation, which enabled it expand connections to more communities.

- the pavement of several major highway corridors in the country.

We implemented these and many other projects to directly and positively affect the lives of our people.

My Fellow Citizens:

For a few months now, there have been speculations and allegations surrounding the printing and delivery of our local currency, the Liberian dollar, with some suggesting that an amount of up to sixteen billion Liberian dollars had somehow gone missing in that process.

My Government felt that it was important to investigate these allegations, and in this regard, a Presidential Investigative Team was commissioned to do so. In order to ensure an independent view, a second investigation was simultaneously launched with the support of the United States Government, which facilitated the hiring of an international audit firm, Kroll Associates.

The recently submitted reports of both of these investigations found that an amount of \$15.5 billion Liberian dollars was printed and delivered to the Central Bank of Liberia. However, both reports presented evidence that additional Liberian dollars had been printed in excess of the amounts contracted, and had been imported into Liberia but could not be accounted for. It is important to note, however, that apart from the unauthorized surplus, the reports indicate that all other bank notes ordered were properly accounted for. and that there was no missing money.

Immediately upon receipt of these reports, the Government of Liberia commenced the prosecution of officials and employees of the Central Bank of Liberia whose duty and official responsibility it was to manage the printing and delivery of Liberian dollar bank notes.

As you are all aware, those prosecutions are on-going through the Liberian legal system, under due process of law. No one has been arrested illegally, or detained unjustifiably, in connection with these trials. I hereby pledge to ensure that the trials will continue until the courts of Liberia issue final verdicts in this matter.

My Fellow Citizens:

I am fully aware of the negative impact of the declining exchange rate on the economic well-being of the Liberian people, and I know that this is causing serious hardship for everyone, but

most especially for the ordinary Liberians, who have no financial cushion to protect them from these harsh conditions.

In order to slow down or halt the depreciation of the Liberian dollar, and thereby bring some much-needed relief to the suffering of our people, my Government was advised by its Economic Management Team, in close collaboration with the Central Bank of Liberia, to make an infusion of \$25 million into the economy, through the Central Bank; the purpose being to mop-up the excess liquidity of Liberian dollars.

At the completion of the “mop-up” exercise, criticisms and allegations were made, that the process had not been done in a proper and professional manner, and that there had been irregularities and issues of mis-management.

These issues were referred by me to the Minister of Justice and Attorney -General of Liberia for further investigation. He thereupon referred the matter to the General Auditing Commission. Upon completion of its investigation, the General Auditing Commission has reported its findings to the Minister of Justice, who has recently announced these findings to the general public.

The investigative report found that of the US\$25 million authorized to be used for the mop-up, only US\$17 million was used, and that this was exchanged for an equivalent LD2.6 billion Liberian dollars. The GAC report also provides accounting evidence that the amount of LD2.6 billion Liberian dollars was deposited into the Central Bank.

However, major concerns were raised surrounding several CBL-listed businesses that are denying that they participated in the mop-up exercise, as well as other CBL-listed businesses that were found not to be in existence at the time of the GAC audit. The report also found major discrepancies and unexplained variances in the accounting records of the CBL.

The Minister of Justice and Attorney General has now requested the Liberia Anti-Corruption Commission to investigate these irregularities. The aim of this exercise is to determine criminal liability. All those found criminally liable will face the full weight of the law.

My Fellow Citizens:

All of these reports and lapses point to a major lack of systems and controls at the Central Bank of Liberia, and call into question the ability of its present leadership to effectively revamp its

internal mechanisms to provide greater accountability and professionalism, so that confidence and credibility would be restored to the institution.

To provide the opportunity for the Central Bank to have a new direction, I have accepted the resignation of the Deputy Governor for Economic Policy. The Executive Governor is scheduled for age-related mandatory retirement in the next three months. During that period, we will work to transition the bank to a new management.

The new CBL leadership will be recruited by a vetting committee to be established. It will be composed of an independent team of professional Liberians, to be named shortly. Any qualified Liberian interested in becoming a part of this new leadership team may submit applications to the vetting committee, whether they are resident in Liberia or abroad, and regardless of gender or political affiliation. Meanwhile, I will also announce a new Board of Governors next week.

My Fellow Citizens:

My Government will shortly announce a series of policy measures that are intended to stabilize our economy in the short term, and position it for growth in the medium to long term. We are working with stakeholders on measures that are intended to bring down prices. We are working to attract new investments in agriculture. And we are working to improve our business climate to reduce the costs and hurdles of doing business in Liberia.

We are privileged to have the support of the United Nations, the African Union and ECOWAS, as well as our other international partners who have invested in our future, and who continue to offer the assistance and advice we need to improve our country. We wish to assure our international development partners that we are committed to upholding the norms of good governance.

Soon, we will welcome a team from the International Monetary Fund, coming to create an IMF program tailored for Liberia. Such a program will help us to take the needed steps to stabilize our economy, restore confidence in our currency, and offer technical assistance to continue social services.

An IMF program requires greater discipline across government budgets. We will be introducing salary caps for government workers, and asking our legislators to share the burden as well. We will review performance and revenues from our State-owned enterprises, ensuring that leakages or inefficiencies do not undercut the ability of government to support its people.

We have seen other African countries, including Ghana, Rwanda, and Senegal, benefit from IMF programs, and I believe Liberia can do so as well.

My Fellow Citizens:

We Liberians should work together in our attempts to tackle our toughest problems, and seek to make the choices that will lead to changes that have broad positive effects. For our country to attract investors and create jobs for our people, we need to start reforms now that will pay off in the future.

My Government is committed to the Pro-Poor Agenda that will lift up all of our people, not only a few. Education and healthcare are at the heart of our agenda, but we are also prioritizing roads and infrastructure to grow economic opportunity

Even as we build a better future, we are addressing the problems of the past that still cast shadows over our people's lives. We are implementing land reform and local governance laws passed by our legislature last year, and we are supporting dialogue at the local level, with assistance from international partners, that advances reconciliation and unity.

We are also strengthening our legal system, training magistrates and judges, and shortening pre-trial detention to improve access to justice.

My Fellow Citizens:

We intend to intensify our fight against corruption. But as we battle corruption, our fight will be based on the facts and the evidence of corrupt activities that is adduced by reports from audits that have been professionally conducted, rather than mere perceptions and unsubstantiated allegations.

In the next several days, my Government will begin the review of all General Auditing Commission audits over the past 10 years, and will commence legal actions against every person that is implicated in these audit reports. Anyone found culpable will face the full force of the law.

In this same spirit, my Government also intends to contract international auditing and investigative firms to go after all monies and resources that were illegally taken from Liberia

over the last 10 years. We must all take the fight against corruption to a new level as a form of social justice for all our people.

My Fellow Citizens:

Our national dialogue must be based on truth, facts, and evidence. And our national discourse must also be civil. In this age of social media, let us use this medium as a resource for nation-building and the promotion of peace, rather than a tool of national destruction.

My Fellow Citizens:

Article 17 of the Liberian Constitution deals with the rights of all citizens to peaceful assembly, as well as the right to present petitions to their Government.

For the sake of clarity, I would like to quote Article 17 in its entirety:

QUOTE:

All persons, at all times, in an orderly and peaceable manner, shall have the right to assemble and consult upon the common good, to instruct their representatives, to petition the Government or other functionaries for the redress of grievances and to associate fully with others or refuse to associate in political parties, trade unions and other organizations.

UNQUOTE

My Fellow Citizens:

In closing, I once again wish to pledge my absolute commitment to the protection of each and every right and freedom granted to each and every one of you under our Constitution.

It is the use of these freedoms, that will define us as a people.

It is our toleration of political opposition and opposing ideas, that will enrich our national dialogue and discourse.

It is our ability to manage this culture of freedom and tolerance for criticism, that can sustain our peace.

It is reconciliation and social justice, for all Liberians, that will bring us all together to face and overcome our difficult moments.

God Bless us All, and Bless Liberia, our Native Land.