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Last Updated: 01/16/2024

EF
FEDERAL MEDIATION AND CONCILIATION SERVICE
UNITED STATES GOVERNMENT
WASHINGTON, D.C. 20427
November 5, 1984

OFFICE OF THE DIRECTOR

Ms. Karen Hart
Office of Cabinet Affairs
The White House
Washington, D.C. 20500

Dear Karen:

Several of our employees have indicated an interest in attending a welcoming ceremony at the White House. Therefore, I request that the employees listed on the attached receive passes to the next welcoming ceremony.

Please feel free to call me at 653-5300 if any further information is needed.

Sincerely,

Sandra L. Taylor

Sandra L. Taylor
Secretary to Kay McMurray

Attachment

Dec. 4
Pres. Jaime Zuzinchi
Venezuela

x2822

280257
1140
CD171
FG138
PROID 11/8 - Patsy
Please handle.
Will you give
Sandra a call
so she knows
we have the
request.
Thanks -

K.

280287
00171

WS

THE WHITE HOUSE
WASHINGTON

November 27, 1984

MEMORANDUM FOR CAROL MCCAIN

FROM: DAWN MURRAY
CABINET AFFAIRS

SUBJECT: December 4 Arrival Ceremony

The Director of the Federal Mediation and Conciliation Service has requested that seven of his employees be permitted to attend an arrival ceremony at the White House. I am aware of the December 4 arrival of the President of Venezuela and would like to arrange their clearance if possible. A list of the names, dates of birth and social security numbers for these people is attached.

Please let me know if you need more information. My office is Room 129 OEOB and my number is x2800.

Thank you very much.

United States Department of State

Washington, D.C. 20520

8343

~~LIMITED OFFICIAL USE~~

November 9, 1984

55

281301

1130

00171

FG006-12

MEMORANDUM FOR MR. ROBERT C. MCFARLANE
THE WHITE HOUSE

SUBJECT: State Visit of Venezuelan President Lusinchi

Attached is an updated list of State Department and Venezuelan participants in the White House events during the December 4 State Visit of Venezuelan President Jaime Lusinchi. This version reflects President Lusinchi's initial decision on who will accompany him. Please disregard the earlier list of participants.

Charles Hill

Charles Hill
Executive Secretary

Attachment:

List of participants

~~LIMITED OFFICIAL USE~~

NSC # 8408343

STATE/VENEZUELAN PARTICIPANTS IN
WHITE HOUSE EVENTS

The following is the list of State Department and Venezuelan participants in the White House events during the December 4 State Visit of President Jaime Lusinchi.

The list of Venezuelan participants will be updated as GOV planning for the visit advances.

Secretary's Briefing of the President

State Department

Secretary Shultz
Assistant Secretary Motley
Ambassador George Landau
Ambassador Harry Shlaudeman

White House Arrival Ceremony

State Department

Secretary and Mrs. Shultz
Assistant Secretary and Mrs. Motley
Ambassador Selwa Roosevelt
Ambassador and Mrs. George Landau
Mr. and Mrs. Fernando Rondon
Director
Office of Andean Affairs
Mr. and Mrs. Phillip McLean
Deputy Director
Office of Andean Affairs
Ms. Linda Pfeifle
Officer in Charge, Venezuela
and husband, Mr. Albert J. Amori
Stephanie Van Reigersberg
(Interpreter)

Venezuela

President Jaime Lusinchi
Foreign Minister
Isidro Morales Paul
Minister of the Presidency
Simon Alberto Consalvi
Finance Minister Manuel Azpurua
Defense Minister, Vice Admiral
Andres Brito Martinez
Minister of Mines and Energy
Arturo Hernandez Grisanti
Agriculture Minister
Felipe Gomez Alvarez
Chief of the President's Military
Household, Brigadier General
Victor Jose Higuera Castellanos
Ambassador and
Mrs. Valentin Hernandez
(Plus a Senator and a member of the
Chamber of Deputies to be named)

President Reagan's Meeting with President Lusinchi

United States

The President
Secretary Shultz
Assistant Secretary Motley
Ambassador Harry Shlaudeman
Ambassador George Landau
Stephanie Van Reigersberg
(Interpreter)

Venezuela

President Jaime Lusinchi
Foreign Minister
Isidro Morales Paul
Ambassador Valentin Hernandez

State Dinner

United States

Secretary and Mrs. Shultz
Ambassador Jeane Kirkpatrick and
Mr. Kirkpatrick
Assistant Secretary and Mrs. Motley
Ambassador and Mrs. Harry Shlaudeman
Ambassador Selwa Roosevelt and
Mr. Roosevelt
Ambassador and
Mrs. William Middendorf
Ambassador and Mrs. George Landau
Ambassador Vernon Walters

Venezuela

President Jaime Lusinchi
Foreign Minister
Isidro Morales Paul
Minister of the Presidency
Simon Alberto Consalvi
Finance Minister Manuel Azpurua
Defense Minister, Vice Admiral
Andres Brito Martinez
Minister of Mines and Energy
Arturo Hernandez Grisanti
Agriculture Minister
Felipe Gomez Alvarez
Chief of the President's Military
Household, Brigadier General
Victor Jose Higuera Castellanos
Ambassador and
Mrs. Valentin Hernandez
(Plus a Senator and a member of
the Chamber of Deputies to be
named)

NSC/S PROFILE

~~LIMITED OFFICIAL USE~~

ID 8408343

db
9/29/10

RECEIVED 10 NOV 84 10

TO

MC FARLANE

FROM HILL, C

DOCDATE 09 NOV 84

KEYWORDS: VENEZUELA

VISIT

LUSINCHI, JAIME

AP

SUBJECT: PROPOSED GUEST LIST FOR LUSINCHI VISIT 4 DEC

ACTION: PREPARE MEMO FOR MC FARLANE DUE: 14 NOV 84 STATUS S FILES WH

FOR ACTION

FOR CONCURRENCE

FOR INFO

MENGES

NORTH

MARTIN

BURGHARDT

TILLMAN

KIMMITT

THOMPSON

COMMENTS

OBE 12/3/84

Completed by # 8408214. J.

REF# 8430685

LOG

NSCIFID

(CT)

ACTION OFFICER (S) ASSIGNED ACTION REQUIRED DUE COPIES TO

C

12/3

Handled by 8408214

DISPATCH

W/ATTCH

FILE

WA 10

158048 red bell pepper 151 9

281499

ID #

CO 171

WHITE HOUSE CORRESPONDENCE TRACKING WORKSHEET

☐ O - OUTGOING☐ H - INTERNAL☐ I - INCOMINGDate Correspondence
Received (YY/MM/DD)

84, 12, 18

Name of Correspondent:

John Chafee

☐ MI Mail Report

User Codes: (A)

(B)

(C)

Subject:

Writes in appreciation of your invitation to the State dinner for President Luisinchi of Venezuela. Remarks that he and Dinny thoroughly enjoyed themselves. Wishes "you and all your family a wonderful Christmas and a New Year filled with good health & happiness."

ROUTE TO:

ACTION

DISPOSITION

Office/Agency	(Staff Name)	Action Code	Tracking Date YY/MM/DD	Type of Response	Code	Completion Date YY/MM/DD
LAOGL		ORIGINATOR	84, 12, 18			C 84, 12, 21
		Referral Note:				
			/ /			/ /
		Referral Note:				
			/ /			/ /
		Referral Note:				
			/ /			/ /
		Referral Note:				
			/ /			/ /
		Referral Note:				

ACTION CODES:

A - Appropriate Action
C - Comment/Recommendation
D - Draft Response
F - Furnish Fact Sheet
to be used as Enclosure

I - Info Copy Only/No Action Necessary
R - Direct Reply w/Copy
S - For Signature
X - Interim Reply

DISPOSITION CODES:

A - Answered
B - Non-Special Referral
C - Completed
S - Suspended

FOR OUTGOING CORRESPONDENCE:

Type of Response = Initials of Signer
Code = "A"
Completion Date = Date of Outgoing

Comments:

Keep this worksheet attached to the original incoming letter.

Send all routing updates to Central Reference (Room 75, OEOB).

Always return completed correspondence record to Central Files.

Refer questions about the correspondence tracking system to Central Reference, ext. 2590.

RECORDS MANAGEMENT ONLY

CLASSIFICATION SECTION

No. of Additional Correspondents: _____ Media: L Individual Codes: 1240 _____

Prime Subject Code: CO 171 Secondary Subject Codes: _____

PRESIDENTIAL REPLY

Code	Date	Comment	Form
C	_____	Time: _____	P- _____
DSP	_____	Time: _____	Media: _____

SIGNATURE CODES:

CPn - Presidential Correspondence
 n - 0 - Unknown
 n - 1 - Ronald Wilson Reagan
 n - 2 - Ronald Reagan
 n - 3 - Ron
 n - 4 - Dutch
 n - 5 - Ron Reagan
 n - 6 - Ronald
 n - 7 - Ronnie

CLn - First Lady's Correspondence
 n - 0 - Unknown
 n - 1 - Nancy Reagan
 n - 2 - Nancy
 n - 3 - Mrs. Ronald Reagan

CBn - Presidential & First Lady's Correspondence
 n - 1 - Ronald Reagan - Nancy Reagan
 n - 2 - Ron - Nancy

MEDIA CODES:

B - Box/package
 C - Copy
 D - Official document
 G - Message
 H - Handcarried
 L - Letter
 M - Mailgram
 O - Memo
 P - Photo
 R - Report
 S - Sealed
 T - Telegram
 V - Telephone
 X - Miscellaneous
 Y - Study



December 14, 1984

UNITED STATES SENATE
WASHINGTON, D. C.

281499

JOHN H. CHAFEE
RHODE ISLAND

Dear Mr President and Mrs Reagan:

I thank you very much for
inviting Jimmy and me to the
splendid dinner you gave for
President Luisinchi of Venezuela
last week.

We thoroughly enjoyed ourselves
and found the entire evening
extremely pleasant. You were
very nice to include us.

We wish to you and all
your family a wonderful
Christmas and a New Year



filled with good health
and happiness.

Sincerely
John

ID # 281649

WHITE HOUSE
CORRESPONDENCE TRACKING WORKSHEET

CO171

☐ O - OUTGOING☐ H - INTERNAL☒ I - INCOMINGDate Correspondence
Received (YY/MM/DD)

84/12/16

Name of Correspondent: Mr. Mrs. Miss

Ms. J. Marie Morey

☐ MI Mail Report

User Codes: (A) (B) (C)

Subject:

Seeks help to transport equipment
from Maracaibo, Venezuela

ROUTE TO:

ACTION

DISPOSITION

Office/Agency	(Staff Name)	Action Code	Tracking Date YY/MM/DD	Type of Response	Code	Completion Date YY/MM/DD
	CoBatt	ORIGINATOR	84/12/18		C	85/01/18 AB
	✓ DOS	Referral Note:	84/11/20		A	85/01/15 AB
		Referral Note:				
		Referral Note:				
		Referral Note:				
		Referral Note:				

ACTION CODES:

A - Appropriate Action
C - Comment/Recommendation
D - Draft Response
F - Furnish Fact Sheet
to be used as Enclosure

I - Info Copy Only/No Action Necessary
R - Direct Reply w/Copy
S - For Signature
X - Interim Reply

DISPOSITION CODES:

A - Answered
B - Non-Special Referral
C - Completed
S - Suspended

FOR OUTGOING CORRESPONDENCE:

Type of Response = Initials of Signer
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Completion Date = Date of Outgoing

Comments:

Keep this worksheet attached to the original incoming letter.
Send all routing updates to Central Reference (Room 75, OEOB).
Always return completed correspondence record to Central Files.
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RECORDS MANAGEMENT ONLY

CLASSIFICATION SECTION

No. of Additional Correspondents: _____ Media: L Individual Codes: 4200 _____

Prime Subject Code: CO 171 Secondary Subject Codes: TA 004 _____

PRESIDENTIAL REPLY

Code	Date	Comment	Form
------	------	---------	------

C	_____	Time: _____	P- _____
---	-------	-------------	----------

DSP	_____	Time: _____	Media: _____
-----	-------	-------------	--------------

SIGNATURE CODES:

CPn - Presidential Correspondence

- n - 0 - Unknown
- n - 1 - Ronald Wilson Reagan
- n - 2 - Ronald Reagan
- n - 3 - Ron
- n - 4 - Dutch
- n - 5 - Ron Reagan
- n - 6 - Ronald
- n - 7 - Ronnie

CLn - First Lady's Correspondence

- n - 0 - Unknown
- n - 1 - Nancy Reagan
- n - 2 - Nancy
- n - 3 - Mrs. Ronald Reagan

CBn - Presidential & First Lady's Correspondence

- n - 1 - Ronald Reagan - Nancy Reagan
- n - 2 - Ron - Nancy

MEDIA CODES:

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- C - Copy
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- G - Message
- H - Handcarried
- L - Letter
- M - Mailgram
- O - Memo
- P - Photo
- R - Report
- S - Sealed
- T - Telegram
- V - Telephone
- X - Miscellaneous
- Y - Study

DEPARTMENT OF STATE
EXECUTIVE SECRETARIAT
TRANSMITTAL FORM

S/S 8434741

Date January 17, 1985

For: Mr. Robert C. McFarlane
National Security Council
The White House

Reference:

To: President Reagan From: Janice A. Morey

Date: Dec. 14. 1984 Subject: Transport Equipment from Venezuela

WH Referral Dated: Dec. 20, 1984 NSC ID# 281649
(if any)

 The attached item was sent directly to the
Department of State.

Action Taken:

 A draft reply is attached.

 A draft reply will be forwarded.

 A translation is attached.

 X An information copy of a direct reply is attached.

 We believe no response is necessary for the reason
cited below.

 The Department of State has no objection to the
proposed travel.

 Other.

Remarks:

for *Nicholas Platt*
Nicholas Platt
Executive Secretary

Unclassified
(Classification)

85.1 17 P10: 42

W
SITU

M



United States Department of State

Washington, D.C. 20520

January 15, 1985

Dear Ms. Morey:

I am replying to your letter of December 14, 1984, to President Reagan in which you requested assistance in securing the release of amusement equipment which has been embargoed by customs authorities in Maracaibo, Venezuela since 1979.

The Department of State has assisted many of the American property owners involved in this incident since our Embassy in Caracas became aware of it in February, 1980. U.S. Government officials set up and attended high-level meetings with various Venezuelan government officials in an effort to resolve the situation.

The question of the release of the property and its removal from Venezuela is primarily a private matter to be settled between the interested parties. The Department's and the Embassy's initial involvement in this matter came about as a result of allegations that U.S. citizens were being discriminated against solely because of their nationality. However, it was determined that this was not the case.

The embargo on this equipment is based upon a court order in Venezuela issued upon the complaint of the Venezuelan promoter. Please note that legal disputes between private parties in foreign countries are matters in which the Department may not properly intervene. It is our understanding that suit has been brought by National Expositions, Inc. and Ken Penn Amusement against the Government of Venezuela and other parties, under the provisions of the Foreign Sovereign Immunities Act in the U.S. District Court for the Western District of Pennsylvania. Since this matter is the subject of pending litigation in the courts, the Department of State believes that the interested parties are taking the proper approach towards a resolution of the case.

Ms. Janice A. Morey
5712 New Jersey Avenue
Wildwood, Crest, New Jersey 08260

I hope this information is helpful if you have any further questions, please contact Mr. Kevin McConnell of my staff at (202) 632-3712.

Sincerely,

A handwritten signature in cursive script that reads "Carmen A. DiPlacido".

Carmen A. DiPlacido
Director

Office of Citizens Consular Services

8434741

T H E W H I T E H O U S E O F F I C E

REFERRAL

DECEMBER 20, 1984

TO: DEPARTMENT OF STATE

ACTION REQUESTED:
DIRECT REPLY, FURNISH INFO COPY

DESCRIPTION OF INCOMING:

ID: 281649

MEDIA: LETTER, DATED DECEMBER 14, 1984

TO: PRESIDENT REAGAN

FROM: MS. JANICE A. MOREY
5712 NEW JERSEY AVENUE
WILDWOOD CREST NJ 08260

SUBJECT: SEEKS HELP TO TRANSPORT EQUIPMENT FROM
MARACAITO, VENEZUELA

PROMPT ACTION IS ESSENTIAL -- IF REQUIRED ACTION HAS NOT BEEN
TAKEN WITHIN 9 WORKING DAYS OF RECEIPT, PLEASE TELEPHONE THE
UNDERSIGNED AT 456-7486.

RETURN CORRESPONDENCE, WORKSHEET AND COPY OF RESPONSE
(OR DRAFT) TO:
AGENCY LIAISON, ROOM 91, THE WHITE HOUSE

SALLY KELLEY
DIRECTOR OF AGENCY LIAISON
PRESIDENTIAL CORRESPONDENCE

5E
DoS
Treas

281649

8434741

5712 New Jersey Avenue
Wildwood Crest, NJ 08260
December 14, 1984

S. Kelley

The President
The White House
Washington, D.C.

Dear Mr. President:

My name is Janice Morey and I am from Wildwood Crest, NJ. Last week I saw a brief clip on CNN of you and Venezuelan President Jaime Lusinchi. You spoke of democracy and a new democratic system in Venezuela that other South American countries should learn from. And that is encouraging to hear given the troubles in that area of the world.

However, on a person level, the treatment from Venezuela has been anything but democratic or fair.

In September, 1979, a group of people from the amusement business, my family included, took amusement rides and equipment to Puerto Rico for a fair. Our share included three major rides and equipment totaling \$1,000,000.00. From there the fair moved to Maracaibo, Venezuela. We were then to move to Caracas, but due to problems with the fair grounds, the City of Caracas was cancelled. We loaded our equipment and began procedures for shipping back to the United States from the port of Maracaibo.

As of today, December 14, 1984, our equipment still sits at the port despite more than numerous attempts to ship out. The equipment was under the control of customs, however attempts to remove the equipment were stopped by Venezuelan political forces. Whether or not the influences came from the local level or from higher up is unclear, but regardless, each attempt has failed. We thought that we have been following proper customs procedures for shipping from Venezuela to the US; and at one point even had contracted for a barge to pick up our equipment-- however, the barge was not allowed to even enter the port.

So here we are five years later with our equipment still being "detained" in Venezuela. We have exhausted all legal possibilities and in addition have discussed this matter with the United States State Department. The only advise we seem to receive from them is to negotiate. Well, negotiate in

The President
Page 2

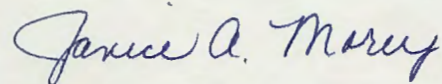
December 14, 1984

Venezuelan means to pay somebody off. And the problem with doing that is that there are so many people in line to receive our funds and so few people we can trust.

While I know this letter may never reach you, I hope that it does and that you or someone on your staff may help us personally deal with this frustrating situation.

May you and Mrs. Reagan and your entire staff have a Merry Christmas and a Very Happy New Year.

Thank you,

A handwritten signature in blue ink that reads "Janice A. Morey". The signature is written in a cursive, flowing style.

Janice A. Morey
5712 New Jersey Avenue
Wildwood Crest, NJ
609-720-0079

Page 11 of 11

The first part of the report is a summary of the work done during the last year. It is followed by a detailed account of the progress made in each of the four main areas of research.

The second part of the report is a detailed account of the progress made in each of the four main areas of research. It is followed by a summary of the work done during the last year.

The third part of the report is a summary of the work done during the last year. It is followed by a detailed account of the progress made in each of the four main areas of research.

Page 12 of 12

Page 13 of 13

Page 14 of 14

Page 15 of 15

Page 16 of 16

THE WHITE HOUSE
WASHINGTON

November 28, 1984

MEMORANDUM FOR JAMES A. BAKER, III

FROM: ROBERT C. MCFARLANE *RMK for*
SUBJECT: Aircraft Request for Lusinchi Visit

The State Department has requested presidential aircraft support during the December 3-8, 1984 visit of President Lusinchi of Venezuela. The request is outlined in State's memo to Ed Hickey at Tab A. I recommend that you concur in the request.

Attachment

Tab A Incoming memo from Mr. Hickey with State Department request dated November 20, 1984

cc: Edward V. Hickey, Jr.
John Rogers

11/29
Approved
JAB III

281677
1130
CD171
W/H00901
FG211
FG206.12

WS

NLSA #8408630

THE WHITE HOUSE
WASHINGTON

November 26, 1984

MEMORANDUM FOR: ROBERT C. MCFARLANE
FROM: EDWARD V. HICKEY, JR. *E.V.H.*
SUBJECT: Aircraft Request- President Lusinchi

Attached is the State Department request for aircraft support during President Lusinchi's visit. Aircraft are available.

Please forward your recommendations to the Chief of Staff.



United States Department of State

Washington, D.C. 20520

November 20, 1984

MEMORANDUM

TO: Mr. Edward Hickey
Director, Military Office
The White House

FROM: James Manning *JM*
Office of Protocol
tele: 632-1277

SUBJECT: State Visit of His Excellency Dr. Jaime Lusinchi,
President of Venezuela, to the United States,
December 3 - December 8, 1984.

President Reagan has invited President Lusinchi on a State Visit to the United States. In this regard, I would like to request the following helicopter and aircraft support:

MONDAY, DECEMBER 3, 1984

12:45 pm One U.S. Presidential Helicopter (VH-3D) to take Secretary Shultz and members of the Welcoming Committee from the Washington Monument Grounds to Andrews Air Force Base.

1:40 pm One U.S. Presidential Helicopter (VH-3D) to take President Lusinchi and his party from Andrews Air Force Base to the Washington Monument Grounds, Reflecting Pool Heliport.

WEDNESDAY, DECEMBER 5, 1984

4:15 pm Two U.S. Presidential Helicopters (VH-3D) to take President Lusinchi and his party from the Washington Monument Grounds, Reflecting Pool Heliport to Andrews Air Force Base.

4:30 pm One U.S. Presidential Aircraft to take President Lusinchi and his party from Washington, D.C.-Andrews Air Force Base to San Francisco, California.

SATURDAY, DECEMBER 8, 1984

9:00 am One U.S. Presidential Aircraft to take President
Approx. Lusinchi and his party from San Francisco,
California to Ft. Lauderdale, Florida.

MEMORANDUM

NATIONAL SECURITY COUNCIL

ACTION

November 27, 1984

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM: RAYMOND F. BURGHARDT

SIGNED

SUBJECT: Aircraft Request for Lusinchu Visit

Ed Hickey has sent you the State Department's request for aircraft support during President Lusinchu's visit. The request appears reasonable. ^f

am not available
Menges and North concur.

RECOMMENDATION:

That you sign your memo to Jim Baker at Tab I.

Approve BHK Disapprove _____

Attachments:

Tab I Your memo to James Baker
Tab A Incoming memo from Mr. Hickey with
State Department request

National Security Council
The White House

1453-1-91F

System #

I

Package #

8630

64 NOV 27 P 6: 10

	SEQUENCE TO	HAS SEEN	DISPOSITION
Paul Thompson	1		
Bob Kimmitt	2	K	
John Poindexter			
Tom Shull			
Wilma Hall			
Bud McFarlane			
Bob Kimmitt			
NSC Secretariat	3		D
Situation Room			

NOV 28 1984

I = Information A = Action R = Retain D = Dispatch N = No further Action

cc: VP Meese Baker Deaver Other Hickey / John Rogers

COMMENTS

Should be seen by: _____
(Date/Time)

84 NOV 27 5:31 PM

Rec'd
11/27/84
gfb

Ray

NSC/S PROFILE

UNCLASSIFIED

ID 8408630

RECEIVED 27 NOV 84 11

TO

McFARLANE

FROM HICKEY, E

DOCDATE 26 NOV 84

KEYWORDS: VENEZUELA

LUSINCHI, JAIME

SUBJECT: AIRCRAFT REQUEST RE PRES LUSINCHI 3 - 8 DEC

ACTION: MEMO MCFARLANE TO BAKER

DUE: 27 NOV 84 STATUS S FILES WH

FOR ACTION

FOR CONCURRENCE

FOR INFO

MENGES

NORTL

BURGHARDT

COMMENTS

REF#

LOG

NSCIFID

(CL)

ACTION OFFICER (S)	ASSIGNED	ACTION REQUIRED	DUE	COPIES TO
McFarlane	X 11/27	For Signature	11/28	
	- NOV 28 1984	Kinnitt spd		
Baker	M NOV 28 1984	for decision		
	C 11/29	Baker Approved		EAJ, RE
DISPATCH	11 NOV 28 1984			
		W/ATTCH	FILE	W/H

IN 840830

UNCLASSIFIED

UNCLASSIFIED

RECEIVED 27 NOV 84 11

DECEMBER 26 NOV 84

FROM SECRET, 2

RECEIVED

EIGHTH, 1984

EIGHTH, 1984

SUBJECT: AIRBORNE REQUEST RE PASS EIGHTH 3 - 8 DEC

DUE: 27 NOV 84 STATUS: 2 FILE: 10

ACTION: NONE REVEREND TO EARS

FOR INFO

FOR CONCERN

FOR ACTION

DISCUSS

EIGHTH

1 11

RECEIVED

LOG

RECEIVED

ONE COPY TO

ACTION REVEREND

ACTION OFFICE (2)

11/28

For signature

11/28

NOV 8 8 1984

NOV 8 8 1984

11/28

EIGHTH 8 8 1984

WATER

282477CA
 CD171
 F000403
 BE003-11
 Linda
 Const. Meng
 NSC. yes ✓
 get word room file Biff

mail r

To: D.CLAREY (EOP027)
 Cc: C.FULLER (EOP021)
 From: C.FULLER (EOP021) Posted: Wed 14-Nov-84
 Subject: EXXON AND VENEZUELA

--More--

Don Smiley called to say that his company has heard that when the President of Venezuela visits with the President on Dec 4th, he will raise the question of Exxon shutting down a facility that is important to Venezuela.

Smiley would like to brief someone on the situation if this is something that might be discussed.

Would you find out who at NSC is preparing the briefing materials and see if they will meet with Don Smiley and one of his people on the subject to discuss the situation.

Thanks.

CLF

--go ahead and work directly with Don, he is at 862-0235...just keep me posted

Disposition: fi
 Filed in category DOE

doe

d

Wash Sr. Rep.

Mr. Kerova
 862-1-5
 0255

Tues 10:30
 Pass. bk
 2:00 pm
 11/30/84
 Tent
 Meng
 Note 29th room 4:30 ✓

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

November 13, 1984

The President has invited Dr. Jaime Lusinchi, President of the Republic of Venezuela, to make a state visit to the United States. President Lusinchi has accepted the invitation and will meet with the President at the White House on December 4, 1984.

#

Refinery - Aruba - 60 yrs
heavy fuel / Plants

Venezuela oil (heavy crude)

950 people working there

500 Contractors

Creole Petrol. - ~~up~~ Venez. sub sid. (to 75)

75 Ven nationalized

Had a special price / not spec.

Driven by amount the market
would bear

'83 Venez. cut back

in '83 Venez. deal start \rightarrow spec. arrang.

1 year agree, ~~at~~ spec. arrang.

Not profit

have announced that Refin will begin to close
at end of Dec.

finish inventory

By March 900 Arubans will be retired

approx 25 mil for termination agreements

\rightarrow Exxon would go keep it going ~~to~~ a couple of years
if it could make a small profit. Venez has
not budget

Manager - possible effort
to develop viable alternative
industry over 4 month phase out



RECENT LAGO REFINERY DEVELOPMENTS

- o The Lago refinery was specially designed and maintained to process heavy Venezuelan crude in conjunction with Exxon's operations in Venezuela. Lago lost its producing link when Exxon's Venezuelan operations were nationalized in 1975. From 1978 to 1983, Lago operated under a supply contract with the Venezuelan National Oil Company (Lagoven) providing a preferential pricing system. During this period, studies were jointly conducted on long-term alternatives, and Exxon continued investments to maintain the refinery's efficiency in processing heavy crude. By mid-1983, it became obvious that due to OPEC production quotas and worldwide petroleum refinery trends, the Venezuelans had more attractive long-term outlets for their crude. In late-1983, Lagoven offered a supply agreement for 1984 which reduced the crude volume and eliminated the preferential pricing system. Exxon signed a one-year contract recognizing it would lose money for the year, but allowing additional time to work out a long-term solution. In December, Exxon undertook a downsizing operation at the refinery to improve efficiency. The circumstances leading to the downsizing were conveyed at that time to the Antilles Governments.
- o In January 1984, Exxon management met with U.S. Government officials to apprise them on the status of the Lago refinery. This included the new contract signed with Venezuela, the downsizing, and the position that Lago was not economically viable under present conditions.
- o In February, similar discussions were held with government officials in the Netherlands:
 - J. de Koning - Foreign Minister (Resp. for N.A.)
 - M. J. de Castro - Superior Ambassador from N.A.
- o From March through October, Exxon met with leaders of the Netherlands Antilles and Aruba on 12 occasions. During this same period, 5 meetings were held with officials of Lagoven/PDVSA and the Venezuelan Government to seek a solution to the problem.
 - Throughout this time, there were ongoing discussions with Lagoven on possible alternatives to make the Lago refinery viable.
 - In April/May, Exxon agreed in principle with Lagoven to seriously develop a plan for a long-term lease followed by a sale of the refinery to Lagoven. Work continued on this plan until September. Short-term alternatives to a long-term contract were also studied in an effort to gain more time.
 - In September, based on technical information provided to them, Lagoven concluded that the refinery could not be operated economically and broke off work on the lease/sale proposal. The economic analysis leading to this conclusion, shared by both Lagoven and Exxon, included a range of alternatives from downsizing toward lower levels of thruput to building modern fuel oil destruction facilities. None of these proved to be economically viable under the current crude oil pricing policies of Venezuela and the product price outlook.

- Independent of the Lagoven analysis, a consultant contracted by the Netherlands Antilles Government reached the same conclusion on the refinery's viability. The consultant had access to Exxon technical information on the refinery.
- o On October 29, Exxon met with officials of Lagoven/PDVSA and the Venezuelan Government to inform them that inasmuch as no commercially viable solution had been found, Exxon would not renew its supply contract for 1985 under the present terms, and would be forced to shut down the refinery.
- o On October 31, Exxon first met with government officials of the Netherlands informing them of the planned shutdown. Afterwards, the shutdown plans were announced to Lago employees, the governments of the Netherlands Antilles and Aruba, the U.S. State Department and the media.
- o The shutdown plan involves a special separation package for all the employees, intended to compensate them for a portion of the hardship related to the shutdown. It involves a cost of approximately \$25 million. In addition, about 40% of the personnel will qualify for current or deferred pensions.
- o Exxon is taking steps to assure that the shutdown will not interfere with the normal supply of products to the island for a period of six months. Longer-term supply arrangements are under discussion with the Aruba Government.
- o Since the announcement, Exxon has continued communications with the governments of the Netherlands Antilles, Aruba, and Venezuela related to various aspects of the shutdown.
 - Nov. 6 meeting with Aruba Government on overall Lago situation.
 - Nov. 12-14 and 19 meetings with Lagoven, PDVSA and Ministry of Petroleum on possible alternatives to defer the closure of the refinery.
 - Nov. 16 meeting with Commission of Deputies from Venezuela under Celestino Armas.
 - Nov. 25 status discussions with Aruba Government.
- o At this time no party has proposed a commercially acceptable arrangement to defer the shutdown of the Lago refinery until a long-term economic solution for the island can be developed .
- o The Exxon assessment is that the refinery will be shut down in accordance with the announced plan.

VENEZUELA

Pending Nationalization Matters

The assets of the former petroleum concessionaires, including those of Exxon's affiliates Creole Petroleum Corporation and International Petroleum (Venezuela) Limited, were nationalized at the end of 1975. By means of a series of mutual agreements, both formal and informal, a procedure for the nationalization of those assets was established which permitted the continued efficient operation of the industry, the stated objective of the Venezuelan Government. Nevertheless, there are several important matters which have not been finalized as originally contemplated.

Recognizing that it was not possible to resolve all matters before year-end 1975, it was mutually agreed that certain matters, including the pending Hacienda income tax claims would be settled within the first six months of 1976. This has not been the case and in addition new problems have arisen which remain unresolved.

1. Hacienda Income Tax Claims

In an industry as complex as the petroleum industry it is inevitable that there will be differences of interpretation of the tax law between the tax authorities and the taxpayer. This occurred in the case of Creole and IPV where Hacienda has made tax claims totaling Bs. 613 million (including related fines) for the years 1967 through 1975. During the nationalization process it was agreed that immediately after the nationalization, the Hacienda representatives would meet with the Creole/IPV representatives to effect an overall settlement of these pending claims as was done previously with the industry in 1966.

All action on these claims, including litigation, was suspended by mutual agreement. After a series of approximately 20 meetings with the government commission made up of Drs. Isidro Morales, Guillermo Farinas and F. Garcia Hercules, a tentative overall settlement was reached in early 1978. The settlement amount of Bs. 232 million was based upon a complete technical analysis of each of the issues involved and was considered equitable to both parties. Initially it was agreed

the settlement or "transaccion" would be implemented following the 1978 elections, but no further action was taken before President Carlos Andres Perez left office in March 1979.

Creole/IPV made an offer for a "transaccion" to the new administration in 1979 which was referred to a joint commission of Hacienda and Energy and Mines. Although there has been no official response to this offer, it was widely reported in the local press that the commission informed Congress that it could not agree to a transaction and that all cases had to be litigated. In April of 1980 Hacienda lawyers started to reactivate the cases and to date Hacienda has refused to reinstate the suspension of the cases.

2. Controller General's Income Tax Claims

After the nationalization the Controller General filed retroactive claims totaling approximately Bs. 2667 million against the former concessionaires (including Bs. 1163 million against Exxon affiliates Creole and IPV) for alleged underpayment of Income Taxes from January 1, 1970 through March 17, 1971 claiming that the export values jointly established by the Minister of Energy and Mines and the Minister of Hacienda effective as of March 18, 1971 should have been established retroactively to January 1, 1970. These so-called "Controller General's Claims" are different from, and in addition to, the Hacienda tax claims referred to in 1. above. Administrative appeals to have the claims withdrawn were unsuccessful and the former concessionaires appealed to the courts. A lower court ruled against Creole in May of 1980 on procedural grounds on the largest of the claims (Bs. 940 million) without hearing the merits of the case.

Creole has appealed the case to the Supreme Court. Prominent Venezuelan counsel advice, which is supported by public statements of former government officials (Dr. Juan Pablo Perez Alfonzo, Dr. Gonzalo Barrios and Dr. Arevalo Guzman Reyes), is that the subject claims have no valid legal basis.

3 Latest Attempts at Settlement and Present Status

In late 1981 the government reinstituted "transaccion" discussions with several of the former concessionaires, including Creole/IPV. In December of 1981 we met with Hacienda Minister Dr. Luis Ugueto who advised us that he had been given the responsibility by the President to settle the matter. He designated Dr. Manuel Lopez Acosta as the Hacienda representative. Fifteen meetings were held by the Creole/IPV representatives with Dr. Manuel Lopez Acosta and Dra. Aurora Moreno de Rivas and their staff from January 1982 to September

1983 but no agreement was reached. During this period we also met with Dr. Ugueto's successor, Dr. Arturo Sosa, who reaffirmed the government's interest in reaching a global settlement. Creole/IPV offered to pay Bs. 430 million for a global settlement of all outstanding claims including the Controller's General's Claim, with payment to be made from the Creole/IPV guaranty funds amounting to Bs. 667M which the Government still holds and will not release to the companies until all the claims have been disposed of.. However, late in our discussions the government took the position that they could settle the Hacienda claims only and would leave the Controller's claim for later solution. On this basis in August 1983, Creole/IPV offered to settle the Hacienda tax claims without the Controller General's claims, on the basis of its 1979 proposal adjusted for legal decisions which had occurred since that date, which resulted in a total adjusted offer of Bs. 184 million to be paid from the Creole/IPV guaranty funds. Reportedly, this offer was still under study when the Copei party was defeated in the general election of late 1983.

We have attempted to initiate negotiations with the new Accion Democratica government but have yet to show any concrete evidence of progress. Our last formal meeting with Dr. Manuel Azpurua Arreaza, the Minister of Finance, was in March of 1984. Since that time the Minister has announced the planned establishment of still another commission to analyze the pending tax claims. According to press reports this commission was to consist of a group of experts who would issue a definitive opinion on the claims but to our knowledge this group has yet to be appointed or convened.

Since March 1984 the Finance Minister has repeatedly confirmed through the U.S. Ambassador the government's desire to enter into an overall settlement of the pending nationalization matters, but he has also stated that the government is totally preoccupied by the debt restructuring issues and is not prepared to continue settlement discussions at this time.

Consequently, as of this time, practically all of the Hacienda Income Tax Claims and the Controller General's Claims are still unresolved and the companies Guaranty Funds have not been released. Nor has the Government paid to Creole/IPV an amount of approximately \$1.8M which it recognized as due to the companies as a part of the 1975 nationalization indemnity.

ID# 289834

THE WHITE HOUSE
CORRESPONDENCE TRACKING WORKSHEET

00171

INCOMING

DATE RECEIVED: FEBRUARY 27, 1985

NAME OF CORRESPONDENT:

SUBJECT: UNOPENED

ACTION

DISPOSITION

ROUTE TO:	ACT	DATE	TYPE	C	COMPLETED
OFFICE/AGENCY (STAFF NAME)	CODE	YY/MM/DD	RESP	D	YY/MM/DD

ROBERT C. MCFARLANE

ORG 85/02/27

C 85/02/28

REFERRAL NOTE:

COHIGG

A 85/03/01

REFERRAL NOTE:

C MEC

R 85/03/06

A 85/02/27

REFERRAL NOTE:

REFERRAL NOTE:

REFERRAL NOTE:

COMMENTS: ORIGINAL TO LORETTA BRAXTON

Original to Loretta Braxton
etc re missing

ADDITIONAL CORRESPONDENTS:

MEDIA: S INDIVIDUAL CODES:

MI MAIL

USER CODES: (A) (B) (C)

*ACTION CODES:	*DISPOSITION CODES:	*OUTGOING	*
*	*	* CORRESPONDENCE:	*
*A-APPROPRIATE ACTION	*A-ANSWERED	*TYPE RESP=INITIALS	*
*C-COMMENT/RECOM	*B-NON-SPEC-REFERRAL	* OF SIGNER	*
*D-DRAFT RESPONSE	*C-COMPLETED	* CODE = A	*
*F-FURNISH FACT SHEET	*S-SUSPENDED	*COMPLETED = DATE OF	*
I-INFO COPY/NO ACT NEC		* OUTGOING	*
*R-DIRECT REPLY W/COPY *			*
*S-FOR-SIGNATURE *			*
*X-INTERIM REPLY *			*

REFER QUESTIONS AND ROUTING UPDATES TO CENTRAL REFERENCE
(ROOM 75, OFOB) EXT. 2590
KEEP THIS WORKSHEET ATTACHED TO THE ORIGINAL INCOMING
LETTER AT ALL TIMES AND SEND COMPLETED RECORD TO RECORDS
MANAGEMENT.

T H E W H I T E H O U S E O F F I C E

REFERRAL

MARCH 6, 1985

TO: NTL CENTER FOR MISSING AND EXPLOITED CHILDREN

ACTION REQUESTED:

DIRECT REPLY, FURNISH INFO COPY

DESCRIPTION OF INCOMING:

ID: 289834

MEDIA: SEALED

TO: PRESIDENT REAGAN

FROM: AMBASSADOR OF VENEZUELA
WASHINGTON DC XXXXX

SUBJECT: UNOPENED

PROMPT ACTION IS ESSENTIAL -- IF REQUIRED ACTION HAS NOT BEEN
TAKEN WITHIN 9 WORKING DAYS OF RECEIPT, PLEASE TELEPHONE THE
UNDERSIGNED AT 456-7486.

RETURN CORRESPONDENCE, WORKSHEET AND COPY OF RESPONSE
(OR DRAFT) TO:
AGENCY LIAISON, ROOM 91, THE WHITE HOUSE

SALLY KELLEY
DIRECTOR OF AGENCY LIAISON
PRESIDENTIAL CORRESPONDENCE

1835 K Street, N.W. • Suite 700 • Washington, D.C. 20006
202 / 634-9821



March 13, 1985

C.F.
Sally Kelly
Director of Agency Liaison, Room 91
Presidential Correspondence
The White House

Dear Ms. Kelly:

Please find enclosed the response made by an NCMEC staff technical advisor to your recent referral from:

Ms. Lisa Erickson
2415 33rd Ave.
Greeley, CO 80631

Gonzales Palacios, Ph.D.
Cultural Counselor
Embajada de Venezuela
2445 Massachusetts Ave., N.W.
Washington, D.C. 20008

Copies of all correspondence, originally addressed to President Reagan on February 27, 1985, are attached. Thank you.

Sincerely,

Jeanne L. Dillon
Assistant Chief Technical Advisor

JDL/ghw

Enclosures

EMBAJADA DE VENEZUELA
WASHINGTON, D. C.

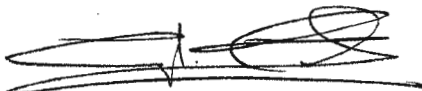
February 25, 1985

Office of the President
The White House
1600 Pennsylvania Ave., N.W.
Washington, D. C. 20500

Gentlemen:

The enclosed letter came to my office this morning: I am sure President Reagan will be interested in what Lisa Erickson has to say.

Sincerely yours,

A handwritten signature in dark ink, appearing to read 'Gonzalo Palacios', with a stylized flourish at the end.

Gonzalo Palacios, Ph.D.
Cultural Counselor

Enc.

Copy: Miss Lisa Erickson

GP/hmb

Lisa Erickson
2415 33 ave
Durley, Colo 80631
1-30-85

President Ronald Reagan
The White House
1600 Pennsylvania Ave.
Washington, D.C. 20500

Dear Mr Ronald Reagan,
We urge
you to aid in our effort to locate Jonelle
Matthews and other missing children.
We seriously need your help to:

- 1) publicize Jonelle's abduction as well
as that of other missing children.
- 2) urge our lawmakers to take an active
interest against the growing epidemic
of child abductions.
- 3) institute a nationwide program showing
pictures of missing children on a continuous
loop.

Thank you

Sincerely
Lisa Erickson

