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NATIONAL SECURITY COUNCIL

WASHINGTON, D.C. 20506

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MEMORANDUM OF CONVERSATION

SUBJECT: Meeting with Rabbie Namaliu, Prime Minister of Papua New Guinea

PARTICIPANTS: The President  
James A. Baker, Secretary of State  
Robert M. Gates, Assistant to the President  
and Deputy for National Security Affairs  
Desaix Anderson, Acting Assistant Secretary of  
State, East Asia and Pacific Affairs  
Peter S. Watson, Asian Affairs, NSC Staff  
(Notetaker)

Rabbie Namaliu, Prime Minister  
William Dihm, Secretary of Foreign Affairs  
Margaret Taylor, Ambassador to the United States  
James Melegepa, Deputy Secretary, Prime Minister's  
Office

DECLASSIFIED  
PER E.O. 12958,  
AS AMENDED

2000-0429-F  
JL 8/21/09

DATE, TIME May 1, 1990, 3:00 - 3:40pm, EST  
AND PLACE: Oval Office and the Patio

The President and Prime Minister Namaliu met in the Oval Office at 3:00pm, and then proceeded to the patio for the remainder of the meeting. (U)

The President: Well, welcome. Today is such a nice day, in a minute we might go outside for the meeting if that suits you. (U)

Prime Minister Namaliu: That would be very nice. (U)

The President: I am pleased that you were able to join us this morning at the signing ceremony, it was good that we were able to walk out together. (U)

Prime Minister Namaliu: It was a very pleasant occasion. Thank you very much for asking me to join you. (U)

The President: Well, let's go outside for a while shall we? (U)  
(The meeting then relocated to the patio outside the President's private office quarters.) (U)

The President: This is hard to beat. I am very pleased that you could join us during this trip to Washington. We want to let you

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know that we remain very interested in your part of the world. We want to do what's right in the region -- we have no interest in neglecting the area. We are going to remain a Pacific power. (U)

Prime Minister Namaliu: We really appreciate the visit. This is the first time that I come here as the Prime Minister. (U)

Secretary Baker: I remember when we met when you were the Foreign Minister. We attach great importance to this visit, and to the relations between PNG and us. They are growing in diplomatic and economic terms, including in trade and investment, and technical assistance. (U)

Prime Minister Namaliu: This is being continued with the recent arrival of your new Ambassador. Yesterday he and the Foreign Minister signed an agreement on aid. This opens a new chapter in our future relations. Although these programs are small, they will grow over the years. Especially important to us are programs to assist technical assistance, and professional assistance. (U)

We are also seeing an increase in our relations in the defense area -- an increase in defense cooperation. We appreciate this -- some have not had the same understanding. Our force needs are increasing, especially in the training area. We attach priority to addressing the shortage of trained personnel. (U)

The President: Is most of your trade with Australia? (U)

Prime Minister: Yes, in terms of imports. We send most of our exports to Japan and West Germany. These range from agricultural products to minerals to coffee. In terms of investment, we see most of this in mining and petroleum. (U)

The President: What region does this investment go in? (U)

Prime Minister Namaliu: Mainly in the Highlands, the Northwestern part of the country, and in the center stretching to the border. This is where we find the majority of the deposits. Chevron has made substantial investments in some of these areas. (U)

The President: It is a solid and reputable company. Are you finding problems with your developments? (U)

Prime Minister Namaliu: We find shortages in capital and training of manpower in the technical skills. We see an

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increasing role for the U.S. in these respects. Again, because of the scarcity of manpower, training is a major priority, including on-the-job educational training. We are not in the position of providing skilled workers as our personnel needs grow. (Ø)

The President: It's a nice problem to have -- an availability of jobs. (U)

Prime Minister Namaliu: Well, at present we are relying on overseas expertise for technically specialized areas. I would like to explore with you the possibility for training in the United States for our nationals. (U)

The President: At what level? (Ø)

Prime Minister Namaliu: Post graduate, mostly. (Ø)

Secretary Baker: Are there increasing peace corps workers in PNG? (U)

Prime Minister Namaliu: Yes, we are seeing more come -- which we are pleased about. However, it is still a relatively new program. (Ø)

Secretary Baker: How many of them do you have presently? (Ø)

Mr. Dihm: About 100. (Ø)

Secretary Baker: It's a good program. (U)

The President: Desaix... what can we be doing about student exchanges? (Ø)

Mr. Anderson: We will look at every aspect, and see what we can do. (U)

The President: (Addressing Anderson) This is in our own interests as well as yours. And there are lots of private colleges and universities who can provide opportunities. (Ø)

Mr. Anderson: We will find out... see what can be done. (Ø)

Secretary Baker: How do you feel about the developments at Bougainville? (Ø)

Prime Minister Namaliu: This is the most difficult situation we have faced since Independence. (Ø)

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The President: How are you going to get it resolved? (S)

Prime Minister Namaliu: It is a difficult situation. But we are committed to resolving it through peaceful means. We don't want security forces in there. I don't know what else we can be doing. It is very complicated. Moreover, our security forces are not well trained for the type of situation out there -- they are trained only for conventional situations. (S)

The President: Are you referring to your police units? (S)

Prime Minister Namaliu: The military too. They are not trained for insurgency situations. (S)

The President: Do you have properly trained officers? (S)

Prime Minister Namaliu: No. They need training too. (S)

The President: (To Desaix Anderson) Can we help? (S)

Mr. Anderson: Yes, we can. (S)

Prime Minister Namaliu: Perhaps it is worth our team spending some time at the Pentagon on this while they are here. (S)

Mr. Dihm: I mentioned this to the Assistant Secretary this morning. One way of assisting is through your Defence Attache who will be stationed in PNG, starting later this year. (S)

The President: Make sure that he knows what your particular requirements and needs are in terms of training. (S)

Prime Minister Namaliu: A number of your NCO's are there now, but I do not think they are trained in these areas, that is one of our problems. In another area, the problem we have in Bougainville now is giving rise to rethinking our overall mining regimes i.e. we need to review our existing policies; we need to introduce changes to take into account the interests of the landowners. (S)

The President: How long a trip is it to get back home? (U)

Prime Minister Namaliu: About 28 hours in all -- it is a long trip. Before going, let me just say that your former Ambassador to PNG, Everett Bierman, did a lot to promote the growth in our relations. (S)

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The President: Thank you -- he is a very serious man. And we hope that this growth continues. Thank ou for coming by an spending some time with us. (Ø)

Prime Minister Namaliu: Thank you very much for your hospitality. (U)

-- End of Conversation --

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