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THE WHITE HOUSE
WASHINGTON

MEMORANDUM OF CONVERSATION

SUBJECT: Plenary Meeting with President Robert G. Mugabe of Zimbabwe

PARTICIPANTS: The President
Lawrence Eagleburger, Acting Secretary of State
John H. Sununu, Chief of Staff
Brent Scowcroft, Assistant to the President and National Security Advisor
Herman J. Cohen, Assistant Secretary of State for African Affairs
Jeffrey Davidow, Deputy Assistant Secretary of State for African Affairs
Robert C. Frasure, NSC Director for African Affairs (Notetaker)

Robert G. Mugabe, President
Nathan Shamuyarira, Minister of Foreign Affairs
Denis Norman, Minister of Transport and National Supplies
Elleck Mashingaidze, Commissioner of Public Services
Nicholas Goche, MFA Deputy Secretary
Stanislaus Chigwedere, Zimbabwean Ambassador to the U.S.
Mary Muchada, President's Secretary (Notetaker)

DATE, TIME AND PLACE: July 24, 1991, 11:25 a.m. - 12:05 p.m. EST
Cabinet Room

The President: I want to welcome you all, and I would be pleased to open the discussion. Secretary Baker is not with us. He is travelling. We do have Larry Eagleburger. (U)

We can talk about Africa and any other subject. I would be happy to talk about the Summit. But I hate the word "summit." It sounds like you are excluding others. (U)

London went well. There was a common desire to do more for Africa. We have to be sure that the voracious appetite of the Soviet Union does not blank out others. (C)

There is the arms control agreement with the Soviet Union. (U)

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I don't want Africans to think that we are not going to deal with their demands. (U)

I see an old friend Denis Norman over there. (U)

Mr. President? (U)

President Mugabe: I want to thank you for the visit. I appreciate your kind invitation. It is an expression of friendship and solidarity for us. (U)

You are people whom we have worked with in the past. We had your support before independence. We had U.S. aid after independence. Generally we have had good relations, but there have been ups and downs. And they plummeted in 1986, turned sour. (C)

Our relations are now at a very high level. We want to maintain them. (U)

We are embarked on a structural adjustment program. The Paris Conference was a start. The U.S. has aided us on agriculture, education and health. We hope that will be intensified. (U)

Ours is a peculiar society. We are multi-racial. The Whites have high standards. The Blacks are aspiring to it. We have educational opportunity for all. But the youths in the streets are unemployed and demanding. Jobs are necessary. They are needed. (U)

We want a transformation of our system. We appreciate the inherited infrastructure. Mining is developed. Agriculture is developed in some areas. We want investment by our people and by others. (U)

We want \$16 billion over five years; \$3.5 billion of that would come from outside the country. (C)

We must redress our shortcomings, the wrongs we imposed on the economy. (U)

For example, we had limitation on labor. We didn't have full flexibility. We want an open market system, competition, an opening up. We appealed to the U.S. to help us. We want the U.S. as a partner. (U)

One question, I want to raise is the region, South Africa, Angola and Mozambique. (C)

The Angolans appreciate the U.S. role in helping a resolution of the crisis. Dos Santos is happier now. The movement didn't come until U.S. intervention. (C)

But Mozambique is a different situation. The other negotiating partner unlike UNITA doesn't have a political culture. Renamo doesn't appreciate things as UNITA did. They need pressure. (C)

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The President: What do you mean? (U)

President Mugabe: Renamo doesn't understand how to negotiate. They don't understand that you cannot go back on points once you agree on them. (C)

The President: Is Renamo solid enough that they can deal? Is it one person or a lot of groups? (C)

President Mugabe: They were created by the Rhodesians to get back at Samora Machel for helping us. (C)

At independence, Rhodesia handed it over to South Africa. It is not the same category as UNITA. Djakalma doesn't seem to know what to do. He doesn't have politically motivated people. It is a cruel exercise. (C)

The President: I have a question on the economic program. What should we be doing? Are U.S. firms investing? (U)

President Mugabe: We want U.S. aid. We want you to raise it, to make it more sizeable. In the first place, it is the volume. (U)

And there is a role for the private sector. There are about fifty U.S. companies in Zimbabwe. Union Carbide is there in chrome mining. They are working on expansion into other minerals. (U)

The President: Is there a demand for chrome? (U)

President Mugabe: Yes. There is still a great demand. (U)

The President: Who produces it? You and the Soviet Union? (U)

President Mugabe: Yes. And South Africa. (U)

The U.S. needs to assure investors that the environment is safe. We want that. That is why we signed the OPIC agreement. (U)

Previously we were suspicious of OPIC. Then we found out it was only an assurance. (U)

The President: OPIC is very important. What were your concerns? (U)

President Mugabe: From Latin America. Governments which nationalized companies were dealt with ruthlessly. (U)

But we examined it. And discover that in the event of a takeover it just meant compensation. So we decided to do it. (U)

The President: I'm sure that has helped. (U)

Acting Secretary of State Mr. Eagleburger: OPIC has done remarkable things in Eastern Europe. (U)

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President Mugabe: Yes. (U)

Heinz came in at a time when we were doubtful about OPIC. So we did a bilateral agreement with Heinz. Now we are prepared for OPIC too, which we think is better than a bilateral agreement. (U)

The President: How is your agricultural sector. It is important, isn't it? (U)

President Mugabe: It is expanding. It has been affected by drought. We had good rainfall this year. But here have been droughts in six or seven of the last eleven years. (U)

Our commercial agriculture is labor intensive; tobacco, cotton and maize. (U)

The communal agriculture by the peasants produces mainly the same crops. It is doing very well except for the rainfall. (U)

But there is more scope for development in agriculture. Lots of capital is needed. It is the mainstay of our economy. (U)

The President: Are you self-sufficient in food? (U)

President Mugabe: Yes. But we only raise about two-thirds of the wheat that we need. So we do swaps with USAID for wheat and they provide our maize to Zambia. (U)

We have cattle ranching. We provide beef for the Common Market. (U)

The President: Are there any questions? (U)

Assistant Secretary of State Cohen: At least three U.S. corporations say they will now invest in Zimbabwe. The one-stop investor center you have set up will strengthen things. As you know, bureaucrats resist things. (U)

The President: The whole world over! (U)

Acting Secretary of State Eagleburger: You should see OPIC as a resource to find investors. (U)

Minister Norman: Let me mention one thing on investment. We get inquiries from American companies considering Zimbabwe as a hub for the region. (U)

The President: That is interesting. As a hub for what countries? (U)

President Mugabe: Mozambique, east and southern Africa. (U)

Acting Secretary of State Eagleburger: You should let the embassy know about them so that we can follow up. (U)

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The President: Shall we go on on over and have some lunch? And continue the discussion. (U)

-- End of Conversation --

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