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THE WHITE HOUSE
WASHINGTON

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MEMORANDUM OF CONVERSATION

SUBJECT: Meeting with Prime Minister Khaleda Begum Zia
of Bangladesh

PARTICIPANTS: The President
James A. Baker, Secretary of State
Brent Scowcroft, Assistant to the President
for National Security Affairs
Jonathan T. Howe, Deputy Assistant to the
for National Security Affairs
James Covey, Acting Assistant Secretary, NEA
William B. Milam, U.S. Ambassador to
Bangladesh
Richard Haass, Senior Director for Near East
and South Asian Affairs
Mahmud Kibria, Interpreter

Khaleda Begum Zia, Prime Minister
A.S.M. Mostafizur Rahman, Foreign Minister
Barrister Nazmul Huda, Information Minister
Syed Hasan Ahmed, Principal Secretary to the
Prime Minister
Ambassador Reaz Rahman, Foreign Secretary
Ambassador Abul Ahsan, Bangladesh Ambassador
Begum Selina Rahman, Member of Parliament

DATE, TIME March 19, 1992, 3:00 - 3:45 p.m. EST
AND PLACE: Oval Office

The President: Welcome. As you pointed out in our meeting, we have not forgotten that Bangladesh contributed to Desert Storm and fought against aggression. You are not a wealthy country. You took an important step and we are grateful. (U)

As for bilateral ties, they are good. We want them to be better. We recognize your financial problems, as well as your commitment to democracy. We should try to find areas to help. (U)

The Prime Minister pointed out to me in our private meeting the textile quota problem and the need to bring more women into the work place. Unfortunately, this is a difficult area for us, but

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we will look at the possibility of a modest quota increase. Our textile industry has a strong lobby and is strong with the Congress. This is a sensitive area but we will try to take a look at it. I have a few other issues we want to raise but I'd rather hear from you. (Ø)

Prime Minister Zia: First of all, I would like to thank you for the opportunity to visit and for this reception. As you know, we are greatly encouraged by the ideals of democracy and of human rights which the US stands for. By doing your part, when we fought for the restoration of democracy, you showed us great support. Through free and fair elections, people have given their mandate to us and we are in office. Now as an accountable government we have started our work. The Parliament is operating and playing its role. Committees are scrutinizing policy. There is press freedom. The Judiciary's independence has been restored. Therefore, we feel that our democracy, if it is to take root, must address economic and social problems. We will need your continued help and support. Our objective is to become self-reliant. To promote economic development in Bangladesh, we announced a new industrial policy with the aim of promoting private investment. We are reducing the public sector. The new industrial policy is liberal, intended to attract foreign investment. We have provided the same terms for private investors as for those from Bangladesh. (Ø)

The President: On investment, it is very important to have a good climate and keep economic reform going. You have worked with the IMF's program; this is vital. This helped us with debt relief which we hope helped. Your reform is courageous and a key to dynamic economic growth. (Ø)

Prime Minister Zia: Thank you for your support for the reforms we've undertaken. We are emphasizing food production to feed our large population. We have privatized distribution of all agriculture imports such as fertilizer. We still have the problem of irrigation during the dry season. My government has started an extensive canal program which will also help us deal with floods. (U)

Two particular projects where we received substantial US support are rural electrification and family planning. Both are very important to us. Rural electrification has done good things for our villages and has helped to develop cottage industry. All of these programs were begun years ago but are coming to an end and we need your support to continue. We hope it will be possible for you to help us. (Ø)

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The President: On family planning, I know it's a difficult problem. Are we making progress? (P)

Prime Minister: U.S. assistance has been helpful. Our population growth rate is down from over 3 percent to 2.1 percent over the past eight years. Our performance is much better than either India's or Pakistan's. But for a country of our size, resources and population, this is still not enough and we are committed to further reduction in our population growth rate. Another area which also has a direct relationship with family planning is education. In our society, sons get the preference over daughters. Half the population is female and unless women are fully integrated, we cannot progress. Of course, all the developmental programs will depend on good communications. We have tried to improve the existing infrastructure but with floods and cyclones it has not been easy. We would appreciate your support here too. The environment is also critical for us. Environmental problems can affect us very adversely. A small rise in the sea level is a real danger as one-third of Bangladesh can be submerged. We have followed your announcements on this subject and greatly admired it. We would like to benefit from your technology. (P)

The President: We can cooperate fully. Has the Prime Minister seen all the right people here? (U)

Ambassador Ashan: The Prime Minister met with the Director of USAID. (U)

The President: She may want to see the heads of EPA and NASA. We've got good scientists here and they are available to see her or we can send someone out. At the time of the Kuwait oil fires, we sent a team out to help extinguish the fires and help with the environment. On another subject, can I ask you about the refugee situation. I am troubled by this. (P)

Prime Minister: I was coming to this problem. At this time we are trying to put things in order. We are stuck with this large number of refugees. There are already 200,000 in Bangladesh now and they are increasing by 5,000 to 10,000 a day. We cannot turn them away but we cannot host them for any length of time. They are coming because of the persecution. Anyone suspected of supporting democracy is being hunted down and forced out. We've asked for help from our friends and the UNHCR. We've received some help but the numbers are increasing beyond our capacity to deal with it. Even worse, the rainy season is coming and will

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bring with it new problems. Unless there is swift progress to get Myanmar to take them back safely, there will be a big tragedy. We've appealed to the Secretary General and UNSC perm members to raise the question as to what can be done if negotiations do not persuade Myanmar to take them back. Time is of the essence. Now we have two divisions of army digging in and incidents are happening inside our territory. (S)

The President: We have approved three million dollars. Have you circulated a letter to the Security Council? (S)

Ambassador Ahsan: Yes. (U)

The President: We have no influence with Myanmar which I still call Burma. I think the United Nations could help. Getting the Islamic conference would also help. (S)

Foreign Minister: One country that could help is China. They have influence stemming from their supply of weapons. (S)

The President: I think they may want to help. Have you raised it? (U)

Foreign Minister: Yes. We are ready to sit down with the Myanmar government but they are not. (S)

Minister Huda: The U.S. can pressure others to pressure Myanmar. (S)

The Prime Minister: That's a good point. Maybe we can do more. (U)

Secretary Baker: We have already talked to the ASEAN countries. (S)

The President: Let us try. This is an enormous problem for you. (U)

Minister Huda: The refugees are also hurting our environment. (U)

Foreign Minister: They are denuding our forests. There is nothing we can do. They need fuel. (U)

Secretary Baker: Have you raised this with the Saudis? (U)

Foreign Minister: Yes, and with the OIC and ASEAN. Thailand has some influence with them. (S)

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Prime Minister: I've spoken enough now. I would like to express my deep appreciation to you and all you have done on behalf of democracy, peace, stability, progress and cooperation. Your breakthrough in the field of disarmament is dramatic and spectacular. We are a small, poor country. We admire your leadership. We will help you in any modest way we can. (U)

The President: One thing I would ask is that we stay together with regard to Saddam Hussein. We want him to comply with the UN resolutions. Thank you for your kind words. Incidentally, I had a long talk with Boris Yeltsin. We all have a stake in their success. He is determined to stick with reforms despite the difficulties. (U)

Mrs. Bush is here and would like to pay her respects. (U)

Prime Minister: We like to put on the record our full support for your record in the Middle East. What you have done with the peace conference is a great accomplishment. We will continue to support you on the peace process as well as with the UN resolutions on Iraq. (U)

The President: Thank you. (U)

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