

Econ - M. Born

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MEMORANDUM FOR THE RECORD

September 3, 1976

FROM : Ambassador Davis E. Boster *DEB*
SUBJECT: Conversation with Ambassador M. R. Siddiqi

The following points of interest came out of a conversation with Ambassador M. R. Siddiqi at my house on August 30, 1976. Siddiqi, as usual, was surprisingly candid and not particularly restrained by considerations of his Government's policy.

Ambassador Siddiqi said he was under instructions to call at the Department on his return to Washington to seek our support for Bangladesh's case at the U.N. against India on the issue of the division of the Ganges waters. He said he expected to return to Washington about September 5. Siddiqi noted that he did not agree with his instructions. He said he didn't understand what India -- which clearly had been taking more water than they needed to -- was up to, but he also didn't fully understand what his own Government was up to. He pointed out that Bangladesh ran the risk of being defeated on this issue at the U.N., which would be a terrible set-back. And even if they weren't defeated, he did not see what utility there would be in the kind of annual conversation about this issue which would presumably take place at the U.N. Musing about the hard line on India, he said it had been curious that up until May of this year Zia personally had been very careful not to criticize India but all this had changed after May. (For what it's worth, the first round of Indian-BDG technical talks on Farakka ended in obvious failure on May 2.)

I told Ambassador Siddiqi of my disappointment that I would be leaving Bangladesh with nothing tangible in the matter of compensation for American companies who had claims here, and emphasized the state of frustration we had reached. After a brief discussion in which he mentioned that Mujib had told him shortly before his death and Siddiqi's own departure for Washington that he had given instructions that the "two" American claims should be paid -- Siddiqi said he could not remember the names of

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these two companies and did not know what had happened to this "decision" by Mujib -- he asked me for a paper summarizing the insurance companies' problem (he was familiar with the other aspects) so that he could take it up with General Zia when he saw him later this week. He mentioned that his No. 2 in Washington had tried to reach him by phone while he was in Chittagong about conversations he had had with the Department on these matters.

Siddiqi said they were very happy with Admiral Khan's visit to Washington, particularly with the fact that the Secretary had finally received the Admiral (Siddiqi gave Senator Percy the credit for getting the appointment arranged). Siddiqi said that the American humanitarian interest in Bangladesh had always been clear, but now they were persuaded that we also took an interest in their sovereignty.

After we had discussed the gradual improvement that had taken place in Bangladesh-American relations over the past several years, I asked Siddiqi if, in his view, there were any omissions in our policy, apart from their desire for greater aid. He surprised me by saying that he did not think they needed more aid. He said their problem really was one of making use of existing availabilities, and noted that new donors from the Middle East were also coming in which added to this aspect of the problem. He said that if the weather stayed good and there were another excellent harvest this fall, it might even be that Bangladesh would not need food next year. This would cause a great dilemma, however, because Bangladesh needed the proceeds from the sale of our grain for its own budget.

With respect to the domestic political scene, Siddiqi said he would not be surprised if the parties competing in the elections next year were not almost exactly the same ones that had been active previously. He said that up until a month or so ago, everyone assumed that the Awami League was a totally discredited party. Now, it looked like they would be the strongest of all the groups, partly because they were the only ones with a really effective organization to draw upon. He dismissed former President Moshtaque Ahmed's chances as minimal; he said Moshtaque had felt originally that he would head up a "cocktail" of various Islamic and rightist elements of other parties, including the Awami League. But he had failed in his bid for support in the Awami League and so the others were also not

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enthusiastic about joining him. He said he didn't think Moshtaque realized how weak his position had proved to be but there was no question in his (Siddiqi's) mind that it was very weak indeed. He said that Khan Sabur was a very popular figure but had no organizational strength; if he had a year or so to prepare he might be able to do something but not by next February. To my question whether General Zia could be expected to retire from his position as the man in charge of Bangladesh and go back to the barracks, Siddiqi said he simply didn't know, but that experience in this part of the world with military governments did not suggest that this happened very often.

When I asked Siddiqi how long he expected to be in Washington, he said that since his contract was for three years he expected he would be there for another two years. He said he was enjoying his stay in Washington immensely, and that Mrs. Siddiqi was as well.

Ambassador Siddiqi should, of course, be strictly protected with respect to some of his unorthodox views.

cc: DCM - Mr. Cheslaw
POL - Mr. Eisenbraun
ECON - Mr. Born

NEA/PAB - Mr. Archard

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