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PREM 19/2912

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Visit to Britain by General Ershad, the Chief Martial Law Administrator and Head of Government of Bangladesh
Prime Minister's meeting with Bangladeshi Foreign Minister
Mr Anisul Islam Mahmud.

BANGLADESH

June 1982

Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
9-6-82							
14-6-82							
15-6-82							
18-6-82							
26-11-87							
5-6-10-88							
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26-3-89							
19-6-90							
23-10-90							

PREM 19/2912

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Foreign and Commonwealth Office
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London SW1A 2AH
23 October 1990

Dear Tim,

CR

Bangladesh: Visit by Prime Minister Kazi Zafar Ahmed

The Prime Minister of Bangladesh will visit Britain ^{from} 7-10 November and the Bangladesh High Commission has asked for a call on the Prime Minister. However, Mr Ahmed is not the effective executive head of the Bangladesh Government; his role is more equivalent to that of the Leader of the House here. In the circumstances, the Foreign Secretary feels it might be better if Mr Ahmed were received by the Lord President. It would essentially be a courtesy call.

Mr Ahmed is vying with the Vice-President for selection as President Ershad's running-mate in the 1991 presidential elections. Since the Constitution permits Ershad to stand for only one further term in office, whoever is selected will be in a strong position to succeed him. We would therefore want Mr Ahmed, as a leading contender, to feel that he had been received at a sufficiently senior level in London. We judge that a call on the Lord President would achieve this. Besides, Mr Ahmed has so far had few external contacts, except with China, and this visit gives an opportunity for us to influence him more towards the West.

The presidential election in 1991 is due to be followed by a general election by 1993. We are keen to encourage a return to a full parliamentary democracy in Bangladesh and the call would provide an opportunity for us to pass on our hopes for free and fair elections on both occasions.

Bangladesh has been badly hit by recent events in the Gulf. Lost remittances and repatriation of the large number of Bangladeshis working in Kuwait and Iraq have posed major economic difficulties. Despite Ershad's personal friendship with Saddam Hussein, Bangladesh has stood firmly against Iraq. A Bangladeshi contingent of 2,000 has joined the multi-national force and more are expected to follow. The call would be an appropriate occasion for us to express further appreciation of these actions.

Bangladesh is the recipient of a generous British aid programme, amounting to £54.7m in 1989, and is our third largest globally. Mr Ahmed can be expected to express appreciation for this substantial British assistance during his call.

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For all these reasons, the Foreign Secretary hopes that the Lord President can agree to see Mr Ahmed. If so, we shall of course provide more detailed briefing, and an FCO official will be available to take a note.

I am copying this letter to Charles Powell at No. 10 and to Eamonn Taylor at ODA.

Yours ever,
S L Gass

(S L Gass)
Private Secretary

Tim Sutton Esq
PS/Lord President
Privy Council
68 Whitehall
London SW1A 2AT

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MEETING RECORD
SUBJECT - MASTER

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FILE KK

bc PC

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

19 June 1990

PRIME MINISTER'S MEETING WITH THE FOREIGN MINISTERS OF
BANGLADESH, THE SUDAN AND SOMALIA

The Prime Minister had a meeting this morning with the Foreign Ministers of Bangladesh, Sudan and Somalia. The High Commissioner for Bangladesh was also present. The Foreign Ministers came as a delegation representing the LLDCs, as part of the preparations for the second United Nations conference on the Least Developed Countries to be held in Paris in late August.

The Bangladesh Foreign Minister said that the experience of the 1980s had not been good for the LLDCs: indeed they had done worse in the 1980s than the 1970s, and the number of LLDCs had increased. Some of them had recorded a negative per capita growth. This was partly due to internal problems, but also to external factors such as high interest rates, currency speculation, a diminished flow of resources and trade barriers. The LLDCs understood that the main responsibility rested with them, and that they had to go through a painful adjustment process. But they also needed resources to sustain that process. They hoped the forthcoming UN conference would be the occasion to provide these. But they had problems with the draft action programme, in three main respects. First, the quantity of resources envisaged was not sufficient. The target of 0.15% GNP set in 1980 had still not been met: the average for all donors was only 0.9%. Britain had actually slipped back from 0.12% to 0.10%, and had also objected to setting any time frame for achieving the target. The LLDCs wanted to see a five year time frame for reaching the 0.15% target, and a new target of 0.2% by the year 2000. They very much hoped for the United Kingdom's support, recognising that Britain had always been helpful to the LLDCs and had chaired both the preparatory meetings for the UN conference.

The Bangladeshi Foreign Minister continued that writing off bilateral debt was the second problem. The LLDCs wanted to see the options in the Toronto Declaration implemented in full for the bilateral debt of all 42 LLDCs. They were also seeking

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rescheduling at lower interest rates for their multilateral debt. Thirdly, there were problems over market access. This did not apply so much to the European Community as to Japan and the United States. If these problems could be resolved, it would be a great help. The same applied to difficulties over commodity prices: schemes like STABEX should be used more widely and at the same time their rules simplified. The Bangladeshi Foreign Minister continued that donor countries sometimes complained about the performance of LLDCs on environmental issues and human rights questions. There was no way in which LLDCs could cope with their environmental problems without additional aid. They did not defend human rights' abuses, but human rights should be seen in conjunction with social and economic rights. In conclusion, they hoped that the European Council and the Economic Summit would both discuss and take decisions to ensure its success.

The Sudan Foreign Minister added that the LLDCs were pinning a lot of hopes on the Paris conference. Their conditions were constantly deteriorating and they needed political and moral support. They were concerned that aid might be diverted away from their needs to help Eastern Europe. The Somali Foreign Minister referred to the difficulty of meeting Somalia's commitments on human rights because of constant attacks on the Government by dissident forces.

The Prime Minister said that it was best to speak plainly. We sympathised with the LLDCs. But they would not get any more money unless they really took a grip on the running of their countries and could demonstrate that such money would be well and usefully spent. Bangladesh had already received a great deal of assistance, most recently for flood control. The Sudan had suffered from bad government: she recalled the visit some years ago of Sadiq el Mahdi who had made a lot of fine speeches and then done absolutely nothing. She had seen the Prime Minister of Somalia fairly recently and he too had made a lot of promises which had not been implemented. In all of the LLDCs, one of the first priorities had to be to deal with the problem of population growth. Any good we could do with aid would be undermined if population continued to increase at the present rate. We had been generous in writing off debt, but that caused problems with those countries who had repaid their debts at the cost of some hardship. We could not seem to be encouraging countries to default. But her main concern was that a large number of LLDCs had simply failed to exercise good government and get a grip on things. If they could give convincing evidence of that, then their chances of getting additional aid would be much improved.

I am copying this letter to John Gieve (HM Treasury) and Eamonn Taylor (Overseas Development Administration).

(C. D. POWELL)

Simon Gass, Esq.,
Foreign and Commonwealth Office.

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PRIME MINISTER

MEETING WITH BANGLADESH FOREIGN MINISTER AND OTHERS

In a moment of weakness at the Trooping the Colour reception you agreed to see the Bangladesh Foreign Minister. It turns out that he has two others with him: the Foreign Ministers of Sudan and Somalia. They constitute a delegation of Least Developed Countries, touring capitals before the UN Conference on the LDCs in August/September. They are calling on you at 1200 for half-an-hour.

I have insisted that it is a courtesy call and will last only a short time. I suggest that you ask the Bangladeshi to report on their mission, and encourage them to reserve discussion of substantive issues for their meeting with Mrs Chalker in the afternoon. You will want to avoid any new commitments on targets for aid to the Least Developed (we are committed to 0.15 per cent of GNP but have only achieved 0.10 per cent). Generally we have been generous, concentrating our aid on the Commonwealth LDCs and writing off aid debt.

Fuller background is in the attached letter. You met the Bangladeshi when he came to No.10 for the dinner for President Ershad in February last year.

e.d.

Charles Powell

18 June 1990

c: Bangla (MJ)

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Foreign and Commonwealth Office

CONFIDENTIAL London SW1A 2AH

18 June 1990

Dear Charles.

Call on the Prime Minister by LLDC Foreign Ministers,
19 June

Following the approach to the Prime Minister by the Bangladesh High Commissioner at the Trooping the Colour Ceremony on 16 June, the Bangladesh Foreign Minister, Mr Anisul Islam Mahmud, is to call on the Prime Minister at 12 noon tomorrow, Tuesday 19 June. He will be accompanied by the Foreign Ministers of Sudan (Mr Ali Ahmed Sahloul) and Somalia (Mr Ahmed Abdullah) as well as by the Bangladesh High Commissioner, Maj Gen K M Safiullah. I enclose personality notes on the Foreign Ministers.

The three Foreign Ministers are visiting London from 18-20 June as a delegation representing the Least Developed Countries (LLDC). The purpose of the visit is to exchange views with major donors prior to the second UN Conference on the Least Developed, to be held in Paris from 30 August to 14 September. The delegation arrived in London after visits to Paris, Bonn and Stockholm. They are also visiting Rome, Ottawa, Washington and Tokyo. Bangladesh has been designated coordinator for these visits.

The delegation's main substantive call will be on Mrs Chalker, whom they are to see at 5.00pm on Tuesday 19 June. Mrs Chalker will be leading the British delegation at the final stages of the Paris conference (12-14 September). The delegation see their call on the Prime Minister, and also their call on the Foreign Secretary whom they will see at 12 noon on Wednesday 20 June, as primarily of a courtesy nature.

Mr Mahmud's objective will be to seek a more positive position by the major donors, including Britain, at the conference, in particular on aid volume, debt, commodities and trade.

The first UN Conference on LLDCs in 1980 adopted a Special Programme of Action for the 1980s which included a commitment by donors, including the UK, to a target of 0.15% of GNP in aid to LLDCs. LLDC economic performance in the decade was disappointing, due in no small part to inappropriate domestic policies by the least developed themselves. They recognised this at the Preparatory Committee meeting in Geneva in April, and many have in recent years embarked on economic reform programmes agreed with the IMF and the World Bank. But they also blame the external economic

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environment, including protectionism, high interest rates, low commodity prices and failure by donors to channel sufficient aid to them. To complement policy reform the LLDCs are seeking a commitment by donors to a higher aid target for the 1990s (0.2% of GNP) and concessions inter alia on debt, trade and commodities. This would form a new Programme of Action for the 1990s which they would like to be adopted at the Conference.

Our objective for the conference is to secure agreement to sensible policies in individual countries that we can support without committing ourselves to new global aid targets or other measures. Sound economic policies and good government are the keys to improved economic performance.

The Prime Minister could point out that aid is only part of the picture and only makes sense if it is used effectively. Domestic resources and private and other external flows of funds must be mobilised too. We accept the current aid target of 0.15% of GNP, but cannot accept enhanced targetry or a timetable. (At present we give 0.10%).

On trade, the Prime Minister could refer to what has already been done to help LLDCs. They need to take full advantage of their generous access to European Community markets. The Community has also agreed that the Uruguay Round should give LLDCs special attention. But the Paris Conference cannot be allowed to prejudice the outcome of the Uruguay Round by specifying the measures to be adopted.

On commodities we continue to believe that the best way to assist both producers and consumers is to enable markets to work efficiently. We recognise the problems of some developing countries arising from heavy dependence on primary commodities. In our view the best way to tackle this is by strengthening and restructuring their economies.

On debt we have taken action in the form of writing off aid debt to the LLDCs (as part of Retrospective Terms Adjustment), the introduction of the Toronto Terms and our contribution to the IMF's Enhanced Structural Adjustment Facility (which provides concessional borrowing for LLDCs undertaking adjustment). These are important steps and we are keeping them under review. But it is too early to promise further concessions, and the Paris Conference will have to respect the competence of the IFIs and Paris Club.

The Prime Minister might wish to enquire about reactions encountered by the delegation during their recent visits to Paris, Bonn and Stockholm.

The call is not expected to turn to bilateral relations. Mr Mahmud accompanied President Ershad during his guest of Government visit in February 1989 and attended the Prime

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Minister's dinner for the President.

I am copying this letter to Eamon Taylor (ODA).

*James
Stephen Wall*

(J S Wall)
Private Secretary

C D Powell Esq
10 Downing Street

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FOREIGN MINISTER OF BANGLADESH

MAHMUD, BARRISTER ANISUL ISLAM, MP

Minister of Foreign Affairs since December 1988.

Born 1947. Son of a well-known industrialist. Obtained his BA (Hons) degree in Economics from Dhaka University in 1968 and MSC in Economics from Islamabad University. From 1969-70 he was a lecturer in economics at Dhaka University. MA in Economics from Essex University in 1970 under Commonwealth Scholarship Programme. From 1972-73 he was a senior Research Associate in Economics at East Anglia University and was Lecturer in Economics in Hatfield College, from 1973-77. In 1975 he was called to the Bar from Lincolns Inn, London.

In 1979, he was elected a BNP MP becoming a member of the Public Accounts Committee and the Standing Committee on Education. Visited the USA in 1980. In 1981 he attended the 36th session of the UNGA as a member of the Bangladesh delegation.

Appointed Minister of Labour and Manpower in January 1985. Moved to the Ministry of Irrigation, Water Development and Flood Control in July 1986. Appointed Minister of Education in March 1988. Accompanied the President on his visits to India, Nepal, Bhutan and China to discuss flood prevention measures in late 1988. Given Irrigation, Water Development and Flood Control Ministry in addition to his Education portfolio on October 1988. Appointed Minister for Foreign Affairs following the resignation of Humayun Rasheed Choudhury.

A rising star who is close to the President. Pragmatic and energetic. A breath of fresh air in the Foreign Minister's suite after the cynicism and world weariness of his predecessor. An agreeable and intelligent interlocutor who has a high regard for Britain which he considers a special friend of Bangladesh. Popularly considered to be more "pro-India" than his predecessor but no evidence that is the case.

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FOREIGN MINISTER OF SOMALIA

AHMED JAMA ABDULLEH "JANGALI"

Minister of Foreign Affairs since February 1990.

Born Aden 1922. Completed secondary education in Aden in 1940. Served in various clerical grades in Aden 1941-47. Joined Somaliland Civil Service 1947 and served in various clerical grades 1946-54. Completed diplomatic administration course in University of Khartoum 1952-53. Executive Officer, local government Council 1955. Assistant Liaison Officer and Assistant District Commissioner 1957-59. District Commissioner 1959-60. Attended six months course on public administration for overseas senior civil servants at Manchester University. Director-General of Ministry of Public Works 1964-68. Ambassador in London on resumption of relations in 1968. Director-General, Ministry of Interior 1970-80. Was a member of an official delegation to the Sudan in June 1971 and another to Aden in July 1971. 1974 appointed Commissioner for Drought Relief. Appointed Secretary, Standing Committee, People's Assembly January 1980. Minister of Local Government and Rural Development in March 1982. Ambassador to FRG in 1987-88. Ambassador to London since May 1988 (arrived October). Member of People's Assembly.

Married with six sons, three daughters. Speaks and writes English and Arabic. An "old school" hard working civil servant, quiet and retiring with a manner which at times can be surly and disobliging. Previously rarely prepared to display any sentiment for former links with Britain and the Protectorate Administration, but since his appointment as Ambassador, has worked hard in London to improve his Embassy's links with the FCO and the BBC and his country's image in the West. Has been helpful in securing the release of political prisoners. Regarded as one of Somalia's most competent and professional diplomats.

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FOREIGN MINISTER OF SUDAN

ALI AHMED SAHLOUL

Minister of Foreign Affairs.

Born Suakin, November 1930.

Graduate of LSE with BSc (Hons) 1954.

Joined Ministry of Foreign Affairs in 1956. Served in Economic Section of the Ministry between 1958-64, then First Secretary to Cairo and Deputy Permanent Representative at UN 1965-70. Ambassador to India 1972-75. Ambassador to European Office of the UN 1975-77 then Ambassador to Belgium, EC and Holland 1977-78 before returning to the UN in New York as Sudan's Permanent Representative between 1978-80. Ambassador to Kuwait and Bahrain 1980-81. Dismissed by Nimeiri in April 1981, reinstated to Diplomatic Service in May 1985 but stayed in The Hague as Director of the Mission of the League of Arab States until his appointment as Under-Secretary in March 1988. Appointed as Minister July 1989.

Basically a colourless civil servant, he made a lot of enemies within the Ministry on his appointment as one of his first actions was to dismiss 14 Ambassadors many of whom had served with him overseas, especially at the United Nations and who could be considered his contemporaries. As a consequence Sudan lost many of its better diplomats. Also oversaw the dismissal of a further 37 diplomats of varying levels at the Ministry in November 1989. A weak figure who is nevertheless a conciliator. Has little influence on the RCC. Speaks excellent English. Always friendly and forthcoming.

Married with children. His wife is very Westernised and the children are being educated in an English speaking school.

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FILE SHW
a/c

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

6 December 1989

Dear Bob,

BANGLADESH FLOOD CONFERENCE

Thank you for your letter of 4 December about the possibility of the Prime Minister attending the Bangladesh Flood Control Conference. I am afraid the only time the Prime Minister could do is the tea-break on Monday 11 December. She will arrive at Lancaster House at or very shortly before 1600 and need to be away by 1630 at the latest. I should be grateful if you could confirm that this is convenient for the organisers. She would no doubt wish to meet briefly those taking part but not to make any sort of speech. It would obviously be a good idea to have press and television coverage. Could you please let me have briefing about the event.

Yours sincerely

(C. D. POWELL)

R. N. Peirce, Esq.,
Foreign and Commonwealth Office.

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2.1.11

You will be
Bangladesh via. media

Foreign and Commonwealth Office

London SW1A 2AH

4 December 1989

Let you would say to
look in. The only time you can
manage is tea-time in Monday.
Agree?

Bangladesh Flood Conference

Thank you for your letter of 29 November, asking for advice on the possibility of the Prime Minister attending the Bangladesh Flood Control Conference.

If the Prime Minister would like to make an appearance and can spare the time, this would add to the impact and publicity value of the event, and give encouragement to the delegates.

I enclose a programme for the Conference, which is being hosted by HMG at Lancaster House with the World Bank in the chair. The two best times for the Prime Minister to attend would seem to be: the British Government reception at the end of day one (11 December), or at the beginning of proceedings on day two (12 December).

Can't do
OK
The evening reception on 11 December is timed for 6-7.30 pm and is being hosted by Mrs Chalker. The Prime Minister might arrive between 6.30 and 7 pm. She would be received by Mrs Chalker and the Conference Chairman, Mr Karaosmanoglu of the World Bank. She would then be able to say a few words, perhaps placing the Conference in the broader environmental context. The Prime Minister might then meet major delegation leaders before leaving. The visit would take some 15 to 20 minutes.

Can't do
OK
The second possibility would be for the Prime Minister to attend the Conference itself and speak before the beginning of proceedings on day two. This would mean the Prime Minister arriving at about 9.40 am, and addressing the Conference briefly. After a response from the Bangladeshi minister the Prime Minister should be able to leave the Conference by 10.20 am.

In either event, arrangements could be made to ensure publicity. But the first option is perhaps the more attractive, because the press will be there anyway and good coverage is assured; also, it would take less of the Prime Minister's time.

Yours ever

R N Peirce

(R N Peirce)
Private Secretary

C D Powell Esq
10 Downing Street

**BANGLADESH: FLOOD CONTROL MEETING LONDON, MONDAY AND TUESDAY,
11 AND 12 DECEMBER, 1989**

AGENDA

MONDAY, 11 DECEMBER:

9.00	Registration
9.30-10.30	Opening of meeting by Chairman, Mr Karaosmanoglu
	Welcoming statement by Minister Chalker
	Statement by Mr Karaosmanoglu
	Statement by UNDP
10.30-10.45	Coffee Break
10.45-11.45	The Action Plan
	Summary of Action Plan: W T Smith
	Government comments: Secretary Ahsan
11.45-1.00 pm	Discussion of Action Plan
	Donor questions and comments on, and indications of attitude to, the Action Plan.
	Questions to be answered by panel of experts moderated by W T Smith and the principal members of the team that prepared the Action Plan Report.

LUNCH

2.30-4.00	Discussion of Action Plan (continued).
4.00-4.15	Coffee break.
4.15-5.30	GOB comments on additional resources needed for implementation of Action Plan.
	Indications by Heads of delegation of areas of support for specific Action Plan components: indications of financing for surveys, studies and pilot projects listed on page 59 of the Action Plan.
6.00-7.30	British Government Reception, Lancaster House.

TUESDAY, 12 DECEMBER

9.30-12.30

Continuation of Monday afternoon session (with 15 min break).

Implementation of Action Plan:
(Government/World Bank).

Arrangements for initiation and coordination of Action Plan. Establishment of executive and implementation committees, and panel of experts and setting up of special procedures.

Closing statements by GOB and World Bank.

LUNCH

2.00

Technical Experts meeting.

(2.30

Press Conference)

BANGLADESH: Relation
May 79

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FM FCO
TO IMMEDIATE DHAKA
TELNO 198
OF 281400Z APRIL 89

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MESSAGE TO PRESIDENT ERSHAD FROM THE PRIME MINISTER
1. PLEASE PASS THE FOLLOWING MESSAGE ABOUT THE TYPHOON FROM THE
PRIME MINISTER TO PRESIDENT ERSHAD.

BEGINS

I WAS VERY SAD TO HEAR OF THE GREAT LOSS OF LIFE AND DESTRUCTION
CAUSED BY THE TYPHOON WHICH HIT THE MANIKGANJ DISTRICT OF
BANGLADESH ON 26 APRIL. PLEASE CONVEY MY HEARTFELT SYMPATHY TO
THE BEREAVED AND INJURED. I WISH YOU EVERY SUCCESS WITH YOUR
RELIEF AND RESCUE OPERATIONS.
ENDS.

2. THERE WILL BE NO SIGNED ORIGINAL.

HOWE

YYYY

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PS/LORD GLENARTHUR
MR GILLMORE
MR MCLAREN

ADDITIONAL 11

PS/NO
EAD/ODA

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TPM



file DT
bc : PC

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

28 April 1989

TYPHOON IN BANGLADESH

Thank you for your letter of 28 April proposing that the Prime Minister send a message of sympathy to President Ershad following the recent typhoon in Bangladesh. The text enclosed with your letter may be despatched.

C. D. POWELL

R. N. Peirce, Esq.
Foreign and Commonwealth Office



Foreign and Commonwealth Office

London SW1A 2AH

28 April 1989

Dear Charles

Typhoon in Bangladesh

First reports by telephone from staff of our High Commission in Dhaka confirm press reports of hundreds of dead, thousands of injured and widespread destruction.

/ I enclose a draft message of sympathy from the Prime Minister to President Ershad.

ODA have already authorised our High Commission to spend up to £50,000 on emergency relief.

Yours ever

R N Peirce

(R N Peirce)
Private Secretary

C D Powell Esq
PS/10 Downing Street

OUT TELEGRAM

		Classification UNCLASSIFIED	Caveat	Precedence IMMEDIATE
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YYYY MAIN ADDITIONAL NNNN		Catchword: NEWS
	File number Dept SAD	Drafted by (Block capitals) SARA PICKERING
	Authorised for despatch by:	Initials Date/time
	For COD use only	Comcen reference Telegram number Processed by

OUT TELEGRAM (CONT)

Classification UNCLASSIFIED	Priority IMMEDIATE
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1 <<<<
 2 NEWS DEPT
 3 INFORMATION DEPT
 4 PS
 5 PS/LORD GLENARTHUR
 6 MR GILLMORE
 7 MR MCLAREN
 8
 9 ADDITIONAL
 10 PS/NO 10
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FILE KK

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

26 March 1989

BANGLADESH

I enclose the Prime Minister's reply to President Ershad's recent message. I should be grateful if it could be sent to Dhaka for delivery as soon as possible.

(C. D. POWELL)

R. N. Peirce, Esq,
Foreign and Commonwealth Office.

KK



MRM

cc FCO

SUBJECT
CC MASTER
OPS

10 DOWNING STREET

LONDON SW1A 2AA

THE PRIME MINISTER

26 March 1989

PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. T60A 189

Dear Mr. President,

Thank you for your letter of 21 February. Your visit has most certainly strengthened the many close links between our two countries. I hope it has also given you and Begum Ershad pleasant memories of a country in which you have many friends.

I valued our talks and was especially interested in your first-hand account of the severe flooding which hit Bangladesh last year. We now await the completion of the current studies of action to alleviate the effects of future floods. We shall be happy to do what we can to help mobilise an international response - you will, I am sure, bear in mind our offer to hold an international donors' meeting if this would be helpful.

I am grateful for your kind invitation to visit Bangladesh. I very much hope that I shall be able to take this up at some time in the future.

Thank you also for sending me the book of your poetry. I shall read it with much pleasure.

With warm regards.

Yours sincerely

Margaret Thatcher

His Excellency President Hussain Muhammad Ershad

R23/3



Foreign and Commonwealth Office

London SW1A 2AH

23 March 1989

Mr Charles
at hand

Bangladesh

/ In your letter of 9 March you asked for advice on how the Prime Minister should reply to President Ershad's letter of 21 February. I enclose a draft reply, which includes a reminder of our willingness to host an international donors' meeting on flood alleviation.

Yours ever
R N Peirce

(R N Peirce)
Private Secretary

C D Powell Esq
PS/10 Downing Street

DSR 11 (Revised Sept 85)	DRAFT: minute/letter/teleletter/despach/note		TYPE: Draft/Final 1 +
	FROM: PRIME MINISTER DEPARTMENT:		Reference Your Reference
	BUILDING:		ROOM NO:
SECURITY CLASSIFICATION Top Secret Secret Confidential Restricted Unclassified	TO: His Excellency Hussain Muhammad Ershad President of the People's Republic of Bangladesh Dhaka SUBJECT:		
PRIVACY MARKING	Copies to:		
..... In Confidence	Thank you for your letter of 21 February.		
CAVEAT	I entirely agree with you that your visit has		
	further strengthened the many close links between		
	our two countries. I hope it has also given		
	you and Begum Ershad and Bangladesh pleasant		
	memories of a country in which you have many		
	friends.		
	I much enjoyed our talks and was especially		
	interested in your first-hand account of the		
	severe flooding which hit Bangladesh last year.		
	We now await the completion of the current studies		
	of action to alleviate the effects of future		
	floods, and as you know we shall be happy to		
	do what we can to help mobilise an international		
	response - you will, I am sure, bear in mind		
	our offer to hold an international donors' meeting		
	if this would be helpful.		
Enclosures flag(s)	I am grateful for your kind invitation		
	to visit Bangladesh. I very much hope that		
	I shall be able to take this up at some time		
	in the future.		

/ Thank

BANK ADEN: ✓ 1. 10. 06

Erskine 10/11/06

June 2

Thank you also for sending me the book
of your poetry. I shall read it with much pleasure.



872

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

9 March 1989

BANGLADESH

I enclose a copy of President Ershad's thank you letter to the Prime Minister following his recent visit to the United Kingdom. He has also sent the Prime Minister a copy of a book of his poems. I should be grateful to know whether there are any points which you wish the Prime Minister to pick up on from the letter in writing to thank him for this.

(C. D. POWELL)

R. N. Peirce, Esq.,
Foreign and Commonwealth Office.

KK

Private Office

28/3



HIGH COMMISSION FOR THE PEOPLE'S REPUBLIC OF BANGLADESH

28 Queen's Gate, London, SW7 5JA

Phones : 01-584 0081 (4 Lines)

01-589 4842 (3 Lines)

Grams : BANGLADOOT, LONDON, SW7

Telex : 918016

No. Pol-VI/1/89

The High Commission for the People's Republic of Bangladesh presents its compliments to the Foreign and Commonwealth Office and has the honour to forward for onward transmission to its high destination, a closed cover containing a book of poems, from the President of the People's Republic of Bangladesh addressed to the Prime Minister of the United Kingdom.

The High Commission for the People's Republic of Bangladesh avails itself of this opportunity to renew to the Foreign and Commonwealth Office the assurances of its highest consideration.

London

3 March 89



PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. 3801/89



28/3
T
PRESIDENT
PEOPLE'S REPUBLIC OF BANGLADESH
DHAKA

FILE

CC MASTER

CC ~~SUBJECT~~ OPS

21 February, 1989.

Excellency,

I wish to say how deeply grateful we are for the gracious hospitality extended to me, my wife and the members of my delegation during our visit to the United Kingdom. We were sincerely moved by the generosity shown to us, and the excellent arrangements made during our visit. The thoughtful programme laid during the visit made our visit both fruitful and enjoyable.

It gives me a great sense of satisfaction to have been able to see at first hand the great strides that United Kingdom has made in recent years in various spheres of life under your wise leadership. Given the existing close and historical ties between our two countries my visit to that country would be profitable and enjoyable at any time. But this last visit was a memorable one for the opportunity of being in the midst of your people at a time of their rising prosperity. We shall always recall with great happiness the most useful discussions I had with you Madam Prime Minister, and other leaders.

I sincerely believe that the visit has served to further strengthen the traditional bonds of friendship between our two countries. I was deeply touched by the keen interest in Bangladesh shown by all the British dignitaries I met during the visit and particularly by your kind and sympathetic concern about the problems facing Bangladesh and by your sincere desire to help us.

We in Bangladesh are trying our best to improve the quality of life of our people. I came back from the visit convinced that your great country and its friendly people will continue to be with us in our endeavour to move ahead in the face of daunting odds.

In the context of our excellent bilateral relations, I would like to extend to Your Excellency a warm invitation to visit Bangladesh at a time convenient to you. I trust this will give us an opportunity to demonstrate to you how hard we are trying to achieve progress and stability and what a great fund of goodwill Bangladeshis have for the people of the United Kingdom.

contd..../2



Page-2

Please accept, Excellency, my sincere good wishes for your personal health and happiness and for the continued progress and prosperity of the friendly people of the United Kingdom.

with profound regards.

Yours sincerely,

(HUSSAIN MUHAMMAD ERSHAD)

Her Excellency
The Rt. Hon'ble Margaret Thatcher, MP.,
Prime Minister of the United Kingdom
of Great Britain and Northern Ireland
London
UNITED KINGDOM.

Prime Minister ②

COP
19/2.

PRIME MINISTER'S

PERSONAL MESSAGE

FAREWELL MESSAGE FROM PRESIDENT ERSHAD
SERIAL No. T38/89SUBJECT CC Mawla
JPS

Excellency,

While leaving your great country I would like to express deep satisfaction on behalf of myself and members of my delegation for the warm reception and traditional hospitality extended to us during our stay in the United Kingdom.

The generous expression of friendship and cordiality by your Government has made a profound impression on all of us.

We return with fond memories which will remain inside our minds.

My visit provided a welcome opportunity of exchanging thoughts and ideas with you on a variety of issues of common concern and interest.

It is a matter of particular satisfaction that our two countries have been able to forge strong ties characterised by traditional understanding and close cooperation reflecting the spirit of excellent relations existing between Bangladesh and the United Kingdom.

I am confident that these relations will further deepen and expand in the years ahead.

Please accept, Excellency, my best wishes for your personal health and happiness, and for the continued progress and prosperity of the friendly people of the United Kingdom.

ms

MUHAMMED ERSHAD

18 February, 1989.

CONFIDENTIAL



mtg record
SUBJECT
CC MASTER.

File

Filed on:

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

16 February 1989

Dear Bob,

PRIME MINISTER'S MEETING WITH PRESIDENT OF BANGLADESH

The Prime Minister had an hour's talk this evening with the President of Bangladesh. President Ershad was accompanied by the Bangladesh High Commissioner. Our High Commissioner in Dhaka was also present.

The Prime Minister welcomed President Ershad on his visit as a Guest of Government and said there was much interest in Bangladesh in Britain, particularly following last year's terrible floods which had been vividly pictured on our television. President Ershad spoke of the succession of disasters to strike Bangladesh. He expressed warm gratitude for the substantial help received from the United Kingdom.

Flood Control

The Prime Minister said the key problem was to devise ways to control flooding in the future. She understood there were some difficulties in the way of regional cooperation.

President Ershad said that experts both from the UNDP and France were working at the problem and would submit recommendations in May. Bangladesh itself was already implementing a number of short term solutions, for instance the construction of 900 helipads, construction of banked ponds where people and cattle could shelter and find drinking water, provision of raised platforms for pumps and procurement of boats with outboard motors. There were also certain steps which could be taken at the regional level without any difficulty, in particular introduction of an improved flood warning coordination system. The problems with India arose over the proposal to build a canal linking the Ganges and the Brahmaputra rivers. It would be absolutely impossible for any Bangladesh Government to accept this. An alternative long term solution was a barrage on the Brahmaputra river. But this would cost over £1 billion. The priority therefore had to be to find solutions within Bangladesh to absorb flood water and dispose of it as quickly and safely as possible.

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President Ershad continued that, once the UNDP and French recommendations were received, he would be very grateful for the Prime Minister's support in securing assistance from the Summit Seven and the European Community to help with the programme. The Prime Minister said that we would indeed be ready to help by holding a donor conference in London in mid-year. She would also be ready to raise the issue at the Economic Summit.

Bangladesh Internal

President Ershad said that the food situation was now good and there should be an excellent wheat harvest. Population growth remained a major problem. But the Government was taking effective measures and hoped to reduce the rate of increase from 2.4 per cent to 1.8 per cent. He mentioned the project to build a bridge over the Jamuna river. This had a high priority for Bangladesh and a British firm was showing interest in it. President Ershad also sought the Prime Minister's support for a project to build a thermal power station. The Government had tripled electricity generation during his time in office but needed to build up its power generation further in phases. The High Commissioner said that the project should fit into the framework of our aid programme in future years. The Prime Minister said that on this basis we should be able to offer some support.

The Prime Minister spoke warmly of her meeting with the Bangladesh Prime Minister and praised his policies of privatisation. President Ershad said that the Bangladesh Government was determined to attract more investment to Bangladesh and to make the procedures for such investment very simple. His discussions with the CBI had been very promising.

Chittagong Hill Tracts

President Ershad said that the Bangladesh Government had decided to grant autonomy to the Chittagong Hill Tracts and a Bill to this effect had just been introduced into the Bangladesh Parliament. The Bill would grant the people wide autonomous powers covering health, primary education, allocation of land, police, and the right to decide whether to admit settlers. He believed this would put an end to the problems which had been experienced. He was determined to avoid another Sri Lanka. The Prime Minister said that this was very good news.

CHOGM

The Prime Minister said that she understood that Mrs. Bhutto hoped to bring Pakistan back into the Commonwealth. President Ershad said such a move would have his full support. He did not expect Mr. Gandhi to object. The Prime Minister said that Pakistan should apply only if the application was certain of success.

Middle Eastern Problems

The Prime Minister and President Ershad had a brief discussion of the Iran/Iraq war and the Arab/Israel situation. The Prime Minister referred to Soviet withdrawal from Afghanistan. President Ershad said that it had been a great achievement to get the Russians out. But he feared there was now likely to be civil war in Afghanistan.

The Prime Minister told President Ershad of the position we had taken on Salman Rushdie. We understood that people felt strongly when their religion was attacked. That was something which Christians in this country had experienced in the case of the film "The Last Temptation of Christ". But such things had to be dealt with under our own law and we could not have other governments inciting people to murder. President Ershad said that he thought our line was correct. He very much regretted Ayatollah Khomeini's remarks. Apart from anything else they simply attracted attention to the book. So far as he was aware no other Islamic country had reacted.

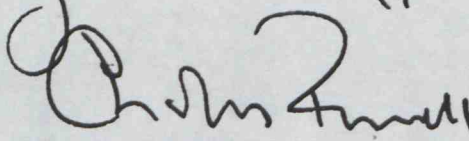
Falklands

The Prime Minister said that we were very grateful for the manner in which Bangladesh had dealt with the Falklands matter at the United Nations this year. President Ershad grinned.

Drug Trafficking

The Prime Minister welcomed the steps taken by the Bangladesh Government to introduce several penalties for drug trafficking and to increase awareness of the problem. President Ershad said that drug abuse was a growing problem in Bangladesh. His wife was now Chairman of the narcotics board, which was determined to deal severely with the problem.

I am copying this letter to Alex Allan (HM Treasury), Neil Thornton (Department of Trade and Industry) and Myles Wickstead (Overseas Development Administration).

Yam Ershad,

(C. D. POWELL)

R. N. Peirce, Esq.,
Foreign and Commonwealth Office.



Prime Minister
C 88 1572.

cc/c ②

Foreign and Commonwealth Office

London SW1A 2AH

15 February 1989

mb

Dear Charles

President Ershad's Visit: The Bangladesh Flood Problem

Further to my letter of 10 February about President Ershad's visit, I am writing with further thoughts on the question of flood control. *- in meeting note*

There are two major studies of the problem currently underway. The first is under the auspices of UNDP, led by a British engineer. The second is being carried out by the French. These studies are due for completion at the end of April and at the end of May respectively, and there are some encouraging signs of collaboration between the two exercises, after an uncertain start. The French apparently intend their study to feed into the European Council meeting in Madrid and the Economic Summit.

Although the Bangladesh Government did its best to draw attention to the regional aspects of the problem (and has run into a predictable brick wall at the India end), attention is now focussing on what can be done within Bangladesh itself to alleviate the flooding problem. The Foreign Secretary will be exploring with his Bangladeshi counterpart how we can best help matters forward. Our efforts should probably be concentrated on specialist advice rather than money. But we could also play an important role in donor co-ordination.

The Foreign Secretary will therefore be telling the Bangladeshis that we are prepared to offer British technical assistance in a number of flood-related areas and a major donor conference in London to bring together international support to deal with the flood problem.

The Prime Minister may also wish to mention these offers to President Ershad.

Yours ever

R N Peirce

(R N Peirce)
Private Secretary

C D Powell Esq
10 Downing Street

BANGLADESH : visit by Erhard June 82

UNITED STATES DEPARTMENT OF AGRICULTURE

FOREIGN SERVICE CENTER



PRIME MINISTER

MEETING WITH PRESIDENT ERSHAD

You are to have an hour of talks with President Ershad on Thursday. You will give a dinner in his honour later that evening.

The President is here as a Guest of Government. He started his visit today. He will meet the Foreign Secretary, Home Secretary, Defence Secretary, and Trade and Industry Secretary, as well as the Speaker and the Leader of the Opposition. He is lunching with The Queen and the Prince of Wales. The Minister for Overseas Development is giving a dinner for him, which the Princess Royal will attend. The CBI will also give a dinner. He is visiting BAe at Hatfield, and going to Manchester. In short, he is well looked after.

You do, of course, know the President quite well. He is not exactly passionate about democracy. But he runs a forlorn country about as well as it can be run. He stands well with the World Bank. He is a great believer in privatisation. You met his Prime Minister a few months ago.

There will not be a great deal of substance for the talks, indeed all that is required is a gentle conversation. We have no new aid to offer: we gave nearly £50 million altogether last year. The President has said he intends to express his appreciation for this.

But there are a number of points you could cover:

- Express sympathy for the destruction caused by last year's floods and ask about progress with reconstruction.
- Raise the issue of long-term flood prevention measures and the difficulties of obtaining the support of other regional governments, particularly India.

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- 2 -

- Warn him to be a bit cautious about the French (he has been invited on a State Visit there in March). They are strong on promises, but apparently plan to contribute very little money.
- Thank him for Bangladesh's absence from the 1988 Falklands Vote at the United Nations.
- Ask how his talks with Lord Young and with the CBI on stimulating British investment in Bangladesh have gone.
- Find an opportunity to mention two projects of interest to British companies: a bridge over the Jamura River in which Trafalgar House have a major interest; and BAE's hopes of selling three ATP aircraft.
- Welcome the steps taken to introduce stiffer penalties for drug traffickers.
- Compliment him on Bangladesh's helpful role in resolving the Iran/Iraq conflict and ask how he sees the prospects.
- Discuss the outlook for CHOGM and ask how he views the likelihood of Pakistan applying to rejoin the Commonwealth.

President Ershad will probably invite you to visit Bangladesh, which you ought to do at some stage. You might accept without setting a date. _____

There is fuller briefing in the folder, together with a copy of last year's annual review for Bangladesh and some newspaper articles which struck me as of interest. I have also slipped in a copy of President Ershad's verses

C. D. POWELL

14 February 1989

DASATX

CONFIDENTIAL

CLOSED UNDER THE
FREEDOM OF INFORMATION
ACT 2000

Urbane Ershad looks for British aid and investment

THE FRONT cover of President Hussain Ershad's official biography shows him sniffing a rose. On the back cover there is a poem from his book of verse, *Light the Golden Lamp*. The text describes him as "suave, sensitive and courageous ... a man of high aesthetic sense and taste".

Mr Ershad's political opponents prefer different adjectives. They call him vain and describe his rule as illegitimate. They accuse him of having rigged elections to give a veneer of respectability to a deeply unpopular regime. Whatever his enemies say about him, his quiet, well-groomed demeanour, soft speech and slightly shy manner are bound to make a positive impression on the influential Britons who will meet him in London this week.

In an interview with *The Independent* to mark his first official visit to Britain, Mr Ershad rejected Bangladeshi opposition demands that he stand down to pave the way for free elections. He said he was ready to allow foreign observers to monitor a future poll to ensure no ballot-rigging took place. But he doubted that the opposition parties, who have boycotted past polls, would "come to an understanding" about participating in future. He added: "The election is not on my agenda."

The President said he hoped to persuade British business to pay more attention to Bangladesh, which has been streamlining its bureaucracy to encourage industrial investment. Further development aid in the wake of last year's catastrophic flood is also on the agenda. Asked about the flood damage, Mr Ershad said Bangladesh was recovering "wonderfully well ... we thought we had lost about three million tons of food grain. Now I'm told that more than one million tons can be recovered". But much remains to be done in repairing the country's transport and communication systems.

Mr Ershad gave the interview in one of the reception rooms of the Bangobhaban, the presidential offices in Dhaka. Hanging on a wall was a portrait of him at prayer. The picture showed him barefoot in traditional robes — in marked contrast to the polished figure in tweed jacket and leather loafers sitting opposite. The President is known to be a devout Muslim, but he raised eyebrows last year when he declared Islam to be Bangladesh's state religion. He was at pains to explain no sinister motive was involved. "We are Muslims but we are not fundamentalist," he said. "I am a progressive Muslim. I want to take my country ahead, not back-

wards. But our people, being very poor and religious-minded, can fall prey very easily to religious fundamentalists. I have declared Islam the state religion precisely to stop the fundamentalists gaining ground. The West has nothing to fear."

Although Mr Ershad is considered to be on good terms with his generals, the possibility of a coup is never far from the surface in Bangladesh. I asked him if he was concerned. "When I took over in 1982, I said this was the last military coup in Bangladesh. I still maintain it today. I know this army as I know my child. I assure you — Inshallah — that nothing of this nature will happen."

Asked about allegations of corruption, Mr Ershad replied with a thin smile: "I have said that if anyone can prove I have one dollar outside the country, I will resign the same day. I have not done that." Pausing for a sip of freshly-squeezed orange juice, he summarised his thoughts on Bangladesh's future. "We are a poor country of 110 million people. Naturally the image of poverty and hunger is very much there. It will take time to change it. But people who judge Bangladesh from the outside come and have a look at us, and many of them change their views. We are not a gone case."

14-2

West loves Bangladesh's Third World Thatcherism

WHEN Hussein Ershad seized power in Bangladesh in a bloodless coup in 1982, few outside the country believed that the little-known general would fare better than his presidential predecessors: two were assassinated and the others lasted less than a year. Yet seven years later, President Ershad remains firmly in control of one of the world's poorest and unluckiest countries.

He has weathered both atrocious natural disasters and domestic political storms. In the process, he has achieved among Western governments an unusually high reputation for a military ruler whose democratic credentials are, to say the least, suspect. Today Britain rolls out the red carpet for the 59-year-old Bangladeshi leader. Over the next four days, Mr Ershad will lunch with the Queen, dine with Mrs Thatcher and meet acrosssection of the country's political and business élite. These are remarkable privileges for a man described by many as a "military dictator".

Although Bangladesh has witnessed a succession of elections over the past seven years, all have been flawed by boycotts or ballot fraud. President Ershad's rule has never been endorsed by a meaningful poll. For many Bangladeshi opposition leaders, Britain's willingness to grant Mr Ershad the

The shy general, who visits Britain this week, has proved a very resilient leader. Tony Allen-Mills interviews him (right) and looks at his record.

prestige of an official visit is both embarrassing and cruel. "Being a democratic country, how can Britain show such respect to an autocratic government like Ershad's?" complains Sheikh Hasina Wazed, leader of the Awami League, one of the largest opposition parties.

The answer appears to lie in the virtually unanimous view of Western diplomats, aid officials and other observers that, for all his shortcomings, President Ershad represents Bangladesh's best hope of the administrative stability and continuity that is essential if the problems of poverty, overcrowding and floods are to be addressed. According to diplomatic consensus, the greatest obstacle confronting Sheikh Hasina and rival opposition leaders is not dictatorial repression but their own inability to show that they would run the country any better.

This assessment would almost certainly be rejected by the major-

ity of Bangladeshis should they ever get the chance of a real election, but it is not entirely unfair. The two main opposition parties both derive their strength and leadership from a tainted past. Sheikh Hasina is the daughter of Sheikh Mujibur Rahman, the first president of Bangladesh, whose heroic role in the independence struggle against Pakistan was later overshadowed by the ineptitude, brutality and rank corruption of his administration.

Begum Khaleda heads the other leading opposition force, the Bangladesh National Party. She is the widow of the man who eventually succeeded Sheikh Mujibur, General Ziaur Rahman, whose six-year regime was scarcely an improvement. It is on better terms with the army — it counts many retired officers in its ranks — but the BNP's past record is hardly democratic either.

The Begum and the Sheikh regard each other with venomous distaste. On every occasion that popular discontent has seriously threatened trouble, President Ershad has regained ground by manipulating their rivalry. The inability of the Awami League and the BNP to agree on a common strategy has undermined domestic pressure for democratic rule.

Mr Ershad, meanwhile, has



Mr Ershad: well-groomed.

played his cards with uncommon skill. While the army has proved an explosive threat to Bangladeshi presidents in the past, Mr Ershad has been careful to keep his generals content. He is arguably the World Bank's favourite Asian leader. His economy may be shot to pieces by floods and cyclones, but his economic intentions are textbook Third World Thatcherism. He has privatised industry and streamlined procedures for foreign investment. All this has pleased both senior Bangladesh officials and the international donors who keep the country afloat.

"He's not really clear on the democratic process, but he works very hard, co-operates with his friends and his rule is by no means harsh," said a diplomat from a neighbouring country. In President Ershad's Bangladesh, it seems to be reliability, not democracy, that counts.

Ershad visits Britain to seek new image

By Jeremy Gavron
in Dhaka

PRESIDENT ERSHAD of Bangladesh arrives today on his first official visit to Britain, in search of new images for himself and his disaster-prone country.

Nearly two decades after Bangladesh was born out of civil war in the former East Pakistan, Gen Ershad wants to erase the notorious description of his country as an "international basket case", and encourage foreign firms to invest in his slowly liberalising economy.

Also, seven years after he seized power in a military coup, he yearns, like many leaders who have risen by the barrel of a gun, for the elusive quality of legitimacy.

With Gen Zia of Pakistan dead, Gen Ershad now stands out in South Asia like a uniform on civvy street.

Bangladesh is, perhaps, the poorest country in the world. Six out of every seven people live below the absolute poverty line, by far the highest proportion of any nation.

As one British diplomat points out, the average annual income is the same as the cost of a double room for one night at Dhaka's smartest hotel.

Most Bangladeshis live a farm-to-mouth existence on the miles and miles of flat, riverine plains, growing only enough rice to feed themselves, while food is imported for the townspeople.

Shrimps, jute and simple clothes are the country's main exports, earning enough money to keep the army in guns, and pay government wages. Any new projects have to be funded by the dozens of foreign aid agencies, which pump more than £1 billion a year into the economy.

Vastly overpopulated, Bangladesh is a country built on an unsound footing. Three quarters of its land is soft rock and sand carried down from the Himalayas and deposited by the Brahmaputra and the Ganges.

It is prone to cyclones like the one in 1970 that killed some 300,000 people, and to floods such as last September's, which submerged most of the country and destroyed hundreds of bridges and miles of roads.

To the average Briton, the most likely image of Bangladesh would be that of a starving child, which makes it an unlikely area for investment.

That image is what Gen Ershad's government would like to change. Every last patch of arable land, island or flood plain is under the plough, and while farm yields could be improved, the best the country can hope for is to keep food production growing at the same rate as the population.

The only route, then, for economic growth is through industry. Because the country has little money of its own, that means foreign investment.

Last year, the urbane Mr Maudud Ahmed, Bangladesh's Prime Minister, made a long visit to Britain to drum up money for the country.

British firms such as Glaxo, BAT, Lever Brothers and General Electric already make up the biggest contingent of foreigners in Bangladesh, but their £40 million of capital investment is comparatively tiny. Mr Ahmed wants a lot more.

"We are looking east at the rise of Asia," he says. "We want to catch that wave."

To attract investment, the government has set up a one-stop investment board where foreign firms can get everything from permission to invest to telephones.

Under Gen Ershad, the econ-



Gen Ershad: yearnings

omy has steadily liberalised: the latest example is a privatisation plan for the national telephone company. Duty on electronic parts has been almost abolished to encourage firms to assemble in Bangladesh.

In London, Gen Ershad is due to meet members of the Confederation of British Industry, and to address businessmen at a lunch given by the Lord Mayor of London.

Although it is never a bonus for a start-up factory to have to invest in flood barriers, Bangladesh's reputation for floods and disasters is only part of the problem.

Businessmen in Dhaka also complain of widespread corruption and inefficiency.

Equally important, Bangladesh has a long history of political instability. Two presidents have been murdered, and the wife of one and the daughter of the other lead opposition parties which as recently as 1987 were able to bring Dhaka to a standstill.

Only three per cent of the population voted in the most recent election, last March, and the current opposition in parliament is simply a rent-a-party.

Last month, Mr Stephen Solarz, chairman of the United States Congress's South Asia sub-committee, visited Bangladesh, and departed with words of warning about cutting aid if the advance towards democracy does not speed up.

However, although the president clearly does not command wide popular support in Bangladesh, he is a somewhat benign dictator.

His two women opponents, Begum Zia and Sheikh Hasina, are regularly permitted to sound off in the press and even, from time to time, appear on radio and television.

The curfews and martial law of a couple of years ago have been lifted, and there are no long-term political detainees, such as those held in Pakistan under Gen Zia.

There is a curious apathy to the Bangladesh political scene. Gen Ershad seems to have blunted the force of the two opposition women, and most people realise that neither is anything like Benazir Bhutto.

Doubts about the president's relations with the army seem also to have faded. Now Bangladesh's longest serving leader, Gen Ershad is slowly gaining an aura of permanency.

Meeting Mrs Thatcher will do that aura no harm at all.

● Simon Scott Plummer, Diplomatic Correspondent, writes: Despite improvements in Gen Ershad's human rights record, the Government is expected to remind its guest of the need to maintain progress in that field.

Also on the agenda of his five-day visit will be Pakistan's rejoining the Commonwealth, Bangladesh's relations with India, the Middle East, Bangladeshi immigration into Britain, and British aid.



Foreign and Commonwealth Office

London SW1A 2AH

Backup

CONFIDENTIAL

10 February 1989

Dear Charles

Visit of President Ershad

/ President Ershad of Bangladesh is visiting Britain as a
/ guest of Government from 14-18 February, accompanied by his
/ Deputy Prime Minister (and Minister for Home Affairs) and
/ Foreign Minister. I enclose a copy of the programmes for
/ President and Begum Ershad and biographical notes on them and
/ the accompanying Ministers. I also enclose a copy of our High
Commissioner's Annual Review for 1988.

Although martial law in Bangladesh was lifted in 1986, democracy in Bangladesh is far from perfect. Two general elections have been rigged in favour of the governing Jatiyo party. The main opposition parties boycotted the last elections in March 1988. A year ago there was a determined campaign to unseat Ershad, but he kept his nerve and the backing of the army and the fragile opposition alliance eventually broke up. There is at present no real effective internal opposition. Neither the Awami League nor the Bangladesh Nationalist Party offer a credible alternative or a real challenge.

The visit will be an opportunity to emphasise to the President that we believe Bangladesh's future can best be assured by building democracy at all levels.

During 1988 Bangladesh suffered natural disasters of exceptional severity. The floods of August/September were followed by the cyclone in November. In addition Bangladesh had its worst ever train crash (73 dead) in January 1989. The Prime Minister sent messages to Ershad about all these.

The main elements in our bilateral relationship are aid and immigration (the Bangladesh community in Britain is estimated at about 200,000). President Ershad visited Britain in June 1982; The Queen paid a State visit to Bangladesh in 1983. Ershad admires the Prime Minister and may invite her to visit Bangladesh. Bangladesh plays a generally constructive and moderate role in international affairs. The Prime

/Minister

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Minister may wish to express appreciation for the Bangladesh's absence from the 1988 Falklands vote (they voted against us in earlier years).

Reports of civilian casualties caused by the Bangladesh forces' measures against the tribal Shanti Bahini guerillas in the Chittagong Hill Tracts have aroused considerable public criticism in Britain. Ershad/to defuse the tension in the tribal areas by initiating political and administrative reforms (of which details have yet to be made public). The Prime Minister could enquire about progress. Lord Glenarthur visited the Tracts during his visit to Bangladesh in December 1988.

Ershad is likely to express appreciation for British aid, especially in response to recent disasters. It may be necessary to underline that (as Ershad knows) this represented an exceptional effort on our part and that there is no scope for additional aid at this time. Bangladesh already receives the second largest slice of UK's bilateral aid programme. We have significantly increased our aid this year over previous years (up from £26 million in 1987/88 to some £50 million in 1988/89): the 1988/89 figure includes up to £25 million for immediate relief and longer-term rehabilitation (£7.5 million and £17.5 million respectively) following the severe floods.

During the President's visit it is hoped that an Exchange of Letters on commodity aid liberalisation will be signed by the Foreign Secretary and the Bangladesh Foreign Minister, we currently await Bangladesh agreement to the text). This will cover the second £15 million tranche of the £30 million commodity aid approved by Mr Patten in 1988 as part of the existing aid framework.

Long term flood prevention measures are an important objective for Ershad. The Prime Minister may wish to stress our willingness to play a part in trying to identify and implement sound and workable proposals. Such proposals will be complex and expensive and in our view will require a coordinated effort by the international donor community, which will need to take account of Indian sensitivities. There are two major current studies: one under UNDP auspices which concentrates on the short and medium term, and a French initiative which is concerned with the longer term. There are signs that they may complement each other and not compete as was at first feared. Ershad is to pay a state visit to France from 22-24 March. We shall be considering how best to avoid being upstaged by the French, who plan to contribute very little money.

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The Prime Minister might take the opportunity to promote two potentially important prospects for British business. The first, construction of a bridge to straddle the Jamuna (Brahmaputra) River is a pet project of Ershad's, likely to cost at least \$460 million. Trafalgar House are part of an Anglo-Japanese consortium currently formulating a bid for construction backed by a mix of British/Japanese aid and credit. Any British contribution would come from the Aid and Trade Provision. ODA are also interested in supporting other elements of the project, such as approach roads (\$35 million) or project supervision (\$28 million) from existing bilateral aid funds. Second, British Aerospace are negotiating to sell three of the proven ATP aircraft to the national airline, Biman, valued at about \$60 million, against French and Dutch competition. The French will push hard during the March state visit; a word from the Prime Minister would help. Ershad will visit BAe at Hatfield on 16 February.

Ershad gives a very high priority to developing Bangladesh's industrial and manufacturing capacity, and has sought to attract foreign investors for joint ventures by relaxing bureaucratic procedures. He will already have had the opportunity to discuss the prospects for British investment with the Secretary of State for Trade and Industry and the CBI.

Among Ershad's other preoccupations is the fight against drug trafficking and abuse. The Prime Minister could welcome the steps taken by Bangladesh to introduce stiff penalties for drug traffickers and to increase public awareness of the problem; and could express willingness to help Bangladesh law enforcement authorities with the provision of equipment and training. This is being discussed by officials.

If Ershad raises an extension of the presence of the British Military Advisory Team (BMAT) beyond February 1991, the Prime Minister could point out that the three senior officers in BMAT were attached to the Staff College in Dhaka to help set it up and begin operating. That objective will have been achieved by February 1991. Britain is happy to continue financing the attendance of Bangladeshis at military training establishments in Britain.

Although Ershad is expected to touch on regional issues we would expect these to be discussed in more detail during the Foreign Secretary's parallel meeting with the Foreign Minister. The Prime Minister could, however, enquire about

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the South Asian Association for Regional Cooperation (SAARC) summit in Islamabad from 29-31 December. The Prime Minister might ask for the President's views on Pakistan's expected application to rejoin the Commonwealth. We have not yet been consulted by Pakistan but would be happy to join in any consensus for readmission.

The Bangladeshis seek recognition of their role in helping to resolve, through the OIC, the Iran-Iraq conflict and Ershad may raise this. The Prime Minister could enquire about Bangladeshi ideas to improve confidence between the two sides.

The President will be accompanied by his High Commissioner, Maj Gen K Safiullah. Mr Terence Streeton, High Commissioner in Dhaka will also be present.

I am copying this letter to Philip Mawer (Home Office), Brian Hawtin (MOD), Neil Thornton (DTI), Myles Wickstead (ODA) and John Weston (Cabinet Office).

Yours ever

R N Peirce

(R N Peirce)
Private Secretary

C D Powell Esq
10 Downing Street

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ERSHAD, HUSSAIN MUHAMMAD, PRESIDENT, PEOPLE'S REPUBLIC OF BANGLADESH

PRESIDENT AND SUPREME COMMANDER OF THE BANGLADESH ARMED FORCES.

Born 1 February 1930 in Rangpur, comes from a small landowner's family with roots in the former princely state of Cooch Behar. Graduated from Dhaka University in 1950.

Joined the Officers' Training School in Pakistan and commissioned in Pakistan Army on 17 September 1952. Caught in West Pakistan by liberation war. On repatriation from Pakistan, made Adjutant General of the Bangladesh Army. Colonel 1973, attended Indian National Defence College in 1975. Promoted to Brigadier, June 1975, and to Major General and appointed Deputy Chief of Army Staff following the military coup of 15 August 1975. Promoted to Chief of Army Staff on 1 December 1978 by the late President Zia with remit to professionalise Bangladesh Army. Promoted Lieutenant General 7 November 1979.

Having successfully imposed his control on the army hierarchy, Ershad played a key role in support of the civil power after the assassination of President Zia ur Rahman (May 1981). This enabled valid elections to be held to establish Mr Justice Sattar as president in November 1981. However, he fell out with Sattar over the latter's choice of ministers and resistance to army interference with government. Ershad deposed Sattar, suspended the constitution and established martial law in a bloodless coup on 24 March 1982.

Ershad assumed power reluctantly and under pressure from his peers in the officer corps. Initially he managed the military Junta as Chairman rather than as an autocrat. But as he has grown in confidence and skill as a national leader

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so his appetite for political power has grown. He has a pronounced nationalistic style coupled with frequent references to the virtue of Islam.

He has shown considerable talent in managing appointments, works hard and conscientiously. Has fewer visible links with Britain than many of his contemporaries and used occasionally to make anti-colonial remarks. In private conversations with senior British figures he has evinced an affection and respect for Britain, its institutions and values.

Appointed himself President on 11 December 1983 and was the successful candidate for the office when rigged elections were held in October 1986. Has been astute in establishing a political base but at the same time distancing himself from it. He resigned from the army on 31 August 1986 after 34 years' service. He is technically a civilian but continues to hold the position of head of the Bangladesh armed forces. He no longer uses his military titles in his official form of address.

He has been a keen athlete. Golf is his principal current relaxation. He likes reading. His wife supports him well.

Both Ershad and his wife speak fluent English.

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Ershad is a Bangladeshi patriot who is determined to improve the national economy and who genuinely cares for the plight of the rural poor. He believes in a policy of decentralisation of decision taking and development and is determined to see it through. He is a fervent protagonist for the privatisation of industry and the expansion of Bangladesh's' private sector through expatriate investment.



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ERSHAD, BEGUM RAUSHAN

First Lady of Bangladesh (holds rank and status of a Minister).

Born 19 July 1941 in Mymensingh. Married President Ershad in 1956.

Personally involved in a range of social welfare activities. Patron of the National Women's Organisation (Jatiya Mohila Sangstha) and the Weavers' Association, and President of the Armed Forces Family Welfare Association which she founded in 1975.

Active interest in the prevention and treatment of drug abuse and attended the UN Special Convention on Drug Abuse in 1985.

Performed Hajj (the Holy Pilgrimage to Mecca) twice, in 1984 and 1985.

Interested in art, literature and oriental music. Enjoys gardening and makes time for it.

One son (born 1983) and an adopted daughter.

Family pet name - Daisy. Has the reputation of being hard and determined. Known to be ambitious for herself and her large family.

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Pierre H. Rosen 10/2/89

MATIN, DR M A

Deputy Prime Minister and Minister for Home Affairs.

Born 1 December 1937 at Sirajganj. Early education at Sirajganj High School. Admitted to Dhaka Medical College in 1955 and obtained an MBBS degree with distinction. Left for UK to study ophthalmology in 1963. Completed a diploma course in London and obtained an FRCS degree from Edinburgh in 1967. While in UK he also worked in the Royal Eye Hospital and King's College Hospital of London and at St Alban's City Hospital.

On his return to Bangladesh in 1967 he joined IPGMR as an Associate Professor of Ophthalmology and was promoted to the rank of a Professor in 1972. After the imposition of Martial Law in 1975 he became an Honorary Colonel and was appointed Consultant Ophthalmologist at the Dhaka Combined Military Hospital in early 1976. Appointed Deputy Adviser in the Ministry of Health and Population Control and later became State Minister in the same Ministry during Ziaur Rahman's first Cabinet in 1978. He was elected a BNP MP in the 1979 election. He was sworn in on 15 April as Minister for Civil Aviation and Tourism. Later the same year he became Minister for Health and Population Control. He was appointed Minister for Youth Development in April 1981. In June 1981 he became Minister for Health and Population Control in President Sattar's Cabinet and retained this portfolio till 27 November, when he was sworn in as Minister for Home Affairs to serve up to 24 March 1982.

He left Sattar's BNP and became Secretary General of Shamsul Huda Chowdhury's BNP in 1983. He joined Janadal with Shamsul Huda Chowdhury in 1984 and became its Secretary General for a short time.

Appointed Minister for Commerce on 8 March 1984 in Ershad's Cabinet. Held post until Ershad dissolved his Cabinet on 15 January 1985.

One of the original movers of the Jatiyo Party. Became its Secretary General in January 1986, but the position was given to the tougher Mahmudul Hasan in December 1986. Visited UK in early December 1986 to establish Jatiyo branches in major cities.

He then held the portfolio of Works until he was appointed Minister for Education and Health and Population Control. He was moved to Communications in July 1986 when he was appointed Deputy Prime Minister. Moved to the more prestigious, and difficult, Ministry of Home Affairs in November 1986.

Involved with a number of national medical and social organisations and has represented Bangladesh in many international medical conferences. He has a number of publications in the medical field.

Dr Matin is married. His wife Dr Tashmina Matin is a gynaecologist. He has two sons and one daughter.

MAHMUD ANISUL ISLAM, MP

Minister of Foreign Affairs since December 1988.

Born 1947. Son of a well-known industrialist. Obtained his BC (Hons) degree in Economics from Dhaka University in 1968 and MSC in Economics from Islamabad University. From 1969-70 he was a lecturer in economics at Dhaka University. MA in Economics from Essex University in 1970 under Commonwealth Scholarship Programme. From 1972-73 he was a senior Research Associate in Economics at East Anglia University and was Lecturer in Economics in Hatfield College from 1973-77. In 1975 he was called to the Bar from Lincolns Inn, London.

In 1979 he was elected a BNP MP becoming a member of the Public Accounts Committee and the Standing Committee on Education. Visited the UJSA in 1980. In 1981 he attended the 36th session of the UNGA as a member of the Bangladesh delegation.

Appointed Minister of Labour and Manpower in January 1985. Moved to the Ministry of Irrigation, Water Development and Flood Control in July 1986. Appointed Minister of Education in March 1988. Accompanied the President on his visits to India, Nepal, Bhutan and China to discuss flood prevention measures in late 1988. Given Irrigation, Water Development and Flood Control Ministry in addition to his Education portfolio on October 1988. Appointed Minister for Foreign Affairs following the resignation of Humayun Rasheed Choudhury.

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As well as being Chairman of the Bangladesh Cricket Control Board, he is also the President of the Bangladesh Flying Club. Personal interests are cricket, flying and photography.

Married with one son and one daughter.

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BANGLADESH: ANNUAL REVIEW FOR 1988

The British High Commissioner at Dhaka to the Secretary of State for Foreign and Commonwealth Affairs.

SUMMARY

1. A year dominated by widespread and devastating flooding capped by cyclone. Internally the opposition parties unable to sustain efforts to topple Ershad and lapsed into frustrated impotence. Ershad re-established supremacy. (Paragraphs 1-3)
2. India main external preoccupation. Bilateral relations cooled because of India's dismissal of Bangladesh's attempts to organise regional approach to flood control. The world community evinced much goodwill for Bangladesh's plight. (Paragraph 4)
3. Relations between Britain and Bangladesh excellent. Sincere appreciation of British assistance for relief and rehabilitation. Lord Glenarthur's successful visit. (Paragraph 5)
4. Economy depressed by the political unrest and natural disasters which undermined Budget plans. Foreign exchange reserves high. (Paragraphs 6-7)
5. Britain still a major bilateral aid donor with good record of disbursement. More aid being channelled through NGOs. Liberalisation of commodity aid procedures under consideration. (Paragraph 8)
6. Bangladesh's determined efforts to attract foreign investment particularly from UK. Britain regarded as a reliable trading partner. (Paragraphs 9-10)
7. British immigration policies uncontentious. Possible change in the pattern of Bangladeshi immigration. Visitor appeals causing resource problems. Fraud widely deployed. DNA helpful. (Paragraphs 11-13)
8. Bangladesh has a future and British prospects bright. We are well placed to nudge Bangladesh in the direction of democracy and to exploit prevailing bilateral goodwill. (Paragraphs 14-15)
9. Need to ensure that if circumstances occasioned a change of government, we should start off on the right foot with the next Administration. (Paragraph 16)

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10. Main thrusts of our immediate activity will be commercial and developmental. We can assist Bangladesh to attract more British investment and trade. Our Aid Programme regarded by the Bangladeshis as a valuable contribution to development. We can be active in international moves to develop flood alleviation measures. (Paragraphs 17-18)

11. Cheerful demeanour of Mission staff during flooding. (Paragraph 19)

BRITISH HIGH COMMISSION
DHAKA

11 January 1989

The Rt Hon Sir Geoffrey Howe QC MP
FCO
LONDON

Sir

BANGLADESH: ANNUAL REVIEW FOR 1988

Dacca city is considerably above the highest level of the surrounding rivers in ordinary seasons of inundation. - James Taylor
"A Sketch of the Topography of Dacca" 1840.

1988 was no ordinary season.

1. On 26 August, as the aeroplane bringing my wife and me from home leave approached Dhaka, we peered out and remarked that unlike 1987 there had been a normal monsoon. Four days later, President Ershad invited me to accompany him on a helicopter flight to see what was in store for Bangladesh. The flight revealed a vast expanse of water moving southwards down the Rivers Brahmaputra and Meghna and their ancillary systems, covering much of the deltaic plain. Within days, 53 of the country's 64 Districts including Bangladesh's heartland, the capital city and the international airport were engulfed by the worst floods in living memory. Communications and infrastructure were badly damaged, homes destroyed and hundreds of people drowned. As if that were not enough, an unseasonable cyclone in November damaged much of the southwest.
2. The year had not started well for Bangladesh. The political alliances led by the Awami League and Bangladesh National Party had set aside their differences and were combining to effect Ershad's removal through a series of demonstrations and hartals (strikes). Government business was interrupted, the economy impaired and the production and movement of goods hampered. Supported by the military, who evinced little desire to become overtly involved in politics, Ershad kept his nerve. His steadfastness caused the opposition unity to crumble and demoralised party supporters. In March Ershad was able to hold rigged elections which produced an overwhelming government majority in the Parliament and a small compliant opposition.
3. After the elections Ershad re-established his Government's supremacy. The frustrated opposition parties were emasculated by policy disputes and internal wrangles. By the middle of the year it was evident that political stability was returning, accompanied by a fresh confidence in foreign investors and indigenous entrepreneurs. The Bangladesh Government renewed its efforts to

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develop its industrial sectors by publicising internationally its accommodating industrial policies.

External Relations

4. Bangladesh's main international pre-occupation was with India, with whom relations, distant at the beginning of the year, became markedly cooler through India's dismissal of Bangladesh's attempts to organise a regional approach to flood control. India insisted that the issue could be solved by bilateral water management incorporating a link canal between the Brahmaputra and Ganges Rivers which would destroy much agricultural land and cut off a large piece of Bangladesh. Unsurprisingly, Ershad rejected the proposition. His post-flood visits to other regional countries while securing sympathy did not change Indian minds or counter suspicions that Bangladesh was attempting to organise regional opinion against India. On the other hand the Bangladeshis were much gratified by the tremendous goodwill and concern evinced by the world community in the United Nations for Bangladesh's plight.

5. Relations between Britain and Bangladesh were excellent. The degree of access to all levels of government enjoyed by this Mission, the scope of mutual trust and working was extensive. My helicopter ride with Ershad enabled me to report the dangers that Bangladesh faced and Mr Patten's prompt action enabled us to be in the van of nations responding to the disaster and, at £25m, one of the largest providers of assistance for relief and rehabilitation. Lord Glenarthur's visit in December was a great success and underlined the close political, economic and social links between the two countries. He was received everywhere with much warmth.

Economy

6. The economy was depressed by the overhang from the political unrest and the natural disasters. The GDP growth in 1987/88 was no more than 2.4%: in 1988/89 it is likely to be only 2%. Flood damage has been estimated at US\$1bn. Food grain losses were some 3m tonnes. The 1988/89 Budget predictions have been undermined: expenditure was markedly higher due to flood relief and rehabilitation requirements while revenue collection, heavily dependant on imports, was down. Inflation was 11.4%.

7. Agriculture, the sector furnishing 80% of employment and 47% of GDP, was in the doldrums. Industry which provides 10% of GDP was subjected to major policy changes to stimulate privatisation and investment. Employment generating, industrial expansion is the only hope for the increasing army of urban unemployed and rural landless. The deficit on foreign trade moderated through further growth in non-traditional exports (garments, leather and fish) and the weakened post-flood import market. Aid inflows and remittances from expatriate Bangladeshis kept the external trading situation in balance. Foreign exchange reserves, boosted by a post-flood allocation from the IMF, were at record levels with a year-end balance equivalent to 3 months of imports. The debt service ratio was a manageable 23%.

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8. Britain continued to be a major donor. The frustrations inherent in aid application to Bangladesh have been well documented but Britain was one of the few donors to reach an acceptable level of disbursement. In the British financial year 1988/89 we should exceed our aid provision of £46.5m. We remain active principally in the energy, communications and natural resources sectors, but an increasing proportion of our aid is channelled through non-governmental organisations. Experience has shown that this is the most effective means of diverting aid to the poorest. We pressed for the liberalisation of commodity aid procedures so as to increase its use by the private sector. We are optimistic that our objectives will be realised.

Commerce

9. Bangladeshis continued to regard the UK as a reliable trading partner. Local entrepreneurs often look to Britain when contemplating the purchase of new equipment. British suppliers could take more advantage of that goodwill but it is essential that they price competitively to counter Japan and Korea. It says much for the Bangladeshis that throughout the flood and afterwards the Government maintained its policy of encouraging industrial expansion and facilitating investment procedures. The well attended October BASATA Conference in London, where Prime Minister Moudud Ahmed was the chief speaker, went some way to reassuring British businessmen that the Bangladesh market could be taken seriously. The Government ended the year by establishing a Board of Investment designed to expedite investment and development by cutting out bureaucratic delays.

10. Bangladesh remained a small but interesting market for Britain. In the period January - August 1988 exports at £36.8m were slightly down on the previous year's figure (£37.3m). Bangladeshi exports to the UK over the same period rose to £29.5m from £23.8m: the trade gap is narrowing.

Immigration

11. British immigration policies were not a contentious issue. The Immigration Act in August attracted scant attention and almost no adverse comment. New settlement applications were 9% fewer than in 1987. The ratio of persons per application declined to 2.09%. We may be experiencing a sea change in the pattern of Bangladeshi immigration; the large family cases for which Dhaka was renowned are diminishing and are being replaced by spouse applications.

12. Non-settlement cases increased by 13% with 12,000 applications; 75% were issued with a visa within three hours. Visitor refusals were at the rate of 1 in 5 applications, one-third of whom appealed. More than 550 visitor appeals were lodged in 1988 with

/little

little staff capacity to process them. This is now the principal aspect of concern in the immigration operation and is one Ministers may wish to reconsider.

13. Fraud continued to be employed in a substantial number of applications. In October I appealed afresh to the Bangladesh authorities for cooperation in curtailing it. Lord Glenarthur echoed the request but there was little effective response. DNA proved helpful in resolving many cases. We await a Ministerial decision on a publicly-funded scheme which could be of material assistance in resolving difficult case work.

Prospects

14. "Does Bangladesh have a future?" is a question heard frequently in the aftermath of the year's natural disasters. While acknowledging the country's propensity to calamity and the problems posed by its seemingly inexorable population growth, I believe it has. We cannot abandon a friendly country of 110m people whose resilience and recuperative abilities demonstrate their faith in their homeland. British prospects in Bangladesh are, in fact, bright. Barring accidents, Ershad and his Government are set to continue in office for some years. The Government is pro-Western and particularly well disposed towards the UK. This Mission is well placed to exploit that goodwill for the promotion and furtherance of British interests.

15. Ershad has provided Bangladesh with a form of constitutional government but it does not approach normal standards of democracy. He is willing to listen to the British and so long as we take care not to appear to be interfering in Bangladesh's internal affairs, we can use our influence to nudge Ershad in the direction of a more democratic government and towards improving the situation in the Chittagong Hill Tracts where the Government has offered an imaginative settlement to the tribal peoples. Ershad's forthcoming Official Visit to the UK, to which he is looking forward immensely, will provide an opportunity to voice our friendly concern for the development of democratic institutions and reiterate continuing support for the country's development. During 1989 Ershad's negotiations with the opposition may reach the stage where he feels able to call fresh parliamentary elections but I doubt whether these will be "free". I envisage a repeat of 1986 when the Awami League acquired a sizeable block of seats in Parliament but Ershad and his Jatiya Party continued to govern.

16. One cannot legislate for the hot-head in Bengal and it is not irrelevant that Ershad's two important predecessors were assassinated. While supporting Ershad and his Government we must not ignore the possibility that he too might meet an untimely end or that the Army might withdraw support. We have prepared the ground to ensure that in that eventuality we would start off on the right foot with the next government, whether it be another Martial Law Administration - we have good connections with senior officers in the Armed Forces - or led by one of the political parties. We have hedged our bets and established cordial but non-committed links with the party leaders which we shall continue to foster, but none is a Benazir Bhutto.

/17.

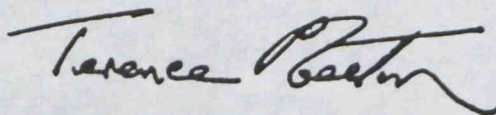
7. The main thrusts of our immediate activities will be in the commercial and developmental fields. Bangladesh's economic well-being requires her to expand her industrial base to reduce dependence on aid. We have a head start over other countries by virtue of being the largest expatriate investor. Encouraged by those already here, who have embarked on expansion and diversification, British businessmen are examining the possibility of investment in Bangladesh. We can help by monitoring the Investment Board's performance. The country is seeking to benefit from the withdrawal by the United States of GSP from the four "Asian Tigers"; Hong Kong, Singapore, South Korea and Taiwan. Some British manufacturers in those territories are already considering transferring their operations to Bangladesh. The Commonwealth Development Corporation is active in a number of important projects. 1989 may see the sale of three British Aerospace Advanced Turbo-Prop aircraft to the national airline.

18. Developmentally we can assist Bangladesh in two ways. First, by the continuation of our well-targetted Aid Programme where prospects for expenditure next year are good. We are influential among the donor community in the formulation of multilateral funded assistance where some exceedingly large projects are about to be started. We must ensure that British suppliers and consultants are fully informed of the possibilities. Secondly, we have declared our willingness to support international moves to tackle flood control. Mr Patten has said he is prepared to organise a meeting in London to consider future action. His initiative is unlikely to be acceptable to India but there remains a need for international cooperation on flood alleviation measures within Bangladesh, a field in which British consultants excel. But we should work through the United Nations and not, pace France, offer help which cannot be translated into effective action. The Bangladesh Government have reversed the policy of exclusive use of Bengali and emphasised the teaching of English. The British Council's three English Language Resource Centres will enable us to take this tide at the flood.

19. The pundits differ in their explanations for this year's flooding but there is common agreement that such occurrences may become ever more frequent. We must take that factor into account when making management dispositions affecting the Mission. I was especially pleased that the new compound under construction stood island-like above the waters. I have no doubt that during any future disasters my staff will bear the consequent tribulations with the same cheerful fortitude they all displayed in 1988.

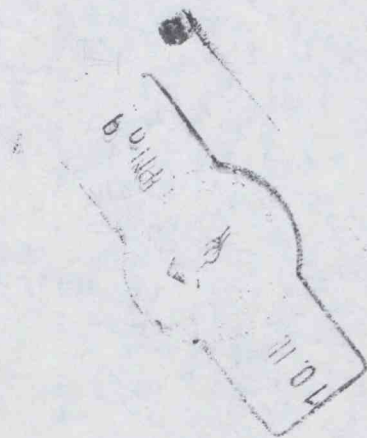
20. I am sending copies of this despatch to Her Majesty's Representatives at New Delhi, Islamabad, Kathmandu, Colombo and Rangoon; to the Permanent Secretary at the ODA; and to the Executive Director of the Bank of England.

I am, Sir
Yours faithfully



T G STREETON

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CHARLES POWELL

You may find this of interest for the
Prime Minister's meeting with the
President of Bangladesh.

With Compliments
George R. J. Guise

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meeting
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JWSF/SH

10 February 1989

BY HAND

Professor Brian Griffiths
Head of the Policy Unit
10 Downing Street
LONDON SW1A 2AA

Dear Professor Griffiths

Re: President Erschad's Visit - 14/18 February 1989
Jamuna Multi-Purpose Bridge - Bangladesh

I am enclosing herewith a paper which we have prepared in conjunction with the above project which I believe you may find helpful prior to President Erschad's visit next week.

Please let me know if you require any further information.

Yours sincerely

Pamela Hodges
(Secretary)

J J W S FLETCHER
Director - Marketing and Business Development

Enc.

(Signed in the absence of Mr Fletcher, but approved by him.)

DIRECTORS · SIR NIGEL BROACKES (CHAIRMAN) · ERIC W PARKER (DEPUTY CHAIRMAN AND CHIEF EXECUTIVE)
G H B CARTER · THE MARQUESS OF TAVISTOCK · V A GRUNDY · A W CLEMENTS · G E KNIGHT CBE · D M CALVERLEY
J W S FLETCHER · I FOWLER · A G GORMLY · D ST J McDERMOTT · J R W ANSDALL

REGISTERED IN ENGLAND NO 867281 REGISTERED OFFICE · 1 BERKELEY STREET · LONDON W1A 1BY

TRAFALGAR HOUSE PLC

Re: President Erschad's Visit - 14th/18th February 1989

Jamuna Multi-Purpose Bridge - Bangladesh

The above project has been talked about for many years, but it is only since the World Bank decided some two years ago to support it and to appoint a strong team of consultants that the project has become much more of a reality with the Bangladesh Government. We believe that the subject may be raised during the President's visit to London next week because his Government now wishes to proceed to construction.

The case for the bridge appears to be good as it provides a physical link between the two halves of Bangladesh, thus providing an effective connection between East and West Bangladesh. This will enable a free flow of people, goods and, perhaps most important of all, energy from the Eastern Gas Fields to the areas in the West where there is scope for industrial development. The bridge will carry both road and rail traffic; together with the necessary approaches and river training work the value will be approximately £315m (\$550m) at today's prices.

Such an immense project will not be funded by any one government and, indeed, the World Bank have decided that they will not support the project on their own but require co-operation with other aid agencies. In the wake of our Bosphorus disappointments, the Japanese have approached us and stressed their belief that this project is one in which Japanese/British co-operation could be seen to be appropriate and successful. We are pursuing the project with a strong Japanese Group; the DTI are supportive of our policy and have been kept fully informed. ODA have attended various donor's meetings, and have registered their interest.

The Japanese and ourselves are only focusing on the bridge itself which amounts to about £185m of the total, and are assisted by the fact that the World Bank have appointed an international group of consultants which includes a strong British element (Highpoint Rendel). We have never seen ourselves in a dominant role in this project because of the relatively small portion of funding available from the UK but we believe that if the British Government were to offer a grant of about 25 - 30% of the bridge total, i.e. £45m/£60m over the 4/5 years construction period then this would be 'geared up' by the Japanese to complete the financing requirement for the bridge. The World Bank, together with other donors should then be able to provide the balance of the £130m (US\$230m) required to fund the approach roads and river training work on the basis of "parallel co-finance".

Jamuna Bridge, whilst undoubtedly fulfilling a desperate need will be functional in its appearance. This, and its remote location, will tend to limit its visual impact.

President Erschad will visit Tokyo on the occasion of Emperor Hirohito's funeral on 24th February 1989 and it may be that he will raise this subject with Prime Minister Takeshita at that time should he receive an encouraging response in London.

It is appreciated that this is by no means Trafalgar's most important overseas project but its significance lies in determining whether the Japanese are indeed willing to demonstrate their new co-operative attitude to Britain on international major projects. Needless to say, Bangladesh would be delighted if Britain were seen to be providing a critical pump priming aid contribution at this stage without which this entire £315m (\$550m) project is unlikely to be implemented.

ACW/10.2.89

Pl. being forward
for Ershad
only.

With the compliments of Lord King of Wartnaby *an*

8 February 1989

The Rt Hon Sir Geoffrey Howe QC MP
Secretary of State for Foreign and
Commonwealth Affairs
Foreign and Commonwealth Office
Downing Street
London SW1A 2AL

British Airways Plc
Enserch House
8 St. James's Square
London SW1Y 4JU

Telephone: 01-930 4915

Chairman:
Lord King of Wartnaby

Dear Sir

I have just returned from a visit to India and Bangladesh. In Bangladesh I attended the official opening of the Families for Children Orphanage in Dhaka which was constructed and financed with much assistance from British Airways staff.

The opening ceremony was performed by President Ershad and received extensive coverage in the media in Bangladesh as well as by television and radio in this country and Canada.

The story of Sreepur has caught the hearts and imagination of many people, both in the United Kingdom and Bangladesh. It is an achievement in which I believe we may take pride. President Ershad was generous in his acknowledgement of the contribution made by British Airways at various levels.

The Orphanage has been completed on time and to an impressionably high specification. I thought that you would wish to know of President Ershad's personal involvement in view of his visit to this country next week.

I am enclosing copies of letters which I have sent to the Prime Minister of India and the President of Bangladesh.

Yours ever

John

cc: Mr Charles Powell
10 Downing Street SW1

Directors: The Rt. Hon. The Lord King of Wartnaby (Chairman),
R.A. Henderson (Dep. Chairman), Sir Colin Marshall (Chief Executive),
N.G.E. Dunlop (Chief Financial Officer), B.E.S. Collins CBE, A.M. Davies,
Capt. J. Jessop CBE, Sir Francis Kennedy KCMG CBE, H.U.A. Lambert.



British Airways Plc,
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Hounslow TW6 2JA,
Registered in England No. 1777777.

1A, Connaught Place
New Delhi-110001
Tel. 3327109

February 3, 1989

To
The Prime Minister
Mr. Rajiv Gandhi
South Block
New Delhi

The Oberoi Hotel
New Delhi

Dear Prime Minister

The Board of British Airways is meeting today in Delhi to commemorate the Sixtieth Anniversary of the inauguration of Scheduled Air Services between India and the United Kingdom.

On behalf of my Board and of the staff of British Airways may I convey to you, Prime Minister, our respectful greetings and our gratitude for the cooperation which the Government of India has extended to my company and its predecessors during the sixty years in which we have been privileged to fly to India.

India has a valued place in the British Airways global network of routes. It is our objective, Prime Minister, to deliver to India through that network the highest quality of airline services available in the world.

Please accept, Prime Minister, the assurance of my sincere good wishes to you personally and to the great nation which you lead.

*Yours sincerely
D. King*

The Lord King of Wartnaby
Chairman of British Airways



British Airways Plc.
Registered office:
Speedbird House,
Heathrow Airport (London)
Hounslow TW6 2JA,
Registered in England No. 1777777.

8 February 1989

British Airways Plc
Enserch House
8 St. James's Square
London SW1Y 4JU

Telephone: 01-930 4915

His Excellency, The Most Honourable
President of Bangladesh
Dhaka
Bangladesh

Chairman:
Lord King of Wartnaby

Your Excellency,

All of us in British Airways are deeply grateful to you and to Her Excellency, The Begum, for your presence and for your gracious words at the official opening of the Families for Children Orphanage at Sreepur. They are deeply appreciated by everyone in British Airways. The opening of the Orphanage was an event which none of us who were fortunate enough to attend will forget.

May I wish you every success, Your Excellency, during your forthcoming visit to the United Kingdom. If I or my company can be of assistance to you during that visit we should be honoured to provide it.

Would you please accept, Your Excellency, the assurance of my best wishes for you and your family and for the people of Bangladesh.

I have the honour to be Sir
Yours sincerely
Phillip





file DTB (86)

bc : pc

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

23 January 1989

Thank you for your letter of 18 January.
I am sorry to be rather slow in replying.

Despite efforts to alter the Prime Minister's programme, I am afraid that it will sadly not be possible for her to attend the official reception which you will be giving in honour of His Excellency President Ershad on 15 February. I am so sorry to disappoint you. However, I understand that the Foreign Secretary, Sir Geoffrey Howe, will be able to attend.

C. D. POWELL

His Excellency Major General K. M. Safiullah, BU

Ria/1



HIGH COMMISSION FOR THE PEOPLE'S REPUBLIC OF BANGLADESH

28 Queen's Gate, London SW7 5JA

Phones: 01-584 0081 (4 Lines)

01-589 4842 (3 Lines)

Grams: BANGLADOOT, LONDON, SW7

Telex: 918016

HIGH COMMISSIONER

No. Pol-I/13/88

18 January 1989

Dear Mr. Powell,

I recall with pleasure meeting you on 6th January, 1989, when I went to hand over the letter from our Hon'ble President addressed to Rt. Hon'ble Prime Minister. I had also availed myself of that opportunity to convey my warm invitation to the Prime Minister to the official reception I shall be hosting in honour of the President on Wednesday, 15 February, 1989 (1800 to 2000 hrs at the Inter-Continental Hotel, 1 Hamilton Place, London W1). I shall be very happy if I could perhaps be advised in this matter.

Yours sincerely,

(Major General K M Safiullah, BU)

Mr. C. D. Powell,
Private Secretary to the
Hon'ble Prime Minister
The Prime Minister's Office,
10 Downing Street,
London SW1A 2AL



celc 8W

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

6 January 1989

Dear dyn,

VISIT OF PRESIDENT ERSHAD

I enclose a copy of President Ershad's letter of 24 December accepting the Prime Minister's invitation to visit the United Kingdom in February, which was delivered to me by the Bangladesh High Commissioner today.

The High Commissioner asked whether the Prime Minister would be able to attend a return reception on 15 February. I said that I thought this unlikely but would check. Would the Foreign Secretary be able to go in the event that the Prime Minister cannot?

Yours sincerely,

(C. D. POWELL)

Lyn Parker, Esq.,
Foreign and Commonwealth Office.

51

স্বাগতম

PRIME MINISTER'S
PERSONAL MESSAGE

SERIAL No. T201R/88

SUBJECT cc OPS
MASTER



PRESIDENT
PEOPLE'S REPUBLIC OF BANGLADESH
DHAKA

24 December 1988

your Excellency,

Kindly accept my sincere thanks for your letter of 29th October 1988 delivered to me by Lord Glenarthur. I appreciate your gesture in inviting me to visit Britain and I have great pleasure in accepting your kind invitation. The details of my proposed visit would be worked out through our diplomatic channels.

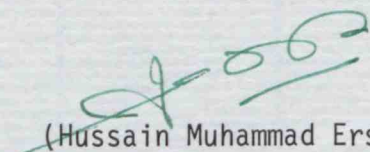
We attach great importance to our relations with Britain and I am happy about the way our traditional warm ties have been developing in recent times. Your sympathy and humanitarian assistance during the recent devastating floods in Bangladesh and the supportive role of the British delegation at the recent UN Special Session on disaster assistance to Bangladesh showed how much you care for the welfare of the people of Bangladesh.

We have always appreciated the active and constructive role of Great Britain under your leadership for promotion of a more relaxed international climate and East-West detente. I do hope that my visit to Britain would help strengthen further, the close ties which so happily exist between our two friendly countries.

I look forward with pleasure to the opportunity of meeting you.

with warmest regards.

Yours sincerely


(Hussain Muhammad Ershad)

Her Excellency The Rt.
Hon'ble Margaret Thatcher
Prime Minister of the United
Kingdom of Great Britain and
Northern Ireland
London, U.K.

PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. T181/88



He el
cc fu

10 DOWNING STREET

LONDON SW1A 2AA

Subject: cc Marker
OPs

THE PRIME MINISTER

29 November 1988

Dear Mr. President

As you will know from my conversation with Prime Minister Moudud Ahmed on 26 October, I have been hoping that it would be possible for us to find a time when you could come to Britain as a guest of the British Government. I understand from our High Commissioner, Mr. Streeton, that you would be able to make a visit covering a programme of official engagements from 15-17 February 1989. You will be very welcome here on those dates. Perhaps we can leave the details to be discussed between your High Commission and the Foreign and Commonwealth Office.

I would like to take this opportunity to say how much I appreciated your decision that Bangladesh should not vote in favour of the Argentine resolution on the Falkland stands at the UNGA debate this year. This was most welcome.

I much look forward to meeting you again.

Yours sincerely

Rajam Shalita

His Excellency President Hussain Muhammad Ershad

Am



Foreign and Commonwealth Office

London SW1A 2AH

28 November 1988

Dear Andrew

Invitation to President Ershad for
Guest of Government Visit

In your letter of 26 October you confirmed that the Prime Minister had agreed to invite President Ershad and that she could see him on Thursday 16 February.

Our High Commissioner in Dhaka has now sounded out President Ershad informally and he has confirmed that he would welcome an invitation for a Guest of Government visit from 15-17 February. I enclose a draft letter of invitation from the Prime Minister to President Ershad.

President Ershad also assured Mr Streeton that Bangladesh would revert to abstention from "yes" in the vote on the Falklands at UNGA. In the event, the Bangladesh delegation was absent. The Prime Minister may nevertheless wish to include a word of appreciation.

President Ershad is due to call on the Prime Minister from 1700 - 1800 on 16 February, and to attend a dinner at 2000.

Yours ever

R N Peirce

(R. N Peirce)
Private Secretary

C D Powell Esq
No 10 Downing Street

DSR 11 (Revised Sept 85)

DRAFT: minute/letter/teleletter/despatch/note

TYPE: Draft/Final 1 +

FROM:
Prime Minister

Reference

DEPARTMENT:

TEL. NO:

Your Reference

BUILDING:

ROOM NO:

SECURITY CLASSIFICATION

Top Secret

Secret

Confidential

Restricted

Unclassified

PRIVACY MARKING

..... In Confidence

CAVEAT

TO:

Copies to:

His Excellency President Hussain Muhammad Ershad
President
People's Republic of Bangladesh

SUBJECT:

EL 3DDJ

As you will know from my conversation with Prime Minister Moudud Ahmed on 26 October, I have been hoping that it would be possible for us to find a time when you could come to Britain as a guest of the British Government. I understand from our High Commissioner, ^{Mr} Terry Streeton, that you would be able to make a visit covering a programme of official engagements from 15-17 February 1989. You will be very welcome here on those dates. Perhaps we can leave the details to be discussed between your High Commission and the Foreign and Commonwealth Office.

I would like to take this opportunity to say how much I appreciated your decision that Bangladesh should not vote in favour of the Argentine resolution on the Falkland stands at the UNGA debate this year. This was most welcome. I hope that next year we shall be able to persuade you to go one further, and abstain on the resolution, better still vote against it!

Enclosures flag(s)

PO5AAR



SECURITY CLASSIFICATION

Top Secret

Secret

Confidential

Restricted

Unclassified

PRIVACY MARKING

.....

In Confidence

I much look forward to meeting you again.



file MTZ CWD

bc: PC

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

26 October 1988

INVITATION TO PRESIDENT ERSHAD

BF | As you will see from my note of the Prime Minister's meeting with the Bangladesh Prime Minister, the Prime Minister has agreed to invite President Ershad as a guest of Government next year. Of the various possible dates identified in your letter, the best from the Prime Minister's point of view would be Thursday 16 February. She could see President Ershad from 1700-1800 that afternoon followed by a dinner at 2000. I should be grateful if this could be proposed.

Charles Powell

R.N. Peirce, Esq.,
Foreign and Commonwealth Office.

Edw

RS. GAISMAN

BANGLADESH

The Prime Minister has agreed that the President of Bangladesh should be invited to the UK next year. What we need is time for a dinner and a one hour meeting. The periods which would suit The Queen would be between 14 February and 3 March or 14-22 March. Could you please suggest a date in that period.

CDP

C. D. POWELL

25 October 1988

Charles

— Tuesday 16th February
1700-1800 Meeting
1930 for 2000 Dinner.

Can you let me know if this
suits them?

74.

26/10



Foreign and Commonwealth Office

London SW1A 2AH

24 October 1988

Prime Minister

Agree to invite

President Ershad in February

or March next year? It would

Sen Charles involve just talks & a lunch.

Yes no

CCP 24x

Bangladesh: Proposed guest of Government
visit by President Ershad

In your letter of 26 August you asked us to reflect further on the wisdom of inviting President Ershad to look for new dates in the New Year.

and

The Foreign Secretary has taken another look at this proposal, and in doing so has taken account of the recent floods and of the British Government's response to them. The Prime Minister may remember that President Ershad has sent a message of thanks for the speedy and generosity of our contribution of £7.5 million of emergency aid. In these circumstances, the Foreign Secretary does not consider it likely that President Ershad will make a very strong pitch for more money. Our High Commissioner in Dhaka has already reported that the Bangladesh Prime Minister, Moudud Ahmed, is not expected to ask for more aid when he calls on the Prime Minister on 26 October. If President Ershad were to ask for more aid, we should be able to point to the extra money we have just given him. The Foreign Secretary does not believe that we need feel any embarrassment about refusing to promise increased funds for the future.

*Oh yes
he will
it happened
before.*

I will not repeat the case for a visit here; it was set out in Mark Lyall Grant's letter of 16 August to Andy Bearpark. The Foreign Secretary believes it to be a strong case, and to have been further strengthened by the public sympathy attracted in this country by Bangladesh's recent misfortunes. He sees, however, no problem about postponing the visit until early in the new year.

We have established that the Queen could grant an Audience and give a lunch for Ershad in the period 14 February - 3 March, or 14 - 22 March. Could the Prime Minister offer Ershad talks and a meal in this period?

/If



If an invitation is to be issued, there would clearly be advantage in taking a decision before the visit by Moudud Ahmed, so that the Prime Minister can mention it during her meeting.

Yours ever

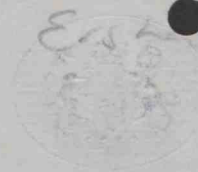
A handwritten signature in blue ink, appearing to read 'R N Peirce'.

(R N Peirce)
Private Secretary

C D Powell Esq
PS/No 10 Downing Street

BANGLADESH: Visit to Britain

by General Eshwar





10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

26 August 1988

**BANGLADESH: PROPOSED GUEST OF GOVERNMENT VISIT BY
PRESIDENT ERSHAD**

Mark Lyall Grant wrote to Andy Bearpark on 16 August about the proposal to invite President Ershad to pay a Guest of Government visit in December.

The Prime Minister remains convinced that such a visit will be the occasion for the Bangladesh Government to press hard for substantial additional aid. She wonders whether it is really wise to provide the Bangladesh Government with such an obvious platform for this; and would like the Foreign Secretary to reflect further on the political wisdom of such an invitation. At the least, can we be clear whether or not we are in a position to offer additional aid within the present public expenditure planning totals, and if so how much.

There are also difficulties over timing: early December is a very busy time for the Prime Minister and her preference would be not to have the obligation of a Guest of Government visit then but rather to look for dates early in the New Year. It is presumably the fact of an invitation which is significant rather than the precise dates, provided it is not too long postponed.

I should be grateful if you could look at these points again.

(C. D. POWELL)

R. N. Peirce, Esq.,
Foreign and Commonwealth Office.

PRIME MINISTER

POSSIBLE VISIT OF PRESIDENT ERSHAD

The Royal Visits Committee have agreed that President Ershad of Bangladesh should be invited to the United Kingdom as a Guest of Government. The attached letter supports the request and proposes dates of 6-9 December (which would be possible for The Queen and the City).

The dates would not, however, be at all convenient for you, as the attached excerpt from your diary shows. The only day you could possibly manage would be Tuesday 6 December. We could cancel the bilaterals with the FCS and Chancellor and bring forward the Audience to 6.00. This would make it possible to have talks from 4.30-5.30 and dinner at 8.00. But I still think it would be better to look for other dates in the New Year.

Agree to request postponement?

OR

Fit in on 6 December?

CDP

CHARLES POWELL
24 August 1988

EL3CZU

- On audience another
day

N.B. It will want
more Aid - quite
a lot more. Is there
a wide invitation?
mf



10 DOWNING STREET

Charles

Not great! Pm is addressing
the Recent Club from 5.00pm -
7.30 pm on Thurs. 8th. She
could offer a dinner but if talks
as well it would be rather late.
There is a V.F.W. Seminar on the
9th which is movable, but the
Pm will have to leave for
Finchley at 2.30 which makes
lunch impossible (she always
keeps the lunch time - prior to a
Finchley day - with Jon)
What do you think?
less

Lesson

How do these dates
look?

PM would be

involved

enter on 8 December - talks &
dinner

on on 9 December - talks &
lunch.

CD



10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

Duty Clerk attached.

The FCO will be
writing about an
invitation to President
Ershad. Please sit on it
until I come back.
CDG.

100 Sir Robin Butler +NLW
1100 Keep free?
Lunch with British Sports Association for the
Disabled +DT

Monday 28 November

0830 Hair
1000 Week Ahead Meeting
1030 Diary Meeting
1100 PLANT A TREE TO MARK NATIONAL TREE WEEK
1145 RETURN TO NO.10
1200 Mr. Papandreou +CDP
1300 Working lunch for Mr. Papandreou No.10
1600 Sir Angus Fraser +NLW
1630-1730 VFM Seminar

Tuesday 29 November

0900 Questions Briefing
0930 Lord Young +PG
1300 Lunch and Questions Briefing
1515 QUESTIONS
1530 CRANLEY ONSLOW +MLB
1600 KEEP FREE FOR MPs
1830 AUDIENCE

Wednesday 30 November

1030 LAUNCH "A NEW LOOK FOR LONDON" +DM?
1700 Chancellor of the Exchequer +PG
1730 Foreign Secretary +CDP
1800-1900 Drinks with MPs +MLB

Thursday 1 December

0830 Hair
0900 Questions Briefing Team
1030 Cabinet?
1300 Lunch and Questions Briefing
1515 QUESTIONS
1545 KEEP FREE FOR MPs

Friday, 2 - Saturday 3 December

EUROPEAN COUNCIL - RHODES

Monday 5 December

0830 Hair
1000 Week Ahead Meeting
1030 Diary meeting
1215 Meeting with Colleagues
1300 followed by Lunch
1600 Mr Rocard
1830 Reception for NSPCC No.10
c2015 "NEW BOYS" DINNER ST. STEPHEN'S CLUB

Tuesday, 6 December

0900 Questions Briefing Team
1300 Lunch and Questions Briefing
1515 QUESTIONS
1545 KEEP FREE FOR MPs
1700 Chancellor of the Exchequer +PG
1730 Foreign Secretary +CDP
1830 AUDIENCE

Wednesday, 7 December

am only REGIONAL TOUR

Thursday 8 December

0830 Hair
0900 Questions Briefing Team
1030 Cabinet
1300 Lunch and Questions Briefing
1515 QUESTIONS
1545 KEEP FREE FOR MPs
1700-1930 ADDRESS PER CENT CLUB
RETURN TO NO.10

Friday 9 December

0930 Professor Griffiths +PG
1000 Sir Robin Butler +NLW
1100 Sir Angus Fraser +NLW
1130-1230 Value for Money Seminar
Lunch in Flat
FINCHLEY
TO CHEQUERS

Saturday 10 December

KEEP FREE

Monday 12 December

0830 Hair
1000 Week Ahead Meeting
1030 Diary Meeting
1215 Meeting with colleagues
1300 followed by Lunch
pm ?Keep free
2015-2030 ATTEND DINNER GIVEN BY HRH PRINCESS ALEXANDRA FOR
THE AMERICAN AMBASSADOR AND MRS. PRICE + DT -
25 ST. JAMES'S PALACE

Tuesday, 13 December

0900 Questions Briefing Team
0930 Lord Young +PG
1300 Lunch and Questions Briefing
1515 QUESTIONS
1545 CRANLEY ONSLOW +MLW
1600 KEEP FREE FOR MPs
1830 AUDIENCE

5

Wednesday 14 December

1700 Chancellor of the Exchequer +PG
1730 Foreign Secretary +CDP
1800-1900 Drinks with MPs +MLB

Thursday 15 December

0830 Hair
0900 Questions Briefing
1030 Cabinet
1300 Lunch and Questions Briefing
1515 QUESTIONS
1545 KEEP FREE FOR MPs

Friday 16 December

0930 Professor Griffiths +PG
1000 Sir Robin Butler
CCO PARTY or 19th

Monday 19 December

0830 Hair
1000 Week Ahead Meeting
1030 Diary meeting
1215 Meeting with Colleagues
1300 followed by Lunch

Tuesday, 20 December

0900 Questions Briefing Team
1300 Lunch and Questions Briefing
1515 QUESTIONS
1545 KEEP FREE FOR MPs
1830 AUDIENCE

Wednesday 21 December

1700 Chancellor of the Exchequer +PG
1730 Foreign Secretary +CDP

Thursday 22 December

0830 Hair
0900 Questions Briefing Team
1030 Cabinet
1300 Lunch and Questions Briefing
1515 QUESTIONS
1545 KEEP FREE FOR MPs
1830 Christmas Party No.10

Friday 23 December

0930 Professor Griffiths +PG
1000 Sir Robin Butler +NLW



Foreign and Commonwealth Office

London SW1A 2AH

16 August 1988

P A Bearpark Esq
10 Downing Street
LONDON

Dear Andy,

**BANGLADESH: PROPOSED GUEST OF GOVERNMENT VISIT
BY PRESIDENT ERSHAD, 6-9 DECEMBER**

President Ershad of Bangladesh was due to be invited to pay a Guest of Government visit early this year but, because of political unrest in Bangladesh, the invitation never issued. The political situation in Bangladesh is now much calmer, and the Royal Visits Committee has decided to reinstate the visit.

A cancellation in the Guest of Government visits programme allows the opportunity to invite President Ershad to visit between 6 and 9 December. We know that HM The Queen would be able to offer a lunch on 6 or 9 December; the City of London a dinner on 6th, or lunch on 8th or 9th. Would the Prime Minister agree to offer President Ershad dinner on 8th December, or lunch on 9th? I enclose a tentative outline programme including both these options.

Bangladesh is the second most populous country in the Commonwealth, and the second biggest recipient of British bilateral aid. The country generally adopts a moderate line in international fora. The Government has been helpful to us over the introduction of visa regimes for Bangladesh, and other changes in immigration procedures, such as the introduction of DNA testing. There is a substantial Bangladesh community of about 200,000 in Britain.

HM The Queen paid a successful State Visit to Bangladesh in 1983. President Ershad is known to be keen to pay a return visit.

Yours ever
Mark Lyall Grant
Mark Lyall Grant
Private Secretary to
Mrs Lynda Chalker

PROPOSED GUEST OF GOVERNMENT VISIT BY PRESIDENT ERSHAD OF
BANGLADESH, 6-9 DECEMBER

6th December: Lunch with HM The Queen

7th December: Day out of London, (probably visiting Bangladeshi
community elsewhere) FCO Dinner

8th December: Lunch with City of London
EITHER Talks with Prime Minister followed by Dinner offered
by Prime Minister

9th December: Friday Prayers at Mosque
OR Talks followed by lunch offered by Prime Minister

RESTRICTED



10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

11 August, 1988.

BANGLADESH: VISIT BY PRIME MINISTER MOUDUD AHMED

Thank you for your letter of 9 August asking whether the Prime Minister would be ready to see the Bangladesh Prime Minister on 26 October. The Prime Minister would be ready to see him, although she suspects that one purpose of his visit will be to seek additional aid which she doubts whether we will be in a position to find. I should be grateful if you could be in touch with the diary secretary to fix a precise time on 26 October.

(C.D. Powell)

Lyn Parker, Esq.,
Foreign and Commonwealth Office.

RESTRICTED



RESTRICTED

Foreign and Commonwealth Office

London SW1A 2AH

9 August 1988

Dear Charles,

If we can find time.

I fear he will want more money

See him? Agree to see him?

CBP, 19/8

Bangladesh: visit by Prime Minister Moudud Ahmed

The Prime Minister of Bangladesh, Moudud Ahmed is to visit Britain for a few days in October as part of a tour of Western Europe and Japan to encourage investment in Bangladesh. He will address a seminar on 25 October on bilateral trade. He has asked whether he might call on the Prime Minister during his visit.

Mr Ahmed became Prime Minister of Bangladesh this April following elections in March. He had previously been the Senior Deputy Prime Minister and Minister for Industries. He visited Britain in 1986 and met the Foreign Secretary and the then Secretary of State for Trade and Industry.

Mr Ahmed is well disposed towards Britain (he was called to the bar here) politically able and technically competent. While he is constrained in his role as Prime Minister by the powers retained by President Ershad, he remains the country's business manager. His programme of privatisation and encouragement of foreign investment represents the best hope for Bangladesh to climb out of dependency on foreign aid. Bangladesh is our second largest aid recipient and a well-disposed member of the Commonwealth.

We hope that the Prime Minister will be able to find time to see Mr Ahmed. I understand that there may be space in the diary for a call on the afternoon of 26 October.

Yours ever,

L Parker

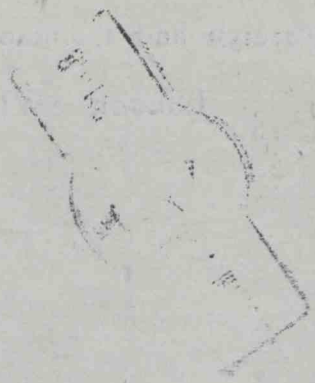
(L Parker)
Private Secretary

C D Powell Esq
PS/No 10 Downing Street

RESTRICTED

3 2
1000

STATIONER'S MARK
MADE IN U.S.A.



THE
LIBRARY OF
CONGRESS

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CCPC

NFA.

Ershad not coming now

Foreign and Commonwealth Office

London SW1A 2AH

26 November 1987

Rema
can be done
Mun
✓ on

Dear Charles

Bangladesh: Guest of Government Visit
by President Ershad

It is now agreed that President Ershad of Bangladesh should be the first Guest of Government visitor in 1988. Any time in March or April would normally suit. But previous engagements of HM The Queen and the Lord Mayor of London, both of whom would normally offer hospitality to a Guest of Government visitor, restrict possible dates to the period between 29 February and 11 March 1988. I should be grateful to know whether the Prime Minister would be free at any time during that period to have talks with President Ershad and to offer hospitality.

The Foreign Secretary could probably manage the visit at any time between 2 and 11 March, with a slight preference for the second half of that period. The most suitable dates for a visit by President Ershad, if the Prime Minister is content with them, might be from Sunday, 6 March to Saturday, 12 March.

If so, we propose to reserve the dates but to delay issuing the invitation until the current political unrest in Bangladesh is over and the prospects for President Ershad's government are clearer. The case for inviting an Ershad firmly in the saddle remains valid. But it seems prudent to let the dust of the disturbances in Dhaka settle before committing ourselves.

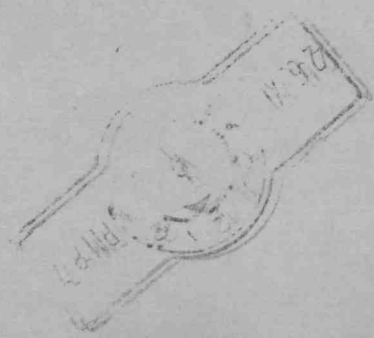
I am copying this letter to Bill Heseltine.

Yours ever

(R N Culshaw)
Private Secretary

C D Powell Esq
10 Downing Street

8





10 DOWNING STREET

THE PRIME MINISTER

18 June, 1982.

Dear General Ershad,

It was a great pleasure to see you earlier this week and I much enjoyed our talk. You left with me a very clear impression of the problems and aspirations of Bangladesh.

I write to you to thank you for the gift which you so kindly sent to me. It will be a pleasant memento of your visit here.

With very best wishes,

Yours sincerely
Margaret Thatcher

Lieutenant General H.M. Ershad

—

Lo



John
He sent
a piece of
chain. ef.

With the compliments of
Lt. Gen. H. M. Ershad ndc, psc
Chief Martial Law Administrator
Govt. of the People's Republic of Bangladesh

SUBJECT



CONFIDENTIAL

FWS

LM

Bangladesh
ce haster

10 DOWNING STREET

From the Private Secretary

15 June, 1982

BANGLADESH: VISIT OF GENERAL ERSHAD

Thank you for your letters of 11 and 14 June. General Ershad called on the Prime Minister this afternoon. I enclose a record of the conversation which I am also copying to Michael Power (Overseas Development Administration).

A. L. COLES

John Holmes, Esq
Foreign and Commonwealth Office

CONFIDENTIAL

CONFIDENTIAL

RECORD OF A CONVERSATION BETWEEN THE PRIME MINISTER AND THE CHIEF
MARTIAL LAW ADMINISTRATOR OF BANGLADESH AT 17.15 HRS ON 15 JUNE,
AT 10 DOWNING STREET

Present:- The Prime Minister General Ershad
 Mr A E Donald HE Mr. Fahuddin Ahmed
 Mr A J Coles

After brief references to Bangladesh's helpful attitude in international fora in connection with the Falkland Islands problem, and the situation in Saudi Arabia following the death of King Khalid, the Prime Minister enquired about the current situation in Bangladesh.

General Ershad said that the Prime Minister would be aware of the circumstances in which he had declared martial law. He had waited 10 months before doing so. The country had been beset by inertia; law and order were deteriorating; Ministers were bent on personal gain. President Sattar had been too weak to control the situation. In the end there had been no alternative to martial law but he had taken this route very reluctantly. He had promised the nation that democracy would be restored in the shortest possible time. He wanted a clean break between the military regime and its civilian successor. People sometimes asked why he was bringing the army into politics. His answer was that the army had been in politics since 1971 when it had taken up arms on the political issue of independence. The former President Zia had done his best for Bangladesh and brought about many improvements. But there had been no one to succeed him after his death.

The Prime Minister commented that we had known President Zia well and admired the role he had played, in particular his emphasis on self-reliance. His death was a great blow. But the circumstances of his death suggested that there must have been unrest already in Bangladesh.

General Ershad said that Zia had had the force of personality to exert control. But Sattar had not. There had been indiscipline verging on anarchy in the cities and in particular in educational institutions. He repeated that he had promised the nation that the

CONFIDENTIAL

/democratic

CONFIDENTIAL

- 2 -

democratic system would be restored, adding that it was his aim to do so within two years. He intended to institute a series of reforms. He planned to give fresh incentives to the private sector. He was trying to decentralise the administration so far as possible. There were plans to reverse the flow of landless peasants from the villages into the cities. Priority would be given to agricultural development. He wanted Bangladesh to be self-sufficient in food. But last year's wheat production had fallen 0.8 million tons short of the 2.0 million tons target and the rice crop was 1.2 million tons below target. There had been a severe shortage of food grains, largely because of mismanagement. But he now had sufficient stocks and was grateful for recent British commodity aid.

The Prime Minister asked why food was short. General Ershad said this was due to many factors, including population increase, water shortage due to a shortage of power and the current inability to plant winter food crops.

He had other reforms in mind, including the reduction of surplus manpower in the public sector, the reduction of ministries and embassies and law reform. If he failed in his plans, there was little likelihood that any of the political parties could succeed. There were some 75 parties in Bangladesh but only a few of these were to be taken seriously. The Bangladesh National Party had lost its cohesion since the death of President Zia. The Awami League was thought to have Indian and Russian support. The Muslim League had some following but the concept of a party based on religious faith was outdated in contemporary Bangladesh.

The economic situation had never been worse than it was today. Foreign exchange reserves were at their lowest since the creation of Bangladesh. Britain's aid had been very helpful. The Prime Minister commented that our aid was small in comparison with the scale of the problems. Mr Donald said that the Minister of Overseas Development hoped to visit Bangladesh in November to review our aid programme. General Ershad said that the drilling of oil wells was held up by a lack of money. He wondered whether we could finance a few wells ourselves. Bangladesh was also seeking commodity aid and aid for deep tube wells. They were

CONFIDENTIAL

/also

CONFIDENTIAL

- 3 -

also planning to construct a 120 mgw power station in the next few years. There was a joint World Bank/IMF team in Dacca now but they were adopting a very rigid attitude towards the economic situation. They were insisting that the prices of basic commodities should be raised, that food subsidies should be abandoned and interest rates increased. These demands posed difficult decisions for Bangladesh but some steps of this kind might have to be taken in the July budget.

Mr Donald enquired whether Bangladesh was receiving help from the Arab countries. General Ershad said he had been well received when he had visited Saudi Arabia. The Saudis had recently promised \$50 million worth of food aid and \$150 million aid for an oil pipeline. But Bangladesh needed balance of payments support in view of its serious foreign exchange situation.

The Prime Minister said that her experience convinced her that most problems were ultimately those of human nature. Did the will to tackle these difficulties exist in Bangladesh? General Ershad said that he believed it did but the sympathy of donor countries would continue to be needed.

The conversation ended at 1805 hrs.

A. J. C.

15 June, 1982

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CONFIDENTIAL



Bangladesh
Foreign and Commonwealth Office

London SW1A 2AH

14 June 1982

Prime Minister

A.S.C. ¹⁴/₆

Dear Sir,

Bangladesh: Visit of General Ershad; 15 June

Since I wrote to you on 11 June enclosing briefing for the Prime Minister's talks with General Ershad, I have heard that General Ershad wished to keep his afternoon free for preparations for talks with the Bangladesh community in London. He will not therefore call on the Chief of the Defence Staff as was originally planned.

In the absence of Mr Pym, Mr Biffen has agreed to host the lunch to be given in honour of General Ershad at Admiralty House, which will follow immediately after the Prime Minister's talks with General Ershad.

The former Bangladesh High Commissioner in London, Mr Doha, who was recalled to serve as Advisor on Information Affairs in the new government, has just been appointed Foreign Minister. He has told Sir Anthony Parsons in New York that Bangladesh had, on 11 June, written to the Cuban Mission to the United Nations to record their reservations on the Falklands paragraph of the final declaration adopted at the meeting of the non-aligned bureau in Havana. Mr Doha was particularly anxious that the Prime Minister should know of this before she sees General Ershad.

Yours ever

John Holmes

(J E Holmes)
Private Secretary

A J Coles Esq
10 Downing Street

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THE NATIONAL ARCHIVES

RECORDS SECTION



4 JUN 1982

BANGLADESH FACT SHEET

Population : Estimated 90.6 million (98% Bengalis, 1% Biharis, 1% Tibeto-Burmese. Average annual growth rate 2.3%. Largest cities are Dacca (capital) 1,679,572, Chittagong 889,760, Khulna 437,304, Narayanganj 270,680.

Bangladesh is a densely populated country, the rural population is approximately 90%.

Area : 143,998 square kilometres; 55,598 square miles.

Geography : Bangladesh is bounded on the east, north and west by India. Most of the country is a flat, alluvial plain, in the southern part of which the three rivers Ganges, Brahmaputra and Meghna meet to form the largest delta in the world. Eastern border is well forested and hilly.

Climate : Tropical monsoon climate with temperatures averaging 82°F. Average annual rainfall 2500m (100 inches). Rainfall heaviest in summer months when accompanied by winds of over 160km/h. (South-West monsoon).

Languages : Bengali. English is widely used for commercial and legal purposes.

Religion : 85% Muslims. 13% Hindus, also Christians and Buddhists.

Education : Only about 26.0% literacy. Primary education technically compulsory but not yet universal. Secondary education mainly private. Six universities.

Industry : Very limited. Main export jute and jute product:

Defence

: Five Army Divisions (Headquarters in Dacca) supported by two paramilitary forces, the Bangladesh Rifles and the Ansars. Principal naval base at Chittagong, smaller bases at Chalna and Khulna. Major Air Force bases at Dacca and Jessore with ground training at Chittagong.

Constitution

: A Republic since 1971. Executive President and National Assembly elected for five years by universal adult franchise. 30 of 330 seats on the National Assembly reserved for women. Armed Forces deposed the Government of President Sattar in March 1982, suspended the Constitution and imposed martial law under CGS Lt Gen Ershad.

ERSHAD, LIEUTENANT GENERAL HUSSAIN MUHAMMAD, NDC PSC

Chief Martial Law Administrator.

Born February 1, 1930 in Rangpur. Graduated from the University of Dacca in 1950.

Joined Officers Training School, Kohat Pakistan in 1952 as Gentleman Cadet and was commissioned in the Pakistan Army on September 17, 1952. First appointment in 2 East Bengal Regiment, also held several important appointments in different units and formations including Adjutant, East Bengal Regimental Centre Chittagong from 1960 to 1962.

Completed Staff Course Quetta Staff College in 1966. D/Q and B/M of 54 Brigade, Sialkot in 1968. On promotion to Lieutenant Colonel in 1969, he commanded 3 East Bengal Regiment to 1970 and 7 East Bengal Regiment from 1971 to 1972.

On repatriation from Pakistan, he was made Adjutant General of the Bangladesh Army and was promoted to Colonel on December 12, 1973.

Attended the National Defence College Course at New Delhi from January to November 1975. Promoted to Brigadier in June 1975, he was promoted to Major General and was appointed Deputy Chief of Army Staff after the coup of 15 August 1975. Promoted to Chief of Army Staff on December 1, 1978 by President Zia who regarded him as a loyal lieutenant but lacking the force of character to be a threat. Promoted Lieutenant General on November 7, 1979.

General Ershad has taken a keen interest in games and sports and cultural activities from his early life. Literary Secretary of Carmichael College and edited the College magazine. Emerged as the athletic champion of Carmichael College in 1948 and that of UOTC and Dacca University in 1950. He later captained the Dacca Zonal Army Football Team from 1953 to 1956 and held the Football Colour of the Pakistan Army. At present Chairman of the National Sports Control Board, President of the Bangladesh Lawn Tennis Federation and President of Dacca Golf Club. Also held the Chairmanship of Co-ordination and Control Cell for National Security, Governing Bodies of Cadet Colleges, and the Board of Trustees, Sena Kalyan Sangstha. He is also the Chief Adviser of the Bangladesh Muktiyoddha Sangshai.

He played a key role in support of the civil power following the assassination of Zia (May 1981). The Army fell in behind him isolating the rebel troops in Chittagong. His support for Justice Sattar (qu) enabled the crisis to be overcome and for Sattar to become subsequently elected as President.

A mild mannered pleasant, but reserved man.

With the removal of Zia, he became the most powerful man in the armed forces. His new position of influence and responsibilities taxed him, but he seemed to rise to them. Perhaps under pressure from below, but perhaps also from growing personal ambition, he sought to increase the involvement of the Armed Forces in the administration of the country.

Finally, on 24 March 1982, professing to be exasperated with the internecine squabbles of the ruling BNP and the corrupt practices of the Government, he took over and imposed Martial Law.

Holmes A Coles 11/4/61/82

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Foreign and Commonwealth Office

London SW1A 2AH

11 June 1982

Dear John,

Bangladesh: Visit of General Ershad

I enclose briefing for the Prime Minister's meeting with General Ershad at 12 noon on 15 June. The Foreign and Commonwealth Secretary will have a talk with General Ershad at 1230 followed by lunch.

General Ershad will be in London for 27 hours on his way to New York for the UN Special Session on Disarmament. It will be his first visit to Britain and his first to the west in his new capacity as Chief Martial Law Administrator and Head of Government. He will presumably seek to reassure HMG about his Government's policies and will in turn be sensitive to his reception here. Our principal objectives should be to convince him of our wish to retain our warm friendship with Bangladesh, of our concern that he should restore democracy as soon as possible, and continue to respect human rights, and of our hope that he will continue his predecessor's sensible and balanced policies in the international sphere.

General Ershad is likely to ask for more aid and military assistance. Mr Marten has asked that General Ershad be made aware that he wishes to pay his postponed visit to Bangladesh in November.

It is possible that General Ershad will invite The Queen to visit Bangladesh in association with her visit to Delhi at the time of the Commonwealth Heads of Government meeting in November 1983. At this stage our reply can only be non-committal.

/Bangladesh

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Holmes & Coles 11/4/61/82

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/Bangladesh

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Bangladesh is influential in the non-aligned movement and has just assumed the Chairmanship of the Group of 77. Within both the NAM and the Group of 77 Bangladesh has, up to now, adopted moderate policies. We should encourage General Ershad to continue with such policies as he shows every sign of doing. Bangladesh has already been helpful within the NAM over the Falklands issue. It would be appropriate to repeat our thanks (conveyed in a message from the Prime Minister to Ershad) and to encourage him to continue to work (rather harder) for good sense in the non-aligned movement.

General Ershad is a member of the Islamic Conference's "Good Offices Committee" which is trying to resolve the Iran/Iraq conflict. As an Islamic country, Bangladesh also has a special interest in the Middle East; General Ershad may wish to discuss the Israeli invasion of the Lebanon.

I am sending a copy of this letter and enclosures to Air Commodore Brook for the Chief of the Defence Staff who will meet General Ershad after lunch on 15 June.

Yours ever
J E Holmes

(J E Holmes)
Private Secretary

A J Coles Esq
10 Downing Street

BANGLADESH: VISIT OF GENERAL ERSHAD, 15 JUNE 1982

POINTS TO MAKE

Future Relations

1. Wish to maintain UK's traditional warm relations with Bangladesh. Close association in history and in Commonwealth.
2. Would welcome account of your Government's objectives. Attach importance to your assurances that you will restore democracy as soon as possible. Your continued respect for human rights will be a sensitive point for British parliamentary and public opinion.

Falklands

3. Hope we shall continue to hear Bangladesh speaking up in favour of balance and moderation. Grateful for helpful approach on Falklands within non-aligned movement. Regrettably recent statement issued at Havana does not encourage us to take NAM seriously. Deplorable that it allowed itself to be rail-roaded by extremist Latin American countries. Hope Bangladesh will make firm reservation in New York and dissociate from Falklands section. Hope you will resist similar pressures in G77.

UK Aid

4. Britain will continue to assist with economic and social development of Bangladesh and welcomes new regime's efforts to improve efficiency of economy.
5. Hope to spend more aid this year than last, as we said at Aid Consortium meeting in Paris. Next slice of £10m commodity aid will be signed shortly.
6. Mr Marten hopes to visit Bangladesh in November if convenient to Bangladesh Government.

7. Glad that we have been able to help in IDA by taking lead in waiving principle of proportionality for second instalment of IDA 6. This should substantially moderate effect on Bangladesh and others of US failure to meet its commitments.

Defensive Points

Royal Visit

8. Grateful for invitation. Arrangements for Queen's visit to India at time of CHGM not yet firm so cannot yet reply to invitations to visit other countries at that time.

Military Aid

9. Glad to help with training of Bangladesh officers. Despite budgetary restrictions we have increased this year's allocation for Bangladesh. (If pressed: suggest you take this up with Chief of the Defence Staff when you see him this afternoon).

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BANGLADESH: BACKGROUND BRIEF

Internal Political

1. After the assassination of President Zia in May 1981 Vice-President Sattar assumed power under the constitution. He had the support of General Ershad. He won convincingly a Presidential election on 15 November 1981. From the beginning he was under pressure from the armed forces who sought greater influence in the government and action against corruption. It was no surprise that on 24 March General Ershad, Chief of Army Staff, assumed power as Chief Martial Law Administrator and deposed President Sattar and his Government. There was no bloodshed and the transfer of power took place smoothly.

2. The General has appointed a 67 year old retired High Court Judge, Mr Justice A F M Chowdhury, as President, and formed a Council of Advisers, including senior military personnel, to assist him as Head of Government. A number of Ministers of the previous BNP Government have been arrested and are to face corruption charges (charges against some dismissed Ministers had, in fact, been filed before the military takeover).

3. General Ershad has said that he will hold free elections as soon as possible and re-establish democracy 'in accordance with the ideals and needs of the people'. He hopes to achieve this within two years. He intends to stamp out corruption, revitalise the economy and put administration on a sounder footing.

4. The country has remained calm. However curbs on political activity and press freedom are likely to prove increasingly irksome to intelligent Bengalis. The main

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threat to Ershad is probably from junior officers rather than displaced politicians, but general discontent could grow if he fails in his efforts to revitalise the economy.

External Relations

5. Under Presidents Zia and Sattar Bangladesh moved away from its close relationship with the Soviet Bloc in the early 70s and has pursued more moderate, pro-Western, policies. General Ershad has said categorically that foreign policies will not change. Indeed Bangladesh seems to be continuing its moderate stance in the Non-Aligned Movement where it has been helpful over the Falkland Islands.

6. Bangladesh has good relations with most Islamic and non-aligned countries. In return for aid Saudi Arabia's influence has been growing in Bangladesh. The late President Zia sought to identify the country more closely with Islam and there are signs that General Ershad intends to continue the process. Relations with India, tense under President Zia, showed some improvement under the Sattar administration. The military takeover in Bangladesh has not affected this up to now and the Indian Foreign Minister visited Dacca 22-24 May to discuss long standing disagreements on border problems and the sharing of Ganges water.

UK/Bangladesh Relations

7. Our High Commissioner told the new Government on instructions that HMG is bound to regret the overthrow of a constitutionally elected Commonwealth government and its replacement by a military regime and hopes that elections can be held and democracy restored as soon as possible and that all human rights will be respected. Otherwise we continue to do business as usual.

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8. The coup has not changed Bangladesh's view of the UK as their traditional and special friend. They look to us for aid and also for help in establishing closer relations with the European Community. Since the time of President Zia, who came to power in a coup of 1977, Bangladesh's policies have generally been helpful to our interests. General Ershad has said that he proposes to continue the policies of President Zia and we should encourage this. The late President Zia visited Britain as a guest of Government in 1980.

9. The Government of President Sattar indicated informally that The Queen would be welcome to visit Bangladesh in the autumn of 1983 when she visits Delhi at the time of the Commonwealth Heads of Government meeting. A non-committal reply was sent. The former High Commissioner, Mr Doha, who is now Information Adviser (Minister), referred to this invitation when he paid his farewell call on The Queen last month and alleged that The Queen accepted it. It was immediately afterwards made clear to him that no reply could be given to such an invitation for the time being. It would be inappropriate for The Queen to accept an invitation so soon after the coup and before the regime has been able to demonstrate its durability. The possibility of a visit has not been excluded; the position will be reviewed in the autumn.

UK Aid

10. UK aid policy towards Bangladesh was reviewed following the coup. Ministers agreed that the programme should continue as before although Mr Marten's proposed visit at the end of March was deferred and signature of the next slice (£10 million) of commodity aid was delayed (it was not immediately needed). At the Bangladesh Aid Group Meeting in Paris in April the UK indicated that

/we

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we hoped to improve on the 1981/82 level of spending in 1982/83, despite cuts in our overall aid programme, although it was not possible to give an exact figure. We have just offered to the Bangladesh Government a bilateral contribution of 5,000 tons of food aid, additional to our contribution to the European Community's food aid programme in Bangladesh.

11. We spent about £25 million in 1981/82 and (not for disclosure) the agreed Aid Framework allocation for 1982/83 is £30 million. The programme includes projects in the transport, power and agricultural sectors as well as substantial levels of commodity aid and TC.

Military Assistance

12. The UK Military Training Assistance budget for this year is £300,000. This funds a UK training team at the Bangladesh Armed Forces Staff College, whose tour has recently been extended. Bangladeshi officers also come to the UK for training, including courses at Royal Navy Staff College, Greenwich and the Army Staff College, Camberley. We have so far failed to find a place for Bangladesh at the Royal College of Defence Studies for which places are very limited but hope to remedy this in 1984 if not 1983.

UK Trade

13. Trade is negligible. The UK ranks third in list of suppliers. Exports were £57m in 1980, mainly chemicals, machinery and transport equipment, almost all financed by aid funds (not only British). Bangladesh exports to UK were £20m in 1980, mainly tea and jute fibres. There are prominent British investments, not only in traditional industries like tea but also in modern industries, eg pharmaceuticals.

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Surf

9 June 1982

BANGLADESH: VISIT BY GENERAL ERSHAD

Thank you for your letter to John Coles of 7 June. The Prime Minister has agreed to see General Ershad at 12 noon on 15 June. It will only be possible for this meeting to last half-an-hour. I should be grateful if you could provide a brief by Friday, 11 June.

W. F. S. RICKETT

J.E. Holmes, Esq.,
Foreign and Commonwealth Office.

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Prime Minister

Foreign and Commonwealth Office

London SW1A 2AH

*You have to leave for New York
after questions in the afternoon of Tuesday
15 June, but you could fit in General Ershad
at 12 noon for half an hour. Content to
do so?*

7 June, 1982

Dear John,

*Wm
8/6*

Yes no

Bangladesh: Visit by General Ershad

The Chief Martial Law Administrator and Head of Government of Bangladesh has told our High Commissioner in Dacca that he will arrive in London at 0800 on 15 June and spend a day in London before leaving for New York at 1100 hours on 16 June in order to attend the UN Special Session on Disarmament, where he will meet Chancellor Schmidt, and probably others. This will be General Ershad's first visit to the UK since he took power in the military coup of 24 March which displaced the newly-elected President Sattar. He will regard the manner of his reception in London as indicative of HMG's attitude to his regime. His own future attitude towards Britain could be coloured by it. As Head of Government he would expect to be received by the Prime Minister.

After the coup our High Commissioner told General Ershad on instructions that HMG regretted the interruption of constitutional government in a fellow Commonwealth country and hoped that democracy would soon be restored, but that meanwhile we would conduct business as usual. This was reflected in the Prime Minister's reply to General Ershad's message of 2 April about the reasons for his coup. A visit by Mr Marten, due to have taken place shortly after the coup, was postponed ostensibly for practical reasons. The Bangladeshis have got the message that HMG disapproves of military coups against democratic governments. The fact remains, however, that General Ershad's coup was widely expected and faced virtually no opposition. He is continuing the moderate policies of his predecessors, both President Sattar and President Zia, and his efforts to set Bangladesh's economy to rights are welcome and deserve our encouragement. He has already been helpful to us within the Non-Aligned Movement over the Falklands. When he passes through London we should show by the way we receive him that we are genuinely prepared to continue normal business and to have cordial relations.

Mr Pym knows that the Prime Minister has a particularly tight schedule on 15 June but hopes that nevertheless she will agree to receive General Ershad for a short call. Mr Pym proposes to invite General Ershad for a talk at the FCO (he is his own Foreign Minister) and to entertain him to lunch or dinner on 15 June.

Yours ever

A J Coles Esq
Private Secretary
10 Downing Street

(J E Holmes)
Private Secretary

for Holmes

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