

THE WHITE HOUSE
WASHINGTON

~~CONFIDENTIAL~~

MEMORANDUM OF CONVERSATION

PARTICIPANTS: Brent Scowcroft, Assistant to the President
for National Security Affairs
Ambassador Francis Underhill, American
Ambassador to Malaysia
William Gleysteen, National Security Council
Staff

DATE, TIME,
& PLACE: October 15, 1976; 3:00 p. m.
Brent Scowcroft's Office, The White House

SUBJECT: Conditions in Malaysia and U. S. -Malaysian
Relations

General Scowcroft commented that Prime Minister Hussein Onn seemed more impressive than had been expected. Ambassador Underhill agreed. He said Hussein was not a politician in the usual sense -- he was not aggressive or colorful and he didn't engage in calculated activity to build political power. He was too gentle and not sufficiently flexible. Even so, his performance had shown him to be a man of considerable stature -- there was something rather Truman-like about him in terms of his lack of pretension and willingness to make firm, common sense judgments. In any event, he had done a good job so far and was an honest, upright man -- something that could not be said of many Malaysian leaders, including his predecessor, Razak.

Scowcroft asked whether Hussein faced any major sources of opposition. Underhill replied that he did not, at least at present. The UNMO, which is like an endangered species (the Malays keep saying that they are not going to be the Hawaiians of Malaysia), does not pose a threat. UNMO has tended to hold the Malays together and to work along with Hussein.

As for Malay/Chinese relations, Underhill went on to explain, it was like having had malaria, a problem which was usually under control but never completely eradicated. The 1969 riots had come as a surprise with bloody, unpleasant consequences. Since then the Government had been far more

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E.O. 12958, SEC. 3.5

NSC MEMO, 11/24/98, STATE DEPT. GUIDELINES *State Review 3/13/04*
BY *lh* NARA DATE *7/30/04*

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GERALD R. FORD

careful about Malay and -- to a lesser extent -- Chinese concerns. Underhill explained that the Malaysian Government had inherited the inter-communal problems left by the British and didn't have automatic authority for dealing with them. Fortunately it could rely on a strong civil service.

Scowcroft emphasized that we wished to support Malaysia in ways that would be helpful, especially with the threat of subversion in the aftermath of the Vietnam collapse. Underhill agreed we should be ready to do so and suggested that the Malaysian Government would accept U. S. support as long as it appeared politically sterile. He pointed out that our greatest impact on Malaysia was economic -- e. g., one-third of the people of Malaysia were in one way or another involved in the rubber business so that very small shifts in U. S. consumption patterns could have massive effects on the Malaysian economy. In addition to this economic/commercial relationship, the Malaysians wanted to buy U. S. military equipment (e. g., C-130's, F-5E's, M-16's, etc.) and to obtain military training but they did not want to give an appearance of getting into bed with us. Scowcroft said this Malaysian approach posed no problem for us.

In response to the General's question, Underhill commented that the subversive threat in Malaysia is not too great. Once again he used the analogy of malaria, pointing out that until the Communists find a way of appealing to Malays, as opposed to just Chinese, they would not pose a great threat. Earlier this year Hussein had decided to publicize the subversive threat as a way of educating his own people. This was sensible and commendable but the campaign was also overheard by the rest of the world which got the erroneous impression that there had been an intensification in the wake of Vietnam. This appeared not to be the case. Subversion was endemic to Malaysia; it was serious but under control.

In conclusion, Scowcroft mentioned cable exchanges between Underhill and Holdridge regarding possibly adverse Malaysian reaction to U. S. arms supply to Singapore. Underhill said he was not really worried about this, at least at this point. Any problems that existed seemed to be manageable, mostly through direct contact. Malaysian-Singapore links were quite adequate and as a result the Malaysians did not see Singapore as a real threat. Moreover, the Malaysians viewed Indonesia as a kind of ethnic anchor to windward. Previous Malaysian fears that Singapore might become an ASEAN Cuba had receded because of Lee Kuan Yew's performance, though they might revive in the future. In fact, all the ASEAN

governments worried about the "next governments" in more than present governments in the ASEAN area. It was this fear which made them interested in having foreign powers such as ourselves, and even the Soviets, maintain some presence in the area.

Underhill concluded by quipping that everything was going so well in Malaysia today that it could only go downhill; he would, of course, have to take the blame.

MEMORANDUM

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with

NATIONAL SECURITY COUNCIL

~~CONFIDENTIAL~~ ATTACHMENT

ACTION
October 20, 1976

MEMORANDUM FOR: BRENT SCOWCROFT
FROM: WILLIAM GLEYSTEN *WJ*
SUBJECT: Memorandum of Your Conversation with
Ambassador Francis Underhill

Attached at Tab A is a memcon of your meeting with Ambassador Underhill on Friday, October 15, 1976.

RECOMMENDATION:

That you approve the memcon at Tab A.

APPROVE *WJ* DISAPPROVE _____

~~CONFIDENTIAL~~ ATTACHMENT

NSC CORRESPONDENCE PROFILE

DOC		RECD			LOG NUMBER
MO	DA	MO	DA	HR	7605842
10	20	10	20	19	

INITIAL ACTION 0

SOURCE/CLASS/DESCRIPTION

TO: PRES _____ FROM: SECSTATE _____ S/S: _____ UNCLAS LOG IN/OUT _____
 SCOWCROFT _____ SECDEF _____ LOU NO FORN MODIS _____
 HYLAND _____ DCI _____ X REF _____ EYES ONLY EXDIS _____
 DAVIS _____ STATE EXSEC _____ S CODEWORD _____
 OTHER GLEYSTEEN TS SENSITIVE _____

SUBJECT: MEMORON OF SCOWCROFT CONVERSATION WITH
AMB FRANCIS UNDERHILL

DISTRIBUTION/INITIAL ACTION ASGMT

INTERNAL ROUTING AND DISTRIBUTION					REC CY FOR
	ACTION	CONCURRENCE	COORDINATE	INFO	
ADV CYS S'CROFT/WGH					
STAFF SECRETARY					
CONGRESSIONAL					
ECONOMIC					
EUR/CANADA/OCEANS					
FAR EAST/PRC					X
INTELLIGENCE					
LATIN AMERICA					
MID EAST/NO. AFRICA					
NSC PLANNING					
PROGRAM ANALYSIS					
SCIENTIFIC					
SUB-SAH/AFRICA/UN					

ACTION REQUIRED

MEMO FOR SCOWCROFT. _____

MEMO FOR PRES. _____

REPLY FOR _____

APPROPRIATE ACTION. _____

MEMO _____ TO _____

RECOMMENDATIONS. _____

JOINT MEMO. _____

REFER TO _____ FOR: _____

ANY ACTION NECESSARY? _____

CONCURRENCE. _____

DUE DATE: _____

COMMENTS: (INCLUDING SPECIAL INSTRUCTIONS)

SUBSEQUENT ROUTING/ACTIONS

DATE	FROM	TO	STATUS	SUBSEQUENT ACTION REQUIRED (OR TAKEN):	DUE	CY TO
10/20	Gleysteer	Scroft	"X"	DECISION	10/23	
10/22	NSC/S		C	Hyland approved recom		

NSC/S INSTR

DISPATCH _____ NOTIFY _____

SPECIAL DISPOSITION: _____

SPECIAL INDEXING: _____

SUSPENSE CY ATTACHED X

MICROFILM & FILE ROOMS

OCT 26 1976

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