20 November 1963

MEMORANDUM FOR: Deputy Director (Intelligence)

SUBJECT : Suggestion for Plebiscite

on Malaysia

l. Ambassador Jones suggests that Indonesia's animus toward Malaysia could be turned aside by a provision for holding a plebiscite in Sarawak and Sabah, two or three years hence, to determine finally popular aspirations concerning independence or continued identification with Malaysia.

- 2. Such a proposition could only gain acceptance from both sides if (a) Indonesia were prepared
  to accept it as a face saving formula under which
  it could back away from its "confrontation" policy
  and move toward a reconciliation with Malaysia and
  made this position known in an unequivocal way to
  the Malaysian government; or (b) the Malaysian
  government, without any such assurances in (a),
  were prepared to enter the project, on the assumption that by winning a plebiscite it would end Indonesian claims and opposition once and for all.
- 3. We feel that neither condition has any chance of obtaining in the real world.
- 4. Ambassador Jones has, we believe, consistently underestimated Indonesian hostility to Malaysia and has just as consistently come up with suggestions designed to paper over the conflict or to give Sukarno opportunities to "mave face" and withdraw. Indonesian officials may have recently resurrected, in the Ambassador's hearing, an earlier proposal, originally designed to postpone Malaysia,

State Department review completed

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for a plebiscite several years hence. Even if they have raised the subject, there is no other evidence to suggest that they would regard a plebiscite as more than a play in the game of undermining Malaysia.

This would certainly be the reaction in Kuala Lumpur and we cannot conceive of the Malayan authorities going along with the proposition. Prime Minister Tunku Ashman regretted his acquiescence in the UN observation commission but was saved by U Thant's announcement that the results showed a sizeable majority of the peoples of Sabah and Sarawak wished to join Malaysia. The Tunku's position almost certainly is that the UN report closed the issue.

In other words, we feel the Ambassador's proposition is a non-realistic non-starter.

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