SECRET

THE SECRETARY OF STATE

WASHINGTON

October 13, 1981

MEMORANDUM FOR:

THE PRESIDENT

From

Alexander M. Haig, Jr.

Under Secretary Stoessel's Meeting with Indonesian Intelligence Chief Murdani; Kampuchea and Refugees. Walt Stoessel met today with Lt. General Murdani, Chief of Indonesian Military Intelligence, one of President Suharto's closest advisors, and the highest ranking Indonesian official to visit Washington this year. Murdani was skeptical about ASEAN efforts to create a non-communist Kampuchean resistance ("Third") force. Although a firm advocate of ASEAN unity, Murdani made clear that Indonesia does not see ASEAN's current policy of pressuring Vietnam (which we support) as an effective way of weaning Vietnam away from the Soviet Union. Instead he proposes an early "political" settlement on terms closer to Vietnam's position, to be followed by a long term ASEAN effort to reduce Vietnamese dependence on the Soviets. Murdani's assessment diverges sharply from that of the Malaysians, Thais and Singaporeans, as expressed to us by their Foreign Ministers in recent weeks. However, Indonesia is not presently disposed to break ASEAN unity on this issue. On Indochinese refugees, Murdani stressed the importance of the American leadership role in resettlement. He expressed concern that our off-take not fall below the present annual rate of about 100,000. Walt assured Murdani of our intention to continue an appropriate level of Indochinese refugee resettlement from the ASEAN countries. (S)

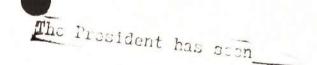
2. Canada: Discussions on Investment and Energy Policies. Don Regan led an inter-agency group to Ottawa today to discuss Canadian energy and investment policies. Both sides agreed to the establishment of a small, high-level committee to review the Canadian National Energy Program and the activities of the Foreign Investment Review Agency. The consultations evolved from a meeting I chaired last week involving Regan, Mac Baldrige, and Bill Brock at which we agreed to request urgent talks with Canada to demonstrate our concerns. While there is no certainty of significant changes in the Canadian position, I believe that further consultations will be useful. (C)



RDS 2/3 10/13/01 (HAIG, Alexander M., Jr.)



MEMORANDUM



## THE WHITE HOUSE

WASHINGTON

SECRET ATTACHMENT

October 14, 1981

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MEMORANDUM FOR THE PRESIDENT

FROM:

RICHARD V. ALLEN

SHB.TECT .

Secretary Haig's Evening Report

Attached is Secretary Haig's Evening Report for October 13, 1981.

cc: The Vice President

Ed Meese Jim Baker Mike Deaver

RW 3/14/13

SECRET ATTACHMENT

Received October 14, 1981 - 1:30 p.m.

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