

Minister Lee Kuan Yew: It is a tragedy. At first, she had the wrong advisors, human rights activists. For one and one-half years she had Marcos' power and could have changed the system she inherited. Instead she brought the Philippines back to pre-martial law days. She missed her chance. I feel very sad, but she can get the bases through. (S)

The President: I am not sure she really wants the bases. What's the latest? (S)

Brent Scowcroft: We have just finished another round of negotiations with Foreign Secretary Manglapus. We are moving toward a 10-12 year phase-down agreement whereas they have offered a 5-year phase-out. (S)

The President: What's the story with Manglapus, the Foreign Secretary? (S)

Minister Lee Kuan Yew: He is anti-U.S. He was badly treated when he was here. He bellyaches about it. He is not a big man. (S)

Robert Gates: The great tragedy is that she had the opportunity to change but simply brought back the old system. (S)

Brent Scowcroft: What about the Japanese when they are no longer constrained by the Soviet threat? (S)

Minister Lee Kuan Yew: My sense is that they want good relations with the U.S. but they will want more freedom of movement at the edges. But there will not be major change. I know the older generation but I cannot say what the 40-year olds are thinking. (S)

Prime Minister Kiafu is a sound man but without strength in his party. (S)

The President: I thought he had more strength. (S)

Minister Lee Kuan Yew: He is clean. The factions need \$10 million each. This is raw money politics. Every funeral costs the Diet member \$60, every wedding \$100. It must come from somewhere. Kaifu does not have this background and cannot become a fund collector at this stage in his political life. (S)

The President: How long will he last?

Minister Lee Kuan Yew: He will survive until October. (S)

The President: Kaifu called and was very pleased about his relationship with Korea. (S)

Robert Gates: With regard to the Northern Territories issue, Yeltsin said, "You cannot negotiate, because those islands belong to Russia." (S)

Minister Lee Kuan Yew: I doubt that Yeltsin could actually run the country. (S)

Robert Gates: Everyone agrees that Yeltsin is a real opportunist without depth. However, he is far more popular than Gorbachev. He has accomplished very little since he became President of Russia. There is a theory that the KGB is trying to kill him. The story of an assassination plot by the center may have been spread by his own people. (S)

The President: If something happened to Gorbachev, would Yeltsin move in to take his place? (S)

Robert Gates: It is more likely that a traditionalist would take power rather than Yeltsin. (S)

The President: Prime Minister Hawke seems to be all right. (S)

Minister Lee Kuan Yew: Yes, but his economy isn't. Australia is like Great Britain, filled with unions that won't work. The debt keeps growing but productivity does not go up. Minister of Finance Keating tried to shock the country by calling them a Banana Republic, but it was dismissed as a bad joke after a few weeks. (S)

The President: What about Bolger? (S)

Minister Lee Kuan Yew: He is a good man but trapped by his predecessor. The country has now been taken so far down the road that it is very difficult to do a U-turn. It is so peaceful in the South Pacific that they can afford to play this game. (S)

The President: I have tried to stay in touch with Prime Minister Hawke. We have not stayed in touch with Pakistanis. Mrs. Bhutto was being very negative on the Gulf. Also, there is the problem of the bomb. (S)

Minister Lee Kuan Yew: That situation between India and Pakistan is probably beyond your control. The two big boys are going to insist on having these weapons. (S)

The President: The Pakistanis have a good case. "Why shouldn't we have one if the Indians have one?" This is not unlike the Israeli rationale. (S)

The President: I remember Zia telling me "On my oath as a military officer, we are not trying to acquire nuclear weapons." (S)

Robert Gates: At one point we even showed them a model of their bomb in 1988. This was when Foreign Minister Yaqub Khan was here. (S)

Minister Lee Kuan Yew: Was there a glimmer of recognition? (S)

Robert Gates: Not that we could see. (S)

Mrs. Bush: Yaqub Khan is the consummate professional. (S)

Robert Gates: The President of Pakistan, at this time, is very strongly supportive of our Gulf policy but has no support in public opinion. (S)

The President to Mrs. Lee Kuan Yew: How is your daughter the doctor? (U)

Mrs. Lee Kuan Yew: She is working too hard. She worked at Massachusetts General Hospital in Boston. Now she is back home practicing medicine. She is 35 and wants to stay unmarried. (U)

Minister Lee Kuan Yew: This is a problem in Singapore. The culture makes the men resist marrying their equals. They tend to marry their secretaries rather than university graduates. (U)

Mrs. Lee Kuan Yew: Only my two sons were clever enough to marry clever women. (U)

The President: What else are you doing on this trip? (U)

Minister Lee Kuan Yew: I am going to Stanford's International Center. George Shultz has persuaded several of us to meet with him once or twice a year. (U)

The President: Can we arrange anything for you while you are here? (U)

Minister Lee Kuan Yew: Everything is all set. Talking to the government is really not my job anymore. I'm no longer the boss man, but you cannot unplug completely or you just dry up. We are going to Mexico. (S)

The President: We like Salinas. He is much better than any previous President of Mexico. (S)

Minister Lee Kuan Yew: He knows what needs to be done but the question is whether he can actually pull it off. (S)

The President: Mexico would have blasted us for the Gulf under previous Presidents. He understood that we did what we needed to do. South America is one area where we need to engage more with

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them -- forgiving debt and trying to interact more with their economy. (S)

Our economy is officially in recession. I hope that low oil prices will help pull us out. (S)

The President: Castro? (S)

Minister Lee Kuan Yew: He cannot bother you. Eventually his people will say "enough." Selling sugar at world prices and buying fuel at world prices will put him in an enormous bind. (S)

The President thanked the Prime Minister and Mrs. Lee for visiting with him and he escorted them to the elevator. (U)

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THE WHITE HOUSE
WASHINGTON

MEMORANDUM OF CONVERSATION

SUBJECT: Meeting with Lee Kuan Yew, Senior Minister,
Singapore (U)

PARTICIPANTS: The President and Mrs. Bush
Brent Scowcroft, Assistant to the President for
National Security Affairs
Robert M. Gates, Assistant to the President and
Deputy for National Security Affairs
Karl D. Jackson, Special Assistant to the
President and Senior Director for Asian Affairs
(Notetaker)

Lee Kuan Yew, Senior Minister
Kwa Gek Choo--(Mrs. Lee Kuan Yew)

DATE, TIME January 21, 1991, 5:00 - 6:00 p.m., EST
AND PLACE: The Residence

The President welcomed Minister and Mrs. Lee Kuan Yew to the
White House. (U)

The President: I appreciated your recent letter. Subsequently,
all hell has broken loose. When it did, I remembered your advice
that a lot of what happens in the world in the future will depend
on what we do now in the Gulf. We are heading a coalition. I
keep talking with them on the phone. Israel has been attacked
but has shown remarkable restraint. No one knows how long it
will take but we have begun. (S)

On a different subject what do you think about the Philippines?
(S)

Minister Lee Kuan Yew: That's not in as good shape as the rest
of the world. (S)

The President: I talked to Cory Aquino last week. She was
supportive of our role in the Gulf and was good enough to call.
(S)

Minister Lee Kuan Yew: Looking back on the development of the
Gulf crisis, it could not have turned out better. If Saddam
Hussein had accepted what had been offered at Geneva, we would
have been in a fix. The offer having been made, and half
accepted, would have created a problem. (S)

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The President: Brent cautioned me, in those last days prior to our move, that the offer of a partial withdrawal would have been very difficult for us. (S)

Brent Scowcroft: Why do you think he did it? Why didn't he offer a partial withdrawal? (S)

Minister Lee Kuan Yew: It makes no sense. I think the man is mad. Total misjudgment of reality. He thinks he will hunker down in a land war and create body bags and win. He does not understand how much power is arrayed against him. (S)

The President: I think that he thinks he can get a stand-off on the ground. We will not commit ground forces prematurely. After an air campaign against selective targets in Iraq, followed by an air campaign against his troops in Kuwait, then coalition troops will be committed. I worry if it goes on for a long, long time. The problem of public opinion will then increase. (S)

Minister Lee Kuan Yew: But we should not set a time-line. We should just make sure that the casualties stay low. (S)

The President: But how long is too long? (S)

Brent Scowcroft: Six months is too long. (S)

The President: Given the euphoric start of the war, the time perspective is changing. At the time of the Congressional debate, six months was not too long to wait for a resolution of the crisis. (S)

Minister Lee Kuan Yew: Saddam Hussein has forfeited his right to humanity; he is just outside the pale. I am amazed, however, at his calmness under circumstances of total adversity. (S)

The President: Perhaps he has not gotten the message. Damage outside of Baghdad may not have been communicated to him. (S)

Robert Gates: He is being told by his advisors that the scud missiles have done enormous damage in Israel. (S)

Minister Lee Kuan Yew: But I thought he watched CNN? How could he think that? (S)

The President: We will prevail. We will have big problems but we will prevail. (S)

Minister Lee Kuan Yew: If it goes well, with low allied casualties and low civilian damages in Iraq, the follow-on benefits from this crisis will be great. It will restore America's pride and confidence and will get rid of the Vietnam

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syndrome. It will restore the pride in high technology in America. It will give the American Government, and eventually the Congress, the willingness to play mid-wife to the new world order. A confident America after World War II brought the present world order into being. That order has come to an end, and no one knows what will replace it. (S)

It will be a more polycentric world. The European reaction to the Gulf is quite worrisome for the future; they will no longer accept American leadership the way they did when they feared the Soviets. They were reluctant to go to the Gulf, especially Kohl. But without American leadership in this next phase, it would be an even more polycentric world. (S)

A self-confident America will be reassuring to Japan, indicating that they do not have to do it all on their own. (S)

The President: I assume it will be reassuring to ASEAN. China was good until the end of the U.N. debate when it chose to abstain. (S)

Minister Lee Kuan Yew: It could have been far worse. China could have played champion of the Third World. By not vetoing the UN Resolution, they gave away a big card. (S)

The general approach to the Persian Gulf has gone off brilliantly. This has come off more in sorrow rather than in anger. There has been an absence of bluster on our side and this is very good. (S)

It is very important for the U.S., in the long-run after the defeat of Saddam Hussein, to be seen to be less partial in the Middle East. I was surprised by sentiments among the Malay population in Singapore. The reaction to our sending a medical team to the Gulf is that the Malays are against it. They ask, "Why are we against the Iraqis?" I was taken aback by these sentiments. There are strong negative feelings in Malaysia. These feelings are less strong, overtly, in Indonesia, but still pretty strong. These sentiments go back to a perceived lack of fairness. The UN passes a resolution on pulling out of occupied territories and nothing happens. There is a UN resolution on Kuwait and out comes the West fighting. (S)

The President: We are going to have to try to be helpful. There is this clear perception that we are letting the tail wag the dog. (S)

Minister Lee Kuan Yew: The perception is that the Jewish lobby is invincible. (S)

The President: Perhaps out of the current conflict a fairer policy can evolve. Perhaps they will be grateful for the patriot missiles and show greater flexibility. (S)

I am also worried about King Hussein. He is caught in the middle and has not been very helpful. (S)

Minister Lee Kuan Yew: He is acting even more pitiful than he needs to. (S)

The President: He gave a speech in September which did not support our position but claimed that it was a "government" speech rather than his speech. The Queen is an American and does not help a bit in these matters. Mubarak and Fahd are convinced that Hussein and Saddam intended to carve up the fruits of victory in Kuwait. King Hussein vigorously denies it. (S)

Minister Lee Kuan Yew: To maximize your gains in the Gulf you must give credit to all who have helped, particularly the non-Western part of the coalition. We, the world, did it. The flow of events is running in your direction and you can now shape the outcome. We need to project the image of a resurgent America, but not a cocky or arrogant one, an America that acknowledges international opinion and institutions. Among non-allied activist groups, there is a perception that without the Soviets, America will do whatever it wants. We must avoid confirming this perception. (S)

Minister Lee Kuan Yew: Changing the subject to the Soviet Union, even a miracle cannot keep the 15 Republics together. (S)

The President: Gorbachev has let go four more of his reforming advisors. I wish he could just let go of the Baltics -- but there are other Republics that would also insist on attaining independence. Anything new today, Bob. (S)

Robert Gates: Primakov and Yakovlev were forced out and three other reformers resigned in response. There are no reformers left in the inner circle. (S)

The President: Gorbachev called -- in a period of resignation, rumors. He was gloomy but he keeps going. I hope he makes it but I am more pessimistic. (S)

Minister Lee Kuan Yew: The longer he stays in power, the better. I don't expect him to succeed but the length of time will make it more difficult for a successor to turn the clock back. (S)

I would go along rather than trying to push him out. I don't think he will last but we won't like what follows. There will be a counter revolution. To become a democracy in the U.S.S.R., like

in China, -- is easier said than done. There is no democratic tradition. The folklore of your people has always involved democracy and winning and losing elections. In their folklore, the losers are killed. The Soviets don't have the traditions of democracy. (S)

The President: How do you see China? I don't know that we have handled it that well, but what's your view? (S)

Minister Lee Kuan Yew: I don't think you can do much. Leaders in provinces in their 50s, like the mayor of Shanghai, who has gravitas. He is shrewd. He knows what's wrong with his economy but not how to put it right. There is a balance between the old long march, veterans and the young reformers. When Deng dies, the balance will be gone. The reformers will prevail eventually. Li Peng is a weather vane rather than a heavyweight. (S)

The President: Is Li Peng a rival of Jiang Zemin? (S)

Minister Lee Kuan Yew: On economic matters, Yang is close to Jiang. (S)

The President: Was Yang a long march veteran? How old -- (S)

Minister Lee Kuan Yew: He's two years younger than Deng. He is now much less robust than he was in 1985. He has had a minor operation. (S)

The President: What should we be doing differently? (S)

Minister Lee Kuan Yew: You cannot really influence the Old Guard other than with a big stick by rupturing the entire relationship. Nudging here and there will not produce real change. Deng does not understand soft talk about human rights. Millions died to stop the Japanese. "I'm in charge of China and without us there would be chaos." (S)

If the Tiananmen demonstrators had their way China would be in chaos today. (S)

I've run a one-man, one-vote thing for 31 years, 36 years of elections counting the British. But, deep down they don't believe in it. They are backing me. Even when writing letters to the press they use anonymous names. They don't want to stand up and be counted. Democracy and standing up for what you believe in is not in the culture of the people. This is slowly changing but even now people send Christmas cards without signing them. (S)

The President: What about Mrs. Aquino and the Philippines? (S)