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BRITISH FOREIGN POLICY TOWARDS MALAYSIA,

1957-1967

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by

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It is a great pleasure to have this opportunity of thanking the Commonwealth Scholarship Commission and the British Council for not only awarding me a scholarship, but also viewing my tardy progress sympathetically. I am especially grateful to the British Council staff in Hull for always doing their best, particularly during my early days in a foreign country, to make me feel welcome and perfectly at home.

Meerut University, in India, has been generous in granting me very extended leave of absence to pursue my research in England. I am very conscious of how much I owe to the Vice-Chancellor there, and to my Head of Department in particular, for the quite exceptional confidence they have both shown in me.

My gratitude to all those who have helped me cannot, of course, relieve me of sole responsibility for the conception and execution of this thesis.
A Research Note

The former British diplomats and officials who consented to be interviewed by me showed an extraordinary courage and kindness in discussing the foreign policy affairs in which they themselves were directly or indirectly involved. These interviews were conducted in October – December 1986, at a time when the Spycatcher Trial had just opened and there was widespread uncertainty about the scope and implications of the Official Secrecy Act. It was natural, therefore, that all those to whom I spoke repeatedly insisted, both in correspondence and during discussions with me, that on no account should they be directly quoted. The Official Secrecy Act has also meant that I have been unable to acknowledge their assistance directly. Asterisks in the text, however, clearly mark the points at which my arguments benefited from their responses to my questions.

Recently released documents at the Public Record Office have been of immense help in illuminating various points made in the second and third chapters of this thesis. Unfortunately these documents only became available as I was completing the thesis. However my strict schedule did not permit me to make an exhaustive study of this material. My own impression is that the overall interpretation of British Foreign Policy as offered in this thesis will not be radically altered by the subsequent research I hope to do on these documents.
A Note on Terminology:

Use of the Terms Malaya, Malaysia

It should be made clear at the outset that the country was known as the Federation of Malaya from 1948 until 1963. After the merger with Singapore and the Borneo Territories on 16th September 1963, the enlarged federation came to be known as Malaysia.

In order to avoid repeated use of the cumbersome construction Malaya/Malaysia, the term Malaysia has been used while making general statements concerning the ten years, 1957 to 1967. See, for example, its use on page 1.

However, whenever reference has been made to the specific periods before independence, after independence, and after the formation of Malaysia on 16th September 1963, a distinction has been made between Malaya, the Federation of Malaya, and Malaysia.

Finally, the term 'Malay' has been used for the indigenous population apart from hill and tribal people. The term 'Malayan' means everybody living in the Federation of Malaya. After the formation of Malaysia, 'Malayan' has been replaced by 'Malaysian'.
### Abbreviations

<table>
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<tr>
<th>Abbreviation</th>
<th>Full Form</th>
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<tr>
<td>AMCJA</td>
<td>All Malayan Council for Joint Action.</td>
</tr>
<tr>
<td>ANZUK</td>
<td>Australia, New Zealand and United Kingdom (Forces).</td>
</tr>
<tr>
<td>ANZAM</td>
<td>Australian, New Zealand and Malayan Area.</td>
</tr>
<tr>
<td>ANZUS</td>
<td>Australian, New Zealand and United States Treaty.</td>
</tr>
<tr>
<td>CAB</td>
<td>Cabinet Papers.</td>
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<tr>
<td>CO</td>
<td>Colonial Office Papers.</td>
</tr>
<tr>
<td>COS</td>
<td>Chiefs of Staff Committee.</td>
</tr>
<tr>
<td>CRO</td>
<td>Commonwealth Relations Office.</td>
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<tr>
<td>CSR</td>
<td>Commonwealth Strategic Reserve.</td>
</tr>
<tr>
<td>DCC [FE]</td>
<td>Defence Coordination Committee [Far East]</td>
</tr>
<tr>
<td>DEFE</td>
<td>Ministry of Defence, Far East (Papers).</td>
</tr>
<tr>
<td>FARELF</td>
<td>Far East Land Forces (British).</td>
</tr>
<tr>
<td>FO</td>
<td>Foreign Office (Papers).</td>
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<tr>
<td>MCC</td>
<td>Malayan Constitutional Conference.</td>
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<tr>
<td>PAP</td>
<td>Peoples Action Party.</td>
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<tr>
<td>PKI</td>
<td>Partai Komunis Indonesia.</td>
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<tr>
<td>PMIP</td>
<td>Pan Malayan Islamic Party.</td>
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<tr>
<td>PUTERA</td>
<td>Pusat Tenaga Raayat.</td>
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<tr>
<td>RIIA</td>
<td>Royal Institute of International Affairs.</td>
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<tr>
<td>RUSIJ</td>
<td>Royal United Services Institute, Journal of.</td>
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Errata

Page 16. Para I, 5th Line, should read, nationalism in Asia that will not be falsified in Malaya. Whether we consider the relation of nationalism to colonial rule, (not nationalism to colonial rule.).

Page 33-34, last sentence on page 33 (continued on page 34) should read: Secondly, even before the Japanese occupation of South East Asia, the emergence of Japan as a great power had clearly begun to change the balance of power in Asia. As Kenneth Younger pointed out, "Japan had administered the first shock to western supremacy in Asia when she defeated a great European power in the Russo-Japanese war of 1904-5; her rapid occupation of Hong Kong, Singapore, Malaya, Indonesia, Indo-China and Burma was the coup de grace."(99) (not Secondly, even before the coup de grace."(99)).

Page 91. Para I, 9th Line, Phillip Darby (not Philip Darby, it should be read as Phillip Darby throughout the thesis).

Page 97. top line, quote from Cmnd. 264, should end "Her Majesty's Governments in the United Kingdom, Australia and New Zealand in respect of the assistance which they give to the Government of the Federation of Malaya in its prosecution of the campaign against the Communist terrorists."(335) (not H.M. Government."(335))
Preface

In the history of post war British foreign policy, Malaysia occupies a position of unique interest. It holds this position for two reasons. In the first place, British foreign policy towards Malaysia offers the extraordinary spectacle of an ex-imperial power not only guaranteeing external security to its former colony, but also actually honouring its pledge, in spite of mounting economic and political opposition to such a policy at home. Indeed, in the course of fulfilling her defence commitments to Malaysia, Britain even went to the extraordinary length of endangering her own more immediate security interests.

The second side of the story is equally interesting. At the height of its involvement in Malaysian security, Britain stationed sixty five thousand armed personnel in the area. However, within a short span of less than two years, their number had reduced to thirty thousand. (1) Such troops as remained were pledged to be withdrawn by the end of 1971. From being the major provider of security to Malaysia at the beginning of our period, towards the close of our study we find Britain totally disenchanted with this role and determined to withdraw completely. The magnitude of this change in the British attitude towards Malaysia in particular and South East Asia in general, is clearly a matter of great interest. This interest is further enhanced by the fact that while studying the British responses to the developments in Malaysia, we can also discern the broader pattern of Britain's adjustment to its altered status, i.e. from being an imperial power into a mere European state.

Clearly, this is a large and ambitious task, and to prevent it becoming unmanageable, or lacking in focus, we must define very carefully its precise scope. This may best be done by identifying the two different contexts within which British foreign policy towards Malaysia took shape. These contexts can of course only be distinguished analytically; in practice, they overlap and interlock in ways which make their separation impossible.

There is, on the one hand, the relatively narrow regional, i.e. South-East Asian, context within which British foreign policy was formulated and pursued. Within this regional context, special attention will be given to British foreign policy considered in its direct bearing on the Malaysian situation. What will particularly concern us here is the decade 1957–1967. The decade began with the grant of independence to Malaya, and almost immediately witnessed the signing of the Anglo-Malayan Defence Agreement (AMDA). As Chin Kin Wah has rightly observed, "This unequal burden treaty, which embodied a "blank cheque' from Britain, had no parallel elsewhere in South East Asia". As the decade unfolded, an extended federation was created by the old imperial master and the newly independent ally; then came confrontation with Indonesia; and the decade closes with the voluntary departure of British forces, which again is an event of far-reaching consequences for British history. All this is obviously an important part of our concern.

There is, on the other hand, the broader context of British foreign policy at large, within which the narrower context of Malaysian policy is located. In this broader context, policies

towards Malaysia are no longer influenced only by regional South East Asian considerations, but are also influenced and shaped by the overall British decline as an imperial power after World War II. In this broader context, the combined impact of British delusions of grandeur, the harsh political realities of the altered international balance of power, and the economic priorities of a welfare state, generated and shaped the controversial East-of-Suez policy, a policy fraught with deep implications for British foreign policy towards Malaysia.

Both these contexts of British foreign policy towards Malaysia have been separately the subject of extensive scholarly attention, yet relatively little research has been conducted on them in conjunction with one another. In fact, these two contexts are inseparable. The primary concern of this thesis is to rectify the situation by concentrating upon their mutual interconnection. In this perspective, the thesis may be regarded as a modest contribution to an understanding of the problems of adjustment which Britain encountered in the course of its transformation from an Empire into a mere European state.

There is, however, another concern which is related more overtly to theoretical problems. This concern will be made explicit in the Conclusion. There, at the end of our detailed research, an attempt will be made to indicate the relevance of our work in relation to the principal established theories of international politics.

The aim of this study, then, is to examine British foreign policy towards Malaysia within a combination of narrow and broad contexts. In setting out, our first step must be to review the existing relevant literature. To this task, the next chapter is devoted.
CHAPTER I.
The Search for a Perspective

The initial task which we face in this thesis is that of deciding upon a satisfactory perspective. For this purpose, a considerable number of approaches which offer plausible explanations for the ten fateful years of British foreign policy with which we are primarily concerned must be briefly reviewed. In the concluding part of this chapter the particular approach to be adopted in the present study will be indicated.

With this task in our mind, we may turn our attention to the relevant literature on our topic. The most marked feature of this literature is a tendency to confine the analysis of British foreign policy towards Malaysia within the relatively narrow context of Asian or South East Asian politics. The studies in question are written, in other words, from a very restricted perspective. For example, Richard Allen's *Malaysia: Prospect and Retrospect*, (3) is simply a story written from the official British viewpoint. In the interest of clarity and convenience, the prevailing approaches to be found in the large body of work may be arranged into five different categories.

(a) Paternalism

Books in this first category tend to suffer from excessive paternalism, which is hardly surprising since some of the authors are ex-colonial officials. Two important illustrations of this approach are provided by C.S. Caine and T.H. Silcock. Caine

served in the Colonial Office and thereafter became the Vice-Chancellor of Malaya University from 1952-56. In an article on "The Passing of Colonialism in Malaya", Caine described British intervention in Malaya "as a kind of umbrella under whose shelter two different societies grew in vigour and strength until they combined to discard the protecting cover". (4) He regarded the British presence as "positive intervention" and listed the numerous benefits bestowed upon the backward Malaya during the period of colonial rule. (5)

Basically agreeing with Caine, Silcock went further and responded to British failure against the Japanese invasion of Malaya in a highly emotional and moral tone. Whilst accepting that the British had failed to provide security for their colony, his view was that "the real wrong that had been done to Malaya was not the failure of an elder brother to give due protection: the wrong was the failure of a government (for which all Europeans carried some responsibility) to help to give form and life to the nation it was governing. ... As a result of this realization, a sense of guilt was converted into something which may have been more constructive". (6)

This highly emotional and moral reaction to British failure "to help to give form and life to the nation it was governing", was based on the old notion of the "white man's burden". This concept may be traced back to the moralization of

(5) Ibid., p.258-268.
politics by the so called 'Clapham Sect' at the beginning of the 19th Century, (7) and was firmly established in British imperial thought by the eighteen thirties. The moral bent which colonial politics had by then acquired is evident, for example, in the report of the Committee on Aborigines (1835-37), which declared that, "He who has made Great Britain what she is will enquire at our hands how we have employed our influence". (8) Subsequently, thinkers like J.S. Mill gave elaborate theoretical consideration to the moral ideal of an imperial trust, in the course of developing nineteenth century concept of Progress. (9) It is true that, at the turn of the century, radical writers like J.A. Hobson and L.T. Hobhouse reacted strongly against what they judged to be the immorality of the "age of High Imperialism". What must be stressed, however, is that even radical critics of this kind were concerned with the techniques of imperialism; the concept of empire in itself remained unchallenged. (10) By the nineteen

twenties, the old Whig doctrine of empire as an essentially limited trust for protecting the governed which had dominated British political thought from Locke to Burke, had completely disappeared. In place of this old limited concept, the high minded liberal imperialists had extended the concept of imperial trust into an all embracing ideal of cultural and economic advancement.\textsuperscript{(11)}

It is this sentiment, then, that provided the background to the idea of the white man's burden and the attitude of the Colonial Service. Consider, for example Robert Heussler's two volumes on Malaya,\textsuperscript{(12)} which illustrate the undying faith of colonial officials in western supremacy and in the white man's concomitant responsibility for guiding immature or childlike races like the Malays towards civilization. The very title of the second volume, \textit{Completing the Stewardship}, resonates with the sentiment. The white man's burden, as Heussler makes clear, entails two features. The first is that the immature natives are unable to govern themselves.\textsuperscript{(13)} The second is that the natives (in accordance with the concept of empire as a trust) should not be exploited or abused but should be protected and guided towards maturity.

Similar sentiments were expressed by Victor Purcell, who

\textsuperscript{(11)} E.A. Benians, op.cit., p.7.


\textsuperscript{(13)} For example, Sir Frederick Weld (1880-1887), wrote to the Secretary of State that "it is contrary to the genius of their race" that the Asiatics should ever learn to govern themselves. Robert Heussler, \textit{British Rule in Malaya}, op.cit., p.15.
was the Director General of Information in Malaya during and immediately after the second world war. In his *Malaya: Communist or free?* Purcell viewed the post worldwar situation in Malaya from the vantage point of what he termed the "halcyon period" of the pre world war years, when "Malaya was virtually ruled by the Malayan Civil Service". That Civil Service, he wrote, consisted of "a body of disinterested officials whose only aim and inducement was to do the best they could in their several offices".

Purcell illustrates a further aspect of paternalism when he comments that in prewar Malaya, "there were none of the checks or impediments of democratic government, there was no need to play up to the prejudice or ignorance of an electorate, nor to sacrifice the public benefit to political expediency". Amusing as this paternalism may now seem, it would nevertheless be foolish to dismiss it as mere sham or hypocrisy. As Malaysian authors themselves have occasionally acknowledged, it conferred genuine benefits upon Malay society. James P. Ongkili, for example, in his article "British and Malay Nationalism, 1945-1957", openly praises Malcolm MacDonald's attempts to bring various political factions into a single broad-based political party in 1949.

Regardless of its merits or defects as a principle of political power, however, the standpoint which paternalism entails

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(15) Ibid., p.42.

(16) Ibid., p.42.

severely limits the value of the historical studies produced by those who have subscribed to it. By their very nature, these studies oversimplify the complexities of historical reality by representing it in black and white terms, devoid of those shades of grey which constitute the substance of politics and political change. From the standpoint of this well-intentioned paternalism it is inevitable, for example, that political change should be seen primarily as the activity of saints (i.e., those who shoulder the white man's burden, or if they are not involved, at least offer him a helping hand), on the one hand, and sinners (i.e., those who obstruct the civilizing mission by preaching such impious notions as independence, rebellion and self-government), on the other. For our purpose, then, this literature obviously fails to provide an adequate perspective, although it does of course have documentary value.

(b) Defence and Security

Another aspect of Anglo-Malaysian relations which has been extensively covered by both British and Malaysian authors is the strategic needs of the newly born country. Chin Kin Wah's "The Defence of Malaysia and Singapore: Transformation of a Security System, 1957-1971"(18) is the major work in this field. The major merit of Chin's analysis lies in his successful exploration of the multidimensional defence-links between Malaysia, Singapore and Britain. However, his treatment of the changing relationship during the final years is confined primarily to the South East Asian context, and the contemporary debate on the East of Suez policy in Britain is comparatively neglected. (18) Once again it is

(18) Chin Kin Wah, op.cit.
Malaysia and Singapore that engage his attention rather than Britain. Chin's other work, The Five Power Defence Arrangements and AMDA,\(^{(19)}\) could be placed in the same category. There are more studies conducted on a similar pattern by Malaysian authors. For example, Chandran Jeshurun's two studies, The Growth of Malaysian Armed Forces, 1963-1967,\(^{(20)}\) and Malaysian Defence Policy, 1963-1967, A Study in Parliamentary Attitudes,\(^{(21)}\) both restrict themselves entirely to Malaysian points of view, being more concerned to depict the Malaysian attitude towards the mother country rather than to unfold the domestic and international constraints on British policy.

But defence is not exclusively a Malaysian concern, amongst non-Malaysian scholars who have written on this aspect, David Hawkins and Derek MacDougall are worth particular consideration. In contrast to the Malaysian authors attitude, these two authors view the defence problem largely from a British point of view, although the Malaysian side is not treated unsympathetically. Thus David Hawkins' article, "Britain and Malaysia - Another View"\(^{(22)}\) and Derek


MacDougall's "The Wilson Government and the British Defence Commitment in Malaysia - Singapore",(23) both cover the stormy side of Anglo-Malaysian relations and the declining phase respectively, yet their views do not portray any dismay or bitterness on the British part. It is more a sense of resigned fate and irony that emerges from their analysis of British views. For example, David Hawkins remarked in, The Defence of Malaysia and Singapore, from AMDA to ANZUK,(24) that, "It is perhaps more surprising that we (British) should expect still to be in Singapore thirty years after Hiroshima".(25) This was his response to the Labour Government's decision in July 1967 to withdraw completely from South East Asia.

Studies of this kind either concern themselves with a partial enquiry into defence requirements, without tracing any links with political considerations, or else are restricted to political aspects of the problem such as communist insurgency (1948-60) or the Indonesian confrontation (1963-66). The major preoccupation of British authors, for example, has been with the outbreak of communist insurgency in 1948, of which there are numerous studies. Outstanding amongst them are works by Anthony Short, Richard Clutterbuck and Noel Barber.(26) These studies

(25) Ibid., p.28.
(26) Anthony Short, The Communist Insurrection (Continued overleaf)
are particularly valuable in the way in which they link together various political, administrative and military factors, whose substantial interconnection would otherwise have remained obscure and incomprehensible. Other writers concentrate on aspects such as the Indonesian 'confrontation' with Malaysia. General Walker,\(^{(27)}\) for example, elaborates the military aspects of British strategy in 1963-1966. At a general level, Mackie's exhaustive work on confrontation includes both the national and regional aspects.\(^{(28)}\)

(c) Foreign Policy and Diplomacy

Apart from military and strategic aspects, diplomatic considerations have also been covered by various Malaysian and British authors. Michael Leifer's article, "Astride the Straits of Johore",\(^{(29)}\) deals with the triangular (i.e., British-Malaysian and Singaporean) relationship and the problems it involved. In another article, "Anglo-American differences over Malaysia",\(^{(30)}\)

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the same author concentrates on the international aspects of Malaysia and ‘confrontation’, and particularly on Anglo-American policies. It is unfortunate, however, that there are not many good studies by British authors in this sphere, although on the Malaysian side a considerable amount of research has been done. Naturally the central focus of the Malaysian studies is Malaysia rather than Britain. Inevitably all of these studies deal with British foreign policy, even if it is a subsidiary concern.

Foremost amongst such works is Dato Abdullah Ahmad’s Tengku Rahman and Malaysian Foreign Policy, 1963-1970. Since Dato Ahmad includes the pre-1963 period as a background, this work is by far the most illuminating study on Anglo-Malaysian relations from the present point of view, even though some of his observations are charged with emotion and personal bias. For example, his reaction to Harold Wilson's warning to Tunku Abdul Rahman against any physical harm to Lee Kuan Yew is typically nationalistic. Calling it, "patronising on Wilson's part", he held that Wilson's act "made Tunku more determined to separate Singapore from Malaysia". But such an attitude is understandable since the author has been personally involved in the formulation and execution of Malaysian foreign policy.

Among other studies which take Malaysia rather than Britain as their central concern are Robert O. Tilman's Dilemma of


(32) Ibid., pp.119-120.

a Committed Neutral, (33) and T.H. Silcock's The Development of Malayan foreign policy, (34) Both these authors treat the external and internal environment within which Malaysian foreign policy operates. Of course, British foreign policy is seen as the major factor behind this environment. From the Malaysian side, J. Saravanamuttu's The Dilemma of Independence: Two Decades of Foreign Policy of Malaysia, 1957-1977, (35) is a remarkable attempt in this direction. On the British side, David Walder's "Our Allies: Their Problems and Outlook: Malaysia" (36) represents a more balanced viewpoint.

Within this category, there are some major studies of domestic problems in Malaya which also touch on various aspects of the Anglo-Malayan relationship. Notable among these are two studies by Malaysian scholars, viz. M.N. Sopiee and B. Simandjuntak. (37) These studies are of course, of very limited

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value for use as a model because their focus of enquiry is the domestic Malayan politics. An outstanding study, however, has been produced by A.J. Stockwell. In his British Policy and Malay Politics during the Malayan Union Experiment, 1942-1948. (37a) Stockwell presents a comprehensive picture of the interplay between British Colonial policy and the domestic politics of Malaya. Unfortunately, the study does not deal with the post-independence period. Therefore, we need to move on in our search of an appropriate model or perspective.

(d) Malaysian Nationalism

In the analysis of post-war relationships between imperial and post-colonial states, theories of nationalism offer one of the most interesting frameworks within which to analyse both the pre-independence and post-independence situation. In this category, we encounter two illuminating accounts of Malayan nationalism. One of them is The Origins of Malay Nationalism, by W.R. Roff, (38) and the second is a long article entitled, "Nationalism in Malaya", by T.H. Silcock and Ungku Abdul Aziz. (38) The central focus of Roff’s book is the gradual evolution of nationalist sentiment among the Malays. Roff’s contention is that although there were a few attempts to steer Malay nationalism in extreme directions, these


never enjoyed any popular support among the indigenous people. Nationalism before 1942 was primarily cultural and religious rather than political and anti-British.

This line of argument is pursued by Silcock and Aziz in "Nationalism in Malaya". Once again, we find that the old formula of a national identity based on anti-imperialism simply does not operate in Malaya. "It is hardly possible to make any generalisations about nationalism to colonial rule, or its relation to religion, or its relation to economics", Silcock and Aziz conclude "the simple truism will not work". (39) They credit the multi-racial composition of Malayan society and the paternalism of British rule for the extraordinary moderation of Malayan nationalism. (40)

Apart from these studies, two articles by James P. Ongkili: "British and Malay Nationalism 1945-1957", (41) and Wang Gungwu, "Malayan Nationalism", (42) are major contributions made by Malaysian scholars. After independence, and more particularly so after 1965, when Singapore was separated from Malaysia, there was a growing tendency among Malaysians to blame Britain for almost everything. However, these two authors have kept their hold on reality, refusing to take refuge in anti-colonial 'mud-slinging' at Britain. Both take full note of the complex racial composition of Malaysia and the problems created by it.

As has been said earlier, none of these studies portrays Anglo-Malaysian relations from an anti-imperialist of nationalist

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(39) Silcock and Aziz, op.cit., p.269.
(40) Ibid.
(41) James P. Ongkili, op.cit.
standpoint. This supports our own decision not to employ nationalism as a perspective for understanding and analysing British foreign policy towards Malaya/Malaysia after independence.

Although the nationalist perspective can be illuminating in certain circumstances, in the case of Malaya it is of a very limited value. The Marxist-Leninist interpretation of nationalism in particular does not offer any advantage for our purposes. This interpretation entirely ignores the complexities of the political process, concentrating on putting every aspect of it into the strait jacket of economic determinism. For example, consider this illustration from R.F. Holland, "The Imperial Factor in British Strategies from Attlee to Macmillan, 1945-1963". Here the author argues that the communist guerillas were fighting in Malaya "to prevent the metropole mapping a future in which their group interests (as landless peasants and wage earners ...) were likely to get scant respect". This type of analysis, which waters down political factors for the sake of economic determinism, will hardly take us very far in our study.

Also worth mentioning is A.J. Stockwell's article on "British Imperial Strategy and Decolonisation in Southeast Asia, 1947-1957", which is a commendable attempt to combine the narrow domestic and broader international contexts. Stockwell's argument is that "Domestic, International and Peripheral factors - those


three sisters who stirred the cauldron of British imperialism — cast their spell over the decline of empire as over its expansion a century before. (45) He considers, more specifically, the impact of strategic and economic factors on British policy towards Malaysia after the Second World War. The only defects of this otherwise excellent article are its rather limited time scale and above all its lack of detail, which is of course inevitable in a short article. So far as the time-scale is concerned, the study does not deal with the post-independence period and so far as lack of detail is concerned, some points vital for our purpose are passed over rather hurriedly. For example, the impact of the changes in defence strategy after the war is given only one long paragraph. (46)

It is amply clear from this brief survey that the published and unpublished post-war literature on Anglo-Malaysian relations and British policy in Malaysia fails to provide us with an adequate perspective from which to conduct the present study. Valuable though many of these studies are, they are mainly confined, as we have seen, to narrow aspects such as economic problems, internal security, and regional threats and imbalances. Although Stockwell's article is an exception, it is unfortunately far too brief to provide anything like an adequate framework for our purpose.

Having reviewed in brief the existing literature on our

(46) Ibid., p.80.
subject, the problem which must now be faced is that of finding an alternative approach which avoids the most obvious limitations that much of it displayed. It will be useful to end the chapter, therefore, by briefly summarizing the guidelines upon which our 'ideal' approach can be based.

In the first place, we need a perspective which rejects abstract or reductionist approaches in any form. Amongst reductionist approaches, we were equally critical of the nationalist one adopted by liberals, of the economic ones adopted by marxists, and the moralist one adopted by proponents of British paternalism.

Secondly, we need a perspective which also avoids a foreshortened time-scale. The decline of British commitment in Malaysia did not come like a bolt from the blue, as sometimes seems to be suggested. An adequate study of the final phase of that decline must therefore be firmly situated within a broader setting that takes account of the deeper and more enduring strengths and weaknesses of the British imperial colonial tradition in Malaya.

Thirdly, and finally, we need a perspective which eschews any unilateral approach, whether British or Malaysian, and takes full account of the complex reciprocal interaction of the relevant factors. This interaction occurs in a variety of contexts, extending from local and regional levels up to national and international ones, and all must receive due consideration.

Since none of the studies examined above satisfies these three criteria, we are unable to select any one of them as the 'model' approach for our study. With these criteria in mind, we may now turn from our review of existing literature to our second task, which is to sketch the background of British foreign policy towards the independent Federation of Malaya, and Malaysia after 1963.
CHAPTER II

The Background

It was stated in the previous chapter that British policy is only fully intelligible when it is situated within a broader historical perspective. With a view to establishing such a perspective, we will begin by reviewing briefly the story of how British colonial success in nineteenth-century Malaya eventually degenerated into the fiasco of Malayan Union. The brilliant achievements of the past only made it more difficult to adapt colonial policy to the new situation which emerged after the Second World War. Subsequently, we will consider in more detail how imperial habits influenced British colonial policy towards the grant of independence to Malaya. In this way, it is hoped that the analysis will provide a valuable background against which we can then investigate in detail British reactions to the altered Malayan situation which emerged after the granting of independence.

British Colonial Policy: A Perspective

We now turn, as was just said, to look more closely at the conduct of British colonial policy, more especially in relation to Malaya. The story of this involvement may be divided for present purposes into three distinct phases. The first phase begins with the earliest British contacts with the region and extends down to the beginning of the Second World War. The second phase starts with the surrender of Japanese forces and the return of British rule in 1945, and ends with the establishment of the Federation of Malaya in 1948. The third and final phase consists of the period of communist insurgency and the negotiations with various Malay and non-Malay organisations and ends with the grant of independence.
in 1957. To undertake this exercise is essential, since it is only within this framework that British policy after independence becomes fully intelligible.

(A) **British Colonial Policy in Malaya before 1945.**

The first phase of the British involvement with Malaya consists of two consecutive policies. The first is a policy of least intervention and keeping a low profile vis-a-vis Dutch authority. The second is a policy of active intervention and indirect rule.\(^{(47)}\) The first policy lasted for nearly a century, extending from the British presence in the Malay peninsula in 1786, when the island of Penang was acquired by the East India Company, down to its transfer to the Colonial Office in 1867. The second period extends from 1867 until the occupation of Malaya by Japanese forces during the Second World War.\(^{(47a)}\)

"In the late eighteenth century", Nicholas Tarling has observed, "the British had three major interests in the Peninsula and Archipelago, deriving from their involvement in India and China. In the first place a naval base placed there would readily secure a command of the Bay of Bengal, ... Secondly, the region was important because through it ran the route to China, ... Thirdly, the region was important because the Country Traders

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\(^{(47a)}\) Rupert Emerson, *Malaysia: A Study in Direct and Indirect Rule*, University of Malaya Press, Kuala Lumpur, 1964, is the pioneering account of this direct and indirect rule by Britain in Malaya.
would secure produce - tin, marine and jungle products". *(48)* Although these overriding commercial and strategic concerns prompted the British East India Company to adopt a forward-looking policy, the "British had few territorial ambitions in the Malay world, trade not territory was the objective". *(49)* From the very beginning until 1867, an extremely precarious diplomatic act enabled the British to reap a rich harvest of benefits, without incurring any heavy military involvement. *(50)* The Anglo-Dutch Treaty of 1824 is the best illustration of this minimum intervention policy. The treaty left the Dutch, "politically predominant, while giving the British commercial opportunity". *(51)*

Unfortunately, this congenial climate gradually receded into the past due to the unforeseen decline of Dutch power in Europe, an event which had major repercussions on the balance of power in South East Asia. In the second half of the nineteenth century, the existing policy also came under severe strain as a result of a multitude of other factors. *(52)*

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*(51)* Nicholas Tarling, op.cit., p.116.

trade with China was threatened by sea pirates. Secondly, there were
the adventurous and forward looking policies advocated by the Malayan
Civil Servants. Thirdly, local British and Chinese merchants
persistently advocated deeper British involvement in local
politics. Finally, the prevailing anarchy in the Malayan political
world, coupled with the impact of European rivalry in South East
Asia, compelled the British government to shift from non-intervention
to direct intervention.\footnote{C.D. Cowan, Nineteenth Century Malaya: The Origins of
British Political Control, O.U.P., London, 1961.}

Dalton aptly observed that it was "the
necessity to introduce law and order in this potentially explosive
situation [which] prompted Britain to accept responsibility".\footnote{J.B. Dalton, op.cit., p.12.}

The policy of protecting trade and commerce at the cost of
direct political and military intervention had an ominous
beginning in 1867,\footnote{David MacIntyre, "Britain's Intervention in Malaya. The Origin
of Lord Kimberley's Instructions to Sir Andrew Clarke in 1873",,
when the governor of the Straits Settlements
was directed by the Colonial Office, "to do all [he] could to help
British commerce. But [he was] not to let matters go so far that
the home government might be called on to sanction political moves
that would involve military expenses and trouble with other
European powers or native authorities nearby".\footnote{Robert Heussler, British Rule in Malaya, op.cit., p.6.}
It became
increasingly difficult, however, to keep trade and politics apart.
Political instability compelled the British and Chinese merchants
to implore the British Government for direct intervention.\footnote{Emerson, op.cit., pp.112-118.}
These cries of help were echoed by the successive governors as well. Finally, Lord Kimberley, the Colonial Secretary, inquired of the Governor, Sir Andrew Clarke, whether, "the appointment of a British agent, of course with the consent of the native rulers and at the expense of the settlements", (58) would help in restoring law and order in the Malay world. In fact, this system of agents and Residents later on became the precursor of direct British rule in Malaya. Within the next thirty years, i.e. 1876-1909, a whole network of treaties was created and the British Residents were accepted by the Malay Sultans. (59) It reduced the Sultans to the level of dependents on British protection, helped the Chinese community to acquire almost a total monopoly of the middle level of the Malayan economy, encouraged an uncontrolled flow of immigrant labour from China and India, and isolated the Malays from the national mainstream of economics and politics. (60) Though some of the governors were genuinely concerned over Malay isolation, a paternalistic attitude still prevailed in their policies. For example, Sir Frank Swettenham who himself was actually involved in consolidating the Resident system, noted with satisfaction in 1906 that "All is well now", in Malaya. For him, "Time means progress and expansion for all ... under British influence". (61)

(58) Ibid., p.10.
(61) Sir Frank A. Swettenham, op.cit., p.345.
In order to counter the problems created by this interventionist policy, a policy of decentralization was advocated in the Colonial Office after the end of the First World War.\(^{(62)}\) However, it was unfortunate for the Malays that the stated objectives of the policy were not in harmony with contemporary British and Chinese mercantile interests.\(^{(63)}\) Thus an inherent discrepancy developed between the theory and practice of British colonial policy in Malaya during the interwar period, whereby the Malay sultans were supposed to be the rulers, but British authority remained supreme.\(^{(64)}\) Though the Malays were supposed to be the indigenous people, European and Chinese economic interests were nevertheless always given priority.\(^{(65)}\) This policy further intensified the fragmentation of Malaya into different racial communities, thereby hampering the growth of any substantial nationalist movement\(^{(66)}\) and leaving the country wholly unprepared for self-government.\(^{(67)}\)

This was the situation at the outbreak of the Second World

\(^{(62)}\) B. Simandjuntak, op.cit., pp.29-29.


\(^{(67)}\) Rupert Emerson, Malaya: A Study in Direct and Indirect Rule, op.cit., p.498.
War. After approximately one century of indirect and half a century of direct rule, Malaya presented a unique combination of a fully developed colonial economy with highly underdeveloped political institutions. For a considerable length of time, the Colonial Office had been advocating a policy of decentralization, the object of which was to liberalize British rule in the Federated Malay States, to centralize the Unfederated Malay states with the Straits Settlements into a single administrative unit. However, due to opposition from disparate groups, united by their mutual hostility to the policy, the scheme never got off the ground. This vacillation finally came to an end with the Japanese occupation of South-East Asia in 1942. The event proved to be a watershed in the history of British rule in Malaya. However, at this stage it will be helpful if a brief survey of British colonial policy under the Labour government is undertaken, in order to provide a precise context for post-war British policy in Malaya.

(B) British Colonial Policy towards Malaya, 1945-1951.

The Second World War brought new challenges to the British Empire, opened new possibilities and posed new questions to the

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(71) Ibid., p.17-18.
policy makers. (72) In Africa, Britain tried to tidy up the Empire by introducing new development programmes, but in the rest of the Empire the situation was not amenable to response. (73) "Unable to master the forces of Arab and Asian nationalism, Britain sought adjustments which might hold off an apparently unfathomable tide. The Labour Party was opposed to maintaining the Empire by force. It is a nice and possibly a significant coincidence that when Britain did not have adequate force, her government was in the hands of a party committed to abandoning imperial rule". (74)

In this second phase, a key element was introduced for the first time by the new Labour Government. Unlike the previous government, it did not feel committed to the imperial past; imperial glory did not have the same attraction as for the Conservative party. (75) Therefore, it was easier (in principle at least) for the Labour administration to recognize the radical change in the status of Britain as a world power and to adjust to the changed situation. (76) though it was painful for them to admit


that, "Britain was now a power with world interests, not a world power". (77)

As a socialist government, however, it faced a dilemma. On the one hand, the Labour Government in office was bound by its election promises and committed to maintaining the over-all image of a socialist government. (78) On the other hand, it confronted a hostile international environment which precluded any radical change in the foreign policy followed by British Governments in the pre World War years. In addition to this intractable environment the presence of Labour leaders in the coalition government during the war helps to explain the comparatively insignificant changes in the foreign policy of the new government. (79) In short, a strong preference for realism over ideological niceties is strikingly evident in the post World War years. Ernest Bevin himself openly spoke about it at the party's annual conference, "I would ask the Conference to bear in mind", Bevin exhorted his listeners, that "Revolutions do not change geography and revolutions do not change geographical needs". (80)

The colonial policy of the Labour government runs parallel to its foreign policy. On the one hand, the Labour Party was anxious to apply its cherished principles in the realm of colonial policy. On the other, its hands were tied by consideration of inter-

(77) M.A. Fitzsimons, op.cit., p.29.
(79) M.A. Fitzsimons, op.cit., p.25.
It is in this context that the development of Britain's attitude towards its colonies must be interpreted in the years following the Second World War. The Labour government inherited a very confused and fluid international movement in the colonies. While presenting the Civil Estimates for debate in the Committee of Supply, the Secretary of State for the Colonies, Creech Jones, revealed the changed attitude of the Government when he said:

"I am convinced that in this modern age, with its forces of nationalism and freedom, its economic changes, its spread of education and the political and social awakening which is going on, we must adjust ourselves to a much quicker tempo of constitutional development than would have seemed practicable a few years ago".

Besides the working of these external factors, their own cherished values of social equality and justice led the Labour government to adopt a liberal line on colonial questions. "In the decades before 1945", Creech Jones went on to argue, "the socialist movement in Britain had challenged the older notions of colonial possessions. ... Few socialists had found themselves able

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to reconcile their conceptions of human rights and social democracy with this kind of truculent national egoism". (85)

The Labour party's cherished values of social democracy, Jones continued, could not be reconciled with "colonialism". It was a popular belief in Fabian circles that, "colonialism had brought in its train an intolerable legacy for which the old idea of possession and laisser-faire seemed as utterly irrelevant as the notions of imperialism". (86)

At the same time, however, Creech Jones warned against haste and folly. "We have to experiment boldly, though not necessarily rashly ... The process may be a painful one, but the alternative of increasing bitterness and tension in the relationship of the people to the Government would be disastrous". (87)

It is in the light of the above statements that the colonial policy of the Labour government must be examined. Inspired as it was by a combination of ideology and political pragmatism, the policy entailed a fresh look on the relationship between the mother country and the colonies. The policy consisted of two main elements. In the first place, it expressed a willingness to take risks by granting political independence at least to colonies which were deemed sufficiently "mature" to be given responsibility for governing themselves. Secondly, it meant tidying up the local administration, in order to create a structure of local government which would be capable of experimenting on its

(86) Ibid., p.19.
own initiative, thus finally equipping the local population for responsible self-government.\(^{(88)}\)

During the following years, the Government continued to reject the idea of any total surrender by Britain and to emphasise the limitations of liberal policies. "No Government could suddenly bring to an end 'colonial status' and colonialism without creating more pain and difficulties than might be removed", Creech Jones wrote later on in *New Fabian Colonial Essays* (1959). Nor, he said, "could there be any question of abdication of Britain from obligations incurred in the past, or of transfer of territories to inexperienced or to some non-existent international authority".\(^{(89)}\)

The debates in the House of Commons on colonial affairs during the immediate post war years slowly moved towards a more comprehensive reassessment of British colonial policy.\(^{(90)}\) Of course, the opposition took an active part in this process of reassessment, although theirs was generally the view that might be expected from old champions of empire. By the beginning of 1948, they had accepted the alteration in the status of Great Britain, but mainly because they were deeply concerned about the dangers lying ahead. Mr. Gammins (M.P. for Hornsey, and veteran champion of the old colonial policy), warned the government that besides the aim of guiding the colonial territories to responsible self-government within the Empire, "there must be another aim as well"


\(^{(89)}\) Ibid., p.25.

and "that is to hold the Empire together as a world force".\(^{(91)}\)

In the course of the debate, Gammons put special emphasis on two points. "The first is that Great Britain is either a great imperial power or she is a lonely friendless island in the North Sea, unable to feed herself and unable to defend herself. "The second point emphasised by him was that "whilst Great Britain cannot exist without the Empire, it is equally true that the colonies cannot exist without us. Independence without security is meaningless".\(^{(92)}\)

By the beginning of 1949, the colonial policy of the Labour Government had assumed the form recorded in Command Paper Cmd.7433. That paper placed emphasis on (a) the need to encourage political progress and further the growth of indigenous political institutions; on (b) the need to harness the new aspirations by direction of nationalist sentiment to constructive purposes; and on (c) the need to staff a colony's civil service more and more from the ranks of its own inhabitants.\(^{(93)}\)

In the economic field, the British Government's responsibility went even further. As the Cmd.7433 made clear, "... Great Britain had a dual mandate ... on the one hand to promote the moral and material welfare of the colonial peoples, and on the other, to develop the resources of the Colonies, not only for their own people, but for all mankind".\(^{(94)}\)

\(^{(92)}\) Ibid., col.615.
\(^{(94)}\) Quoted by Paul de Hevesy, op.cit., p.809.
This brief survey of the Labour Government's colonial policy might seem to suggest that it showed, in the words of David Goldsworthy, "much conscientiousness and some imagination in seeking social, economic, and political application of liberal humanitarian principles". Such a view, however, is too simplistic to be completely acceptable, supposing as it does that Labour policies were almost exclusively the outcome of its ideological sentiment. As we have seen, British colonial policy under the Labour Government was shaped at least as much by the calculated response of an imperial power to pragmatic considerations presented by "domestic, international and peripheral factors" in the post-World War years.

Against the background of this review of the Labour Government's colonial policy, we may now analyse more closely British colonial policy towards Malaya in the post World War years. British troops returned to Malaya in an altogether changed environment after the surrender of Japanese forces in South East Asia. Two sudden and unforeseen changes had surfaced in British colonial possessions in Malaya. In the first place, the British withdrawal and Japanese occupation had touched off a bitter struggle for power between the communities by letting loose the explosive forces of nationalism. Secondly, even before the

(95) David Goldsworthy, op.cit., p.23.
(96) A.J. Stockwell, "British Imperial Strategy and Decolonization in South-East Asia, 1947-1957", op.cit., p.79.
The Japanese occupation gave a new impetus to Malay nationalism, with the result that the problem of inter-communal harmony finally emerged into the open. During the occupation years, the Japanese displayed a natural suspicion towards the Chinese community in Malaya. Behind the anti-Chinese sentiments of the Japanese were traditional hostilities, as well as the fighting between Japan and China on the Chinese mainland. The Japanese successfully exploited the existing communal differences and, "deployed the Malayan police force, which consisted mostly of Malays, to suppress the Chinese resistance movement".

The Japanese occupation was decisive in arousing Malay expectations. In the course of the Japanese occupation, the Malays had tasted power over the Indians and Chinese. The Chinese, who had played a crucial role in British espionage and sabotage activities in Malaya during the Japanese occupation, were expecting favourable treatment in the forthcoming arrangements. A new factor, almost non-existent in prewar Malaya, was the emergence of militant tendencies both among the Chinese and the Malays.


(100) For a detailed study of the Japanese impact on South East Asian politics, see Willard H. Ellsbree, Japan's Role in Southeast Asian Nationalist Movement, 1940-1945, C.U.P., Cambridge, 1953.


(102) B. Simandjuntak, op.cit., pp.154-159.

(103) Cheah Boon Kheng, op.cit., pp.154-159.

These militant tendencies enjoyed full play as a result of the absence of governmental authority, in the two months which intervened between the surrender of Japan and the British takeover. In the wake of this period — of near anarchy, the British authorities faced problems of immense magnitude.

The general turmoil which prevailed in Malaya, was exacerbated by the disruption of the economy, as made clear by the Table 1. Moreover, the forthcoming independence of mature colonies like India and Burma further encouraged nationalist fervour which had been lying dormant before the outbreak of war, and was now expressed primarily in racial divisions. These divisions only generated further confusion and uncertainty amongst the colonial administration. In the absence of a united nationalist movement, the British policy makers were prone to be interpreted as "taking sides" by showing favour to one community at the expense of the other. The old dilemma of indigenous Malay peasant interests vs. Chinese mercantile interests opened new hazards during 1945 and 1946 since even the slightest indication of partiality would have sparked a fresh outbreak of communal violence.

The overall result of this plethora of problems was that the situation in Malaya resembled an imminent volcanic eruption.

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(105) Ibid., pp.180-186.
(106) See Table 1. (overleaf)
**Table 1**

**Economic Disruption in Malaya, 1941–46**

<table>
<thead>
<tr>
<th>(a) Production of Tin (in Long Tons)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1939</td>
<td>44,627</td>
</tr>
<tr>
<td>1940</td>
<td>80,651</td>
</tr>
<tr>
<td>1946</td>
<td>8,432</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>(b) Tin Ore (Long Tons)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1942</td>
<td>21,873</td>
</tr>
<tr>
<td>1945</td>
<td>4,380</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>(c) Coal (Average monthly Production in Tons)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1940</td>
<td>65,126</td>
</tr>
<tr>
<td>1946</td>
<td>18,723</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>(d) Padi Acreage yield (in grantangs)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1941</td>
<td>820,480</td>
</tr>
<tr>
<td>1946</td>
<td>789,480</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>(e) Displacement of Labour</th>
<th>1941</th>
<th>1946</th>
<th>Percentage change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estate</td>
<td>300,104</td>
<td>218,841</td>
<td>-27%</td>
</tr>
<tr>
<td>Government Department</td>
<td>33,441</td>
<td>32,654</td>
<td>-2%</td>
</tr>
<tr>
<td>Mines</td>
<td>29,120</td>
<td>16,008</td>
<td>-45%</td>
</tr>
</tbody>
</table>

In order to minimize the danger of such an eruption, some precautionary steps were urgently needed. For the British however, problems were made still more complicated by the fact that their victory over Japanese forces was only indirect. Because the Japanese surrender was due to the American atom bomb rather than to direct combat, the British could not claim the prestige that belongs to a victorious country.\(^{109}\) In post war Malaya, this factor, along with the "feeling of guilt" for not being able to protect Malaya against the Japanese invasion itself,\(^{110}\) had cast dark shadows over the minds and activities of the Army, colonial administrators, and the Colonial Office. "The Japanese attacked and destroyed our existing position", observed the Colonial Office in Malaya, "in consequence of our failure to offer the protection promised".\(^{111}\)

The official British response to this post-war breakdown of law and order in Malaya was acceptance that "war has made great changes in the world and released new forces and influences for freedom and democracy which cannot be ignored ... In any case a more liberal constitution is imperative, for under the prewar order, self-government could not be achieved".\(^{112}\) Within the context of this objective, the old colonial policy of intervention and indirect rule was gradually replaced by a new and distinctive phase based upon developing the colony for self-government within the

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\(^{109}\) Anthony Short, Ibid., p.44.  
\(^{110}\) T.H. Silcock, op.cit., p.3.  
\(^{111}\) CO/865/1/M101, A letter from Messrs. McKerron and Day to the Colonial Office, dated 8 December, 1942.  
\(^{112}\) Parliamentary Debates, House of Commons, Vol.420, 8th March 1946, col.641.
According to Stockwell, "The three pillars of pre war policy - the sovereignty of the Malay rulers, the autonomy of the Malay States and the privileged position of the Malay community - were demolished". The place of these three pillars, he argued, was now taken by a policy concerned with territorial consolidation of the "Malaysia" region, political and financial stability, multi-racialism and staged advance towards democratic self-government. It was this new objective, then, which became the ballmarks of British colonial policy in post-war Malaya.

The Colonial Office deemed that by transforming Malaya into a single political and administrative unit, its progress towards self-government would be facilitated. Two important documents, viz. Cmd.6724: Malayan Union and Singapore: Statement of Policy on Future Constitution, and Cmd.6749: Malayan Union and Singapore: Summary of Proposed Constitutional Arrangement, were issued in January and March 1946. These two papers, along with a lengthy debate in the House of Commons on the Straits Settlements Repeal Bill on 8th March 1946, are the chief symptoms of the altered view now to be found in the Colonial Office. The Cmd.6724 boldly

(113) Ibid., pp.646-647.
(115) A.J. Stockwell, "Imperial Strategy and Decolonization in South East Asia, 1945-1957", op.cit., p.84.
discounted any possibility of returning to the prewar system mainly on two grounds. Firstly, it was an outdated system for the postwar Malayan-world; and secondly, it "would not lend itself to that political adjustment which will offer.../means and prospect of developing Malaya's capacity in the direction of responsible self-government".\(^{(118)}\) Therefore, if there was to be social and political advance, the creation of "coordinated policy and uniformly directed services"\(^{(119)}\) was to be desired in Malaya.

It was with this objective in mind that the Colonial Office entrusted the MacMichael mission with the task of achieving a single unified political unit in Malaya. Ironically, however, and despite the best intentions of its planners, the mission itself became a major instrument in provoking Malay nationalist sentiment.\(^{(120)}\) The idea of merging the Federated and Unfederated Malay states into a single political unit, viz. the Union of Malaya, was regarded with deep distrust.\(^{(121)}\) It was alleged in the British parliament that the Malay Sultans were not approached by Sir Harold MacMichael in a proper manner, and that they "had been coerced and intimidated in secret". It was also said, more generally, that the people had not been adequately consulted.\(^{(122)}\) Some of the Malay Sultans themselves supported this view, insisting

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\(^{(119)}\) Parliamentary Debates, House of Commons, Vol.420, 8th March 1946, Col.640.

\(^{(120)}\) Jan Pluvier, op.cit., pp.396-397.


\(^{(122)}\) Parliamentary Debates, House of Commons, Vol.420, Col.672.
that their consent was far from spontaneous and whole-hearted. \(^{(123)}\)

Moreover, the union of Malay proposed by \textit{Cmd.6749} only convinced the Malays that, "they were politically degraded to a mere colonial status and that their Sultans were being made to descend to the level of 'serfs' in a crown bureaucracy". \(^{(124)}\) Apart from wounding Malay sentiments, the proposed Union of Malaya demanded a level of centralization which was simply not workable within the prevailing circumstances in Malaya. \(^{(125)}\) Even the members of the Malayan Civil Service thought that "London interpreted her interests too narrowly, based her policies on inadequate information and insisted on a degree of control from the centre that was self-defeating". \(^{(126)}\)

The upshot was that a country-wide protest against the proposed union and the liberal citizenship laws rapidly engulfed Malaya. \(^{(127)}\) The newly born United Malays National Organization came to be the spearhead of Malay mass-protests. \(^{(128)}\) However, an enigmatic feature of the Malay protest was that it was not so much

\textbf{References:}


\(^{(124)}\) B. Simandjuntak, \textit{op.cit.}, p.42.

\(^{(125)}\) A.J. Stockwell, \textit{British Policy and Malay Politics}, \textit{op.cit.}, pp.165-166.


anti-British as anti-Chinese and anti-Indian.\(^{(129)}\) The slogans adopted by the protest movement, for example, "We want protection and not annexation",\(^{(130)}\) were indications of Malay faith in the necessity of British administration. "Father, protect us till we grow up", was the Malay sentiment echoed by the *Straits Times*.\(^{(131)}\) As a matter of fact, "The Rulers and UMNO leaders were not revolutionaries or even radicals opposed to British colonialism. In fact, they viewed British rule as being generally just and necessary for Malaya. ... Even at the height of the protest against the Union, the Sultans and the UMNO leaders kept their close links with British government officials".\(^{(132)}\)

Unlike the Malay response, the initial Chinese and Indian reaction was marked by apathy. However, the strong pro-Malay policies of U.M.N.O. only strengthened the hands of radical elements within the non-Malay communities.\(^{(133)}\) The apparent readiness of the UMNO conservatives to embrace British protection and to cooperate with the government in achieving self-government within the Commonwealth, placed them in a highly favourable position in relation to the radicals.\(^{(134)}\) The possibility of the radicals arriving at any compromise with the British authorities was meagre due to the extreme nature of their own programme.\(^{(135)}\)


\(^{(130)}\) B. Simandjuntak, *op.cit.*, p.43.

\(^{(131)}\) Khong Kim Hoong, *op.cit.*, p.84.

\(^{(132)}\) Ibid., pp.97-98.

\(^{(133)}\) Jan Pluvier, *op.cit.*, p.402.


\(^{(135)}\) B. Simandjuntak, *op.cit.*, pp.47-752 (Continued overleaf)
When the British government opened discussions on the future constitutional arrangements, UMNO therefore became the major participant, whilst radical parties like PUTERA and AMCJA decided to stage demonstrations against any Anglo-UMNO compromise.\(^{(136)}\)

The rising wave of nationalism in Malaya along with the polarization of politics into a struggle between conservatives and radicals, brought about a profound modification in the British view of the situation.\(^{(137)}\) First of all, the Colonial Office moved towards a policy of consultation and discussion rather than seeking to impose policies from above.\(^{(138)}\) Secondly, the conservative leadership of UMNO proved to be a willing partner in implementing British policies for administrative change in Malay.\(^{(139)}\) In return for this cooperation, Britain now accorded priority to Malay political interests over Chinese ones.\(^{(140)}\)

The outcome of two years of discussion was command paper Cmd.7171, which made major concessions to the Malays on the question of federal citizenship and the authority of the Sultans.\(^{(141)}\) In spite of these concessions, the basic aim of establishing a strong

\(^{(135)}\) (From overleaf) and M.N. Sopiee, op.cit., pp35-37.
\(^{(139)}\) J.P. Ongkili, "British and Malayan Nationalism", op.cit., p.269.
\(^{(140)}\) Robert Heussler, Completing a Stewardship, op.cit., p.155.
central authority and jurisdiction over all important matters was fulfilled. (142) Although the proposal for a new Federation of Malaya contained in Cmd.7171 satisfied both British needs and UMNO's national aspirations, it left a large section of the non-Malay communities frustrated and disillusioned with the whole British policy of constitutional reform. (143) As a result, the formal inauguration of the Federation of Malaya was soon to be followed by the outbreak of guerilla warfare throughout the country. (144) With the advent of guerilla warfare, a new phase in British Malayan history commenced. This was to last until the grant of independence in 1957.

(C) British Colonial Policy towards Malaya, 1949-57.

Before approaching this third and final phase, it must be recollected that except for the three initial years of communist insurgency, the Conservative party was in power in Britain. This fact had far reaching consequences for the final outcome of the guerilla war in Malaya. By 1951, the Labour Government was finding it increasingly difficult to tackle communist violence. Mr. James Griffiths, the Secretary of State for the colonies, admitted to his successor in 1951 that, "It has become a military problem to which we have not been able to find the answer". (145) It was this


(143) B. Simandjuntak, op.cit., p.262.


situation which the Conservative government confronted when Churchill returned to office later in that year. Since this change of authority was to have considerable influence on the course of Anglo-Malay relations in the years immediately before and after Merdeka Day, it is necessary at this stage to review briefly the colonial policy of the new government.


In spite of their bitter attacks on Labour's colonial policy whilst in opposition, the new Conservative Government did not immediately introduce any major change into existing colonial policy. This can be attributed to the fact that, whereas the Labour Party was almost uniformly committed to decolonisation, the Conservative Party was deeply divided on the future of the Empire and the colonies. A prominent group of Conservatives MPs led by Dodds-Parker declared during a debate in 1948 that, "Great Britain is either a great imperial power or she is a lonely friendless island in the North Sea unable to feed herself and unable to defend herself". On the other hand, the former Colonial Secretary, Oliver Stanley, had openly accepted in 1949 that both parties had arrived at "some community of purpose".

(146) Ibid., op.cit., pp.351-356.
(147) Parliamentary Debates, House of Commons, Vol.542, 21 June 1955, cols. 1152-1269. The debate on colonial affairs clearly showed the division of opinion among the rank and file of the Conservatives.
(148) Parliamentary Debates, House of Commons, Vol.454, 8 July 1948, col.615
(149) Parliamentary Debates, House of Commons, (Continued overleaf)
This division within the Conservative Party was nowhere as glaring as it became during the nineteen fifties. (150) Whilst the Prime Minister declared as late as 1954 that, "I have not become the King's first Minister in order to preside over the dissolution of British Empire", (151) his Colonial Secretary, Oliver Lyttleton, had used almost the very words of Mr. Creech Jones while elaborating Conservative colonial policy in the House of Commons in 1951. His "respected predecessors'' policy, Lyttleton insisted, was "at once the only enlightened and the only practical theme for a colonial policy in the nineteen fifties". (152)

With hindsight it can be argued that this deep division within the party arose because as late as the nineteen fifties, "vague attitudes based on nostalgia, together with a quite specific hostility towards the advancement of colonial nationalism in certain areas, still had many spokesmen", (153) If this pro-empire attitude clashed with the ideals of self-government, it did not bring any such clash. The avowed aim of developing the colonial economy as a support for and an extension of the home economy found enthusiastic champions among the Conservative rank and file. (154)

Although the cause had been taken up before the war, and the

(149) (From overleaf) Vol.467, 20 July 1949, cols. 492-3.


(153) David Goldsworthy, op.cit., p.287.

Labour Government had already created the Colonial Development Corporation in 1948, nothing substantial had been achieved by 1951, despite a vastly increased budget. (See Table 2). *(155)*

This unsatisfactory situation has been attributed by Anthony Seldon to "the dearth of finance and ideas that had bedevilled colonial development plans before the [Korean] war". He confirmed that some additional difficulties had appeared by the early 1950's. These included the "problem of finding skilled manpower ... and a shortage of raw materials." *(156)* On top of these domestic problems, the divergent economic situation in each colony required individual attention. As a result, "devising an overall grand strategy became next to impossible, and problems

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*(155)* Table 2

<table>
<thead>
<tr>
<th>Year</th>
<th>Issues</th>
<th>Financial Provision</th>
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<tbody>
<tr>
<td>1946-47</td>
<td>£3.5 million</td>
<td>£9.3 million</td>
</tr>
<tr>
<td>1947-48</td>
<td>5.3</td>
<td>7.5</td>
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<tr>
<td>1948-49</td>
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<tr>
<td>1949-50</td>
<td>12.9</td>
<td>13.2</td>
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<tr>
<td>1950-51</td>
<td>13.2</td>
<td>19.25</td>
</tr>
<tr>
<td>1951-52</td>
<td>14.0 (estimated)</td>
<td>19.4</td>
</tr>
</tbody>
</table>


were tackled as and when they arose".\textsuperscript{(157)} However, the government conscientiously persisted in its efforts, despite occasional setbacks and failures.\textsuperscript{(158)} For example, the House of Commons was informed by the Secretary of State for Colonial Affairs that, "Colonial Development and Welfare Act has already furnished £140 millions, and a further £80 millions have now been added".\textsuperscript{(159)}

The genuine British concern for the political and economic advancement of its colonies was severely hampered by a multitude of considerations during 1951-57.\textsuperscript{(160)} The Welfare State and economic reconstruction restricted room for manoeuvre, whilst the growing militancy of the nationalist movement dampened British enthusiasm for their own liberal and humanitarian convictions.\textsuperscript{(161)} But how, we must ask, did this affect policy towards Malaya in particular? The answer is to be found by considering the consequences of these two modifications in existing policy which were made by the Conservative Government.

In the first place, the government slowed down the pace of granting independence; and secondly, it demonstrated British readiness to use sufficient force, should that be necessary in order to enforce the government's policies.\textsuperscript{(162)} For example, in Malaya the maintenance of law and order as a prerequisite for the

\begin{thebibliography}{6}
\addcontentsline{toc}{section}{References}
\footnotesize
\bibitem{157} Ibid., p.353.
\bibitem{158} D.J. Morgan, op.cit., pp.21-49.
\bibitem{161} J.M. Lee, op.cit., p.243.
\bibitem{162} Anthony Seldon, op.cit., p.348.
\end{thebibliography}
grant of independence now became the principal tenet of colonial policy. (163) As Oliver Lyttleton put it, "It is mockery to give a man a vote when you cannot protect his life". (164) The pragmatic and down-to-earth approach of the Conservative Party contrasts strongly with the rhetoric of self-government favoured by its predecessors.

The third and the final phase of British colonial policy towards Malaya spans the most crucial and traumatic years of Malayan history. The decade after 1948 witnessed the eruption of guerilla warfare, a relentless British and Malayan fight against it, and a simultaneous effort to create a political infrastructure in readiness for the future grant of independence. These two events, viz., the defeat of communist insurgency and the attainment of independence, were inseparable. As a matter of fact, "the struggle against the one was also the birth trauma of the other". (165) Consideration of Sir Robert Thompson's strategic recommendations provides a valuable insight into the problems involved. He contended that:

1. The Government must have a clear political aim: to establish and maintain a free, independent united country which was politically and economically stable and viable.
2. The Government must function in accordance with law.
3. The Government must have an overall plan.
4. The Government must give priority to defeating political subversion, not the guerillas.

(164) Ibid., p.364.
In the guerilla phase of an insurgency, the Government must secure its base areas first.\textsuperscript{(166)}

The official British response conformed to Thompson's strategy. As a result, military, economic, psychological and political factors were given equal consideration in working out an overall strategy. General Templer, the chief architect of British success against communist insurgency in Malaya, revealed a better grasp of reality than anyone else in his unwavering belief that, "The answer lies not in pouring more soldiers into the jungle, but in the hearts and minds of the Malayan people".\textsuperscript{(167)} In line with this belief, General Templer adopted a "carrot and stick" policy. Though he was sometimes accused of being too highhanded and even of bordering on ruthlessness, his method ultimately yielded the desired results. At the same time, he showed a genuine concern for the problems caused for the ordinary citizens by the insurgency and counter-insurgency measures.\textsuperscript{(168)} In fact, throughout the whole of the emergency years, British officials in Malaya "had observed the golden rule that political steps needed to be taken side by side with military operations", and had appreciated that these operations "might often be prejudiced if not accompanied by appropriate steps in the political field".\textsuperscript{(169)}


\textsuperscript{(168)} The counter-insurgency methods adopted by General Templer were subject to controversy. For example, Victor Purcell in \textit{Malaya: Communist or free?}, op.cit., vehemently critised his measures.

\textsuperscript{(169)} Anthony Short, op.cit., p.323.
The fight against communist insurgents in Malaya, therefore, contained an intrinsic economic dimension. British officials became increasingly convinced of the necessity for insulating the rural Malays and Chinese population from falling prey to communist propaganda. This could best be achieved by improving their conditions of living. "You can only win the people over, in my opinion", observed General Templer, "by capturing their hearts and minds. The Strategy is to win it", he elaborated further, "by getting the population on your side, by getting prosperity, a higher standard of living ..." This strategy was sustained over the years by a sharp increase by the British in development and welfare activities in Malaya during 1951-1955, as is shown in Table 3 below. This increase cannot be dismissed as a

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<tbody>
<tr>
<td>(a) Colonial Development and Welfare</td>
<td></td>
<td>.693</td>
<td>1.169</td>
<td>1.095</td>
<td>.948</td>
</tr>
<tr>
<td>(b) British Council</td>
<td></td>
<td>.009</td>
<td>.014</td>
<td>.021</td>
<td>.026</td>
</tr>
</tbody>
</table>

Source: FO/371/123259, "United Kingdom Financial Years in Colombo Plan Countries, Commonwealth and Sterling Area, 1951-1956".


(171) Ibid., p.51.
mere coincidence since the years 1951-54 were the most menacing of the Emergency.

As was said earlier, this increase in development and welfare activities was concomitant with a steep rise in military expenditure. See Table 4 which is based on the same source.

Table 4

United Kingdom's Military Expenditure in Malaya and British Borneo including Singapore.

<table>
<thead>
<tr>
<th>Financial Years</th>
<th>Million in Pound Sterling</th>
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<tr>
<td>1950-1951</td>
<td>25.5</td>
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<tr>
<td>1951-1952</td>
<td>29.8</td>
</tr>
<tr>
<td>1952-1953</td>
<td>29.5</td>
</tr>
<tr>
<td>1953-1954</td>
<td>30.0</td>
</tr>
<tr>
<td>1954-1955</td>
<td>31.7</td>
</tr>
<tr>
<td>1955-1956 (estimated)</td>
<td>34.4</td>
</tr>
<tr>
<td></td>
<td>180.900 Total</td>
</tr>
</tbody>
</table>

Source: FO/371/123259, "United Kingdom Financial years in Colombo Plan Countries, Commonwealth and Sterling Area, 1951-1956".

The end result of this unusual combination of military and socio-economic strategy was that the insurgents were never able to pose such a menacing threat to the British as the Vietnamese guerillas succeeded in doing to the French and Americans. Another desired outcome of this strategy was that the number of civilian and Security Forces' casualties steadily declined. According to the official reports, there were 1,195 Security Forces' casualties in 1951, as compared to 889 in 1950 and 664 in 1952. After 1952, the total number of Security Forces' casualties never rose above
Apart from delaying the grant of independence, communist insurgency became crucial in deciding the future shape of independent Malaya. It was so because the insurgency was seen as part and parcel of the international communist conspiracy, and against which Malaya was regarded as the frontline defence. The avowed policy of self-government created a whole new set of problems for the British government. The major questions were the future status of Malaya as a front line anti-communist state, and the future status of British forces. British anxiety is vividly expressed in a letter from Anthony Head to Anthony Eden, Secretary of State for Foreign Affairs, on 15th November 1954. The letter anticipated likely developments in Malaya, in the event of the withdrawal of British forces. The most obvious result, he observed, would be the creation of a power vacuum in the region. In that event, Head argued, the whole area would be vulnerable to internal subversion. Head’s proposal was to counter-balance this threat by making it publicly known that the "British were equally determined to guarantee [Malayan] independence against the tide of communism by providing the necessary imperial forces for that purpose".

The letter also suggested that a review of SEATO’s role in relation to the cold war should be undertaken by the Defence Committee, and that this report should be placed before the next Commonwealth

(173) CO/1050/67, To Secretary of State for Foreign Affairs, from Anthony Head, the Secretary of War Office, 15th November 1954.
(174) Ibid., pp.2-3.
Prime Ministers' meeting. In our view, this letter may be regarded as the starting point of future AMDA deliberations.

In the political field, British achievements were as dazzling as in the military one. Even though the pace at which independence was to be granted had been slowed down, as was argued above (p.48), the Colonial Office nevertheless persisted in its objective of preparing the country for eventual self-government. One difficulty lay in resisting pressure from ultra conservative and radical Malay factions for radical steps against non-Malays. Such radical steps were made difficult by the fact that the non-Malays could not be ignored because of the constant need to discourage them from sympathising with the guerillas. Nevertheless the various Malay organisations apart from MNP demanded preferential treatment by virtue of being the indigenous people. The Colonial Secretary had a particularly tough decision to take when confronted for example, by UMNO's demands for exclusion of the Chinese from "an equal share of managing affairs when self-government comes". The idea was totally unacceptable because it would have committed the British Government to ensuring "indefinite but probably permanent Malay political superiority", resulting in a hardening of Chinese hostility towards constitutional and legal measures. Oliver Lyttleton saw the major menace as the emergency itself and declared that, "Military operations to end the Emergency must take precedence over any advance towards self-government".

(177) Anthony Short, op.cit., p.323.
(178) Victor Purcell, "Colonialism in

(Continued overleaf)
But this statement aroused a lot of suspicion in Malaya, and the Colonial Secretary therefore issued another statement that, "While military operations would be intensified, legislation to advance self-government would be introduced simultaneously".\(^{(179)}\)

Besides the emergency and the future security problems, a unified Malaya was deemed to be a precondition for the grant of full freedom.\(^{(180)}\) "The pace of constitutional change will be determined", an official Report had already argued, "by the strength of nationalist feeling and the development of political consciousness within the territory concerned".\(^{(181)}\) The Colonial Office so firmly believed in the necessity of a unified Malayan nation that every conceivable step was taken to ensure its growth. This policy, Stockwell maintained was faithfully put into practice, despite the constraints imposed by the federal agreement, the emergence of communal politics and the security situation.\(^{(182)}\)

A similar interpretation of the Colonial policy was given by F.G. Carnell. "This policy was characterised", according to Carnell.


\(^{(179)}\) Ibid. Although Purcell was a major critic of British policy in Malaya at this stage, however, the above mentioned views are in line with Lyttleton's own account. See The Memoirs of Lord Chandos, op.cit., pp.359-383.


"by gradually widening the avenue of citizenship for non-Malays, by raising of Malay living standards, by educational reforms, by unfurling of a national flag and also by proposing a Federation army". (183)

By 1955, this strategy had started to pay dividends. However, although insurgency was no longer a menace, it was an exceptionally bold decision when the Colonial Office decided to hold general elections in 1955. The decision was warmly welcomed by all the political parties in Malaya. When the elections were finally held in 1955, an alliance of UMNO, MCA and MIC secured a majority. After the elections, it was this Alliance that began the final negotiations on the future constitution and transfer of power. (184) During the remaining two years, a moderate policy was practised by Britain.

The sudden increase in the pace of development in Malaya caught the British officials unprepared for the transitional period. In Whitehall, no one was expecting the transfer of power before 1960. (185) At this juncture, British colonial policy in Malaya took a final and decisive turn. It was a turn which not only marked the closing of an era but also laid down the foundations of the future relationship. Within this short span of two and a half

(185) Smith and Stockwell, op.cit., p.90.
years, a major change in the relationship took place. From being a relationship between "a tutor and a student", as Sir Donald MacGillivray called it, the relationship moved on to the level of mutual friendship between equal sovereign states. It is to the analysis of these final two and a half years of British-Malayan history that we turn our attention now.

The transfer of power into Malayan hands, presented British decision makers with an immense problem. This had three major aspects, relating respectively to defence, commerce and finance and the constitution. Of these three aspects, the first was successfully tackled when the Anglo-Malayan Defence Agreement was signed on 12th October 1957. This is not in the least to suggest that the other two aspects were less important to the British side. They were not so, since all three aspects were entwined and interlocked in such a way that it was impossible to separate them, on the practical level at least. On that level Stockwell has argued, British policy towards Malaya was initially interwoven since this policy was regarded by other [British] departments "in the broader perspectives of British domestic needs, imperial strategy and international relations in South East Asia". While fully acknowledging the impossibility of separating the three aspects, it is nevertheless possible to distinguish these for analytic purposes; and this is which must now be done.

(I) British economic policy and negotiations prior to Merdeka

As soon as the Alliance Government was sworn in, the

(186/7) Sir Donald MacGillivray's speech after Independence Agreement was signed in Kuala Lumpur on 5th August 1957, The Times, 6th August 1957, p.6, col.e.

(188) Smith and Stockwell, op.cit., p.83.
British Government embarked upon a reappraisal of its existing policies in Malaya. The general tenor of this reappraisal is evident in, for example, a letter from the Secretary of State for the Colonies, Lennox Boyd to Sir Robert Black, the Governor of Singapore. Lennox Boyd mentioned in the letter that, "If Malaya wants self-government, it must make every effort to pay its own way".\(^{(189)}\) Running parallel to this line of argument was a second, as expressed in a draft Cabinet Paper which stressed that in the forthcoming transfer of power, "every effort should be made to seek assurances to safeguard the future of United Kingdom economic interests in Malaya".\(^{(190)}\) The new policy was the subject of a Cabinet meeting, at which the Chancellor of the Exchequer, the President of the Board of Trade and the Secretary of Colonial Affairs were entrusted with the task of reviewing British requirements and making necessary recommendations in this regard.\(^{(191)}\)

This paper ruled out the necessity of seeking any formal treaty-like arrangement with the new Federation.\(^{(192)}\) Nevertheless, as a precautionary measure, the members of the Malayan delegation in the forthcoming constitutional talks were required to "reiterate their Government's past assurances", on economic issues. The draft Cabinet Paper suggested that nearer the time of the transfer of power an understanding should be reached on financial and commercial interests. In particular, the Paper stressed, an understanding should be reached about "the Federation's position

\(^{(189)}\) CO/1030/71, From the Secretary of State for the Colonies to Singapore, (Sir Robert Black) 17th August 1955.

\(^{(190)}\) CO/1030/72, Draft Cabinet Paper, December 1955, p.4.

\(^{(191)}\) Ibid.

\(^{(192)}\) Ibid., p.3.
in the Sterling Area, past and future borrowings on the U.K.
capital market and the maintenance of certain preferences, which
she at present extends to the United Kingdom". (193)

Foremost amongst the problems which concerned the British
Cabinet was that of Malayan membership of the Sterling Area. This
was vital "because of Malaya's ability to finance Britain by way of
building up Sterling balances in London". (194) According to a
report published by British Survey, "In 1951 ... Malaya earned
US$400 million (over M$1,000 million), of which she only spent 17%
and paid 83% into the Sterling Pool in London. Without Malaya",
the report concluded, "the sterling currency system, as we know
it, could not exist". (195) These claims could not be dismissed as
simply an exaggeration since the confidential report submitted by
B.R. Pearn of the Foreign Office Research Department also makes
similar claims.

According to Pearn's report of the net balance of payments
surplus of the Sterling Area with the Dollar Area during 1952-53,
35.26% was contributed by Malaya and Singapore. (196)

However, the proximity of the grant of independence
compelled the concerned British statesmen to attempt a balancing
act by which the uninterrupted flow of Malaya-earned dollars into
the sterling area would be preserved, while simultaneously allowing

(193) Ibid., p.3.
(194) Richard Stubbs, op.cit., p.21, A.J. Stockwell, "British
Imperial Strategy", op.cit., pp.82-83.
(195) British Survey, Main Series, No.29, June 1952, p.17.
(196) A.J. Stockwell, "Imperial Strategy and Decolonization",
op.cit., p.82.
the Malayans to control and manage their own economy.\(^{(197)}\) For a few months, it seemed as if this balancing act might succeed. If the British Government was keen to get an assurance that the existing privileged position would not be abolished after Merdeka, the Malayan Government was no less anxious to secure a substantial amount of aid from Britain as a symbol of departing good will. The Malayans wanted this aid for three purposes. Firstly, they needed to meet the cost of Emergency; secondly, there was the cost of developing and expanding the Malayan armed forces; and thirdly, there was the cost of projected social and development programmes.\(^{(198)}\)

Of these interlocking Anglo-Malayan interests, that relating to the cost of the Emergency turned out to be the most hotly debated issue in January 1956. The Malayan delegates who were participating in the Constitutional Conference played successfully upon the most sensitive fears of British investors and the British Government alike. "Since British interests produce some 60% of the rubber in Malaya and 60% of the tin", Col. H.S. Lee observed in a memorandum to the Colonial Secretary", it is clear that in order to protect these interests, the United Kingdom Government cannot afford to see Malaya being overrun by communists".\(^{(199)}\)

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\(^{(197)}\) FO/ 371/123212, From Commissioner General for the U.K. in S.E.A. to the Secretary of State for the Colonies, February 18, 1956.

\(^{(198)}\) CO/1030/72, A letter from the Treasury, Federation of Malaya, Kuala Lumpur to the Colonial Office, 29th December 1955.

\(^{(199)}\) CO/1030/72, Memorandum by Col. H.S. Lee, a member of the Malayan delegation to Secretary of State for Colonies on 31 January 1956.
British obligations not only towards Malaya but also towards the Western community, Col. Lee maintained that "the present emergency is part and parcel of international communism. It is therefore, quite unfair for the Federation Government alone to pay ..." (200) The Malayan delegate clothed his argument in psychological and humanitarian terms. For example, he referred to "the ordinary man in the street or in the Kampong" (Para III); observed that "On returning to Malaya, the Malayan delegation cannot afford to say to the people" (Para VII); and insisted that "It will be a great encouragement not only to the Federation Government but also to the whole population ..." (last para); and so on. (201) This rhetoric was highly effective in making it difficult for British officials to turn down his requests for aid to Malaya. It is hardly surprising to find that, in the wake of this eloquent memorandum Col. H.S. Lee's proposals were most sympathetically considered by the Finance Committee of the Conference. (202) In the event, the Constitutional Conference Report contained generous promises from the British Government for various purposes. The Report, while recognizing the "vitally important position of the Federation in the world-wide struggle against communism", confirmed that the British Government would "render every possible help to Malaya." (203) Economic assistance was to be given under four headings:-

(200) Ibid.

(201) Ibid.

(202) CO/1030/72, Finance Committee's Report to the Constitutional Conference.

I. "If the Emergency has not been brought to a successful end" by the time of independence, then Britain would consider "whether the financial needs of the Federation would justify special assistance towards meeting the cost of the Emergency":

II. The British Government "will maintain their undertaking to finance certain capital costs of expansion of the Federation Armed Forces in an agreed programme":

III. "Her Majesty's Government will at all times be ready to examine sympathetically with the Federation its borrowing needs on the London market in connection with its development plans":

IV. "Her Majesty's Government will stand by their undertaking to provide assistance, subject to the approval of Parliament, in the form of a loan to the Federation to enable it to finance its contribution to the Tin Buffer stock, should it be unable to obtain the necessary loan finance from any other suitable source". (204)

This British generosity was in response to Malayan acceptance that membership of the Sterling Area was to the "common advantage" and that it was therefore their intention "to remain in it after attaining full self-government and independence within the Commonwealth". (205)

Until now, economic negotiations had proceeded smoothly. Unfortunately, however, the mutual understanding on economic affairs did not last too long as it soon became a pawn in the bargaining over defence. According to confidential government records, the initiative in linking economic with defence negotiations was taken by Sir Robert Scott, the Commissioner

(204) Ibid., pp.10-11.

(205) Ibid., p.9.
General for the U.K. in South East Asia. In the course of devising plans for future security in the area, he strongly ruled out any possibility of signing an economic agreement prior to one related to defence. (206) "If her Majesty's Government are committed on aid before the Malayans are committed on defence", Sir Robert warned the Secretary of State for the Colonies, "then our bargaining position will obviously be much weaker". (207) In his opinion, it was highly desirable that the Working Party on defence agreements should reach at an understanding with their Malayan counterparts before the beginning of financial talks in London. (208) His advice to the Colonial Office was that the British Government should strictly consider the Malayan request for aid only to the extent that concessions were made by the Malayans on the defence agreements. (209)

Mindful of these instructions, the British delegation opened the talks on defence. However, to their discomfiture, they soon found out that the Malayans were pretty much a match for them in diplomatic bargaining. Certainly they could not easily be talked into giving ground on defence matters. On the occasion of the first meeting, the redoubtable Col. H.S. Lee raised the question of British assistance to Malaya. (210) In this regard, Lee's proposal

(206) DEFE 7/494, File No. 487/013/03. Inward Telegram from Commissioner General in South East Asia to the Secretary of State for Colonies, 24th February 1956.

(207) Ibid.

(208) Ibid.

(209) Ibid.

(210) DEFE 7/495, M.D.T.W.P. (56). Inward Telegram from the Commissioner General's Office in Singapore (Continued overleaf)
was that "there should be an annex defining the ways in which the United Kingdom would help the Federation to train and develop her forces, and also covering the financial arrangements". (211) To this proposal, Sir Harold Parker replied that the "question of finance should not be covered in the treaty but should be dealt with in the financial discussion to take place in London later in the year". (212)

In the course of further negotiations, Sir Harold Parker reported that "the Malayan attitude on defence started hardening since they became more aware of the political implications of a defence agreement". (213) In Sir Harold's view, the "Tunku did not want to settle the defence agreement until he knew the outcome of Lee's visit". (214) Sir Harold was not alone in holding this opinion and his view was supported by Sir Robert Scott, who wondered whether the Malayans saw an advantage in postponing final agreements on the [Defence] texts until the financial talks took place in London". (215)

These apprehensions did not turn out to be a mere flight

(210) (From overleaf) to the Ministry of Defence, Minute of the First Meeting - dated 21 April 1956, p.4.
(211) Ibid.
(212) Ibid.
(214) Ibid.
(215) DEFE 7/495, Inward Telegram to the Secretary of State for the Colonies from Commissioner General for U.K. in S.E.Asia, 24th May 1956.
of imagination on the part of the British Working Party. In July, the Federation revealed its plan to seek a development loan of 2,000 million Malayan dollars from Britain during the forthcoming talks in October. (216) The Federation’s ministers had very skillfully interwoven their own development needs with overall British interests and with Commonwealth strategic planning in South East Asia. (217) In addition, the Chief Minister and the Finance Minister of the Federation were to visit London together. More significantly, however, "the final details of a treaty of mutual defence and assistance were meant to be discussed during the same visit, "according to a report in The Times, and "some aspects of the loan would be involved", in these negotiations. (218)

However, The Times reported five months later that "This enormous sum of 2,000 million Malayan dollars has of course been pruned down to 1,000 million by the Malayan government after some deliberations". (219) The shrewd Chief Minister of Malaya very tactfully declined to confirm even this figure beforehand, saying that "disclosure of the amount might be embarrassing to both sides in the event of any disagreement". (220) This tactical evasion did not mean that Malayan insistence on receiving a generous settlement had diminished. On the contrary, Tunku Abdul Rahman made it clear that "he has expected Britain to pay half the annually incurred costs on combating the Emergency". (221) While asking Britain "to

(216) "Malaya Seeks Loan", The Times, July 18, 1956, p.15.
(217) Ibid.
(218) Ibid.
(220) Ibid.
(221) Ibid. This amount was estimated at $135m. for 1957.
regard Communist terrorism as part of the world menace", Tunku insisted that the "Federation should not be expected to shoulder the full burden".\(^{(222)}\)

The earlier mentioned policy of keeping the military and economic aspects linked together, was not abandoned even at this stage. While making his demands clear on financial aid, Tunku Abdul Rahman spoke simultaneously of his intention of requesting Britain "to keep the present fifteen battalions of British and Commonwealth troops in the country, which will operate within a defined area only".\(^{(223)}\) It was in keeping with this policy that the negotiations on defence and economic aid were concluded on the same day, i.e. 11 January 1957.\(^{(224)}\)

On the financial side, the British Government agreed to seek Parliamentary authority to provide assistance to Malaya to meet the cost of the Emergency. For the first three years an annual grant of £3 million was to be provided. For the remaining two years a joint Anglo-Malayan review would decide the amount, which was not to exceed £11 million.\(^{(225)}\) According to this report, further parliamentary authority was sought

(a) "to contribute the unspent balance of the grant already promised towards the capital cost of expansion of the Federal Army (this balance stood at £6,500,00 on January 1, 1956),

(b) to make available equipment in kind to an estimated value of £5,500,000 and

\(^{(222)}\) Ibid.

\(^{(223)}\) Ibid.

\(^{(224)}\) "British Aid for Malaya: External Defence Agreement". The Times, 11 January 1957, p.8, Col.g.

\(^{(225)}\) Ibid.
(c) to provide a grant up to £1,300,000 to finance local purchase of equipment and certain building works for the Federation Navy.

The Federation had also proposed that certain H.M. installations should be transferred to it. (To be fully discussed later)* The British Government agreed to give assistance at this stage.

(d) In addition, the unspent balance at the date of independence of the Federation's Colonial Development and Welfare allocations, should be given to the Federation. The balance stood at some £4,400,000 on January 1, 1956. (226)

Thus Malaya achieved only a part of its desired aid from Britain. Its leaders therefore announced that they would seek American assistance towards the cost of the Emergency. However, the growing polarization of international politics in South East Asia deterred them from pursuing the issue much further. Within a few months, however, the British Government relented and showed willingness to share the Malayan burden in the cost of development. In June 1957, a further loan of 10 million Malayan dollars was released by the Colonial Development Corporation to the Land Development Authority in Malaya. The loan was given on fairly easy terms and repayment was to be spread over many years. (227)

While discussing the Independence of Malaya Bill in the house on 12 July, the Secretary of State announced an increase from £7

* According to a later report in The Times on January 24, 1957, some of these surplus installations of the British Forces were to be transferred to the Federation without any payment.

(226) Ibid.

(227) The Times, June 18, p.18 col.b, "C.D.C. Loan for Malaya."
million to £14 million for the Malayan armed forces exclusively.\(^{(228)}\)

In the end, these Anglo-Malayan wranglings on economic aid to Malaya before the grant of freedom came to a satisfactory close for both the parties. While the British could not ask for more concessions without making their acknowledgement of Malayan independence dubious, the Malayans in their turn also acknowledged the economic difficulties confronting post Suez Britain. Tunku Abdul Rahman himself was quoted as saying that he had not come at a time when Britain herself was broke. At this point, however, we must turn aside for a little in order to review the constitutional problems involved in the transfer of power.

**Negotiation on the future Constitution**

The entire process of hammering out an acceptable constitution spread over nearly two years. In brief, the major events are listed below:

1. The Secretary of State for the Colonies visited Malaya in December 1955, agreeing to hold talks in London in January 1956.
2. The Constitutional Conference took place from 18th January to 6th February 1956.
3. The Constitutional Conference Report was issued on 18th February 1956.
5. The Working Party, met from February 1957 to April 1957.\(^{228}\)
6. The final Constitutional Conference was held on 24th May 1957.

The concrete outcome of the initiative taken by the

\(^{(228)}\) Parliamentary Debates, House of Commons, Vol.573, 12 July 1957, col.646.
Colonial Office in 1955-56 was a Report by the Constitutional Conference submitted to the Queen and the Malay Rulers on 18th February 1956. For our purpose, the Report is a more important document than either the Independence of Malaya Bill or even the proposed Constitution of the Federation of Malaya. The Report examined in detail the peculiarities of the altered situation and the subsequent changes in the Anglo-Malayan relationship. The Report undoubtedly provided the basis for a major redirection of British foreign policy after the grant of independence to Malaya.

The Report contained three major sections. These were related to,

(I) defence and internal security during both in the interim period and in the period — after independence within the Commonwealth; (II) public service and (III) constitutional changes.

On the question of devising future arrangements, the Report affirmed that, "Our object has been to reconcile the factors of continuity and efficiency on the one hand, with recognition of the evolving political facts of the situation on the other". This principle was just as firmly applied to defence problems as to everything else. Since external defence was too big a task to be left to the Malayan Government, it was deemed to be essential that "Her Majesty's government should retain, during the interim period,

(231) Hong Kim Hoong, op.cit., p.199; and J.P. Ongkili, op.cit., p.270.
full responsibility for external defence". (233)

In order to fulfil their defence obligations during the interim period, it was ordained that Her Majesty's Government will, "retain in the Federation the forces which they consider necessary ... To this end, they will require in the Federation the facilities needed for the maintenance of these forces, which include the Commonwealth Strategic Reserve". (234)

In view of the complications in the interim period, an External Defence Committee was set up. The Chairman of this Committee was the British High-Commissioner to the Federation, and its members were a Malayan Minister for Internal Defence and Security, the Chief Secretary, the General Officer commanding British forces, and one senior civil servant responsible to the High Commissioner on matters of external defence. This extraordinary structure devised for internal and external defence vividly illustrates the political complexities involved.

During the interim period, a joint defence arrangement was required since Malaya was not actually independent and defence therefore still remained primarily a British responsibility. Moreover, the arrangement was supposed to continue more or less unchanged even after Malayan independence, since the transfer of power was not a magic wand which would make prevailing problems vanish. In the end, it was this interim defence arrangement which became the foundation of the future Anglo-Malayan Defence Agreement. The Report also recommended that the two parties should negotiate a defence agreement for the post-independence period.

The Commonwealth Constitutional Commission was instructed

(233) Ibid., p.5.
(234) Ibid.
to draft a federal constitution for a multi-racial Malaya.\(^{(235)}\)
The Commission, chaired by Lord Reid, arrived in Malaya in June and invited memoranda from all organisations and individuals who desired to submit their views on the future constitution. In total one hundred and thirty one memoranda were received.\(^{(236)}\) However, the most crucial was the one submitted by the Alliance since it represented a consensus among the three races in Malaya on the citizenship issue.\(^{(237)}\) When the Commission's recommendations were made public, religion emerged as the only controversial points.\(^{(238)}\)

At this stage the Colonial Office decided in favour of accepting the Malayan views even if they clashed with British practices and beliefs. The only reservation expressed about the Malayan position was that it must not impinge upon the particular points in which the British Government had a direct interest.\(^{(239)}\) Otherwise the Colonial Policy Committee was of the opinion that "it is in our interest that the new Constitution should rest on the lines desired in Malaya and (moreover) we have at this stage little power to impose our own ideas".\(^{(240)}\)

These proposals were subjected to a close scrutiny by the Working Party. The Working Party's deliberations in its twenty

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\[^{(236)}\] B. Simandjuntak, op. cit., p. 85.

\[^{(237)}\] Ibid., pp. 85-86 and J. P. Ongkili, op. cit., p. 274.


\[^{(240)}\] Ibid.
three meetings between 22nd January and 27th April 1957, finally paved the way for the final Constitutional Conference in London. It was at this Conference that all these outstanding differences were hammered out between 13th – 21st May 1957. (241) Commenting on the outcome of the Conference, the Far Eastern Economic Review noted that the changes were believed to buttress Malay safeguards more than the majority of the Reid Commission had thought necessary. (242)

The recommendations of the final Constitutional Conference were placed in the House of Commons in the form of the Federation of Malaya Independence Bill, No.107, in July. The Bill, which sought the termination of Her Majesty's sovereignty in Malaya, (243) passed through all its stages by 29th July. In the course of a lengthy but uncontroversial debate on the Bill, Members of Parliament conveyed a sense of relief and pride at the smooth transfer amid an exceptionally cordial atmosphere. (244) Their only concern was about the citizenship laws and the defence requirements of the newly-born country. The consensus on the first issue, however, was that intervention might do more harm than good. On the second issue, the Government announced a further increase of £7 million

towards the development of the Malayan armed forces.\(^{(245)}\) The independence agreement was signed on 5th August in Kuala Lumpur and on 31st August the long era of British colonial rule in Malaya came to an end.

The last phase had had an auspicious beginning in 1948 when it was officially declared that the central purpose of British colonial policy, "is to guide the colonial territories to responsible self-goverment within the Commonwealth in conditions that ensure to the people concerned both a fair standard of living and freedom from oppression from any quarter".\(^{(246)}\) In accordance with this policy, the Colonial Office consistently resisted Malay pressure to disenfranchise the alien races.\(^{(247)}\) Finally, the long British struggle against the insurgents resulted in a gradual petering out of guerrilla activity in 1960. In the end, the adoption by the Federation of Malaya of a liberal democratic constitution marked a major victory for British policy, indicating Britain's belief in "freedom from oppression from any quarter".

\(^{(245)}\) Ibid., col.,646.
\(^{(247)}\) The Colonial Secretary, Oliver Lyttleton, rejected U.M.N.O.'s demand on the grounds that the British aimed at a "united nation ... in which there must be equality for all loyal and patriotic citizens". Anthony H. Short, op.cit., p.331.
CHAPTER III

British Foreign Policy towards the Federation of Malaya, 1957-1963.

British foreign policy towards Malaya during 1957-1963 reflects the dilemma created by the combination of a relatively weak economy on the one hand, and residual imperial responsibilities, on the other. Until 1956, as we have seen, an illusion of power, misplaced optimism, and a measure of good fortune had concealed the danger of this situation, with the result that the dilemma never emerged very clearly. During the second half of nineteen fifty-six, however, the Suez crisis had made it impossible to evade reality any longer.* The theme of this chapter is how a decade of illusion, i.e., 1946-1956, now gave way to a period of adjustment, in which attempts to accept reality were, however, constantly qualified by nostalgia for the imperial past. This troubled period is characterized by the two apparently incompatible objectives of decolonisation and the retention of great power status.

By the beginning of nineteen fifty-seven, negotiations on the future of Malaya were already at an advanced stage, and little could be done to alter their course. Nevertheless, the outcome of the Suez crisis had deep and far-reaching implications for the course of British foreign policy towards the newly independent Federation of Malaya. These implications can best be considered in connection with two important events, viz., the Anglo-Malayan Defence Agreement (AMDA) which was signed on 12th October 1957, and the creation of an enlarged federation of Malaysia in 1963.

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British Foreign Policy towards the Federation of Malaya and the Anglo-Malayan Defence Agreement, 1957.

In complete contrast to its earlier experiences in other former colonies, the British administration in Malaya was not given an ultimatum to withdraw completely after the grant of independence. (248) Instead, Britain was enthusiastically urged to join with its former colony as an equal partner in a defence alliance. (249) For reasons which will be considered later, the British government responded eagerly to this request. The result was that on 12th October 1957, the two governments signed the Anglo-Malayan Defence Agreement and entered upon a new era of mutual friendship and co-operation which was to last almost a

decade.\textsuperscript{250} What, it must be asked, were the factors operating in Britain and the Malayan peninsula which made possible this unique relationship between an ex-imperial power and its former colony? (A) The Anglo-Malayan Defence Agreement: Background Factors

The most important of these factors is the pre-independence colonial experience itself. During the one and half centuries of the British imperial presence in Malaya, certain patterns of mutual faith and respect had been firmly established.\textsuperscript{251} It has already been argued in the previous chapter that the first half of British rule (i.e. 1786-1867) was based on non-intervention in the political affairs of the country. By contrast, in the second half, (i.e. 1867-1942) a policy of intervention and indirect rule had prevailed. In other words, British aspiration in Malaya, unlike India, was trade not territory. However, during the initial phases, the local Malay population remained largely untouched by virtue of their negligible involvement in commercial activities. Moreover, the traditional pattern of authority was not disrupted.\textsuperscript{252} In the second part, although the British intervention had seriously undermined the traditional pattern, British paternalism, and their cautious approach in dealings with the Sultans, marked Britain as a protector against immigrant Chinese chauvinism rather than as an intruder.\textsuperscript{253} 

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\textsuperscript{251} Dato Abdullah Ahmad, op.cit., p.2-3.
\textsuperscript{252} Robert O. Tilman, op.cit., pp.122-123.
\end{flushright}
Another factor which had one of the most far-reaching consequences for the post-independence relationship was the distinctive character of nationalism in Malaya.\(^{(254)}\) Malayan nationalist fervour never reached the same level of anti-British feeling as had been generated in India, Egypt or even in Africa.\(^{(255)}\) Two distinct causes can be held responsible for this extraordinary state of affairs in Malaya. Firstly, the nature of colonial rule was different in Malaya from the other colonies. "Trade not territory", was the British motto. Secondly, the fragmentation of Malayan society into different races, viz., Chinese, Malay and Indian, had initially thwarted any early development of national identity.\(^{(256)}\) When nationalist feeling of any sort did finally emerge, it was expressed alongside communal loyalties.\(^{(257)}\) The overall result was the absence of extreme hatred towards colonial rule.\(^{(258)}\)

After the Second World War, the British occupation was characterised by feelings of guilt and moral responsibility characteristic of a liberal conscience. Since 1945, Britain had committed itself in principle to a policy of decolonisation and eventual freedom of Malaya within the Commonwealth. The unwavering pursuit of this policy, combined with deep insight into the Malayan psyche ultimately created an amicable and congenial pro-British atmosphere in independent Malaya.

\(^{(255)}\) Ibid., p.19.
\(^{(256)}\) Ibid., p.29; and Robert O. Tilman, op.cit., p.128.
Such was the extent of Malayan faith in British paternalism that while negotiating the defence agreement, Tunku Abdul Rahman told Sir Harold Parker that "he was relying entirely on the U.K. delegation to educate the Malayan team on these [defence] problems". (258a)

If there was one single factor which had influenced the course of British foreign policy towards Malaya more than any other, it could only be the communist insurgency. (259) Although the financial costs of counter-insurgency operations were biting at times, it proved to be a boon in disguise. The consequences of the insurgency for pre-independence Anglo-Malayan relations can be summarised as follows. Firstly, it denied any possibility of a premature transfer of power; secondly, it made the Malayans more appreciative of the British presence; (260) thirdly, it gave Britain sufficient time to prepare future security arrangements; and finally, it unmistakably identified the national enemy as the communist threat to law and order, not British rule. Above all, the insurgency not only watered down inter-communal rivalry, but also made the Malayans at large and the British more tolerant of each other, thereby helping to assure the British administration of stability in the future.*

* The argument in this paragraph was largely formulated during my informative discussion with Mr. Roland Hunt.

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In the post-independence period, the insurgency played an almost equally important role. On the one hand, it made the Malayan leadership deeply aware of their own precarious situation both internally and externally; on the other hand, it gave Britain a genuine cause to retain a sufficient number of armed forces in Malaya.* It also induced Malayan leaders to accept British requirements about the retention of naval bases, an air force and a communication network "for fulfilment of Commonwealth and international obligations" under the Anglo-Malayan Defence Agreement.(262)

The flourishing Malayan economy in 1957, was the offspring of a century and a half of British presence and especially of the British faith in a "laissez-faire" philosophy. In the course of the independence negotiations, the extent of British economic predominance was acknowledged by both parties. An article in the Round Table, for example, openly accepted that, "most of the foreign capital in the Federation [in 1957] is British". The article continued that, "most of the larger rubber estates, the oil-palm estates, and tin-mines using dredges, and some large

* Sir Frank Cooper clarified the British position on this point during his discussion with the researcher.

(262) B. Simandjuntak, op.cit., pp.263-4.
scale industrial establishments, are British".\(^{(263)}\) As Col. H.S. Lee observed, this meant that in any future relationship, these financial links would be the most decisive bond.\(^{(264)}\) The two economies were so intertwined that any abrupt disruption would not only have crippled the Malayan economy but would have harmed the British side as well.\(^{(265)}\) The Malayan leadership was quick to grasp this fact. It avoided any radical pressure and decided in favour of permitting a continued British economic presence.\(^{(266)}\)

In brief, it can be maintained that these factors, viz., one and a half centuries of colonial rule, the distinctive nature of Malayan nationalism, the high level of British investment in the Malayan economy, and the communist insurgency, continued to be the dominant influences shaping future British foreign policy towards Malaya. However, the influence of a few pressing domestic problems like the sterling crisis, and of international problems like the nationalist challenges from the new states in Asia and Africa, cannot be denied.

The first and foremost source of post-war British anxiety had been the painful recognition of the decline of sterling.\(^{(267)}\)

\(^{(264)}\) CO/1030/72, M.C.C. (56) No.1, A Memorandum by Colonel H.S. Lee, handed to the Secretary of State for the Colonies on 31.1.56.
\(^{(266)}\) Dato Abdullah Ahmad, op.cit., pp.120-122; and Denis Warner, *Reporting South East Asia*, Melbourne, 1966, p.113.
A refuge from this anxiety was sought behind the protective shield of the Sterling Area, (268) whose viability and strength had been identified by successive British statesmen with British status as a great power. (269) Within the Sterling Area, Malaya had always occupied a prime position. For example, in 1952-53, Malaya and Singapore together contributed 61 million pounds to the net balance of payment surplus with the Dollar Area, a figure which was 35.26% of the whole Sterling Area surplus. (270) Therefore, as late as 1955, the British government acknowledged that their "financial stake in the Federation was one of the buttresses of the Sterling Area". (271)

However, it was not economic considerations alone which brought these two nations together. The part played by strategic factors also stands second to none. The Malayan leadership in particular was deeply aware of the constant internal, as well as external, threats to the nation's security entailed by its geographical location. (272) While defending AMDA in the Legislative Assembly, Tunku Abdul Rahman even preferred to be branded as "a victim of cunning British diplomacy", rather than sacrifice the survival of his country. (273) At the same time,

(271) Ibid., p.87.
during the mid-fifties the defence of Australia, New Zealand and South East Asia was still considered to be primarily a British responsibility.\textsuperscript{(274)} But in the meantime, the original hole in imperial defence created by the independence of India had already been enlarged by the Suez crisis.\textsuperscript{(275)} The Federation of Malaya, with its central strategic location, its economic and political stability, and its staunch anti-communist ideology, consequently came to be regarded as of crucial significance for British strategic planning.\textsuperscript{(276)} The defence of Malaya was regarded in Britain as part and parcel of the worldwide fight against communism.\textsuperscript{(277)} For example, the Secretary of State for the Colonies himself explained that "within the framework of ANZAM and the Manila Treaty, [we] must build up a really powerful defensive system with Malaya as its centre and focus".\textsuperscript{(278)} In other words, British stakes in Malaya were too high to ignore the security of the country. This was further confirmed by a note from Sir Robert Scott's office, which attributed the importance of Malaya to three main considerations.\textsuperscript{(279)} According to this note, Malaya was (a) source of essential raw materials and a very substantial dollar earner; (b) a country in which many million pounds of British capital were invested, and (c) a symbol of

\begin{footnotesize}
\begin{enumerate}
\item\textsuperscript{(274)} Patrick Gordon Walker, op.cit., p.314.
\item\textsuperscript{(275)} FO/ 371/129360. A letter from the Ministry of Defence to G.H.Q. Far East Land Forces, dated 22 February 1957.
\item\textsuperscript{(276)} David C. Hawkins, op.cit., pp.14-17.
\item\textsuperscript{(277)} A.J. Stockwell. "British Imperial Strategy". op.cit., p.86.
\item\textsuperscript{(278)} Ibid.
\item\textsuperscript{(279)} FO 371/129342, "The Outlook in Malaya up to 1960". A note by the Commissioner General's Office, p.1.
\end{enumerate}
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British influence in the area.\(^{(280)}\)

The cumulative effect of all the foregoing factors was that Britain retained a deep interest and commitment to the security of the Federation of Malaya even after granting it independence. Accordingly, it is not surprising that Britain took the otherwise inexplicable step of concluding the Anglo-Malayan Defence Agreement (AMDA) with the Federation on 12 October 1957. The treaty was a concrete yet unparalleled step in the direction of post-imperial British involvement in the Federation in particular and in South East Asia in general.


The first and foremost question confronting Britain while granting independence to Malaya, was how to ensure the future security of its former colony. It had been argued earlier in the House of Commons that "independence without security is a sham".\(^{(281)}\) At the same time, it was a well-known fact that Malayan "federal forces would be insufficient on their own for the protection of the country, once independence had been achieved".\(^{(282)}\) Apart from the security of Malaya, there were other equally compelling factors behind the British desire to

\(^{(280)}\) Ibid., p.1.

\(^{(281)}\) Parliamentary Debates, House of Commons, Vol.453, 8 July 1948, Col.615.

conclude a defence agreement. To a large extent, it was true that "the British, while recognizing the inevitability of decolonisation", as Chin Kin Wah observed, "were nevertheless concerned that their stabilising influence in the Malayan area might be undermined by any hasty withdrawal from Malayan bases". *(283)*

In other words, apart from the future security of Malaya and the remaining Borneo territories, two other equally powerful major concerns were operating behind the scenes. The first of these concerns was the long-avowed policy of gradual decolonisation.* The Labour government had pledged in 1945 to develop the colonies "towards self-government within the Commonwealth", and subsequent Conservative governments had followed that course with only minor deviations. *(284)* However, the progress of decolonisation did not become an urgent matter until Macmillan's cabinet was forced to reconsider the entire issue after the Suez debacle in 1957. *(285)* The Suez crisis had shown once and for all the precarious and outdated nature of the

* The researcher is grateful to Mr. Roland Hunt for a detailed discussion of this point.


*(285)* Ibid., pp.52-57.
existing global colonial structure. (286) It therefore had an indirect relevance to Anglo-Malayan relations in so far as it hastened the process of decolonisation. Nevertheless, the direct impact of the Suez crisis on AMDA negotiations was only marginal. It was marginal partly, because an informal structure for a defence alliance had already been worked out before the final impact of the Suez crisis had been felt, and partly because the government had not yet given any concrete shape to its policy of rapid decolonisation in 1957. (287)

Still, this policy of decolonisation in combination with the security considerations made Malaya indispensable for every aspect of British policy. In particular, the need to retain Malayan bases was acknowledged as early as December 1952. (288) Three years later, the Defence Coordination Committee in the Far East had again insisted that an essential prerequisite of any measure of independence for Singapore and Malaya, was "a defence agreement which adequately protected the interests of the U.K., Commonwealth and South East Asia". (289)

A continuing armed presence in South East Asia had further advantages for Britain. One of these advantages was that it helped Britain to discharge its residual responsibilities in the area. A further advantage was that it fitted in with the grand vision of a

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(286) C.E. Carrington, op.cit., p.79.
(289) DEFE 7/494, DCC[FE], (55) 32, 20th October 1955, British Defence Coordination Committee, Far East, a meeting held on 17th August 1955, p.1.
Commonwealth of Nations, in which the British for obvious reasons had a firm faith in 1957. \(^{(290)}\) These reasons, partly sound and partly mistaken, were elaborated by Sir Oliver Franks in his BBC Reith Lectures, 1954. Sir Oliver passionately believed that, "the basic condition for the continuing greatness of Britain is a vigorous Commonwealth". \(^{(291)}\) Explaining this idea further, he accorded supreme importance to economic factors and declared that, "we become a whole, we are a living reality, only in relation to the markets we supply. Here in the Sterling Area is a great market already largely ours". \(^{(292)}\) Moreover, due to their Commonwealth connections, the British were able to assert that they "are still in many respects, the centre of a world-wide Commonwealth and the mother country and trustee of a large colonial empire". \(^{(293)}\)

In brief, the idea of the Commonwealth provided a perfect context for retaining the British illusion of global power, that in terms of capability and commitments. \(^{(294)}\) Assisted by this

\(^{(290)}\) According to DEFE 7/949, the regional and Commonwealth dimensions of the Anglo-Malayan Defence Agreement were outlined by the Joint Planning Staff Committee, Ministry of Defence on 22 February 1956. The plans regarding Malaya, the Committee recommended, should cover (a) the Pan-Malayan section of the Federal and Singapore Forces, (b) the building up of Federal Forces, and (c) the relationship of ANZAM and SEATO.

\(^{(291)}\) Sir Oliver S. Franks, op.cit., p.52.

\(^{(292)}\) Ibid., p.53.


\(^{(294)}\) DEFE 4/100, COS (57) Chiefs of Staff Committee, 75th meeting, 10 October 1957, Annex JP (57) 118, (Final). (continued overleaf)
"monumental error", Kenneth Robinson concluded, that British foreign policy was now significantly vitiated by a "delayed reaction to the loss of imperial power".\(^{(295)}\) Malayan acceptance of independence within the Commonwealth helped Britain to sustain the illusion of global power. In return for membership of the Commonwealth, British acknowledged a duty to provide security for the new Federation; to do otherwise, in any case, would of course have been fatal to British prestige.\(^{(296)}\) Similar considerations appeared when Australia and New Zealand sought a British presence in the region.\(^{(297)}\)

The emerging convergence of British and Malayan interests is symbolised by AMDA, albeit altogether different reasons weighed with the two sides. On the British side, the desire to contain communist influence was the major concern. The Malayans in turn were concerned not to be left alone after independence. As an editorial article in the \textit{Far Eastern Economic Review} pointed out, "without any protection, [Malaya] could become an easy prey for greedy eyes watching this wealthy peninsula in South East Asia."

\(^{(294)}\) (Continued) This annex, which was entitled, "The Future of ANZAM" gives an account of the British view of their global responsibilities.

\(^{(295)}\) Kenneth Robinson, op.cit., pp.11-12.

\(^{(296)}\) DEFE 4/100, COS (57) Chiefs of Staff Committee, 75th meeting, 10th October 1957, "Strategic Facilities in the Colonies Likely to Achieve Independence", p.2.

Asia". (298) The editor was not being fanciful in perceiving the possible Indonesian menace to an independent Malaya. (299) Apart from external threats of this kind, there were in addition genuine fears in Malaya about internal security. In 1957, communist insurgency was receding, but it could still not be totally discounted. (300) In the event, however, negative rather than positive factors were to play the most important role in shaping the terms and conditions of AMDA.

On the Malayan side, there was a feeling that the communists had a genuine pretext for labelling their fight as "anti-imperialist" since they encountered mainly overseas forces. Once British forces had been replaced by Malayan, however, the communists would be deprived of any such pretext. But the Malayan armed forces were only in an embryonic stage and could not cope with the demanding task of internal and external defence. (301) The result, as Chin Kin Wah remarks, was that "while recognising the political costs of continued use of overseas forces in the Emergency and external defence, the Tunku was nonetheless realistic in facing up to existing deficiencies in local capability". Chin Kin Wah argued, further, that in this way "the country could avoid a heavy defence expenditure which would

otherwise be incurred at the heavy cost of social and economic advancement". *(302)*

(C) **The Anglo-Malayan Defence Agreement: Some Impediments.**

Inevitably, the prospect of a defence agreement with a power which was not only its ex-imperial master but also far superior to it in military strength, created considerable anxiety for Malayan leaders. *(303)* It is therefore not surprising that the Malayans made it clear at the first Constitutional Conference that, "they were not prepared to accept any unqualified agreement allowing the forces of any of the Commonwealth countries on their territories". *(304)*

This was not simply because they feared being branded as "an ally of imperialism" by neighbours like Indonesia. *(305)* It was, rather, a genuine fear of being dragged into the power politics of the cold war, with all the consequences that would have for internal problems of communist insurgency. *(306)* This fear was intensified by the involvement of Commonwealth Strategic Reserve Forces (comprising Australian and New Zealand forces), which meant that the defence of Malaya could be directly linked

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*(302)* Chin Kin Wah, *Defence of Malaysia and Singapore*, op.cit., p.27; and J. Saravanamuttu, op.cit., p.22.

*(303)* J. Saravanamuttu, op.cit., p.22.

*(304)* DEFE 7/493, "Negotiations on Defence With Malaya and Singapore", A meeting held at the Ministry of Defence on 16th February 1956.


with SEATO. The worst Malayan fear related indeed to the possible use of their bases and other facilities for SEATO purposes. (307)

These Malayan fears were confirmed by a Report from the Ministry of Defence. The Report mentioned that there were three major contested points in the AMDA negotiations around the question of consultation in the event of war, joining SEATO, and the use of bases for a wide variety of purposes. (308)

Nevertheless, strategic and economic factors meant that, Malayan leaders were not in a position to reject British and Commonwealth assistance. Malayan negotiators, therefore, had to tread very cautiously. In practice, this meant accepting the accord with its advantages, but insisting at the same time that Malayan facilities would only be used for AMDA purposes.

Thus the genuine fears and susceptibilities of a newly born country, on the one hand, had to be taken into account, (309) whilst on the other hand, changing circumstances within Britain also imposed certain limitations on the forthcoming treaty. During the first Constitutional Conference, a generous offer of financial and military aid had already been made by Britain, and

(307) Robert O. Tilman, op.cit., p.130.
(308) DEFE 7/501, Inward Telegram, From Commissioner General for the U.K. in South East Asia to the Secretary of State for the Colonies, 8 December 1956.
(309) See for example DEFE 7/495, Telegram from the Ministry of Defence to H.Q. Malaya Command, For Parker from Gough, 11 May 1956. The telegram cautioned the British delegate that the defence treaty's terms would "scrupulously avoid any appearance of limiting what would then be their newly born sovereign independence".
there was no question of going back on this promise. But as was said earlier in the chapter, an unforeseen turn of events in October 1956 had created the altogether different environment in which the final terms of AMDA were thrashed out. The Defence Paper which was published shortly afterwards, Cmnd.124: Defence Outline of Future Policy, 1957, symbolized this altered environment and indicated the strategy proposed for dealing with the problems. Indeed, it would seem to be this Paper, rather than the Suez crisis, which had the most direct influence on AMDA's final terms and conditions.

As has been argued earlier, although the Suez crisis did not immediately put the desirability of British overseas commitments in question, it had nevertheless, "severely undermined economic strength and international opinion". The crisis had also generated an atmosphere of bitter disillusion, dismay and frustration in Britain. This was nowhere better reflected than in the Parliamentary debates. George Brown, speaking from the Opposition benches, had only given vent to the prevailing mood of Parliament when he referred to "the extraordinary kind of neutralist emotion which is growing, not least in the party opposite". "There was", he continued, "in every speech that is made, in every newspaper that one reads, even the more responsible ones, an emotion that Suez has shown that all this money has been wasted, that it has not produced effective results, a feeling of let us cut it, let us do away with it". He concluded that, "Nothing is of

any use, anyway". (311)

But this outburst of frustration did not bring a sudden U-turn in the conduct of foreign policy. Such a possibility was strongly ruled out by Lord Reading, the Minister of State for Foreign Affairs. "I realize that recent events in the Middle East have at least temporarily shaken our position in South East Asia", he wrote to Sir Robert Scott. But in his opinion, the British should not allow themselves "to be put in a corner and be content to remain there indefinitely with faces turned penitently to the wall". (312) Many years were to elapse, as Phillip Darby noted, before "the changes the Suez crisis produced in the environment in which British defence policy had to work itself out" were fully appreciated. (313)

Without any doubt, Cmnd.124, had earnestly desired to accomplish a reorientation in strategic and defence thinking in accordance with the altered environment. After declaring that "the time has now come to revise, not merely the size but the whole character of the defence plan", (314) the Paper went on to assert that, "Britain's influence in the world depends first and foremost on the health of her internal economy and the success of her trade... [Therefore] the claims of military expenditure should be considered in conjunction with the need to maintain the country's
financial and economic strength".\textsuperscript{315}

With this aim in mind, the policy makers proposed various drastic steps, most notably, the termination of national service, substantial cuts in expenditure on conventional defence, increasing emphasis upon independent nuclear deterrence and, finally, the concept of strategic mobility in overseas defence.\textsuperscript{316} The total result of the proposed changes meant, as R.S. Crossman put it, that "once we accept the logic of this White Paper, we cease to be an imperial power".\textsuperscript{317}

Here lay a contradiction although a substantial reduction in defence expenditure was announced, existing overseas responsibilities were to be maintained at their previous level. The contradiction was nowhere more glaring than in the case of South East Asia, where, "apart from defending her colonies and protectorates, Britain has agreed to assist in the external defence of Malaya after she attains independence".\textsuperscript{318} Britain's regional commitments were also emphasised. By virtue of its membership of SEATO and ANZAM, Britain, it was announced, had a duty to "help preserve stability and resist the extension of communist power in that area".\textsuperscript{319} How was it possible for the policy makers to ignore such a seemingly obvious problem as the

\begin{itemize}
\item \textsuperscript{315} Ibid., p.1.
\item \textsuperscript{317} Parliamentary Debates, House of Commons, Vol.568, April 16, 1957, Col.1769.
\item \textsuperscript{318} Cmnd.124, op.cit., p.5.
\item \textsuperscript{319} Ibid., p.5.
\end{itemize}
the massive gap which the Paper created between the reduced capacity of the armed forces and the global level of British commitments?

The answer proffered by Philip Darby seems to offer at least a partial solution. "It was assumed", he has argued, "that the introduction of tactical nuclear weapons and the expansion of airlift capability would enable a much smaller army to discharge the same function". (320) However, it was on the basis of these two assumptions — "one mistaken and the other unduly optimistic" as Darby commented — "that the government planned to retain its overseas commitments, if not forever, at least for the foreseeable future and at ever decreasing cost". (321)

Whatever the reasons, the first Defence Paper of the Macmillan government had publicly committed Britain not only to the external defence of Malaya after its independence, but also to participating in the future stability of the region as a whole. And it had done this whilst simultaneously declaring a reduction in manpower and an increased reliance on nuclear deterrence. In retrospect, it can plausibly be maintained that the contradictory policy enunciated in Cmnd.124, had a threefold impact on the final shape of AMDA.

Firstly, the generous offer of British aid, as promised earlier in Cmnd.9714: Report on the Federation of Malaya the Constitutional Conference, could not be sustained at the level previously promised. (322) Throughout the period 1956-57, Britain's economic situation was getting increasingly desperate, and the

(320) Philip Darby, op.cit., p.120.
(321) Ibid., p.120.
Suez crisis had finally revealed the level of British dependence on American support. The negotiations on aid to Malaya were accordingly tough and prolonged. Ultimately, "Britain could only offer the Malay about a quarter of their original demands of M$775 million for development and M$330 for the armed forces". (323)

Secondly, the heavy reliance placed on tactical nuclear weapons and the reduction in manpower made Britain increasingly dependent on cooperation from Australia and New Zealand for regional defence. (324) The AMDA negotiators therefore had to devise a formula whereby the interest of ANZAM partners could be reconciled with the independent status of Malaya. (325) As a result, British dependence on Malayan cooperation increased concomitantly. (326) Whilst making explicit commitments "to joint training unit formation, use of facilities within British bases and assistance in supply equipment", (Annex 1) for the Federation's Forces, Britain sought, and was granted the right "to establish, maintain and use additional bases and facilities" in the Federation, (Article IV). At the same time, however, it was made

(323) Chin Kin Wah, Defence of Malaysia and Singapore, op.cit., p.28.
(324) Chin Kin Wah, The Five Power Defence, op.cit., pp.11-12; and DEFE 4/100, COS (57), Chiefs of Staff Committee, 75th Meeting held on 10 October 1957, op.cit.
(325) Chin Kin Wah, Defence of Malaysia and Singapore, op.cit., p.137.
clear that, "the Federation shall provide at its expense alternative accommodation and facilities", in the event of any change being introduced by the Malayan side. (Article VIII) (327)

Finally, the close involvement of ANZAM partners in SEATO became a stigma for independent Malaya. (328) Hence, every possible step was taken to get an assurance of freedom of action from Britain and through Britain from the other countries contributing to CSR forces. (329) This assurance was given by Britain in the declaration that, "H.M.G. had no desire to impose a world-wide commitment on Malaya. Secondly, they had no desire to impose on Malaya a commitment to send her forces overseas. Thirdly, if Malaya were attacked, H.M.G. had no desire to force their assistance on her against her wishes". (330) In other words, the Malayans asserted themselves more forcefully than they had originally intended. As a result, Malaya "won a maximum of security with a minimum of obligations and it did not compromise on the two basic policies of rejecting nuclear weapons and refusing to join...".


(328) Chin Kin Wah, Five Power Defence, op.cit., p.12; and DEFE 7/495. Inward Telegram From Commissioner General's Office, Singapore to Ministry of Defence, 3 May 1956, p.3.


(330) DEFE 7/501, 487/013/03. Inward Telegram to the Secretary of State for the Colonies from Commissioner General for the U.K. in South East Asia, dated 8th December 1956. The telegram summarises an informal meeting between Sir Robert Scott and Tunku Abdul Rahman on 7th December.
SEATO".\(^{(331)}\) The safeguard finally incorporated in the treaty was that the British government should not use the Malayan base facilities for any other purpose than the defence of Malaya and the British dependencies, without obtaining prior approval of the Federation's Government (Article VIII). Finally, the Federation's Government was to be consulted in case of any major change in the arrangements (Article IX).\(^{(332)}\) The British concession on SEATO, in the opinion of Willard Hanna, was intended "to placate rather than to redefine self-imposed British restrictions upon freedom of action".\(^{(333)}\)

All these arrangements were made in relation to the external defence of the Federation of Malaya, but the counter-insurgency measures required separate attention since questions relating to jurisdiction and Malayan sovereignty were involved.\(^{(334)}\) Cmd. 264, which was an integral part of AMDA arrangements, was introduced with this intention. "The purpose of these arrangements", the Command Paper declared, "is on the one hand, to give effective recognition to the fact that the conduct of Emergency Operations is now the exclusive responsibility of the Government of the Federation, and, on the other hand, to

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\(^{(331)}\) J.B. Dalton, op.cit., p.64.

\(^{(332)}\) Ibid., p.2.


safeguard the position and interests of H.M. Government". (335)

Thereafter, the Federation Government's Emergency Operations Council was to conduct all the counter-insurgency measures and CSR forces were to be used at the request of the Federation Government, and only when the Federal forces were not available to perform the task. (336)

The general reaction to AMDA in both countries was somewhat different. In Britain, there was a sigh of relief, and the press generally welcomed the treaty. But in Malaya, it met a mixed reception. (337) The Federation Government was in a jubilant mood but expressed its feelings in a restrained and cautious manner. (338) The earlier major criticism came not only from opposition parties but from the various ranks of the Alliance itself. For instance, Tan Siew Sin, the future Finance Minister of the Federation, asserted that for all practical purposes Malaya would be free only so far as her interests did not clash with those of Britain. In case of such a clash, Tan's argument was that Britain's overwhelming presence meant that the British would be able to, "enforce obedience to their wishes, even though Malaya is supposed to be free". (339) Critics of the defence alliance were

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(336) Ibid., p.2.


(338) B. Simandjuntak, op.cit., p.263.

(339) Federation of Malaya, Legislative Assembly Debates, 14th March 1956, cols.905-6.
convincing that AMDA was a blot on the independence and sovereignty of Malaya.  The moderate Prime Minister, Tunku Abdul Rahman, tactfully handled the situation by making the ratification of the treaty a test of confidence in his government. He made it clear that under the prevailing circumstances, AMDA was the best guarantee of security that Malaya could afford. "Look around at our neighbours, those both far and near", he told the Malayan Parliament. "and tell me if there is any country, other than Britain, to whom we should turn to defend us". Tunku Abdul Rahman assured the Parliament that Malaya not only had a reasonable "say" in AMDA, but that the treaty would be reviewed after a year if Parliament thought necessary.

In fact, the extent of Malayan "say" in the affairs of AMDA had already been tested in August 1957. Duncan Sandys, the Secretary of Defence, while explaining Britain's altered strategy to Australians, had hinted at the possibility of storing nuclear weapons on Malayan bases. The Malayan protest was sharp and vocal, and the Tunku himself rejected the possibility of Malaya being an atomic base for anybody. He emphasised that Malayan territory would only be used for Commonwealth defence. The British Government hastily retracted the statement and announced

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(340) J. Saravanamuttu, op.cit., pp.23-4
(343) J. Saravanamuttu, op.cit., p.21.
(344) DEFE 4/99, COS (57), Chiefs of Staff Committee, 67th Meeting held on 22 August 1957, p.8.
(345) The Times, August 29, 1957, Cols. d and e.
that no final decision had been taken by that time.\footnote{346}

In retrospect, AMDA proved to be a mixed blessing for Malaya. On the negative side, argued Chin Kin Wah, "AMDA institutionalised Malayan dependence on external protection, delayed the process of psychological decolonization and facilitated Sukarno's distortion of Malaya's international identity",\footnote{347} and thus did some disservice to the newly independent Malaya. But on the other hand, there were some concrete gains since it provided "a stable external environment for Malaya", within which the new nation could muster enough strength to stand on its own feet, and in consequence was able to assert itself among AMDA partners and the international community at large. "There was no need for us to enter into any defence agreement with another country", Tunku Abdul Rahman said in an interview, because "we felt our agreement with Britain was sufficient".\footnote{348}

For Britain, the major advantage of AMDA was "to facilitate an orderly process of colonial disengagement from Malaya rather than to add to a growing cold war front in South East Asia".\footnote{349} At this juncture, we witness a convergence of

\footnote{346} DEF4/99, COS (57), Chiefs of Staff Committee, 67th Meeting held on 22 August 1957, p.9.

\footnote{347} Chin Kin Wah, \textit{Defence of Malaysia and Singapore}, op.cit., p.2.

\footnote{348} J. Saravanamuttu, op.cit., p.24. British official records also support this view. For example see, FO 371/129342, "The Outlook In Malaya up to 1960", op.cit., pp.4-6.

\footnote{349} Chin Kin Wah, \textit{The Defence of Malaysia and Singapore}, op.cit., p.1.
interests between Malaya and Britain. Quite contrary to their expectations, Australia and New Zealand (two other associated partners in AMDA) always regarded AMDA as closely associated with SEATO. The Malayan leadership was openly critical of any such link, and British authorities wished to avert such a possibility. The ambiguity of AMDA clauses made it possible for the four parties to interpret them differently. In brief, for Malaya, AMDA meant that Britain would provide security for Malaya and smaller colonies in the region. The British intended to use it as a structure of regional defence, within which the future security of these colonies during the disengagement period could be ensured without any involvement in cold war politics. In fact, the British military commitment to AMDA, according to Michael Leifer, "was more directly related to a former colonial possession, plus responsibility for the island of Singapore and the territories of North Borneo including the Protectorate of Brunei, and on the periphery were obligations in Hong Kong and Fiji". Although at that time the treaty was critiqued as an "unequal burden treaty", or a "blank-cheque to Malaya", future events demonstrated the real worth of AMDA for Britain.

These future events brought new challenges to the partners,

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(350) DEF4/99, COS (57), Chiefs of Staff Committee, 66th Meeting held on 16th August 1957, Annex to J.P. (57)96 (Final).
(352) B. Simandjuntak, op.cit., p.264.
and AMDA enabled them to protect the new federation of Malaysia during the trials and tribulations of the Indonesian "Confrontation" from 1963 to 1966.

II


As soon as the signing ceremony of AMDA was over, British foreign policy ventured upon a project which proved to be by far the most ambitious of its undertakings in the post-independence history of Malaya. By merging the British Borneo territories, the colony of Singapore, and the Federation of Malaya into a single unit, the new federation of Malaysia was created on 16th September 1963. As the date indicates, the creation of Malaysia was an achievement which embodied at least three years of persistent efforts by British diplomats.* In order to gain further insight into this crowning achievement of British foreign policy, a minute and in-depth study of the ideas, circumstances and stages which preceded its completion is essential.

It has been briefly mentioned in the previous section that the unforeseen turn of events in October 1956 (i.e., the Suez crisis) had some marginal repercussions on the conduct of the Anglo-Malayan defence negotiations. However, the full impact of the Suez crisis on British foreign policy in South East Asia could

* My arguments in this section were greatly clarified by inter-
views with Lord Inchyra, Sir Patrick Dean, Sir Michael Walker, Mr. Roland Hunt, Sir Frank Cooper and Sir Neil Pritchard. I have indicated specific indebtedness at the foot of the relevant pages.

(354) Richard Allen, op.cit., p.156.
not be ascertained at that time. Only with the passing of years did the lessons become clear. Two of these lessons are especially relevant at present. One was the need to accelerate the pace of decolonisation; the other was the need to retain a military presence East-of-Suez.* Taken in conjunction, these two policies marked a radical departure in British foreign policy at large.\(^{(355)}\) What concerns us here, however, is the fact that the policies seem at first sight to be deeply incompatible with one another. To what extent, we must now inquire, did British foreign policy in South East Asia succeed in imposing a semblance of coherence and consistency upon the two policies? Accordingly, in this part, the formation of Malaysia will be examined within the contexts of decolonisation and East-of-Suez policy.

(A) Decolonisation and the Formation of Malaysia.

Whereas the Federation of Malaya in 1957 was a product of the first wave of decolonisation (1946-56), Malaysia in 1963 was the creation of the second wave decolonisation (1959-67).\(^{(356)}\) The first wave was characterised by a slow but steady progress towards self-government in the colonies.\(^{(357)}\) By contrast, the

* I have used the term as a synonym for the region and for British policy. When a distinction between the two meanings is required, I have relied on the context to provide it.

\(^{(355)}\) Paul Kennedy, op.cit., pp.376-378.
second wave was marked by a rather hasty grant of independence.\(^{(358)}\) For example, Goldsworthy observes that "The old ideals of harmony among ethnic groups, economic viability, a developed infrastructure of volunteer organisations and demonstrably stable political institutions were rarely heard of". Instead of all that, Goldsworthy continues, what mattered in the second wave was, "that an indigenous political elite, with some degree of local support, should exist and be willing to take over".\(^{(359)}\)

In the course of this transition, various existing policies were entirely abandoned. In the political sphere, for example, the old idea that the colonies were a trust, and therefore could not be abandoned without making adequate arrangements for their welfare in future, disappeared as a criterion of granting independence after 1959.\(^{(360)}\) Secondly, neither the absence of experienced and firmly entrenched local leadership, nor the existing low level of political/constitutional maturity of the territory, could dissuade the mother country from granting independence.\(^{(361)}\) Finally, the previous policy of achieving a non-communal or secular policy in multi-racial societies was also abandoned. After 1959, the rights of the minorities were increasingly sacrificed to accommodate the growing militancy of the majorities.\(^{(362)}\)


\(^{(359)}\) Goldsworthy, op.cit., p.361.


In the economic sphere, the changes were even more pronounced. The old doctrine of 'economy first' was dropped by the Labour Party in 1955, and the Conservatives followed the same path in 1959. Before 1959, only big and economically viable territories were deemed to be worthy of independence, but under the new wave, economic viability was no longer a consideration. For example, in 1956 only Malaya, the Gold Coast and Nigeria were counted as serious contenders for self-government. From 1959 onwards, by contrast, the membership of the independence-club became open to all, with the exception of fortresses and isolated islands. The prime cause of this change "lay not in the inability of the declining metropolis to sustain their local rule", argues R.F. Holland, "but in the fact that new operational modes and challenges had emerged in which the possession of the colonies was an expensive...distraction". Within this perspective, decolonisation was not solely inspired by magnanimity but indicated, "a growing awareness in London that it was the most expedient method of protecting their economic interests in Asia".

In the strategic sphere also there were indications of change. Before 1958, strategically important colonies like Aden and Singapore were supposed to remain under the British Crown for ever. But afterwards, even these territories were given a chance

(364) CAB 134/1556, C.P.C. (57)30 (Revise), op.cit., p.6.
to enjoy a limited measure of self-government. There were of course protests. Thus Sir Hilary Blood, for example, contended that although, "these fortresses or sea or air staging points", could be granted a measure of internal self-government, that measure "should be conditioned by its importance to the Common-wealth as a whole".\(^\text{(367a)}\) This insistence on the links between external and internal security and related reservations about the concomitant rights of H.M. Government, were heard less in the forthcoming independence negotiations.

This radical shift in colonial policy was not a sudden and abrupt development. In fact, clouds had been gathering on the horizon since 1955, but the government of the day persisted in its optimism and ignored the ominous sounds which came from emerging militant nationalist movements in Asia and Africa.\(^\text{(368)}\) The first Afro-Asian Conference at Bandung in 1955 heralded the new era. The rising tide of Afro-Asian nationalism reached a peak in 1960 when the General Assembly of the United Nations passed a resolution calling for the ending of colonialism throughout the world.\(^\text{(369)}\)

These developments made British statesmen painfully aware of the fact that any attempt to check this tide would involve the use of force.\(^\text{(370)}\) Fortunately, this was a prospect which did not

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appeal to the British government or the British public. "It is not possible in the latter part of the twentieth century", Lord Hailsham subsequently declared in the House of Lords, "to justify or even to maintain the Empire by force – except in complete isolation." (371) As a result, the high noon of nationalism i.e., 1955-1960, coinciding with the British decision to speed up decolonisation.

The second ominous sound was the Suez debacle in 1956. It has already been stressed that the crisis itself did not have any immediate impact on the course of British policy. In the long term, however, the significance of the crisis cannot be overestimated. (372) As a result, British perception of foreign policy suffered two severe jolts. First of all, the myth of the Commonwealth as a substitute for the vanishing British Empire, and faith in its existence as a monolithic entity capable of speaking with one voice in world affairs, was destroyed for ever. (373) Another favourite theme of British foreign policy, which was the special relationship with America, was also shattered. (374) Perhaps the most painful lesson taught by the Suez crisis was that any "unilateral excursion on the level of Suez was practically out of the question for a power that has accepted multi-lateralism in so many other areas of foreign policy." (375)


(373) Ibid., pp.218-227.

(374) Ibid., pp.231-232.

On a more general level, the outcome of the crisis demonstrated that in the late nineteen-fifties, "imperialism [had become] an obsolete method of projecting influence in the outside world. [since] Britain lacked the economic power, the military fire-power, the expansive thrust for maintaining a world system against the competition of other world powers".\footnote{376} It was therefore easy to argue that, "if there was no necessity for imperialism, then there was no reason for holding the vestige of empire".\footnote{377}

But this was not the impression the government of the day wished to give either to its allies or to its colonies.\footnote{378} Its concern, rather, was to make clear that decolonisation was not an abdication due to any inherent weaknesses in British power.\footnote{379} Britain, it asserted, was still capable of playing a role in the world, and British power had not gone down nearly as much as was talked about by the press.* For example, Harold Macmillan, the then Prime Minister, wrote in his memoirs that, "it is a vulgar

* For this section, the researcher is indebted to Sir Patrick Dean for his willingness to discuss the impact of the Suez crisis on decolonisation policy.

\footnote{376} John Gallagher, op.cit., p.153.
\footnote{377} John Gallagher, op.cit., p.152; See also T.O. Lloyd, op.cit., p.348.
\footnote{378} John Darwin, op.cit., p.188.
but false jibe that the British people by a series of gestures unique in history abandoned their empire in a fit of frivolity or impatience". On the contrary, "it was rather their duty", proclaimed Macmillan, "to bestow self-government on the colonies".\(^{(380)}\) At the same time, however, the government gave some concrete hints which pointed in the direction of disengagement. It was acknowledged, for instance, that a "wind of change" was sweeping across the globe. Colonies, however, were not to be given "premature" independence simply because Britain could no longer afford to defend them.\(^{(381)}\) "The United Kingdom stands to gain no credit for launching a number of immature, unstable and impoverished units", was the opinion expressed by the Colonial Policy Committee. The Committee decided that such colonies, and their "performance as independent countries, would only be an embarrassment, and [their] chaotic existence would be a temptation to our enemies".\(^{(382)}\) Therefore, for Britain, the colonies were still a commitment to be honoured.* Consequently, the defence and administration of the colonies were still regarded as a duty and Britain was still deemed capable of discharging its

* For this part of the thesis, the researcher gratefully acknowledges her indebtedness to a discussion with Mr. Roland Hunt, a former Deputy High Commissioner in the Federation of Malaya.


\(^{(382)}\) CAB 134/1556, C.P.C. (57),30 (Revise), op.cit., p.7.
obligations.\(^ {383} \)

On the one hand, then, Britain still desired to honour its imperial commitments, whilst on the other hand, the increasing restraints which surrounded this capacity were now beginning to be acknowledged. The only way out of the impasse which threatened to ensue was rapid decolonisation.\(^ {384} \) It was very much felt at that time, as one senior British diplomat recalled, in conversation with the present researcher, that in the late fifties and early sixties, there was a sense of inevitability about the whole process of decolonisation. It seemed that no one could reverse it, whether the British liked it or not. At the same time, Anthony Sampson has rightly drawn attention to the existence of a controversial tendency which is "the element of pragmatism in British foreign policy", an element that prevented "any detailed and advanced programming of decolonisation".\(^ {385} \) Sampson's view is supported by Max Beloff, who argues that, "in no time a balance sheet of the Empire was drawn up and a decision was made to go into voluntary liquidation".\(^ {386} \) Sampson receives further support from Kirkman, who has argued that Britain met challenges only pragmatically, in "a series of ad hoc decisions dreamt up to solve immediate problems, with little thought given to long term needs".\(^ {387} \) We must now, however, take issue with what may be regarded as the 'standard' interpretation of decolonisation policy.

\(^{383}\) Ibid.


\(^{385}\) Anthony Sampson, op.cit., p.311.


\(^{387}\) W.P. Kirkman, op.cit., p.12.
as offered by an admix of publicists and scholars. Our principal ground for doing so is to be found in the official documents recently released. After being sworn in, one of the immediate tasks undertaken by the Macmillan government was a major review of colonial policy. (388) "In his minute of 28 January 1957 (C.P.C (57) 6), the Prime Minister has asked", Sir Norman Brock, who was the Chairman of the Official Committee on Colonial Policy, reported, "that an estimate should be made of the probable course of constitutional development in the colonies in the years ahead". The Prime Minister wished "said the Chairman, "that this study should set out the economic, political and strategic considerations for and against the grant of independence". (389) As this document shows, British statesmen were developing some coherent and consistent views on colonial problems, even though the fluid and complex domestic and international situations required them to keep it flexible and accommodating.

The document makes clear that an important part of the policy envisaged was to take into account diverse developments in the colonies. (390) This willingness to compromise with local factors was not in itself novel; it goes as far back as early 19th century. It was exemplified by a letter to the Governor of Singapore from the Colonial Office: "Since the Colonial Governments are playing the piper". J.J. Paskin conceded, "it seems that to some extent

(388) CAB 134/1556, C.P.C. (57) 30 (Revised), op.cit.
(389) Ibid., p.1.
they should call the tune". By 1957, however, an important change of mood had occurred. In 1952, Colonial Office welcomed it in a spirit of self-confidence, by 1957, they reflected more of fatalism and resignation. Thus under nationalist and regional pressures, "Britain was forced to handle the transfer of power within a time scale and a changing international order over which it had little control". In the new mood which now prevailed, if the local leadership could convince the British authorities that it was capable of taking over the responsibility of governing, then Britain was only too glad to transfer the power, provided that no regional complication would arise from such an action.

The best example of granting independence under pressure from colonial leadership seems to be Singapore during 1955-63. The Borneo territories provided an instance of granting "premature" independence due to regional pressures. We must defer a detailed defence of these assertions until later in this thesis. [See PP 138-142] For the present, we must consider the general course of developments in South East Asia at large.

The apparent willingness to decolonise at the earliest

appropriate occasion meant that British attention had been focussed upon South East Asia ever since the Suez debacle.\(^{(397)}\)

The demise of Britain's Suez Canal bases in 1956 had undermined the British hold on South East Asia, a region which had already been shorn of its previous strategic glory by the disappearance of the Raj from India. Moreover, the need for "political adaptation to the new balance of power in international politics was intensified by a new climate of opinion and awareness of the scarcity of British resources".\(^{(398)}\)

British government, nevertheless, always insisted that it would honour its residual imperial responsibilities, and that made Britain willing to stay in the region even after decolonisation. This moral commitment was explicitly and boldly expressed by subsequent British defence papers.\(^{(399)}\) What must now be considered are the complex policy considerations which lay behind the very sentiment.

(B) East-of-Suez-Policy and the Formation of Malaysia

Foremost among these policy considerations is British policy East-of-Suez. Accepting the central significance of East-of-Suez, L.D. Martin has rightly stressed that the East-of-Suez policy played "a more than proportionate part in determining the


\(^{(398)}\) Ibid., p.342.

course of Britain's strategy and the shape of her armed forces".\(^{(400)}\)

In retrospect, it can be added that the policy was the product of a clash between the British belief in Britain's continuing status as a world power and the adverse circumstances which posed certain restrictions on it.\(^{(401)}\) In the late fifties and early sixties, British policy makers did not perceive any danger in Europe, the Atlantic, or even the Mediterranean, but mainly in the East-of-Suez region. It was made clear by Viscount Montgomery in the House of Lords that, "The Atlantic is safe, Europe is safe, the Mediterranean is safe, the potential danger spots lie somewhere else, in the Near East, the Middle East and the Far East and in Africa. It is to those areas that we should direct our gaze...".\(^{(402)}\)

In other words, it was in the region East-of-Suez that the major British commitment was required.\(^{(403)}\) Despite the key position assigned to that area, there was no coherent or uniform idea about what the British role should be, prior to 1960. In the absence of any clear policy on this "discussion was either limited to particular problems or was conducted in terms of the overseas


\(\text{(403)}\) DFFE 4/100, C.O.S. (57). Chiefs of Staff Committee, 69th Meeting, Minute 2, 27 August 1957, Annex to J.P. (57) 94 Final. "Strategic Facilities In British Territories Likely To Achieve Independence".
role in general". (404) Successive British governments were content to make vague, lofty pronouncements about the East-of-Suez region. (405) For example, the Minister of Defence, Harold Watkinson, declared in the House of Commons, that "the Government have no intention of backing out of our world obligations". He further added, "I am not ashamed to stand at this box, [and say that], I am proud that the nation still has some responsibilities in the world". (406)

However, it must be added that Cmd.127 had slightly reduced this vagueness by emphasising the need for strategic mobility and a strategic reserve force. As we have seen, the Paper announced substantial cuts in manpower and conventional armaments yet vigorously defended a world-wide role for Britain, thereby creating a dichotomy between ends and means. (407) To an extent, in Sir John Slessor's opinion (Chief of Air Staff, 1950-1952), the Paper, "still [tried] to have it both ways, with the inevitable result that it did not have enough either way". (408) Subsequently,

(404) Philip Darby, op.cit., p.134.
(405) This ambivalent attitude is remarkably apparent in British policy regarding SEATO. Consequently, Australia and New Zealand felt bitterly disappointed. See FO 371/129342, D1051/11, Q1191/227/57G, Secret and Personal, a letter from D.J. Lloyd, office of the Commissioner General for the U.K. in South East Asia, to F.S. Tomlinson, Foreign Office, dated July 19, 1957.
(408) Ibid., p.551.
the Paper was severely criticised for this in a Parliament, and there were also reports in the press that even the Cabinet was divided over the Paper.\(^{(409)}\) An immediate outcome of this division within the Cabinet was that a Committee for Future Policy was set up, for the purpose of forming "an appreciation of the world situation and the United Kingdom's position and to [make] certain recommendations for appropriate policies".\(^{(410)}\) The Committee's report, which was submitted in 1960, expressed some reservations about the overseas role, but on the whole it reaffirmed the prevailing trends. As Philip Darby put it, "Arguments about the value of the Commonwealth, British obligations to developing countries, and her responsibilities to assist the containment of communism went round and round and each service used them to justify the maintenance of forces in the area and the largest possible share of the defence budget".\(^{(411)}\)

Thus by the beginning of 1962, East-of-Suez policy had begun to take a definite shape, but had led at the same time to confusion and inter-departmental rivalry. The proposed means, i.e., strategic mobility, strategic reserve and nuclear deterrence, were incompatible with the strained domestic economy and worldwide commitments.\(^{(411a)}\) Even before the publication of the next White Paper on Defence, indeed, some grave doubts had been expressed about the feasibility of the policy. Christopher Mayhew, the future Minister for Navy, for example, had called into question the basic

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\(^{(410)}\) Philip Darby, op.cit., p.143.  
\(^{(411)}\) Ibid., p.144.  
\(^{(411a)}\) For example, see the Parliamentary Debates, House of Commons, Vol.655, 5th March 1962, Cols.210-338.
premises of the policy by expressing doubts about the Singapore connection "If Britain had an internal security role in supporting Lee Kuan Yew", Mayhew asked, "What would the political repercussion be? And if Britain was there for the external defence of Malaya and Singapore, how real was the immediate threat, and did it justify the expenditure on the Singapore base?" (412) Denis Healey, the future Defence Secretary and the single most important figure in British withdrawal from the East of Suez, doubted whether, in the name of the East-of-Suez policy, the Government did not intend to retain some strategically and politically irrelevant commitments. (413)

Although the Opposition ruthlessly criticised the East-of-Suez presence, the Government did not show any sign of relenting in face of this criticism. Though decolonisation was tirelessly implemented by the new Colonial Secretary, Iain Macleod, he came under severe criticism from his own party's elite section. (414) To some extent, the pace of decolonisation itself had generated a counter-reaction in the ruling party, creating a nostalgia for imperial days which culminated in a strong plea for the retention of an armed presence East-of-Suez. (415) Nigel Fisher's remark seems pertinent. In the political climate of the 1960's Fisher observed, "When the wounds of Suez were healing, the 1959 election


had been won, and a large section of the Parliamentary party was in a state of post-operative euphoria, and against concessions of any kind", (416) the East-of-Suez policy found a most congenial environment for its growth. Although a strong "wind of change" was forcing Britain to grant political freedom, there was nevertheless a passionate desire to keep the British flag flying overseas; if not in the colonies, then on the high seas and the bases around the world. (417)

It is in this context, that we may now appreciate the appearance of Cmnd.1639, Statement on Defence 1962. The Paper assured the conservative elites by reaffirming a continuing overseas role for British forces in more precise terms. (418) In the ensuing debate about this White Paper, Lord Carrington, the First Lord of Admiralty, expressed British concern over the threat to world peace, "in the emergent nations of Africa and Asia, [where] a spark may form into a global blaze which neither East nor West could afford deliberately to bring about". (419) He accordingly depicted the British presence as a benign and stabilizing factor in the world, expressing his firm belief that such a presence was vital and should not be weakened. Warming to his theme, Lord Carrington, went on to deal with strategic mobility, unified command and joint service operations, insisting that a

(416) Ibid.
combination of these would "enable British influence and military power to continue to exert itself throughout the world in the years to come".\(^{(420)}\)

The most surprising feature of this debate was the comparatively moderate criticism proffered by the Opposition party.\(^{(421)}\) For example, Gordon Walker, the Opposition's spokesman on defence hardly questioned the policy on East-of-Suez commitments. Gordon Walker's main concern was about the rising cost of nuclear weapons and their irrelevance to Britain's strategic needs.\(^{(422)}\) Harold Wilson, the newly elected Leader of the Opposition also chose to attack the nuclear deterrence rather than the defence commitments on global scale.\(^{(423)}\) According to Denis Healey, within the Labour Party, the armed presence was seen as an essential and inevitable part of the process of decolonisation.\(^{(423a)}\) Consequently the Paper was more acceptable to the Opposition than the earlier ones, which had simply upheld an active armed presence and a "role" in the East-of-Suez region.

What emerges from this Parliamentary response to the new White Paper Cmnd.1639 is that heavy responsibilities were to be discharged East-of-Suez despite a simultaneous reduction in British manpower and conventional armaments. The maintenance of existing responsibilities was justified by appeals to overriding

\(^{(420)}\) Ibid., Col.530.
\(^{(421)}\) Philip Darby, op.cit., p.225.
\(^{(423)}\) Ibid., Cols. 221-238.
"commitments, alliances, peace-keeping and economic interest".\(^{(424)}\)
The major motive, however, was basically a dogmatic vision of residual imperial power, with all the attendant duties this entailed throughout the world.\(^{(425)}\) According to Philip Darby, this dogmatic vision was supported mainly by three arguments. First of all, it was a matter of habit: "We were there because we were there". Secondly, "There was an ingrained sense of responsibility and an element of straight idealism". And finally, there was the illusion that Britain was still a world power, with worldwide interests.\(^{(426)}\)

Bearing in mind the British intentions as indicated by the White Paper and the Parliamentary discussions about it, it is possible to understand British policy towards South East Asia. This policy is nowhere more clearly stated than by Harold Macmillan himself in a long paragraph in his memoirs.

* In the course of an interview with the researcher, Lord Inchyra also spoke at length about the proceedings of this conference at Singapore. He attended this conference with Harold Macmillan on 19th January 1958, while accompanying the Prime Minister on the Far East visit. This Conference was annually called by the Commissioner-General of the U.K. in South East Asia to discuss various political and strategic problems of the region. For full reference see, Harold Macmillan, *Riding the Storm*, Macmillan, London, 1971, pp.396-7.

\(^{(424)}\) Philip Darby, op.cit., p.155.
\(^{(425)}\) C.E. Carrington, *The Liquidation of the British Empire*, op.cit., pp. 75-76.
\(^{(426)}\) Philip Darby, op.cit., pp.155-156.
Macmillan attended the final session of the Conference in Singapore on 19th January 1958. Reflecting on this occasion, Macmillan later wrote that "Inspite of the rapid movement towards independence about to take place throughout the area, none of us at that Conference had any doubt of the importance of maintaining the authority and prestige of the United Kingdom by a substantial military presence. Nor was there any fear that this would be unwelcome to the successor governments. On the contrary, for many years to come the emerging territories, such as Malaya, would feel increased confidence if they could rely on our firm support. Total evacuation was never contemplated at that time. It would have seemed an inconceivable and unworthy act of defeatism, to which Britain could never be reduced".\(^{(427)}\)

During a lengthy debate on the Defence White Paper in 1962, these sentiments emerged strongly. Britain's role East-of-Suez was emphasised with fresh vigour and the "base-strategy" was defended as the ultimate expression of British global responsibilities. Lord Carrington explained that "We intend to concentrate in future on three main bases: one West of Suez in the United Kingdom... and the other two East-of-Suez, at Aden and Singapore.... These three main bases will in future be the lynchpin of our world-wide operations".\(^{(428)}\) In the grand base strategy, it was Singapore which occupied the pivotal role. Thus Duncan Sandys declared in 1959 that this base was "the pivot of our military situation in the Far East and we have no thought of changing

\(^{*}\) See the reference at p.119.


it". (429) Sandys' policy was faithfully adhered to by future Defence Secretaries.

In view of the importance attached to Singapore, it was not surprising that the proposed federation of Malaysia was specifically mentioned by this White Paper in connection with regional stability and security. (430) The Paper expressed the hope that the new federation would mean "a diminished internal security role [for British forces] but a continuing task in conjunction with our allies, for the preservation of peace in the area". (431)

The Paper had clearly stated that Britain had a world-wide role to play and had recognised the necessity for mobility, equipment and base facilities. But in that case, as the Paper acknowledged, it was necessary to simplify the command structure of defence in South East Asia. On this matter, the Paper answered that "the Government have now decided to introduce a unified command in the Far East as soon as practicable". (432)

From our discussion of the Cmd.1639, it is easy to see that the primary concern of the British government was to maintain its base facilities in Singapore, and that decolonisation was a secondary objective. (433) In fact, the logic behind British policy had already been spelt out by a Report of the Colonial Policy Committee in September 1957, within a week of the grant of

(429) Saul Rose, Britain and South East Asia, op.cit., p.145.
(431) Ibid., p.9.
(432) Ibid., p.15.
independence to Malaya. (434) "There is no present practical alternative to Singapore", the Report admitted, "as a base for deployment of naval and air force in support of ANZAM and SEATO". The Report confirmed further that, "Singapore cannot be viewed in isolation from Malaya, and militarily both are complementary. Therefore, in the event of a merger between the two territories, the [Anglo-] Malayan Defence Agreement would be extended to cover Singapore". (435) This intention was finally executed by the extension of the Anglo-Malayan Defence Agreement on 22 November 1961, when negotiations on the proposed new federation had just opened.

This precedent was followed in the case of the streamlining of the command structure. In fact, from the very beginning, i.e. (436), the Commander-in-Chief detested "the division of Malaya into two territories", and much preferred "to regard Malaya as one unit for their purpose". (436) The need for unity was never forgotten during the independence negotiations between Her Majesty's Government and the Federation of Malaya and the Colony of Singapore. (437)

(434) CAB 134/1556, C.P.C. (57) 30 (Revise), op.cit., p.7.
(435) Ibid.; This stand was evidently supported by the Chiefs of Staff Committee. See DEFE 4/100, COS (57), 69th Meeting held on 27th August 1957, "Strategic Facilities in British Territories Likely to Achieve Independence", Annex to J.P. (57) 94 (Final).
In February 1962, Sir Francis Festing, Commander-in-Chief Far East Land Forces, visited South East Asia and advised that "the timing of the defence administrative changes be dictated by approaching political changes in the Malaysia area". He argued that "the political difficulties of defence reform in the area would delay the unification [of the command] until at least after the formation of Malaysia". By contrast, Mr. Harold Watkinson, the British Defence Minister, did not regard the formation of Malaysia as a prerequisite and announced during his visit to the region in April 1962, that "the Chief of the unified command will be appointed soon". Finally, the unified Far East Command was born on 28th November 1962, with its headquarters at Singapore.

Two definite conclusions can be drawn from the events surrounding the creation of this Unified Command. It is clear, in the first place, that Britain was not thinking in terms of total withdrawal in the near future. The Cmnd.1639 had already paved the way for a continued British presence in East-of-Suez, and Britain was determined to play the "big power" role. Secondly, the creation of a larger federation was already a foregone conclusion, and the existence of the unified command structure was considered vital for the protection of the new federation.

(439) Ibid.
(440) Ibid.
(441) Philip Darby, op.cit., p.177.
(442) DEFE 5/78, COS (57) 226, Chiefs of Staff Committee, 17th October 1957, "Command Organization in the (Continued overleaf).
On the basis of the above considerations, it can be concluded that although the British Government had bowed to the fate of decolonisation, a nostalgia for the imperial past had lingered on in their thinking. This attitude was charged with a highly emotional and moralistic sentiment, since, as Macmillan had admitted earlier that the total withdrawal would have been "an unworthy act of defeatism". However, Macmillan's statement gives us a fairly deep insight into the two powerful currents flowing underneath British thinking, the engagement and disengagement, i.e., faith in the British role and the consequent necessity for a continued military presence, on the one hand, and, on the other, an acceptance of necessity to decolonise. C.E. Carrington an ardent supporter of the first view, concluded an article by asking, "Has the world grown so big, or is it that we have grown so small that our experts should now advise us to reject the whole and concentrate on a part?" In his opinion Britain was "still something more than an offshore island in Europe". But the equally important considerations of decolonisation had also governed the final shape of British policy at large.

Above all, it should now be amply clear that British foreign policy in South East Asia was shaped by two diametrically opposed concepts. These two concepts were a policy of retaining armed forces and rapid decolonisation. 

(From overleaf) Far East". A note from BDCC (FE, (57)18).


(445/6) C.E. Carrington, "Decolonisation, the Last Stage", op.cit., p.40.
in 1963 is the best illustration of how these contradictory policies nevertheless worked in a fairly coherent way, and even had certain advantages for British diplomacy.* The Malaysia Agreement not only made possible the early independence of Singapore, but also enabled Britain to retain the use of the Singapore base. (447/8) At this stage, a convergence of mutual Anglo-Malayan interests emerge. It is to this aspect of 'Malaysia' that we turn our attention in the next section.


The peaceful transfer of power, followed by the ensuing period of political stability and racial harmony, further enhanced the credibility of the Federation of Malaya as a lynchpin in the British strategy of decolonisation. (449) However, one major obstacle, viz. communist insurgency, was still a menace, and three years passed before the Federation Government could announce the restoration of normal conditions. As a result, neither the Federation of Malaya nor the British Government showed any open willingness to propose the idea of a greater Malaysia before 1960, even though the desirability of such a federation had been talked

* For the line of argument in this section, the researcher is indebted to a lengthy interview with Mr. Roland Hunt.

(447/8) Cmd. 2694, MALAYSIA: Agreement concluded between the United Kingdom of Great Britain and Northern Ireland, the Federation of Malaya, North Borneo, Sarawak and Singapore, H.M.S.O., London, July 1963, Article VI.

(449) FO 371/12932, "The Outlook in Malaya up to 1960," op. cit.
This idea had acquired a new lease of life after the Federation of Malaya was born and AMDA negotiated. The treaty provided a framework within which decolonisation was made possible without any consequential loss of British prestige. However, a multitude of factors, generated by two powerful forces, viz., a desire to play a key role East-of-Suez and at the same time to decolonise, were apparently at work behind the British desire to achieve an extended federation incorporating the Borneo Territories, Singapore and the Federation of Malaya.

Amongst these factors, prevailing circumstances and recent developments in the region, as well as those in Malaya and Singapore, exerted a marked influence over the outcome. Although the separation of Singapore from the mainland was

* This argument was substantiated by a discussion with Lord Inchyra, Permanent Under Secretary of State, Foreign Office, 1956-60. He had accompanied Macmillan during his visit to the Far East in January, 1958.

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(451) John F. Cady, op.cit., p.157; and Dato Abdullah Ahmad, op.cit., p.
impractical, owing to its strategic location, the colony was kept separate from Malaya in 1946. Subsequently, while granting internal self-government to Singapore in 1959, the British Government kept internal and external security in their own hands. "Neither the political cost (defined by internal developments in Singapore) nor British economic restraints were sufficiently high for a re-evaluation of the strategic benefits yielded by Singapore".

These benefits were seen by the British Government at the time as vital to its whole strategic position, not only in South East Asia, but also in the Pacific region. As explained by a former diplomat, Britain had major stakes in the area in maintaining military bases in Singapore. In fact, the defence of New Zealand and Australia was considered to start at Singapore. Moreover, the defence of Malaya was inseparable from that of Singapore, and British forces therefore needed Singapore bases in order to coordinate their strategy in the region. Its strategic location, and the fact that it offered "the only dry dock between Japan and Sydney large enough to hold an air-craft carrier", invariably meant that Singapore was the key to defence operations in the area. Yet if the colony was a vital strategic point, it was also a

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(454) op.cit., p.41.

(455) [DEFE 4/100, C.O.S. (57), Chiefs of Staff Committee, 69th Meeting held on 27th August 1957, Annex to J.P. (57) 94, Final p.4.

(456) Chin Kin Wah, The Defence of Malaysia and Singapore, op.cit., p.41.

political hot bed, and the British government was rather alarmed at the prospect of communist oriented parties gaining any stronghold in the political arena.*

The fear that communists might try to spread into the soft under-belly of Asia played by far the largest part in the formation of Malaysia. (458) However, the new federation was never supposed to be inspired by animosity towards China. Since a crucial distinction between the containment of communism and containment of the People's Republic of China was drawn at an early stage both by Tunku Abdul Rahman and Harold Macmillan. (459)

The communist threat in South East Asia was perceived partly as guerilla movement and partly as the successful capture of political power by parliamentary methods. In this context, the fear of a large Chinese population in South East Asia, with a stranglehold on the economy, was seen as a prominent threat to the balance of power in the region. (460) British fear that communists might upset the applecart was aggravated by regional developments, as was clear in the speech of Mr. R.L. Peel, the President of the British Association of Malaya. He categorically asserted that, "The recent events in Vietnam and Laos had underlined the urgency of a Greater Malaysia. One of the major purposes of the Federation

* During his discussion, Mr. H.T. Bourdillon, a former Deputy High Commissioner to Singapore, 1959-61, talked at great length about the highly volatile state of Singapore at that time.

(460) B. Simanjuntak, op.cit., pp.126-8.
was to form some sort of shield against the further advance of communism in the area". (461) In the creation of Malaysia, the British and Malayan leadership perceived an opportunity to balance the Chinese population of Singapore against the non-Chinese population of Sarawak and North Borneo. (462) In Malaya, fear and contempt of Chinese communists holding political power were expressed by the Malayan Minister of the Interior in the Malayan Parliament. In his speech in October 1961, he declared that, "We must do something to prevent the communists dominating this country. That is why, today, we are discussing this question of merger". (463)

In the meantime, the political situation in Singapore had become explosive. (464) Seen in retrospect, Singapore was a difficult baby and needed a firm but gentle hand to guide it towards freedom. (465) Its size, location and demography ruled out any prospect of it ever getting independence on its own. But the idea of incorporating it with Malaya did not appeal to Tunku until


(462) J.A.C. Mackie, Konfrontasi, op.cit., pp.60 and 66. The numerical pre-dominance of the Chinese population would not have been so great in Malaysia, as Table 5 on the next page demonstrates.


"Times have changed", Tunku told the Malayan

Table 5

Racial Composition in Singapore-Malaya and the Borneo Territories

<table>
<thead>
<tr>
<th>Racial Groups</th>
<th>Singapore and Malaya</th>
<th>The Borneo Territories</th>
<th>Malaysia</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Malaysians and</td>
<td>3,322,000</td>
<td>872,953</td>
<td>4,194,953</td>
<td>46.6</td>
</tr>
<tr>
<td>Indigenous races</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chinese</td>
<td>3,425,000</td>
<td>355,491</td>
<td>3,780,491</td>
<td>42.0</td>
</tr>
<tr>
<td>All Others</td>
<td>977,000</td>
<td>54,383</td>
<td>1,031,383</td>
<td>11.4</td>
</tr>
<tr>
<td>Total</td>
<td>7,724,000</td>
<td>1,282,827</td>
<td>9,006,827</td>
<td>100.00</td>
</tr>
</tbody>
</table>

Source: B. Simandjuntak, op.cit., p.132.

Parliament in 1961, "and so must our outlook". The Tunku had considered the idea of such a greater federation in 1957, but had dropped it because of "strong arguments against the early admission of Singapore to the Federation". It was not Singapore but the non-Malay populated territories of Borneo, i.e., Sabah and Sarawak, which ultimately convinced the Malayan Prime

(466) Tunku Abdul Rahman spoke about Malaysia publicly at a lunch at the Foreign Correspondents Association in Singapore on 27th May 1961.


(468) "Proposals for Malaysia", World Today, op.cit., p.194.
Minister of the desirability of such a federation.\textsuperscript{(469)}

If Singapore was not acceptable to Tunku Abdul Rahman, why did the Borneo Territories make such a different impact on him? The answer lies in the desire of Britain at the time to decolonise.\textsuperscript{(470)} No one could see these territories remaining under British rule forever and a federation appeared to be the best solution to the regional problem.\textsuperscript{(471)} Although local consent was essential for implementation of the merger, Britain naturally enjoyed a special position, since it had the "power of persuasion, direction, control or even force at its disposal".\textsuperscript{(472)} The Borneo territories, for their part, were not insensitive to the

\begin{itemize}
\item \textsuperscript{(471)} CAB 134/1556, C.P.C. (57) 34, 29th November 1957, a memorandum by the Secretary of State for the Colonies submitted to Colonial Policy Committee on the Borneo Territories. This memorandum suggested a federation of all three Borneo Territories including Brunei. The federation would have enabled these territories to withstand pressure from Malaya, Singapore or Indonesia. Unfortunately, the plan never even took off due to the reluctance of the Sultan of Brunei.
\end{itemize}
possibility of a federation, although at this stage, British Government thought the idea of a merger somewhat premature.\(^{(473/4)}\)

This reluctance is understandable in view of the enormous gap which existed between the Borneo territories and the Federation in terms of political and economic development. One of the two territories, Sarawak, had come under direct British rule only after the Second World War, and consequently lacked even the basic infrastructure of local self-government.\(^{(475)}\)

The close proximity of these territories to Indonesia, however, meant that the Federation of Malaya could not ignore their future.\(^{(476)}\) What finally convinced Tunku Abdul Rahman was the continued presence of British armed protection under the Anglo-Malayan Defence Agreement. In case there should be any regional opposition to the merger, AMDA could be invoked. With this assurance in mind, Tunku thought these independent territories might join Indonesia, and that it would be better if they could instead be persuaded to join Malaysia. Once he grasped the relevance of AMDA to British decolonisation, he became confident of the success of Malaysia. Since he saw the logic of incorporating the Borneo Territories, he had no ground for


\(^{(476)}\) J.M. Gullick, op.cit., p41.
rejecting the same logic in the case of Singapore.* In an article on "The Leftovers of the Empire", The Economist, argued the case for Malaysia in a similar light. "A possible federation, which would solve the difficult problem of Singapore, [would] be one between the independent Federation of Malaya and the British territories of North Borneo and Singapore, whose big Chinese population would not then outweigh the Malays". The paper warned that, "If this is not done, Indonesia will probably ultimately stretch out her hand for these states". (477) These were prophetic words in 1958.

The most active and enthusiastic support for the merger came from within Singapore itself. (478) In 1959, The People's Action Party led by Lee Kuan Yew had secured a victory by pledging to achieve full freedom within two years. Any delay in this matter would have severely damaged his reputation vis-à-vis the Communists and radicals. (479) A Communist government in Singapore,

* For the argument in this section, the researcher acknowledges the invaluable guidance rendered by Sir Neil Pritchard in a lengthy interview. Sir Neil who was acting Deputy Under Secretary of State Commonwealth Relations Office in 1961–63, had an intimate knowledge of the problems of merger.

however, would have been a nightmare for both Britain and the Federation of Malaya.

Lee Kuan Yew himself accepted the strategic importance of Singapore and also acknowledged the inherent weakness of its political structure. He was reported in The Guardian as saying that, "Singapore, with its predominantly Chinese population would, if independent on its own, become "South East Asia's Israel' with every hand turned against it". 


As has been shown in the previous section, a keen British desire to play a role East-of-Suez and the inevitability of decolonisation had brought a convergence of interest with the Federation of Malaya. It will be recalled, however, that "Malayan and British interests in the scheme were, of course, very nearly complementary, [although] they were not entirely identical. Owing to differences about timetable and procedure the two countries had some clash of opinion during the negotiations. Thus, whereas we witness a convergence on the proposal of Malaysia, we see a divergence on the question of how and when to proceed towards it.

In the course of a prolonged negotiating period, the British showed keen concern for the political and strategic aspects of the situation. The political aspect, guided by the policy of rapid decolonisation, necessitated a merger with

(480) Lee Kuan Yew, op.cit., p.5.  
(482) Mackie, Konfrontasi, op.cit., p.43.  
(483) B. Simandjuntak, op.cit., pp.141-152.
The desire for an honourable merger is intelligible in terms of the British wish to decolonise without giving the impression of being forced out of the area. Britain also wished to avoid creating the impression of pushing the two reluctant colonies into the federation, otherwise the Borneo peoples would be justified in feeling that they had been cast adrift rather hurriedly. To ensure their future status within Malaysia, and to provide certain safeguards against any discrimination, therefore became a major concern of British negotiators.

Turning now from the political aspects to the strategic one, it was essential that the merger should not result in the curtailment of any of Britain's existing rights under AMDA to operate in the region. In short, Britain sought to avoid any alteration in the situation relating to the base facilities in Singapore under the extended terms of AMDA.

Harold Macmillan clearly identified defence as the major consideration facing Britain. "First arose the vital question of defence". Macmillan recorded in his memoirs, "involving the rights and responsibilities of both Britain and her Chief Commonwealth partners in the area - Australia and New Zealand. There was also involved the interests of other SEATO allies, primarily the United

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(484) CAB 134/1556, C.P.C. (57) 37, op.cit. The Paper had already contended that British "prestige and influence will naturally suffer by our premature withdrawal".

(485) Ibid., p.53.


(487) B. Simandjuntak, op.cit., pp.266-267.

(488) J.M. Gullick, op.cit., p.44.
States. In other words, "Initially, the British faced a dilemma between the greater stability which Malaysia promised and the uncertainty of effective control over the Singapore bases as a consequence of unification." The future of the base in Singapore, then, was the central issue, and the British Government wanted to maintain the status quo despite the proposed merger.

For the leaders of future Malaysia, however, acceptance of any direct link with SEATO was anathema. But at the same time, the economic and strategic advantages of the British armed presence carried enough weight to counter-balance any Malayan insistence on their "sovereignty" over these bases. An article in the Far Eastern Economic Review summed up the economic and political advantages of the continued British presence in the Singapore base as the provision of "direct employment for 40,000 people and a livelihood for 120,000 out of a total population of 1.7 millions."

Moreover, there were genuine fears that "sudden withdrawal of British military forces will leave a power vacuum" in the region. Hence both Malaya and Singapore were quite under-

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(491) *Sunday Times*, 1 October, 1961.
(492) B. Simandjuntak, op.cit., p.265.
(494) Ibid., p.119.
standably not keen on seeing Britain leave the bases.\textsuperscript{(495)} Consequently, in the course of negotiations on the extension of AMDA to cover Malaysia, no major obstacle was evident except the question of using the Singapore bases for SEATO purposes.

Tunku Abdul Rahman himself made it clear that he would not "attach too much importance to SEATO". In case of a communist threat, he said, "We have to make use of everything to fight it".\textsuperscript{(496)}

Once again, in order to avoid a stalemate, the old formula of ambiguity and flexibility was adopted.\textsuperscript{(497)} Britain was allowed "to maintain the bases and other facilities... for the purpose of assisting in the defence of Malaysia, and for Commonwealth defence and for the preservation of peace in South East Asia".\textsuperscript{(498)}

Inclusion of the words "preservation of peace in South East Asia", clearly allowed Britain to use the bases for SEATO purposes if required.\textsuperscript{(499)} But the Federation Government referred to its right to be consulted in such matters. Tun Razak, the Deputy Prime Minister of the Federation, declared that "the sovereignty of the base lies with us. The British Government cannot make use of the base without consulting us".\textsuperscript{(500)}

\textsuperscript{(495)} Ibid.
\textsuperscript{(496)} B. Simandjuntak, op.cit., p.265.
\textsuperscript{(497)} Robert O. Tilman, op.cit., p.130.
\textsuperscript{(500)} Straits Times, 1 December 1961.
Contrary to British apprehensions, the issue of the Singapore base did not prove to be an insurmountable problem. It is significant, however, that an agreement was signed on this aspect well in advance of others. In November 1961, when AMDA was formally extended to cover Malaysia, the negotiations to ascertain the views of the Borneo people had not even started. The speed with which the future arrangements for the bases were settled clearly reflected the degree of priority assigned to the East-of-Suez role by both parties.\(^{501}\)

However, if British diplomats were swift and firm in dealing with the question of bases, the same speed was nowhere in sight when negotiations started on the future status of the Borneo people within Malaysia.\(^{502}\) Here Britain was cautious, being completely in favour of restraints and patience, as a letter from the British Prime Minister to his counterpart in Malaya reveals. "I had learned caution from some unhappy examples of ill-prepared schemes of Federation", warned Macmillan's cautious note and added that, "I certainly do not want a shotgun wedding".\(^{503}\) Indeed, the merger of Borneo Territories with unequal partners in a bigger unit was a far more complicated issue which involved human fears and anxieties, as well as cultural and racial pride, conflicting economic ambitions, and above all the equality of status as citizens of the federation.\(^{504}\) Bearing in mind the problems, it was not surprising that the British Government "felt bound to express apprehensions about the wisdom of a speedy shot-

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\(^{501}\) B. Simandjuntak, op.cit., p.296.

\(^{502}\) J.A.C. Mackie, op.cit., p.43.


\(^{504}\) J.M. Gullick, op.cit., p.177.
gun marriage inspite of the noble intentions on the Malayan side". (505)

The British Government, having initiated the merger negotiation on behalf of the Borneo territories, was apprehensive about the fact that in these territories, which were under British rule, the level of political maturity was low in comparison to the Federation of Malaya. (505) In the absence of any developed representative infrastructure, the Cobbold Commission was appointed to ascertain the opinion of the Borneo people on the proposed merger. The Commission, while welcoming the idea of Malaysia, warned against any future "takeover of the Borneo territories by the Federation". (507) There were genuine fears of racial, economic and religious discrimination by Malays, and the leaders of Borneo, therefore, urged the Government to incorporate some safeguards against "any discrimination" in the future constitution of Malaysia. (508)

Keeping in sight the Cobbold Commission's recommendations, the British Government devised the idea of a trial period to be incorporated into the agreement on Malaysia so that, "the prospective partners would have a chance to test the workings of the plan in practice and the right to ask for modifications before finally committing themselves". (509) In addition, the British

Government proposed to include special clauses against discrimination on the points of (a) immigration; (b) the right to opt out; (c) the civil service; (d) the language and religion of the minorities.\(^{(510)}\)

On the other hand, the Federation Government, in the name of internal security and the future integrity of Malaysia, was reluctant not only to compromise on these points but even to argue on the proposed timetable.\(^{(511)}\) Quite contrary to British belief in not rushing the Malaysia plan, the argument of the Federation's Prime Minister was that any undue delay would only provide "communists [with] the weapons they need for infiltration and subversion with the ultimate object of capturing these territories", and he firmly added at this point, "we cannot afford to wait... [since] time is not on our side".\(^{(512)}\) The Malayan Government was apprehensive at the possibility of these territories being "gobbled up by China", and decided, as the Guardian commented, that "better a friendly ride from a western horse than the gaping jaws of an eastern crocodile".\(^{(513)}\)

With these two opposed views on either side, the talks on Malaysia ran into trouble on 28 July 1962. At this juncture, intervention from Singapore compelled the two reluctant negotiating parties to compromise on certain points. Lee Kuan Yew claimed, as was reported by the Far Eastern Economic Review, that "you may be sure that had there been no Singapore considerations, it might have been five or seven years until the Federation of

\(^{(510)}\) Cmd. 1794, op. cit., pp. 56-57.
Malaysia could come into being". This decisive intervention from Lee Kuan Yew came in the form of a proposal that Singapore and the Federation of Malaya should join Malaysia at that point and that the Borneo territories might come into it later. This prospect, which alarmed both governments for different reasons, was acceptable to Tunku only in extreme circumstances, and wholly unacceptable to Britain because of its destabilizing influence on the territories. However, both parties came to a speedy agreement in principle on 1 August 1962 and left the details to be worked out later on by an Inter-Governmental Committee.

In the course of the present writer's discussion of Anglo-Malayan differences during the Malaysia negotiations with former diplomats who had first-hand experience of South East Asia, certain issues emerged very clearly. On the question of "patient Britain, impatient Malaysia", it could be argued that Britain did not in fact wish to hurry up, since that would have created a wrong impression about its intention. At the same time, it had already experienced some dismal failures with planned federations. In the Malaysian case haste was justified by future events, as Indonesia decided to confront Malaysia even before it came into formal existence. One senior diplomat, whilst summing up the story, accepted that "in the beginning Malaya was not interested in Malaysia. But after some time, Tunku thought that in case of decolonisation, it would be better if these colonies came into Malaysia, rather than join any other country. Once Malaya got

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interested, there was no stopping at that. In fact the fear of Indonesia was in the background. We (British) never took Indonesian threats seriously, but Malays always did. In the end, it was proved that they were right and we were wrong".* In the following year, even before the birth of Malaysia, British forces were already engaged in protecting it against the Indonesian confrontation. The irony of the situation was that "the process of decolonisation initiated by Britain had become hateful to an anti-colonial Government".\(^{(516)}\) It is this situation which will be the focus of analysis in the next chapter.

* The researcher was asked by the diplomat concerned not to disclose his identity.

CHAPTER IV

British Foreign Policy towards Malaysia 1963-1965.

It has been argued in the preceding chapter that the combination of two policies, viz. decolonisation and a desire to play a special role East-of-Suez region, was the most powerful influence shaping British foreign policy in Asia and Africa in general, and in South East Asia in particular, during the first half of the nineteen-sixties.* The creation of the federation of Malaysia was the biggest success achieved by the policy of decolonisation without any consequential loss of British prestige in the region. But there was another side to the story, which was that between them decolonisation and the East-of-Suez presence implicated Britain in an unforseen regional entanglement. Although it never became an overwhelming burden, this entanglement created an awkward situation for Britain. Our task in this chapter is to examine closely this situation, in which we confront the curious spectacle of British forces fighting a quasi-war against a half-hidden and half-exposed enemy for nearly three and a half years.

The oddest aspect of the situation was that British forces were fighting for the protection of territories to which Britain had already granted freedom.

More generally, we are concerned with the contradiction that had openly emerged between the policy of decolonisation and the simultaneous retention of a substantial armed presence East-of-Suez. This contradiction is particularly well illustrated by developments in South East Asia, where Britain, "though increasingly reconciled to colonial disengagement, yet tenaciously upheld its peace keeping role". (517)

In order to set the scene for the analysis of this paradox in British foreign policy, however, it will be useful to begin by examining the regional developments which gave concrete shape to British responses. In the first section, we will accordingly examine two major developments, namely, the Borneo crisis in December 1962 and the opposition to the proposed federation of Malaysia prior to the beginning of Indonesian "confrontation".

I

The Background to British Foreign Policy towards Malaysia, 1963

The British illusion of peace was shattered by the Brunei rebellion on 8th December 1962. (518) The implicit connection between M. Azhari, the rebel-leader and the Indonesian government made the event important from a regional point of view. (However, the)

Indonesian-Malaysian relations are discussed in detail later.

In response to the Sultan of Brunei's request, British forces quelled the rebellion.\(^{(519)}\) The British response was quick and decisive, and even the severest critics of the Government's defence policy were forced to give due credit to the Brunei operation.\(^{(520)}\) Denis Healey, the Opposition's spokesman on Defence, whilst comparing the operation with the Suez experience, admitted that, in Borneo "[the British] were carrying out [their] overseas responsibilities with panache and efficiency".\(^{(521)}\)

(a) The Borneo crisis and the East-of-Suez debate, 1963

With hindsight, the significance of the Borneo crisis proved to be manifold. First of all, it demonstrated to friends and foes alike that Britain meant business; it was prepared to take necessary risks, and had sufficient power to carry on the tasks involved in honouring its obligations.\(^{(522)}\) A debate in the British Parliament on the Brunei operation contained approving references to the depth of Britain's commitment to maintaining its image as a peace-keeping power in South East Asia.\(^{(523)}\)

\(^{(519)}\) Willard A. Hanna, *The Formation of Malaysia*, op.cit., pp.139-140.


\(^{(521)}\) Parliamentary Debates, House of Commons, Vol. 673, 4 March 1963, Col.46.


On the other hand, the Opposition party exploited the opportunity by pointing out the Europe vs. Asia dilemma. The front bench of the Opposition, favouring pro-European policies, attacked the decision to move B.A.O.R. from Europe in case of emergency and warned against "removing the spear-head" of the Strategic Reserve. Mr. Wigg, from the Opposition benches, asked the Defence Minister, what would be the Government’s policy "if it were necessary in the immediate future to reinforce the Rhine Army?"(524) The Secretary of Defence, Peter Thorneycroft, did not view it as removing the spear-head but only "using the Strategic Reserve for the precise purpose for which it was designed".(525)

This debate had a deep influence on the subsequent debate on the Defence Paper Cmnd.1936 in 1963. It also highlighted two things in particular. Firstly, it ascertained British willingness to operate in far off places, and secondly, it exposed the extent to which the British army was overstretched in its attempt to cover Europe and Asia simultaneously over a long period.

The debate on Cmnd.1936 became a major turning point in the East-of-Suez policy. For the first time, serious doubts were raised about the feasibility of pursuing a global peace keeping role with strained economic resources. While seeking parliamentary approval for Cmnd.1936, the Defence Minister felt confident enough to broach the dilemma faced by the Government at that time. "To keep our forces East-of-Suez is of course, a costly burden", he admitted, and then briefly indicated the alternatives: "if we are to take them out of Aden or Singapore, I think that our critics

(524) Ibid., Col. 582.
(525) Ibid., Col. 581.
ought to say so openly ... either they must cut our overseas role to reinforce Europe or reintroduce conscription". (526)

The debate centred around the old dilemma, mentioned above, of Europe vs. Asia, a dilemma which British decision-makers had been facing ever since the beginning of the twentieth century. Over the past sixty years, their diplomacy had sought to maintain a balance, in order to avoid choosing one alternative at the cost of other. But by the beginning of the nineteen sixties such an evasion was no longer possible, as the fore-mentioned statement of Peter Thorneycroft has shown already. The British were chained to South East Asia by SEATO and AMDA, and the Brunei revolt had shown the practical implications of overseas operations, both in terms of manpower and money.

The Government accepted the criticism of the Opposition that maintenance of overseas forces, "certainly is a policy which costs money and places a very heavy strain indeed upon our resources". (527) On the other hand, there was no question of relinquishing such a role. "If our defence policy is to become an extension of our foreign policy", John Profumo, the Secretary of State for War, observed, "we simply cannot afford to abandon any of these [three] essentials". (528)

By the beginning of 1963, then, the British commitment to South East Asia had been acknowledged, worked out, and firmly

(528) Ibid., Col. 154. These three essentials were the defence of Britain, NATO commitments and the Commonwealth-connections.
entrenched within three major Defence Papers, i.e. Cmnd.127 (1957), Cmnd.1939 (1962) and Cmnd.1963 (1963). The Brunei rebellion had further exposed the extent of the threat to peace in the region. \(^{(529)}\) By 1963, therefore, Britain was more convinced than ever that its forces were essential for maintaining peace and deterring any aggression against its allies in the region. At the same time, however, there was a deepening awareness of the cost involved in such overseas operations, and the severe strains it created for the armed forces.

We may now return to the proposition advanced earlier. This was that the armed presence entailed by the East-of-Suez policy meant that the British presence itself became a source of regional instability. As a result, the proposed federation i.e., Malaysia itself became the target of criticism among its neighbours. It is this aspect of the situation which must now be examined.

(b) Malaysia: A "Neo-Colonialist Plot"?

The main criticism of the proposed federation of Malaysia originated from two sources. One, the external source, was Indonesia; the other, the internal source, was the major opposition parties within the proposed federation itself. The internal criticism was sharper before the formation of the federation. \(^{(530)}\) It caused some pangs of anxiety to the Colonial Office at that time, but subsided after the birth of Malaysia. By contrast, the external criticism was primarily verbal so long as the creation of Malaysia was not a certainty, but soon turned

\(^{(529)}\) J.A.C. Mackie, Konfrontasi, op.cit., p.11.
into a potential threat, taking the form of subversion, propaganda, diplomatic hostility, and armed incursions into the territory of Malaysia.\(^{(531)}\) Indonesian hostility came to an end only with the demise of the existing power structure and change of leadership in Jakarta in 1965-1966.

In its most threatening form, the internal criticism emanated from Barisan Sosialis, which was the major opposition party in Singapore.\(^{(532)}\) Apart from that, the PMIP and the Socialist Front, (the radical right wing and left wing parties respectively in the Federation of Malaya), also attacked the idea of merger. In Sarawak, the SUPP became the most outspoken critic of the proposed merger.\(^{(533)}\) Given the high level of communist infiltration within the rank and file of SUPP, this opposition did not take British administrators by surprise.\(^{(534)}\) The government had been well aware of this threat for a longtime.\(^{(535)}\)

In 1957, for example, Lennox Boyd, the Secretary of State for the Colonies had reported to his colleagues that in Sarawak the

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communists had already infiltrated the Chinese schools. However, he assured them that those threats were being contained, although he warned his colleagues that the events outside, i.e., in Malaya or Singapore might increase the danger of subversion.\(^{(536)}\) Since the purpose of Malaysia was to counteract any such possibility, the proposed federation came under fierce attack from SUPP at the very beginning. For identical reasons, the most vehement attack came from the Barisan Sosialis, which regarded Malaysia as "a British inspired idea".\(^{(537)}\) Not satisfied with this, the party charged the Singapore Government with "selling out" their citizenship rights to Malaya.\(^{(538)}\) On the whole, the major thrust of this internal opposition to the proposed federation may be divided into two lines of attack. First was the charge of disenfranchisement of the Singapore people, together with a demand for the right of self-determination of the people of Borneo.\(^{(539)}\) Secondly, Malaysia was said to be merely a British neo-imperialist plot to "consolidate its economic and military hold on the region".\(^{(540)}\) The continued presence of British bases was seen as a blot on independence,\(^{(541)}\) and some radical parties in Malaya even advocated incorporation of some Indonesian territories to counter-balance the overwhelming Chinese population of Singapore.\(^{(542)}\)

\(^{(536)}\) Ibid.

\(^{(537)}\) Brackman, op.cit., pp.49-52.


\(^{(539)}\) S. Nihal Singh, op.cit., p.11.


\(^{(541)}\) Brackman, op.cit., pp.69-73.

\(^{(542)}\) Ibid., p.43.
The British response to these developments in Singapore and the Borneo territories was somewhat varied. In the case of the Borneo territories, Britain had already decided in favour of the merger and the Cobbold Commission's Report was almost a foregone conclusion. But at the same time, British diplomats were keen to incorporate "safeguards" against racial, cultural and lingual discrimination in the forthcoming federation's constitution. To an extent, the relative backwardness of the Borneo territories justified this anxiety on the part of British paternalists.

Their attitude towards the Chinese population was in total contrast to their paternalism towards the Borneo people. Here, due to the economic advantages enjoyed by the Chinese people, British policy aimed at curtailing the Chinese ambition to exercise political and economic power over the Malay and Borneo peoples in the forthcoming federation. An extract from the Cobbold Commission's report illustrates this point. "In the absence of some projects like Malaysia, the Chinese with their rapidly

(543) For example see, Margaret Clark Roff, The Politics of Belonging: Political Changes in Sabah and Sarawak, O.U.P., Kuala Lumpur, 1974. Her observation regarding Chinese predominance in Sarawak was that, "the Chinese community of Sarawak has grown to thirty percent of the total population, and to control the bulk of the commerce and trade", (p.31.). In case of North Borneo, Margaret Roff's argument was that, "bulk of the wealth was created and enjoyed by the Chinese, while the Native people's were protected from modernization by regimes of avowedly benevolent intent". (p.41)

Demographically also Chinese were the single largest homogenous group in these territories. Divisions in North Borneo (footnote (543) continued on next page.)
census reports clearly demonstrate this situation as the Table given below clearly demonstrates.

Table 5

The Division of Population of North Borneo and Sarawak into Different Ethnic Communities, 1960

<table>
<thead>
<tr>
<th>North Borneo</th>
<th>Sarawak</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dusun</td>
<td>145,229</td>
</tr>
<tr>
<td>Murut</td>
<td>22,138</td>
</tr>
<tr>
<td>Bajans</td>
<td>59,710</td>
</tr>
<tr>
<td>Other Indigenous</td>
<td>59,421</td>
</tr>
<tr>
<td>Chinese</td>
<td>104,542</td>
</tr>
<tr>
<td>Europeans</td>
<td>1,896</td>
</tr>
<tr>
<td>Others</td>
<td>41,485</td>
</tr>
</tbody>
</table>


However, when we reconsider the statement made in Chapter III on p.133, of our thesis, it appears to be misleading. In fact, the earlier statement holds grounds only in a slightly modified form. It is worth mentioning that these various ethnic groups,

\[ \text{we're neither 'Malay' nor Chinese} \]

either. The optimistic leadership of Malaya considered them closer to 'Malays'. Therefore, the non-Chinese rather than 'Malay' population of the Borneo Territories was supposed to counterbalance the adverse effects of inclusion of Singaporean Chinese.
increasing population and their long established predominance over
the other races in education, could expect, when independence
came, to be in an unassailable position in Sarawak". (544)

The British response to the opposition parties in Singapore
was even tougher. The Colonial Office shunned them completely, and
Lee Kuan Yew, the Chief Minister of Singapore, was given the status
of sole representative. (545) In Singapore, politically hostile
government would have jeopardized Britain's vital strategic
interests in base facilities. Secondly, sharing the Malay appre-
hension, British experiences over the last century had convinced
them of the desirability of erecting some barrier against the
total domination of the future Malaysian economy by Chinese
entrepreneur. This was why a helping hand was readily extended to Lee
Kuan Yew and his PAP, who were satisfied with only a limited
amount of economic and educational "autonomy" for Singapore, and
were ready to forgo federal citizenship. Moreover, for the PAP
the British base in Singapore was more than welcome for strategic
and economic reasons.

These internal misgivings about Malaysia soon died down
when the agreement was formally signed in July 1963. But the
Indonesian hostility did not show any sign of abating with the
passing of time. On the contrary, there seemed to be an almost
uncanny connection between the growth of Indonesian hostility and
the prospect of the creation of Malaysia. (546)


(546) J.A.C. Mackie, "Indonesia: A Background to Confrontation",
World Today, Vol.XX, No.4, April 1964, pp.136-47.
For example, whereas in the beginning only the PKI leadership had issued threats against the forthcoming federation, on 20 January 1963, the Indonesian Foreign Minister, Dr. Subandrio made it clear that "his Government was compelled to adopt a policy of confrontation against Malaya, because that country was at present representing itself as an accomplice of neo-colonialism and neo-imperialism pursuing a hostile policy towards Indonesia". (547)

The Indonesian charges of "imperialists at work" in South East Asia had deep roots in the history of Indonesia's political ideology. In fact, as early as 1948 the PKI had adopted a resolution urging its members "towards the formation of a broad-based national front in the development of a two stage revolutionary process ... as well as total confrontation of the imperialists". (548) Against this ideological background, their later outburst against Malaysia did not fall like a bolt from the blue upon British diplomats.

However, as was just said, until 1963 criticism came not from official quarters but from the PKI. Thus in 1962, for example, the Party had denounced Malaysia as a "form of neo-colonialism which would have strengthened the position of the imperialists in South East Asia in implementing their SEATO activities". (549) Official criticism of Malaya was voiced only in the following year, 1963. (550)

(550) Ibid., p. 173.
Before the suppression of the ill fated Brunei rebellion in December 1962, the Indonesian Government had guarded their criticism, expressing their opposition mainly through non-official channels. In brief, before 1963 the Indonesian strategy seemed to be one "of exploiting any opportunity that might arise within Borneo or Singapore to forestall the creation of Malaysia, rather than of [open] commitment to preventing it".\(^{(551)}\)

Indonesian hostility to Malaysia became a grave threat as soon as firm action in Brunei further confirmed the depth of British commitment.\(^{(552)}\) The Indonesian Government immediately made their intentions clear by declaring "a possibility of physical conflict", with Malaysia.\(^{(553)}\) The Indonesian policy was a "combination of a war of nerves", as Mackie has observed, with "a probing action to discover weaknesses that could be exploited". It consisted, Mackie said, of "a series of ambiguous threats to Tunku and signals of moral support and encouragement to dissident elements within Malaysia".\(^{(554)}\) But gradually, it emerged that it was not Malaya, but Malaysia, - in other words, the British presence - that was the major target of Indonesian hostility.\(^{(555)}\) This was subsequently made clear by the Indonesian Defence Minister, General Nasution, who told a meeting on 6 August 1963.

\(^{(552)}\) B. Simandjuntak, op.cit., pp.160-161.
that "Malaysia, economically and militarily, will be dominated eventually by a non-Malay power, and will become a source of subversion against Indonesia". (556) His Government, therefore, was bound to confront it. It was also made clear on many occasions by Indonesian leaders that both the Anglo-Malayan Defence Agreement and the uninterrupted economic links between Britain and Malaysia were a legacy of the imperial past. This was one of the sources of their deepest suspicions. (557)

Indonesian misgivings seem to have been based on false assumptions. Given the well-administered programme of decolonisation, it is not obvious why the British bases should have caused such fury in Indonesia. (558) In support of the Indonesian position, two further arguments advanced by non-Indonesian commentators are worth consideration. Firstly, it has been maintained that President Sukarno of Indonesia, blinded by extreme nationalist ideology, was prone to perceive every event in black and white. (559) Secondly, being the leader of the non-aligned movement in the region, Sukarno's policy of gaining popularity by kicking the decaying imperialist power was quite understandable. (560) Thus in the aftermath of the Bandung Conference (1955), for example, he felt

(558) A. Brackman, op.cit., p.196.

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duty bound to condemn any foreign bases in the vicinity of Indonesia.\(^{(561)}\) As Mackie has observed, these conflicting positions contained "a grain of truth and a rather large grain of fantasy".\(^{(562)}\) It is therefore necessary to examine both the Indonesian and the Anglo-Malaysian sides of the arguments in some detail.

First of all, let us take the Indonesian charge that British bases were a threat to their security. This distrust was generated by some disturbing Indonesian experiences of the British armed presence, especially in Singapore.\(^{(563)}\) It is a well known fact that in February 1958, a rebellious PPRI-Permesta group seriously threatened the Indonesian government. It was Anglo-American help that was channelled to the rebels via Singapore and North Borneo, both of which were under British sovereignty at that time.\(^{(564)}\) Not only the British, but even Tunku and his government were suspected of giving "covert moral and material support to the rebels in Sumatra", in the above mentioned insurrection.\(^{(565)}\)

Contrary to Anglo-Malaysian assertion, it seems as if Indonesian fears were not just a flight of imagination. The Cmnd.1939 (1962) had made it clear that Britain intended to stay


\(^{(565)}\) G.McT. Kahin, op.cit., p.263.
in the area and would play an active and major role in maintaining regional stability and security. Accordingly, retention of the Singapore bases was accorded top priority in negotiations over the creation of the federation. Henceforth, it was natural that it should be the "British bases in Singapore that Nasution feared, not the pathetic little Malaysian defence forces". (566)

On the basis of the above discussion, it can be argued that to a certain extent it was the British presence, rather than Malaysian ambitions, that made Sukarno deeply suspicious. (567) His suspicions were to be further reinforced by the turn of events in South East Asia in the near future. Before the agreement creating Malaysia was finally signed on 8 July 1963, the Indonesian President, by building up psychological and diplomatic pressure on Tunku Abdul Rahman, managed to get Malaya to sign the Manila Accord on 11 June 1963. The Accord pledged its signatories to maintain the "stability and security of the area from subversion in any form". (568)

In the light of this declaration, there was some truth behind the Indonesian President's allegation that Tunku Abdul Rahman had violated the Manila Accord by signing the Malaysia agreement on 8th July 1963, since doing so contravened the Accord's provision that "foreign bases [even] temporary in nature should not be allowed to be used directly or indirectly to subvert

(568) Malaya-Philippines Relations, 31 August 1957 to 15 September 1963, Department of Information, Kuala Lumpur, Appendix VIII, para.11, p.29.
the national independence of any of these three countries".\(^{(569)}\)

Certainly, in Sukarno's opinion the Malayan leadership was guilty of violating the spirit of the Manila Accord. The Malaysia agreement had committed Kuala Lumpur to serving the particular interests of Britain.\(^{(570)}\) Moreover, Sukarno believed that the British diplomats were active behind the curtains.\(^{(571)}\) Duncan Sandys was therefore cast in Jakarta, as the "villain of the peace ... who had put pressure on the Tunku to sabotage the Manila Agreement".\(^{(572)}\)

Bearing in mind earlier experiences of this kind, the formidable British armed presence in South East Asia, which was kept there in accordance with the East-of-Suez policy, gave the Indonesian President genuine reasons for raising the cry "imperialists at bay".\(^{(573)}\) On their part, the Anglo-Malaysians attempted to dismiss these charges as merely the jaundiced views of a diehard nationalist leader. The reality was not quite as simple as either side wished to believe, and its complex nature therefore demands further attention.

For the Malayan leaders, the British armed presence was not a threat to the stability and peace of the region; rather, it was the best guarantee against regional instability.\(^{(574)}\) Here

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(569) Ibid., p.29.
(570) "British Made Malaysia", op.cit., p.43.
(571) Justus M.Van der Kroef, "Malaysia and Indonesia", op.cit., p.15.
again, it was the immense help rendered by Britain in fighting the insurgency, the benign experience of British colonial rule, the willing and smooth transfer of sovereignty, and finally, Britain's earnest desire to help the infant state, that convinced the Malayan leaders that a British armed presence was not inimical to regional peace and security. "The degree of anti-colonialism in their outlook", argued Saul Rose, "corresponded to the intensity of the independence struggle." (575)

The Malayans feared that, in the absence of British armed protection, the surging waves of communism might engulf the new federation. (576) For Tunku Abdul Rahman, it was not only the opposition parties in Singapore but the communist advance in the Borneo territories which was particularly disturbing. He expressed his concern later on in an article in Foreign Affairs. "I felt that time was running out", wrote Tunku, "and that the communist menace had to be swiftly met, otherwise free Malaya would again be in danger". (577) Such Malaysian fears were justified, given the twelve years of communist insurgency, a delicate racial balance, an economically dominant Chinese community, (578) and the problems of establishing authority in new territories with a recent background of colonial administration. These were harsh realities, and no one could have denied it.

(575) Saul Rose, op.cit., p.283.
(576) Straits Times, 8 February, 1963.
In marked contrast, Indonesia's history as a dominant regional power, the bitter memories of colonial rule, the successful armed struggle to win independence, the recent successes at diplomatic level and in the Afro-Asian world, and the possession of a large number of armed forces, made Indonesians more intolerant towards the presence of an imperial power.\(^{579}\)

Unlike the Malayans, the Indonesian President did not regard communism as an increasingly malignant force. For him, it was imperialism rather than communism that was the natural enemy. Although, the Chinese population had a substantial economic position in Indonesia, they did not enjoy a demographic or political predominance there. Finally, the PKI was a legitimate and dominant political party supporting Sukarno against conservative elements, viz. the army and radical Islamic groups. The PKI did not pose any obvious threat to the existing political structure in Indonesia at this stage.\(^{580}\) Subsequent developments were of course to reveal P.K.I. in a different light.

In brief, it can be maintained that their divergent colonial experiences, prevailing domestic circumstances, and the difference in personality of their leadership made Malaysia and Indonesia view the British bases in Singapore in entirely


different perspectives.\(^{(581)}\) Owing to its domestic circumstances, the Malayan leadership did not consider that continued links with an ex-imperial power compromised its independence, whereas the extrovert and assertive character of the confident Indonesian leaders rendered any such links anathema. But at the same time, due to their close proximity, neither state could avoid being alarmed by the other's perception of the world situation. To the dismay of the British Colonial Office, Tun Abdul Rahman yielded to Indonesian desire for a U.N. ascertainment mission.\(^{(582)}\) The British view was that the Cobbold Commission had already performed a similar task. The subsequent tussle between Indonesian and British authorities over arrangements for a UN mission in August 1963 further highlights the depth of mutual suspicion between these two nations.\(^{(583)}\)

It can be further argued that the Indonesian President's anti-British policy had gradually developed over the years. This can be very successfully demonstrated by comparing two statements of President Sukarno, made in 1949 and in 1963 respectively. During an informal talk with Malcolm MacDonald in 1949, Sukarno was quoted as saying, "You see, we make no claim to your colonies even though all the rest of Borneo is Indonesian and they still remain under foreign imperial rule". It was because, he said, Britain had been following the policy of "granting freedom progressively to all its dependencies".\(^{(584)}\)

\(^{(582)}\) Ibid., p.283; See also Dato Abdullah Ahmad, op.cit., p.46.
This statement may be compared with Sukarno's conversation with M.G. Kahin on 20 July 1963, which presents his opinion of Britain in a totally different way. "It is just like the Dutch at Malino", he commented upon the British method of ascertaining the Borneo peoples' views on the proposed merger with Malaya and Singapore, "What the British have done is merely to assemble some of the chieftains and ask them whether they want Malaysia. Of course because of their relationship with the British they naturally say yes".(585) His later experiences of the British conduct of decolonisation, and their continued maintenance of an armed presence, destroyed his faith in British integrity in South East Asia.*

These hostile verbal attacks on "Malaysia" had gradually been stepped up to the level of border incursions and clandestine activities by the time the Malaysia agreement was signed in London on 9th July 1963.(586) The Indonesian Government publicly declared their policy of "Confrontation" with Malaysia by every possible means. On 6th August 1963, General Nasution, their Defence Minister, referred to "rebels" in North Borneo territories and said that "it is no longer a secret that we give them military training and war equipment to drive the colonialists out of North Kalimantan".(587)

* However, influence of certain other factors in the background, like the looming crisis in West Irian, his growing friendship with Peking and his own reliance on PKI for support, cannot be denied.

(585) G.M.T. Kahin, op.cit., p.262.
(587) Frances L. Sterner, op.cit., p.533.
This Indonesian hostility was a diplomatic as well as a military menace, and British authorities had to counteract it on variety of levels. In fact, Indonesia never stepped up the hostility to a provocative level until Malaysia became a certainty. It was ironical that when the actual confrontation took place, it was the government of Malaysia, and not Britain, which was in charge of affairs. But that did not make much difference to Indonesian opinion about the identity of the real 'culprit', and their charges of 'neo-imperialism' were pursued with renewed vigour.

In brief, the Indonesian charges against Malaysia may be summed up under four headings. Firstly, Malaysia was "a neo-colonialist puppet created by the British and imposed upon the people against their will". Secondly, "it posed a threat to Indonesian security and to the peace of the whole of the South East Asia region". Thirdly, "the continuation of imperialist and neo-colonialist influence in South East Asia was doomed on historical grounds ..." Finally, "Indonesia was insultingly disregarded and humiliated by the manner of Malaysia's formation". Britain was branded as the real 'culprit' once again, when the Indonesian government published their charges against Malaysia for international propaganda purposes in a bulletin entitled "British made Malaysia". Britain was branded as the real 'culprit' once again, when the Indonesian government published their charges against Malaysia for international propaganda purposes in a bulletin entitled "British made Malaysia".

Thus we see that with the birth of Malaysia, a new phase of confrontation had started. It was the Government of the Federation of Malaysia, rather than Britain, which was at the helm of affairs now. For all practical purposes, however, the creation

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(588) J.A.C. Mackie, Konfrontasi, op.cit., p.201.
(589) "British made Malaysia", op.cit., pp.43-45.
of Malaysia had hardly brought any change in British responsibility in the area.\(^{(590)}\) We turn our attention to this aspect of the situation in the next section.

II

British Responses to Indonesian Confrontation, 1963–65

Despite Britain's best efforts to avoid any involvement, it was deeply caught up in this regional "war of nerves", since "responsibility", as David Walder has argued, "does not end at midnight on the day of independence celebrations".\(^{(591)}\). No longer a sovereign power in the area, Britain nevertheless became an active participant and bore the major brunt of the conflict.\(^{(592)}\)

In fact, the Indonesian cry of "crush Malaysia" was primarily directed against the British military and commercial presence in the region.\(^{(593)}\) "This explains why", wrote the Far Eastern Economic Review, "it was the British who had their embassy sacked as a tribute to their latest act of decolonisation rather than the Malaysians".\(^{(594)}\) On the very eve of the birth of the federation,

\(^{(590)}\) Frances L. Sterner, op.cit., p.530.


\(^{(592)}\) J. Kennedy, op.cit., p.313. Also according to, Dato Abdullah Ahmad, "The British Suffered more than Malaysia". op.cit., p.48.

\(^{(593)}\) Extract from the speech of Mr. Suwardjo Tjondonegro, Deputy Foreign Minister of Indonesia, in the U.N. Security Council session on 9th September 1964, here quoted from J.M. Gullick, Malaysia and Its Neighbours, op.cit., p.144.

extremely violent youth demonstrators damaged the British Embassy building in Jakarta. They caused an estimated loss of $46,500 and there were rumours that British firms operating in the country might be taken over by the Indonesian Government. These rumours were ultimately proved to be correct, since the firms were in fact appropriated without compensation in 1964.

At the onset of the second stage of confrontation, British policy makers faced a formidable task on the military as well as on the diplomatic level. Here, once again, the East-of-Suez policy played a decisive role in the formulation of British diplomatic and military responses to the issue of Indonesian confrontation. As Lawrence Martin observed, "it was undoubtedly the "East-of-Suez commitment, [which] played a probably more than proportionate part in determining the course of Britain's strategy". Before undertaking the analysis of British diplomatic and military responses, however, a brief survey of the contemporary debate on the East-of-Suez policy will give us a better understanding of the background conditions.*

* Arguments in this section were largely formulated during the researcher's discussions with Sir Michael C. Walker, Sir Arthur de la Mare and Sir R.J.A. Bottomley.

(A) East-of-Suez policy, 1963-65

Although there had been some dissenting murmurs from the back benches at the time, in comparison with every other issue in foreign policy, the idea of a "special role" in the East-of-Suez region had enjoyed unequivocal and nonpartisan support in Britain.\(^{(598)}\) Following the long established tradition, Cmd.2270: Statement of Defence (1964) duly cautioned against a revolutionary change in the Afro-Asian World and confirmed that, "it is for us both an interest and a responsibility to help [this change] to take place with a minimum of violence".\(^{(599)}\) The emphasis placed by the Paper on the East-of-Suez role both as "an interest and a responsibility" was nowhere better illustrated than in the case of South East Asia.\(^{(600)}\) The onset of confrontation and subsequent developments in the region had already confirmed the British belief that the real threat to peace lay in the East-of-Suez region. Therefore, in Darby's opinion, "almost over-night Britain had become not only a world power again but the midwife of Africa and Asia and the vanguard of an international police force".\(^{(601)}\)

But there was another side to the story. Both the Borneo crisis and the confrontation had highlighted an aspect of the policy which had so far been side-stepped by arguments about

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national interests and responsibility. Although the issue of overstretching the armed forces, along with the dilemma of Europe vs. East-of-Suez, had been broached during the earlier debates, it was the recent British involvement in confrontation which finally opened the floodgate of criticism. A leader in The Times on 31 January 1964, while referring to the involvement in confrontation, noted with anxiety that "suddenly the stage has grown too big" to be covered by merely theatrical army techniques any longer. In the event, the answer devised by the Government, with full endorsement by the Opposition, was that the Strategic Reserve would be transferred from Germany to the East-of-Suez region in case of an emergency. According to the calculation of Harold Wilson, the Leader of the Opposition, "if Britain was to exercise its full influence in the world, 1000 men east of Suez were preferable to another 1000 in Germany".

So far as the economic viability of the East-of-Suez policy was concerned, no one dared to question that in 1964, although expenditure there had increased from about £175 millions in 1959 to over £300 million in 1964. The reason for this reticence was that in 1964, Britain's overseas role was no longer seen as posing a choice between the EEC and the Commonwealth. It was now seen instead in terms of national interest and responsibility. However, the debate faltered when it came to deciding the methods

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(604) Philip Darby, op.cit., p.240.
(605) P.A. Reynolds, op.cit., p.413.
of discharging this responsibility. (606) In this regard, nuclear deterrence came under heavy attack from the Opposition. The Leader of the Opposition could not believe that "the Government want [this] deterrence against a non-nuclear power. [In his opinion] Cyprus and Borneo, Aden and Hongkong had shown the utter irrelevance of the so-called deterrence to the kind of problems we face today". (607)

In the course of this debate on defence three major points emerged regarding the British presence in the East-of-Suez region. First and foremost, this was now accepted on all sides as the top priority area. (608) Secondly, any defence operation in this region was acknowledged to be costly in terms both of money and manpower. Thirdly and finally, the debate made clear that Britain was willing to accept its residual imperial responsibilities by providing for the security and stability of the region. In the course of winding up the debate on defence, the Prime Minister, Alec Douglas Home, expressed his profound satisfaction about the state of affairs. He told the House that, "on any prudent calculation, we can at present meet our commitments. [But at the same time] we have been and are in the process of reducing our commitments all along the line as our colonial territories become independent nations". (609)

(606) Bruce Reed and Geoffrey Williams, op.cit., pp.157-160.
Before publication of Cmd.2770, British support for Malaysia during 1963 had been determined, decisive and unequivocal.\(^{(610)}\) Issuing a clear warning to Indonesia, as early as November 1963, R.A. Butler, the Foreign Secretary, declared that "come what may, we intend to support Malaysia ... Britain did not wish", he said "to make things difficult", but added firmly that "nothing will prevent us from backing the growth and independence of Malaysia...".\(^{(611)}\)

The unconditional willingness of Britain to stand by Malaysia reflected a sense of honour and a genuine concern for the stability of the region.\(^{(612)}\) It was believed that any premature withdrawal would result in a loss of credibility which might make it "impossible for [Britain] to retain her vital naval bases in Singapore".\(^{(613/4)}\) Indeed, at the critical juncture when the survival of Malaysia was at stake, maintenance of the Singapore bases became a cardinal point of the East-of-Suez policy.*

* During a discussion, one senior British diplomat explained that because of his long association with the Foreign Office, Anthony Eden had developed the notion of "port and fort", which became a central theme of East-of-Suez policy during the nineteen sixties.

\(^{(610)}\) B. Vivekanandan, op.cit., pp.136-137.


\(^{(612)}\) Ibid.

Before advancing any further in our analysis of British policy in the East-of-Suez region, attention must be given to a domestic development in British politics. After a break of twelve years, Labour — won the General Election held in October 1964. This seemed bound to have impact on British foreign policy. Although an almost complete consensus had prevailed on the decolonisation issue, nuclear deterrence had been rejected by Labour during their years in Opposition. A further point of tension had risen in the form of the rising cost of overseas defence in general. Matters were naturally not improved by the fact that the Labour Government, having been out of power for a long period, did not feel a strong sense of commitment to existing policies in the field of foreign affairs. (615) On the important issue — Britain's role East-of-Suez — even the best efforts of the Labour leadership seemed hardly able to contain the strong pressures building up within the party for a radical change of policy. (617)

It appeared inevitable that the storm prophesised by Denis Healey on 22 February 1963, would now burst. "The major problem of the next Labour Government", Healey had warned, "was going to be to decide whether there were any real British interests overseas which were both politically and militarily possible to protect

by force".\textsuperscript{(618)} Although this radical critique of the existing policy was almost forgotten during the following twelve months, a powerful undercurrent of opinion questioning the desirability of the overseas role was always discernible in talk about the financial burden it caused,\textsuperscript{(619)} even though prevailing circumstances at home and abroad prevented any such discussion from surfacing in public.\textsuperscript{(620)}

When viewed against the previous radical positions of Labour MP’s before the General Elections, the minor revisions of the policy made by the party in office were something of an anti-climax. So far as nuclear deterrence is concerned, the Government immediately reversed its previous position and adopted the nuclear deterrence as an integral part of British defence strategy.\textsuperscript{(621)} On the East-of-Suez issue, however, it was decided to postpone any such overnight volte-face. Following the Attlee government in its attitude towards decolonisation, the new government duly proclaimed itself as a champion of the anti-imperialist cause.\textsuperscript{(622)} The familiar anti-imperialist sentiments were aired, in a revolt intensified by the party’s election pledges to give priority to welfare policies.

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\textsuperscript{(618)} Bruce Reed and Geoffrey Williams, op.cit., p.156.
\textsuperscript{(619)} L.W. Martin, op.cit., p.543.
over old imperialist notions about overseas empire, etc. (623)

Finally, in Wilson's own case, an ardent socialist training seemed to combine with a romantic bent of mind to make him a Prime Minister eminently suited to the historic task of bringing Britain back to Europe after a lapse of three centuries. (624) In the event, however, Labour policy East-of-Suez showed surprisingly little departure from the existing course during the first eight months in office. (625) Thereafter, a major re-examination of Britain's overseas role was undertaken, but further comments on this development must be postponed for the time being.

Once in power, Wilson himself rapidly came to appreciate the influence of "all the factors which had earlier influenced the conservatives - the sense of duty to the new states of Asia and Africa, the concept of Britain as a world power, the American notion of a world security system with tacit line of responsibility, the East-of-Suez role as a continuing justification for Britain's special relationship with the United States". (626) The same considerations weighed with his Cabinet, as soon as the new government had assumed its responsibilities. Accordingly, the Government lost no time in assuring its allies of a continuity of policies. For example, during a debate on foreign policy the Prime Minister himself declared that, "Whatever we may do in the field of

(625) Charles Stevenson, op.cit., p.57.
cost-effectiveness, value for money and a straight review of expenditure, we cannot afford to relinquish our world role, our role which, for short-hand purposes, is sometimes called our East-of-Suez role". (627)

But at the same time, there were definite indications that a major revision of the policy would be made in the near future. (628) The 1965 defence Paper vividly portrayed the ambivalences, which characterized this transitional phase of British foreign policy. It was as if the Government was gathering all its energy before launching a major offensive against the dogmas of established policy. In retrospect, the significance of the Paper may be viewed as the initiation of the East-of-Suez debate. On the other hand, it openly accepted the "overstretched and dangerously under equipped" conditions of the forces, (629) while on the other hand it observed that, "It is neither wise nor economical to use military force to seek to protect national economic interests in the modern world". (630) However, the Paper did not pursue these sensitive issues in any detail. Instead, it broke off at this point and ventured upon the more immediate concern of seeking the co-operation of Britain's allies in its worldwide role, "since we serve interests which are theirs as well as ours". (631)

(630) Ibid., para.8.
(631) Ibid., para.17.
With the Defence Paper and the subsequent debate in Parliament in mind, a few major signs of the impending change can easily be identified. (632) Firstly, the Government had recognized the overstretched and underequipped state of the armed forces; secondly, the allies were entreated to share the defence burden; (633) and finally, it was acknowledged that the old gun-boat style of diplomacy had become dangerous in the thermo-nuclear age. In spite of these realisations, priority was still given to the East-of-Suez role, a fact which was reflected in the manner of distribution of the armed forces around the globe. The total number of British and Gurkha troops committed to the East-of-Suez was over 72,000, a figure which exceeded those committed to any other single defence theatre. (634)

In brief, it can be argued that during 1963-65, the East-of-Suez policy had compelled the British Government to commit itself to overseas operations. At the same time, it had shown the extent of the dangers involved in such operations. These dangers were partic-

(633) Ibid., pp.316-317.
(634) Distribution of British armed forces:-

<table>
<thead>
<tr>
<th>Region</th>
<th>Troops</th>
</tr>
</thead>
<tbody>
<tr>
<td>United Kingdom</td>
<td>246,000</td>
</tr>
<tr>
<td>Germany (Berlin included)</td>
<td>62,000</td>
</tr>
<tr>
<td>Mediterranean</td>
<td>23,000</td>
</tr>
<tr>
<td>East of Suez</td>
<td>58,000 plus 14,000 Gurkhas</td>
</tr>
</tbody>
</table>

Out of the total East-of-Suez forces, those committed to the Malaysian theatre, including Gurkhas, numbered 50,000.
Source: Cmd:2592; op.cit., para.17.

(B) British Diplomacy during the confrontation period

The Indonesian charges of "neo-colonialism" had created a certain number of impediments to British diplomacy in South East Asia. Nevertheless, those impediments did not deter Britain from discharging its obligations towards an ally and a fellow Common-wealth country. "The Indonesian threat to Malaysia in 1963", argued Mackie, "probably had more influence in cementing the British commitment than mere intellectual conviction would ever have had". A non-partisan, unqualified support for the Malaysian cause was adopted in the British Parliament. For example, Alec Douglas Home himself took the opportunity to declare an unconditional and unwavering British commitment to Malaysian territorial integrity. "I believe the role we are carrying out is an honourable one, for we seek nothing", stated the Prime Minsiter. He further clarified Britain's intentions by stating that "There is no self-aggrandisement, no defence of some old imperial interest or anything of that kind. We are there under a treaty honourably entered into, and we will carry it out".

In the course of the same debate, the Leader of the Opposition likewise lost no time in declaring the Opposition's policy. "I do not want there to be any misunderstanding about this", stated Harold Wilson, concluding his statement by saying that, "We whole-

(635) Francis L. Sterner, op.cit., p.531.
(636) Dato Abdullah Ahmad, op.cit., p.40.
(637) J.A.C. Mackie, Konfrontasi, op.cit., p.44.
heartedly back the pledge of full support to Malaysia".\(^{639}\)

Apart from unconditional support for Malaysia, however, an earnest desire to find a peaceful solution to the problem was never forsaken in Britain.\(^{640}\) A military solution was ruled out since it was acknowledged that the confrontation was primarily a political problem.\(^{641}\) As the British Prime Minister himself made clear, "We can carry out our defence obligations [to Malaysia] but we must seek by all means open to us to try to find a political settlement".\(^{642}\) The desire for a political settlement of the problem did not, however, bring any respite for Britain in South East Asia. On the contrary, the continuation of military pressure was considered to be an integral part of the political strategy for bringing Indonesia to the negotiating table.\(^{643}\) It was acknowledged in the House of Commons that "the prospects of a political solution would not be furthered by the abandonment of our military responsibilities".\(^{644}\)

Consequently, Britain embarked upon extensive lobbying around the world for the Malaysian cause and attempted to isolate Indonesia in the international forum. The first British

\(^{(639)}\) Ibid., Col.427.


\(^{(642)}\) Ibid., p.427.


\(^{(644)}\) Parliamentary Debates, House of Commons, Vol.693, April 22, 1964, Col.1292.
step was the request to its allies in Europe and Asia to push the
Indonesians towards negotiations partly by suspending financial aid
and partly by curtailing their trade and commerce with Jakarta. The
British Defence Minister, Peter Thorneycroft urged his counterparts
at a NATO meeting, "not to add to our difficulties by lending aid or
comfort to those attacking us or our partners". (645) In the British
opinion, American support for Malaysia vis-a-vis Indonesia would have
tilted the balance in favour of Kuala Lumpur. The British Government
was, therefore, urged by members of the House of Commons "to impress
on Mr. Kennedy the need for a guarantee that full support must be
given to Malaysia". (646)

British efforts in this direction met with success when,
in December 1963, US aid was "frozen" because of "Indonesian
intentions towards Malaysia and Britain". (647) The International
Monetary Fund was also reported to be "temporarily suspending" its
$50 million standby credit at the same time. (648) Undoubtedly these
economic embargoes influenced Indonesian decisions to resume negotia-
tions in later years. "Deprivation of our $250 million expected aid
from the west", testified Mackie, "removed the main prop of the
earlier stabilization scheme" (649) of Sukarno's regime.

Besides exerting a financial squeeze, British diplomacy

(645) "US Aid for Indonesia Frozen", Financial Times, September
26, 1963.
(646) Parliamentary Debates, House of Commons, "Malaysia and
(647) "US Aid for Indonesia Frozen", Financial Times, September
26, 1963.
(648) Ibid.
had secured another dazzling victory towards the end of 1964. In December 1964, as a result of successful British diplomatic bargaining, Malaysia was installed as a member of the Security Council for one year. As Michael Leifer remarks, "This fulfilled the second half of a gentlemen's agreement between Britain and the Soviet Union..." (650) By adroit diplomatic bargaining, Britain was able to exploit the growing coolness between the Soviet Union and Indonesia caused by the latter's warm relations with Peking. The unexpected Indonesian outburst against the United Nations, followed by subsequent withdrawal, further isolated her from both the Afro-Asian countries and the West. (651) Simultaneously, this move also fanned the flames of criticism against President Sukarno and the PKI even among the moderates in Indonesia. As a result the diplomatic bargaining strength of Malaysia was greatly enhanced in later years.

Beyond bringing indirect economic and diplomatic pressure to bear on Indonesia, Britain could do little else in the field of direct diplomacy. In any event, British action would have given its adversaries a pretext for raising the cry of "neo-imperialists" at work. (652)

Britain was in a well nigh impossible position, since the Indonesians insisted upon the withdrawal of British forces as a precondition for starting negotiations. This stand was not dropped by the Indonesian Government until mid 1966. As late as November

1965, Dr. Subandrio, the Indonesian Foreign Minister, told the British ambassador in Jakarta that, "any outstanding issues could only be settled on the basis of Indonesia's confrontation policy". In their turn, the Malaysians demanded suspension of all Indonesian subversive activities in the Borneo territories. Stalemate characterized the Tokyo Summit in June 1964. In Indonesian eyes, they themselves were not aggressors since there was no "Malaysia" in existence; and for the Malaysians any British withdrawal at that stage was a "sheer folly" and a "suicidal act".

In a diplomatic stalemate, in which the British armed presence was the bone of discord, no other alternative was available to Britain except to pass the diplomatic initiative to the Malaysians. In this connection, Indonesian charges of "neo-colonialism", and Malaysian sensitivity about their independent status, played a decisive role in British acceptance of a secondary place behind the Malaysians. On various occasions, the Malaysian leadership made it clear that the fight against Indonesia was

(658) S. Nihal Singh, op.cit., p.117.
solely their own responsibility, and that British forces were in Borneo under an agreement and only as an ally. "Underlying Razak's elaboration was a reluctance to accede to any unilateral re-definition of the Indonesian threat which Britain might be tempted to make". Anglo-Malaysian friction during the confrontation will be examined in detail in the next chapter. At this point, we turn our attention to British military operations and the role played by East-of-Suez policy in the formation of these strategic responses.

(C) British military policy during the confrontation, 1963-65

At the onset of the confrontation, Britain was in a militarily sound position. The East-of-Suez policy had enabled it to maintain a sufficient number of armed forces in the area. Following the dictates of the base strategy, Singapore was one of the best equipped naval bases in the world. Moreover, Chin Kin Wah confirmed that "the manpower of the British Far East Fleet had been increased from 8,500 to 13,000 over the past three years". Last but not least, there were indications of a substantial increase in naval strength. For example, on 8 September 1964, there were reports that "British military reinforcements were being sent to the Far East as a precautionary measure".

British policy makers, with the hindsight gained during counter-insurgency operations, decided in favour of a defensive

(659) Chin Kin Wah, The Defence of Malaysia and Singapore, op.cit., p.98.
(660) A. Brackman, op.cit., p.206.
(661) Chin Kin Wah, The Defence of Malaysia and Singapore, op.cit., p.86.
policy."(663) but a strong military build-up to demonstrate British preponderance over Indonesian forces was also favoured. (664) In the following years, therefore, successive Defence Papers faithfully adhered to the idea of a preponderant armed presence in the East-of-Suez area. Britain's earnest intentions of honouring its treaty obligations were emphasised, and in consequence a further build-up of naval and ground strength in South East Asia followed. (665) By the beginning of 1965, despite a change of government there were reports that "the bulk of Britain's fleet, some seventy ships, including a commando brush fire ship and air-craft carrier", (666) had been moved into Southeast Asian waters. According to another report, "an overall presence of 50,000 British armed personnel was engaged in Malaysian defence and it was the largest naval concentration in the Far East since the Korean War". (667)

The British policy of keeping a large and formidable amount of forces in Southeast Asia was seen as the best way of exercising influence as a big power in the region. (668) Therefore it did not cause any offence even among the critics of the East-of-Suez role when the Cmnd. 2592 (1965) showed that the distribution of

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(663) J. Kennedy, op.cit., p.314.
(665) A. Brackman, op.cit., p.214.
forces was highly inclined in favour of the Malaysian region.\(^{(669)}\)

Although the stationing of such a large number of forces in the area meant that Britain could have mounted an all-out attack, yet the nature of the conflict was incompatible with such a policy.\(^{(670)}\) In practice, however, such a drastic step was not felt to be necessary, since "Sukarno was not even trying to win the war".\(^{(671)}\) In any case, it was clearly understood by both the Indonesian army and the British commanders that any major conflict would only serve the communists' end. As a result, Brackman found evidence of a consensus between these two adversaries "to keep the conflict within manageable proportions".\(^{(672)}\) The Indonesian strategy was merely a "pin-prick" in the form of border incursions, help to the dissidents, and other symbolic gestures. In response, "the British and Gurkha troops put great stress on mobility, constantly patrolling the remote jungle paths and harrying the intruders, whenever they found them ..."\(^{(673)}\)

However, at times there was a strong temptation to punish the intruders, although any such possibility was turned down at higher levels of decision making. In case of an emergency, it was advised that any offensive in action should only be taken with three precautions. First of all, "any such retaliation should be


\(^{(671)}\) David Walder, op.cit., p.107.

\(^{(672)}\) A. Brackman, op.cit., p.207.

\(^{(673)}\) J.A.C. Mackie, Konfrontasi, op.cit., p.211; and J.A.C. Weller, op.cit., p.23.
appropriate to the size and nature of the provocative actions. Secondly, the UN should have prior information and other Commonwealth countries should approve of it. Thirdly, and finally, all other channels should have been exhausted before any such action be considered". (674) In the event, however, Britain did not have to deal with the possibility of Indonesian escalation provoking decisive counter action.

Indonesian conduct can be attributed to certain political and strategic factors. Politically, confrontation was more a PKI gambit, and the army did not have the same enthusiasm. (675) Strategically, the overall superiority of British forces deterred Indonesians from launching any substantial offensive. (676) The British forces, on their part, were well rehearsed in counter-insurgency operations and concentrated their energy, therefore, on winning "the hearts and minds" of the Borneo people.

General Walker, the British commander of the counter-confrontation operations in the Borneo Territories, summed up British strategy in six points. "Unified operations, timely and accurate information, speed, mobility and flexibility, security of the bases and domination of the jungle", (677) guided military

(674) "Britain's Dilemma in Malaysia", New Statesman, Vol.69, 8 January 1965, p.29.
(677) Ibid., p.11.
operations. More significantly, the General placed a high premium on the civilian aspect of the strategy of "winning the hearts and minds of the people", and especially those of the indigenous people.\(^{(678)}\) This strategy, although tedious and painfully slow in comparison to direct military combat, brought valuable long term rewards. The intruders from Indonesia found themselves unable to merge with the local Borneo population. At the same time, the strict guidelines of defensive warfare restricted British troops to chasing the enemy across the border and thereby protracted the conflict by giving the "enemy" a breathing space.

Meanwhile, the protracted confrontation was taking its toll on the British Exchequer. According to a confession made by Peter Thorneycroft in the House of Commons, "the extra cost of operations by British forces in Eastern Malaysia is estimated at nearly £3.5 million up to 31 March 1964".\(^{(679)}\) But these figures were disputed by the members, and only the Speaker's intervention prevented them from being rejected. According to The Times, "the Borneo operations were costing Britain an estimated £1 million per week".\(^{(680)}\) Still, the Government did not show any sign of cracking-up under the economic pressure, and the Defence Minister merely resigned himself to the situation by insisting that it was not an "unreasonable sum for honouring an obligation to an ally".\(^{(681)}\)

But at the same time, the overwhelming cost of these operations, coupled with the unpredictable nature of Indonesian

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\(^{(678)}\) Ibid., p.11.
\(^{(680)}\) Ibid., Col. 1292.
\(^{(681)}\) Ibid., Col. 1292.
policy, presented a bleak prospect for British policy planners. The threat from Indonesia to the new federation was so high in the first half of 1964 that, "To a parliamentary question seeking elucidation on the reduction of British strength in Borneo as a result of recent antipodean offers of aid, Thorneycroft had curtly replied, "None"."(682) In the forthcoming months, a further spate of Indonesian border incursions not only in Borneo, but now also in Singapore and the Malay peninsula,(683) engaged British forces to an almost dangerous level.(684)

Only a strong plea from the Malaysians that an overwhelming response would make Sukarno find it difficult to negotiate, now restrained British forces from retaliating in a tit-for-tat manner. (685) The middle of 1964 witnessed the most frustrating months for British policy in the diplomatic as well as in the military field. Any escalation was ruled out, and according to British commanders in the area, "in the absence of a political solution, the confrontation could have continued for ten years". (686)

At the same time, this stalemate was no consolation for the British military commanders, and no relaxation in border vigilance could be considered. The Defence Minister himself, Peter

(682) Chin Kin Wah, The Defence of Malaysia and Singapore, op.cit., p.72.
(683) Straits Times, 18th August 1964.
(686) Ibid., p.93.
Thorneycroft, admitted that "the prospect of a political solution would not be furthered by the abandonment of our military responsibility". (687)

In brief, prior to the change of Government at home in October 1964, British policy towards Indonesia was basically "to keep the enemy under pressure and off balance, and to impress upon it the possible consequences of further escalation". (688) Accordingly, British forces adopted a purely defensive posture in the field and in diplomatic circles, and Britain faithfully backed the Malaysian stand. Moreover, due to the Indonesian tactic of psychological warfare, British policy was to make sure that the credit for any victory should go to the Malaysians. Even the Malaysian Prime Minister accepted that, "You British are acting quite admirably". "I do not know what we would do without you", said Tunku, "and you do it all so discreetly in the background, without claiming any credit". (689)

The major significant factor behind the British decision in favour of a continued armed presence in the East-of-Suez was the fluctuating course of confrontation. (690) Therefore, a good part of 1965 witnessed almost no change in foreign policy, since it was felt at the Anglo-US summit that a "continued British

(687) Parliamentary Debates, House of Commons, Vol.693, 22 April, 1964, Col.1292.

(688) Chin Kin Wah, The Defence of Malaysia and Singapore, op.cit., p.96.


presence East of Suez, especially in the light of military assistance to Malaysia", seemed to be crucial for regional stability.\footnote{691} This position had already been confirmed in the Defence Paper, \textit{Cmnd.2590}, and the subsequent debates in Parliament only reiterated the earlier stand. For example, Denis Healey, the new Defence Secretary, made it clear that such a presence aimed at the "maintenance of peace and stability in the parts of the world, where the sudden withdrawal of colonial rule has too often left the local people unable to maintain stability without some sort of external aid".\footnote{692} This sense of responsibility and apprehension about creating a vacuum in the area were the major motivations behind the British presence in the East-of-Suez area.\footnote{693}

But at the same time, albeit on a smaller scale, the war was putting considerable strains on British economic and military resources. The Prime Minister, later on in a statement on 28 June 1966, gave the figures for the economic cost of the confrontation. Wilson told the members of the House that "Britain incurred an extra cost of £5 million and provided military aid to Malaysian Government totalling £22.5 million since 1963, in addition to economic aid of £12.7 million".\footnote{694} Considering the existing state of affairs, such a large scale operation was a most unwelcome prospect for Britain.

Moreover, anxieties were prevalent among the Government and the Opposition alike regarding the possible spillover of the

\footnote{691} Bruce Reed and Geoffrey Williams, \textit{op.cit.}, p.171.  
\footnote{693} Michael Howard, "Britain's Strategic Problem, \textit{op.cit.}, p.183.  
\footnote{694} \textit{Commonwealth Survey}, Vol. 12, No.18, 2 September 1966, p.921.  

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war. Philip Noel Baker asked the Prime Minister during question time about the possibilities of peaceful negotiations. "We should certainly welcome any step which can be taken", Harold Wilson assured him in his answer. "Whether by the United Nations or by the direct meditation of an Asian Power to end this quite senseless confrontation". On the other hand, unequivocal support for Malaysia was again reiterated. "Malaysia is very much in our thoughts ... we will stand by Malaysia and fulfil our obligations to her as long as she is under pressure".

In the meantime, the "war of nerves" was going on, with no visible hope of its termination in the near future. The policy of firm military and diplomatic support to Malaysia was faithfully adhered to in Britain. In anticipation of Indonesian frustration after leaving the United Nations in December 1964, Britain was induced to increase military strength and psychological pressure on the adversary. This strategy was an outcome of the policy of "maximizing psychological" pressure, along with that of "dramatizing the East of Suez policy, which was followed by the new Labour Government". For all practical purposes, (except occasional temptations to take offensive actions) in the months prior to the communist coup in Indonesia British strategy confined itself to constant border vigilance, and to a secondary position behind the Malaysians in the negotiations.

(697) J.A.C. Mackie, Konfrontasi, op.cit., p.263.
(698) Ibid., p.263.
On the diplomatic front, since the middle of 1964, following upon British "sabre-rattling" and the consequential Malaysia concern, the initiative had totally passed to the Malaysian leadership. Here Malaysians had secured two brilliant diplomatic successes. The first was the debate in the Security Council on 9th to 17th September 1964, and the other was at the Second Afro-Asian Conference at Algiers in 1965. President Sukarno's extreme policy of declaring a ruthless war against the new "colonialist imperialist" forces isolated him from moderate opinion in world affairs.\(^{699}\) The credit for this must go not so much to Malaysian diplomacy as to the ill fated extremist approaches of the Indonesian Government in trying to divide the world into two hostile camps. This policy was hard to swallow for the non-aligned nations.\(^{700}\) To an extent, the excellent British diplomatic policy of lying low and playing a subsidiary role behind the Malaysian leadership effectively falsified Indonesian propaganda.

A similar argument was applicable on the negotiation side. Here Indonesians were never able to chalk out a clear and precise strategy, instead of merely airing anti-British sentiments. For example, when pressed hard to state exactly their demands in 1964, their answer was that they objected only to the "continuation of British neo-colonialist influence. Why can't Tunku show more independence of Britain" they asked, "and cooperate with us?"\(^{701}\)

This argument appeared ridiculous, given the fact that the British were closely following the Malaysian guidelines in the field and were conducting their military operations under the

\(^{699}\) Dato Abdullah Ahmad, op.cit., p.58.
\(^{700}\) Ibid., p.59.
\(^{701}\) Mackie, op.cit., p.271.
Joint Defence Council, chaired by the Prime Minister of Malaysia. Moreover, their oft-repeated desire to find a peaceful settlement of the problem was well known. The British military presence naturally gave the Indonesians a pretext to call them imperialists and "neo-colonialist". But this hostility was counter-balanced by Britain's skilful diplomacy in keeping the Malaysians to the forefront. Moreover, the British never allowed any conflict in Anglo-Malaysian relations to influence the conduct of their counter-confrontation operations.

In brief, it can be argued that British foreign policy towards Malaysia during the confrontation, and more particularly in 1965, was governed by two major principles. These two principles were an unquestioned support for Malaysia and a strong desire to seek a peaceful solution of the problem. (702) This policy, characterised by firmness and restraint, continued uninterrupted until the communist coup in Indonesia in October 1965. (703)

Although the confrontation did not finally come to an end until June 1966, once the keystone of the policy - i.e., Sukarno and the PKI - had been removed, that policy lost all cohesion and sense of direction. Moreover, after the communist coup in October 1965, the confrontation for all practical purposes had dissolved into a spent force. This development exerted a decisive influence upon Anglo-Malaysian relations, and subsequently contributed to the British decision to withdraw from South East Asia in 1967.

The beginning of this downturn in the British attitude towards Malaysia can be dated from the separation of August

The Federation was broken "behind our back", as Denis Healey complained. A desire to terminate the British involvement in Malaysian defence was only postponed because "there was no political solution as long as Sukarno was in power in Indonesia". But once Sukarno had been disgraced, the last barrier against the currents of divergent interests and perceptions had collapsed as well. A new era, heralding the downturn in the British foreign policy towards its hitherto close ally, Malaysia, had begun. To this aspect of foreign policy we turn attention in the following chapter.

(704) Dato Abdullah Ahmad, op.cit., p.119.

(705) Bruce Reed and Geoffrey Williams, op.cit., p.206.

(706) Ibid., p.206.
CHAPTER V

British Foreign Policy towards Malaysia, 1965-1967.

It was said earlier that after October 1965, there was a rapid deterioration in the relationship between Britain and Malaysia. From being a close ally and a guarantor of external security, Britain first of all retreated into the role of a passive onlooker, and then ultimately withdrew altogether from the region.* This major change in British foreign policy occurred within the relatively short period of two and a half years. In this final chapter we shall analyse in greater detail the various considerations which brought about this upheaval. For this purpose, it is necessary to begin by looking at the major differences of opinion which had exacerbated conflicts and tensions between Britain and Malaysia prior to the communist coup in Indonesia, an event which paved the way for the subsequent breach. These conflicts and tensions are nowhere more evident than in the case of disagreements over Singapore and the Borneo territories. We will consider each of these differences in turn.

* The arguments in this chapter were clarified and developed during informal discussions with Sir Arthur de la Mare, Sir Michael C. Walker, Sir Neil Pritchard and Sir J.R.A. Bottomley.
Anglo-Malaysian Differences Prior to the Communist Coup in Indonesia

In the case of Singapore, its central geographic location, booming economy, racial composition, radical politics and naval bases meant that it had always occupied a crucial position in the regional balance of power. Singapore had always played a vital role, in particular, in diplomatic bargaining. Above all, possession of the bases had been the major concern of British strategic planners since the heyday of the empire. (707) This was especially so in the context of decolonisation and East-of-Suez policy in the nineteen-sixties, when access to the naval bases of Singapore had been accorded top priority in London. (708) The merger of Singapore and its later separation from Malaysia are worth mentioning here because they generated new complications for British foreign policy towards Malaysia.

Before the birth of Malaysia, Singapore itself had hastened the process of merger. (709) "In no uncertain terms, Lee Kuan Yew drove home the truth to Tunku that the possibilities of Singapore (communists) overwhelming the Federation should not be dismissed...


(708) Cmd. 1639, op. cit., p. 2.

altogether".\(\textsuperscript{710}\) After the merger, the radical leadership of Singapore clashed with the conservative and ultra-militant factions within the ruling Alliance government in Kuala Lumpur,\(\textsuperscript{711}\) which made British diplomats apprehensive about the survival of the federation. But the first severe jolt to British faith in Malaysia was the separation of Singapore from the federation on 9th August, 1965, without any prior knowledge of, or consultation with, the government in London.\(\textsuperscript{712}\) To a large extent, the Malaysian government had always been suspicious of British partiality towards Lee Kuan Yew's government.\(\textsuperscript{713}\) Britain's strong commitment to maintaining the internal cohesion of the federation, coupled with its anchor role as provider of Malaysian security, made Tunku and his government keep the whole episode a mystery.\(\textsuperscript{714}\)

"I had to keep it secret", Tunku confided later on during an informal interview. Secrecy was so essential for him that he consulted only four Malaysian ministers, "So that the British would not get wind of what I was about to do. [Because] if they had known they would have done their worst to frustrate my plan''.\(\textsuperscript{715}\)

\(\textsuperscript{710}\) B. Simandjuntak, op.cit., p.296.
\(\textsuperscript{712}\) P.J. Boyce, "Singapore as a Sovereign State", op. cit., p.263.
\(\textsuperscript{715}\) J.A.C. Mackie, \textit{Konfrontasi}, op.cit., p.296.
\(\textsuperscript{716}\) Dato Abdullah Ahmad, op.cit., p.85.
But at the same time, Britain had been "a principal party to the negotiations," and was, therefore, inevitably involved in "the political squabbling that was to bedevil the Federation."(717) Occasional rebuffs to Malaysian sentiments could consequently hardly be avoided. Moreover, any British attempt to bring these two antagonists together was deeply resented by the Malaysian leadership.(718) For instance, in April, 1965, Lord Head, the British High Commissioner to Kuala Lumpur, suggested finding a seat for PAP in the federal cabinet. His proposal aimed at forming a national coalition, "in the face of Indonesian confrontation." As Leifer observes, however, "To the TUnku, this was tantamount to asking him to accept a Trojan horse."(719) Against this background, Malaysian attempts to conceal the separation from British diplomats generated hardly any surprise.* More significantly, however, the last minute requests of the British High Commissioner to TUnku Abdul

* During one of the interviews, I was told by the British diplomats concerned that the Malaysian Government was reluctant to give any precise information about the separation. The whole atmosphere was choked with rumours and uncertainty prior to the separation of Singapore.

Rahman were firmly turned down by the Malaysian Prime Minister. In the opinion of Chin Kin Wah, "If secrecy was essential for smooth severance of Singapore, [then] the timing was providential." Caught during a summer break, the British Government could not assemble quickly to counteract the crisis. Although the British Prime Minister had warned Tunku about the ill consequences of any bodily harm to Lee Kuan Yew at the Commonwealth Summit in July 1965, the actual act of separation deeply hurt the pride of the closest ally of Malaysia. It was considered in the British circles as the first sign of a breach of faith.

Harold Wilson himself considered this event to be the major turning point in Anglo-Malaysian relations. "Difficulties began to arise last August", he later told Duncan Sandys in the House of Commons, "when Singapore was pushed out of the Malaysian federation without consultation with us."

Duncan Sandys' dismay was justified given the fact that British forces were still patrolling in the Borneo jungle, and continuation of confrontation was President Sukarno's major hope.

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(723) Ibid., p.130.
(724) Bruce Reed and Geoffrey Williams, op.cit., p.206; Malaysian scholars also share this opinion. See J. Saravanamuttu, op.cit., p.75, and Dato Abdullah Ahmad, op.cit., pp.119-120 and 123.
of satisfying the power-hungry hounds of the PKI. The internal
break up of the federation made the British stand on Malaysia look
somewhat ridiculous. (726) The immediate reaction, as Denis Healey,
British Secretary of Defence, later admitted, was to pull out of
Malaysian affairs altogether since the federation was "broken
behind our backs." (727)

But the prevailing regional circumstances counselled against
any rash decision. (728) Britain accordingly decided to swallow the
bitter pill and tried to redress the damaged relationship for the
sake of counter-confrontation measures. (729)

The initial British response was to advise both Singapore
and Malaysia to apply restraints, rather than inflaming the danger
by any more emotional reaction. (730) On its part, Britain assured
both countries of continued British assistance as long as it was
required, and provided that the facilities promised under the
extended Anglo-Malaysian Defence Agreement remained unchanged. (731)

If British diplomacy in the separation period was directed
to keeping the Federation intact, its task in the post-separation
period was compounded by the three-fold change caused by this
upheaval. As a result of the separation, Britain became involved,
"first, in the problematic hiatus in defence which ensued; second,

(727) Bruce Reed and Geoffrey Williams, op.cit., p.206.
(728) Alex Josey, "Singapore: Must Britain Stay?" New Statesman,
(731) Michael Leifer, "Indonesia and Malaysia, the Diplomacy of

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in the post-separation squabbles between the local powers; and third, in the manner in which disengagement from Borneo was effected". (732)

The first problem caused enormous anxiety in London, although both countries lost no time in assuring Britain of their unaltered commitments to AMDA and to providing Britain with the necessary facilities. (733) As a matter of fact, Annex B of the Separation Agreement furnished sufficient ground for maintaining a status quo for British strategic operations in the region. (734) Nevertheless, until a stable pattern emerged after some uncertain months, a sense of deep anxiety prevailed in London. What annoyed Britain most was the post-separation "squabblings", and the resultant confusion between the two neighbours over defence operations. (735)

Both Malaysia and Singapore had acknowledged this inseparability, and accordingly set up a Joint Defence Council. At the same time, however, the reverse was true about their internal security. Their mutual apprehension clouded the prospect of charting out a

strategy against their common enemy.\(^{(736)}\) In fact, the newly acquired sovereign status of Singapore as a partner in AMDA exacerbated Malaysian fears of the base facilities either being locked up or being misused by Lee Kuan Yew.\(^{(737)}\) The Malaysian leaders lost no time in warning him against any such misdeeds.\(^{(738)}\) Although the mutuality of their external defence ruled out any such danger, their different outlooks on political and economic matters complicated the situation for Britain.\(^{(739)}\)

The situation was made even worse by Indonesian efforts to exploit their mutual differences.\(^{(740)}\) In fact, from immediately after the separation until the Communist coup in October 1965, both the neighbours were involved in an incessant, acrimonious battle over the use of bases,\(^{(741)}\) which did not bode well for British defence and foreign policy. Yet another severe jolt to British pride originated from Singapore, when Lee Kuan Yew, for diplomatic reasons, asserted at the United Nations that he could ask Britain to leave the bases within twenty four hours.\(^{(742)}\) His claim was later on accepted by the British Foreign Secretary.\(^{(743)}\)

\(^{(736)}\) Ibid., p.163-166.
\(^{(737)}\) Lau Teik Soon, op.cit., p.173.
\(^{(738)}\) Dato Abdullah Ahmad, op.cit., p.96.
\(^{(743)}\) The Times, 2 September 1965.
The third problem closely related to the separation was the concomitant restlessness in the Borneo territories. Even before the separation of Singapore, these colonies had caused some friction between Malaysia and Britain. As we saw earlier, a sense of responsibility made the British insist upon incorporating certain safeguards against Malay or Chinese discrimination. Moreover, the civil administration in Sabah and Sarawak remained primarily European. Malaysian discomfort over the Borneo territories arose mainly from the European-dominated civil service, and the extent of its popularity amongst the local people. Secondly, the continued British armed presence and their counter-confrontation operations enhanced the local people's faith in British protection and power. Consequently, in Eastern Malaysia, "often British troops were regarded as actually being the government".

The Alliance leadership felt increasingly uncomfortable over the existing situation in East Malaysia. In the wake of Singapore's separation, Tunku Abdul Rahman took the opportunity to stabilize the precarious situation. On the one hand, the Indonesians were still talking about a "referendum" in Sabah and

(746) Chin Kin Wah The Defence of Malaysia and Singapore, op.cit., 122; and The Fabian Tract, No.365 "Britain and South East Asia", op.cit., p.8.
(747) Fabian Tract, "Britain in South East Asia", op.cit., p.9.
(748) David C. Hawkins, "Britain and Malaysia", op.cit., p.556.
Sarawak as a pre-condition for calling off their confrontation. (749) Whilst on the other hand, the strong British presence was proving congenial to anti-Malay sentiments. (750) Although secession had never been mooted, Tunku was so concerned that he warned against the secession since it would mean withdrawal of the defence guarantees from AMDA partners. (751) In the event, Tunku's visit on 17th August 1965, ended in the resignation of "rebel" Donald Stephens, the ex-Chief Minister of Sabah, from the Federal Cabinet. Although the British government did not agree entirely with his view, to have taken — issue with Tunku would have further weakened the federation. Therefore, in the interest of maintaining a unified front, Britain decided to maintain silence over Borneo affairs. (752) "This British silence following Tunku's forthright statement was helpful", confirmed one Malaysian diplomat, since, "it appeared to have strengthened the central Government's hand in the eyes of the people of Sabah and Sarawak". (753)

This brief survey of the situation in the Borneo territories and Singapore reveals the fragility of the Anglo-Malaysian relationship, which occasionally came under pressure between August 1965 and October 1965. But apart from this pressure, there were

(749) "Seokarno's Peace Moves", Statement by Malaysian Permanent Secretary for External Affairs, 10 March 1965, here quoted from Peter Boyce, op.cit., p.105.

(750) David C. Hawkins, The Defence of Malaysia and Singapore, op.cit., p.27.

(751) Straits Times, 23 August, 1965.


(753) Dato Abdullah Ahmad, op.cit., p.124.
other instances of back-biting from either side during the
confrontation. The "economic" aspect of the relationship is the
best illustration of this stormy side.

In the course of surveying the stormy side of Anglo-Malay-
particularray the differences in economic relations
sian relations, during the confrontation, it will be useful to
remember that their two economies were very closely interdependent.
For example, as late as 1958, British investment was estimated to
be worth £650 million. (£200 million in plantations, £150 million
in mines, and £300 million in commerce and industry). (754) More-
over, Britain was the biggest exporter of technology and trained
manpower to Malaya, and in return Malayan exports to the U.K.
were considerably higher than to any other country. (755) But at
the same time there were heavy strains generated by the
regional political instability, an instability which was further
aggravated by the precarious financial conditions in Britain. As a
result, after 1957, there occurred a gradual but steady decline in
the British position as trade partner of Malaya. The British
predominance in Malayan trade was gradually broken by the
United States and Japan. It is shown by the two tables given
on the next page.

(754) J.M. Gullick, op.cit., p.199.
(755) Lim Chong Yah, "West Malaysian External Trade, 1947-1965".
in T. Morgan and N. Spoelstra (eds.), Economic Interdependence in
South East Asia, Published for International Economics and Economic
Table 1
Direction of Malayan Exports By Destination, 1958-1963 (%)

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>Singapore</td>
<td>23.8</td>
<td>23.0</td>
<td>21.5</td>
<td>19.8</td>
<td>19.8</td>
<td>20.0</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>18.5</td>
<td>13.3</td>
<td>13.0</td>
<td>11.9</td>
<td>9.3</td>
<td>8.3</td>
</tr>
<tr>
<td>United States</td>
<td>10.6</td>
<td>11.5</td>
<td>10.3</td>
<td>12.6</td>
<td>14.5</td>
<td>14.4</td>
</tr>
<tr>
<td>Japan</td>
<td>9.4</td>
<td>12.8</td>
<td>12.6</td>
<td>14.5</td>
<td>13.8</td>
<td>14.7</td>
</tr>
<tr>
<td>West Germany</td>
<td>5.0</td>
<td>5.8</td>
<td>7.7</td>
<td>8.6</td>
<td>4.2</td>
<td>4.3</td>
</tr>
<tr>
<td>U.S.S.R.</td>
<td>3.9</td>
<td>8.2</td>
<td>3.7</td>
<td>6.0</td>
<td>8.5</td>
<td>7.7</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>71.2</td>
<td>74.6</td>
<td>68.8</td>
<td>73.4</td>
<td>70.1</td>
<td>69.4</td>
</tr>
</tbody>
</table>

Source: J. Saravanamuttu, op.cit., p.32.

Table 2
Main Source of Malayan Imports, 1958-1963, (%)

<table>
<thead>
<tr>
<th>Country</th>
<th>1958</th>
<th>1963</th>
</tr>
</thead>
<tbody>
<tr>
<td>United Kingdom</td>
<td>25.0</td>
<td>21.0</td>
</tr>
<tr>
<td>Thailand</td>
<td>11.0</td>
<td>9.0</td>
</tr>
<tr>
<td>Indonesia</td>
<td>13.8</td>
<td>8.3</td>
</tr>
<tr>
<td>Singapore</td>
<td>8.4</td>
<td>9.3</td>
</tr>
<tr>
<td>Japan</td>
<td>5.7</td>
<td>9.9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>63.9</td>
<td>57.5</td>
</tr>
</tbody>
</table>

Source: J. Saravanamuttu, op.cit., p.35.

The first sign of new strains emerged during the negotiations on the proposed federation's constitution. Considering the economic backwardness of the Borneo territories, Britain offered a generous amount of $1,500,000 a year for the next five years, but
at the same time imposed the condition that the Malaysian
Government's contribution should be the same over a similar
period. (756)

In the course of further negotiations, and particularly on
the issue of sharing the cost of military expenditure on counter-
confrontation measures, the Malayans felt — as Tun Razak was
quoted in the Financial Times — that British has "a special
responsibility and should bear the greater burden of this
cost." (757). At the same time, however, the tightening grip of
economic adversity on British helping hands made this difficult.
As a result, the Malayan demands appeared to be considerably
higher than seemed reasonable in London. (758) The unavoidable
deadlock and the resultant disappointment made Tun Razak, the
deputy Prime Minister, somewhat bitter. On 17th May 1963, the
Financial Times quoted him as saying that he had not got from
London what he wanted. (759)

With the escalation of Indonesian hostilities, Anglo-
Malaysian economic relations came under increased pressure.
Throughout this period, leaders in Kuala Lumpur felt that a subst-
antial amount of British aid for fighting the confrontation would
enable them to proceed with their own development programmes. (760)

(757) Financial Times, "Malaya to float loan in London."
17.5.1963.
(758) Financial Times, "U.K. – Malayan Talks on Malaysian Defence
Costs", 10.5.1963.
(759) Ibid.
(760) Far Eastern Economic Review, Vol.XLVI, No.2, October 1964,
p.62

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The implication of their argument was that confrontation was primarily against "British Malaysia," not "Malay Malaysia." Britain should therefore bear the major cost of counter-confrontation operations. (761) Tan Siew Sin, the Finance Minister, categorically stated that the Malaysians would, "seek financial aid from friendly countries like Britain. This we intend to do for countering the confrontation". He further added that, "we also feel that Britain has a moral obligation to help." (762) This feeling of having a moral claim on British aid proved to be somewhat irksome to the donor, given the Indonesian charges of neo-imperialism.

Apart from the question of aid, the Anglo-Malaysian differences on economic affairs were accentuated by Singapore prior to the separation. On one occasion, when Britain refused to grant new export contracts to Singapore due to the cotton-lobby at home, the dispute soon developed into Kuala Lumpur vs. the State of Singapore, and Britain was caught in the middle. (763) According to Dr. Goh Keng Swee, Finance Minister of Singapore, the dispute was basically between Kuala Lumpur and Singapore. To a certain extent, constitutional anomalies were also responsible for creating such an unfortunate state of affairs. (764)

At the height of confrontation, the Malaysian government was caught up in a vicious dilemma of defence vs. development. Hence its dependence on British financial support also had increased concomitantly. On the one hand, the Malaysian government reluctantly

(761) Dato Abdullah Ahmad, op.cit., p.41.
(762) Ibid.
(764) Ibid., p.119.
increased the allocation for defence. On the other hand, the expenditure on development programme had to be increased after the merger of the Borneo territories. According to Van der Kroef, "In 1965, an amount of M$237.7 million was allocated for defence alone, which was a net increase of 14.5% over the previous year".\(^{(765)}\) In overall terms, the combined expenditure on defence and security had risen three times the amount spent in 1960.\(^{(766)}\)

But this rise in defence expenditure could not be allowed at the expense of development programmes. The former Borneo territories required a substantial amount of investment on their development at this stage in order to catch up with rest of the country. The first Malaysia plan (1966-1970) devised a total public expenditure on development of M$4,550 millions.\(^{(767)}\) This was not a phenomenal sum given the underdeveloped conditions of certain parts of Malaysia.

While devising this first plan, the Malaysian government had hoped to raise 42% of the required amount from foreign sources. Britain was very highly placed in this regard in Kuala Lumpur. These high expectations in Kuala Lumpur and the economic crisis in Britain very soon led to the inevitable clash in May and June 1966.

Apart from these economic wranglings, some differences on political fronts also occasionally surfaced. For example, in


\(^{(766)}\) Ibid., p.239, According to the author, "the total defence and internal security appropriations for 1965 came to M$589 millions, equivalent to about 7.4% of Malaysia's G.N.P.".

\(^{(767)}\) Ibid.
January 1965, Fred Mulley, the Minister of War, after visiting East Malaysia [former Borneo territories] issued a statement that talks of Indonesian escalation were "a gross exaggeration." He even expressed doubts about the declared Indonesian intentions towards the Borneo territories.\(^{768}\) This statement caused a storm in Kuala Lumpur and Tun Razak protested against any British intervention in this sphere. Although Fred Mulley subsequently withdrew his statement, the incident left the Malaysians apprehensive about the new Labour government's intentions. Only the publication of Defence paper, Cmnd.2592, reassured them.

The Defence Review

Before reaching any conclusion about the growing disparity between Anglo-Malaysian viewpoints, we need to consider another background aspect of British foreign policy. The debate on East-of-Suez policy for all practical purposes had started when the government decided to embark upon the defence review in the middle of 1965.\(^{769}\) More significantly, however, Harold Wilson acknowledged that this involved a "review of defence roles, not merely of defence costs."\(^{770}\) The government had already announced intended cuts in the defence budget of £400 million by 1969-70. Although this aim was partially to be achieved by economy measures, "the only way to close the gap finally and with certainty" would have been, wrote Denis Healey in \textit{Survival}, "to look at the whole range of our commitments as well..."\(^{771}\)

\(^{(768)}\) Straits Times, 22 January 1965.


\(^{(770)}\) Ibid.

\(^{(771)}\) Denis Healey, "Britain's Defence Review", op.cit., p.231.
With hindsight, it can be argued that this defence review delayed any immediate revision of AMDA in the aftermath of Singapore's separation from the federation. In fact, George Brown, the Minister of Economic Affairs, declined to give any definite answer on the future status of the Singapore bases "until we have made further progress with the defence review, and have had detailed discussions with Singapore and our other allies." (772) When pressed harder by Edward Heath, he simply referred to the Separation Agreement's Annex B, as a satisfactory arrangement for present purposes. (773) This attitude was certainly part and parcel of a policy of postponing any major decision prior to completion of the defence review.

While the defence review was taking place, the government decided to solicit the allies' support regarding the sharing of financial burdens in the East-of-Suez region. On 17th December 1965, Wilson was reported "to have reached agreement in principle with President Johnson that Britain's role East-of-Suez would be integrated within a general Anglo-American defensive system in South-East Asia and the Indian Ocean." (774) However, subsequent talks which aimed at putting these decisions into practice proved to be inconclusive. (775) In a similar manner, the British Defence Secretary's plea to the Australian Government, "for a fair sharing

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(773) Ibid., p.351.
(775) Ibid., p.223.
of the burden."(776) also did not elicit the desired response.

Hence, at the close of 1965, British decision-makers were confronted with very grim prospects. The allies' assurance was not as forthcoming as was desired in view of the British sacrifices, nor were political and economic pressures at home showing any sign of abating. At the same time, "the thanklessness of the role and the higher economic cost," were pushing Britain towards Europe.(777)

The British Government, thus badly caught up in South East Asian affairs, had only one straw to clutch at. The Communist coup in Indonesia in October 1965, the subsequent blood-bath, and the emergence of the army as the dominant political force, ensured the "destruction of PKI and a radical shift in the balance of power in Indonesia."(778) The prospect of an easing off of the confrontation brought the precarious side of Anglo-Malaysian relations to the forefront. The consequences of this will be examined in the next section.

(776) *Age*, 3.2.1966.
(777) Leonard Beaton, "Imperial Defence without the Empire", op.cit., pp.539.
Anglo-Malaysian Differences after the Communist Coup in Indonesia

It has been argued earlier that the Communist coup and subsequent developments in Indonesia undoubtedly marked a watershed in the regional affairs of South-East Asia. (779) For Britain and Malaysia the fall-out from these events brought deep and far reaching consequences. For the first time, these two countries faced the prospect of conducting their relations without any common external enemy. It is worth mentioning in this context that, prior to the onset of confrontation, a similar part was played by communism in the form of insurgency during 1948-1960, and by the communism-oriented opposition parties during 1961-63. Although some minor incidents had occurred in the past, as recorded in the preceding section, yet the presence of an external threat prevented these minor differences from developing into major disputes between Britain and Malaysia.

After October 1965, this external factor no longer posed a grave danger. Therefore, the Anglo-Malaysian consensus on political and military strategy started to show some signs of cracking. (780) Contrary to general expectations, however, the common external threat did not recede overnight, but took another three-quarters of a year before its existence could safely be discounted. (781) During this period, although there were no sudden

(780) J. Saravanamutto, op.cit., p.75.
eruptions, a steady growth in minor differences finally developed into open criticism in Kuala Lumpur and London. By the middle of 1966, Malaysian brick-batting had reached such a critical stage that Duncan Sandys' statement in the House of Commons could be taken to be an echo of general disappointment with Malaysian policy. "In view of the very heavy sacrifices which Britain has made to help Malaysia defend herself against Indonesia," lamented the dismayed ex-Secretary of State for the Colonies, "Is it not very sad that at this moment, when confrontation is coming to an end, we should receive nothing but reproaches and criticism from Kuala Lumpur?" (782)

In the light of Duncan Sandys' observations, June 1966 may be regarded as the culminating point of tension and mutual distrust between London and Kuala Lumpur. This situation did not of course develop over night. It may be traced back to the Communist coup and the developments consequent upon it. Until April 1966, however, the uncertainty surrounding Indonesian politics at large had meant that Malaysian opposition to British policies did not find significant vocal expression. (783) It was only during the two months between April and June 1966 that mutual differences could no longer be kept behind closed doors. In this section the nature of these differences will be closely scrutinized.

This new down-turn in the Anglo-Malaysian relationship was

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(783) Robert O. Tilman, op.cit., p.158.
characterized by a growing disillusionment on either side.\(^{(784)}\)

The role played by a combination of external and internal factors cannot be ignored. The external factors were the end of the Sukarno era and the waning of the confrontation; the defence review of East-of-Suez policy was the most important internal factor, since it was the defence review which now ruled supreme in British diplomatic calculations. On Malaysia's part, the Indonesian factor was almost solely responsible for bringing about a new coolness towards Britain.\(^{(785)}\)

The overall significance of these factors can best be considered in terms of their implications for three major problems. The first problem was how to respond to events in Indonesia, and more especially, how to take up the peace initiative. The second was how much economic and military support should be given to Malaysia in the post-communist coup era; and finally, there was the problem of how to adjust to the presence of Singapore in its new role as a third partner in AMDA.

Let us consider first the question of devising a joint strategy for negotiations after the political changes in Indonesia. Here, certain precedents had been well established ever since the beginning of the confrontation. As late as June 1965, Harold Wilson had expounded the precedents in the House of Commons. "Any initiative on our part," observed the Prime Minister, "would be regarded by the Indonesians as an admission

\(^{(784)}\) "What are we doing there?" *Economist*, August 14, 1965; and *The Times*, August 10, 1965.

that Malaysia... is something less than fully independent". He categorically added, "We are partners of Malaysia and we seek no separate deal with those guilty of aggression against Malaysia". (786)

The first departure from this avowed position occurred on 27th November 1965, when the British Foreign Secretary spoke publicly about the possibility of bringing confrontation to an end with Indonesian help. (787) The boldness of this proposal was obvious since it was not a joint Anglo-Malaysian offer. Quite reasonably, Kuala Lumpur openly accused Britain of making peace with Indonesia behind their back, and promptly denied that Britain had any legitimate claims in this sphere.* It was asserted that since Malaysians were the aggrieved party, they "were the only legitimate negotiators with Indonesia. Britain's duty", said the Tunku, "was to honour AMDA as long as confrontation lasted". (788) Certainly the sentiments expressed by Kuala Lumpur were in harmony with British policy as expounded by Wilson just a few months earlier.

If we consider the background of the British departure from its own avowed policy on negotiations with Indonesia, then the contemporary debate on East-of-Suez policy emerges as the

* My interpretation of this point was greatly clarified by discussions which Sir Arthur de la Mare and Sir Neil Pritchard very kindly agreed to have with me.

principal motivation. By this time the government had openly
recognised the gap between the commitments and the capability of
the British nation. For example, Harold
Wilson had confessed in the House of Commons on 1 June 1965 that,
"we have accumulated a total of roles, which are far beyond the
reasonable economic capacity of this country". The relevant
departments had expressed their concern over the situation in
South East Asia, where confrontation had entailed the involvement
of the largest proportion of British overseas forces. By the
middle of 1965, the situation had strained British manpower to such
an extent, as Wilson himself acknowledged, that any further increase
would have meant postponing the "Trooping the Colour" ceremony at
home. This account was confirmed by Denis Healey in an article in
Survival. "If President Sukarno decided on all-out war against
Malaysia, instead of the harrassing operations he has been engaged
in for the last two years", said Healey, "then we would have to
draw on almost the whole of our available combat manpower in all
the services all over the world".

It was not only their over-stretched manpower, but the
financial burden of East-of-Suez operations, which were almost
exhausting the armed forces' overall resources. In proportion
to the heavy involvement of the armed forces, "the annual
budgetary cost of the East-of-Suez commitments", as summed up by
Kenneth Younger, "was $330 million out of a total for all overseas

(792) Hugh Hanning, op.cit., p.253-255.
commitments of $587 million".\(^{(793)}\)

Within the framework of this critical situation, the British government's earlier policy of welcoming "any step to end this quite senseless confrontation".\(^{(794)}\) was given a fresh incentive by the internal events in Indonesia in the latter part of 1965. The peace offer made to Indonesia on 27th November (mentioned earlier on p.214) seems fully intelligible within this context.

However, the Malaysian perception of Indonesian developments did not coincide with the British one, at this stage. They were not yet ready to put out any peace-feelers since Sukarno was still exercising some substantial powers.\(^{(795)}\) Secondly, by snubbing British attempts, they were at the same time making it clear to the Singapore leaders that the political initiative lay exclusively with them. The subsequent peace offers made by Singapore were always aborted because of sharp protest from Kuala Lumpur.

A similar incident took place in April 1966, when the Wilson government, after being fully convinced of the Suharto regime's credibility, "signalled British willingness to offer Indonesia emergency economic aid as an inducement to end confrontation".\(^{(796)}\)

Once more Britain was forced to play second fiddle to Malaysia due

\(^{(793)}\) Kenneth Younger, "Reflections on the Defence Review", Political Quarterly, Vol. 37, July–September 1966, p.256; These figures were also supported by the Fabian Tract, No.365, op.cit, p.1.


\(^{(796)}\) Chin Kin Wah, The Defence of Malaysia and Singapore, op.cit., p.119. [Britain offered £1 million in the form of economic aid to Indonesia.]
to a sharp protest from Kuala Lumpur, and the dove was killed in the nest. Even at this late stage, Malaysia did not believe in the possibility of Suharto's asserting himself vis-a-vis President Sukarno. The Malaysian Prime Minister was quoted as saying, "All this talk of Indonesia wanting to make peace is sheer hypocrisy ... with one breath she talks of peace and in the next she talks of intensifying the confrontation".

Apart from their differences on Indonesian developments, Anglo-Malaysian relations were heavily strained on two other accounts. The first was over financial aid, and the second was over the status of Singapore as an independent country and partner of AMDA. It has already been argued in the previous section that even prior to the Communist coup in Indonesia, these financial wranglings had been part and parcel of the recent tensions. However, recent developments in Indonesia had added a new dimension to the Anglo-Malaysian relationship by removing any unifying factor and by opening up new possibilities of reducing their mutual interdependence.

For British policy makers, this situation created an unique opportunity to shed some of their burden in South East Asia. Hence, London showed an almost premature haste in making peace with Indonesia in the second half of 1965. More significantly, however, the forthcoming Defence Paper, Cmnd.2901, (1966)


(798) Michael Leifer, Ibid., p.399.


(800) Bruce Reed and Geoffrey Williams, op.cit., p.221.
pledged the government to assign 6% of G.N.P. to defence, instead of the existing 7%. Moreover, "this 6% share of GNP was meant to be achieved at a constant price at 1964 level by the year 1969-70". These proposed cuts in defence expenditure compelled Britain to welcome any prospect of peace in South East Asia. But at the same time, the cuts created a feeling of distrust among Malaysians. They thought that under domestic pressure Britain might harm their interests, either by making a premature separate peace, or else by forcing them to accept an unfavourable settlement of confrontation with Indonesia.

On the financial side, however, the implications of the Communist coup and the British defence review were considerably different. As the prospect of an ultimate removal of the external threat increased, the Malaysian leadership, not without good reason, feared that the old argument of "moral responsibility" would no longer hold good with the Wilson Government. Hence Kuala Lumpur was determined to receive a generous amount of financial aid for its defence purposes before a formal termination of Indonesian hostilities. The British desire to reduce their armed forces in the region also gave the Malaysian leadership fresh incentive to build up their own armed forces. Here again, financial aid from London featured as an indispensable part of this programme.

With these aggravated Malaysian expectations in the background, Anglo-Malaysian financial relations were severely

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jolted by another powerful factor. The independent state of Singapore finally created an explosive situation in June 1966. The result was that the Anglo-Malaysian relationship hit the lowest mark in its history.

Singapore had always been a problem child for both its natural and its foster parents. After August 1965, as an adult, this tiny country introduced a whole range of new complications into both these relationships. (803) The part played by Singapore was so significant that in answer to Duncan Sandys' question, Harold Wilson recognised Singapore as a major factor and said that, "there is always a suspicion on the part of one party that we are leaning over in support of another party". (804)

Besides this dimension, the East-of-Suez policy was also playing a part in aggravating the tensions arising out of the mutual suspicions and misunderstandings between Kuala Lumpur and Singapore. It has been mentioned that Britain had decided to postpone any review of AMDA arrangements until the completion of its review of defence at home. But political and strategic expediency warranted a review as soon as Singapore became an independent country. (805) This indecisive attitude in London created confusion and brought to the surface an acrimonious battle

over the status of bases between Singapore and Malaysia.\(^{(006)}\) This unnecessary wrangling further exacerbated British discomfort over the problem of devising a common strategy of counter-confrontation measures. After watching the state of affairs between Malaysia and Singapore for almost a year, the British Government decided to intervene. Accordingly, Britain attempted to apply financial pressure to Malaysia, in order to bring the two neighbouring partners of AMDA closer to each other.\(^{(007)}\) Against the background of Malaysian hopes of getting generous economic aid from Britain and their fears and apprehensions that Britain might take sides with Singapore, this British attempt was doomed from the start. In fact, it misfired so badly that it sparked an unprecedented crisis in Anglo-Malaysian relations.

The seeds of the impending disaster had in fact been sown earlier. Before departing to London on his defence aid mission, Tan Siew Sin, the Malaysian Finance Minister, was informed by British diplomats that a settlement on economic and defence affairs with Singapore would be a pre-condition for any financial help.*

\* During a lengthy interview granted to the researcher, a senior British diplomat with first-hand experience of the event conceded that, on the part of Britain, it was an example of somewhat crude diplomacy.

\(^{(006)}\) The main issue was providing accommodation for Malaysian troops on Singapore soil after the separation. Although Britain offered temporary accommodation for Malaysian troops, Kuala Lumpur rejected it on the pretext that it was inadequate. See Lau Teik Soon, op.cit., pp.163-166.

\(^{(007)}\) Lau Teik Soon, op.cit., p.172.
The Government in London, however, pleaded domestic economic constraints as the reason for turning down Malaysian requests. As Harold Wilson later told the House of Commons, "[We] have to cut our coats here very much in accordance with the financial resources that we have available". By contrast, the Malaysian perception of this whole episode was that, "should Singapore choose to delay the conclusion of these treaties, Malaysia would suffer". This suspicion seemed to contain a certain truth since Lee Kuan Yew had visited London recently, prior to the whole episode. Malaysian frustration knew no bounds when Tan Siew Sin's proposals were treated unsympathetically in London.

As a matter of fact, Kuala Lumpur perceived the whole event as a British attempt to force them to reach an agreement with Singapore, since Lee Kuan Yew enjoyed an unusually privileged position amongst the socialist colleagues of Harold Wilson. They even attributed British partiality for Lee Kuan Yew to his student days as a Labour "activist" in Britain.

However, the "domestic economic restraints" argument deployed by Harold Wilson did not soothe the wounded pride of the Malaysian government. As a result, the Malaysian outburst against Britain was for the first time strikingly outspoken. A unanimous call to review the whole Anglo-Malaysian relationship was to be heard amid the anti-British uproar in the Malaysian parliament in

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(810) Chin Kin Wah, The Defence of Malaysia and Singapore. op.cit., p.121.

June 1966. (812) The future Prime Minister, Mohammed Bin Mahathir, led the battle charge. "Britain, Sir, is nearly bankrupt", declared Mahathir. "The pound is tottering, the strike of seamen is crippling, the Empire, the blissful source of booty is now disappearing ...". Mahathir continued, and further concluded that "Britain, like the life-time President, is used to good living in imperial style. And so, for lack of anything else, the old lion must try and play metropolitan power with us". (813) Tan Siew Sin, the Finance Minister, hit even harder, calling Britain "a tired and dispirited nation which perhaps has lost even the will to govern itself". (814)

Once again, the East-of-Suez policy became another point of criticism on the ground that it reflected a secret British desire to abdicate. (815) Another speaker, Tan Chee Khoon, observed "it is no secret that Britain is desperately anxious to get out of South East Asia, if not fully out of East of Suez altogether". (816)

This was the climax of the most virulent anti-British sentiments ever voiced in Kuala Lumpur. (817) Quite understandably, Britain was alarmed at this unprecedented Malaysian hostility. This hostile attitude made British authorities sound out Australia, "whether Britain could use their facilities if she were

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(813) Parliamentary Debates, Dewan Ra`ayat Malaysia, 16 June 1966, Col.598.
(814) Ibid., Col.695.
(816) Ibid., p.607.

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ejected from Singapore or Malaysia". (818) Ironically, the event coincided with the Bangkok Accord reached between the foreign ministers of Malaysia and Indonesia on 11 June 1966. Although the Accord was subject to approval by their respective heads of state, the event proved to be the turning point in Indonesian-Malaysian relations. In this context, Chin Kin Wah's remarks seem pertinent when he writes that the Malaysian outburst against Britain, "was made against a background of growing Malaysian confidence, feeling of fraternity with Indonesia, and national assertiveness ..." (819)

Looking back at these developments, it can now be seen that the powerful internal and external factors mentioned above were responsible for pulling the two nations apart.

In Britain, the internal factors were the defence review and the debate on the East-of-Suez role; (820) externally, they were the gradual but steady growth of Malaysian "rapprochement" with Indonesia, along with the possible end of confrontation. The turn of events in Indonesia encouraged the critics of the East-of-Suez presence to attack the expenditure on Malaysian defence.

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(818) T.B. Millar, "Great Britain's Long Recessional", op.cit., p.557
As Woodrow Wyatt was reported to ask, "What lunacy is it that makes us stand all the cost of protecting interests in south East Asia which seem more important to others than to ourselves".\(^{(821)}\)

In the wake of this sharp rise in deployment of British armed personnel in the region, such a vehement criticism was easily justified in 1966.\(^{(822)}\) For the critics of East-of-Suez presence, such a steep rise raised not only financial and strategic questions but also involved moral and diplomatic issues as well.\(^{(823)}\) At this stage, we turn our attention to the post-confrontation period.

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\(^{(821)}\) Straits Times, 9 February 1966.

\(^{(822)}\) By the end of 1965, the total number of British personnel had risen to 65,000, as compared to 50,000 in 1964. Fabian Tract, "Britain and South East Asia", No. 365, op.cit., p.1.

\(^{(823)}\) Ibid., pp.1-2.
Anglo-Malaysian Differences in the Post-Confrontation Period

In this section, attention will be concentrated on the third phase of Anglo-Malaysian relations which began in the aftermath of the Bangkok Accord and the termination of confrontation on 11th August 1966.* In the background, as we have already seen, were two forceful factors, one internal and one external, pulling these two hitherto close nations still further apart. (824) It was the combined effect of these two factors that made both the nations rather outspokenly critical of each other's intentions. During this third phase new areas of tension emerged. One example is the validity of the Bangkok Accord itself. Another is the withdrawal of forces from Borneo territories.

Before analysing this state of affairs, a brief review of the background factors will provide us with a proper perspective. The first and foremost factor in this regard can be identified as the defence review undertaken by the Labour government in 1965, together with the publication of the Defence Paper in 1966, and the subsequent changes triggered by the paper itself. (825)

* The argument in this section was largely formed and developed during my discussion with Sir Frank Cooper and Sir Michael C. Walker.

the sphere of overseas operations, the Paper clearly meant that it was now necessary not only "to decide which political commitments we must give up or share with our allies, but also to limit the scale of military tasks".\(^{(826)}\) Accordingly the Paper laid down two pre-conditions for any overseas operations. Firstly, it was stated "we will not accept an obligation to provide another country with military assistance, unless it is prepared to provide us with the facilities we need to make such assistance in time".\(^{(827)}\) And secondly, it was made clear that "there will be no attempt to maintain defence facilities in an independent country against its wishes".\(^{(828)}\)

A growing disillusionment with the allies' cooperation was evidently behind British frustration.\(^{(829)}\) As Mr. Sheldon, a Labour backbencher, observed, "This role which we arrogate to ourselves - that of the unpaid and unwanted policeman of the world - is one which singularly fails to impress these countries whose interests we might be supposed to be preserving".\(^{(830)}\) But these sentiments were not shared by the government of the day.\(^{(831)}\) The government favoured a partial reduction of the armed forces in the East-of-Suez region, rather than an abrupt and total

\(^{(826)}\) Cmd:2901, op.cit., para.3.
\(^{(827)}\) Ibid., para.7.
\(^{(828)}\) Ibid., para.7.
\(^{(831)}\) Patrick Gordon Walker, op.cit., p.123.
abdication, on four grounds. Firstly, it would have meant abdicating the "special role" still enjoyed by Britain in comparison with the two super powers. Secondly, such an act would have generated a power vacuum, giving rise to outright intervention. (832) Thirdly, in case of complete withdrawal, Britain would have been unable to influence the course of events in the region. (833) And finally, such a step was regarded as an utter waste of the existing facilities and the expenditure incurred in the past. (834)

These points were never stated in one place or at one particular time, but emerged gradually after publication of Cmnd. 2901, (1966), on various occasions. Two major champions of the official policy were naturally the Prime Minister and the Secretary of State for Defence themselves. (835) Harold Wilson's "eyeball to eyeball" speech indicated the depth of his faith in the "special" role of Britain. "Is it really said", asked Harold Wilson, "that we have nothing to contribute except speeches that no one will listen to?" He added further, "I believe that Britain, through history, through geography and Commonwealth connections, has a vital contribution to make ... Perhaps there are some members who would like to contract out and leave it to the Americans and Chinese, eyeball to eyeball, to face this thing

(832) Ibid., p.187.
out". Wilson warned against such a folly, saying that, "The world is too small for that kind of attitude today, it is the surest prescription for a nuclear holocaust I could think of". (836)

Voicing somewhat similar sentiments, he was quoted as saying on another occasion that, "our presence in Asia gives us a chance to prevent polarization ... I believe Britain has a role, and not at prohibitive cost, in preventing polarization". (837) Denis Healey also talked about Harold Wilson's deep faith in the "special role" of Britain between two super powers. (838)

Denis Healey, the Secretary of Defence, also argued in favour of retention of the forces but on different grounds. "I am sure that would have been very wrong", Healey observed of the possibility of total withdrawal. "Although we cannot foretell future developments, we should not now take actions that would put us in a position in the seventies, when whatever the situation was, we could have no influence upon it". (839) In other words, the possibility of creating a vacuum by premature withdrawal, as well as an inability to intervene in an emergency, were the major restraints on any decision by the government to withdraw


(837) Toni Schonenberger, "The British Withdrawal from Singapore and Malaysia ...", Contemporary South East Asia, Vol.3, No.4. September 1981, p.120.

(838) Bruce Reed and Geoffrey Williams, op.cit., p.215.

completely from the East-of-Suez region.\footnote{840} But at the same time, the government was trying, "to square the circle of [our] capabilities and [our] obligations".\footnote{841}

Within the context of these official views, the cardinal point in Britain's foreign policy towards Malaysia can now be outlined. In the middle of 1966, for Britain the regional situation was still unsettled. There was, therefore, no possibility of total withdrawal from the region in the near future.

There was a hint that Britain did not regard South-East Asia as safe enough to be left to the local powers. "There is no doubt whatsoever", observed Denis Healey, "that for Britain to leave Malaysia and Singapore now could plunge the whole of South-East Asia in bloody chaos".\footnote{842} Accordingly, the Minister of Defence for the Royal Air Force, Lord Shackleton's visit to Malaysia, in June 1966, was aimed at explaining the policy of a partial reduction in the British presence in the region. He wished to assure Malaysia that in the post-confrontation era, a British armed protection would be available.\footnote{843} The British Foreign Secretary, Michael Stewart, in June 1966, clearly denied any intention to "evacuate Singapore and go home". On the contrary, "it is our intention", he asserted, "to stay in Singapore as long

\footnote{841} Alastair Buchan, "Is Britain Still a World Power", op.cit., p.374.  
\footnote{842} \textit{Parliamentary Debates, House of Commons}, Vol.727, 26 April 1966, Col.618.  
\footnote{843} \textit{Straits Times}, 7 June 1966.
as we can do this with the goodwill of Malaysia and Singapore themselves". (844)

In comparison with this British attitude, Malaysian perceptions of the regional power balance, and their expectations about Britain's behaviour, were moving in a totally different direction. (845) Unlike the early period, the difference on tactics seemed to be widening. (845) For example, Britain had believed in strengthening Suharto's position in relation to the PKI and Sukarno by providing economic aid prior to April 1966. At that time, Malaysia regarded such a policy as not only bound to inflame the PKI's propaganda machine, but as also likely to reduce Suharto's chances of winning the power struggle. (847) However, this "impatient Britain, patient Malaysia" format changed quickly after the conclusion of the Bangkok Accord on 11th June 1966. (848) After June 1966, Malaysia seemed to believe more in a strengthened Suharto government, while British diplomats now regarded any such move as "premature". (849)

This British apprehension was well aired when Denis Healey, during his visit to Kuala Lumpur in July 1966, expressed grave doubts about the Indonesian government's ability to honour the

(849) Ibid., p.395.
By contrast, at this stage Malaysia genuinely believed in the success of "rapprochement" with Indonesia, and accordingly regarded British withdrawal from the Borneo territories as a pre-requisite.(851)

Once more, we see that the two countries were moving further and further apart, not only about implementing the Bangkok Accord, but also about the future of the British forces in Borneo, which was known as East Malaysia. Concern about the Bangkok Accord, as has just been said, was evidently behind the Malaysian desire to see Britain withdraw from Borneo.(852) But at the same time, Malaysia desired to counteract British influence in the Borneo territories.

As a result, during July and August 1966 there were persistent requests from Malaysia for the withdrawal of British troops from East Malaysia, despite the fact that British military advisers were against it at that stage since the danger to these territories could not be discounted.(853) Therefore, when Healey denied any possibility of premature and total withdrawal, Tun Abdul Razak openly stated that, "obviously with the end of confrontation, British troops will have to leave the two states".(854)

Thus in July-August 1966, the British Government was

(852) Chin Kin Wah, Defence of Malaysia and Singapore, op.cit., p.122.
(853) Bruce Reed and Geoffrey Williams, op.cit., p.221.
(854) The Times, 8 June, 1966.
under mounting pressure from opposite quarters. Malaysian leaders were keen on withdrawal as soon as possible. British military were against it, whilst in Britain the critics of East-of-Suez policy were getting impatient. Finally, the British Government decided in favour of Malaysian requests while making the ratification of the Bangkok Accord a prior condition of British withdrawal. Accordingly, the British Defence Minister, after a visit to Malaysia including Sarawak, announced in London that "British troops would be withdrawn from Borneo soon after the ratification of the Bangkok Agreement, as Malaysian forces can take full responsibility for the defence of Eastern Malaysia". (855)

Later on Denis Healey, the Defence Minister, recalled that "I had an awful period in July 1966, when the Tunku was pressing us to take our troops out of Borneo and the military was against it". Healey continued, "I agreed to take them out and gamble, but both Michael Stewart and I warned them that once we had taken our troops out, it was unlikely that we would agree to send them back". (856)

Fortunately, the ratification of the Bangkok Accord materialised on 11th August and on the very next day, British troops started moving out of East Malaysia. The withdrawal was completed by October 1966. The most striking feature of withdrawal was that Malaysia never requested that British forces should withdraw from mainland Malaysia as well. On the contrary, they seemed keen that Britain should continue in the region. Accordingly, whilst "Tun

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(856) Bruce Reed and Geoffrey Williams, *op.cit.*, p.221.
Razak affirmed Malaysia's continued interest in AMDA and in the CSR's presence in the peninsula.\(^{(857)}\) no withdrawal of Commonwealth forces from West Malaysia was requested.

The rather reluctant British withdrawal from the Borneo territories in October 1966 creates certain doubts in one's mind. Why was it that the Malaysians were so keen on seeing the British forces leave Borneo, as David Hawkins has observed, "even when we were fighting in Borneo for Malaysia?" Hawkins observed that, "some Malay politicians were showing more concern for getting us out of Borneo as quickly as possible after confrontation than for resisting confrontation itself."\(^{(858)}\)

The answer can be traced to the fact that the Borneo territories, now known as East Malaysia, had been virtually under British administration even after the merger and British forces had enjoyed the local people's confidence.\(^{(859)}\) Moreover, any Malaysian plans for Malayanization of Borneo could not be successfully launched due to confrontation and the dominant British influence. "This influence was manifested in the comparative performance of British troops and administrators as well as in what Kuala Lumpur took to be British support for dissident local politicians."\(^{(860)}\) Malaysian misgivings were so deep that in September 1966, while visiting Sarawak, Tunku Abdul Rahman was

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\(^{(857)}\) Chin Kin Wah, *The Defence of Malaysia and Singapore*, op.cit., p.124.


\(^{(859)}\) Fabian Tract, "Britain and South East Asia", op.cit., pp.8-9.

\(^{(860)}\) Chin Kin Wah, *The Defence of Malaysia and Singapore*, op.cit., p.122.
quoted as saying that to him, "Sarawak [still] appeared to be a British colony".\(^{861}\) [The local leadership in Sabah was in an assertive and defiant mood in August 1965, after the separation of Singapore. Firm and swift action of the central government in removing Donald Stephens, the dissident Chief-Minister, from the federal cabinet had pacified further troubles in Sabah. In Sarawak, such an opportunity did not arise until 1966]. After June 1966, encouraged by the regional developments the Malayanization plans were taken up earnestly in Kuala Lumpur. The existing Chief Minister of Sarawak, Donald Ningkan, was dismissed on the charge of blocking the "Malayanization" of the state.\(^{862}\) His dismissal in June 1966, argued Mackie, "epitomizes essentially the same conflict between two conceptions of Malaysia as the earlier troubles in Singapore and Sabah did".\(^{863}\)

In fact, the British-dominated civil service in Sarawak favoured the liberal interpretation of "Malaysia". It made the Malaysian leadership deeply apprehensive about Britain's intentions.\(^{864}\) The situation was made explosive by the open attempts of the local leadership to seek British support against Malaysian victimization.\(^{865}\) British diplomats in the region, however, decided against intervention this time. In view of the excellent record of the British forces in Borneo, and their own favourable intentions towards the federation, these charges of

\(^{861}\) The Times, 26 September, 1966.

\(^{862}\) Denis Warner, "Malaysia After Confrontation", op.cit., pp.34–35.

\(^{863}\) J.A.C. Mackie, Konfrontasi, op.cit., p.303.

\(^{864}\) Ibid., p.33.

\(^{865}\) Hawkins, "Britain and Malaysia", op.cit., p.556.
interference perplexed British diplomats. In this connection, David Hawkins’ argument contains a grain of truth. In his opinion "Perhaps the most certain way to lose a friend is to help him too much". According to Hawkins, "In some ways our support may have been a little too enthusiastic". (666)

The manner of Donald Ningkan’s dismissal in June 1966 was one more instance of Malaysian intransigence causing embarrassment to British diplomacy. However, the growing disillusionment with the region made Britain a rather passive onlooker on Malaysian affairs after June 1966.

Yet another aspect of the Anglo-Malaysian relationship came under great strain due to the recent cuts proposed by the British Prime Minister. (667) The subsequent Malaysian request for rapid withdrawal of the British forces from Borneo, as has already been mentioned, was inspired by their desire to improve relations with Indonesia. This desire "was encouraged also by the prospect of Britain's shedding of military obligations in the process of reassessing her overseas commitments". (668) On the other hand, the Labour Government was increasingly under pressure from its own back-benchers seeking total demise of the overseas role, (669) and its efforts to mobilize the allies' support for sharing the

defence burden had not succeeded so far.

In this desperate situation, the British Defence Secretary took the opportunity to announce a major reduction of forces in the Borneo territories. (870) "In Malaysian eyes, the British withdrawal from Borneo could have been faster. But a sudden rundown of British forces to below the pre-confrontation level would have created difficult gaps, on account of Britain's refusal of additional defence aid". (871) However, difficulties soon emerged on the question of the transfer of equipment to Malaysian forces in the Borneo territories, as well as about the amount of defence aid. (872) The British Government was hard-pressed on the economic front and was not in a position to satisfy Malaysian demands. The Malaysians in return started to look elsewhere for their development requirements. (873) But Malaysian bitterness about the British attitude was made amply clear when Tun Razak was reported in The Times as saying "it is not the Malaysian habit to go begging". (874) Malaysian assertion of independence from British influence became a regular feature of their foreign policy in the post-confrontation period. (875)


(872) Ibid.,


The last instance of wrangling over defence aid occurred in October 1966, when the British authorities made it clear that the expense of any logistical support activities had to be met by the host government in Borneo. Tension was aggravated by the fact that "a measure that seemed an economy to one party, was seen quite differently by another".\(^{(876)}\) For the Malaysian Government, the incident was still further evidence of Britain's unwillingness to share the Malaysian defence burden in the post-confrontation era.

These Anglo-Malaysian differences, however, never reached an alarming stage due to the closeness of their mutual interests. But in June 1966 and onwards, both countries slowly but steadily moved in different directions.\(^{(877)}\) Consequently, these differences were more sharply noticeable in late 1966. By the middle of 1966, it was already acknowledged in Kuala Lumpur that Britain had lost its previous strength and would sooner or later have to withdraw to Europe.\(^{(878)}\) On the other hand, "after nearly a decade of independence, Malaysian leaders were facing the realities of regional politics for the first time and non-alignment seemed the obvious choice open to them".\(^{(879)}\)

Moreover, Britain now felt more secure in NATO and Europe.\(^{(880)}\) The Malaysian leaders perceived non-alignment as the

\(^{(876)}\) Chin Kin Wah, The Defence of Malaysia and Singapore, op.cit., p.134.


\(^{(878)}\) Parliamentary Debates, Devan Ra'ayat, Malaysia, Third Session, 16 June 1966, p.653.

\(^{(879)}\) J. Saravanamuttu, op.cit., 73-74.

only way to survive in the highly polarized balance of power in South east Asia.\textsuperscript{(881)} As a result of these internal factors, then, the two countries drifted further apart in their choice of foreign policies.\textsuperscript{(882)}

However, towards the close of 1966, British foreign policy had embarked upon a new course indicated by the debate on the East-of-Suez role. Consequently, the Anglo-Malaysian relationship also entered a new phase at this stage. It is to this last phase of the relationship that we now turn our attention.

IV

Anglo-Malaysian Relations: The Termination of a Special Relationship, October 1966 – December 1967

In this last section, we encounter an entirely different perspective within which British foreign policy towards Malaysia was operating. The perspective was comprised of two situations. One was that the debate on East-of-Suez policy entered its last phase, \textit{the first time}, and second was that since its independence the Federation of Malaya/Malaysia was not under any external or internal threat. In order to understand British foreign policy towards Malaysia in the last phase, we must examine the nature of these two elements in turn.

The East-of-Suez policy had been a dominant factor since 1957, but in October 1966 and afterwards its

\begin{itemize}
  \item \textsuperscript{(881)} Parliamentary Debates, Devan Ra'ayat, Malaysia, Third Session, 20 June 1966, Cols.863-865.
\end{itemize}
importance was greatly enhanced.\(^{(883)}\) The national debate on Britain's special "role" which had started in 1965 finally reached its climax in 1967. The Command Paper Cmnd. 3203: Statement on Defence (1967) made its appearance on 28th February 1967, and soon afterwards embroiled both supporters and critics of the overseas role in a new controversy. The Government had partially acknowledged the critics' points, but nevertheless desired to maintain Britain's commitments to its allies on their existing level.\(^{(884)}\) At the same time, however, the Government was committed to cutting the cost of defence and reducing the strain placed on the armed forces.\(^{(885)}\)

This curious policy of cutting the forces, but not the defence task, had been a familiar one since 19\(\ldots\). Nevertheless, in 1967, the gap between Britain's overseas commitments and overall economic and defence capability had grown far too large to be ignored any longer. However, the defence paper, whilst referring to confrontation, also made it clear that, "Britain should not have to undertake operations on this scale outside Europe".\(^{(886)}\) But on the other hand, a small presence outside Europe was supposed to be essential to provide stability so that "the friendly countries could live in peace and work for economic upliftment".\(^{(887)}\) Absence would have been most fatal in South


\(^{(884)}\) Saul Rose, "The British in Southeast Asia: Retreat from Empire", Round Table, Vol.LXX. No.239, p.574.


\(^{(886)}\) Ibid., para.25.

\(^{(887)}\) Ibid., para.25.
East Asia, where it was feared that, "British withdrawal would both increase local turmoil and create a vacuum which would largely be filled by the communist powers".\(^{(888)}\) For the maintenance of this small presence, a naval base in the Indian Ocean was favoured. It was hoped that, "these arrangements would offer us greater flexibility in our future defence planning, particularly in relation to the Far East".\(^{(889)}\)

In relation to Malaysia, however, the Defence Paper did not show a similar enthusiasm. The Paper quoted Tun Abdul Razak thanking the British and the allies for help received during the confrontation period. The paper proudly added on counter-confrontation operation that, "It was a fine example of what British forces can do outside Europe to maintain international stability. Without their contribution to the Commonwealth efforts, much of South east Asia might have collapsed in disorder, perhaps inviting competitive intervention by other powers with the consequent risk of general war".\(^{(890)}\) Nevertheless, the paper stated that, "with the end of Indonesia's confrontation, all our troops will be withdrawn from East Malaysia. From April 1967, the number of troops in the command will be reduced to 30,000".\(^{(891)}\)

It is worth mentioning here that the government refused to

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\(^{(889)}\) Cmnd.3203, op.cit., para.27.

\(^{(890)}\) Ibid., para.22.

\(^{(891)}\) Ibid., para.25.
fix a final date for total withdrawal.\(^{(892)}\) Warning against any rash decision, Healey argued that, "Before we fix a date in this way, we must have an idea of what will happen when we go". His contention was that "We must give our diplomacy a chance to construct a different basis for the security of the countries which we are leaving".\(^{(893)}\)

More precisely, the Government decided against any total withdrawal, although Denis Healey announced a substantial reduction of force in the Far East. Perhaps, more significant was the fact that for the first time it was accepted that this reduction might impair the naval bases in Singapore.\(^{(894)}\)

Healey's announcement caused yet another uproar in Singapore and Malaysia. Although both countries had adjusted to the idea of a gradual withdrawal the proposed speed was staggering.\(^{(895)}\) The Malaysian Government started to solicit support from AMDA allies, but got only evasive answers.\(^{(896)}\) Despite the repeated assurances of the Defence Paper, there was a growing possibility of an even bigger withdrawal. Accordingly, Denis Healey visited Kuala Lumpur and Singapore in April 1967 to make the necessary

\(^{(892)}\) For the arguments in favour and against the total withdrawal at this stage, see J. Frankel, "East of Suez: The Aftermath", op.cit., pp.20-26.


\(^{(894)}\) Ibid., Col.103-4.

\(^{(895)}\) Saul Rose, "The British in Southeast Asia", op.cit., p.574.

arrangements.\(^{(897)}\) He started negotiations with the concerned governments "over the further cut of 20,000 servicemen by April 1968", and offered a substantial amount of aid to absorb the shock.\(^{(898)}\)

If we compare the events of July 1966 with those of July 1967, a total contrast is visible. In July 1966, the Malaysians were showing signs of impatience with the British presence and were pressing hard for Britain to withdraw. But in July 1967 and afterwards, it was the Malaysian leadership who felt duly concerned about the announcement of Britain's withdrawal.\(^{(899)}\) The Malaysian government, quite understandably, tried to dissuade Britain from this irreversible decision.\(^{(900)}\) These Malaysian attempts were tarnished, however, by a "sort of Afro-Asian shame", for seeking protection from an ex-imperial power.\(^{(901)}\)

The reasons for this change in the Malaysian attitude towards Britain can mainly be found within recent developments in British foreign policy itself. The British foreign policy which favoured an overwhelming presence in South East Asia had been intimately linked to Malaysian security requirements.\(^{(902)}\) In the event.

\(^{(898)}\) Chin Kin Wah, The Defence of Malaysia and Singapore, op.cit., p.136.
\(^{(899)}\) Robert O'Tilman, op.cit., pp.131.
\(^{(900)}\) Leonard Beaton, op.cit., p.540.
\(^{(901)}\) Ibid.
the Indonesian confrontation against Malaysia had provided the raison d'être for the British "special role" in the region until 1966. But the turn of events in South East Asia between October 1965 and August 1966 had rocked the foundation of this policy. J.D.B. Miller's observation that, "the closer Indonesia comes to Malaysia, the more colonialist the British will look", certainly contained some truth. The penny had already dropped in London. In fact, Kenneth Younger regarded the year 1967 as a favourable time to start the process of disengagement from South East Asia. His reason for believing this was that "the Indonesian-Malaysian confrontation has just ended and China is in a poor condition to contemplate overseas adventure". Moreover, in Younger's opinion, it was also a good moment to put some pressure upon the governments of Malaysia and Singapore to make the mutual adjustments demanded by the altered complexities generated by the post-separation era.

Apart from making their presence felt in higher circles, these events also encouraged the critics of the East-of-Suez presence. During 1966-67, as a result, there was an unexpected rise against East-of-Suez presence in the British Parliament. Finally, the decision pronounced by Cmd:3356 in July 1967 in favour of

(903) Ibid., pp.123-124.
(904) J.D.B. Miller, "British Interests and the Commonwealth, op.cit., p.189.
(905) Ibid.
(907) Ibid.
of phased but total withdrawal by the end of 1975 was the "death-knell of the British Empire East-of-Suez", according to Richard Crossman, who was one of the major opponents of the policy. In his opinion, the decision was "abandonment of all that Harold and Herbert Bowden, and George Brown and Denis Healey were saying only a year ago". (909)

Undoubtedly, Britain's reversal of its East-of-Suez policy was the major motivating factor behind Malaysia's reconsideration of its international standing, as well as of its own attitude towards Britain. (910) Therefore, in May 1967, when Denis Healey acknowledged that the "base facilities in Malaysia and Singapore exceeded Britain's requirements", (911) the Malaysian government was genuinely alarmed. (912)

The Malaysians were worried mainly on three accounts. Firstly, about the future of the Anglo-Malaysian Defence Agreement; secondly, about the future security of Malaysia; and thirdly, about "the possible adverse effects withdrawal could have on economic and political stability". (913)

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(909) Richard H. Crossman, Diaries of a Cabinet Minister, Vol.II, Hamish Hamilton, London. 1972, pp.411-412; Crossmans view's on the end of imperial era were also echoed by J. Frankel in his long article, "East of Suez: The Aftermath"; op.cit., pp.20-37. Other leading authorities in this field also hold similar opinions.


(911) Chin Kin Wah, The Defence of Malaysia and Singapore, op.cit., p.137.


Malaysian concern was in total contrast to Tunku Abdul Rahman's Independence Day message in 1966. "We are determined", the confident Prime Minister of Malaysia had declared, "to make this country economically sound, so that political and economic changes elsewhere, such as in Britain, do not disturb us".  

The purpose of the Malaysian Prime Minister's visit to London in June 1967, accordingly, was to seek clarification on the future of British commitments to AMDA in particular and to South East Asia in general. The talks in London, according to a Malaysian source, covered all the relevant problems. The Malaysian request for the continued presence of CSR on their territory was favoured by Britain, only because such a force, "would have been truly a Commonwealth concept and an integral concern". However, on the future of AMDA, Britain outlined a three cornered strategy. It was decided that during the withdrawal period ie. until 1975, there should be sufficient British sea and air forces in the area. "The main purpose of this presence", according to Kenneth Younger was "to enable the governments of the area to sort out their relations with one another and to begin to establish new patterns of regional cooperation", within this period.

(915) "The British Withdrawal was planned in three phases. Phase I, withdrawal of 10,000 men by April 1968; Phase II, Further withdrawal of 20,000 men by 1970-71; Phase III. Total withdrawal by the middle of 1970's". See J. Saravamuttu, op.cit., p.75.
(916) Foreign Affairs: Malaysia. Vol.1, No.6, September 1967 p.35.
(917) Kenneth Younger, "British Interests and British Foreign Policy", op.cit., p.348.
(918) Ibid.
In the second phase ie. after 1975, Britain assured Malaysia that it would maintain a sufficient number of reserve forces at home. These forces would be airlifted to Malaysia in case of an emergency. Finally, Britain welcomed the Malaysian proposal to convene a five powers conference on regional defence at Kuala Lumpur.\textsuperscript{(919)} However, to help Malaysia "in absorbing the initial shocks of transformation", Britain made an offer of considerable economic aid over a five-year period. The amount offered to Malaysia was £25 million, plus all the British military installations on her territories.\textsuperscript{(920)}

The last phase of the Anglo-Malaysian relationship is marked by a growing maturity on either side. The British Government had abandoned most of its delusion about its "special role" in the East-of-Suez region by July 1967.\textsuperscript{(921)} Although William Rodgers, the Minister of State for Foreign Affairs, had already acknowledged in July 1967 that, "we no longer bask in the sunshine of mid-Victorian England",\textsuperscript{(922)} the Prime Minister was still optimistic about the benefits of an East-of-Suez presence. Harold Wilson accepted in his memoirs that, he "was the last one to be converted".\textsuperscript{(923)} This conversion, more specifically, came in late 1967, under economic pressures.\textsuperscript{(924)}

\textsuperscript{(919)} Ibid., pp.35-36.
\textsuperscript{(920)} J. Frankel, "East of Suez: The Aftermath", op.cit., p.31.
\textsuperscript{(922)} Philip Darby, op.cit., pp.322-325.
\textsuperscript{(924)} Kenneth Younger, "British Interests and British Foreign Policy", op.cit., p.345.
The Malaysian government, for its part, had started to widen its international horizon by establishing new contacts with the West, with non-aligned, and even with some communist countries.\(^{(925)}\) The Malaysian attitude towards Britain had also assumed a new understanding in place of the former bitter, moralistic tone. Against this background, it was not surprising that the questions of the redundant labour force and the amount of compensation to be paid by Britain were solved without any acrimony. Malaysian appreciation of Britain's economic problems now made them rather fatalistic in their response to the withdrawal. For example, when Britain decided on December 18, 1967, to withdraw even earlier than had been announced in July of that year, the Malaysian response was resignation to fate. This acceptance of the inevitable was apparent in Tunku Abdul Rahman's reflection on the British volte face. "A lot of anxiety and fear have been shown recently with the impending British withdrawal of their troops from Malaysia and Singapore", Tunku observed, adding that, "Now we have got to see how best we can defend ourselves".\(^{(926)}\) According to Dr. Mahathir, a critic of Pro-British policy, at long last, Malaysia was able to detach itself from the "British apronstring complex", and has started to "emerge with its own distinctive international personality".\(^{(927)}\) Malaysia had indeed come of age.


\(^{(926)}\) Tunku Abdul Rahman's address at Jakarta Club, on 5th March 1968, Foreign Affairs: Malaysia. Vol.1, no.7 and 8 March 1968, pp.81-82.

\(^{(927)}\) Dato Abdullah Ahmad, op.cit., p.10.
Conclusion

At the close of our study, we may now consider the broader significance of our thesis for the interpretation of international politics at large. We may ask, more specifically, what light it sheds on the principal theories of international politics.

In the field of international politics, we come across a wide range of theories of various levels of generalization. However, most of these are either too narrow or too broad to be of much value for our purpose. With this in mind, we will concentrate on the more important middle range theories. These may be divided into four groups. The first group is composed of power theory. The second group consists of theories which relate foreign policy to tensions inherent in democratic societies. In the third group are those theories which lay particular emphasis upon nationalism. Finally, in the last group are theories which stress the primacy of economic over political considerations. We will consider each of these groups in turn.

Power Theory

The supremacy of power in politics has been extolled by various political philosophers from Machiavelli to the present day (928). However, a central position in the realm of international politics was only assigned to power during the last quarter of the nineteenth century, as the optimistic vision of inevitable progress towards an enlightened and harmonious world order started to wane. Such optimism received a decisive set back

as a result of the two world wars and the rise of two super powers. After 1945, in particular, the theme of a constant struggle for power is taken up as the key to interaction between states. This concept of power has various aspects of which stress upon the balance of power, supremacy of national interests, collective security and alliance strategy are the most familiar.\(^{(929)}\)

From a purely theoretical point of view, the best post-war representative of power theory is Hans J. Morgenthau, the leading exponent of "realism in politics". According to Morgenthau, the key to understanding the intricacies of politics is "the concept of interest defined in terms of power".\(^{(930)}\) The adoption of realism in the study of politics, Morgenthau maintains, has the great advantage of removing "the concern with motives and ideological preferences",\(^{(931)}\) thereby rendering the study of world political order rational and scientific.\(^{(932)}\) Before attempting to assess the relevance of this theory for our thesis, however, it is necessary to consider some of its component parts more closely.

In its most familiar form, power theory finds expression in the concept of the balance of power.\(^{(933)}\) Although the meaning


\(^{(931)}\) Ibid.


\(^{(933)}\) Inis L. Claude Jr., op. cit., pp. 13-68.
of this concept has changed very greatly over the centuries, its continuing relevance is rightly insisted upon. In theory the balance of power denotes an ideal situation of equilibrium, and the attempt to keep it in one's favour is supposed to be the moving force behind every nation's actions.

A second concept closely associated with power theory is that of national interest. Raising it to the level of raison d'état, classical theorists like Meinecke regarded it as "the fundamental principle of national conduct, the state's first Law of Motion". In the course of developing the concept of raison d'état, Meinecke argued that, "the well-being of the State and of its population is ... the ultimate value and the goal; and power, maintenance of power, extension of power is the indispensable means which must - without qualification - be procured."


(938) Friedrick Meinecke, op. cit., p. 1.

(939) Ibid., pp. 2-3.
It is this thought which is echoed by thinkers like Morgenthau when he asserts that the survival of a state is the supreme value and "can best be served by the acquisition, maintenance and extension of a nation's power". (940)

The concept of security as the primary national interest adds a third dimension to power theory. (941) This third dimension leads us to the concept of collective security and its corollary, alliance strategy. (942) Both these concepts are concerned with the practical affairs of a nation and represent power theory in its material rather than abstract form. (943)

Power theory, then, has been perhaps the most controversial theory of international politics. The pluralist criticises it for treating the state as the sole actor; the moralist condemns it for being too crude and debasing basic human goodness; the sceptic criticises it for insisting on rationality at the cost of irrational elements; and the internationalist criticises it for being Eurocentric. (944) However, a detailed critique of power

(943) Liska, op. cit., p.12.
(944) For the critique of power theory see Raymond Aron, "Beyond Power Politics", in Peace and War: A Theory of International Relations, Weidenfeld and Nicolson, London. (Continued overleaf)
theory in general is not our concern at present. What concerns us is whether this theory sheds any light on any important aspect of British foreign policy towards Malaysia.

In its most familiar form, power theory helps us in understanding Anglo-Malaysian relations by relating them to the shift in the world balance of power brought about by the Second World War. This shift was inimical to British imperial status, forcing Britain as it did out of her imperial strongholds in Asia and Africa. The best illustration of this approach is Sir Oliver Franks, Britain and the Tide of World Affairs. In addition, F.S. Northedge, Descent from Power: British Foreign Policy 1945-1973 approaches the subject in a similar way.

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(944) Continued from overleaf. 1966, pp. 703-766;


One of the most convincing explanations for the British policy of decolonisation and withdrawal from Malaysia has been advanced by the defenders of national interest and strategy theory. For them, the defence needs of the British Raj in India were the sole determinants of the British acquisition of the South East Asian colonies. To some extent, this argument can be supported by historical developments in the eighteenth and nineteenth centuries. According to strategy theory, the fact that India had been given freedom in 1947 meant that no reason could be given for retaining the colonies in South East Asia. As a matter of fact, after 1947, British withdrawal could not be postponed for long. Although every scholarly work touches upon this point in passing, Philip Darby's *British Defence Policy East of Suez* (947) is the best illustration of this way of thinking. For Darby, the key to British policy is contained in the prophesy made by Lord Curzon in 1902. Curzon's prophesy was that, "when India has gone and the great colonies have gone, do you suppose that we can stop there? Your ports and coaling stations, your fortresses and dockyards, your crown-colonies and protectorates will go too. For either they will be as unnecessary as the toll gates and barbican of an empire that has vanished, or or they will be taken by an enemy more powerful than yourself". (948)

In addition to Darby, studies conducted by C.J. Bartlett, Alastair Buchan and Michael Howard are amongst the more interesting examples of national interest and strategy theory. (949)

(947) Philip Darby, op.cit.,
(948) Ibid., p.1.
(949) C.J. Bartlett's *The Long Retreat*: (Continued overleaf)
Although the national interest and strategy theories give us sound and deep insight into policy motivations, these are nevertheless partial and are not concerned for instance, with either domestic or economic factors. The third dimension of power theory, i.e., collective security and alliance strategy, has proved to be of considerable help in theorising about the Anglo-Malaysian relationship. M.V. Naidu, in his Alliances and Balance of Power: A Search for Conceptual Clarity, attempts to theorize on regional/selective alliance. According to Naidu, the solidarity of this type of alliance depends upon two elements — common fears and common interests. "When the common external threat", Naidu argued, "recedes into the background or is overcome, the most powerful reason for alliance is destroyed, which in turn greatly dilutes other elements of solidarity..."(949) This applies equally forcefully to the demise of AMDA, as has been demonstrated in Chapter V of our thesis. Another argument made in the thesis, which was that restrictions were placed on Britain by its very preponderance of power vis-a-vis Malaysia, is also strongly reinforced by Naidu's arguments. The stronger power, contends Naidu, "would naturally


like to convert its military strength into political power. 
Ironically, however, such demands for the exercise of political
power ... usually become the very reason for the resentment of the
follower or client states and also for the erosion and breakdown
of the alliance."(951) Needless to say, — AMDA was subjected to
similar pressures in August 1965 and again in 1966. Throughout
these ten years i.e. 1957-67, any British attempt to exercise
political influence was deeply resented in Kuala Lumpur and only
ended with negative results. The separation of Singapore and the
role played by British intervention in domestic affairs of
Malaysia prove this point. Moreover, the extraordinary freedom
that Malaysia had enjoyed vis-a-vis Britain within Anglo-Malaysian
relations, is also hinted at by this theory."(952)

Power theory is on still firmer ground when strategic
considerations are taken into account. In strategic terms, the
crucial position of Malaya and Singapore cannot be denied during
the pre-Second World War period. However, the independence of India
destroyed at a stroke the basic structure of British imperial
pretensions: henceforward, there was simply no point in Britain
maintaining a large number of forces in South East Asia. Yet, in
spite of this, Britain still continued to station forces on
Malaysian soil —— until the nineteen seventies. Lastly, it should
be mentioned that the final decision to withdraw was necessitated
as much by economic and political considerations as by strategic
ones.

Power theory, then, may certainly claim superiority over

(950) M.V. Naidu, op.cit., p.28.
(951) Robert L. Rothstein, Alliances and Small Powers, Columbia
other theories by virtue of its ability to accommodate various external factors such as the rise of super-powers, the cold war, the rise of nationalism in Asia and Africa, and the communist ideological threat to British imperialism. However, it does not provide a completely satisfactory design for the analysis of British foreign policy since it ignores the constraints imposed on foreign policy by domestic factors. This theoretical limitation is partially removed by the next model, which places domestic constraints at the heart of its concern.

(b) Models of foreign policy in democratic society

In this group we may place theories which focus on a fundamental tension between the domestic requirements of a democratic society, on the one hand, and the harsh realities of international politics, on the other. This tension consists in the fact that in a democracy internal "soft" demands like welfare, full employment, housing etc., tend to gain ascendency over the "hard" demands of defence and foreign policy. James Rosenau, the pioneer in this field, has attempted to give some decisive insights into this external vs. internal factors controversy. On the basis of a lengthy quantitative exercise, he has announced that in comparison with external factors, "greater potency occurs in


internal factors". (954) In addition, democratic ideology favours open politics and the politics of consensus. (955) Since the government owes its power to popular goodwill, it is under constant pressure from the electorate. As a result, the policies adopted by [such a society] are subjected to many different influences". (956)

Kenneth Waltz, in Foreign Policy and Democratic Politics, critically examines these assumptions in a comparative study of decision-making in the U.S.A. and the U.K. (957) Empire to Welfare State, English History 1906–1967 (958) by T.O. Lloyd is another illustration of this approach. Lloyd examines the gradual development of new trends of "mass-politics", a worldwide phenomenon after the First World War. This phenomenon is exemplified by two powerful currents which have swept the world since then, viz. the rise of organized labour movements, and the spread of nationalism in Asia and Africa. Both these

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(954) Ibid., p.142.
developments for him were instrumental in undermining the imperial status of Britain.

A similar view has been adopted in the so-called 'linkage' theory of politics. (959) In *Linkage Politics*, James N. Rosenau argued that the degree of domestic support required for the execution of foreign policy decisions determines the extent to which domestic pressure can be successfully applied to the conduct of foreign policy. (960) Rosenau also argued that a particular society might be too open to outside influences, making it particularly vulnerable to external pressures. Rosenau tested the linkage politics model on two British experiences: the decision to join the EEC, and the Suez Crisis in 1956. In the second example, Rosenau argued that because of its over-dependence on the U.S.A., the British government could not hold out against increasing American pressure to abort the Suez invasion in 1956.

Another major explanation offered by theories of democracy is that there has to be a balance between the domestic support structure and foreign policy. In the British case, there was an imbalance between British commitments and capabilities which dangerously increased after 1957, due to the substantial cuts in defence expenditure, the rising cost of armaments, the growing complexities of world politics and general British inability to

(960) This view has been shared by Harold and Margaret Sprout, "Environmental Factors on the Study of International Politics", in James N. Rosenau, (ed.), *International Politics and Foreign Policies*. op.cit., pp.411-56.
curtail her commitments to an appropriate level. \(^{(961)}\) This growing imbalance, coupled with the worsening economic situation, finally compelled the reluctant British government to relinquish its world role, and to decide upon complete withdrawal from East-of-Suez in 1968. \(^{(962)}\) An insider's view of the problem has been recorded by Christopher Mayhew *Britain's Role Tomorrow*. \(^{(963)}\) Mayhew, who was minister for the Navy in Harold Wilson's cabinet, resigned in 1966, in protest over cuts in defence made without any concomitant cuts in naval responsibilities.

Another valuable variant of democratic theory is what has been termed the perception model. "We act according to the way the world "appears" to us, not necessarily according to the way it "is"", as Kenneth Boulding has argued. Not only that, "but the images which are important", he contends, "are those which a nation has of itself and of those other bodies in the system which constitute its international environment". \(^{(964)}\) Perhaps the most important amongst these images is the image of its own strength or


weakness. This image is based on its notions about its "economic resources and productivity, political organization and tradition, willingness to incur sacrifices and inflict cruelties and so on". (965)

It has been argued that shifts in the perception of national priorities were responsible for the decision taken in 1967 leading to total withdrawal from East-of-Suez. In this connection, D.C. Watt's, Personalities and Policies, Studies in the Formulation of British Foreign Policy in the Twentieth Century (966) is worth mentioning. It is argued there that the government's perceptions of national aspirations and needs played a far more decisive role than appeared to be the case on the surface. Watt's thesis is that their involvement in the Second World War distorted the ruling class's perception of British power by nurturing the illusion of British great power status. It was only the brutal shock of the Suez debacle, in 1956, that shattered that illusion. The memoirs of Anthony Eden are the best illustration of this phenomenon. (967) To a large extent, however, Harold Wilson's memoirs provide a similar illustration of failure to adjust to the changes in the overseas role until forced by a series of economic

(965) Ibid., p.426, Kenneth Boulding's view has been supported by Margaret Hermann, "Leader, Personality and Foreign Policy Behaviour", in Comparing Foreign Policies: Theories, Findings and Methods, ed. by J.N. Rosenau, op. cit. pp.201-234.
Suggestive though they are, these democratic theories of foreign policy formulation do not give sufficient insight into the conduct of British foreign policy in the period under study. Whereas the balance of power theories emphasise international factors at the expense of domestic factors, the democratic theories go to the opposite extreme, concentrating upon domestic constraints at the expense of external ones.

(c) Theories of Nationalism

In the analysis of post-war international relationships between imperial and post-colonial states, theories of nationalism offer one of the most interesting frameworks within which to analyse and interpret both the pre-independence and post-independence situation. Three better known interpretation of nationalism, i.e. liberal, Marxist and conservative, are worth our consideration in this section.

The first of these interpretations is the liberal view, according to which any kind of foreign rule is undesirable because it hinders the moral, cultural, political and social development of the subject people. Therefore, freedom from alien rule is the sacred right of every nation. This freedom, it is held,


(969) Inspired by the liberal-idealist philosophy of Kant, the German philosophers like Fichte, Schilling and Herder developed nationalism as a political doctrine. Prominent English philosophers like Edmund Burke and J.S. Mill extended it into a liberal-humanist principle. Finally, the Fourteen Points expounded by President Wilson of U.S.A. in 1918 gave it pacifist and populist support.
requires that a truly independent nation shall sever all externally imposed links with its colonial past; only self-imposed or chosen limitations on national freedom, that is to say, are acceptable. Any other kind of link with the former ruler is incompatible with self-government and compromises independent nationhood.

What is important for the present discussion, however, is the fact that nationalism does not evaporate into thin air after the achievement of independence. This is because it always entails a vision of a future society. During the post-independence period, however, nationalism meets the tough challenges posed by various other loyalties prevalent in traditional Asian societies. On the one hand, when devoid of a common enemy, nationalism starts losing its original dynamism. On the other hand, it becomes more conservative because it is now the ideology of the ruling elite. Saul Rose commented on the second phase of Asian nationalism that, "Because the new states of Asia (in the second stage of nationalism) are primarily concerned for their survival, their policies are taking a more pragmatic, less dogmatic form". (970)

Apart from this liberal view, another interpretation of nationalism comes from Marxist-Leninist theory. However, since this then tends to relate nationalism exclusively to economic factors, it will be discussed in the next group of theories.

The third interpretation of nationalism is proffered by the conservative school of thought. In total contrast to Marxist-Leninist belief, the conservative argument is that it was not economic exploitation but the very nature of European rule itself which had a destabilising impact upon the traditional societies of

Asia. Kedourie, for example, has argued that it was mainly cold and impersonal European administrative methods that were responsible for encouraging the spread of nationalist sentiment. Above all, Kedourie holds, adoption of the European belief in, "literacy as an ideal and as a technically feasible goal," completed this vicious circle.

According to Kedourie, it was the political instability of the colonial world that compelled Britain to step in and assume the responsibilities of government. The case of India in the eighteenth century is given as the principal evidence for this view, but Malaya in the nineteenth century is also subsumed under the same general thesis. The subsequent decline of the British empire is attributed to the spread of nationalism in Asia and Africa. The movement of nationalism from Europe to the imperial territories is regarded as the unforeseen and unintended consequence of British imperial domination. In the post-Second World War years, under pressure from the super powers and hostile nationalist movements throughout the Empire, Britain was ultimately forced to grant independence to the colonies.

According to this interpretation, the final decision to withdraw was

(972) Ibid., p. 27.
(973) Ibid., p. 29.
(974) Ibid., pp. 11-13.
taken under nationalistic pressures rather than due to any economic or military weaknesses.

How well does any of these explanations fit the facts, as they have emerged in the course of our research?

If we now attempt to locate British policy either before or after the independence of Malaya within the above mentioned framework of Asian nationalism, the endeavour frustrates us completely. As T.H. Silcock and Ungku Abdul Aziz have stated in an article already quoted, "It is hardly possible to make any generalisation about nationalism in Asia that will not be falsified in Malaya. Whether we consider the relation of nationalism to colonial rule, or its relation to religion, or its relations to economics, we shall find that the simple truism will not work." (976)

Unfortunately, none of these interpretations of nationalism seems to offer a plausible explanation for the course of Malaysian history, either before or after the grant of independence. It may be conceded, in the first place, that the original British contact with the Malay peninsula was made for strategic reasons. Nevertheless the peninsula gradually grew in economic importance to such an extent that other considerations dropped into the background. There was of course a need to enforce law and order, but despite that, Malaya was never placed directly under British rule, as India, for example, had been before 1947.

Secondly, the one and a half centuries of British presence in Malaya did not create a significant body of anti-British nationalist sentiment among the inhabitants of that country. (977)

(976) Aziz and Silcock, "Nationalism in Malaya", in W.E.Holland, op. cit., p. 269.
(977) Ibid., p.365.
At any rate, it was certainly not Malayan nationalism that compelled Britain to grant independence in 1957. Nor, once again, was it the Malaysian nationalist opposition which led Britain to terminate its special links with the region in general, and Malaysia in particular, at the end of 1967. Thus despite their sky-high claims, the theories of nationalism fail to render any plausible explanation for our thesis. Hence, we turn to the last group which is that of primacy of economic factors over the political ones.

(d) **Theories of Economic Determinism:** Whilst theories of nationalism would postulate that hostile nationalist forces compelled Britain to withdraw, another fashionable view attributes that withdrawal solely to economic factors. This view, which is largely based on Marxist doctrine, depicts the relations between a 'colony' and the 'metropolis' in terms of dependency theory. According to this theory, the history of the British empire in the second half of the twentieth century is essentially a history of the British attempt to exploit colonial resources for the imperial cause, whilst the Commonwealth and dependent territories were primarily meant to provide a market, as well as support for the Sterling Area. But first, let us look at the general doctrine itself.

The primacy of economic over political factors in shaping the course of events in the international sphere has been asserted

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by a long line of scholars extending back to J.A. Hobson.\(^{(980)}\) It is "the capitalist - imperialist forces which are the pivot of financial policy", Hobson maintained. Although this "does not mean that other forces have no independent aims and influences", economic considerations are nevertheless, he said, "the true determinant of actual policy".\(^{(981)}\) According to this classical position, domestic capitalist economies commonly maintain themselves by expanding into new overseas territories, where the exploitation of natural resources and the creation of new markets stave off the emergence of internal crisis.

According to the proponents of this theory, the primacy of economic relations in the interstate sphere has not diminished in the post-imperial period. Appearances to the contrary notwithstanding, it continues under new forms, to which the new name of neo-imperialism may be given.\(^{(982)}\) In this revised version of economic determinism, the neo-imperialists try to maintain their political hegemony in the post-imperialist era by "safeguarding foreign markets and investments, by protecting present and potential sources of raw material, by controlling the sea and air communication routes, by preserving spheres of influence, by

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\(^{(981)}\) J.A. Hobson, op.cit., p.96.


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creating new opportunities via military and economic aid; and finally by maintaining the structure of world capitalist markets ..." (983) Thus while granting independence, the old imperialists try to retain control over their economic system.

Amongst the various attempts to apply this theory to Britain, two divergent views are to be found. One view is represented by R.F. Holland, for whom British decolonization since 1945 is to be explained in terms of domestic economic factors. Holland stresses in particular the significance of the colonies as commodity producers and as "counter-inflationary cushions" for the metropolitan British economy. In the post-war world, he argues, the economic demands of the metropolis led the Attlee administration to drop any colonies that were "net liabilities", whilst simultaneously "maintaining a grip on those (largely African) possessions which remained banmable assets." (984) In the course of applying this analysis, Holland divides post Second World War imperial policy into three phases. (985) The first phase extends from 1945-1949, and is marked by a growing British dependence on the colonies for economic support against U.S. financial pressures. The result was the grant of independence to unproductive colonies and the retention of the profitable ones, like Malaya. The second phase,

(985) Ibid., p.183-184.
Holland maintains, extends from 1949 to 1956. During this period, British policy was inspired by a desire to convert the colonies in Africa and Asia into independent, economically and politically viable countries, united by loyalty to the Commonwealth. The result was a flow of aid into colonial development programmes. By 1955, however, the British government was doubtful about the outcome of the scheme, being particularly concerned by the prospect that the British Exchequer might become a "milch-cow" since the economically sound colonies did not show any sign of assuming their own financial responsibilities.\(^{(986)}\) As a result, a third and final phase, which coincides with the post-Suez era, is marked by "a new bureaucratic hostility towards the colonial connection."\(^{(987)}\) During the nineteen sixties, any remaining connection with the economically unprofitable colonies was therefore systematically attacked by Labour and Conservative supporters alike. By severing this connection, the Conservatives hoped to redress the balance of payments deficit, whilst Labour supporters hoped to increase welfare activities at home.

Although Holland's analysis is occasionally illuminating, his work as a whole involves absurd oversimplifications and outright distortion of historical facts. For example, in the case of Malaya, Holland contends that the proposed Union of Malaya in 1946 was intended to "free Chinese entrepreneurship from some of the constraints long imposed by cautious administrators and fiercely conservative Malay Sultans."\(^{(988)}\) Far from being true, this statement conflicts at every point with the well-documented pre-
war history of the Chinese community in Malaya. It ignores, for example, the racial, religious, political and economic roots of the historical situation. The Chinese community in post-war Malaya did not need to be "freed from restraints", for the simple reason that in modern Malaya they always had enjoyed a near monopoly in the economic sector. In a somewhat similar spirit, Holland argues that the communists in Malaya were fighting "to prevent the metropole mapping a future in which their group interests (as landless peasants and wage earners...) were likely to get scant respect." Once again, the argument only leads one to ignore the complex factors behind Malayan insurgency.

The other view found within this framework is represented by B.R. Tomlinson. In contrast to Holland, Tomlinson gives a more balanced view. His argument is that the changes in the structure of the world economy in the present century "have meant that the ability of the imperial powers to get what they wanted out of their colonial possessions was constantly weakened." It is not an adverse balance of power, but structural economic changes on a global scale, which must be held responsible for the decline of British power. Although in basic agreement with Holland's argument that the colonies were exploited by the metropolitan imperial power, the depth and width of Tomlinson's approach makes

(990) Holland, op.cit., p.175.
(991) B.R. Tomlinson, op.cit., p.70.
his whole analysis much more satisfactory.

Nevertheless, Tomlinson's excessive stress on external economic factors leads once more to over-simplifications and distortions. For example, he asserts at one point that "Britain could only dominate the world economy and act as a successful imperial power so long as other nations chose to use the City of London as the contact point for their bilateral and multilateral economic relations."

This, however, does not explain how the faith of other nations in the City of London was generated, a matter which is of course wholly inexplicable, unless some account is taken of the internal structure of the British economy. But that is precisely what he systematically ignores in his enthusiasm for the determining role of external factors. Likewise, his other argument, which is that the deprivation of development funds undermined the capacity of local elites to collaborate with imperialists, is wholly inapplicable to Malayan history during 1945-57.

It has already been demonstrated in the second chapter that Malaya was originally acquired for strategic rather than for economic reasons. Secondly, even in the heyday of the British empire, Malaya was ruled only indirectly. It is true that American dollars earned by Malaya during the post-war period were a vital source of sustenance to the Sterling Area; and it is also true that, after Malayan independence, economic ties with Britain were kept intact during the next decade. It is not true, however, that the British-Malayan relationship can be presented as a one-way traffic in economic benefits. At the time of independence, and

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(992) Ibid., p.65.
(993) Ibid., p.69.
even afterwards, Malaya was one of the richest countries in the region, second only to Singapore. Much of this wealth was a direct result of Malayan connections with the British economy and world markets. Since we have already touched on this matter in the second chapter, however, there is no need to pursue it further here.

If we now pursue the economic theme through into the post-independence period, it proves no more plausible than in the earlier period. No reasonable explanation can be offered for the extension of the Anglo-Malayan Defence Agreement coinciding with a growing British desire to join the EEC. Indeed, Britain's increasing commitment to military operations in the Borneo territories came at the same time as the first unsuccessful British attempt to join the European Community. The ultimate decision to withdraw from South East Asia in 1967, however, was not made in the light of Britain's failure to 'exploit' the Malaysian economy for 'imperialist' purposes.

We may now summarise the result of this brief examination of the most influential theories of International Politics. It is, quite simply, that none of these theories is able to provide an adequate explanation of political reality. To that extent, it would seem that Dougherty and Pfaltzgraff are correct when they assert that the quest for a general theory by reference to which we can validate our conclusions and arguments, is tantamount to the quest for utopia. (994)

An alternative method to this quest for a general theory, more relevant for our own work, is that proposed by Charles Reynolds. In his *Theory and Explanation in International Politics*, Reynolds draws on the work of philosophers like R.G. Collingwood and Michael Oakeshott to support his preference for historical method. In historic method, the criterion of a satisfactory explanation is its "internal coherence". What is needed, in other words, is to use all available evidence in order to weave the facts into an intelligible narrative. This is the task which we have attempted to carry out in the present thesis, using primary and secondary sources, as well as first-hand information derived from interviews with officials and diplomats. We may conclude by restating very briefly what we have tried to do, with a view to indicating the sense in which the thesis constitutes an original contribution to knowledge.

In the Preface, it was stated that the primary focus of the thesis would be the interconnection between the broader and narrower contexts of British foreign policy towards Malaysia. From this perspective, it was said that the thesis might be regarded as "a modest contribution to an understanding of the problems of adjustment which Britain encountered in the course of its transition from an Empire into a mere European state". (p.3)

Needless to say, a vast amount of research has already been done on the broader aspects of the decline of the British

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(996) Ibid., p. 107
Whilst there is much that is suggestive in this literature, it is on too high a level of generality to be of direct value for the intermediate level of study which we have attempted here. This is most obvious in the case of the work of scholars like Toynbee, whose main concern is with the inner dynamics of civilization at large. At the other extreme, there are particularistic studies which tend to be too narrow in their focus, as we have already seen in Chapter 1. The aim of our intermediate study has been to fill the lacuna left by the broader and narrower studies. We have done this by focussing on the detailed interconnection between the broader and narrower contexts of British disengagement from Malaysia in order to illuminate a crucial phase of Britain's transition from an Empire to an ordinary state.

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