

BRITAIN AND REGIONAL COOPERATION IN
SOUTH-EAST ASIA, 1945-¹⁹⁴⁹~~1949~~

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ABSTRACT

This thesis examines efforts by the British Foreign Office between 1945 and 1949 to establish an international, yet British-led, regional system in South-East Asia, initially on the economic level but eventually including political and defence cooperation as well. Part 1 looks at vain efforts by the Foreign Office in 1945 to use South East Asia Command (SEAC) under Lord Mountbatten as the basis for an international regional commission. It then examines the Foreign Office's appointment in 1946 of Lord Killearn as Special Commissioner in Singapore, and it highlights British hopes that the Special Commission, which organised international action against the acute shortage of rice in the region, would one day become the nucleus for a wider regional organisation. Part 2 looks at the impact of Asian nationalism on British regional policies. By February 1947, the Foreign Office contemplated the eventual inclusion of India and of other fledgling Asian states in its regional plans. Part 3 shows the subsequent decline of the Special Commission after London's decision on financial grounds to merge the organisation with the office of the Malayan Governor-General. It also examines competition by Australia, India and the UN in trying to take the lead on regional cooperation, and it shows how British policies were negatively affected by the hardline policies of France and the Netherlands in their respective South-East Asian colonies. Part 4 looks at the revival of British regional plans towards the end of 1948 following the Malayan Emergency. The Foreign Office convinced the rest of Whitehall of trying to organise regional cooperation as a means of containing communism in South-East Asia. At the same time, it launched a diplomatic offensive to secure Asian cooperation and American financial backing for its regional plans. The thesis ends in November 1949 with the Cabinet's adoption of regional cooperation as official British policy, paving the way for the Colombo Conference in January 1950 and the subsequent Colombo Plan. One of the recurring themes of the thesis is the conflict between the Foreign Office and the Colonial Office over regional policies; another one is the Foreign Office's shift from colonial cooperation concepts to the idea of cooperating primarily with the new Asian states.

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This thesis is dedicated to my wife Fiona, without whom it would never have come about.

ABBREVIATIONS

AFPFL	Anti-Fascist People's Freedom League, Burma
ALFSEA	Allied Land Forces, South East Asia
CO	Colonial Office
COS	Chiefs of Staff
CRO	Commonwealth Relations Office
CPU	Civil Planning Unit
DO	Dominions Office
DRV	Democratic Republic of Vietnam
ECAFE	Economic Commission for Asia and the Far East, United Nations
ECE	Economic Commission for Europe, United Nations
ECOSOC	Economic and Social Council, United Nations
ESCAP	Economic and Social Commission for Asia and the Pacific, United Nations
FAO	Food and Agriculture Organisation, United Nations
FO	Foreign Office
IEFC	International Emergency Food Council
IOLR	India Office Library and Records
JPS	Joint Planning Staff
LOM	Liaison Officers' Meetings, Singapore
MoD	Ministry of Defence
PHP	Post-Hostilities Planning Staff
PRO	Public Record Office
RAAF	Royal Australian Air Force
RAF	Royal Air Force
SACSEA	Supreme Allied Commander, South East Asia
SEAC	South East Asia Command
UMNO	United Malaya National Organisation
UNNRA	United Nations Relief and Rehabilitation Administration

INTRODUCTION

In October 1949, the Attlee government endorsed a Cabinet paper which made the creation of a regional association in South-East Asia an official aim in British foreign policy ~~policy~~. (1) The decision paved the way for the Colombo Conference in January 1950 and Asia's first international economic development scheme, the Colombo Plan, which eventually included some 23 Asian and Western countries. When research for this thesis first began at the Public Record Office in London, the original intention was to trace Britain's policy of regional cooperation from 1949 until the Geneva Conference on Indochina in 1954, covering the Colombo Plan as well as the ANZUS and SEATO defence pacts. However, it was soon clear that a more comprehensive study including the origins of Britain's regional policies was required. After further research into the immediate postwar period, it emerged that the story behind the 1949 paper on regional cooperation was indeed intriguing. Its origins lay in the Anglo-American wartime debate on the future of colonial empires, and it was determined by the fundamental changes in postwar Asia, such as Indian independence in 1947 and the beginning of the Cold War. The topic of my thesis was consequently changed to trace the origins and development of British regional policies between 1945 and 1949.

The notion of a regional association in South-East Asia first appeared in a Cabinet paper in December 1944. At the time, the British Colonial Office was considering the establishment of a world-wide system of international regional commissions in colonial territories. South-

East Asia too was seen as an area where a colonial commission could eventually be established. The Colonial Office had developed its proposals as an alternative to American demands for the international supervision of the European colonies after the war. However, it dropped its plans after the Yalta Conference in February 1945, for reasons already outlined by William Roger Louis in his book *Imperialism at Bay*.

This thesis picks up the thread in the second half of 1945, when the British Foreign Office presented new regional proposals, confined, this time, to South-East Asia. The department's somewhat vague idea was to use the British-led South East Asia Command (SEAC) under Lord Louis Mountbatten as the basis for an international organisation in South-East Asia that could be linked to a British Minister Resident in Singapore. Immediately after the war, SEAC was in temporary control of Thailand as well as the British, French and Dutch colonies in the region. By implication, the Foreign Office hoped that a regional organisation would maintain a maximum degree of British influence in the area after the return to civilian rule. Though the Foreign Office failed in 1945 to convince the rest of Whitehall of its South-East Asian plans, it was to pursue the regional idea throughout the following years.

Until the 1949 Cabinet paper, the consolidation and expansion of Britain's international influence in South-East Asia remained the major aim underlying the Foreign Office's policy of regional cooperation. Initially, there would be economic and political collaboration under British guidance. In the long run, this would lead to a regional defence arrangement. However, while these ultimate aims remained, the means

considered to achieve them underwent some fundamental changes. In reaction to the rapid political developments that were occurring in both South-East Asia and on the subcontinent, the Foreign Office streamlined its regional plans.

The department's plans were principally affected by three historical factors. First, there was the dual nature of Britain's postwar task in South-East Asia. In 1945, Britain found herself in control of far greater parts of South-East Asia than originally intended, as SEAC's boundaries of command were widely extended coinciding with the sudden Japanese surrender. Yet Britain was ill-prepared for the task of postwar administration. Apart from the volatile political problems arising in Burma, Indochina and Indonesia, the British had serious problems in supplying sufficient foodstuffs to the area. Due to a world-wide shortage of rice, the whole of South-East Asia in February 1946 was threatened by famine.

Initially, the Foreign Office regarded SEAC's territorial enlargement as an opportunity for the extension of British influence in the postwar period: it was hoped that a regional successor organisation to SEAC might enable Britain to continue influencing the policies of the other colonial powers, and that it would provide for the restoration of British prewar influence in Thailand. After the Foreign Office's failure to convince its sister departments in London of its ambitious regional plans, the rice crisis in February 1946 offered a new opportunity for the implementation of a more moderate regional scheme. Lord Killearn was sent to Singapore as Special Commissioner to coordinate action against

the regional shortage of food. He soon organised regular meetings of international liaison officers, working closely with the International Food Boards in Washington, which were responsible for allocating rice to South-East Asia. Killearn's Special Commission was thus providing for cooperation on a technical level, and the Foreign Office hoped that it would one day become the centre of a wider regional organisation.

The second factor affecting the Foreign Office's regional plans was the rapid advance of Asian nationalism in South and South-East Asia after the war which culminated in the transfer of power in India in August 1947. Under its impact the Foreign Office enlarged the geographical scope of its planned regional scheme, aiming to include the fledgling states in the subcontinent in a British-led regional system with its centre in Singapore. The outbreak of the internationally unpopular war in Indochina, as well as French requests for British arms deliveries in January 1947 (only weeks before Attlee's announcement on a British withdrawal from India), served as a catalyst for the formulation of the Foreign Office's new regional concept. However, the further effect of Asian nationalism was to encourage the idea in Asia of establishing exclusively Asian regional alignments. This goal was first pursued by India during the 1947 Asian Relations Conference. In its wake, the United Nations and Australia too emerged as competitors to Britain, vying for the lead in organising regional cooperation. Despite the redefinition of the Foreign Office's regional policies at the beginning of 1947, Asian nationalism thus had a detrimental effect on the department's plans.

The third factor determining the Foreign Office's regional policies was the shift of the Cold War to South-East Asia in 1948. After the Malayan emergency and mounting communist victories in China, the department revived its by now flagging regional plans. Regional cooperation became one of the Foreign Office's prime strategies in containing communism. The new regional policy aimed at uniting the Asian countries in an anti-communist front under Britain's discreet leadership. A start would be made through the Commonwealth, and American aid was to give the incentive for regional unity. Since London was becoming desperate for an international initiative that could turn the tide in Asia, the Cabinet accepted the Foreign Office's plans and in October 1949 turned regional cooperation into official British policy.

In addition to these three key factors, the Foreign Office's regional policies were influenced by a number of problems closer to home. Britain's increasing financial weakness for example determined Whitehall's decision to merge the Special Commission and the office of the Malayan Governor-General by the spring of 1948. Linking Britain's regional food coordinating activities to the colonial authorities in Malaya greatly diminished the prospects for turning the Special Commission (or its amalgamated successor) into a wider regional organisation. Another problem was drawing the line between Anglo-French-Dutch cooperation in Europe, where Western Union and NATO were being established, and European collaboration in South-East Asia. Dutch and French policies in Indonesia and Indochina were highly unpopular in India, and if Britain appeared to be siding with the other colonial powers she risked forfeiting Delhi's participation in her regional

plans. On the other hand, public condemnation of French and Dutch hardline policies might well have jeopardised the prospects for cooperation in Western Europe.

Finally, differences with the Colonial Office over South-East Asian regionalism at times hampered the Foreign Office's policies. After the failure of its wartime plans, the Colonial Office was more cautious than its sister department, fearing that regional cooperation would lead to international and in particular American interference in Europe's South-East Asian colonies. Colonial officials also resented the Foreign Office's apparent efforts to impinge on the Colonial Office's traditional sphere of responsibility and to try and dictate British policies in South-East Asia. Interdepartmental rivalry receded after the merger in Singapore in 1948. However, some differences over regional policies remained at least until the end of 1949.

As already indicated, regional cooperation was very much a Foreign Office policy after 1945. Within the department, it was Esler Denning, Mountbatten's political adviser during the war and subsequently Assistant Under-Secretary at the Foreign Office, who was the leading architect of British regional policies. The regional idea originated with him in 1945; he also seems to have been the main author of the 1949 Cabinet paper on South-East Asia. Lord Killearn too had considerable impact on Foreign Office plans for South-East Asia. He was enthusiastic about the idea of a Singapore-centred regional arrangement that might eventually include East, South and South-East Asia. His was also the idea of progressing empirically from technical to wider regional

cooperation through his Special Commission. Britain's Foreign Secretary, Ernest Bevin, was less involved in the formulation of his department's regional plans. However, at times he too played a crucial role. It was at his initiative that the government went ahead with Lord Killearn's appointment as Special Commissioner after the extent of the rice crisis had become fully apparent in February 1946. In 1948 and 1949 he was also instrumental in carrying his department's regional policies through the Cabinet. However, his own ideas on regional cooperation were sometimes inconsistent with those of his department. During the 1946 Commonwealth Prime Ministers' Meeting, for example, Bevin suggested turning the Special Commission into a proper regional commission that would include Australia. This was done without previous departmental consultation and caused great confusion at both the Foreign and the Colonial Office. Another example was Bevin's reference to the resources of the European colonies in his speech on Western Union in January 1948. It led to Asian accusations of a European conspiracy in South-East Asia and contradicted Foreign Office plans for cooperation with the new Asian states.

Throughout the period under consideration, regional issues came up at two Commonwealth Prime Ministers' Meetings, during international negotiations on the Economic Commission for Asia and the Far East (ECAFE), in British talks with the Dutch and the French, and during Anglo-American negotiations on South-East Asia. Despite this, little was publicly known at the time about the details of Britain's regional plans. Since the opening of the British archives, however, the Foreign Office's ambitious regional plans can be explored in their full depth. This thesis is therefore based first and foremost on British primary

sources kept at the Public Record Office in Kew, London. The most important of these are undoubtedly the documents within the Foreign Office's General Far Eastern series. Extensive use has also been made of individual South-East Asian country files of the Foreign Office. Furthermore, the relevant papers of the Colonial Office's International Relations Department, and of the Dominions Office (later Commonwealth Relations Office) have been taken into full account. Many quotes have also been taken from official and ministerial Cabinet committees dealing with South-East Asia, and from the Chiefs of Staff's papers. Further primary sources include the Killearn diaries (Oxford), the Mountbatten Papers (Southampton) and the MacDonald Papers (Durham). Some papers kept at the India Office Library and Records (IOLR) were also used.

Of the printed sources available, the *Foreign Relations of the United States* series (FRUS) was of immense value for 1948 and 1949. For 1945, some use could be made of the latest volumes of the *Documents on British Policy Overseas* series, while for 1946/47 the document series *Burma - The Struggle for Independence* as well as *India - The transfer of Power* were of interest. So far as oral history is concerned, it is most unfortunate that officials like Esler Dening, Lord Killearn, Malcolm MacDonald or Lord Louis Mountbatten are no longer alive. However, a number of Foreign Office and Colonial Office officials were interviewed, and I am grateful for their comments and advice.

In contrast to the vast amounts of primary sources now available on South-East Asia, the literature on British postwar policies in the region is still comparatively scarce. Though the Anglo-American wartime

debate on South-East Asia has been covered by Louis's *Imperialism at Bay* and Christopher Thorne's *Allies of a Kind*, a comprehensive study of British policies in postwar South-East Asia, comparable perhaps to Louis's other great book, *The British Empire in the Middle East, 1945-1951*, is still awaited. Standard works on British foreign policy after the war, such as Alan Bullock's *Ernest Bevin - Foreign Secretary* unfortunately pay comparatively little attention to South-East Asia, a reflection perhaps of the scarcity of South-East Asian material in the Bevin papers at the Public Record Office. However, individual territories like Malaya have been examined in great detail by historians such as A.J. Stockwell and Anthony Short. Peter Dennis's recent book *Troubled days of peace - Mountbatten and South East Asia Command, 1945-1946* covers the British postwar involvement in Indochina and Indonesia. A less critical analysis of Britain's role in Indochina is offered in Peter M. Dunn's book *The First Vietnam War*. On Britain's involvement in Indonesia there is also Robert J. MacMahon's excellent *Colonialism and Cold War - the United States and the Struggle for Indonesian Independence*; his account of British policies virtually ends, however, with the withdrawal of the last British troops in November 1946.

So far as Anglo-American relations in South-East Asia are concerned, the most interesting book of the last years is undoubtedly Andrew J. Rotter's *The Path to Vietnam - Origins of the American Commitment to Southeast Asia*, which begins in 1948/49 and highlights the link between South-East Asia and the economic recovery of Western Europe and Japan. On American policy there is also Gary R. Hess's *The United States' Emergence as a Southeast Asian Power, 1940-1950*. This thesis has

also benefited from recent articles on India, for example those by Anita Inder Singh, from Moore's book *Escape from Empire* on Britain and Indian independence, as well as from Roger Buckley's superb *Occupation Diplomacy* on Allied policies in postwar Japan. Two historians have so far dealt with British regional policies in South-East Asia. Ritchie Ovendale's article on *Britain, the United States and the Cold War in South-East Asia, 1949-1950* and his book *The English-Speaking Alliance* were a source of inspiration for this thesis. Nicholas Tarling's two articles on the creation of the Special Commission and on the origins of the Colombo Plan included extensive documentary evidence.

Despite this, there has not yet been a comprehensive treatment of British regional policies in South-East Asia between 1945 and 1949. This thesis attempts to fill the gap. In my recent article *Britain, the 1947 Asian Relations Conference, and regional co-operation in South-East Asia*, I first outlined some of the themes underlying the issue of regional cooperation in the postwar period. The present study now follows in detail the regional debate in Whitehall and in Singapore, and it examines the international factors that were affecting British regional plans. It ends with the Cabinet papers on regional cooperation in October 1949. No attempt is made, however, to cover the Colombo Conference and the subsequent establishment of the Colombo Plan. This will have to be the subject of a further historical study, centring on the implementation of Britain's regional policies in the 1950's.

Finally, a word on the terminology used in this thesis. In line with modern historiography, Thailand rather than Siam is employed.

Equally, Indonesia refers to the Dutch East Indies after September 1945. However, rather than speaking of only Vietnam, the term Indochina has sometimes been used in reference to all the French colonies in South-East Asia, which included Laos and Cambodia. The term South-East Asia has been the cause of some confusion: it only came into fashion after the creation of SEAC in 1943 and it originally included Burma, Thailand, Indochina, Malaya (including Singapore and North Borneo) and Indonesia. By 1949, in line with Britain's growing interest in regional cooperation with the United States, Washington's former colony, the Philippines, was added. This slightly broader definition of South-East Asia is indeed in line with the one applied in this thesis. It should be noted though that in 1949 some British officials were beginning to include South Asia (i.e. India, Ceylon, Pakistan, Nepal, Tibet and Afghanistan) in the definition of South-East Asia, reflecting the British tendency towards a Singapore rather than Delhi-centred view of South and South-East Asia. Further confusion is caused by the term Far East. At the time, it could describe anything from East Asia (i.e. China, Mongolia, Manchuria, Korea and Japan) to the whole of South, South-East and East Asia. The term Far East has consequently been avoided unless part of a direct or indirect quote.

Notes

(1) The paper, CAB (49) 207, is still classified. However, FO minutes show that it consisted of two planning papers drafted by the Permanent Under-Secretary's Committee: PUSC(32), 28 July 1949, 'The United Kingdom in South-East Asia and the Far East'; and PUSC(53), 20 August 1949, 'Regional Co-operation in South-East Asia and the Far East'. Both can be found in FO 371, 76030, F 17397.

PART I

THE POSTWAR CHALLENGE

Two months before the end of the Second World War in Asia, Britain's ideas on the future of South-East Asia, which to a large degree was still under Japanese occupation, were still vague. Whitehall had done considerable work on the future of individual British territories like Burma and Malaya, but little on the international set-up of the region after the war. The Colonial Office had only recently shelved a grand scheme for international cooperation in colonial territories, while the Foreign Office was only slowly awaking to the need for international planning in East and South-East Asia.

The unexpected Japanese surrender in August 1945 radically altered London's outlook. Suddenly, Britain found herself in control of most of South-East, as the responsibility of Lord Mountbatten's South East Asia Command (SEAC) was extended to Thailand, Indonesia and southern Indochina, all territories which had previously been the responsibility of the United States. The British soon found themselves up against a host of political, economic as well as military problems in South-East Asia. Despite this, the situation promised opportunities for the extension of British influence. To cope with the task of postwar administration and to cement British influence in the region, the Foreign Office consequently suggested establishing a regional organisation in South-East Asia in succession to SEAC. The organisation

would be linked to a British Minister Resident in Singapore who would also be in charge of coordinating British colonial, defence and foreign policies in South-East Asia. The plan implied a continuation of Britain's postwar hegemony in South-East Asia after the return of the French and the Dutch, who had initially to rely on Britain to reimpose their rule.

The first part of this thesis examines the origins of the Foreign Office's regional plans, focusing initially on the state of South-East Asian planning in London prior to the Japanese surrender. It then looks at Foreign Office proposals for South-East Asia and follows the regional debate in Whitehall until the appointment of Lord Killearn as Special Commissioner in Singapore in February 1946. Finally, there is an appreciation of Killearn's Special Commission between 1946 and 1948.

1. THE STATE OF BRITISH PLANNING FOR SOUTH-EAST ASIA IN 1945

1.1. BURMA AND MALAYA

At the time of the German surrender in May 1945, plans for the postwar organisation of Britain's South-East Asian territories were beginning to crystallize. However, London didn't regard the issue as being of outstanding urgency: though the Allies were confident of their eventual victory over Japan, they expected the war to continue at least until the spring of 1946. American forces under General MacArthur's South West Pacific Area Command (SWPA) had retaken Manila in March 1945 after a successful campaign of 'island hopping' in the Pacific, which was to culminate in the capture of Okinawa in the middle of June. At the same time, a number of fire-bombing raids on Japanese cities and industrial centres carried out by American long-range bombers had caused wide-spread devastation, proving that Japan now faced almost complete destruction. (1) In South-East Asia too the Allies were on the offensive. British and Indian troops belonging to Mountbatten's South East Asia Command (SEAC) had recaptured the Burmese capital of Rangoon in early May, and the invasion of Malaya (Operation 'Zipper') was planned for the end of August. However, though Japan's industrial output as well as her navy and air force were seriously affected by the Allied war effort, the Japanese army was still strong and determined to fight to the death in order to prevent an invasion of its homeland. The American Chiefs of Staff, none the less, believed that only a successful invasion could

force Japan into surrender, and had set 1 March 1946 as the date for an invasion of the main Japanese island of Honshu. (2)

British postwar planners dealing with South-East Asia, advised that the war would continue for quite some time, went about their work at a leisurely pace. Because of SEAC's recent victories, the future of Burma was the most urgent problem, and planning for that country was in its most advanced state. In May 1945, a government White Paper stated that it was London's ultimate aim to grant Burma self-government and dominion status. However, the paper also proposed to give the British Governor of Burma sweeping powers for an interim period of three years, overruling the provisions of the 1935 Government of Burma Act which had given a Burmese electorate and national politicians a limited say in Burmese government. It was argued that a transitional period was required to restore Burma's economic and social life following the Japanese occupation. (3) However, critics of the White Paper argued that all that the British were interested in was the restoration of their commercial interests in the country. As will be seen, the attempted implementation of the policies outlined in the paper was to result in a massive disobedience campaign by Burmese nationalists in 1946.

Coinciding with the Burma White Paper, planning for the postwar constitution of Malaya was entering its final stages. In 1943, the Malayan Planning Unit (MPU) had been established under General Ralph Hone to prepare a constitutional reform of the Malayan territories. Though theoretically responsible to the War Office, the MPU was staffed by colonial personnel and was supervised by the Colonial Office's

Eastern Department headed by Sir Edward Gent.(4) In the following two years, the MPU had worked out drafts for a new constitutional scheme to replace the prewar system, when there had existed the four protected Federated Malay States and the five protected Unfederated States, where British rule had been inhibited by the earlier treaties with the Malayan chiefs and sultans, as well as the directly ruled Colony of the Straits Settlement.

The MPU's postwar plans suggested that the Malayan States, together with Penang and Malacca, would be merged in a single British colony, the Malayan Union. This would require new treaties with the Malay sultans who would surrender part of their sovereignty to the crown. The British would then be in a position to create a unitary state embracing the whole Malayan peninsula with a citizen-scheme applicable to Malays, Chinese and Indians alike. The Malayan Union would furthermore prepare Malaya for eventual self-rule.(5) Though Singapore would remain a separate colony, a Governor-General would be appointed with direct control over the British administrations in the area, who would coordinate policy throughout the Malayan Union, Singapore as well as Borneo. The MPU's recommendations had been provisionally approved by the War Office on 31 May 1944, albeit on the grounds that no early publicity should be given to the scheme.(6)

Apart from its work on the constitutional reorganisation of Malaya, the Colonial Office had also been involved in drafting plans for international cooperation in South-East Asia after the reestablishment of European colonial rule. The plans were part of a world-wide scheme

for international cooperation in colonial areas through a system of regional commissions involving the colonial powers as well as interested outside powers. Though the Colonial Office had been forced to drop its policy at the beginning of 1945, its work and experiences were to be crucial for the department's views during the postwar debate on South-East Asian regionalism. The Colonial Office's wartime plans therefore have to be further elucidated.

1.2. THE COLONIAL OFFICE AND REGIONAL COOPERATION IN COLONIAL TERRITORIES, 1943-1945

The Colonial Office originally developed its idea of establishing a world-wide system of regional colonial commissions in response to American wartime demands for the international supervision of colonial territories in the postwar world. In March 1943, Washington sent a draft paper titled declaration on 'National Independence' to London. The American paper suggested that all colonial powers should accept responsibility for preparing their territories for self-government and eventual independence, while collaborating through international regional commissions. Secondly, an international trusteeship administration should be set up in order to prepare dependent peoples for independence. London regarded the two points as completely unacceptable: the two emotive terms were independence and international supervision, the latter being implicit in the American understanding of international trusteeship. (7) To regain the initiative in the colonial debate, the British decided to make a unilateral statement lest the

Americans tried to force unacceptable commitments. (8) The Colonial Secretary, Oliver Stanley, told the House of Commons on 13 July 1943 that it was Britain's policy to keep the sole responsibility for her colonies. At the same time, cooperation with neighbouring and friendly nations was not only desirable but indeed essential - problems of security, transport, economics and health which were transcending political boundaries could only be solved in cooperation. He therefore had in mind

'...the possibility of establishing certain Commissions for certain regions. These Commissions would comprise not only the States with Colonial Territories in the region, but also other States which have in the region a major strategic or economic interest. While each State would remain responsible for the administration of its own territory, such a Commission would provide effective and permanent machinery for consultation and collaboration so that the States concerned might work together to promote the well-being of the Colonial territories. An important consideration in designing the machinery of each Commission will be to give to the people of the Colonial territories in the region an opportunity to be associated with its work... In this way it would be possible to have international co-operation which consisted of something more than theoretical discussion but would be able to grapple with realities and get down to the solution of individual problems'.

Asked by an MP which regions the Colonial Secretary had in mind, Stanley would not commit himself to any particular parts of the colonial empire. (9)

Stanley's statement was a tactical move to publicly dissipate the American initiative on colonial policy. It picked up the least important part of the American proposal, namely the creation of regional bodies in colonial areas, yet dropped the idea of international supervision and colonial independence which was at the centre of the American

declaration. Stanley's regional commissions would nominally involve the United States in European colonial affairs while the colonial powers would remain in complete control of colonial developments. A precedent for a regional commission in fact existed in the Anglo-American Caribbean Commission. This organisation had recently been established after Britain had allowed the United States to lease a number of air and naval bases in her Caribbean dependencies, and it was meant to provide for bilateral cooperation on the economic and social development of the British and American possessions in the Caribbean.(10) However, the commission was merely a consultative body without executive functions dealing with general economic, social welfare and health matters.(11) Its scope thus prevented the two member countries from becoming too closely involved in one another's colonial affairs.

It is doubtful whether Stanley would ever have followed up his regional ideas if it had not been for renewed international pressure for the international supervision of colonial territories. In January 1944 Australia and New Zealand picked up the regional idea in a bilateral agreement in which the two countries effectively demanded a greater say in international planning for the postwar world. The agreement included proposals for the creation of a South Seas regional commission on which Australia, New Zealand, Great Britain, the United States and France would be represented. The commission would have advisory powers, enabling it to recommend arrangements for the participation of natives in colonial administration, with a view to promoting the ultimate aim of self-government. It would also advise on economic development, on the coordination of health and medical services and on education. The

Australian-New Zealand suggestions were 'based on the doctrine of trusteeship', the term so disliked in London. (12)

The Australian-New Zealand agreement forced Stanley to formulate his regional ideas in greater detail. Stanley opposed new American plans for a central international commission with supervisory powers for colonial territories. Instead, he suggested to the Cabinet to 'make the idea of international regional associations our main contribution to the solution of Colonial questions'. The commissions he had in mind would have no executive functions, and there would be 'opportunities for participation by the people of ~~of~~ the region' without obliging Britain for some particular form of association. Defence would be excluded from the commissions' scope. Suitable regions might be the Caribbean (where an Anglo-American commission already existed), Africa, the South West Pacific and South-East Asia. (13)

By the end of 1944, the Colonial Office incorporated Stanley's ideas in a major policy paper entitled 'International Aspects of Colonial Policy'. The paper was drafted by Hilton Poynton and Kenneth Robinson within the Colonial Office's International Relations Department, and it was meant to serve as a basis for discussions with Washington on the question of trusteeship and the future of the mandated territories which Britain and France had taken over from the Ottoman Empire and Germany after the First World War. 'International Aspects of Colonial Policy' proposed to scrap the mandates and turn them into proper colonies. At the same time, a new colonial system would be established - based on international cooperation through regional

commissions and through 'functional bodies', dealing mainly with social subjects, which would be attached to the new world organisation (namely the UN). These regional commissions would deal with social and economic problems of common interest, such as health control, movement of labour and agriculture. Unlike American and Australian schemes, the commissions would be consultative bodies without executive or supervisory powers. They would not concern themselves with the constitutional relationship between a colony and its parent state, effectively leaving the question of self-government and eventual independence for the respective colonial power to decide. The paper saw as possible regions for regional commissions the Caribbean, the South Pacific, South-East Asia, West Africa and Central, Eastern and Southern Africa. (14)

Though the War Cabinet endorsed the Colonial Office's paper in principle, it soon became apparent that Stanley's ambitious colonial scheme would never be implemented as neither the dominions nor the United States were willing to replace the mandates system with the new regional commissions plan. (15) Furthermore, Churchill during the Yalta Conference unwittingly accepted a 'trusteeship formula' worked out by the American Secretary of State, Edward Stettinius. (16) The Yalta Protocol also implied that the future of the mandates would be discussed at the forthcoming San Francisco Conference on the new world organisation. An angry Oliver Stanley, whose department had not been represented at Yalta, stressed in March 1945 that the policy outlined in 'International Aspects of Colonial Policy' had originally been intended to be discussed with the United States alone, after agreement with the dominions. As the original argument for the abolition of the mandates

had been a plan which applied to the whole colonial empire, Stanley argued that it would now mean 'throwing the whole Colonial Empire open to discussion by this motley assembly [the UN], a procedure which I should regard as hazardous in extreme'. (17) In other words, proposing the mandates' replacement by the Colonial Office's regional cooperation scheme now meant discussing the future of the whole British Empire in a potentially hostile international forum. Following Stanley's initiative, the (ministerial) Armistice and Post-War Committee subsequently decided to accept the continuance of the mandatory system and to withdraw 'International Aspects of Colonial Policy', though the dominions would have to be told that London still favoured regional commissions but did not wish to confuse them with the discussions on the mandates system. (18)

Though the Colonial Office was disappointed about the failure of its regional cooperation plans, it could feel relieved in so far as South-East Asia was concerned. Of all the potential areas under consideration, South-East Asia had from the outset been regarded as the region least suitable for a colonial commission. Before the war, the only institutional form of international cooperation between the South-East Asian territories had existed within the framework of the League of Nations. The League's Health Organisation had maintained an Eastern Bureau in Singapore for the centralized exchange of epidemiological information. The League also provided for a certain amount of political coordination concerning opium smoking. Finally, the International Regulations Agreement on Tin and Rubber had offered the governments and chief producers in the area 'scope for consultation and

coordination'. (19) In preparing for wider regional cooperation after the war, the Colonial Office found it a major problem that South-East Asia was still under Japanese occupation, and that detailed planning was impossible before a Japanese withdrawal. Another problem was that South-East Asia was prone to outside interference. The region had much greater wealth than the other areas under discussion, possessing rubber and tin and an enormous population of around 120 million people; consequently the United States, Australia, China, India and possibly even Russia would be outside powers with major strategic or economic interests in the region. A Colonial Office paper for the Cabinet therefore suggested in April 1944 that any detailed discussions on regional commissions in South-East Asia before the area's reoccupation would be impracticable. Britain might even want to indicate that South-East Asia was unsuitable for a regional commission. (20)

The Foreign Office's Research Department (F.O.R.D.) pointed out a further difference between South-East Asia and other colonial regions. In the South Pacific, the problem was one of colonial administration, whereas the situation in South-East Asia was complicated by the existence of actually independent or emerging native states and by Chinese claims likely to be brought forward on behalf of their immigrant communities in colonial territories. A South-East Asian regional organisation should therefore not be conceived primarily as a colonial system, but as a 'grouping for co-ordination of economic policies based on the very large common interest of all the countries in the region as producers of important raw materials for the world market'. This would

ensure the inclusion in the organisation of states who would not wish to come in if the region was seen as a grouping of colonies. (21)

The Colonial Office was divided over the F.O.R.D. paper (which they realised did not represent official Foreign Office opinion). One official, Benson, was particularly critical of a passage which referred to the possible supervision of the colonial powers by outside powers: the Foreign Office, he complained, was 'riddled with the heresy of international supervision ... It will need^e a great deal of watchfulness on our part if it is not once more to rear its insidious head'. Benson added that the basis of Stanley's speech in July 1943 had been the 'co-ordination of policies based on common interests' - it therefore made no difference whether the participants in a regional organisation were colonial governments or independent governments. (22) S.Caine on the other hand believed the Foreign Office had a point. Unlike the South Pacific's 'small, primitive and weak communities', South-East Asia was made up in the main of communities which were either independent states or 'which it would not be an absurdity to expect to develop into national independent states within the foreseeable future'. The representatives of the South-East Asian territories would therefore expect a much more substantial voice than those in the South Pacific. At the same time, Caine disagreed with the Foreign Office over the economic responsibilities of a regional authority. So far as rubber was concerned, account would have to be taken of synthetic production, and in tin, other producers such as Bolivia, Nigeria and Congo would have to be considered. The only commodity which could usefully be considered on a regional basis was rice. (23)

Following the F.O.R.D. paper, the Colonial Office prepared its own draft on regional cooperation. A first version of the Colonial Office paper included the security and defence of South-East Asia in the scope of a regional commission. The organisation would also control rubber and tin prices, to prevent 'cutthroat competition' between the two commodities' chief producers. However, the paper's final version omitted references to defence and price control, arguing that useful issues covered by a regional council in South-East Asia would be research into the improvement of tin, rubber and agricultural production generally; immigration and ~~em~~igration control between areas with labour surplusses and ~~and~~ deficits; fisheries development and research, and finally the preservation and protection of the area's distinctive fauna. The paper's proposals meant that a regional commission would have been left without anything of real substance to deal with. (24) The Colonial Office subsequently stuck to the policy of rendering the proposed colonial commissions as harmless as possible. In September 1944 Hilton Poynton told a French official in Washington that the purposes of regional commissions would mainly be economic and social, excluding defence and security functions. The emphasis should be on collaboration and consultation on practical issues, 'not supervision and "inquisition"'. (25)

Finally, there existed the membership problem of a South-East Asian regional commission. Would Burma, Ceylon and Hong Kong be considered part of the region, and should outside powers like the United States, Australia, China, India as well as the Soviet Union all become members? (26) A particular problem was whether India should be an outside

member, or whether the subcontinent should be considered part of the South-East Asian region. The issue of Indian participation was raised in 1944 by Sir Maurice Gwyer, a retired Chief Justice on the Indian Federal Court, who sent his observations on postwar security to the India Office which passed it on to the Colonial Office. Gwyer predicted that after the war both Russia and China would emerge as the two dominant continental powers in Asia, and that India, after achieving autonomy, would be left vulnerable for some time and create a power vacuum in the Indian Ocean. Gwyer therefore proposed the creation of an Anglo-Indian defence council for the Indian Ocean which might also include neighbouring countries such as Ceylon, Burma, the Netherlands East Indies (Indonesia) [and presumably also Malaya]. He also suggested a political and economic council either parallel to, or as part of, the suggested defence council in the Indian Ocean. (27)

However, Colonial Office officials saw the area outlined by Gwyer as unsuitable for economic and political cooperation. Malaya and the Netherlands East Indies fitted into a different geographical region, and Ceylon was unlikely to enter a political and economic council dominated by India. Nor was the time ripe to make a declaration on a defence council in the Indian Ocean. Rolleston, a Colonial Office defence expert, also doubted that the Indian Ocean would be a natural unit for defence. (28) Stanley accordingly told the Secretary of State for India, Lord Amery, that whatever the views of the services departments on the suitability of the Indian Ocean as a strategic unit, it certainly was not a natural economic or political unit. (29)

Despite the many difficulties and uncertainties tied to the question of regional cooperation in South-East Asia, the Colonial Office included the region in its proposals from December 1944, not least to present the Americans with a coherent new policy applicable to all colonial territories around the world~~s~~. After stressing the consultative nature of regional commissions, 'International Aspects of Colonial Policy' stated reluctantly that South-East Asia too 'seems to be an area suitable eventually for the establishment of a Regional Commission, though clearly it is impracticable to make any progress with the formulation of regional organisation while the area is still in enemy occupation.' The membership of a South-East Asian commission would include the United Kingdom with its Malayan territories, Singapore, North Borneo and Hong Kong; the Netherlands with the Netherlands East Indies [Indonesia]; Portugal with Timor; France with Indochina; the United States with the Philippines; Thailand as an independent state within the region; as well as Australia, China and India as interested outside countries. (30)

Stanley's subsequent decision to abandon his world-wide colonial scheme following the Yalta Conference relieved the Colonial Office of having to draw up regional plans for South-East Asia, plans which the department had always regarded as impracticable in the near future. As will be seen, the Colonial Office's aversion to South-East Asian regionalism was to increase further in the following year. When at the end of 1945 the Foreign Office came up with new ideas for regional cooperation in South-East Asia, the Colonial Office would object on similar lines as it had argued against a regional commission in 1944,

stressing, amongst other arguments, that further time was needed to correctly assess South-East Asia's confused state of affairs after the war, and that a regional commission would inevitably lead to American interference in South-East Asia at a time when the European powers were trying to reestablish their control.

1.3 REGIONAL DEFENCE

While the Colonial Office had thus considered and dropped suggestions for cooperation on economic and social problems in South-East Asia, British military experts had been making separate plans for postwar defence cooperation in South-East Asia. Like the Colonial Office's scheme, their proposals were put on ice in the course of 1945. However, as the defence proposals were to be revived in the following year in connection with Commonwealth talks on South-East Asia, they too have to be taken into consideration.

Plans for defence cooperation in South-East Asia originated with the Post-Hostilities Planning Staff (PHP), a special military planning unit ^sestablished by the Chiefs of Staff during the war in order to assess Britain's world-wide defence requirements following the end of hostilities. (31) By the spring of 1945, the PHP had drafted comprehensive recommendations for the postwar defence of British interests around the world. The PHP assumed that the Soviet Union was the most likely adversary in any future war in Europe, the Middle East or the Far East. In East Asia, a revived Japan was seen as the second

most likely adversary. A PHP paper from June 1945 on 'The Security of the British Empire' therefore proposed the creation of a number of regional defensive systems around the world, including primarily Britain, the United States and in some cases the West European countries. So far as South-East Asia and the Pacific was concerned, the paper argued that a threat by the Soviet Union to British interests was remote. Despite this, the paper suggested that Britain, France, the Netherlands and Thailand should cooperate in regional measures for the defence of South-East Asia. There should also be a system of forward naval and air bases in the Pacific in cooperation with the United States and China. (32)

However, the PHP's world-wide recommendations, including South-East Asia, failed to convince the Chiefs of Staff or the Foreign Office. Neither shared the PHP's view of the Soviet Union as the most likely adversary in a future war. The paper was consequently referred to the (newly created) Joint Planning Staff (JPS) as strategic background material. (33) The PHP itself was dissolved a few months later. Thus, no plans for the international defence and security of South-East Asia existed at the time of the Japanese surrender to which the Chiefs of Staff let alone the British government were committed. It was only in the climate of the emerging Cold War in 1946 that some of the PHP's recommendations were to be recalled.

1.4 THE FOREIGN OFFICE AND SOUTH-EAST ASIA

Compared to the Colonial Office, the Foreign Office was lagging far behind in its planning for the future of ~~the~~ South-East Asia. However, the Foreign Office was slowly awaking to the fact that the war against Japan was drawing to a close, and that the postwar order of East and South-East Asia required greater attention. At the instigation of Foreign Office officials in London and on the spot, the department eventually increased its Far Eastern staff and developed more forthcoming ideas for the future of South-East Asia.

Like the other departments at Whitehall, Foreign Office ideas on the future of South-East Asia were based largely on the assumption that the colonial powers would continue after the war where they had left off in 1942. The department failed to grasp that the European defeat by Japan at the beginning of the war had fundamentally shaken the basis of colonial rule in Asia. So far as non-British territories were concerned, the Foreign Office's ideas were based on the belief that Dutch and French rule would be restored in their respective colonies. Regarding Indonesia, the British, as well as the Dutch and the Americans, were almost completely unaware of the extent of the nationalist fervour that the Japanese had fostered in the country. (34) Britain's commitment to the re-imposition of Dutch rule found expression in an agreement with the Dutch which gave the latter wide-ranging powers for the administration of civil affairs following the re-occupation of Sumatra, an area which since 1943 had been part of SEAC's command sphere. (35) British ideas about Indochina were equally based on misapprehension.

During the war, the British Prime Minister Winston Churchill had opposed plans by the American President Franklin D. Roosevelt to put Indochina under international trusteeship. The Foreign Office believed in 'the colonial powers sticking together in the Far East' (36), and twice in 1944 the War Cabinet had endorsed proposals by the British Foreign Secretary Anthony Eden that France should be allowed to return to Indochina. (37) However, as in the case of Indonesia the British were largely unaware of the strength of the nationalist forces in Indochina.

So far as Thailand was concerned, the Foreign Office was effectively aiming to re-establish Britain's dominant prewar position, though it admitted that the Thai question was by no means straightforward. A paper by the Official Far Eastern Committee pointed out in July 1945 that the Thais, under Japanese pressure, had flung themselves into the arms of Japan in 1941, and that they were in a state of war with Britain. The Americans, on the other hand, did not regard themselves at war with Thailand, and they were bound to sympathize with the new Thai government that had succeeded the collaborationist government of Luang Pibul from 1941. Despite this, the paper recommended pressurizing the Thais into an agreement with Britain which provided for the delivery of 1,5 million tons of free rice from Thailand. Furthermore, Thailand was to be forced into a close defence relationship with Britain, allowing the latter to deploy troops in Thailand during times of war. (38)

Most of the Foreign Office's plans for individual South-East Asian territories failed to appreciate the new realities in South-East Asia.

They also didn't take into account the possible extension of SEAC's boundaries. Furthermore, virtually no plans existed for the future of South-East Asia as a whole, such as had been considered by the Colonial Office at the end of 1944. Reasons for this paucity of postwar planning at the Foreign Office dated back to the department's limited interest in South-East Asia prior to the Japanese invasion. As the Foreign Office lamented in 1946, South-East Asia, before the war, had been regarded as an 'unimportant and little-known area', and only the war had demonstrated its political, economic and strategic importance.³⁹ During the war, Eden had continued to neglect South-East Asian affairs over Europe, and had allowed the Foreign Office's Far Eastern machinery to deteriorate. As one historian has argued, Churchill and his ministerial colleagues suffered from an unfortunate inability to consider the nature of the postwar international situation in Asia. (40)

A few months before the Japanese surrender, British officials in London were becoming increasingly concerned about future policies in East and South-East Asia. In June 1945, the head of the Foreign Office's Far Eastern Department, J.C. Sterndale Bennett, brought the lack of Far Eastern planning to the attention of the Foreign Office. His initiative was to result in a bureaucratic shake-up in London and gave the Foreign Office the incentive to play a more active role in South-East Asia. It also paved the way for a Foreign Office initiative for the establishment of an international organisation in South-East Asia. In an extensive memorandum, Sterndale Bennett warned that 'big problems' were looming up and that the end of the war in Europe as well as the advent of a new British government made it an appropriate moment to overhaul the

machinery for dealing with the Far East. Existing machinery, both in the Foreign Office and interdepartmentally, was quite inadequate: upon his return to Far Eastern work in August 1944, he had found a small department organised to deal only with current work, and while some research had been done regarding a Far Eastern settlement with Japan, no actual policy planning had been possible. The Reconstruction Department of the Foreign Office had been expected to deal with this, but had had no Far Eastern staff, with the result that 'literally no machinery existed for Far Eastern planning'. He criticised that the Foreign Office saw the Far Eastern war as a sideshow: diplomatic issues involving Russia and the United States were dealt with on a 'hand to mouth basis' with little regard to Britain's main Far Eastern interests or her relations with the dominions. At the higher level of the Foreign Office, no one had given attention to the Far East, and at international conferences vital decisions had been taken without members of the Far Eastern Department being available for consultation.

On the interdepartmental level too all was not right. Though the Official Far Eastern Committee had recently been revived, Sterndale Bennett pointed at a continuing tendency to 'watertight departments'. While the Foreign Office consulted the India, Burma and Colonial Offices on foreign affairs problems with potential repercussions in their spheres, the converse was not always true, and plans for the future of Burma, Malaya and Hong Kong were prepared without Foreign Office participation. Sterndale Bennett believed the Foreign Office required a more comprehensive machinery to deal with questions such as the future of China, the Japanese settlement and the satisfaction of Russian

claims, as well as the more immediate problems of relief, rehabilitation, economic recovery and population movements. He suggested a Minister of State or a Parliamentary Under-Secretary be appointed to ensure the coordination of Far Eastern foreign and colonial policies; alternatively there could be a small ministerial committee superimposed on the Far Eastern Committee. Within the Foreign Office, the Far Eastern Department should be enlarged and split into three subdivisions, while special planning units should be set up for Japan, China and Thailand. (41)

Sterndale Bennett's memorandum had a significant impact on Whitehall, and the Foreign Office immediately decided to set up a Civilian Planning Unit for Japan. (42) Though he failed to secure the appointment of a Minister of State in London who would deal with East and South-East Asia, his initiative paved the way later on that year for a ministerial Far Eastern Committee and a special Far Eastern Section attached to the Industrial and Economic Planning Staff. (The Far Eastern Ministerial Committee was merged into the Overseas Reconstruction Committee in December 1945) Last but not least, the Foreign Office's Far Eastern Department was provided with additional staff and divided into three sections, one dealing with Japan and the Pacific, one with China and one with South-East Asia (including Thailand, Indochina, Indonesia and Nepal). In the following years, a separate department was created for South-East Asia.

Sterndale Bennett's initiative also caught the attention of the new Labour Foreign Secretary, Ernest Bevin, who assumed office on 27 July

1945. Bevin showed much greater interest in East and South-East Asian affairs than his predecessor, and he was particularly concerned about the insufficient interdepartmental coordination of Britain's policies in the area. Despite the recent changes at Whitehall, Bevin complained in November that the newly appointed committees were only concerned with individual Far Eastern questions. He therefore proposed a conference of British officials and ministers to discuss overall Far Eastern policies and organisation.(43) Though Bevin's conference never materialized due to difficulties in bringing back representatives from abroad and because of his own overburdened timetable(44), he had nevertheless alerted ministers and officials to the urgency of East and South-East Asian problems.

1.5 THE PROPOSAL FOR A BRITISH MINISTER RESIDENT IN SOUTH-EAST ASIA

Coinciding with Sterndale Bennett's reform plans in Whitehall, Mountbatten's Political Adviser, Esler Dening, was visiting London for political consultations. He brought with him suggestions for a reorganisation of SEAC's political machinery. Most importantly, he proposed the appointment of a minister or official of high standing who would be based in South-East Asia and would deal with the coordination of British policies in the region. His ideas formed the basis for his later proposals, following the Japanese surrender, for the establishment of a civilian organisation in South-East Asia which would relieve SEAC of some of its non-military duties in the postwar period, and which

could form the nucleus for an international organisation in South-East Asia after the return to civilian rule.

Before examining Dening's proposals in detail, his position at SEAC has to be explained. He was a Foreign Office appointee charged with advising the Supreme Allied Commander on political questions relating to foreign territories such as Japan, Thailand and Indochina as well as on political warfare. Though being regarded as a senior staff officer technically responsible to Mountbatten, Dening's position at SEAC was strengthened through his maintenance of independent cypher communications with the Foreign Office. The Foreign Office (and to a lesser degree the Colonial Office) in fact largely relied on Dening to make its voice heard at SEAC's headquarters in Kandy, Ceylon; the only other channel was through the Chiefs of Staff in London. In 1945, after more than eighteen months in office, Dening claimed to have created for himself a position of considerable influence and independence, being the only political adviser at SEAC dealing with South-East Asia as a whole. (45) Despite this, his relationship with Mountbatten was not always the best, and the latter sometimes tended to ignore Dening's advice.

During his visit to London in June 1945, Dening proposed an overhaul of the political machinery in South-East Asia. His proposals were inspired by his difficult task of working for both Mountbatten and the Foreign Office, and he stressed in a departmental memorandum that it was 'questionable whether this situation, whereby the Political Adviser virtually serves two masters, should be allowed to continue'. Matters

were further complicated by the lack of consultation between the Supreme Commander and the Burma and India Offices, by the non-existence of Colonial Office representation at SEAC, and by the fact that political questions tended to be referred to the Chiefs of Staff (COS) rather than the political departments in London. The Supreme Allied Command itself was overburdened with the increasing speed of military developments, and SEAC, theoretically responsible to both the British and the American governments, should not be put in the situation of having to take sides when the two governments' policies differed, i.e. in colonial territories. In order to relieve SEAC of some of its political as well as economic duties, Dening suggested two alternative courses of action:

1. To detach the Political Adviser from SEAC, thus making him directly responsible to London, and giving him more staff in order to advise Mountbatten not only on foreign affairs but also on political, economic and financial matters, regardless of the department involved.
2. To appoint a Minister of State for South-East Asia, an idea previously discussed by the Foreign and India Offices in 1943 when SEAC was about to be set up.

The objective of the new appointment, Dening explained, was to coordinate the views and needs of British territories:

'Before this war British territories east of Suez tended to be governed largely on parochial lines...unfamiliar with each other's problems, and still less with the problems of non-British territories in the Far East...That such a state of affairs was both strategically and politically undesirable was proved by subsequent events when Japan delivered her attack. To-day there is a danger that, with the preoccupations of reconstruction and rehabilitation ... we shall drift once more into the same position as before the outbreak of hostilities.'

Dening therefore argued that, on the precedent of the Middle East and the Mediterranean, the best solution would be the appointment of a

Minister of State in South-East Asia reporting to the Cabinet, who would coordinate the views and needs of British territories concerned, and relate them to developments in foreign territories. (46)

Dening's memorandum also referred to recommendations made by Duff Cooper in 1941, who as Chancellor of the Duchy of Lancaster had been dispatched to the Far East (i.e. East and South-East Asia). At the time Cooper had suggested the appointment of a Commissioner-General for the Far East who would link the War Cabinet with the military and civilian officials in the area. Though receiving instructions from ministers concerned, the new appointment was to have the power, if necessary, to make decisions without prior consultation, and to assume responsibility for certain diplomatic and political activities hitherto performed by the Commanders-in-Chief in China and the Far East. In the event of war, the Commissioner-General was to establish a Far Eastern war council. (47) Though his proposals were never fully implemented, Cooper had temporarily been appointed Resident Minister with Cabinet rank in Singapore following the Japanese attack on Pearl Harbor on 8 December 1941; his powers, however, were much more limited than he had originally recommended. (48)

In 1945, the Foreign Office still regarded Cooper's plans as impracticable, not least because of their wide geographical scope. However, the department approved of Dening's new recommendations since they were limited to South-East Asia; Sterndale Bennett was confident that he could also win the other departments' approval for either of Dening's suggestions before submitting the matter to the Cabinet. (49)

Denning soon returned to SEAC, but copies of his memorandum were sent to the Colonial, India, Burma and Dominions Offices and to the services' departments at the end of July. In an accompanying letter, the Deputy Under-Secretary of State at the Foreign Office, Sir Orme Sargent, further explained that 'it would be most desirable to have in S.E.A.C. some political authority of high standing to undertake local centralisation and coordination of matters affecting more than one Department', while relieving the Supreme Commander of a great deal of non-military work. Sargent therefore favoured the appointment of a Minister of State, possibly after the recapture of Singapore. (50)

Whitehall's response to the Foreign Office initiative was mixed. The India, Burma and Dominions Offices and the Air Ministry gave their consent to either of Denings alternative proposals, the Dominions Office mentioning that the dominions might themselves find it convenient to appoint political representatives to such a coordinating authority. (51) Only the War Office fully opposed Denning's plans, arguing that after a Japanese surrender the tendency would be to bring the British territories within SEAC back under the direct control of the appropriate departments in Whitehall. (52)

The Colonial Office was in two minds about Denning's proposals. Before his return to South-East Asia, Denning explained his ideas to colonial officials in London, arguing that Mountbatten tended to send telegrams to the Chiefs of Staff which were primarily political and had only the 'flimsiest strategic significance'. A Minister Resident would relieve the Supreme Allied Commander of the burden of political

decisions, though he admitted that Mountbatten's objections to the scheme could be expected. Edward Gent, the head of the Colonial Office's Eastern Department, refused to commit himself to either proposal; for the time being, Dening agreed to hold a watching brief for the Colonial Office at SEAC. (53) Initially, the Colonial Office was tempted by Dening's suggestions as they promised to give the department an early foothold in South-East Asia. H.T. Bourdillon believed that the Colonial Office had everything to gain from the appointment of a Minister Resident as long as adequate colonial staff was provided. Complaints about Mountbatten were not new - Air Marshal Philip Joubert had already voiced disquiet at the Supreme Commander's tendency 'to take political decisions of a sweeping and perilous nature', and had independently advocated proposals similar to Dening's. (54)

However, Gent opposed a ministerial appointment, minuting that the Colonial Office had itself in mind 'the appointment of a "Governor-General" with direct powers over the British authorities in Malaya, Singapore, North Borneo and Sarawak', an appointment which had been provisionally approved by the War Cabinet in 1944. Gent therefore believed that all that was required was the appointment of a Political Adviser in SEAC who was of greater weight than Dening, and who was directly responsible to London; fresh decisions could be made at a later date, for example after the recapture of Singapore:

'Quite possibly there may be no appropriate place for a Resident Minister and, equally possible, there may be need for a detached Political Adviser to continue with the "Governor-General" at Singapore after the S.E. Asia Command has ceased to exist as an allied military command. (55)

Gent's objections to a Minister of State in South-East Asia convinced the Permanent Under-Secretary of State at the Colonial Office, Sir George Gater, and the new Labour Colonial Secretary, George Hall. The latter was seeking Cabinet confirmation for the provisionally approved plans for the development of Malaya, including the appointment of a Governor-General with direct powers over British authorities in Malaya, Singapore, North Borneo and Sarawak. As Gater explained to his officials:

'If there should prove to be need for a stronger political representation in South East Asia Command it could be met at any rate by designating the person who would be appointed Governor-General at the end of the military period so that he could be associated as an adviser with the Supreme Commander'.(56)

In his official reply to the Foreign Office, Gater accordingly only gave his consent to the more moderate option of making the Political Adviser responsible to London where he would deal directly with the Foreign Office regarding foreign affairs, and through the Foreign Office with other departments regarding their respective spheres. He stressed that once civil government was re-established there might be an appropriate place for the Foreign Office's political adviser to be attached to the staff of the Colonial Office's Governor-General. (57)

The Colonial Office's reply made it clear that the appointment of a Minister Resident conflicted with the department's plans for Malaya. A superior ministerial appointment might have had the power to overrule Colonial Office decisions and determine colonial policies; it would certainly have upstaged a Malayan Governor-General. It is obvious that

after years of intensive planning, the Colonial Office didn't want its new constitutional scheme for Malaya to be spoilt by the Foreign Office which had entered the South-East Asian scene belatedly and ill-prepared. The Colonial Office was eager to regain and consolidate its dominant pre-war position in South-East Asia: it therefore suggested that, rather than a Minister Resident, merely a more powerful political adviser should be appointed to SEAC who in the long run could be integrated into the Malayan Governor-General's staff. Gater's response also shed light on the previous lack of interdepartmental coordination. Until recently, the Foreign Office had taken little interest in the future of South-East Asia, and the Colonial Office had deemed it unnecessary fully to reveal its Malayan plans. In fact, even colonial officials like Bourdillon seemed to have been unaware of the full details of the planned Malayan Union. The secrecy surrounding the Malayan Union plans was now backfiring in the form of Foreign Office proposals which implied a reduction of Colonial Office power in postwar South-East Asia in favour of a more centralized interdepartmental appointment.

Gater's letter arrived at the Foreign Office shortly after Japan had announced her surrender. As a result, the whole issue of South-East Asia's postwar administration took on a new urgency, and in the following months negotiations between the Foreign Office and the Colonial Office on the proposed South-East Asian appointment were to develop with unprecedented fervour. The issue soon became linked to the larger question of whether an international organisation should be set up in South-East Asia after the return of the European powers. The Foreign Office, for its part, was thinking about the establishment of a

regional commission, possibly under the aegis of the proposed Minister Resident. The Colonial Office opposed the Foreign Office's ideas partly because of its own negative experiences with the issue of regional commissions at the beginning of the year. However, a further reason was its resentment of the Foreign Office's intrusion into the wider affairs of South-East Asia. The Colonial Office's response to the Foreign Office in the closing days of the war foreshadowed the two departments' differences over the international organisation of South-East Asia that were to be a dominant feature of the immediate postwar years.

NOTES

- (1) S. Woodburn Kirby, *The War Against Japan, Vol. V, The Surrender of Japan*, London 1969, p.104.
- (2) *ibid*, pp.181-183.
- (3) Nicholas Mansergh, *Documents and Speeches on British Commonwealth Affairs, 1931-1952*, Vol.2, London 1953, pp.760-765: Extracts from a government White Paper, May 1945.
- (4) A.J. Stockwell, *British policy and Malay politics during the Malayan Union Experiment, 1945-1948*, Kuala Lumpur 1979, p.24.
- (5) A.J. Stockwell, 'Colonial Planning during World War II: The Case of Malaya', *Journal of Imperial and Commonwealth History*, Vol.2, No.3, May 1974, p.333-334.
- (6) Stockwell, *British policy and Malay politics...*, p.30; also CAB 65/42, WM (44) 70th Conclusion, minute 3, 31 May 1944. Apparently, the War Office feared that early publicity would prejudice the renegotiation of the Anglo-Malay treaties. The MPU was subsequently transferred to Ceylon as a military unit within the headquarters of SEAC, while Sir Harold MacMichael from the Colonial Office prepared to negotiate new treaties with the Malay rulers after the eventual reoccupation of Malaya.
- (7) See William Roger Louis, *Imperialism at Bay, 1941-1945. The United States and the Dissolution of the British Empire*, Oxford 1977, p.231.
- (8) *ibid*, p.256.
- (9) Hansard, *Parliamentary Debates*, House of Commons, Vol.391

13 July 1943, col.142.

- (10) See Herbert Corkran, *Patterns of International Cooperation in the Caribbean, 1942-1969*, Dallas 1970, p.8 ff.
- (11) CO 968/158/5, annexed paper titled 'An Account of International Co-operation in Colonial Areas', 1944. The paper stressed that independent South American countries which could be considered part of the Caribbean region might become involved in the Caribbean Commission's work.
- (12) Mansergh, *Documents and Speeches...*, pp.1157-1164, Agreement between His Majesty's Government in the Commonwealth of Australia and His Majesty's Government in New Zealand, signed at Canberra, 21 January 1944. Also CAB 66/46, WP (44) 70, memo by the Dominions Secretary, 2 February 1944.
- (13) CAB 66/49, WP (44) 211, memo by the Colonial Office, 18 April 1944.
- (14) CAB 66/59, WP (44) 738, 'International Aspects of Colonial Policy', 16 December 1944.
- (15) CAB 66/63, WP (45) 200, annexed memo by Stanley, 19 March 1945.
- (16) Louis, p.459. The formula stated that territorial trusteeship would apply only to 1) existing mandates of the League of Nations, 2) to territories detached from the enemy as a result of this war and 3) to any other territories that might voluntarily be placed under trusteeship.
- (17) CAB 66/63, WP (45) 200, annexed memo by Stanley, 19 March 1945.
- (18) CAB 87/69, APW (45), 8th meeting of the Armistice and Post-War Committee, 26 March 1945.
- (19) CO 968/159/6, extract, titled 'Far East', from a CO paper, n.d.
- (20) CAB 66/49, WP (44) 211, memo by the Colonial Office, 18 April 1944.
- (21) FO 371, 41727 A, F 2196, memo by Hudson, F.O.R.D., 5 May 1944.
- (22) CO 968/ 159/ 6, minute by Benson, 20 May 1944.
- (23) CO 968/ 159/ 6, minute by Caine, 26 May 1944.
- (24) CO 968/159/6, draft titled 'Regional Organisation proposals for Far Eastern Colonies'.
- (25) CO 968/158/5, extract from enclosures attached to letter from Poynton, Washington, to Gent, 22 September 1944.
- (26) See CO 968/158/6, minute by J.J.Paskin, 13 May 1944.
- (27) CO 968/159/7, memo on 'Post-war security in the Indian Ocean' by Maurice Gwyer, n.d., enclosed in a letter from Amery to Stanley, 8 November 1944.
- (28) CO 968/159/7, minutes by Sabben Clare, 28 November 1944; Rolleston, 1 December 1944; and Robinson, 4 December 1944.
- (29) CO 968/159/7, Stanley to Amery, 11 December 1944.
- (30) CAB 66/59, WP (44) 738, 'International Aspects of Colonial Policy', 16 December 1944.

- (31) See Julian Lewis, *Changing Direction- British Military Planning for Post-war Strategic defence, 1942-1947*, London 1988
- (32) CAB 81/46, PHP (45) 29(0) (Final), 'The Security of the British Empire', 29 June 1945.
- (33) CAB 79/36, COS (45) 175th meeting, 12 July 1945
- (34) Christopher Thorne, *Allies of a Kind - The United States, Britain and the War against Japan, 1941-1945*, Oxford 1978 (paperback), pp.613-614.
- (35) See Peter Dennis, *Troubled days of peace - Mountbatten and South East Asia Command, 1945-46*, Manchester 1987, pp.79-80. The civil affairs agreement was extended to the whole of Indonesia after the extension of SEAC's boundaries in September 1945.
- (36) See Christopher Thorne, 'Indochina and Anglo-American Relations, 1942-1945', in *Pacific Historical Review*, No.45, 1976, p.84, quoting Sir Alexander Cadogan, Permanent Under-Secretary at the Foreign Office in November 1944.
- (37) John J.Sbrega, '"First catch your hare": Anglo-American Perspectives on Indochina during the Second World War', in *Journal of Southeast Asian Studies*, Vol.14, No.1, March 1983, p.72. During the final months of his life, Roosevelt was beginning to accept the reimposition of French rule in Indochina, see Walter LaFeber, 'Roosevelt, Churchill, and Indochina: 1942-45', in *The American Historical Review*, Vol.80, No.5, December 1975.
- (38) FO 371, 46545, FE (45) 29, 'Policy towards Siam', 14 July 1945.
- (39) FO 371, 54017, F 1933, memorandum for the Foreign Secretary, 31 January 1946.
- (40) Roger Buckley, *Occupation Diplomacy - Britain, the United States and Japan 1945-1952*, Cambridge 1982, p.8. Buckley points out that by the time of VJ day British policy towards Japan had not been clearly defined either, *ibid*, p.22.
- (41) FO 371, 46328, F 3943, memo by Sterndale Bennett, 8 June 1945.
- (42) FO 371, 46328, F 3943. The results of the meeting are summarised in a minute by Sterndale Bennett, dated 3 July 1945.
- (43) FO 371, 46424, F 9753, Bevin to Lord Pethick-Lawrence, 14 November 1945.
- (44) FO 371, 46424, F 9753, Bevin to Dening (SEAC), tel.1196, 8 December 1945. Further material in FO 371, 54012, F 248 ff.
- (45) FO 371, 46328, F 3944, memo by Dening, 26 June 1945 and his attached terms of reference. See also FO 371, 46434, F 8195, memo by Sterndale Bennett, 9 October 1945.
- (46) FO 371, 46328, F 3944, memo by Dening, 26 June 1945.
- (47) FO 371, 27856, F 13798. WP (41) 286, 29 October 1941.
- (48) FO 371, 27856, F 13798, FO to Singapore, tel.31 LANCA, 9 December 1941 and tel.43 LANCA, 12 December 1941. Cooper's appointment was soon cancelled in view of the rapid Japanese advances in Malaya. See Duff Cooper, *Old Men Forget*, London 1954,

p.304.

- (49) FO 371, 46328, F 3944, departmental memos by Sterndale Bennett from July 1946.
- (50) FO 371, 46328, F 3944, Sargent to Machtig, DO, 2 August 1945.
- (51) See FO 371, 46328, F 5357 for the reply of the India and Burma Offices; *ibid*, F 5602 for the Air Ministry's reply; and *ibid*, F 5684 for that of the Dominions Office.
- (52) FO 371, 46328, F 5598, Bovenschen to Sargent, 21 August 1945.
- (53) CO 273/677/50908, minute by Bourdillon, 27 June 1945, summarising a meeting held between 24 and 26 June.
- (54) CO 273/677/50908, minute by Bourdillon, 27 June 1945.
- (55) CO 273/677/50908, minute by Gent, 7 August 1945.
- (56) CO 273/677/50908, minutes by Gater, 8 and 11 August 1945.
- (57) FO 371, 46328, F 5239, Gater to Sargent, 13 August 1945.

2. THE ORIGINS OF THE SPECIAL COMMISSION

2.1. THE DILEMMA OF PEACE IN SOUTH-EAST ASIA

On 14 August 1945, following the dropping of atomic bombs on Hiroshima and Nagasaki, Japan announced her surrender to the allies. The end of the war took most of Britain by complete surprise, since the atomic bomb had been kept a secret until it completely destroyed Hiroshima on 6 August 1945. Mountbatten had only learnt of the bomb's existence at the end of July 1945 while visiting Berlin for the Potsdam Conference. It was then that Churchill had told him to prepare for a Japanese surrender in the second half of August. (1) Also in Potsdam, Mountbatten had been told of a highly important decision on the operational boundaries of his command. Since its ^{ception} ~~inception~~ in 1943, SEAC's operational responsibility had included Burma, Malaya, Singapore and the northern Indonesian island of Sumatra. The American and British Chiefs of Staff now agreed to transfer the rest of Indonesia from the American-led South West Pacific Area Command (SWPA) to SEAC. Mountbatten's command also was to include the southern half of Indochina, and its responsibility for Thailand was confirmed. (2) The decision took into account Britain's desire to re-establish her prewar position in South-East Asia, and it allowed the Americans to further concentrate on their drive against Japan. (3)

Mountbatten subsequently informed his headquarters in Kandy of SEAC's imminent boundary changes. He also pointed out that an early

surrender by Japan was possible and could certainly be expected in 1945. (4) Mountbatten returned to SEAC's headquarters the day Japan announced her surrender, deciding that priority would be given to the recapture of the rest of Burma, Malaya and Singapore, followed by Saigon in Indochina, Bangkok in Thailand, Batavia (Jakarta) and Sourabaya in Java, Hong Kong and the remaining territories. However, an order by General MacArthur, who had been designated Supreme Allied Commander for the Allied Powers, ruled that no landings or reoccupation of Japanese held territory could be made before the main surrender documents had been signed in Tokyo on 2 September. On the same day, SEAC's boundaries would be officially extended. (5) The order delayed the reoccupation of Singapore until 5 September. On 8 September, the first British troops were flown into Saigon and parachuted into Java near Batavia.

It has been argued that Mountbatten, while in Potsdam, believed his additional geographical responsibility would not unduly stretch SEAC's resources. (6) If this had really been his conviction, he would soon awoken to the fact that economically, politically as well as militarily SEAC was facing formidable problems. SEAC's official postwar task was to enforce the surrender of and disarm approx. 740,000 Japanese troops in South-East Asia before their eventual return to Japan, and to restore law and order in the re-occupied territories. It was also in charge of recovering approx. 125,000 Allied prisoners-of-war and internees in the area, some of which were held in remote jungle camps. To fulfil his task Mountbatten had at his disposal a total of about 1,3 million troops of whom some 350,000 were initially deployed. However, his fleet consisted of only 120 warships and his air force of only 50 RAF squadrons (7) - a

small force considering the vast geographical extension of his command. At the same time, there was pressure from home to further scale down SEAC's strength; the PYTHON repatriation scheme, introduced at the end of 1944, had already reduced the time that British soldiers had to serve in the Far East from five years to three years and eight months.(8) SEAC's resources were stretched to their limits, and one wonders what would have happened if the Japanese had refused to obey Allied orders in defiance of their country's official surrender. In the event, the Japanese showed themselves cooperative and Mountbatten decided to maintain their chain of command. This allowed SEAC to use Japanese troops for its purposes - even months after the surrender the British often had to rely on the Japanese for the purpose of policing the recaptured territories. As Mountbatten reflected on his postwar task in a television interview in the 1970's:

'Suddenly, I found myself responsible as the Supreme Commander for an enormous area of the globe, with a distance of 6000 miles across it ...with 128 million starving and rather rebellious people who had just been liberated, with 123 000 prisoners of war and internees, many of whom were dying, ... and at the very beginning I had some 700 000 Japanese soldiers, sailors and airmen, to take the surrender, disarm, put into prison camps, awaiting transportation back. Even looking at that it sounds a big problem, but I had no idea what I really was in for - what I really was in for was trying to reestablish civilization and rule of law and order throughout this vast part of the world. We didn't even know what the conditions were going to be, I had no staff really trained or qualified to help me in this task, except some professional civil affairs officers from various countries whose one idea was to go back and carry on where they left off three or four years ago.'(9)

Apart from the limited military means at its disposal, SEAC was ill-prepared for South-East Asia's economic and political problems. During the war Japan had drained the economies of the occupied South-

East Asian territories to support her war efforts. At the same time, the Japanese had fostered fledgling nationalist movements to secure the collaboration of parts of the population. Burma was the first territory where in 1945 Mountbatten was confronted with the new brand of nationalism in the region. Before the war, nationalist sentiment had been stronger in Burma than anywhere else in South-East Asia. After occupying the country in 1942 the Japanese had tried to exploit Burmese nationalism for their own purposes, by establishing the Burma Defence Army under the command of the Burmese leader Aung San, and by declaring the country's 'independence' in 1943. (10) However, following clandestine negotiations with British forces Aung San's troops had swapped sides in March 1945 and had engaged the Japanese in guerilla warfare. As a result, advancing British forces under General Slim had been able to recapture Rangoon before the beginning of the monsoon rains. Aung San's involvement in the recapture of Rangoon constituted a dilemma for the British. On the one hand they were committed, under the Burma White Paper, to re-establish direct British rule for a transitional period. On the other hand, demands for self-government and independence by the nationalist movement behind Aung San, organised in the Anti-Fascist People's Freedom League (AFPFL), could not be ignored. Mountbatten sensed that open conflict with the Burmese nationalists would make Burma untenable. In May, he recognized the Burma National Army, renamed Burmese Patriotic Forces, as a British ally. In September an agreement was signed with the AFPFL providing for the creation of a Burmese army out of the Burmese Patriotic Forces. (11)

However, while Mountbatten temporarily succeeded in appeasing Burmese nationalism (before the return to civil government in October brought matters to a head), open conflict broke out in other parts of South-East Asia. In Indonesia as well the Japanese had fostered nationalist movements to increase local cooperation with the Japanese war effort. On 17 August 1945, the Indonesian leader Sukarno used the opportunity of the Japanese surrender to proclaim an independent Indonesian Republic. In the following weeks, Indonesian nationalists, many of whom had previously received paramilitary training from the Japanese, seized arms from the now passive Japanese troops and gained control of large parts of Java and Sumatra. The consolidation of the Indonesian Republic was made possible by the delayed arrival of British forces caused by MacArthur's ruling not to begin with the re-occupation before the surrender ceremony in Tokyo. When British forces first reached Batavia in the middle of September, they were also too weak to force the Indonesian Republic into surrender. In November 1945, a fierce battle for the control of Surabaya eventually won by the British showed the fanaticism and determination of the Indonesian nationalists, and it finally convinced Mountbatten that a British military campaign to restore Dutch rule was out of the question. (12)

It slowly dawned on the British that they had failed to anticipate the full strength of South-East Asian nationalism. As Denning wrote to Sterndale Bennett at the beginning of October:

'These independence movements in Asia must be treated with sympathy and understanding. Otherwise they will become really serious. As I have indicated, they are half-baked and treated the proper way they should not be very terrifying. But treated the wrong way, they may well, in the end, spell the end of

Europe in Asia... Let us therefore stand no nonsense from the French or the Dutch.'(13)

However, while SEAC was militarily unable, as well as politically unwilling, to put an end to the Indonesian Republic, British forces were crucial to the re-establishment of French power in the south of Indochina. After the Japanese surrender, the leader of the communist dominated Viet Minh, Ho Chi Minh, had on 2 September in Hanoi proclaimed the Democratic Republic of Vietnam (DRV). The DRV's main power base was to be in the northern province of Tonkin where it was tolerated by the Chinese occupational armies until the return of the French in the spring of 1946. In the south, however, it was the British who were charged with disarming the Japanese and with restoring law and order. The commander of the British occupational forces, Major General Douglas D. Gracey, openly sympathized with the French whose local troops and authorities had been interned by the Japanese in March 1945 following years of uneasy collaboration. Soon after his arrival in Saigon on 13 September 1945, Gracey declared a state of siege and distributed arms to the few thousand freed French troops. Overstepping his instructions, Gracey organised a *coup d'état* on 23 September: his British and Indian troops arrested the surprised Viet Minh authorities in Saigon's public buildings and re-installed the French. In the following month, British forces became actively involved in fighting with the Viet Minh for the control of Saigon and the surrounding areas, an episode which one historian has called 'The First Vietnam War'. (14) The bulk of new French forces under General Philippe Leclerc arrived in October, and the French re-occupation of Saigon and large parts of Cochinchina was completed by

February 1946. The British forces withdrew and in March Gracey officially transferred his authority to the French.

2.2. ESLER DENING, SEAC AND REGIONAL COOPERATION IN SOUTH-EAST ASIA

While it would take several months before the gravity of South-East Asia's political situation would fully sink in in London, Whitehall was immediately alerted to the economic problems that SEAC was up against. It soon became apparent that South-East Asia's agricultural economy lay in ruins as a result of the Japanese occupation. Traditional rice producing countries like Burma, Indochina and to a lesser degree Thailand had all suffered from serious neglect and mismanagement under the Japanese, and there existed hardly any stocks of rice or other foodstuffs in the area. In addition to the shortage of food supplies, there was a lack of clothing and consumer goods, of coal and machinery as well as of fertilizers. Planting had decreased and transport was disintegrating. The Japanese supply system - never very efficient - broke down completely at the time of the surrender. As a result, the population in many of SEAC's territories was soon to be threatened by famine.(15) Since the shortage of rice was not confined to South-East Asia, the Combined Food Board in Washington, responsible for world-wide food allocations during and immediately after the war, was in no position to provide large-scale imports either.(16)

SEAC was completely unprepared for the task of postwar relief. It was a military command geared for a gradual advance into Malaya, Thailand and Sumatra. Its supply plans were drawn up months in advance and could not be changed at short notice due to the worldwide lack of shipping space. Furthermore, existing stocks were completely insufficient for meeting South-East Asia's food demands. Another problem was the lack of transport facilities. Mountbatten had a fleet of only 130 cargo ships, too little to keep up the flow of supplies to and within the enlarged theatre. Things were made worse by the fact that the turn-round of ships was usually delayed by the lack of port equipment and the shortage of labour. SEAC's inadequate shipping resources were further strained by the need to transport Indian coal supplies to South-East Asia; the latter's coal production was seriously reduced as a result of the war. All this had the effect that surplus stocks of rice, which existed for example in Thailand, were extremely difficult to transport to deficit areas.(17) Last but not least, SEAC had hardly any qualified staff to deal with the civil administration of the re-occupied territories, or with the economic rehabilitation of South-East Asia.

The first British official to point out the lack of civil affairs experts at SEAC was Mountbatten's political adviser, Esler Dening. Immediately after learning of a possible surrender by Japan, Dening warned the Foreign Office that SEAC's military machine was 'only equipped to undertake the limited task of re-occupation and prevention of disease and unrest'. Yet everything depended on how Britain coped with its task of postwar administration:

'By the creation of the South East Asia Command, which is predominantly British, we assumed responsibility for the areas

contained within its boundaries. That is all to the good provided we discharge that responsibility. If we do, then we stand a fair chance of restoring British prestige in a part of the world where it had sunk to a very low ebb. If we do not, then I should expect that, as the years roll on, the peoples of the Far East will tend to look less and less to Britain and more and more to any Power which is in a position to afford them strategic, political and economic security. This will affect our relations with other European Powers with possessions in the Far East; it will loosen our ties with Australia and New Zealand and affect our relations with China and the United States.'(18)

Denning's letter was an indication that he was thinking of using SEAC as a means of promoting British power in South-East Asia. His exact ideas were never expressed in one comprehensive paper. However, taken together Denning's various proposals in the summer of 1945 provide a clear picture of the policies he wanted Britain to pursue. In the centre of his plans were his proposals for the coordination of *British* policies in the region. As he had argued in June, he feared that British territories east of Suez would drift back into their pre-war state of 'parochialism' which he held partly responsible for the Allied defeat in 1942. Hence his proposal for the appointment of a Minister Resident in charge of political coordination. In July, Denning further indicated in a letter to Mountbatten that non-British territories might also be included in the scope of the new appointment:

'Politically, strategically and economically we must surely in future regard South East Asia as a unit, and not as a collection of isolated parishes. If some civil organisation over and above the local governments is not created, I do not know how we are going to preserve the spirit which has been created by this Command of one great area in which boundaries are only incidental to the main purpose. That area, to my mind, embraces India, Ceylon, Burma, Siam, F.I.C., Malaya and the N.E.I., while its influence should extend to S. China through Hong Kong.'(19)

The sudden extension of SEAC's boundaries at the end of the war made the creation of such a civil organisation above the local governments more realistic. For despite its apparent weaknesses, SEAC was the first organisation ever to administer the whole of South-East Asia, including British, French and Dutch territories as well as independent Thailand. In fact, SEAC can be called the first regional organisation in peacetime South-East Asia, and Denning was tempted by the idea of continuing it as a non-military organisation under Britain's lead after the return to civilian rule.

A few days after the Japanese surrender Denning sent a telegram to London in which he demanded the immediate appointment of two financial and economic advisers to SEAC. (20) He also told the Foreign Office that he was thinking of a 'coordinating agency' in South-East Asia which would deal with economic questions such as rice distribution, inflation or price fixing. Without such an agency, Denning argued,

'...there will be no overall economy which I believe to be necessary to future prosperity of South East Asia, and we shall find ourselves drifting back to bad days when a number of political entities existed in this region with no consciousness of, or interest in, the problems of their neighbours, and no coordination of their economy or security'. (21)

In September, Denning further wrote to Sterndale Bennett:

'I am all for the setting up of local civil administrations as soon as possible. At the same time I have not altered my view that it would be a pity to split up once more into isolated parishes, and some organisation should, I think, be preserved which will preserve the unity of purpose engendered by the war. Regional economy and regional security are, at any rate, essentials, and the more we can break down political barriers at this stage the better. You may consider this a counsel of perfection, but it will be only too easy, if we do nothing now,

to drift back to the old ways. They may have been alright for their day, but that time is past.'(22)

Taken together, Denning's various proposals amounted to a scheme providing for international cooperation in both South and South-East Asia under the leadership of a British Minister Resident. British officers at SEAC were apparently thinking on similar lines. According to the War Office, there was enthusiastic support among top SEAC officials for a scheme which would make the maximum political use of the command under the lead of Mountbatten.(23) At the Foreign Office Sterndale Bennett concluded:

'If the scheme were properly handled S.E.A.C. might become the nucleus for a consultative regional commission in South East Asia which has long been one of our tentative objectives.'

However, due regard would have to be ~~be~~ paid to the susceptibilities of foreign countries, as it might appear that Britain was trying to attempt fastening her control over French and Dutch territories; so far as Thailand was concerned it would also 'revive American suspicions of our wish to reduce that country to a kind of subject State'. In the early stages the scheme would therefore have to apply to British territories, Indonesia, Indochina and Thailand only.(24)

Sterndale Bennett's comments highlighted one key aspect of Denning's and other officers' proposals. The creation of a civilian successor organisation to SEAC, linked probably to a British Minister Resident, implied the continuation in the postwar years of Britain's factual hegemony in South-East Asia under SEAC. Though the proposed organisation

was to serve the economic revival and development of South-East Asia there is no doubt that Denning also saw it as a potential tool for British great power interests in Asia. It was this aspect of Denning's proposal which would have made the concurrence of France and the Netherlands in such a British dominated regional scheme questionable, despite the two countries' weakness in 1945 and their reliance on British support in South-East Asia.

Despite these potential pitfalls, the Foreign Office generally supported the idea of promoting regional cooperation in South-East Asia. However, before launching an international initiative in this direction, the department had to try and convince the rest of Whitehall to back Denning's proposal. His telegram of 23 August demanding a regional coordinating agency was therefore circulated to the Official Far Eastern Committee, which immediately agreed to the appointment of two specialist advisers to SEAC. It also invited the Foreign Office, in consultation with other departments, to make recommendations on the creation of economic machinery in SEAC. (25) After consultation between the Foreign Office and the War Office (26), responsibility for organising the interdepartmental discussion on economic coordination was passed on to the chairman of the Official Committee for Supply of Liberated Areas (S.L.A.(O)), McGregor, of the Ministry of Production.

Denning's telegram from 23 August had effectively revived the issue of regional cooperation which had been dormant since the failure of the Colonial Office's world-wide plans earlier in the year. As Sterndale Bennett pointed out to Bevin on 9 October, three issues were now under

consideration. First, there was the question of whether a Minister of State or merely a high and independent government official should be appointed in South-East Asia, as SEAC was unprepared for dealing with the political and economic problems arising in the area. The second point was the serious supply problems in SEAC and the need for some better coordinating machinery. Thirdly, unless action was taken, there was the tendency of the various territories to 'drop back into more or less water-tight compartments', though

'The existence of South East Asia Command does provide an opportunity for working on a regional basis and perhaps for laying the foundation of some kind of regional organisation when the immediate military tasks of South East Asia Command are over'.

So far as the first point was concerned, Sterndale Bennett added that the appointment of a Minister of State might be difficult to reconcile with the responsibilities of the Supreme Commander and subsequently with the new governments; nevertheless, a panel of experts on financial, political, economic and supply questions would have to be provided. (27) Orme Sargent, however, still favoured the appointment of a Minister of State. (28)

A decision on the first of the three issues was made by a meeting of Cabinet ministers on 18 October. The meeting acknowledged that the political machinery for dealing with political matters in SEAC urgently needed to be strengthened. However, there were signs that Mountbatten did not favour the appointment of a Minister Resident and that such an appointment would be embarrassing to the Indian Viceroy and to the Governor of Burma. In view of these objections, the meeting decided

instead on the appointment of an official of ambassadorial status, responsible to the Foreign Office, who would deal with political questions in the non-British territories and who could achieve further coordination in consultation with the Indian Viceroy and the Governor of Burma. Concerning the supply situation in South-East Asia and the region's future economic organisation, it was generally accepted that a coordinating machinery for economic and supply matters was needed. However, the meeting left it to the departments to discuss whether this machinery would be under the supervision of the proposed high official. (29)

The decision against a ministerial appointment in South-East Asia was the direct result of opposition by local officials such as Mountbatten, the Governor of Burma and the Indian Viceroy who resented interference by a politician dispatched by London. Furthermore, Colonial Office objections to an appointment superior to the Malayan Governor-General seem to have been a major consideration. The decision implied that Britain's colonial authorities would continue to maintain a high degree of autonomy and that political coordination would be provided primarily by London, not by a ministerial authority on the spot. The ruling came as a disappointment to the Foreign Office, which had apparently hoped to use a ministerial appointment as a means of increasing its influence in South-East Asia. Despite this, the alternative decision in favour of a new diplomatic appointment in South-East Asia was an improvement compared to the prewar years, giving the Foreign Office a further foothold in the region and allowing it to make its voice ^{heard} with the colonial authorities. In addition, the new

appointment provided an opportunity for the Foreign Office to assume some regional economic responsibilities - so long as the new post would be linked to the economic machinery envisaged by the ministerial meeting. In the long run, this could be the basis for a wider regional scheme in South-East Asia.

2.3. THE REGIONAL DEBATE AT WHITEHALL, OCTOBER 1945 UNTIL JANUARY 1946

After the decision in favour of a new Foreign Office post in Singapore, the interdepartmental debate began to shift away from the question of political coordination to the issue of regional cooperation. On 22 October an interdepartmental meeting at the Ministry of Production discussed South-East Asia's economic organisation. According to an account by the Colonial Office, Sterndale Bennett demanded 'guidance from the Departments concerned of the desirability from the economic point of view, of setting up some machinery for co-operation as between the territories at present included in S.E.A.C.' The Colonial Office representative, Mayle, left the meeting under the impression that there were no prospects for creating new regional machinery, since supply problems were covered by existing machinery in SEAC, London and Washington. The same applied to the long term:

'In the absence of the common purpose created by the war, there seems to be little prospect of getting agreement to machinery for co-operation as between the various countries concerned at the moment. The prospects to this question are, in fact, much too poor to justify our diverting time and resources urgently required for rehabilitation of our territories. My own view is that it will be time enough to consider this question of co-operative machinery in about two years when we and the

other territories concerned will have had a chance to rehabilitate ourselves.'(30)

However, the meeting's chairman from the Ministry of Production, McGregor, was under the opposite impression. After the meeting, he circulated a paper outlining a tentative plan for an international Advisory Supply Council for South-East Asia, composed of high-ranking officials, and with a secretariat in charge of the daily work. The council would deal with issues such as colonial economic policies, short term rehabilitation and price control of the region's commodities (i.e. rubber, tin and rice).(31) The Colonial Office was surprised by McGregor's paper, arguing that the meeting on 22 October had reached no agreement on any aspect of long-term economic cooperation. One official, Davies, questioned whether the time was right to set up a regional machinery:

'While fully appreciating the advantages of regional economic co-operation ... it is not the most propitious moment for proposing a regional body providing for co-ordination and co-operation in respect of economic matters on a regional basis. If the proposals are put forward now, they might be met with some suspicion on the ground that we are trying to take advantage of our military position in the Far East ... it would be preferable to defer the matter until the countries concerned have had an opportunity of carrying out some measure of rehabilitation, and the political situation is more settled. We would suggest that the question should be deferred for, say, a year, and reviewed at the end of that time in the light of the then conditions.'

Regarding the regional council proposed in McGregor's paper, Davies further critisized that there was no reason why SEAC should be taken as a nucleus for a regional economic council, as the command's boundaries were determined by reasons other than economic. However, the question of

regional cooperation might be reconsidered at a later time, when supply questions weren't looming so high. An organisation might then be considered on the lines of the Anglo-American Caribbean Commission, which also dealt with problems other than economic ones. (32)

The Colonial Office had thus expressed its opposition to any plans for regional economic cooperation in the near future. As Mayle had pointed out, the resources of Britain's South-East Asian colonies were scarce and the Colonial Office did not intend to share them with their non-British neighbours. Furthermore, regional cooperation would be made difficult by Britain's problems with Indonesia and Thailand, and there was a chance that other countries would be highly suspicious of British intentions behind a regional scheme. If a regional organisation were eventually created, the Colonial Office was thinking of a body similar to the Caribbean Commission which had only token economic and political powers. However, the Ministry of Production wouldn't give up easily, circulating a revised paper which again stressed the need for economic collaboration. It was supported by the Board of Trade. (33)

The Foreign Office too continued to lobby for some form of regional cooperation in South-East Asia. It was felt that a small beginning in SEAC might develop into the kind of regional consultative commission whose encouragement was in Britain's long-term interests. The department was particularly keen on linking such a commission to its new appointment in South-East Asia: according to a departmental memorandum by Sterndale Bennett, the question was now whether the planned Foreign Office post would be given responsibilities for the coordination not

only of foreign affairs but of general political, economic and financial questions in the area as well. The problem was, however, that the Colonial and Burma Offices would oppose anything which looked like impinging on the prerogatives of the governors of the various British territories. (34) Sterndale Bennett subsequently drafted a directive which stated that the new appointment would promote and encourage general political and economic coordination and that he would preside over a regional economic advisory council with headquarters in Singapore. (35)

The issue came up at an interdepartmental meeting on 19 November which considered the future responsibilities of the Foreign Office's new post. The meeting agreed that the title of the appointment would be Special Commissioner and that his headquarters would be in Singapore. He would neither concern himself with the internal problems of the British territories in South-East Asia nor would there be any derogation from Mountbatten's authority. It was also agreed that for the time being the Governor of Malaya and, when appointed, the Governor-General of Malaya would be the King's principal representative in Singapore. The duration of the appointment was left for further consideration. (36)

However, no agreement could be reached on the Special Commissioner's economic responsibilities. Sterndale Bennett's draft directive was criticized by the head of the Colonial Office, Sir George Gater, as well as by the head of the Treasury, Sir Edward Bridges. The latter apparently wanted to avoid additional financial commitments in connection with the new post and suggested leaving the proposed regional

committee for consideration by the Special Commissioner upon his arrival in Singapore. So far as economic coordination and cooperation in general was concerned, representatives from the Ministries of Supply and of Food further argued that 'raw materials from South East Asia were wanted by the rest of the world and only to a small extent by the territories themselves'. Trade would also be with the outside world and the scope for interchange was not great. As a result of these objections, consideration of the Special Commissioner's economic functions was postponed to a later date. (37)

Despite this set-back to the Foreign Office's South-East Asian plans, further reports on SEAC's inadequate economic organisation strengthened the department's hand. In the middle of December, Dening repeated his demand for a civil organisation in South-East Asia which would relieve SEAC of some of its non-military duties and meet the overall requirements of the region. There were many matters that a military command should not be dealing with, such as the allocation of Indian textiles to South-East Asian territories. This was more for a civilian organisation which would be equipped with a staff trained in international affairs, in economic and financial matters as well as in civil government. It would also be able to assess civilian in relation to military requirements, especially since there was a strong feeling in Malaya that the latter were receiving undue preference. As most territories in South-East Asia had been liberated without having to undergo the horrors of battle, the populations were expecting an earlier return to normalcy. The result was growing unrest and discontent. The proposed organisation would thus relieve the military command of much

work, alleviate the position more quickly and remove the suspicion of neglect, coordinate the area's requirements so as to ensure equitable distribution and deal with political developments of more than a local significance. As in his earlier representations, Denning also saw use for such an organisation beyond the immediate postwar period:

'Burma, Malaya, Siam, Indo-China and the Netherlands Indies were all completely parochial in their outlook before the war and we had no organisation which was capable of surveying the scene as a whole and of making appropriate recommendations to H.M.G., while in Whitehall reports from these areas were canalised with the Foreign Office, as the case might be, so that there again there was no comprehensive picture. I think we should avoid doing that in the future. In London I understand that the necessary machinery has been set up. Out here I do not consider that a military command can fill the bill.'

Denning added that links should be made between such a 'clearing house' and Australia, New Zealand, China and India. (38)

Inspired by Denning, the Foreign Office took the opportunity of an interdepartmental meeting on 18 December to press for a link between regional cooperation and its new appointment. According to the official account, it was suggested that regional cooperation could be useful in matters concerning supply, distribution and pest control. Though no final decisions were made on the issue of regional cooperation itself, the meeting decided that the Special Commissioner should be invited to make recommendations on

- 1) whether the existing machinery in South East Asia was sufficient to deal with economic questions,
- 2) what arrangements should be made for the period immediately after control had been handed over to civil governments.

3) whether now or in the period immediately after the handover to civil authorities, the foundations could be laid of a long-term organisation for regional cooperation. (39)

The Foreign Office had completely steamrollered its opposition during the meeting. Though the Colonial Office representative, Davies, disagreed with the need for regional cooperation, he was at the same time totally unaware of the Special Commissioner's proposed appointment. Davies subsequently explained to his department that 'all the others present regarded the matter [of regional collaboration] as intimately connected with the appointment of a Special Commissioner in the Far East'. Consequently, he 'did not feel it possible to dissent from the unanimous view taken by the others present at the meeting that a paragraph should be added to the terms of reference of the Special Commissioner, asking him to advise on this question', especially since Davies was given to infer that Gater had 'definitely contemplated the possibility of this being done'. (40)

Gater, in fact, vehemently objected to the meeting's decision, and asked Kenneth Robinson, the Colonial Office's leading expert on regional commissions, to comment. Like Davies, Robinson hadn't before heard of plans for the Special Commissioner. In a long departmental minute Robinson warned of the 'dangers involved in Regional Commissions'. While the Colonial Office was in general agreement that South-East Asia was an area suitable for regional commissions, the present situation underlined in the most acute form all the problems which were considered in Stanley's paper on 'International Aspects of Colonial Policy'.

Regionalism would be used by the Americans and the two Pacific dominions to undermine the position of the colonial powers, assisted by China, and probably by India and Russia. Because of this, the French were already highly suspicious of all these regional proposals:

'All the difficulties in connection with the attempt to combine with the Regional Commission some form of "international accountability" including the supervision of progress towards an independence to be decided on an internationally prescribed timetable would inevitably come to the fore in the present circumstances in S.E.Asia'.

So far as the economic side was concerned, Robinson argued that worldwide, not regional cooperation was required, and that it would be difficult to demarcate the field of an economic organisation (dealing for example with price control) after the disappearance of supply problems. Robinson concluded that while regional cooperation was of vital importance in raising the standard of living throughout the area, proposals for cooperation should not be considered without realising the wider political issues involved, particularly the 'Colonial Question'. (41)

Robinson's reservations against regional schemes in South-East Asia were the same that the Colonial Office had voiced after the Yalta Conference in February 1945. Regional cooperation bore in it the danger of international interference in colonial territories. This danger was increased by the current political troubles in the South-East Asian territories. In a letter to the War Office Gater therefore expressed serious doubts about including in the ~~the~~ Special Commissioner's instructions any reference to long-term organisation for international

regional co-operation. This issue involved many problems of a political character, in particular the question of the relationship between such regional machinery with the United Nations Organisation. (42)

While London was considering Robinson's objections to regional cooperation, the men on the spot had eventually got wind of the Colonial Office's plans for Malaya. (43) As Denning telexed to London on 5 January 1946, Mountbatten, Denning, MacMichael and Hone had concluded that instead of a Malayan Governor-General there was need for an overall civilian organisation to coordinate British domestic and foreign policy in the region and to act as a clearing house for the resolution of regional problems which were at the same time of concern to individual British territories. The functions of the head of such an organisation would be that of an umpire, coordinator and perhaps adjudicator rather than of an executive officer. His authority would furthermore derive from the Cabinet, and he might one day maintain links with any United Nations office's in the region. (44) Denning added in a second telegram ten days later on that the appointment of two high officials would be wrong, and that a Governor General's mind would 'naturally be influenced towards colonial problems only as opposed to problems of the whole area of South-East Asia'. (45)

However, Denning's comments arrived too late to make any difference, as the Cabinet had already decided against the appointment of a Minister Resident. Even the Foreign Office had come round to the view that it would be more practicable, if less ambitious, to make the Special Commissioner responsible to the Foreign Secretary, and to keep him out

of inter-Malayan affairs.(46) The Foreign Office also seemed to be pleased to have its own regional official in South-East Asia. Nevertheless, Denning's telegrams encouraged the Foreign Office not to relent on the Special Commissioner's economic directive. Though there was a risk of delaying the new appointment if its draft directive wasn't soon cleared, Wilson-Young argued that the Foreign Office should not for the sake of speed agree to the restrictions on the Special Commissioner's terms of reference suggested by the Colonial Office.(47)

The matter was consequently referred to the Permanent Under-Secretary at the Foreign Office, Alexander Cadogan, who told Gater in a letter of 10 January that some civil organisation was needed to meet the overall requirements of South-East Asia. The value of regional cooperation had been accepted by the Colonial Office in other parts of the world and some form of regional organisation would help to increase the wealth and welfare of the region and its inhabitants. The Foreign Office had a particular interest in regional developments since South-East Asia comprised, apart from Thailand, 'colonial territories with the mother-countries of which it is our general policy to develop the closest community of interests.' Cadogan therefore saw a good case for having the problem investigated by the Special Commissioner who would merely make recommendations. As a compromise on the Special Commissioner's terms of reference, Cadogan now proposed that the new appointment should be invited to recommend not whether a regional organisation was desirable, but whether consideration should be given to inter-territorial cooperation in economic and welfare matters.(48)

The Colonial Office regarded the proposed revision of the Special Commissioner's terms of reference as an improvement. However, Gater was still not convinced that the point should be included. Though it was Britain's general policy to develop the closest ties with the parent states of the colonial territories in South-East Asia, Gater had 'very clear indications of the sensitivity and suspicion with which the French view any form of regional co-operation involving their Colonies especially if any outside powers such as the United States or, in this case, China are to participate'. There were good prospects for appropriate ad hoc collaboration with the French and with other colonial powers, but the inclusion of non-colonial powers as contemplated by Stanley in 1943 was fraught with great difficulty. Furthermore, relations with the Dutch in the Netherlands East Indies were uneasy, and the situation in Indonesia and to a lesser extent Indochina were being used by 'anti-imperialist' elements in the United States and elsewhere to support the case for international intervention in the area:

'If proposals for anything in the nature of a regional commission in this area became public they would have little chance of survival between the pressure of outside powers to secure membership of the proposed Commission and the fear of Colonial Powers such as the French that the activities of those Powers would be directed towards weakening the connection of the Colonial territories in the area with their parent states'.

Gater added that there had been considerable changes since Stanley's advocacy of regional commissions as part of a general scheme to justify the abolition of the mandates system. The new British government had not yet considered how far they wished to pursue the policy of regional commissions. Any instructions to the Special Commissioner on the subject

should therefore be deferred until after the views of Ministers had been secured. (49)

However, the Foreign Office was far from satisfied with Gater's reply, Sterndale Bennett complaining that the Colonial Office had been 'very obstructive' about the Special Commissioner's terms of reference:

'Their fears about regional commissions may have some substance, but this letter gives no real argument why the Special Commissioner should not be asked to consider the question of regional cooperation in economic matters and to make recommendations about it.' (50)

Thus, three different lines of thought on regional cooperation prevailed at the end of January 1946. The first group were the traditionalists for example at the Ministry of Supply who saw no need for any kind of regional cooperation in South-East Asia. They believed that the prewar pattern of trade between a colony and the metropolitan power should be resumed, and inter-regional trade discouraged. By implication, economic development and welfare of the colonies was of secondary importance. However, this group was in the minority. The second group, namely the Colonial Office, principally agreed that economic collaboration was important for South-East Asian prosperity and social welfare. However, colonial planners feared at the same time that the establishment of a regional commission would lead to outside interference in the South-East Asian colonies, for example by the United States. Furthermore, they expected that any regional proposals tabled by Britain would be regarded with suspicion by France and the Netherlands. So far as colonial officials in charge of Malayan affairs were concerned, they were also disinclined to spare the colony's limited

resources for the economic reconstruction of neighbouring foreign territories while there was still a shortage of food and goods. Of equal importance was the Colonial Office's objection to a link between regional cooperation and the Foreign Office's new appointment. From the outset, Colonial Office officials had regarded the Foreign Office's plans with suspicion, and feared that a Special Commissioner with economic responsibilities would tresspass on the grounds of the Governor-General.

The third group consisted of the promoters of regional cooperation. Officials at the Ministry of Production were enthusiastic about greater inter-regional exchange and the control of commodity prices by an international organisation. The Foreign Office too believed in the short and long-term economic benefits for South-East Asia's war-shattered economy. However, the department was primarily interested in the political opportunities that a regional scheme might offer both to Britain and to itself. After the rejection of a Minister Resident, Foreign Office officials in London consequently tried to include responsibility for regional cooperation in the Special Commissioner's directive. When the Colonial Office objected to any new regional machinery, the Foreign Office's minimal aim was to keep the regional option open for the future and to instruct the Special Commissioner to comment on the issue.

Within the third group, some differences existed between officials in South-East Asia and in London about the extent and timing of a regional ^{ti} initiative. Dening did not intend to involve the United States in

any regional arrangement, whereas Foreign Office officials in London were prepared to include the Americans as well. Furthermore Dening, who was not fully aware of the developments at Whitehall, was adamant that the proposed organisation should be linked with or even headed by a British official or minister responsible to the Cabinet. The Foreign Office, on the other hand, accepted the ministerial decision that the new post would be responsible merely to the Foreign Secretary. Dening also kept pressing for the immediate establishment of a civil organisation in order to relieve SEAC of its non-military responsibilities. The Foreign Office, on the other hand, came to realise by the end of January that a regional organisation was a long-term plan. What mattered most was that any future developments towards regional cooperation in South-East Asia would be linked to the Special Commissioner. As will be seen next, the Foreign Office would eventually get its way on this point, after the full gravity of the food situation in South-East Asia had become apparent.

NOTES

- (1) S. Woodburn Kirby, *The War against Japan, Vol.V, The Surrender of Japan*, London 1969, p.226.
- (2) Christopher Thorne, *Allies of a Kind - The United States, Britain, and the War against Japan*, Oxford 1978 (paperback edition), p.523; also Rohan Butler and M.E.Pelly eds., *Documents on British Policy Overseas, Series I, Vol.I, 1945, The Conference at Potsdam July-August 1945*, London 1984; Document 183, Meeting of Combined Chiefs of Staff Committee, 18 July 1945, CCS 195th meeting (CAB 99/39); and Document 193, Meeting of Combined Chiefs of Staff, 19 July 1945, CCS 196th Meeting (CAB 99/39).
- (3) For a discussion of the boundaries decision see Robert J. McMahon, *Colonialism and Cold War - The United States and the Struggle for Indonesian Independence, 1945-49*, Ithaca and London 1981, pp. 76-83.

- (4) Woodburn Kirby, p.226. Mountbatten remained secret about the atomic bomb until it was dropped on Hiroshima on 6 August 1945.
- (5) *ibid*, pp.234 and p.230.
- (6) Peter Dennis, *Troubled days of peace - Mountbatten and South East Asia Command, 1945-46*, Manchester 1987, p.11.
- (7) Vice Admiral the Earl Mountbatten of Burma, *Post Surrender Tasks*, Report to the Combined Chiefs of Staff by the Supreme Allied Commander, South East Asia, 1943-1945; London 1969, p.282; and John Ehrman, *Grand Strategy*, Vol.6, London 1956, p.255.
- (8) Woodburn Kirby, p.65.
- (9) *The World at War*, Channel Four, penultimate programme in the British television series.
- (10) John H. Esterline and Mae H. Esterline, *How the Dominoes fell - Southeast Asia in Perspective*, Lanham 1986, p.219.
- (11) Jan Pluvier, *South-East Asia from Colonialism to Independence*, Kuala Lumpur 1974, p. 391. For Mountbatten's role in Burma see Nicholas Tarling, 'Lord Mountbatten and the Return of Civil Government to Burma', in *Journal of Imperial and Commonwealth Studies*, Vol.11, No.2, January 1983, pp.197-226.
- (12) Pluvier, pp.365-366 and pp. 369-371. Recent literature on Britain and Indonesia: Peter Dennis, *Troubled days of peace - Mountbatten and South East Asia Command, 1945-46*, Manchester 1987; Robert J. McMahon, *Colonialism and Cold War - The United States and the Struggle for Indonesian Independence, 1945-49*, Ithaca 1981.
- (13) FO 371, 46353, F 9497, Dening to Sterndale Bennett, 5 October 1945.
- (14) Peter M. Dunn, *The First Vietnam War*, London 1985. For a more critical appreciation of Britain's postwar involvement in Indochina in the recent literature see Peter Dennis, *Troubled days of peace - Mountbatten and South East Asia Command, 1945-46*, Manchester 1987. A good selection of documents on British policies in postwar Indochina can be found in PREM 8/63.
- (15) ^{Southampton} Mountbatten Papers, ~~Durham University~~, MB1/C150, Killearn to Bevin, 27 April 1946.
- (16) On the Combined Food Board see S. McKee Rosen, *The Combined Boards of the Second World War*. New York 1951, pp. 191-256.
- (17) Account based on Woodburn Kirby, p.238-241; and Mountbatten Papers, ~~Durham University~~, MB1/C150, Killearn to Bevin, 27 April 1946.
- (18) *Documents on British Policy Overseas, Series I, Vol.I, 1945*, London 1984, p.1256, Document No.599, letter from Dening to Sterndale Bennett, 2 August 1945, No.1691, (F5022/47/23). Also CO 273/677/50908/1. Sterndale Bennett to Anderson, 12 September 1945, enclosing letter from Dening to the FO, 2 August 1945.
- (19) WO 203/ 4386, Dening to SAC (through COS), memo titled 'Civil organisation in the Far East', 21 July 1945.

- (20) CAB 134/277, FE (O) (45) 15, Dening to FO, tel.386, 23 August 1945.
- (21) *ibid.*
- (22) FO 371, 46434, F 7496, Dening (SEAC) to Sterndale Bennett, 18 September 1945.
- (23) FO 371, 54020, F 5385, Jacob (WO) to Dixon (FO), 13 September 1945, commenting on a memorandum from a top SEAC official which is missing in the FO files.
- (24) FO 371, 54020, F 5385, memo by Sterndale Bennett, 19 September 1945.
- (25) FO 371, 46329, F 6491, FE (O) (45) 5th meeting, 5 September 1945.
- (26) CO 273/677/50908/1, Sterndale Bennett to Anderson (WO), 12 September 1945; and *ibid.*, Anderson (WO) to Sterndale Bennett, 15 September 1945.
- (27) FO 371, 46434, F 8195, memo by Sterndale Bennett, 9 October 1945.
- (28) FO 371, 46434, F 8195, minute by Orme Sargent, 12 October 1945.
- (29) FO 371, 46329, F 8951, meeting of ministers, 18 October 1945.
- (30) CO 273/677/50908/1, minute by Mayle, 22 October 1945. There is no trace of the original minutes of the meeting.
- (31) CO 273/677/50908/1, memo dated 14 November 1945.
- (32) CO 273/677/50908/1, Davies to McGregor, 11 December 1945.
- (33) CO 273/677/50908/1, McGregor to Brooke, Cabinet Office, 30 November 1945. The only 'economic' department opposed to the principle of regional cooperation was the Ministry of Supply.
- (34) FO 371, 46329, F 9498, memo by Sterndale Bennett, 2 November 1945.
- (35) FO 371, 46329, F 9498, draft directive by Sterndale Bennett.
- (36) CAB 78/39, GEN. 101 / 1st meeting, 19 November 1945.
- (37) *ibid.*,
- (38) FO 371, 46424, F 12106, Dening to Bevin, 30 November 1945.
- (39) FO 371, 46303, F 12337, GEN.101/2nd meeting, informal meeting at the Cabinet Office, 18 December 1945.
- (40) CO 273/677/50908/1, minute by Davies, 18 December 1945.
- (41) CO 273/677/50908/1, minute by Robinson, 21 December 1945.
- (42) CO 273/677/50908/1, Gater to Armstrong, 21 December 1945.
- (43) The Colonial Secretary had first told Parliament about his plans for a Malayan Union on 10 October 1945, omitting, however, the planned appointment of a Malayan Governor-General. See Hansard, *Parliamentary Debates*, House of Commons, Vol.414, col.255, 10 October 1945.
- (44) FO 371, 54017, F 333, Dening to FO, tel.43, 5 January 1946.
- (45) FO 371, 54017, F 822, Dening to FO, tel.106, 15 January 1946.

- (46) FO 371, 54017, F 334, minute by Sterndale Bennett, 27 January 1946.
See also ibid, F 333, minute by Wilson-Young, 12 January 1946.
- (47) FO 371, 53974, F 348, minute by Wilson-Young, 8 January 1946.
- (48) CO 273/677/50908/1, Cadogan to Gater, 10 January 1946.
- (49) FO 371, 53974, F 1069, Gater to Cadogan, 17 January 1946.
- (50) FO 371, 53974, F 1069, minute by Sterndale Bennett,
27 January 1946.

3. THE SPECIAL COMMISSION IN SINGAPORE

3.1 THE RICE CRISIS

The Foreign Office was by the end of January 1946 becoming increasingly impatient about its planned new appointment in Singapore. More than five months had passed since the reoccupation of Malaya. Moreover, Denning's relations with Mountbatten were at an all-time low after a row over SEAC's Far East Publicity Division. Mountbatten was incensed that Denning had complained to ^{the} Foreign Office about the division's activities in Indonesia without previously consulting him. Though the intervention of the Foreign Secretary prevented Denning from resigning over the issue, it was clear that he would soon have to be transferred. (1) Unless the Special Commissioner would soon be appointed, Denning's departure would leave the Foreign Office unrepresented at a time when SEAC was handing over to civil governments in the various territories. (1)

As a Foreign Office memorandum pointed out at the end of January, SEAC, which provided a previously non-existing link between the South-East Asian territories, was dwindling. The tendency of the individual territories would now be to pursue their individual courses without much regard to or knowledge of each others problems, yet there would be 'many problems of common concern to some if not all of the territories in the area.' It was particularly in the sphere of foreign affairs that the area had to be treated as a whole. It would be advantageous to have

someone who would keep track of racial questions in the area, such as Chinese penetration, and who would 'watch the tendencies of the Nationalist movements which the war with Japan has let loose'. Furthermore, someone was needed to report on regional economic developments affecting foreign affairs and the economies of the individual British territories in the area. These would in fact be the main functions of the Special Commissioner. (3)

Unexpectedly, the South-East Asian rice crisis strengthened the Foreign Office's case. On 31 January, the Cabinet was alerted to the fact that the world-wide shortage of food had become critical. During talks in Washington in January 1946, the Minister of Food had learnt that the world production of grains had been overestimated and that a shortage of 5 million tons of wheat could be expected. Furthermore, a shortage of rice, the major foodstuff in South-East Asia, was imminent: The estimated supply of 3.1 million tons was 0.7 million tons below the expected world demand of 3.8 million tons (excluding Japan's requirements of 1 million tons). (4) Due to the shortage of wheat, rice could not be replaced by other crops.

The rice shortage was a direct result of the Japanese occupation of South-East Asia. During the war the Japanese had forced the territories under their control to aim for economic self-sufficiency, with the result that the production of exporting countries, such as Indochina, Burma and Thailand, had been scaled down while importing countries like Indonesia and Malaya had been hit by starvation. Indochinese exports were the worst affected, and they were suffering further from the

fighting between French forces and the Viet Minh in the rice producing south of the country. Indochina's exports had fallen from 1.3 million tons before the war to 0.1 million after the war, and at the end of 1945 the Chinese controlled north of Indochina was affected by famine. Thailand was the only one of South-East Asia's traditional rice producers whose capacity had remained intact because she had been spared the destruction of the war.

Upon learning of the food crisis, the Cabinet immediately decided to set up a ministerial Committee for World Food Supplies to monitor the situation at the highest level. So far as the shortage of rice was concerned, ministers grudgingly decided to modify claims for free rice from Thailand. (5) On 1 January Britain had signed a peace treaty with Thailand in which the latter promised the free delivery of 1.5 million tons of rice. However, hardly any rice had been forthcoming since Thailand's rice trade was controlled by Chinese merchants who were busy selling on the black market. (6) The Cabinet now hoped that the postponement of its reparations demands would increase the supply of Thai rice. (7)

As a further measure against the rice crisis, Bevin suggested after the Cabinet meeting that the new Special Commissioner should be charged with coordinating South-East Asian food supplies. His choice for the new post was Lord Killearn, the British ambassador in Egypt. Attlee agreed and on 3 February Bevin sent a telegram to Killearn, offering him the two year appointment as Special Commissioner in South-East Asia. The telegram stressed the gravity of the food situation and the need for

someone who could 'coordinate the efforts of Governors and other agents in the area'. Though Killearn's political directive had been approved, his exact economic functions were still to be defined. (8)

Killearn was completely surprised by Bevin's offer, but after two days of hesitation decided to accept. (9) He was in his mid sixties and realised that it was either Singapore or retirement. However, he insisted from the outset that his authority would be clearly defined, as it was his experience that coordination without authority rarely succeeded, and since he didn't want to become 'merely another and glorified Middle East Officer'. (10) He also asked for the appointment of a sufficient number of experts to deal with the food crisis. On 11 February, Bevin announced Killearn's appointment to the Cabinet. Recent difficulties over the supply of rice in South-East Asia had illustrated the need for a single high-ranking British representative to watch Britain's interests throughout the whole area: it was therefore urgently necessary that the Special Commissioner took up his duties without delay. (11) The gravity of the situation was further highlighted when on the same day the General Assembly of the United Nations urged all governments to take immediate and drastic action against the world-wide shortage of food. (12)

London took the rice crisis extremely seriously. In the following days, an official committee on South-East Asian food supplies was appointed under the chairmanship of Lord Nathan, a junior minister. Its directive was to increase food and rice supplies in South-East Asia and to coordinate actions of the Special Commissioner and of the ministries

concerned with food problems and related economic questions in South-East Asia. (13) Killearn arrived in London on 15 February for political consultations and briefings on the food situation. (14) Three days later his appointment was announced to the press. (15) He arrived in Singapore in the middle of March. (16)

Killearn wasn't the first choice as Special Commissioner. Originally, the Foreign Office had been looking for someone outside the department, in order to make the new appointment more acceptable to the rest of Whitehall. Potential candidates included Sir Harold MacMichael, an experienced colonial official who was preoccupied with renegotiating the Malayan treaties prior to the Malayan Union, and Malcolm MacDonald, High Commissioner in Canada who was already designed to become Governor-General of Malaya. (17) At the last moment, Lord Killearn was chosen from within the Foreign Office. Killearn had considerable experience of the Far East and had served as British Minister to China between 1926 and 1933 when he had re-negotiated the 'unequal treaties' with China. (18) Since 1934, first as High Commissioner and then as ambassador in Cairo, Killearn had been one of the true powers behind the Egyptian throne - indeed 'one of the last great Proconsuls' as one historian has described him. (19) During the war, he had gained experience in Middle Eastern supply questions; this made him suitable for dealing with the task of rice distribution in South-East Asia. Furthermore, Killearn's diplomatic and political standing promised to give the Foreign Office's new post enough weight to be able to compete with the local British governors, and to promote British power throughout the region.

Killearn's transfer from Cairo coincided with a reassessment of British policies in Egypt following the latter's request to revise the 1936 treaty relations with Britain.(20) His departure gave London greater flexibility in negotiating with Egypt. However, partly because of Killearn's reputation as an old-style imperialist, British press reaction to his new appointment was mixed. Though the *Sunday Times* saw the new Singapore post as proof of the British government's recognition that utmost efforts were needed to avoid disaster through famine in Asia, it also suggested that Killearn, at 65, was too old for such a difficult job in Singapore's enervating climate.(21) More critical voices argued that Killearn was not only too old, but also out of touch with public opinion in Britain, and that his appointment was dangerous in an area where change was so rapid that it would test the understanding of even the most sympathetic mind.(22)

The Special Commissioner's terms of reference were eventually approved on 27 February. He was responsible to the Foreign Secretary, and would advise the government on foreign affairs in the area of Ceylon, Burma, Thailand, Indochina, Malaya, Borneo and Indonesia. His appointment would not interfere with British governors and service commanders. He would give guidance to SACSEA on foreign affairs and would maintain contacts with British governors in the area, with the British minister in Thailand, as well as with representatives of the Dominions at Singapore. Finally, he would direct the activities of the Foreign Service officers in the area, except for Thailand, and would contact foreign administrations after the restoration of civil

administration. The British government would keep him informed of approved policy affecting his work. (23)

A supplementary letter, the drafting of which had been the subject of a phenomenal amount of interdepartmental bickering, dealt with the economic aspect of Killearn's appointment. The letter constituted a remarkably worded compromise on the question of regional cooperation following the deliberations between the Colonial and the Foreign Office in January. It pointed out that it was not yet clear whether there was a continued need for the coordination of economic administration, such as the control of imports, transport and shipping, procurement and distribution of rice and coal and the care of refugees, as had been provided by SEAC. The Special Commissioner was therefore invited to make recommendations on whether the existing machinery in South-East Asia was sufficient to deal with the economic questions arising and what arrangements should be made for the period immediately after the military authorities had transferred their responsibilities. Finally, Killearn was asked to make recommendations on regional collaboration, even though his recommendations would be examined in the light of new developments in the government's policy on this subject. (24)

Killearn's directive on food, however, was not completed before the middle of March. It gave the Special Commissioner special authority and responsibility in regard to food and related matters, in order to make certain that all possible steps were taken to alleviate the food crisis in South East Asia. He was also asked to take India's needs into account and to maintain close contact with the Indian Government and the

Dominions. In the directive, Killearn was encouraged to contact the French and Dutch authorities in South-East Asia whenever it appeared desirable to do so, and to invite them to cooperate in matters relating to food supply. He was to endeavour to secure agreement between British and Foreign authorities on the adoption of measures designed to alleviate the food crisis. (25)

The rice crisis thus functioned as a catalyst for the Special Commissioner's appointment, and it allowed the Foreign Office to overcome Colonial Office resistance against turning the Special Commissioner into more than just a diplomatic outpost in Singapore. Apart from advising on regional cooperation and on foreign affairs, Killearn would also be actively involved in South-East Asian economic developments, by tackling the shortage of rice in the area. Compared to Dening's initial demand for a British Minister Resident in charge of a civil successor organisation to SEAC, the Special Commissioner's terms of reference may have been disappointing to the Foreign Office. However, it is doubtful whether the department could have achieved anything more. So far as regional cooperation was concerned, the Colonial Office's international experts had argued successfully that neither France nor the Netherlands were likely to accept a regional organisation based on SEAC, while a regional commission of the kind suggested by Stanley during the war would lead to outside interference in the South-East Asian territories. The Foreign Office consequently had to scale down its regional plans and agree that they would have to be long term.

However, the problem was one of regional diplomacy as much as of interdepartmental rivalry. The Colonial Office was highly suspicious of the Foreign Office's intentions in South-East Asia. It regarded the Special Commissioner as a serious rival to its own top appointment, the Governor-General of Malaya, Malcolm MacDonald, who arrived in Singapore in May. As J.J.Paskin minuted in April, the interests of the British colonies in the area were 'prejudiced by the unfortunate fact that ~~that~~ Lord Killearn has not only had a flying start [over] the Governor General' but that he had also been instructed to advise on economic and social cooperation between the different territories. The economic and social interests of Britain's territories in the area, he maintained, were entirely the function of the Governor-General. (26) The Colonial Office was simply not prepared to be ridden roughshod over by the Foreign Office newcomers. It was to take until 1949 before the Foreign Office could gain the upper hand in the debate on regional cooperation. Its eventual success depended partly on the work of the Special Commission between 1946 and 1948 which will briefly be outlined in the following section.

3.2 THE WORK OF THE SPECIAL COMMISSION, 1946-1948

Lord Killearn acted as Special Commissioner in South-East Asia for two years until 21 March 1948. His post was subsequently merged with the office of the Malayan Governor-General, Malcolm MacDonald, who took over the combined posts with the new title of Commissioner-General on 1 May 1948. Though the Special Commissioner was the Foreign Office's most

prestigious appointment in South-East Asia, his responsibilities for the coordination of British foreign policy were restricted to advising either the Foreign Office or Britain's diplomatic representatives in South-East Asia on political questions, without being able to overrule them. Despite such limited powers, Killearn tried hard to create for himself a truly 'special' position in South-East Asia. During his term in office, the Special Commissioner travelled to China, Indochina, Thailand, the Philippines, Australia, New Zealand, Indonesia and most British territories in the region, where he discussed political issues as well as regional economic problems with national governments or the local colonial authorities. Killearn's diplomatic standing was further enhanced by the fact that he took over Lord Inverchapel's mediating role between the Dutch and the Indonesian republicans in August 1946, helping to negotiate the Linggadjati Agreement from March 1947.

While Killearn's influence on the conduct of British foreign policy was thus considerable, his powers in the field of coordinating British foreign, colonial and defence policies in the region was much more limited. Instead of the ministerial appointment originally suggested by Denning, a system of interdepartmental committees was set up in Singapore in 1946. In its centre was the British Defence Committee, South-East Asia (later on styled British Defence Committee, Far East) which included the Supreme Allied Commander, the Malayan Governor-General Malcolm MacDonald, and the Special Commissioner. After the termination of SEAC at the end of November 1946, the Supreme Allied Commander was replaced by the three services' commanders-in-chief in South-East Asia. At times, the committee meetings were also attended by the local British

governors who, much to Killearn's dismay, attempted to become permanent members of the committee. The Defence Committee dealt with issues affecting more than one department such as the troubles in Indonesia, the future command organisation in the Far East or Britain's strategic cooperation with Australia. It also made joint recommendations to London on major policy questions, including the issue of regional cooperation.

The South-East Asian Defence Committee thus provided the framework for the coordination of British policies in South-East Asia. Despite this, inter-departmental cooperation on the spot remained difficult, and there was a definite trend towards the prewar 'parochialism' of local British authorities. As Killearn pointed out in his final report to the Foreign Office in 1948:

'With the return of civil administration and commercial machinery to British territories, and the withdrawal of British forces from foreign territories, there was a serious danger that the unification and co-ordination which had been possible owing to that control would rapidly be dissipated'.

In the long term, he added, there was the danger of returning to the prewar system, which had proved so faulty under the strain of war; while in the short term disaster threatened in the form of famine in South-East Asia.

'It was under the shadow of this threat that I faced the task of devising methods of co-ordination by agreement to take the place of co-ordination by control'.(27)

Initially, Killearn's main problem was resentment against his office by some of the British colonial authorities in the region. As he found out in Rangoon during his initial trip to Singapore, the Governor

of Burma, Reginald Dorman-Smith, was 'highly suspicious and inclined to be critical of the whole idea of my mission'. (28) Killearn reflected in his diary at the beginning of 1947:

'On April 1st the administration passed back to colonial government. It was from then that our real trouble started. It is an open secret that the Colonial Office fought tooth and nail to prevent the setting up of the Special Commission. They felt, not unnaturally, that this was an outside authority, barging into their territory, and apart from that the Colonial Office have never been distinguished for their length of breadth of view. And as a result there is no doubt that the whole setting up of this organisation was from the very beginning the object of their most complete and utter suspicion. So far as Gimson the Governor of Singapore was concerned, this was soon dissipated... With Gent up at Kuala Lumpur the situation was not so happy... I think he was determined from the moment he got here that he was going to be the sort of autocrat of Malaya, including at the back of his mind Singapore too... there were times when our relations were not the most cordial. That I am glad to say has been gradually modified during the year... but Gent remains very much the black-hatted Whitehall type, and I don't think has ever had much experience of the rough and tumble of local administration...' (29)

On the other hand, Killearn had the support of both Mountbatten and the Governor-General of Malaya, Malcolm MacDonald. Immediately after the war, Mountbatten had opposed Denning's idea of a Minister Resident in South-East Asia, apparently fearing to be upstaged by such an appointment. The ministerial decision in October 1945 against this plan had in fact been based on Mountbatten's opposition. (30) However, by January 1946, Mountbatten had changed his mind, now supporting a Minister Resident. (31) In March, Mountbatten met Killearn in India, the latter en route to Singapore. Mountbatten now claimed that he had been the driving force behind the Special Commissioner. As Killearn recorded in his diary:

'I am relieved to find that it was mainly he [Mountbatten] who was responsible for the appointment of a Special Commissioner

in South East Asia, and that far from being annoyed or in any way hurt by my arrival, on the contrary he is most responsive, friendly and extremely helpful.'(32)

In April, Mountbatten repeated this view during a conference of regional British authorities in South-East Asia, Killearn subsequently noting:

'What he [Mountbatten] had really wanted was a Minister of Cabinet rank, but the authorities at home had funk'd that and the result was a curious compromise involving several supermen, perhaps even too many of them. For instance a Governor-General of Malaya as well as a Special Commissioner. He still did not understand why his original proposal had not been accepted...' (33)

Whatever the reasons behind Mountbatten's ambivalent attitude towards a Minister Resident in South-East Asia, what mattered to Killearn was that the Supreme Allied Commander eventually decided to give him his full support. As Killearn recorded in 1947:

'The job here has been a very odd one, it started by being very uphill work, we started from scratch with practically no staff whatever, that was alright as long as Malaya and this area was being run by the Military, for with them we got on like a house on fire from the start, especially with Dicky Mountbatten himself. We certainly could not have had fuller or more wholehearted support from the very outset from Boy Browning as Chief of Staff and from Jack Denning who was the Chief Administrative Officer... we could not have begun to do our job if the aforesaid military had not helped us out in every direction.' (34)

Killearn's relationship with the new Governor-General, Malcolm MacDonald, who arrived in May 1946, also proved to be a good one. Initially, the two had differences over who was going to reside in the Sultan of Johore's palace in Bukit Serene, which unquestionably was the grandest residence in and around Singapore. Killearn won the argument

and MacDonald had to establish his residence in Penang. Despite this, the two remained on good terms: they developed the habit of discussing informally most of the important political issues, including some purely colonial or foreign policy questions, and they would usually find a consensus if recommendations for London were required. As Killearn recorded in his diary, he had known MacDonald for years before his appointment, enabling the two men to start off on a basis of old friendship and trust:

'What might have been a very difficult relationship has on the contrary proved an extraordinarily useful and helpful partnership. Of course there are small points, when it is not always easy to split the difference between his domain and mine...but so long as Malcolm is here, personally I think he and I together should be able to make quite a good hand of running British policy in this part of the world.'(35)

Finally, a word on Killearn's food task. Throughout 1946, the food situation in South-East Asia continued to be serious. The prospects for the production of rice in Burma, Thailand and Indochina in 1946 were 2 million tons as opposed to 6 million tons annually before the war. At the same time, the demand for rice by traditional importing countries such as India, China, Malaya and Indonesia had grown significantly because of the increase in their population. To ensure equal and fair distribution of the existing rice supplies, Killearn soon assumed Mountbatten's responsibility for distributing rice supplies in South-East Asia allocated by the Combined Food Board in Washington, (superseded in June 1946 by the 'International Emergency Food Council' (IEFC)). (36) As promised by Attlee and Bevin, Killearn was also provided with the necessary staff of food and technical experts and administrators. By April 1947, the Special Commission consisted of

approximately 500 staff. Most importantly, the Special Commission had the support of Lord Nathan's Rice Committee in London, which was doing a lot of the coordinating work for the Singapore office, for example by working out the movements of transport ships at a time of international shipping shortage. (37)

As a first measure in March 1946, Killearn organised a conference of food experts in South-East Asia, followed by a high-level conference of British representatives in the area. During these conferences initial plans were made to increase production, and to control the consumption of foodstuffs. (38) The two food conferences were succeeded by regular monthly meetings in Singapore attended by British as well as foreign representatives who were acting as liaison officers. By the beginning of 1948, the membership of these so-called Monthly Liaison Officers' Meetings had grown significantly and included representatives from Burma, Ceylon, the Federation of Malaya, Hong Kong, India, North Borneo, Sarawak, Singapore, Indonesia, Indochina and Thailand. There were also unofficial observers representing China, the Philippines and the United States.

In fact, Killearn's Liaison Officers' Meetings soon became his chief international instrument in dealing with short-term food problems in South-East Asia. The meetings' main aim was to agree on the fair distribution of the available rice supplies in South East Asia allocated by the IEFC.: to ensure close collaboration, the IEFC in October 1946 appointed a subcommittee in Singapore whose members regularly attended, and subsequently either endorsed or amended shipping programmes decided

at the Special Commission's regional meetings. Furthermore, in addition to rice distribution the Liaison Officers' Meetings would also discuss 'every problem connected with food which might confront any of the territories at any time'. (39)

The main reason why non-British territories regularly sent delegates to Killearn's rice and food meetings was the simple fact that only the Special Commission's Economic Department, together with the Rice Committee in London, had the administrative machinery to prepare shipping and distribution programmes, and to implement them once they were agreed by the Liaison Officers Meetings and the IEFC sub-committee. The Special Commission's economic staff consisted of a large number of economic experts, and by the end of 1947 included a head of the department, who also advised Killearn on economic matters, an economic secretary, advisers on agriculture, fisheries, food, nutrition and statistics, three assistants dealing with cereals and rice, edible oils and coal, as well as shipping respectively, and a head of the Economic Intelligence Section. These officers were assisted by a large number of clerical staff.

To give an example of the work of the Special Commission's Economic Department, it was the job of the rice and cereals assistant to determine how far the rice available from South-East Asian sources in any given month would permit ^{him} to fulfil the allocations from these sources. If required, temporary switches from one territory to another to meet 'spot critical conditions' were then arranged by common agreement during the monthly Liaison Officers' Meetings which was

virtually identical with the IEFC sub-Committee meeting immediately afterwards. After a programme had been agreed, the shipping assistant, another important expert, would ensure the programme's fulfilment, and he would circulate weekly situation reports to all those concerned. Coal was another area covered by the Special Commission's economic staff, which negotiated with the Indian government, the Supreme Allied Commander in Japan and, by liaison, with the London Coal Committee. (40)

In addition to the immediate problem of rice distribution, the Special Commission's Economic Department also tried to deal with the long-term task of increasing the food production in South-East Asia. Apart from encouraging the cultivation of rice fields, for example in traditional importing countries, a number of regional conferences were held in Singapore dealing with special subjects. These conferences, like the Liaison Officers' Meetings, were attended by representatives from British as well as foreign territories. The first such event was a Nutrition Conference in May 1946 'to discuss ways and means of improving and supplementing the diet of the local populations on a scientific basis, and to prepare for assimilation of alternative foodstuffs in the event of a breakdown in rice supplies'. This was followed by the South-East Asia Fisheries Conference in January 1947 which had the object of increasing the yield of food from the sea. One administrative result of this meeting was the despatch of a fisheries officer from the United Nations Food and Agriculture Organisation to the Special Commission. Furthermore, in August 1947 a Social Welfare Conference was held followed by a Statistical Conference in January 1948. (41)

Throughout Killearn's term in office, questions were asked about the Special Commission's success in dealing with the rice crises in South-East Asia. In the Malayan press, for example, the Special Commission's activities were seldom mentioned except in moments of rice shortage, and then usually in accents less than kind. 'Killearn's Empty Talk Does Not Help to Relieve Rice Shortage' was not an untypical headline, and only the *Straits Times* in Singapore would draw attention to the difficulties faced by the commission.(42) As Killearn wrote in his diary at the beginning of 1947, his commission had inevitably come in for many kicks over the food shortage, 'but there was a moment when some of the gutter press went well beyond their limits of decent criticism - the main offender was the editor of the notorious Singapore Free Press, a most objectionable little bounder'. While local papers were critical of the continuing shortage of food, Conservative MPs in London complained about the high costs of the Special Commission. Within months, the Special Commission had inflated itself from 20 to about 300 staff, costing the British taxpayer over £ 150,000 per year. As will be seen later on, the Special Commission's high maintenance costs convinced Whitehall in April 1947 to merge the Special Commission with the Governor General's office by 1948.

Despite the criticism of continuing food shortages and of Killearn's extravagant set-up in Singapore, it seems that without the equal rice distribution ensured by the Special Commission the food situation in some parts of South-East Asia might have deteriorated towards the point of famine. According to Killearn's final report to the Foreign Office, at least, it was 'touch and go' throughout 1946 whether

the small rations on which the populations in the deficit areas existed could be maintained. In October 1946, only 55 percent of the estimated available rice actually materialised. In 1947, the situation was never as critical, but rations in the recipient territories 'remained at a level scarcely high enough to avoid starvation and serious malnutrition for the poorer sections of the community who had not the means to buy extra rice in the black market'. Killearn thus concluded that on the economic side

'...the achievements of the Special Commission may be summed up in the statement that famine was averted and that most has been made of every means towards the production and distribution of foodstuffs'.(43)

The Foreign Office generally accepted Killearn's conclusion.

Because of its key role in organising international action against the food crisis, the Special Commission soon moved into the centre of the Foreign Office's plans for regional cooperation. The Special Commission in fact constituted the first non-military regional organisation in South-East Asia. Though the organisation was British funded and staffed, its Liaison Officers' Meetings under British chairmanship provided for regional cooperation on the technical level. To ensure harmony between the attending representatives, the meetings strictly avoided political issues. According to British diplomats, decisions were made unanimously and no voting was ever necessary.(44) However, both Killearn and the Foreign Office hoped that one day the organisation could be extended into a proper regional commission, providing for regional cooperation on economic as well as political and

defence issues under the leadership of Britain. As Killearn wrote in his diary in January 1947, the system of monthly Liaison Officers' Meetings was proving to be extremely valuable and had the advantage of 'setting the example of how supplies of communal interest to the whole region can profitably be handled'. He added:

'What one hopes is gradually to proceed from subject to subject until all these adjacent territories form the habit of acting together to discuss and plan regarding their various problems of mutual interest. My deliberate intention is that gradually this system shall lead up into the realm of international politics, and from that into the most important sphere of all, namely regional defence.'(45)

From the outset, Killearn's regional ideas and initiatives had considerable impact on the Foreign Office. In April 1946, the Special Commissioner sent a telegram to London which reported on a meeting of British regional authorities following a food conference of British representatives. During the meeting, Killearn had stated that he regarded South-East Asia as an essential strategic bastion of the Commonwealth. Mountbatten had agreed, urging the necessity of coordinating thinking and action in terms of the area as a whole. The ensuing general discussion had furthermore emphasized the importance of carrying the Dutch, French and Thais along with the British. The hope of general collaboration with the United States had also been expressed.(46) Though Killearn's regional ideas were still in their infancy, his telegram indicated his interest in international action in South-East Asia. A few days after Killearn's message, the first Commonwealth Prime Ministers' Meeting since the end of the war began in London. Ernest Bevin used the occasion to bring the existence of the

Special Commission to the attention of the attending delegates. He also linked it to the issue of South-East Asian defence.

NOTES

- (1) See Mountbatten Papers, Southampton University, MB1/C30/18, Mountbatten to Bevin, n.d.; *ibid*, MB1/C30/21, Mountbatten to Bevin, SCH6/96/B, 6 February 1946; also FO 800/461, file page 108, draft tel from Bevin to Clark Kerr, 28 January 1946. The Dening incident is also discussed in Peter Dennis, *Troubled days of peace, Mountbatten and South East Asia Command, 1945-46*, Manchester 1987, pp.184-187.
- (2) See FO 371, 54017, F 2336, copy of a letter from the FO to the Secretary of the COS, 6 February 1946.
- (3) FO 371, 54017, F 1933, memo dated 31 January 1946.
- (4) CAB 129/5, CP (46) 28, memo by the Minister of Food, 29 January 1946.
- (5) CAB 128/5, CM (46) 10th, 31 January 1946 and FO 371, 54017, F 2933, FO to Bangkok, tel.115, 21 February 1946.
- (6) See Jan Pluvier, *South-East Asia from Colonialism to Independence*, Kuala Lumpur 1974, p.407.
- (7) CAB 128/5, CM (46) 10th, 31 January 1946 and FO 371, 54017, F 2933, FO to Bangkok, tel.115, 21 February 1946. In December, Britain eventually gave up its last demands for free or cheap rice deliveries and agreed to pay the world-market price in full.
- (8) FO 371, 54017, F 2036, FO to Cairo, tel. 180, 2 February 1946; FO 800/ 461, FO to Cairo, tel.181, 3 February 1946, file page 122.
- (9) FO 371, 54017, F 2037, Cairo to FO, tel. 171, 4 February 1946.
- (10) FO 371, 54017, F 2037, Cairo to Foreign Secretary, Tel.171, 4 February 1945. Killlearn also asked for equal pay to his job in Cairo - a demand which nearly caused a rift with Bevin, see FO 800/461, draft telegram from Bevin to Killlearn, February 1946, not sent, file page 146.
- (11) CAB 128/5, CM (46) 14th, 11 February 1946.
- (12) S.McKee Rosen, *The Combined Boards of the Second World War*, New York 1951, p.253.
- (13) FO 371, 54017, F 2478, conclusions of a meeting at the FO, 12 February 1946; and CAB 134/677, SEAF (46) 1st meeting, 18 February 1946. Executive action within the committee fell to the Ministry of Food, the Board of Trade or the Ministry of Supply.
- (14) FO 371, 54017, F 2478, FO minute, 15 February 1946. No official

records of his talks are available. Killearn noted in his diary: 'Down to FO 10 am, saw Benito [Sterndale Bennett], Bob Nixon, Orme Sargent, All v. vague! I feel they are pushing me into a wild panicky business! And getting rattled themselves.' Killearn Diaries, kept at St. Anthony's College, Oxford, Vol 1, 1946, 16 February 1946.

- (15) FO 371, 54017, F 2608, FO to Singapore, tel.324, 18 February 1946.
- (16) FO 371, 54017, F 2608, FO to Cairo, tel.344, 27 February 1946 and *ibid*, FO to SEAC, tel.499, 15 March 1946.
- (17) See PREM 8/189, Bevin to Prime Minister, PM/45/47, 13 December 1945, for difficulties in finding a candidate.
- (18) See Peter Lowe, *Britain in the Far East: A survey from 1819 to the present*, New York 1981, pp.132-134.
- (19) William Roger Louis, *The British Empire in the Middle East, 1945-1951*, Oxford 1985 (paperback edition), p.49.
- (20) *ibid*, pp.48-50 and 226-264)
- (21) *Sunday Times*, 24 February 1946.
- (22) *News Chronicle*, 19 February 1946.
- (23) FO 371, 54018, F 3117, FO to SEAC, tel.377, 1 March 1946.
- (24) FO 371, 54018, F 3117, FO to SEAC, tel.378, 1 March 1946.
- (25) CAB 134/678, SEAF (46) 34, 13 March 1946.
- (26) CO 537/1437, minute by J.J.Paskin, 30 April 1946.
- (27) CAB 21/1956, (also F 5076/286/61) Killearn to Bevin, received 6 April 1948, 'Work of the Special Commission in South-East Asia'.
- (28) Killearn Diaries, kept at St. Anthony's College, Oxford, Vol.1, 1946, 13 March 1946.
- (29) The Killearn Diaries, kept at St. Anthony's College, Oxford, Vol.1947, 1 January 1947.
- (30) FO 371, 46329, F 8951, meeting of Minister, 18 October 1945.
- (31) FO 371, 54017, F 333, Dening to FO, tel.43, 5 January 1946.
- (32) Killearn Diaries, kept at St. Anthony's College, Oxford, Vol.1, 1946, 11 March 1946.
- (33) Killearn Diaries, kept at St. Anthony's College, Oxford, Vol.1, 1946, 16 April 1946.
- (34) Killearn Diaries, kept at St. Anthony's College, Oxford, 1947, 1 January 1947.
- (35) Killearn Diaries, kept at St. Anthony's College, Oxford, 1947, 1 January 1947.
- (36) See S. McKee Rosen, *The Combined Boards of the Second World War*, New York 1951, p.256.
- (37) Off-the-record interview by the author with a former Foreign Office member of the Rice Committee in London.

- (38) CAB 21/1956, (also F 5076/286/61) Killearn to Bevin, received 6 April 1948, 'Work of the Special Commission in South-East Asia'.
- (39) CAB 21/1956, (also F 5076/286/61) Killearn to Bevin, received 6 April 1948, 'Work of the Special Commission in South-East Asia'.
- (40) FO 371, 68911, UE 2923, 'Survey of the Economic Organisation of the Special Commissioner in South East Asia'.
- (41) CAB 21/1956, (also F 5076/286/61) Killearn to Bevin, received 6 April 1948, 'Work of the Special Commission in South-East Asia'.
- (42) ASB Olver, 'The Special Commission in South-East Asia', in *Pacific Affairs*, Vol.21, No.3, September 1948, p. 290, quoting an article in *Sin Chew Jih Pao*, 23 August 1946. Malayan comment on the series of special regional conferences convened by Killearn was more positive.
- (43) CAB 21/1956, (also F 5076/286/61) Killearn to Bevin, received 6 April 1948, 'Work of the Special Commission in South-East Asia'. The outline of the Special Commission's economic work is also based on Killearn's reports on the Work of the Special Commission in CAB 21/1956, Killearn to Bevin, 28 August 1946, F 12907/3/61; and *ibid*, Killearn to Bevin, 15 October 1946, F 15749/3/61.
- (44) CAB 134/418, IOC (FE) (47) 1, 9 January 1948, Report of the UK delegate on ECAFE, 2nd Session, Baguio, November-December 1948.
- (45) The Killearn Diaries, kept at St. Anthony's College, Oxford, 1947, 1 January 1947.
- (46) FO 371, 53995, F 7340, Killearn to FO, tel. 285, 21 April 1946. The meeting included Mountbatten, the British Consul-General in Bangkok, Thompson, and the Governors of the British territories in the area.

4. REGIONAL COOPERATION AND REGIONAL DEFENCE: THE 1946 COMMONWEALTH PRIME MINISTERS' MEETING:

4.1 SOUTH-EAST ASIA AND COMMONWEALTH DEFENCE

Prior to the announcement to the Cabinet that a rice crisis was imminent in South-East Asia, Ernest Bevin had played only a minor part in the promotion of the Foreign Office's regional plans. However, after securing the appointment of Lord Killearn as Special Commissioner, and following the latter's first conference of British officials in South-East Asia, the Foreign Secretary decided to take the regional issue one step further. During the Commonwealth Prime Ministers' Meeting at the end of April 1946, he suggested to Australia and New Zealand using the Special Commission for South-East Asia's joint economic development. His offer, however, was vaguely worded and had not been cleared with the departments at Whitehall: it therefore appears that there was more to it than just economic cooperation. Though the relevant documents are not yet available, all evidence in fact suggests that Bevin's initiative was linked to plans for regional defence cooperation drafted by the British Chiefs of Staff (COS). Before examining the debate on regional cooperation during the Prime Ministers' Meeting, the issue of South-East Asian defence therefore has to be further highlighted.

It will be recalled that immediately before the Japanese surrender the Chiefs of Staff had put on ice recommendations by the Post-Hostilities Planning Staff (PHP) for a world-wide network of regional

defence systems against the Soviet Union. In the second half of 1945, however, Anglo-Soviet relations in Europe and the Middle East were worsening, inducing the COS to re-examine their world-wide defence strategies. The new analysis took into account Britain's dwindling financial resources and her shortage of manpower; it was concluded that the dominions would have to take a greater share in the defence of the empire.

In February 1946 the British military's new thinking was expressed in a Joint Planning Staff (JPS) contribution to an interdepartmental paper on British policy in the Far East. So far as South-East Asia was concerned, the paper effectively revived the analysis of the PHP that a direct threat to British interests in the region was most likely to come from the Soviet Union, with possibly China, Japan, or both under her control. The JPS paper therefore proposed the establishment of two defensive systems: The first would be a series of forward air and naval bases in the Pacific running from Hong Kong via Formosa, the Philippines, the Marshall and Midway Islands to the Aleutians. They would be held by Commonwealth countries and/or the United States. The second system would be in South-East Asia and the South West-Pacific. Here, Britain, Australia and New Zealand, in cooperation with France and the Netherlands, would maintain an alternative system of bases along a general line from Indochina, which had special importance for the defence of South-East Asia, through Samoa, the Celebes, the Admiralty and Solomon Islands and Fiji.(1) The paper's main difference to the PHP's proposals from 1945 was the inclusion of Australia and New Zealand in the regional defence of South-East Asia.

The strategic analysis of the JPS formed the background to proposals which the COS distributed to Commonwealth Prime Ministers immediately before the Commonwealth Meeting in April. One paper, titled 'Strategic Position of the Commonwealth', argued that recent developments indicated that Russia was the most likely potential enemy of the British Commonwealth, far more dangerous than a revived Germany. She appeared to be extending her influence to further strategic areas by all means short of war. Should a conflict with Russia occur, American participation on Britain's side would be vital. Based on these assumptions, the Chiefs of Staff had worked out a global analysis of the Commonwealth's strategic position. It differentiated between four main 'support areas' on which the security of the Commonwealth depended:

- a) The United Kingdom,
- b) The North and South American continent,
- c) Africa south of the Sahara including East Africa and
- d) Australia and New Zealand.

Whether India would remain a support area as in the last war was uncertain, nor was it clear whether she was to remain a single political unit or even a member of the Commonwealth. To ensure the security of the Commonwealth, the Chiefs of Staff argued that it was essential to have enough 'depth' in front of these four support areas before the start of a conflict, winning time for mobilisation and for American resources to be brought in. Furthermore, Russia had to be denied the acquisition in peacetime of large additional resources of man-power and war potential. Finally, as a deterrent to the Soviet Union, bases for long-range air attacks on Russia would have to be established. The paper concluded that the most important areas for the maintenance of strategic air bases and

'defence in depth' were Western Europe and the Middle East, where Russian pressure was already evident. Next came India and South-East Asia, where Russian pressure could be expected. (2)

A further COS paper circulated before the beginning of the conference went on to demand greater political and military participation of the Commonwealth in the defence of these strategic areas. It was argued that:

'As ranges of weapons and means of movement [develop], the maintenance of our position in the Mediterranean and Middle East becomes of more direct concern to South Africa, and that in South-East Asia to Australia and New Zealand'.

While in some areas political and economic action was required to prevent a potential enemy from gaining a dominating position, in others the actual presence of military forces would be necessary. As this principle developed, it seemed reasonable that other members besides the United Kingdom should contribute to the effort required to maintain positions in these areas. Concluding, the Chiefs of Staff demanded that each member of the Commonwealth should:

- a) accept responsibility for the development of their main support area and the strategic Zone around it,
- b) accept the principle of joint responsibility for the protection of lines of communication between main support areas and
- c) agree that it is in their strategic interest to assist both politically and militarily in maintaining the position in those protective areas which directly affected the security of their territory and communications. (3)

In short, South-East Asia was regarded as Australia's and New Zealand's protective area and as a main communication line for the Commonwealth. The two dominions were therefore asked to contribute to the region's defence.

4.2 BEVIN'S ECONOMIC BAIT

London must have been aware of the fact that both Australia and New Zealand would be reluctant to commit themselves to the defence of South-East Asia, not least because of the financial cost involved. It therefore appears that Bevin, who as Foreign Secretary knew of the Chiefs of Staff's plans, decided to sweeten the bitter pill. In return for an antipodean defence commitment to South-East Asia, suggested by the COS, he offered Australia and New Zealand a greater share in the region's market. At the same time, the two dominions would be given a greater political say through the medium of the Special Commission.

Bevin launched his regional initiative in his introductory speech to the Prime Ministers' Meeting on 23 April 1946. He began by describing the 'rising tide of nationalism' as the dominant political factor in South-East Asia. As the people of the area were becoming better educated they realised the extent to which the West had in the past drawn from their resources which might have improved their own standards of living. However, Bevin postulated, the people of the British Commonwealth were now prepared to help the people of this area to develop their economy and raise their living standards. Later on in the meeting Bevin

explained what he had in mind: South-East Asia had great resources while the general standard of living was low; the raising of this would be to everyone's benefit. With an eye on the delegations from Australia and New Zealand, Bevin stressed that many countries were concerned with this area, that there existed a 'vast and untapped' market and that a coordinated effort in this area would be to the 'common advantage'. Getting to the point, Bevin proposed that Singapore and the headquarters of Lord Killearn's organisation were the focus around which Britain, Australia, New Zealand and India could build up the development of the whole area. The new organisation, he hoped, would provide the meeting point for certain practical purposes, and could form a binding link between the different parts of the Empire. So far, Killearn's organisation was primarily concerned with food supplies, but further useful work could be done in the field of nutrition, broadcasting and publicity services as well as the coordination of shipping. Bevin therefore proposed that the opportunity should be taken to discuss fully the possibility of developing the new organisation. (4)

To determine the motives behind Bevin's speech, he should first of all be taken at face value. There is little doubt that Bevin was genuinely concerned about the low standard of living in South-East Asia, and that he was interested in a new relationship with South-East Asia's indigenous population. (5) One of the motives behind his speech was therefore unquestionably the hope of improving the regional standard of living through the provision of Australian consumer goods which Britain could not provide. On the other hand, circumstantial evidence suggests that Bevin was trying to lure Australia and New Zealand into a defence

commitment to South-East Asia, by offering the two countries greater access to the region's markets (and implicitly raw materials), and a political say through the medium of the Special Commission. Though the relevant records are not available, there is little doubt that Bevin's proposals for economic cooperation were linked to the Chiefs of Staff's defence proposals which were to be discussed in an off-the-record meeting on the day of Bevin's speech.(6) Apparently, the economic advantages that Bevin's proposals might have given to Australia and New Zealand were intended to compensate for the two countries' expenditure emanating from an involvement in South-East Asian defence.

Bevin's initiative played on Australian economic ambitions in South-East Asia. Prior to the war, Australia for example had had extensive tin mining interests in Thailand, but had been unable to resume them.(7) The Australian Foreign Minister, Dr.H.V.Evatt, welcomed Bevin's emphasis on the need for better economic standards in South-East Asia, which he saw as important from the point of view of both security and welfare. He also saw great possibilities in the idea of closer association for regional purposes, and he suggested that in studying the subject earlier proposals made by Australia and New Zealand for the establishment of a regional commission in the Pacific should be included. Bevin agreed(8); the issue of regional cooperation in colonial areas was thus back on the international agenda.

However, while the Australians favoured Bevin's economic initiative, the two dominions flatly rejected the Chiefs of Staff's defence proposals. During the conference's fourth meeting the Australian

Prime Minister J.B.Chiefley stated that his country naturally accepted primary responsibility for her own security and that she was willing to make a greater contribution to the common defence of the British Commonwealth than before the war. However:

'The proposal to extend her responsibility to include co-ordination of defence measures throughout the strategic zone of which she was the centre would require a careful examination. She might well find that it was beyond her capacity in men and financial resources. Mr. Chifley said that he must also make the fullest reservations in regard to proposals which implied that Australia should accept special responsibilities in South-East Asia.'(9)

Canberra was reluctant to become financially or politically involved in the defence of Britain's South-East Asian colonies. It disagreed with the British Chiefs of Staff's assessment of a worldwide Soviet threat (10), and refused to accept that South-East Asia was threatened from the outside. Chiefley also suggested that he regarded the acceptance of the defence commitments demanded by the Chiefs of Staff as an impingement on the Commonwealth governments' sovereignty.(11) Attlee had not anticipated this response and showed himself 'struck' by Chiefley's comment that strategic requirements must be considered in relation to man-power and financial resources. That certainly was the case with the United Kingdom as she had very heavy overseas commitments at the time which were a great strain on her resources.(12) Despite Attlee's protestations, however, the British defence initiative failed.

While the Australians refused to commit themselves to the defence of South-East Asia, they upheld their interest in Bevin's proposals for

economic cooperation. On 27 April Chiefley circulated a memorandum which suggested the immediate establishment of a South Seas Regional commission for the promotion of welfare and the advancement of native peoples in the Pacific area in cooperation with Great Britain, a proposal dating back to Australian and New Zealand initiatives in 1944. So far as South-East Asia was concerned, Chiefley's memorandum recalled that consideration had been given in the past to a South-East Asian commission, including Australia and New Zealand as well as the United Kingdom, the United States, the Netherlands and other interested countries, which would give at least some attention to air communications and the allocation and disposal of vital raw materials besides the more strictly welfare aspects such as health, nutrition and social and political developments. (13) Though stopping short of demanding the creation of a South-East Asian regional organisation straight away, the Australians had called Bevin's bluff. As a result of Chiefley's paper, London was now forced to define its line on South-East Asian regional cooperation more clearly. It also had to decide whether to agree with the proposal for a regional commission in the Pacific.

4.3 COMPROMISE AT WHITEHALL

Chiefley's initiative presented Whitehall with some serious problems. For one, Bevin had failed to clear his initiative on regional cooperation with either the Foreign, Colonial or Dominions Office prior to the Prime Ministers' Meeting. As civilian departments the three offices were also unaware of the defence proposals by the Chiefs of

Staff which had triggered Bevin's initiative. At the same time, Bevin was no longer available for consultation, as he had left London for the Council of Foreign Ministers in Paris after the opening of the Prime Ministers' Conference. The urgent question was now how to react to Chiefley's paper. Since Killearn had been instructed in February to comment on regional cooperation in expectation of a ministerial decision, there had been no further discussions on the subject at either the Cabinet or the interdepartmental level. A meeting between the three departments, attended also by representatives from the Burma Office and the Cabinet Office, was therefore hastily arranged after the Colonial Office received the minutes of the Prime Ministers' first session. (14)

Before the meeting, the head of the Foreign Office's South East Asia Department, Richard Allen, who appeared to be as surprised by Bevin's initiative as the Colonial Office, explained to the Colonial Office that his department was hoping to use Killearn's organisation as a centre for cooperation with the dominions. The best course would be to inform the dominion representatives of how Killearn's organisation was being developed and to what extent the dominions could usefully develop their own collaboration with it - over and above already existing cooperation. (15) The Colonial Office, however, did not share the Foreign Office's enthusiasm for cooperation through the Special Commission. It feared the Foreign Office was inclined to overlook the strong views of the dominions on the question of regional commissions and therefore underestimated the problems involved. (16)

The Colonial Office's International Relations Department subsequently drafted a departmental memorandum which defined the Colonial Office's line on regional organisation in both South-East Asia and the South-West Pacific. The paper agreed that Britain should indicate her willingness in principle to establish a regional commission in the South-West Pacific with advisory and consultative functions. So far as South-East Asia was concerned, however, the memo's authors were more cautious. Though acknowledging that there was 'a consensus of opinion that some form of regional collaboration in economic and social welfare matters is desirable in South-East Asia', the paper gave priority to the recovery of the South-East Asian territories from the effects of the Japanese occupation. Further difficult issues had arisen through the clash between insurgent nationalism and the restoration of the French and Dutch colonial systems, creating a delicate position for some time to be. The memo therefore argued that:

'It is unlikely that in such a situation anything but harm would be done by the creation of an international body such as a Regional Commission'.

However, the paper added:

'The promotion of regional collaboration in this area should be recognised as an important eventual aim of British policy.'

For the time being, some specific ad hoc measures of cooperation should be developed by Killearn's organisation. If at a later stage it was decided to set up a regional commission, a considerable amount of expert technical advice would already have been provided under British auspices.

Australian and New Zealand interests, the memo further argued, were not as direct in South-East Asia as in the South-West Pacific. However, the fall of Singapore in 1942 had increased their indirect interests in the region, and Australia had recently shown interests in the economy of Thailand. The two dominions should therefore be more closely associated with regional collaboration in South-East Asia, and the ongoing Prime Ministers' Meeting should consider the countries' closer association with Killearn's organisation. However, the memo insisted at the same time that it should not be Killearn's organisation which would eventually develop into a regional commission. The major interest of Britain in the Far East arose out of the British colonial dependencies which should not be 'sacrificed to diplomatic convenience'. It would therefore be more appropriate for any regional coordination in this area to fall within the scope of the Malayan Governor-General rather than of an additional special representative of the UK. Finally, the paper repeated the old warning of possible international supervision through regional commissions. For domestic reasons, the United States might well press for regional commissions to be established under the aegis of the United Nations and that they should report to it. This, the paper concluded, should clearly be avoided. (17)

Officials at the Colonial Office generally supported the memorandum's cautious support for regional collaboration at a future date. However, Paskin from the Eastern Department added that particular difficulties were bound to arise with Chinese minorities because of the likely inclusion of China in a South-East Asian regional commission. He also feared that the United States with her interests in Malayan rubber

would demand to be represented, and he would be surprised if Russia didn't demand representation as well. Paskin and other officials also saw the Foreign Office's Special Commission as a threat, Paskin minuting that:

'One of the main problems facing the Colonial Office is that of taking whatever steps are now open to us to prevent the Special Commissioner arrogating to himself functions which should be more properly performed by the Governor General.'(18)

While the Colonial Office was thus gearing itself for a clash with the Foreign Office over regional cooperation, it turned out that a compromise could be found much more easily than expected. The interdepartmental meeting on 2 May approved of the suggested establishment of a regional commission in the South-West Pacific area. There was also consensus that in South-East Asia a regional commission could hardly be suitable for the time being in view of the abnormal and disturbed conditions there. Killearn's organisation, it was further agreed, could be seen as the first step towards the eventual constitution of a regional commission once South-East Asia had settled down to more peaceful and prosperous conditions. However, it was left open whether the Special Commissioner or the Governor-General would ultimately be Britain's representative on a regional commission. In the absence of the Foreign Secretary, a brief was drafted on the lines of the meeting's conclusions for the use of the Colonial Secretary during the Prime Ministers' Meeting. (19)

During the meeting, Allen failed to follow up Bevin's ambitious proposals to use the Special Commission for the joint economic

development of South-East Asia. It seems that after the Australian refusal to contribute to the defence of South-East Asia Bevin had decided to withdraw his regional economic bait, and that he had instructed the Foreign Office accordingly. Allen was therefore satisfied with the Colonial Office's agreement that regional cooperation was desirable in principle, though at a later date. A further reason for the Foreign Office's reservation was that the Australian proposals now under consideration went much further than Bevin's suggestions, as they envisaged United States membership in a regional commission.

The Colonial Secretary, George Hall, clarified Britain's line during a Commonwealth meeting on 3 May. He stressed that he would be 'extremely ready to see a regional commission established in the South Seas, and he suggested that the details should be discussed between the officials of the three Governments'. Other countries, such as the Netherlands and France might be invited to join in at a later date. However:

'Turning to South-East Asia, Mr. Hall said that he thought that it would certainly in the future be desirable to have a regional organisation of the same type there, but he doubted whether the time was ripe for the formal constitution of such a body at present, Civil government had only recently been resumed throughout the area and a great deal of reorganisation was required. Lord Killearn had been appointed recently as Special Commissioner for the area: his primary responsibility at the moment would be in regard to food supplies, but his organisation might provide the nucleus round which a more formal organisation could later develop. He thought that it would be very useful if the Australian and New Zealand Governments could attach liaison officers - either permanently or from time to time as occasion demanded - to Lord Killearn's staff, and he asked Dominion Ministers to consider this suggestion.' (20)

The British had thus committed themselves to the establishment of a regional commission in the South-West Pacific. From the Colonial Office's point of view, conditions for such a body were much more favourable in this area than in South-East Asia. All the territories in the South-West Pacific were governed by colonial powers, while the indigenous cultures were at a much lower level of political and economic development than those of South-East Asia. Regional cooperation would be limited to politically safe issues such as welfare or health, and there were no independence movements which might demand representation. Another factor influencing London's decision seems to have been an understanding between Britain, Australia and New Zealand on defence cooperation in the South-West Pacific. A few days before Hall's statement, the three countries had agreed in principle on the establishment of regional arrangements for the maintenance of peace and security in the Pacific, possibly including the United States. (21) There is little doubt that progress towards Pacific defence cooperation induced Britain to accept the two dominions' demands for a regional commission in the South-West Pacific.

Evatt welcomed Hall's proposal. After further international negotiations in the following months, Britain, Australia, New Zealand, France, the Netherlands and the United States agreed on 6 February 1947 to establish the South Pacific Commission. The organisation was to be a consultative and advisory body affecting the economic and social development of colonial territories. It included a Research Council and a South Pacific Conference with an advisory council. (22)

The conference's outcome for South-East Asia was less spectacular. Though Hall had endorsed the principle of regional cooperation in South-East Asia, he had refused to establish a regional commission in the near future. The conference's only visible achievement was the dispatch of an Australian liaison officer to the Special Commission in the following month. However, the new appointment overlapped with the work of the Australian (Trade) Commissioner in Singapore, Claude Massey, who was already attending all important meetings convened by the Supreme Commander or the Special Commissioner. (23) To put an end to the confusion, it was subsequently decided that the new post would combine the functions of political adviser to the Australian Commissioner and of Special Liaison Officer with the Special Commissioner. (24) In September, following a stop-over by Evatt in Singapore, the Defence Committee in London furthermore agreed that the Australian Commissioner in Singapore would regularly be invited to the meetings of the British Defence Committee in South-East Asia. (25)

Despite the conference's limited outcome on South-East Asia, the meetings had revealed Australian ambitions in the region. Though Canberra refused to commit itself militarily to what it considered the defence of British colonial interests, it nevertheless demanded a greater political and economic say in the area. London recognised this and agreed to step up low-level cooperation with the Australians in Singapore. At the same time, Hall had made it clear that Britain intended to remain in the forefront of South-East Asian regional development. If and when the time was ripe, London, not Canberra, would take the initiative towards a regional scheme in the area.

However, the Australians weren't to be put off and they continued to manifest their interest in South-East Asian regional cooperation which had first come to the fore during the Prime Ministers' Meeting. In February 1947, for example, Evatt called for an international conference on South-East Asia in Canberra. Though his plans never materialized, partly because of British discouragement, Australian regional initiatives remained a thorn in the side of British diplomats, who were not prepared to let their antipodean junior partner assume the lead in South-East Asian regional developments.

In the sphere of South-East Asian defence cooperation as well the Australians continued to be a problem for the British. The failure of the British initiative during the 1946 Prime Minister's^e Meeting demonstrated that despite the experience of the last war neither Australia nor New Zealand were prepared to commit themselves to South-East Asian defence. This was partly because they didn't regard the Soviet Union as a potential aggressor in South-East Asia, and partly because they feared a British impingement^h on their sovereignty and because of the burden on the Australian taxpayer. Despite Australia's reluctance, Britain continued to pressurize the two dominions into a regional defence commitment. Under the pressure of the Cold War in South-East Asia, London eventually succeeded. At the end of 1948, Britain, Australia and New Zealand secretly concluded the ANZAM treaty, an informal agreement which coordinated defence planning by the three countries in the South-East Asian area. (26)

In addition to the conference's significance for Anglo-Australian relations in South-East Asia, the Prime Ministers' Meeting introduced a new theme to the Foreign Office's plans for regional cooperation. In his introductory speech, Bevin had stated that nationalism was the single most important factor in Asia. More importantly, Whitehall agreed in the course of the conference to postpone plans for regional cooperation because of disturbances caused by the nationalist uprisings in Indonesia and Indochina. The conference in fact marked a turning point for the Foreign Office which in the future was to take the development towards Asian independence into account when drafting further plans for regional cooperation. Prior to the conference, the Foreign Office had been thinking in terms of cooperation primarily with the colonial powers, also involving outside powers like Australia and the United States. In the wake of the conference, and under the pressure of events in both South and South-East Asia, the Foreign Office was beginning to plan for regional cooperation in a postcolonial Asia.

NOTES

- (1) CAB 134/280, FE (O) (45) 52, paper titled 'British Foreign Policy in the Far East', dated 31 December 1945. The paper was prepared by the Civil Planning Unit (CPU), a new sub-committee of the Official Far Eastern Committee. The JPS's contribution was added in February. The meetings and memoranda of the CPU, which stopped its work in February 1946, can be found in CAB 130/4 and 5.
- (2) CAB 133/86, PMM (46) 1, 'Strategic Position of the Commonwealth', 20 April 1946.
- (3) CAB 133/86, PMM (46) 5, 20 April 1946, report by the United Kingdom Chiefs of Staff.
- (4) CAB 133/86, PMM (46) 1st meeting, 23 April 1946.
- (5) According to Bevin's Private Secretary between 1947 and 1949, Frank

Roberts, Bevin believed that British industrial workers had to understand that markets could only be found if the standard of life of the peasant masses in the (third) world was improved. See Frank K. Roberts, 'Ernest Bevin as Foreign Secretary', in Ritchie Ovendale, *The Foreign Policy of British Labour Governments, 1945-51*, Leicester 1984, p.28.

- (6) See CAB 133/86, PMM (46) 2nd Meeting, 23 April 1946, item 1 only: Strategic position of the British Commonwealth, not recorded. Though no direct evidence for a link between South-East Asian defence and economic cooperation during the conference could be found at the PRO, a meeting of British ministers and officials prior to the meeting emphasised that defence discussions would include the question of strategic responsibilities. It was also stressed that Bevin's statement at the beginning of the conference would have special relation to the Pacific and South-East Asia; see PREM 8/179, DPM (46) 1st meeting, 3 April 1946, Cabinet committee on preparations for the Meeting of Dominion Prime Ministers.
- (7) Russell H. Fifield, *The Diplomacy of Southeast Asia: 1945-1958*, Archon Books 1968, p.242.
- (8) CAB 133/86, PMM (46) 1st meeting, 23 April 1946.
- (9) CAB 133/86, PMM (46) 4th meeting, 25 April 1946.
- (10) Chifley referred to Australia's differing view of the Soviet threat during the 10th meeting of Commonwealth Prime Ministers on 2 May, see CAB 133/86, PMM (46) 10th Meeting, 2 May 1946. The same view seems to have been expressed on the day of Bevin's initial speech.
- (11) CAB 133/86, PMM (46) 4th meeting, 25 April 1946.
- (12) CAB 133/86, PMM (46) 4th meeting, 25 April 1946.
- (13) CAB 133/86, PMM (46) 17, 'Economic and Welfare Co-operation in South Seas and South East Asia Areas', memorandum by the Australian Prime Minister, 27 April 1946.
- (14) DO 35/1620, Poynton to Sterndale Bennett, 26 April 1946.
- (15) DO 35/ 1620, Allen to Poynton, 29 April 1946.
- (16) CO 537/ 1437, minute by Robinson, 29 April 1946.
- (17) CO 537/1437, memo dated 29 April 1946.
- (18) CO 537/1437, minutes by J.J.Paskin, 30 April 1946; Mayle, 30 April 1946; and Lloyd, 1 May 1946.
- (19) FO 371, 54068, F 6596, minute by Allen, 4 May 1946, and memo by the FO's South East Asia Department, 2 May 1946. Further brief accounts of the meeting in CO 537/1437, minute by Poynton, 3 May 1946 and DO 35/1620, minute by Price, 6 May 1946. The meeting was attended by Poynton and Robinson (CO), Allen (FO), Price and Davies (DO), Morley (BO) and E.A.Armstrong (Cabinet Office).
- (20) CAB 133/86, PMM (46) 11th Meeting, 3 May 1946.
- (21) CAB 133/86, PMM (46) 5th meeting, 26 April 1946. The American government was subsequently sent an appropriate message but

declined to participate in regional defence arrangements in the South West Pacific.

- (22) Nicholas Mansergh, *Documents and Speeches on British Commonwealth Affairs, 1931-1952, Vol.2*, London 1953, pp.1050-1052: Agreement establishing the South Pacific Commission, 6 February 1947. It came into force one year later on 29 July 1948. (For an outline of the work of the South Pacific Commission see Ruth C. Lawson, *International Regional Organizations*, New York 1962, pp.251-255.
- (23) DO 35/1621, Singapore to FO, tel.783, 2 June 1946.
- (24) CO 537/1437, Killlearn to FO, tel.12 Saving, 17 June 1946.
- (25) FO 371, 54022, F 14500, COS (46) 182, 21 July 1946, 'Co-ordination with Australia and New Zealand'; and *ibid*, DO(46)25th meeting, 19 September 1946.
- (26) The agreement was subsequently extended to the defence of Malaya, and in the spring of 1955 Australia and New Zealand stationed military units in Malaya. See Alan Watt, *The Evolution of Australian Foreign Policy, 1938-1965*, Cambridge 1967, pp.163-166.

PART II

NATIONALISM

The time-period between spring 1946 and February 1947 was in many ways a key date for the development of British policies in Asia. It was then that London was coming to feel the full force of the nationalist movements in both South and South-East Asia. While in the immediate post-war period Indonesia and Indochina had presented the greatest problems, Britain was now feeling the pinch in her own territories as well. The second part of this thesis will show how growing Asian nationalism and the trend towards national independence changed the concepts underlying the Foreign Office's policy of regional cooperation. It also shows how the outbreak of war in Indochina served as a catalyst for the re-definition of London's regional policies in South-East Asia.

5. FOREIGN OFFICE REASSESSMENTS OF REGIONAL COOPERATION

5.1 ASIA'S NEW POLITICAL SPIRIT: THE CASES OF BURMA, MALAYA AND INDIA

Several months before the British arrival in Indonesia and Indochina in 1945, Britain had in Burma first encountered Asia's new nationalist spirit. During the period of military administration, Mountbatten had been able to compromise with Aung San, the most prominent nationalist leader in Burma, who commanded great popular support because of his role in the defeat of Japan. However, after the return to civilian rule in October 1945 Anglo-Burmese relations deteriorated rapidly. The new British governor of Burma, Reginald Dorman-Smith, insisted that prior to self-government there would be a transitional period during which he would have sweeping emergency powers. An executive council including Burmese membership would have advisory functions only. Aung San and other Burmese nationalist leaders within the Anti-Fascist People's Freedom League (AFPFL) opposed the plan, arguing that a transitional period would allow British business to regain its dominant position in the country and thus slow down Burma's development towards independence.

The subsequent failure to include the AFPFL in the executive council resulted in mass demonstrations against the government in January 1946. In the following months the situation further

deteriorated. There were clashes between the police and remnants of the Burmese guerilla forces, while Burma's economic situation declined. When the situation threatened to get out of hand, London intervened, and Dorman-Smith was recalled on 14 June. After further strikes in September, the new British governor, Sir Hubert Rance, decided to appoint five AFPFL ^{members} to important posts in the executive council which was also given enlarged powers. Aung San was appointed as the council's vice president. After further Burmese pressure and demands for indepen^{den}ce, Attlee announced on 20 December 1946 that he would enter into constitutional talks with a Burmese delegation in London. Attlee agreed that Burma would be given independence within the next year. In the event, power was transferred in January 1948. (1)

In Britain's other main South-East Asian possession, Malaya, the British were also encountering resistance to their postwar policies. Though there existed no indigenous movement towards national independence, opposition developed within the Malay community against the Malayan Union scheme. In October 1945, the Colonial Office had sent Harold MacMichael to renegotiate the prewar treaties with the Malay rulers. Unprepared, and fearing that their often collaborationist role during the Japanese occupation might come under scrutiny, they all signed the papers presented to them. However, after details of the planned Malayan Union were released in a British White Paper, a storm broke loose. In the spring of 1946, the once politically apathetic Malay community organised protests against the new scheme. Their main criticism was the proposed Malayan citizenship which would grant equal political rights to Malaya's Chinese, Indian and Malay communities. The

Malays feared an erosion of their political privileges, previously guaranteed by Britain, in favour of the economically dominant Chinese. Malay protests culminated in a boycott by the Malay leaders of Sir Edward Gent's inauguration ceremony as Governor of the Malayan Union on 1 April, and of MacDonald's appointment as Governor-General for Singapore, Malaya and the British territories in Borneo on 22 May 1946. In the meantime, Malay opposition was organised in a political party, the United Malay National Organisation (UMNO) under the leadership of Dato Onn bin Ja'afar. The party demanded the annulment of the MacMichael treaties and the replacement of the Malayan Union by a federal constitution. (2)

The culmination of protests against the Malayan Union and demands for Burmese independence coincided with crucial Anglo-Indian negotiations on Indian self-government and eventual independence. After the 'Quit India' campaign of the Hindu dominated Indian National Congress during the war, the new British Labour government lacked the stomach to put up with a new civil disobedience campaign on the subcontinent. (3) It was also morally committed to Indian independence (4), albeit within the Commonwealth and with strong economic and military ties to Britain. (5) Between February and June 1946 a British Cabinet mission was sent to India to find a constitutional formula which would satisfy Hindu and Muslim leaders as well as Britain. No agreement could be found; the leader of the Indian Muslim League, Mohammad Ali Jinnah, insisted on the territorial integrity of a planned Muslim dominated Pakistan, while the Congress insisted on an all-Indian government.

In the end, the Cabinet mission put forward its own complicated proposals for a three-tier government of a Union of India. After initial opposition by both Congress and Muslim League, the proposal led to the creation of the Hindu-dominated Indian Interim Government on 2 September 1946, under the premiership of Pandit Jawaharlal Nehru. The Muslim League maintained its opposition, and its 'day of direct action' triggered gruesome communal killings in Calcutta in the middle of August. A chain of further communal killings followed in the next year throughout the country. By October 1946, the Cabinet's India Committee was considering an early withdrawal, and in December Attlee was thinking of appointing Lord Louis Mountbatten as viceroy to negotiate the transfer of power. (6) On 20 February 1947, Attlee announced Britain's intention to withdraw from India within the next 18 months. In the event, power was transferred to India and Pakistan in August 1947.

5.2 INDIA AND BRITISH PLANNING FOR SOUTH-EAST ASIA.

Events in India and Burma had a considerable impact on the Foreign Office's plans for regional cooperation. During and immediately after the war British regional plans had been based on cooperation primarily with France, the Netherlands, Thailand, Australia and possibly the United States. The increasing prospect of Indian and Burmese self-government if not independence in 1946 now raised the question of whether the two countries should also be included in a South-East Asian regional scheme. There was the further question of whether Asian membership could be aligned with that of France and the Netherlands.

The question of India's participation in South-East Asian regional developments was raised by J.P. Stent, a Foreign Office official and former civil servant in India, who was inspired by Killearn's report on the recent conference of British officials in the Far East. In a paper titled 'The Forthcoming Situation in Asia' Stent described India as 'the key to the whole situation in the Far East'. In the course of the next few months, he predicted, India would be offered independent self-government, within or outside the Commonwealth, after which it would be impossible to resist demands for a similar status in Burma and Ceylon. Once all three had become independent, he could not see how the French and Dutch governments would resist similar demands from Indonesia and Indochina, while Britain would be pressed to give greater independence to the Malayan Union. The United States, Stent added, were already pledged to give independence to the Philippines in 1946, and he predicted that it would be in the next twelve to eighteen months that Eastern Asia would cease to be a vast area of colonial territories. The new states would demand admittance to the United Nations where, in taking concerted action, they would have a considerable voice: taken as a whole, he pointed out, the Asian countries possessed some of the world's most important supplies of raw materials and a considerable industrial potential while providing an enormous market for the goods produced by Western industry. At the same time, Stent warned that the Soviet Union would not be slow to exploit the situation in her own interest. Everything would therefore have to be done to keep India within the Commonwealth and the Western democratic system. The smaller states were likely to follow her lead.

However, Stent feared that Indian sentiments might be hostile to the British connection. What was needed, Stent therefore argued, was a British 'overture of friendly cooperation on a basis of equality'. There was an 'urgent need for a greater measure of coordination and interchange of views on foreign policy not only among the countries of South East Asia but between them and India as well'. As a first measure, it was vital for Britain to increase the coordination of her policies in Asia. In the past, he criticized, the Colonial Office had pursued its proposals without reference to what was happening in India, while the Foreign Office had little knowledge of what was going on either in India or the Colonies. Would it not be possible to hold regular conferences on Killearn's excellent initiative and include in them representatives of India, Hong Kong and perhaps our representatives from China, Stent asked. Eventually, Stent expected 'the logic of geography and common interest' would lead to some sort of close association between India, Burma, Ceylon, Malaya, Indonesia' and probably Indochina. For the time being, however, Stent believed that the future of half the world's population depended on the way that Britain played her cards:

'With India and South East Asia securely within the sphere of influence of the British Commonwealth and the U.S.A. communism on the Russian pattern is much less likely to make headway in the Far East proper. If India and South East Asia are completely cut off from their Western protectors they will be an easy prey to the spread of totalitarian democracy on the Russian model'.(7)

Stent's vision of rapid decolonisation in Asia and his assessment of India's future role in South-East Asia made a considerable impression at Whitehall. At the Foreign Office, Allen found little to disagree with in Stent's memorandum, regarding it as an excellent summary of the

'present immensely interesting possibilities in India and South East Asia'. He even suggested printing the paper and sending it to British colonial and diplomatic authorities in the Far East. Allen added that Stent had made it clear that India was the key to the whole situation in southern Asia and that its eventual independence would accelerate the independence or dominion status of Burma and Ceylon, as well as the setting up of more or less independent states in Indonesia, Indochina, the Philippines and Korea. India would be the leading partner in this new group (of independent Asian states), and her post-independence course was therefore of capital importance. Allen could 'warmly endorse all that is said about the importance of coordination between these territories, where there was a complete lack of it before'. Furthermore:

'As regards some closer association between India, Burma, Ceylon, Malaya, Indonesia and Indo-China, which Mr. Stent also favours, we have in a sense already advanced a step along this path...the Colonial Secretary stated at the Meeting of Prime Ministers on May 3rd that it would certainly be desirable in the future to have a Regional Commission in South East Asia (i.e. in the countries at present covered by Lord Killearn which do not include India) and, while it was doubtful whether the time was ripe for such a body...Killearn's organisation might provide the nucleus from which this more formal organisation might develop later. One of the important truths which emerges from Mr. Stent's memorandum is that any such Regional Commission would be meaningless unless it included representatives of an independent India'.(8)

Other Foreign Office officials were equally sympathetic. W.J.Hasler saw 'a good deal of meat' in Stent's memorandum. It could probably help the 'process of education' in the other departments, and it was on the same lines that the Foreign Secretary was thinking on. (9) Indeed, Bevin told the British ambassador in China, R.S.Stevenson, in June that so far as foreign affairs were concerned he did not wish to deal with the Asian

countries one by one; their interests were so closely bound that it was essential to treat the area as a whole in formulating British policy. Eventually, the Special Commissioner's coordinating functions should embrace the whole of the Far East, including China and India. Bevin also had in mind the appointment at a later date of a Minister of State or similar official who could undertake these wider powers and advise the government on general policy in that part of the world. (10)

However, Hasler's idea of educating the other departments at Whitehall proved difficult. At the Colonial Office, only one official, J.S. Bennett (not to be confused with Sterndale Bennett who was no longer with the Foreign Office's Far Eastern department), agreed with Stent, pointing out that a good deal of what Stent was saying had already been accepted as doctrine. A reply should therefore be sent to the Foreign Office appreciating the influence that post-independence India was likely to play in South-East Asia. Bennett added that, for the relative weakness of France and Holland, Britain might well find herself in a few years the only colonial administration in South East Asia. Indonesia and Vietnam were 'moving rapidly towards independence or at least substantial autonomy within larger units. Independence in the British territories is still envisaged only as a distant goal'. The Colonial Office should therefore express full agreement with the principle of regional coordination, both on the spot and in London. (11)

Bennett was apparently unaware of the recent debates between the Colonial Office and Foreign Office on both international regional cooperation and on coordination between the British authorities in

South-East Asia. Contrary to Stent, H.T. Bourdillon could 'not find much value in Mr. Stent's memorandum', arguing that political coordination was fully sufficient, both in London and in the Far East. Bourdillon complained that Stent

'...contends that we require a regional organisation which will co-ordinate British policy throughout the East including India (not to mention China). This, surely, is regionalism gone mad. A regional approach to the problems of an area is an excellent and necessary thing when the parts of an area are sufficiently closely connected, geographically, politically and economically... South East Asia, taken by itself, is such an area... But the area which Mr. Stent has in mind (and which includes, on his own admission, half the population of the world) is hopelessly vast for this kind of treatment'.

Bourdillon therefore suggested sending a brief reply to the Foreign Office which explained that colonial policy in the Far East had always been the subject of close consultation, and that any wider attempt at coordination was bound to break down. (12) Bourdillon's line found the support of all other colonial Officials who were commenting on Stent's memorandum. (13)

^{As}
~~Like~~ in the run-up to the Special Commission, the Colonial Office was unwilling to give way on the issue of political coordination - perhaps suspecting a sinister Foreign Office plot to assume its ^{responsibility} for Britain's Far Eastern territories. (14) On regional cooperation as well, the Colonial Office was not prepared to be drawn into what looked like a Foreign Office experiment. As Bourdillon stated in a draft reply to the Foreign Office, Stent's views on regional organisation were too ambitious, since the inclusion of India, China and South-East Asia in one region seemed scarcely practical. Bourdillon did accept, however,

that South-East Asia proper was an area which could ultimately benefit from regional treatment. However, though India, Burma and possibly Australia would have representatives on a regional organisation, they would not be considered to be part of the area itself. For the time being, the draft letter concluded, the formation of a regional body would have to await the stabilization of conditions in the Dutch and French territories before it could usefully carry out its work in the field of agriculture, health, veterinary, science and the like. (15) In the event, the Colonial Office never despatched its reply since the Foreign Office failed to press the issue.

The Colonial Office minutes showed that the department's scepticism about the Foreign Office's regional plans remained unchanged. It was also reluctant to involve India in the affairs of South-East Asia. J. S. Bennett alone continued to favour the Foreign Office's regional ideas. It seems that it was only at his instigation that the Colonial Office agreed during a meeting of the Far Eastern Official Committee in August that Killearn should be allowed to convene regular conferences in Singapore, to which representatives from foreign territories could be invited too. (16)

The India Office was also critical of Stent's regional ideas, though approaching the issue from a different angle than the Colonial Office. As E. P. Donaldson pointed out, Stent seemed to discuss the situation from the standpoint of an Indian government that was rather more receptive to overtures from the British government than was likely to be the case. Nehru had for some time entertained the idea of holding

in India a 'Pan-Asiatic Conference', to which representatives from nationalist movements in Burma, Malaya, Indochina and Indonesia would be invited in order to condemn Western imperialism, while demonstrating the solidarity of Asians in working towards immediate independence under Indian leadership. Donaldson therefore doubted whether the Indian leadership would respond to Britain offering them a share in the coordinating machinery represented by Killearn's organisation at Singapore, viewing such an attempt to bring India within the orbit of Commonwealth policy with suspicion. He also doubted whether the fear of communism on the Russian pattern would outweigh emotional sympathy with fellow Asians who were seen to be 'struggling to free themselves' from European tutelage. Instead, Donaldson concluded, Britain should appeal to the self-interest of the new India by offering her to be brought into a regional defence system in South-East Asia, including the United States and Great Britain, which would assure the Indian government of security against maritime aggression in the Bay of Bengal. (17)

After the interdepartmental compromise during the Prime Ministers' Meeting, Stent's memorandum thus invoked new disagreement on the issue of regional cooperation. While the Foreign Office strongly believed in linking an autonomous or even independent India to the Special Commission and including the country in Britain's long term regional plans, the Colonial Office wanted to prevent India from meddling in South-East Asian affairs. The India Office, on the other hand, expected that the Indian nationalist leaders would in any case refuse to be drawn into a British regional scheme in South-East Asia. In addition, a number of questions remained unanswered. Though the departments agreed on the

principle of regional cooperation, the timing of a British initiative was still undecided. Another open question was which of the countries inside South-East Asia would eventually be included. In particular, how would the two other colonial powers fit into a regional scheme that included newly independent countries?

5.3 LORD KILLEARN'S REGIONAL PLANS

While Whitehall was discussing India's future role in South-East Asian regional politics, Lord Killearn in Singapore was beginning to develop his own ideas on regional cooperation. Like some Foreign Office officials in London, Killearn saw a link between the coordination of British policies in South-East Asia and a wider regional scheme involving also foreign territories. In this he found the support of Mountbatten. During a private talk in May, for example, both men were worried lest 'Colonial Office mentality should once more come to dominate in this vitally important area'.⁽¹⁸⁾ As Killearn told the new Malayan Governor-General, Malcolm MacDonald, upon his arrival in Singapore on 21 May, South-East Asia's foreign, colonial and strategic affairs were closely linked. Britain's problems in the area should therefore be solved on a unified basis. Killearn subsequently noted in his diary :

'God forbid that we should drop back into our pre-war mistakes and especially into the parochial mood in which matters had been handled in those days'.⁽¹⁹⁾

Killearn also strongly believed in greater international cooperation in South-East and East Asia. During a visit to Bangkok at the end of April, for example, Killearn told the Thai Prime Minister Pridi Phanomyong how the whole of South-East Asia should be 'some sort of bastion of civilisation':

'I told him [Pridi] how, after the April Food Conference, we had talks with the Governors of the surrounding areas, and also with our people from French Indochina and the Dutch East Indies. It seemed to me vitally important that some form of political consolidation, of course nothing to do with territorial questions, should be set in train. ... He said that he entirely agreed and would be more than ready to play up.'(20)

Killearn also mentioned his ideas to a Dutch official, Van Byland, telling him in June that he had in mind

'...something really big and constructive in regard to South East Asia. He (Van Byland) only had to look at the map to see what I meant...there was the whole stretch of South-East Asia territories strung out in a circle from Siam through Burma, French Indochina, Malaya and Dutch East Indies right up to and including the Philippines. I did not pretend to have crystallized my thought...but daily it seemed clearer to me that something really big would come of it to be set in train by the building up of all areas to form a valuable part of a new scheme of world security.'

Killearn admitted that all this was still quite vague in his mind - it was his personal idea and he did not know how it would strike London. But he hoped that the Dutch and the Indonesians would end their difficulties, because the Dutch East Indies would have to play an important part in this constructive work lying ahead. (21)

Killearn's ideas for regional cooperation also included outside powers interested in South-East Asia. During a visit to China at the

beginning of June, Killearn told Chiang Kai Shek of his 'pet idea of a bastion of stability in South-East Asia and, God willing, in the Far East'. (22) After his return to Singapore, the Special Commissioner also told two (reportedly unappreciative) Australian visitors to Singapore, Senator Grant and the newspaper magnate Sir Keith Murdoch, that Australia would have to play a much more important role in the area - regarding foodstuffs as well as the political and defence spheres. The Australian Commissioner in Singapore, Claude Massey, was more receptive. During a discussion on 18 July, for example, Killearn spoke of 'the big idea, getting all the interested regions here jointly into consultation, with a view to a discussion of the future world lay-out.' Killearn also explained that he had to proceed somewhat delicately, as he had to be careful not to 'tramp on people's toes or to rouse foreign suspicion'. However, Killearn was optimistic that

'... by persistently sowing seeds here and there, we should slowly but gradually achieve some progress. The idea of course was that sooner or later we should all meet here in Singapore, to discuss our mutual problems, including representatives from French Indochina and the Dutch East Indies. Also quite possibly America, owing to her special status in the Philippines. Massey said he was well aware of this scheme, of which he personally approved most heartily. But he agreed that it was a matter that must be approached most delicately. (23)

Killearn also tried to win over Whitehall for his ideas. On 17 June he telexed his 'Survey of co-ordination within the territories of South East Asia' to London which had the backing of Mountbatten and MacDonald. To begin with, Killearn argued that South-East Asia would 'continue to be a bastion of vital political, strategic and economic importance to the British Commonwealth'. Thailand, France and the Netherlands had territorial stakes in the area, while Australia, New Zealand and India

were interested neighbours. Furthermore, China and the United States were intimately concerned, and the Soviet Union might become active within the area in the future. The area was facing a number of potential threats, such as the collapse of law and order, the troubles in Indonesia and difficulties with nationalist movements as well the ethnic Chinese living there. Even if none of these contingencies arose, Killearn recommended a coordinated approach to the area's problems. What happened in one part of the area was of interest to all other parts, and a 'reversion to the pre-war system of handling these problems in water-tight compartments and penny packets would be a fatal step'. Killearn therefore suggested closest cooperation between the Governor-General, Malaya, the Special Commissioner and the Supreme Allied Commander. In addition, a Defence Committee should be set up that comprised these three top British authorities in South-East Asia and which could occasionally be attended by local British governors, by the service chiefs and by representatives from the dominions as well as foreign countries. Furthermore:

'In matters of Colonial Administration co-operation should be encouraged between Great Britain and other colonial Powers in the Far East, and, for this purpose, the Governor-General will, by arrangements with and through the Special Commissioner, keep in touch with the principal administrative authorities in the foreign territories concerned.'

Finally, Killearn suggested that periodical meetings be held under the Special Commissioner's chairmanship which would discuss problems of mutual concern. These meetings might also be attended by British representatives in foreign territories or by foreign representatives themselves. (24) As a result of his telegram, London subsequently gave

Killearn the green light to conduct his international Liaison Officers' Meetings on food. (See previous chapter on the work of the Special Commission).

Killearn, unaware of the debate that the Stent memorandum had sparked off in London, had based his survey on the traditional concept of colonial cooperation in South-East Asia. When two months later a French official, M. Clarac, for the first time attended a Liaison Officers' Meetings, Killearn used the opportunity to test French willingness for greater local cooperation. According to a subsequent report to the Foreign Office, Killearn privately ^uoutlined his idea of _hbuilding up empirically 'a close liaison, working and planning together step by step as opportunity offered'. (25) In his diary Killearn further noted that he explained to Clarac his

'... dream of fuller consultation and cooperation to our mutual advantage amongst all regional authorities within the South East Asia area. This of course must essentially include French Indochina. Then of course there was the perpetual problem of the present disorder in the Netherlands East Indies. Our preoccupation ... was not solely the general desire to see law and order reestablished but also from the wider and higher angle to have a peaceful area which must so essentially fall within any big scheme of regional coordination.' (26)

Clarac seemed to be receptive, and Killearn later on reflected:

I feel that this talk with Clarac should be very useful, and I was particularly pleased to be able to sell my idea of a regional collaboration and consultation. I never miss a chance of trying to sow the seeds of that long-term dream.' (27)

Killearn's talk with Clarac soon showed some unexpected results. Apparently, Clarac reported his conversation with Killearn on the

latter's 'grand scheme of local coordination, consultation and all the rest of it' to the French French High Commissioner in Indochina, Admiral Thierry D'Argenlieu, who then informed Paris. One week later the Special Commissioner was invited to visit Saigon for a meeting with D'Argenlieu. (28) Though Killearn was prevented from travelling because of a foot injury, his deputy Michael Wright visited Saigon between 4 and 6 September 1946 for talks with the French officials. The visit stood at the outset of a series of high-level talks on Anglo-French cooperation in South-East Asia. Initially, the Foreign Office favoured a strengthening of relations between the two countries in South-East Asia. However, as the next chapter will show, London soon realised that open collaboration with the French in Indochina conflicted with its interest in cooperation with an independent India.

NOTES

- (1) Jan Pluvier, *South-East Asia from Colonialism to Independence*, Kuala Lumpur 1974, pp.389-392.
- (2) *ibid*, pp.394-396.
- (3) Robin Jeffrey, 'INDIA: Independence and the rich peasant', in Robin Jeffrey ed., *Asia - the Winning of Independence*, London 1987 (paperback), pp.94-96.
- (4) Kenneth O. Morgan, *Labour in Power, 1945-1951*, Oxford 1985 (paperback), p.219.
- (5) D.K.Fieldhouse, 'The Labour Governments and the Empire-Commonwealth, 1945-51', in Ritchie Ovendale, *The Foreign Policy of the British Labour Government 1945-1951*, Leicester 1984, p.86
- (6) Jeffrey, 'INDIA....', pp.99-101 and Morgan, pp.219-224.
- (7) FO 371, 53995, F 7340, memo by Stent, 24 April 1946. It is unlikely that his paper influenced the interdepartmental talks on regional cooperation held at the FO on 2 May, since Allen only found time to comment on it on 8 May.

- (8) FO 371, 53995, F 7340, minute by Allen, 8 May 1946.
- (9) FO 371, 53995, F 7340, minute by Hasler, 29 April 1946.
- (10) FO 371, 54021, F 8998, memo by Stevenson from 13 June 1946 on a conversation with Bevin on 6 June 1946.
- (11) CO 537/1478, minute by J.S.Bennett, 18 May 1946.
- (12) CO 537/1478, minute by Bourdillon, 17 June 1946.
- (13) See CO 537/1478, minutes by Sidebotham, Mayle, and Lloyd from 18 June, 2 July and 17 July 1946.
- (14) Apparently, Stent's memorandum reached the CO at a bad moment, adding to what J.S.Bennett called a series of departmental crises. See CO 537/ 1478, minute by S.Bennett, 17 August 1946.
- (15) CO 537/1478, draft letter to the Foreign Office, 21 August 1946.
- (16) CO 537/1478, minute by J.S.Bennett, 17 August 1946.
- (17) CO 537/1478, Donaldson (IO) to Allen (FO), 22 August 1946.
- (18) Killearn Diaries, 1946, Vol.1, kept at St.Anthony's College, Oxford, 20 May 1946, talk with Mountbatten.
- (19) Killearn Diaries, 1946, Vol.1, kept at St.Anthony's College, Oxford, 21 May 1946.
- (20) Killearn Diaries, 1946, Vol.1, 30 April 1946, kept at St.Anthony's College, Oxford.
- (21) Killearn Diaries, 1946, Vol.2, 19 June 1946, kept at St.Anthony's College, Oxford.
- (22) Killearn Diaries, 1946, Vol.1, 5 June 1946, kept at St.Anthony's College, Oxford.
- (23) Killearn Diaries, 1946, Vol.2, 18 July 1946, kept at St.Anthony's College, Oxford.
- (24) CO 537/1437, Killearn to FO, tel. 12 Saving, 17 June 1946. A first draft was sent to the Foreign Office at the end of April, see FO 371, 54020, F 6352, Killearn to FO, tel. 315, 25 April 1946.
- (25) CAB 21/1956, F 15749, Killearn to Bevin, 15 October 1946.
- (26) Killearn Diaries, 1946, Vol.2, 15 August 1946, kept at St.Anthony's College, Oxford.
- (27) Killearn Diaries, 1946, Vol.2, 15 August 1946, kept at St.Anthony's College, Oxford.
- (28) Killearn Diaries, 1946, Vol.2, 2 September 1946, kept at St.Anthony's College, Oxford.

6. COLONIAL COOPERATION PUT TO THE TEST: THE CASE OF INDOCHINA

6.1 FRENCH OVERTURES, SEPTEMBER - NOVEMBER 1946

When Michael Wright visited Saigon at the beginning of September 194⁶, he found the French authorities in an 'extremely friendly and co-operative frame of mind'. According to Wright, they felt they owed largely to Britain the initial re-establishment of their position in Indochina and fully realised the interdependence of British and French interests in South-East Asia and elsewhere. (1)

Both Wright and the Foreign Office were in fact unaware that following General Gracey's key role in re-establishing French power in Indochina after the war, Britain continued to sustain the French position in South-East Asia through large-scale arms deliveries. Following a secret agreement between Paris and the British Admiralty, British ships were providing logistic support for French supplies to Indochina. The agreement was crucial for the continuing flow of French arms and equipment to Indochina, particularly as there existed a worldwide scarcity of shipping space. In addition to providing transport facilities, the Admiralty was furthermore involved in the covert sale of ammunition for French warships of British origin used in South-East Asia. (2) This was apparently in line with a British agreement from September 1945 to arm and equip a French Far Eastern force. (3) Though London never disclosed the exact amount of arms and ammunition supplied

to French forces in Indochina, Bevin admitted to Parliament in February 1947 that British forces in Indochina had handed over a certain amount of war material when they were being replaced by French forces a few months after the war. (4) One month later, the Minister of State at the Foreign Office, Hector McNeil, would not completely deny a report by the French news agency, *Agence France Press*, that Britain had in the past 16 months sent £ 17,5 million worth of military equipment directly to French forces in Indochina. (5)

Despite this, the French had since Gracey's departure shown little enthusiasm for cooperation with the local British authorities in South-East Asia. So far as trade was concerned, the French administration in Indochina soon resumed its pre-war habit of discriminating against foreign banks and enterprises. A Foreign Office memorandum pointed out in January 1947 that despite reports of a new pro-British mood in Saigon and Paris resulting from the 'the tactful way in which the situation in Southern Indo-China was handled (under the able leadership of General Gracey)', it did not appear that 'the French authorities contemplate throwing open the Indo-Chinese market to foreign trade at the present moment'. (6) Originally, Saigon had been equally difficult about cooperation in fighting the rice crisis. As Killearn reported to the Foreign Office in October 1946, Indochinese rice exports were essential to overcome the food shortage in South-East Asia. However, French administrators were initially highly suspicious of the Special Commission and of the International Emergency Food Council in Washington (formerly Combined Food Boards) behind it and in July 1946 had completely dried up rice supplies from Indochina - at a time when the

food situation in South-East Asia was particularly serious because of difficulties in procuring rice from South America and China. Killearn later on concluded that the French had been stubborn and had not received any instructions from Paris. (7)

However, Wright's visit improved relations between Singapore and Saigon. During a meeting with Admiral d'Argenlieu and Clarac, Wright stressed the need for improved cooperation between the neighbourly and friendly countries in South-East Asia: a beginning had already been made through the monthly meetings of food liaison officers. The political and economic states of affairs in Malaya and French Indochina interreacted, and their security was linked. Though it might be too ambitious to consider regional defence in the full sense of the word, a common approach with France towards security and other problems was desired - there was for example the important question of the common use of airfields. Rather than coming to formal agreements, Wright suggested to 'proceed empirically', as Killearn liked to put it, and to 'build up prospects of working and planning together step by step as opportunity offered'. (8)

D'Argenlieu agreed to the empirical approach to cooperation between the British and French authorities. He would continue sending representatives to the monthly liaison meetings and further hoped to discuss cooperation on information and publicity matters. He also agreed to the importance of the common use of airfields, and was prepared to go as far as the British wished in cooperating with their defence committee. In defence and other matters, he pointed out, while at some

stage it might be desirable to set up some formal regional machinery under the UN, progress could meanwhile be made on an informal basis. He would be responsive to any British suggestions. When Wright mentioned that the shortage of rice had reached a point where labour and civil unrest was in the offing, d'Argenlieu suggested further talks between experts. He appreciated the impact of famine on the political situation: communism was after all the greatest danger, and failure to improve material conditions would play straight into the hands of the communists. (9) As a sign of French good will d'Argenlieu subsequently sent 8000 tons of emergency rice deliveries to Singapore. (10)

Killearn was extremely pleased with Wright's visit, as he believed that cooperation with France should be at the heart of Britain's regional policies. He had his doubts though about the Dutch, and he told the Foreign Office in October:

'It is difficult to avoid comparisons between our sister colonial Powers in South-East Asia; the difference in quality of men of breadth of outlook, and in attitude towards ourselves, between the French and the Dutch is very striking, Mr. Wright spoke in Saigon of our common interests with French Indo-China, political, economic, defence and strategic; and propounded the doctrine which I had instilled into M. Clarac when he visited Singapore in August of building up empirically a close liaison, working and planning together step by step as opportunity offered. Admiral d'Argenlieu said he fully and emphatically agreed with this view, and wished to take steps at once. (11)

The question arises as to the reasons for the cooperative mood of the French authorities in Indochina. There are two plausible explanations. For one, it seems that the French were hoping for British support in regaining territories in the west of Cambodia and Laos that

in 1941 they had lost to Thailand by Japanese award. The second and more important factor seems to have been the deteriorating internal situation in Indochina. During the Chinese occupation, the communist dominated Viet Minh had consolidated its power in the north of Vietnam and had gained control of the government of the Democratic Republic of Vietnam (DRV). However, in March 1946 French troops had started to arrive in Haiphong under an agreement with the Chinese, the last Chinese troops leaving the country in June. To avoid war between French and Viet Minh forces at a time when neither side was fully prepared, a compromise agreement had been reached on 6 March. Under the terms of the Ho-Sainteny agreement France formally recognised the DRV as a free state with its own government, parliament, army and finances, yet as part of the Indochinese Federation and within the French Union. The Vietnamese in return accepted the stationing of French garrisons in the northern province of Tonkin.

However, in the following months fundamental differences over the status of the DRV had come to the surface, as France merely intended to rule with native support rather than cede any real autonomy to the nationalists. (12) A second problem was the status of Cochín-China in the south which the Viet Minh insisted belonged to Vietnam but which d'Argenlieu, who was opposed to the March agreement, had in June unilaterally declared a free state. Subsequent French-Vietnamese talks in Fontainebleau near Paris failed to find a compromise on either the issue of Vietnamese sovereignty or on the status of Cochín-China. After the departure of the Vietnamese delegation only a *modus vivendi* was signed between the French Overseas Minister, Marios Moutet, and the

Vietnamese leader Ho Chi Minh, on an Indochinese monetary and customs union. (13)

There is little doubt that the main reason for Saigon's overtures to Singapore at the end of August was the hope of securing Britain's diplomatic and possibly even military support in the event of a showdown with the Viet Minh. For both the French and the Viet Minh were effectively preparing for war - despite the negotiations in France. By the end of 1946 the Viet Minh had an estimated 100,000 men and women under arms and it controlled large parts of the countryside in Tonkin and Cochin-china. French troops in their Tonkinese strongholds were little more than 20,000. (14)

Shortly after Wright's visit to Saigon, d'Argenlieu returned to Paris where he informed his superiors of his talks with Wright. As a result, the French approached London on the issue of bilateral cooperation in South-East Asia. In a talk with Esler Dening, LeRoy of the French embassy in London mentioned Wright's visit to Singapore. LeRoy suggested that in addition to the monthly food conferences and consultation through normal diplomatic channels, there might be an additional interchange of visits and views between the territories facing the problems of reconstruction after the Japanese occupation. His enquiry was purely ^ttenative, he assured, and he was aware that several _hWhitehall departments were concerned; he would nevertheless be grateful to learn in due course whether London was receptive to his suggestions.

6.2 CONFLICTING PRIORITIES: EUROPEAN OR ASIAN COOPERATION?

LeRoy's approach revived the interdepartmental debate on regional cooperation in South-East Asia. This time the question was not of Indian participation, but how France and Indochina fitted into British plans. As Denning pointed out to the Colonial and Burma Offices, he had refrained from commenting during the meeting with LeRoy, realising that Britain's colonial governments had to be consulted first. The problem, Denning thought, was that 'at a time when nationalism is running high in most areas in South East Asia, a visit by French officials to say Rangoon, Singapore or Kuala Lumpur might not be welcome'. On the other hand, if discussions were explicitly limited to economic and reconstruction questions, he expected no great harm to result: since France had manifested a desire for it, the Foreign Office did 'not wish to discourage the French from friendly cooperation'. (15)

The French initiative followed talks between France and Britain on bilateral economic collaboration in Europe which in September had helped to improve the flagging relations between the two countries. (16) Anglo-French cooperation played an important role in Bevin's plans for a British-led West European grouping. (17) A few months later, Paris and London were to negotiate a bilateral defence treaty in Europe as a result of the West's growing conflict with the Soviet Union. (18) In view of France's growing importance for British policies in Europe, it wasn't surprising that the Foreign Office's Western Department welcomed Paris's South-East Asian initiative. Furthermore, as one official pointed out in

November, 'we have been doing our best to promote Anglo-French cooperation in the colonial field...we are of course entirely in favour of any step forward on the thorny path of Anglo-French colonial cooperation'. (19) The Burma Office, however, took the opposite view. F.W.H.Smith pointed out that French colonialism was unpopular in Asian nationalist circles. He was therefore not convinced of the political wisdom of closer collaboration with French Indochina. After all, any official contacts by French visitors to Burma would have to be made primarily with the Burmese political leader holding the office of counsellor to the Governor in respect of External Affairs. (20)

Subsequent events in Indochina strengthened the Burma Office's case. On 23 November a dispute over Haiphong's customs control escalated and led to a French naval bombardment of the city which killed at least 6000 people. On 19 December Viet Minh forces retaliated and attacked the French garrisons in Hanoi and other parts of Tonkin. On 20 December Ho Chi Minh called for a nation-wide people's war against French colonialism. (21) Though the outbreak of war in Indochina failed to attract the same international attention as the Dutch police action in Indonesia six months later on, it still roused considerable resentment in India and Burma. Sarat Chandra^h Bose, a member of the All India Congress Committee, urged patriotic Indians to fight side by side with the Vietnamese as part of Asia's struggle against Western domination. Furthermore, a leading member of the All India Trade Union Congress subsequently called for a boycott of French ships at India ports, and at the end of January 1947 a violent demonstration in Calcutta resulted in 500 arrests and 19 people being injured. Nehru took a more cautious line

on Indochina. Firstly, he seemed to be apprehensive about Ho Chi Minh's communist affiliations. (22) Another reason for his relative restraint was his interest in maintaining good relations with France in order to negotiate the incorporation into India of the French colonial enclaves along the Indian coast; Franco-Indian talks on the issue were in fact to begin soon after the transfer of power. (23) However, under the pressure of public opinion he announced on 18 February that French operational and combat aircraft were no longer allowed to fly over Indian airspace. (24)

It took some time for the significance of the war in Indochina to sink in in London. At the beginning of January, the Colonial Office discussed Anglo-French cooperation in South-East Asia with MacDonald who was visiting London. The meeting principally favoured closer collaboration with the French authorities on technical problems, though political issues would have to be left out for the time being. Cooperation would have to be part of a regional system and should be dealt with in Singapore by Killearn and MacDonald. The Foreign Office was told that for the time being it would perhaps be better to postpone action until relations between the French and the Vietnam Republic had become clearer. (25) However, the Burma Office maintained its opposition to closer contacts with the French authorities in Indochina. The current political situation in Burma was very delicate, and recent correspondence about the passage of French military aircraft through Burmese airspace had further emphasised the unpopularity in Burma of French policy in Indochina. The Burmese Governor therefore felt it

inopportune to pursue the French proposal for highlevel visits to British territories. (26)

The question of Anglo-French cooperation in South-East Asia took on a new meaning when France made an urgent request for British arms supplies to Indochina. Only one month after the fighting had begun, French troops were short of weapons and ammunition and on 24 January 1947 the French Military Mission in Singapore approached the headquarters of Allied Land Forces in South East Asia (ALFSEA) for the supply of large quantities of arms (and ammunition) from British stocks in Singapore. Killearn, who until recently had been a leading protagonist of closer relations with Saigon, now urged caution: a similar situation had previously arisen in Java where only by great luck the British had managed to prevent the Indonesians from making an issue of British arms supplies to the Dutch. In view of obvious political repercussions Killearn therefore disliked the prospect of 'laying ourselves open to the charge of supporting the French by supplies from Singapore'. Preferably, supplies should come from Europe, though even this might land Britain in extremely deep waters. (27)

Following the French request London's debate on long-term Anglo-French collaboration in South-East Asia was superseded by the more urgent question of whether Britain should openly support the French war in Indochina, taking into account that large-scale arms deliveries to Indochina could not be kept secret. Arguments for and against arms shipments were clearly cut: On the one hand there was the impending alliance with France in Western Europe, as well as Anglo-French

rapproachment in South-East Asia which favoured meeting France's demands. Open British support for the French war effort would be proof of Britain's genuine desire for closer relations with France. Refusing the French offer might jeopardise the Anglo-French alliance in Europe. On the other side of the ~~s~~cale were Britain's Asian interests. India and Burma were moving closer towards self-government, and London was keen on maintaining good relations with the Indian Interim Government and with Prime Minister Jawaharlal Nehru. In view of Indian and Burmese condemnation of the French war in Indochina, arms shipments might have alienated Asian opinion and jeopardised Britain's prestige on the subcontinent. There was the further danger that Britain might herself be drawn into the hostilities in Indochina. To a degree, Britain's response to the French request was a choice between the prerogatives of her Asian and European policies.

Foreign Office opinion on the issue was divided. The British ambassador in Paris, Duff Cooper, wanted to meet the French demands in full. He argued that it was in Britain's interest for France to restore order in Indochina, as a prolongation of the Indochinese situation would afford a 'stimulus to elements in our Far Eastern and other dependent territories hostile to all European control'. A further important reason was the forthcoming conclusion of an alliance with France. (28) However, Cooper failed to convince officials in London. Gordon Whitteridge from the Far Eastern department acknowledged that it was desirable to help France at this moment when an Anglo-French alliance was in the offing, and when contacts with the French authorities in Indochina were being developed as part of British plans for regional cooperation in the whole

of South-East Asia. However, he also believed the French were pulling against the tide with their policy in Indochina: the future was with the native people not only in Indochina but throughout the Far East. Britain therefore had to be careful not to stultify her policy towards India, Burma, Malaya and Indonesia by openly supporting France in Indochina. Furthermore, Britain had already been embarrassed by French requests for air passage for operational aircraft through Burma and India, both countries in which strong feeling had been aroused by French action in Indochina; direct British supplies for the French would now inevitably lead to a great outcry, and the subsequent closing of these air routes. Britain was under no obligation to continue supplying portions of French forces with arms. Arms were therefore to be supplied only to metropolitan France and Holland, even at the risk of upsetting the French. Open support of a colonial power in a struggle against an independence movement would gravely affect Britain's position in the Far East. Whitteridge therefore suggested that as an excuse the War Office should inform the French that no arms or ammunition could be spared from Singapore, but that metropolitan France could be supplied from surplus stocks elsewhere. As a gesture of goodwill, the Treasury might also be asked not to insist on payment in advance. (29)

At the Foreign Office's Western department Moynehan agreed with Whitteridge's conclusions. It was unfortunate that the whole issue had cropped up at this moment when Anglo-French relations on the spot were developing satisfactorily, and when an alliance was under consideration. Turning down the French request would no doubt lead to hostile criticism in France, but it would be a great deal less than the criticism that

would be provoked not only in India and the Far East, but in Britain as well if France were supplied with stocks from Singapore. In the long run, Anglo-French relations would indeed suffer more if London took action which might start an outcry ^aagainst French policy in the Far East. _LMoynahan added that:

'French policy towards some of their dependent territories is not in line with our own views. While we have every desire to work as closely as possible with the French in all these colonial matters we must not let the French, or indeed our own Embassy in Paris, think that the conclusion of the Alliance will necessarily mean that the French will be able to count on our support in their dealings with their dependent territories, regardless of the merits of the case'.(30)

Dening subsequently summed up the department's views in a memorandum for Orme Sargent, the Permanent Under-Secretary at the Foreign Office. According to Dening, the Foreign Office's telegrams and minutes

'..bring out clearly the difficulties with which we are faced. If we turn down the French altogether, this is bound to have an adverse effect on our relations at a time when we are hoping to conclude an alliance. On the other hand, we do NOT wish the French or anyone else to suppose that we necessarily support their policy in their Colonial Dependencies.'(31)

The French made a further approach on the subject of British arms deliveries at the beginning of February. This time the British embassy in Paris was contacted about the supply of ammunition from Singapore stockpiles, which had long been the subject of secret negotiations, to be used by French warships of British origin operating in Indochina.(32) For the Foreign Office, this was 'the first inkling that we have had that the Admiralty were engaged in shipping ammunition to the French in the Far East'. As Whitteridge learnt from the Admiralty, the latest

order had come from Paris some three months ago but had not been fulfilled 'because the French found our price too high and have been arguing about it ever since'. The Admiralty now wanted to know from the Foreign Office whether deliveries from Singapore could go ahead. Whitteridge stressed in a departmental minute that

'In view of the urgency of the matter, we cannot wait to see whether the French Govt. is in fact about to embark on a new and conciliatory policy towards the Viet Nam [Viet Minh], and I suggest therefore, that we should now tell the Admiralty what we have already unofficially told the War Office, that we are opposed to direct supply to the French in the Far East, but would have no objection if similar ammunition were supplied to metropolitan France'.(33)

The issue was now referred to the highest political level. Denning explained the problem in a draft memo to the Prime Minister and personally dissented from the rest of the Far Eastern Department, arguing that, at the moment of establishing an alliance, French demands should be met in full. France was suspicious of British indifference to French colonial interests, a frame of mind which dated back to events in the Middle East during the war when Britain more or less compelled the French to grant independence to Syria and the Lebanon, and which had been revived by differing policies over the economy and future of Germany. On the other hand, Denning recognised that 'we have to be careful that we do not run into trouble through supplying arms to the French from Singapore'; a decision was thus required 'as to whether we should supply the French from Singapore in the inter^est of Anglo-French friendship, or whether in the light of possible repercussions in the Asiatic territories we should only agree to supply arms and ammunition to metropolitan France from this country'.(34)

The Prime Minister himself made the final decision. During a staff conference on 11 February 1947 Attlee ruled that 'we ought not to ship military supplies to the French from Singapore but that there was no objection to our doing so from the United Kingdom'. (35) His decision has to be seen in the light of his policy on India. On 20 February, only nine days after his ruling on war material for Indochina, Attlee announced Britain's intention to transfer power in India within the following 18 months. Britain was of course deeply interested in maintaining a close relationship with an independent India in the sectors of both foreign affairs and defence - either through the Commonwealth or a special treaty. (36) At such a crucial moment for Anglo-Indian relations open support for the French war effort in Indochina might well have wiped out the political credit that Britain was likely to gain in the subcontinent by announcing her withdrawal from India.

At the same time, London did not want to openly offend the French immediately before the signing of a bilateral defence treaty. Paris was therefore told that Singapore stocks represented local operational reserves which could not be spared, but that the Services departments would do their best to meet French demands from the British mainland (to metropolitan France) as soon as possible. (37) In March, the Minister of State at the Foreign Office, Hector McNeil, told Parliament that no aid specifically designed for Indochina had been given to the French armed forces. (38) He did not mention, however, that London had imposed a de facto embargo on direct arms deliveries to Indochina in order to prevent Britain from being associated with or becoming involved in the

unpopular war in the country. The refusal to disclose the embargo to Parliament contrasted with Bevin's later announcement following the Dutch police action in July 1947 that the government had prohibited the supply of war material directly to or intended for Indonesia. ~~(39)~~ The public disclosure and much harsher terms of the Indonesian embargo were a reflection of both the greater furore that the Dutch police action was causing throughout the world, and of the Netherland's low status of power compared to France. As J.E.D. Street from South-East Asia Department warned later on in 1947, if Britain's public attitude contained even an implied criticism of French policy in Indochina, 'we should lose much, if not all, the goodwill which France bears us and which, in the condition of Europe at the moment, is so vital a factor'. (39) Britain had fewer scruples about the Dutch.

Though Britain refused to publicly condemn the French war against the Viet Minh, the debate on the urgent question of arms deliveries to Indochina had a profound ^effect on the Foreign Office's plans for regional cooperation. While the Stent memorandum had made Foreign Office officials aware of the fact that an independent India would have to be included in a South-East Asian regional system, it now became apparent that Anglo-French cooperation in South-East Asia might well be incompatible with Anglo-Indian cooperation. France had previously been in the centre of British regional plans in South-East Asia. Because of her hardline colonial policies she was now becoming a liability in Asia. As will be seen next, the question of British arms deliveries to Indochina inspired the Foreign Office to overhaul its regional strategies.

NOTES

- (1) FO 371, 53912, F 13076, Singapore to FO, tel. 2026, 8 September 1946.
- (2) FO 371, 63542, F 1423, minute by Whitteridge, 6 February 1947.
- (3) See A.D.Griffiths, *Britain, the United States and French Indochina 1946-1954*, University of Manchester thesis, March 1984, p.77.
- (4) Hansard, *Parliamentary Debates*, House of Commons, Vol.433, 19 February 1947.
- (5) The AFP report is cited in FO 371, 63453, F 3209, Thompson to FO, 10 March 1947, quoted by Griffiths, p.76. McNeill's statement in Hansard, *Parliamentary Debates*, House of Commons, Vol.435, 24 March 1947.
- (6) FO 371, 63549, F 2616, memo titled 'British Policy in South East Asia', 24 January 1947.
- (7) CAB 21/1956, F 12907, report by Killearn to Bevin, 24 August 1946.
- (8) FO 371, 53912, F 13076, Singapore to FO, tel.2026, 8 September 1946.
- (9) FO 371, 53912, F 13076, Singapore to FO, tel.2026, 8 September 1946.
- (10) CAB 21/1956, F 15749, Killearn to Bevin, 15 October 1946.
- (11) CAB 21/1956, F 15749, Killearn to Bevin, 15 October 1946.
- (12) David Marr, 'VIETNAM: Harnessing the whirlwind', in Robin Jeffrey, *Asia - The Winning of Independence*, London 1987 (paperback), p.204.
- (13) Jan Pluvier, *South-East Asia from Colonialism to Independence*, Kuala Lumpur 1974, p.415
- (14) Marr, p.204 and Pluvier, p.440.
- (15) FO 371, 54046, F 16726, Dening to F.W.H.Smith (BO), 18 November 1946)
- (16) See John W. Young, *Britain, France and the Unity of Europe, 1945-1951*, Leicester 1984, p.41.
- (17) John Kent, 'Bevin's Imperialism and the Idea of Euro-Africa, 1945-49', in M.Dockrill and John W. Young, *British Foreign Policy, 1945-56*, London 1989 p.49.
- (18) See Kenneth O.Morgan, *Labour in Power, 1945-1951*, Oxford 1985 (paperback), p.268.
- (19) FO 371, 54046, F 16726, minute by S.H.Hebblethwaite, commenting on Dening's letter, 19 November 1946.
- (20) FO 371, 53969, F 17983, F.W.H.Smith to Dening, 12 December 1946.

- (21) Marr, p.204. For an analysis of the events leading to the outbreak of war see Stein Tønneson, 'The Longest Wars: Indochina 1945-75', in *Journal of Peace Research*, Vol.22, No.1, 1985, pp.12-17 and Tønneson, 1946: *Déclenchement de la Guerre d'Indochine*, Paris 1987. For a commented selection of French governmental documents relevant to the outbreak of war in Indochina see Philippe Devillers, *Paris - Saigon - Hanoi*, Paris 1988.
- (22) C.H.Heimsath & S. Mansingh, *A Diplomatic History of Modern India*, Calcutta 1971, p.253.
- (23) Heimsath & Mansingh, pp.322-323.
- (24) Ton That Thien, *India and South East Asia, 1947-1960*, Genève 1963, pp.122-123. These events were reported in the British press, see for example *The Times*, 24 January 1947, reporting that a demonstration by communists and admirers of Subhas Chandra Bose (the Indian wartime collaborator with the Japanese) in front of the French consulate in Bombay had caused two deaths and 14 people being injured.
- (25) FO 371, 63518, F 560, Lloyd to Dening, 11 January 1947.
- (26) FO 371, 63518, F 757, F.W.H.Smith to Dening, received 20 January 1947.
- (27) FO 371, 63542, F 1035, tel.202, Killearn to FO, 26 January 1947. In an apparent effort to put pressure on London, Paris hinted to the American press that both France and Britain were contemplating an economic regional organisation including also the Dutch. See *The New York Times*, 20 February 1947.
- (28) FO 371, 63542, F 1201, Paris to FO, tel.96 A, 29 January 1947.
- (29) FO 371, 63542, F 1035, minute by Whitteridge, 30 January 1947.
- (30) FO 371, 63542, F 1035, minute by Moynehan, 31 January 1947.
- (31) FO 371, 63542, F 1201, minute by Dening, 1 February 1947.
- (32) FO 371, 63542, F 1423, tel. 112, Cooper (Paris) to FO, 3 February 1947.
- (33) FO 371, 63542, F 1423, minute by Whitteridge, 6 February 1947.
- (34) FO 371, 63542, F 1035, draft minute to the Prime Minister, February 1947, enclosed in a note from Dening to Bevin, 10 February 1947.
- (35) FO 371, 63542, F 10184, minute by Allen, 22 July 1947.
- (36) For Whitehall's debate on this issue see R.J.Moore, *Escape from Empire - The Attlee Government and the Indian Problem*, Oxford 1983, pp. 220-234.
- (37) FO 371, 63542, F 1201, FO to Singapore, tel.375, 14 February 1947.
- (38) Hansard, *Parliamentary Debates*, House of Commons, Vol.435, 24 March 1947.
- (39) Griffiths, p.75, quoting FO 371, 63457, F 13675, minute by Street, 13 October 1947.

7. THE LIMITS OF COLONIAL COOPERATION IN SOUTH-EAST ASIA, 1947

7.1 FOREIGN OFFICE STOCKTAKING: THE DEVELOPMENT OF A NEW REGIONAL POLICY FOR SOUTH-EAST ASIA

Coinciding with the debate on British arms deliveries to Indochina, Far Eastern experts at the Foreign Office were compiling a number of papers on British interests and policies in the Far East. The papers were intended as background material for the Foreign Secretary during a forthcoming Council of Foreign Ministers meeting in Moscow in March. Though the papers' conclusions were never endorsed as official policy, they nevertheless expressed the thinking of a majority of Foreign Office officials dealing with South-East Asia. The papers' conclusions completely redefined Britain's traditional regional strategies in South-East Asia.

A first introductory paper titled 'Stock-Taking Memorandum - Far East', argued that since the Japanese surrender the situation in the Far East, from India to the Pacific, had been dominated by three main factors:

- '(1) the fact that we were defeated by Japan and lost considerable British territory in the early stages of the war and that the Far East in general considers us to have played a relatively minor role in defeating Japan;
- (2) the predominant part played by the United States in the war against Japan, and the leadership she has now assumed in Far Eastern affairs, particularly north of the tropic of cancer;
- (3) the tide of nationalism which prevades the whole area, and which received great impetus as a result of the war.'

All these factors, the paper continued, had adversely affected Britain's position in the Far East. Before the war, Britain's actions had been regarded as right and accepted, whereas now she had to prove the rightness of her case. The paper subsequently turned to India which it believed would probably become a foreign power in the not very distant future. Burma, it went on, would at best become an independent entity within the British Commonwealth. This would have a profound effect upon the British position in the Far East; a consideration of her possible relationship with these two territories was therefore required. Turning to China, the paper pointed out that the United States had virtually replaced Britain in her pre-war role, relieving her of benefits but also of many burdens. A serious threat to Britain in this area would arise only if the Soviet Union ever replaced the United States as the dominant foreign power. Meanwhile, the British would have to keep a commercial foothold in China until better days to come. In Japan as well, Britain would have to restore her trade and cultural influences.

However, despite the loss of influence in India and China, the paper still regarded British influence in South-East Asia as strong. The area represented an important link in the strategic chain of Commonwealth defence, and even in South-East Asia's non-British territories Britain's leadership was tacitly, if not publicly, recognized. Though the political troubles in Indochina and Indonesia rendered close collaboration difficult for the moment, the paper argued that

'... it should not prove impossible in the course of the next few years to build up a regional system, with Singapore as its

centre, which should not only strengthen the political ties between the territories concerned and facilitate a defensive strategy, but also prove of considerable economic and financial benefit to the United Kingdom. This is an area from which we may hope to derive products with soft currency (e.g. sugar, vegetable oils, tea and coffee) which may enable us to cut down our purchases from hard currency areas.'

South-East Asia, the paper concluded, was thus an area to which Britain should devote close attention, and where she should make every effort to improve her position. (1)

A second paper, entitled 'British policy in South East Asia', took a closer look at British policies and interests in individual South-East Asian territories. In Thailand, it was Britain's main interest to promote stability and the development of democratic institutions in order to guard against ultra-nationalist governments like the one before the war, which by experience tended to discriminate against Western interests. Thailand's liberal elements therefore needed to be strengthened so as to ensure that

'(a) in the event of any conflict in the area our relations with Siam shall be so close that we shall have no difficulty in integrating her into our defence system for the whole area, and

(b) [to ensure] the development and maintenance of British trading interests there.'

The situation in Indochina was more difficult. Britain's 'cooperative attitude' after the war, when she 'did nothing to hamper French efforts to re-establish their sovereignty' was much appreciated both locally and in Paris. However, the outbreak of hostilities in December and the continuing struggle between the French and the 'Vietnam

Republic' had put Britain in an awkward predicament in view of her close relations with France and of the sympathies of the Burmese and Indian populations with the Vietnamese nationalists. Furthermore, there had been little progress in the commercial sector. British hopes that the French government would follow a more liberal economic policy and that Britain could extend her commercial influence in Indochina had met with little success. The paper recommended that Britain should promote any arrangements which provided for real long-term stability in Indochina; France should therefore resume talks with either the Viet Minh or the two nationalist parties. Almost prophesying the Geneva settlement of 1954, the paper argued that at worst 'it should be possible for the French to concentrate their forces and administration in Indo-China south of Parallel 16' while allowing the territories north of Parallel 16' to develop into an autonomous buffer state between themselves and China.' (2)

Prospects for the extension of British interests were most promising in Indonesia. The paper pointed out that after her direct involvement in postwar Indonesia, Britain still had considerable political influence in the country:

'Britain's prestige stands high there today. We came as a victorious power (unlike the Dutch) and we went when our tasks were completed without having sought to obtain any economic or other special advantage. Our disinterestedness, the restrained behaviour of our troops and the influence of two men in particular, Lord Inverchapel and Mr. MacKereth, have strongly impressed the Indonesian leaders and intellectuals... The Indonesian peasant has of course been subject to intensive anti-British propaganda put out by the Indonesian machine... on the other hand the British plantation companies were known as good employers and their return would be generally welcome.'

However, the paper continued, Britain was not popular with the Dutch who rumoured that the British had downed Indonesia in order to benefit Malaya's tin and rubber industries. At the same time, the Dutch were clinging to their monopolistic commercial practices, fearing economic penetration and domination particularly by the Americans. (3)

Britain's interests in Indonesia, the paper showed, were primarily commercial: before the war, the British had had a large commercial stake in the country, prewar investments had been worth £ 25 million. Britain therefore had a special interest in bringing about stable conditions as a basis for a speedy economic recovery of Indonesia. So far as Indonesia's current economic position was concerned, the paper argued:

'It is perhaps not fully realised how much the great material resources of Indonesia are in demand today. Export on a pre-war scale of the products of Indonesia would go far to relieve the world of some of its most acute shortages, e.g. sugar, tea, vegetable oils and petroleum. At present however the entire economic system has run down after four years of enemy occupation, followed by 18 months of destructive fighting.'

Despite these problems, the paper sensed considerable commercial as well as political opportunities: it argued that the Indonesians were looking for outside help in the rehabilitation of their country, and that they were seeking guidance in formulating a new way of life, recognizing their incapability of handling many problems by themselves. Though the Dutch were helping in trade and finance, the Indonesian leaders were looking elsewhere for advice on constitutional matters, social welfare, labour relations, health, local administration etc. They were looking neither to Russia nor to the United States for this help, but had instead shown 'a marked inclination to take us as a model and

have told our representatives ^(H)that they would prefer to turn to us.'

The paper continued:

'It is clear that we have a remarkable opportunity in Indonesia to further British influence. It is perhaps a unique opportunity in the world today since nowhere else do we find an area comparable in natural resources and population which is embarking on a new independent existence, which is eager to accept help and guidance from outside and which at the moment is looking to Britain to provide these things...It is our interest to maintain the present Indonesian leaders in power since they can mould Indonesia in the way which we should want to see it go. The main object of our diplomacy should therefore be to show the Indonesians at all times that we have their interests at heart and to guide the present leaders in the right direction.'

In the economic sector as well, the paper recommended increasing British involvement in Indonesia. British plantation companies should be backed in their efforts to regain their estates. Furthermore, having done much for the restoration of peaceful conditions, Britain should make every effort to provide the physical means of rehabilitation, i.e. by providing consumer goods in order to increase the flow of raw materials and by assisting financially.

The paper then turned to South-East Asia as a whole where Britain should seek to extend her cultural influence. The nascent nationalisms following the Japanese occupation were looking round for a model, and although such models were being provided by Russia and the United States, Britain appeared to find much favour, particularly among the Indonesians. Having been cut off from British influence, the inhabitants of South-East Asia were now clamouring for renewed contacts with Britain and for instructions in English. Steps were therefore taken through the agency of the British Council to revive the teaching of the English

language and the British way of life. Moreover, the Colonial Office was considering the establishment of a university in Malaya which would offer facilities to students from surrounding countries to study British ideas and methods. The scope for such activities was the greatest in Thailand and Indonesia - in Indochina it was the French, and in the Philippines the Americans who were dominant. (4)

Last but not least, the paper explained, British influence in South-East Asia depended on the rehabilitation of Malaya, and on Britain offering the colony's inhabitants the help and advice they needed in developing their lives on modern lines. Britain's stock in Malaya was still high, and her attitude towards nationalist hopes in India, Egypt and elsewhere had gained her trust and respect. Nevertheless, this had been lessened by British handling of the constitutional question and by the handling of the Sarawak situation. Everything therefore depended on successful negotiations with the Malays and Chinese on the new constitution. Furthermore, Britain should replace the old generation of colonial administrators with younger men with a broader outlook. What was done in Malaya, the FO paper postulated, was of course closely watched by neighbouring territories. (5)

In conclusion, the paper re-emphasized the opportunities that were now existing for Britain:

'All the Colonial territories of South East Asia look forward to a future of greater self-government or total independence. At the same time they are looking to other countries for help, guidance and example'.

Despite the existence of communist parties, there was little evidence yet of any determined Soviet intervention - though this loomed in the background. Meanwhile, the peoples of South-East Asia were still disposed to look to Britain and the USA. The paper recommended that:

'We ought to grasp the opportunity which this tendency gives us, firstly by promoting rehabilitation by every practical means, and secondly by offering them the advice and help they need in developing their lives on modern lines.'

Lord Killearn's organisation should play a prominent role in Britain's South-East Asian policies:

'The office of the Special Commissioner in South East Asia provides a valuable means of centralising efforts on these lines. Already, the Special Commissioner has built up a system of co-operation with other British authorities in the area and beyond.'

Killearn had already taken steps towards regional collaboration by holding monthly food liaison conferences. Regional conferences on nutrition and fisheries had also been held, and there was no doubt that by beginning on a technical plane the value of regional collaboration had been demonstrated:

'As confidence grows it should be possible to progress towards regional collaboration in political matters also. Our aim should be to develop Singapore as a centre for the radiation of British influence, and for this special purpose technical and other experts might be attached to the Special Commissioner's office, where they will be available for consultation by neighbouring countries.'(6)

The two papers outlined a new British approach to South-East Asia. Rather than feeling threatened by the recent wave of nationalist successes, the paper's authors proposed exploiting the opportunities

that the new political situation offered. Britain's record in Asia was better than that of the Dutch. In expectation of Indonesian independence, she should thus concentrate on dealing with the Indonesian nationalists, in order to increase her economic and political influence in the country. In Indochina, British plans were not as ambitious. It was recognized that France would remain the dominant power. However, London should urge the French to find a settlement with the Vietnamese nationalists in order to create stable conditions in the country, even if this eventually included a French withdrawal from the north.

One of the papers' main suggestions was that Britain's declining power in India and China could be compensated through an extension of British influence in South-East Asia. The Special Commission would play a key role in this. While the first paper suggested the creation of a regional system in South-East Asia with its centre in Singapore to further British interests, the second paper explained that the core of such a system already existed in the shape of Killearn's organisation, and that the Special Commission should soon attempt to progress from technical towards political cooperation.

However, the two papers failed to define what exactly such a regional system would entail. As Edward Lambert minuted at the Foreign Office on 27 January, Britain still had to decide who to collaborate with:

'Besides F.I.C., Indonesia, Burma, Malaya and Ceylon, are we going to invite Australia, India and the U.S.A.? We want to associate Australia as closely as possible with all that we do in S.E.A. India, too, will have to assume her fair share of

responsibility in the area and U.S. representation at any major conference may, I suppose, be taken for granted.'(7)

Denning subsequently took the opportunity to comment on the issue. The food crisis, he explained, was by no means over. The situation therefore required a continuation of the Special Commissioner's functions, particularly in order to avoid cut throat competition if and when there was a resort to private buying. The Special Commissioner had also established the principle of consultation and coordination which the Foreign Office hoped would be extended to other fields. Indeed,

'... with our imminent withdrawal from India and Burma, South-East Asia becomes of even greater significance as a strategic link between the United Kingdom, Africa and Australia. Though it is not believed that our influence will entirely disappear from India and Burma, its focus will be centred in South-East Asia, and geographically the centre is Singapore. It may well be that the closer contacts of the U.K. with India and Burma will be maintained through some organisation such as that of the Special Commissioner in Singapore, in view of the great distance from the U.K.'

Denning stressed that any coordination between British territories such as Ceylon, India and Burma would have to fall to the Special Commissioner, since the Malayan Governor-General's responsibilities were restricted to the colonial field. Nor should a colonial appointee be in charge of cooperation with foreign territories, as this was bound to raise suspicions against British intentions:

'We must not appear to be ganging up with Western Powers against Eastern peoples striving for independence. Rather should our aim be to contrive a general partnership between independent or about-to-be independent Eastern peoples and the Western powers who by their past experience are best able to give them help and, in our case, to some extent protection. Owing to political conditions in the M.E.I. and Indo-China, this process of consultation and cooperation with these areas must be a gradual one. But here again it could hardly be carried out by any colonial authority, since this would give rise to

distrust and suspicion. It should be a function of the Special Commissioner to feel his way towards eventual cooperation on the lines indicated as conditions allow'.(8)

Dening also proposed giving the Special Commissioner additional responsibilities in the cultural sector. The Defence Ministry had recently indicated its intention to withdraw 'white troops' east of India and Burma except where it was necessary to build up local formations. In this case, Britain would no longer be able to influence South-East Asia through the display of armed strength, but would have to rely on the impact of cultural and information organisations on the local populations, bodies that should fall under the auspices of the Special Commissioner. Dening attached particular importance to the establishment of a powerful broadcasting organisation such as the 'Voice of Britain'; at the moment, he acknowledged, the only competitors were the Americans, to whose competition there was no objection, but one day the Russians might come up with a powerful station in Eastern Siberia: by that time, a British station ought to have established its own audience.(9)

Dening's recommendations were discussed during a departmental meeting on 8 February attended by the Foreign Secretary. Bevin agreed with Dening's appreciation of South-East Asia, stating:

'We should consolidate our position in South-East Asia as soon as possible, and before the attention of the world was focussed in that direction, which would happen when the Japanese Peace Treaty came up for consideration, possibly at the end of 1947 or early in 1948.'

Bevin also agreed to maintain an organisation in charge of food allocations until at least the middle or end of 1948, and he promised to discuss with the Ministry of Food the desirability of extending the I.E.F.C. Rice Committee beyond 1947. When Dening drew attention to Colonial Office plans for the reorganisation of Malaya and Singapore under one governor, and the possible abolition of the Governor General's office, Bevin promised to discuss with the Colonial Secretary the question of the ¹division of responsibility between Killearn and colonial officials. By implication, this meant pressing for an increase of Killearn's coordinating functions. Bevin was also keen on the expansion of Britain's 'cultural' activities in South-East Asia through the British Council or broadcasts by the 'Voice of Britain'. (10)

The Foreign Office's stock-taking papers and the subsequent departmental discussions constituted a highlight in the development of Britain's policy of regional cooperation. The Special Commission had firmly moved into the centre of the department's regional plans. Killearn had started with regional cooperation on the technical level, and it was hoped that his organisation would provide the nucleus for a larger British led regional organisation. As in 1945 and 1946, the ultimate aim was to create a regional system or organisation in order to consolidate and ~~and~~ extend Britain's influence in South-East Asia. However, there were also significant changes: contrary to previous regional concepts, great attention was given to cooperation with the nationalist movements in South-East Asia. The Foreign Office was aware of its prestige with the Indonesian nationalists and hoped to exploit the opportunities that this might provide after the country's

independence. Britain was less ambitious in Indochina, though the French would have to be encouraged to compromise with the Viet Minh in order to create stable political conditions.

A further difference was the enlarged geographical scope of a regional system, which was to include India, Burma and Ceylon. In fact, a main aim behind the proposed regional scheme was for London to maintain close links with the three countries after their independence. Though Britain would eventually withdraw from the subcontinent, the Foreign Office was confident that London's prestige resulting from its progressive attitude towards Asian nationalism would allow Britain to use the proposed Singapore-based organisation in order to maintain a high degree of indirect influence in South-East as well as South Asia.

7.2 THE LIMITS OF ANGLO-FRENCH COOPERATION

However, while the Foreign Office's redefined regional policies constituted a break with the traditional concept of colonial cooperation in South-East Asia, they did not imply the complete exclusion of France and the Netherlands from Britain's plans. So long as these two powers were present in South-East Asia they too would have to be part of any regional system. This applied particularly to France, whose chances of survival as a colonial power in South-East Asia the Foreign Office rated higher than those of the Netherlands.

In the middle of February the Foreign Office endorsed the conclusions reached by MacDonald and the Colonial Office in the previous month. It was decided that collaboration with the French should be limited to economic and technical subjects, leaving out political matters for the time being. This corresponded with existing Anglo-French collaboration in Africa. Furthermore, any collaboration with the French authorities in Indochina should form part of a regional system rather than being conducted on a bilateral basis. Questions like health which were calling for a regional treatment and could best be tackled by regional technical conferences that included the French. Finally, Anglo-French collaboration in South-East Asia would best be organised locally, i.e. by Killearn and Macdonald, rather than by the British Colonial Office and the Ministry of France Overseas. (11)

As Gordon Whitteridge from South-East Asia Department subsequently pointed out in a departmental minute, the Colonial Office's recommendations fitted in with the plans for regional collaboration that Bevin had approved in principle during the meeting on 8 February. Thus:

'No particular action as regards the French seems called for. They send representatives to the Liaison Officers Conference and have been invited to, but have not always attended, other conferences. As & when further conferences are held, the French will be invited to them and the notion of collaboration will become more deeply rooted. A visit by Lord Killearn would be useful but misfortune has hitherto dogged his attempts to pay it...in any case the political situation there makes a visit undesirable at present'. (12)

The recommendations were subsequently communicated to Killearn who was asked to comment. (13) A reply, written by Michael Wright in Killearn's absence, arrived in London two months later on. Having

consulted MacDonald, Wright agreed with the suggested system of technical conferences, for which the forthcoming Social Welfare Conference was seen^{as} a good example. However, this was not to preclude the most valuable form of contact, namely (bilateral) exchanges of visits by officials and experts to discuss points of common interest. Visits by experts on rice, coal and economic matters were already going ahead, and there were periodical talks between the Special Commissioner and the French Consul General in Singapore. In the distant future, it might also be feasible to attach colonial representatives from Malaya and Singapore to the British consulate in Saigon. However, Wright assured that Anglo-French contacts were not going too far:

'It is clearly desirable to promote collaboration with neighbouring territories in South East Asia, and not least with the French who are important to us in Europe and with whom we have just signed an alliance. On the other hand we must be extremely careful to avoid giving any false impression of a policy of "South East Asia for Europeans". So long as there is no agreement between the French and Asiatics in Indo China we must put each foot down warily. The proposals outlined above have been worked out with this need for caution in mind, and we feel that they take adequate account of it.'(14)

Dening shared Wright's reservations, arguing that Britain should avoid giving the impression of a European policy in South-East Asia.(15) The French embassy in London should therefore be informed about the conclusions reached in London and Singapore. This should be done orally rather than in writing; after all, it had never been contemplated to 'make a splash' about it with the French. His own impression was that they were by no means unaware of the considerations which prompted Britain to move cautiously in this matter.(16)

France's hardline policies towards Vietnamese nationalism and the outbreak of war in Indochina had thus stalled efforts towards closer Anglo-French relations in South-East Asia. However, since Britain was concealing her ^{de} ~~facto~~ arms embargo on Indochina it did not prevent Paris and London from signing a military alliance in Europe (the Dunkirk Treaty) on 4 March 1947. Though directed against Germany, the treaty was a precursor of an anti-Soviet security arrangement in Western Europe. (17) The Anglo-French alliance further improved relations between the two countries, drawing Paris closer into the Western camp. This had its impact on colonial developments when in September 1947 Bevin told the French premier, Paul Ramadier, amongst other things of his hope for growing economic cooperation in the colonial field. (18) In December, the French officially suggested bilateral talks on economic collaboration in West Africa. (19)

However, despite the impending talks on Africa, the Foreign Office did not see a case for similar cooperation in South-East Asia. In this part of the world cooperation Britain continued to give precedence to cooperation with the fledgling Asian states. As Denning minuted in response to a Colonial Office enquiry :

'The question of regional cooperation in South East Asia (not only of course with the French) has been very much in our minds, but we have rather steered clear of having anything laid on in the way of Anglo-French colonial discussions on Africa. This is of course because of the political situation in Indo-China. Our colonial territories in particular are nervous of any association with the French which might be interpreted by the national movements in South East Asia as having political significance. That being so, we must, I think, leave things strictly as they are for the time being. If the French should by any manner of means contrive a satisfactory political settlement in Indo-China, things would of course be different. I should, however, add that our relations with the French in South East Asia are cordial, and Lord Killearn has

the closest possible contact with the French in Singapore. ... Until things get better in Indo-China, I think we must aim at maintaining the cordiality without committing ourselves to anything very specific.'(20)

Thus there were limits to Anglo-French cooperation in South-East Asia.

7.3 THE LIMITS OF ANGLO-DUTCH COOPERATION

While the prospects for France's inclusion in a South-East Asian regional system were diminished as a result of the Indochina war, Dutch military action in Indonesia in July 1947 virtually disqualified the Netherlands from participating in any regional scheme. As has been pointed out before, Britain after the war had refused to prevent the Indonesian Republic from consolidating its rule in large parts of Sumatra and Java. Grasping the full force of Indonesian nationalism, the British had instead pressurized the returning Dutch into negotiations with the Republicans. In February 1946, Lord Inverchapel had been appointed as mediator, succeeded by Lord Killearn in August. During the following negotiations, British pressure was vital in bringing about the Linggadjati Agreement of November 1946 immediately before the withdrawal of the last British forces from the country.(21) Under the agreement, ratified in March 1947, the Dutch recognized the Indonesian Republic's *de facto* authority over Sumatra and Java. The Republic in turn consented to a federal form of government for the proposed United States of Indonesia, which would be established not later than 1 January 1949 and which would be an equal partner in a Netherlands Union under the Dutch

Crown. However, the two sides failed to implement the agreement. A Dutch ultimatum on 27 May asked for a recognition of *de jure* Dutch sovereignty in Sumatra and Java until January 1949, also denying the Republic the right to conduct her own foreign relations. After an Indonesian refusal to meet the ultimatum in full, the Dutch, ignoring the Linggadjati's provision for arbitration by a third party, on 20 July 1947 launched a military campaign against the Republic. Within days the Dutch captured large parts of Java and Sumatra, failing, however, to destroy the bulk of the Indonesian guerrilla forces. (22)

The Dutch police action, as The Hague called it, put London into an awkward position. On the one hand, the British saw the aspirations of the Indonesian nationalists with sympathy. As the stock-taking papers from February 1947 had shown, some officials at the Foreign Office hoped to exploit Britain's comparatively good standing with the republicans in order to extend British commercial and political influence in Indonesia after the end of Dutch rule. On the other hand, Britain had continuing obligations to the Dutch as former wartime allies. It was also in London's interest to see the Netherlands regain both economic and military strength at a time of heightening East-West tensions in Europe. After the war, Britain had supplied the Netherlands with military equipment worth £ 40 million. Though intended primarily for the defence of Western Europe, British arms supplies had been crucial for the Netherlands' military build-up in Indonesia: by June 1947 about 90,000 Dutch troops had been equipped, and in Java some 60 tanks as well 12,000-14,000 vehicles and a number of surplus aircraft had been delivered. (23)

However, the worsening of relations between the Dutch and the Indonesian nationalists after the signing of Linggadjati forced the British to rethink their arms policies towards the Netherlands. In May, Attlee warned the Cabinet that a Dutch resort to force would have serious political and economic consequences. Britain would be criticized for having brought in Dutch forces, and an armed conflict was 'bound to disturb our own relations with native populations throughout South-East Asia'; it would also delay for years food exports from Indonesia needed to reduce Britain's dependency on hard-currency-countries. (24) In June, Richard Allen pointed out to the Foreign Office that 'we are faced with the serious prospect of hostilities in the Netherlands East Indies in the near future'. (25) The outbreak of war in Indochina had clearly made the British wary of Asian and in particular Indian opinion, and the Foreign Office warned The Hague on 16 June that public opinion might pressure Britain to cut off the supply of war material in the event of the Netherlands resorting to force in Indonesia. (26) The Cabinet supported the Foreign Office's line on the following day - thus making a of principle decision in favour of an arms embargo. (27)

However, Foreign Office officials were still in the dark about how and when to implement the Cabinet's policy. At the beginning of July, Dutch authorities in Indonesia asked for permission to fly locally bought British ordnance stores from Changi airfield in Singapore to Sumatra. Killearn asked London for guidance, arguing that:

'In the light of Dutch intentions and of extremely delicate position we are in as regards Asiatic opinion by reason of the fact that we have already supplied military equipment to the Dutch forces and stopped it to the Indonesians, my own view is that we should say frankly as each case arises that we are

unable to furnish or facilitate transport of any further military stores from South East Asia for the present.(28)

Killearn's telegram raised once again the 'thorny question of the Asiatic reaction to our policy in respect of the Dutch and the French'. As John Street minuted, it was well-known that Britain had trained and equipped almost all the Dutch troops at present in the N.E.I. 'What is not so well-known is our constant pressure on the Dutch not to make fools of themselves by resorting to force'. However, he added, 'we cannot afford to forget that the Dutch are our allies in Europe'. If the Dutch had actually bought the stores concerned, Street thought they should be allowed to load them onto their planes.(29) Gordon Whitteridge disagreed, arguing that even such local deliveries were likely to do Britain much harm in the eyes of Asians, particularly as no deliveries were made to the Indonesians. Stopping local deliveries would annoy the Dutch without affecting their ability to wage war; however, if things were left as they were it would be difficult to defend Britain's actions.(30)

In this particular case, the Foreign Office decided that the Dutch could not be stopped from buying or taking away surplus equipment which Britain had put on the open market in Singapore.(31) However, the Dutch police action on 20 and 21 July upped the stakes by causing a world-wide outcry against the Netherlands. India was in the forefront of international criticism and the Indian press unanimously condemned the Dutch police action. Nehru too was highly critical, using much stronger terms than in the previous case of Indochina - unlike the Viet Minh the

majority of Indonesia's nationalist movement was not communist. (32) He insisted in a telegram to London that Britain and the United States put pressure on the Dutch to end the conflict. In public, he made it clear that he regarded the police action as an affront against the whole of Asia. (33)

The Dutch resort to military force was highly unwelcome in London. It destroyed the prospects for a return to normalcy in Indonesia and for a resumption of British trade with the country in the near future. Most seriously, it threatened to poison the political atmosphere in Asia less than a month before the transfer of power in India. Despite this, the British were forced to take a middle line, in view of their conflicting interests in good relations with both India and the Netherlands. Bevin told the House of Commons that Britain did not intend to lay the problems before the Security Council, but that she was hoping for other methods to end the fighting. The Dutch, however, refused arbitration. (34) Further British efforts to induce a compromise solution failed when the Americans rejected a secret British proposal that London and Washington should jointly induce the Netherlands to accept some form of arbitral solution to the conflict. (35) At the instigation of Australia and India, the Indonesian question was subsequently taken to the UN's Security Council, which in the following months repeatedly tried to arrange a cease-fire.

Following the Dutch police action and the British failure to find a compromise, London was bound by the Cabinet's previous decision to implement an arms embargo on Indonesia. However, as the head of the

Foreign Office, Orme Sargent, pointed out, the question was whether only arms deliveries to Java would be affected, or whether supplies to the Netherlands would also be affected to which Britain was committed in execution of her general policy of building up the Dutch armed forces in Holland for the defence of Western Europe. A public announcement that Britain would refuse shipping military supplies to the Netherlands was 'likely to prejudice the readiness of the Dutch to collaborate with us in Europe' and would cause deep and lasting resentment by the Dutch. It was also 'liable to affect adversely our policy of standardisation since the Dutch might be led to adopt non-British types of standards of equipment and operational methods.' Sargent therefore suggested making the same distinction as in the case of Indochina by announcing the stoppage of military supplies to Java only. (36)

The Chiefs of Staff supported Sargent's line during a Defence Committee meeting on 23 July, but they failed to convince the Foreign Secretary. Bevin stressed that Britain had already offered her good offices to the Dutch, if a further approach failed, the provision of supplies and facilities in the Far East should stop at once. Furthermore, 'if other action proved ineffective, it would be necessary to deny military assistance to Metropolitan Holland'. (37) After Bevin convinced himself that his effort at mediation had failed, he told a staff conference on 28 July that it was now essential for Britain to announce her neutrality by declaring that no war materials would be supplied either to the Dutch or to the Indonesians. Nevertheless, supplies of British war materials to metropolitan Holland and for training Dutch forces in Europe could be continued. Bevin's line found

the support of Attlee(38), and the Foreign Secretary told Parliament on 30 July that the government had prohibited the supply of war materials to Indonesia. The embargo included supplies to metropolitan Holland which were intended for Indonesia.(39) As has been pointed out before, the terms of the arms ban were much harsher than in the case of Indochina. The Dutch had to assure in the case of each British delivery that the supplied war material was not destined for Indonesia, whereas the French were free to do with their deliveries to the mainland as they pleased.

London's decision to impose an arms embargo on Indonesia signified the erstwhile end of Britain's plans for colonial cooperation in South-East Asia, which had been developed by the Colonial Office during the war and which had formed the core of the Foreign Office's plans in 1945. Rather than actively supporting the Dutch colonial regime, Britain in 1947 decided to distance herself from the Netherlands' colonial policies in the interests of good relations with India and the other fledgling Asian states. However, the problem was that even the new kind of Asian/European regional cooperation envisaged by the Foreign Office was now unlikely, as the Dutch and the French had become unacceptable partners to countries like India. Furthermore, even if Britain had wanted to start a regional scheme with only Asian countries, the chances were slim: the arms ban failed to convince Asian opinion that Britain stood aloof from Dutch policies in South-East Asia; there were allegations that Britain was backing the Dutch in the Security Council; and Asian leaders continued to attack not just the Dutch and the French but the colonial powers *per se*. Britain could not escape the fact that so long as the conflicts in Indonesia and Indochina remained in the

centre of attention, the prospects for any kind of British sponsored regional system in South-East Asia were dim. Things were made worse by the fact that the Special Commission, which was in the centre of British regional plans, had recently come under threat by a series of unexpected international developments. It is these developments that will be examined next.

NOTES

- (1) FO 371, 63549, F 2616, 'Stock-Taking memorandum - Far East', compiled by Dening, 22 February 1947. It appears, however, that the paper preceded the second paper (below) and was written in January.
- (2) FO 371, 63549, F 2616, 'British Policy in South East Asia', 24 January 1947.
- (3) FO 371, 63549, F 2616, 'British Policy in South East Asia', 24 January 1947.
- (4) FO 371, 63549, F 2616, 'British Policy in South East Asia', 24 January 1947.
- (5) FO 371, 63549, F 2616, 'British Policy in South East Asia', 24 January 1947.
- (6) FO 371, 63549, F 2616, 'British Policy in South East Asia', 24 January 1947.
- (7) FO 371, 63518, F 560, minute by Lambert 27 January 1947.
- (8) FO 371, 63547, F 1969, memo titled 'South-East Asia' by Dening, 7 February 1947.
- (9) FO 371, 63547, F 1969, memo titled 'South-East Asia' by Dening, 7 February 1947.
- (10) FO 371, 63547, F 1969, 'Record of a meeting summoned by the Secretary of State to discuss South-East Asia', 8 February 1947.
- (11) FO 371, 63518, F 560, Dening to Killearn, 20 February 1947.
- (12) FO 371, 63518, F560, minute by Whitterridge, 19 February 1947. See also *ibid*, minute by Lambert, 17 February 1947.
- (13) FO 371, 63518, F 560, Dening to Killearn, 20 February 1947.
- (14) FO 371, 63518, F 7103, Wright to Dening, 14 May 1947.
- (15) FO 371, 63518, F 8650, Dening to Killearn, 11 July 1947.

- (16) FO 371, 63518, F 8650, Dening to Seel, 11 July 1947.
- (17) John Young, *Britain, France and the Unity of Europe, 1945-1951*, Leicester 1984, p.50. For the previous negotiations see *ibid*, pp.43-51.
- (18) *ibid*, p.70.
- (19) John Kent, 'Bevin's Imperialism and the Idea of Euro-Africa, 1945-49', in M.Dockrill and John W. Young, *British Foreign Policy, 1945-56*, London 1989, p.59.
- (20) FO 371, 63518, F 16507, minute by Dening, 10 December 1947 and *ibid*, minute by Harvey, 10 December 1947 for a previous enquiry by Sir S.Caine from the CO.
- (21) Robert J. McMahon, *Colonialism and Cold War, the United States and the Struggle for Indonesian Independence, 1945-49*, Ithaca 1981, pp.130 and 135.
- (22) Account based on McMahon, pp.137-168.
- (23) FO 371, 63631, F 9184, minute by Mayall, 16 June 1947. Further Dutch arms requests were under consideration, see FO 371, 63631, F 10291, memo dated 16 June 1947, 'Recent Dutch requests for military supplies'.
- (24) CAB 128/9, CM (47) 48th, 20 May 1947.
- (25) FO 371, 63631, F 9184, minute by Allen, 16 June 1947.
- (26) Reference to this in FO 371, 63631, F 10372, FO to The Hague, tel.699, 29 July 1947.
- (27) CAB 28/10, CM (47) 54th, 17 June 1947.
- (28) FO 371, 63631, F 9052, Singapore to FO, tel.1499, 4 July 1947.
- (29) FO 371, 63631, F 9052, minute by Street, 7 July 1947.
- (30) FO 371, 63631, F 9052, minute by Whitteridge, 8 July 1947.
- (31) FO 371, 63631, F 9052, FO to Singapore, tel.1709, 18 July 1947.
- (32) Ton That Thien, *India and South East Asia, 1947-1960*, Genève 1963, p.103.
- (33) McMahon, pp.172 and 180.
- (34) Alastair M. Taylor, *Indonesian Independence and the United Nations*, London 1960, p.48.
- (35) See McMahon, p.179.
- (36) FO 371, 63631, F 10291, memorandum by Sargent, 21 July 1947.
- (37) FO 371, 63631, F 10290, DO (47) 17th meeting, 23 July 1947.
- (38) FO 371, 63632, F 10372, staff conference, 28 July 1947.
- (39) Hansard, *Parliamentary Debates*, House of Commons, Vol.441, 30 July 1947.

PART III

REGIONAL COMPETITION

In February 1947 the Foreign Office was still confident of the success of its new regional policy. However, only one year later prospects for a British-led regional system in South-East Asia were at a postwar low. There were a number of reasons for the eclipse of Britain's regional policies. Firstly, India, rather than accepting covert British leadership, had emerged as a main political competitor in South-East Asia. During the Asian Relations Conference in March 1947, she first tried to rally the Asian nationalist movements behind her. After the Dutch police action in July her Prime Minister, Pandit Jawaharlal Nehru, played increasingly on Asian anti-colonial sentiments to establish himself as the moral leader of both South and South-East Asia. A second reason was the United Nations' establishment of the Economic Commission for Asia and the Far East, ECAFE, which stalled the Special Commission's development into a wider regional association. Thirdly, pressure by the British Treasury at the time of the 1947 Sterling Crisis forced the Foreign Office to scale down its regional operations in Singapore. Whitehall also decided to merge the Special Commission with the Malayan Governor-General's Office by 1948. The move seriously affected the international reputation of Killearn's regional office and eventually led to its complete demise. The third part of this study examines all three of these parallel developments, beginning with the decision on the amalgamation of Killearn's and MacDonald's offices.

8. THE PLANNED MERGER IN SINGAPORE

The stock-taking papers from the beginning of 1947 demonstrated the Foreign Office's faith in the regional work of the Special Commission and in the prospects for the organisation's expansion. However, the department had underestimated the growing pressure in London for the scaling down of Killearn's office. Since the summer of 1946 there had been complaints by Conservative MP's and in the British press about the Special Commission's rising maintenance costs. At the end of July 1946, Killearn's staff had been approx. 200, and his organisation's total annual cost had been estimated at £ 150,000. (1) Nine months later, however, the Special Commission had turned into an even larger bureaucratic machinery with a staff of 500 in March 1947, including a host of specialists and administrators. (2) London later on admitted that the organisation's total cost from February 1946 to 30 June 1947 amounted to £ 424,300 (3) - more twice of what had been estimated the year before.

The Treasury too watched the Special Commission's inflation with growing anxiety. Britain was facing an increasing payments deficit (4); at the beginning of 1947 the department consequently demanded considerable cuts in the budget of Killearn's organisation. To satisfy the Treasury, the Foreign Office decided to halt the expansion of the Special Commission for the time being. In January 1947, Killearn had organised a specialized regional fisheries conference, and the attending international delegations had unanimously recommended the establishment of an International Fisheries Council in Singapore. Though the

organisation would eventually be run by the UN's Food and Agriculture Organization (FAO) the conference had asked the Special Commission to establish, as a first step, a specialized organisation which would follow up the work of the fisheries conference. (5) At the Foreign Office F.H. Watts was inclined to meet Killearn's demand to finance the proposed organisation and thus set up an entirely new section in Singapore. However, the Treasury had only recently asked the department to try and reduce its staff in Singapore, and not to fill existing vacancies. (6) The Colonial Office too had 'every sympathy with the underlying objective to draw Siam, India, China and Indonesia closer to us, but we are disposed to feel that it can be achieved more simply than by setting up a Fisheries Council on the ambitious lines proposed.' (7) The Foreign Office subsequently told Killearn that despite its many advantages the government was unlikely to finance the project. The matter was being communicated to the FAO, but it too was short of money. (8) Killearn's proposal therefore led to nothing.

However, Britain's worsening financial situation soon induced the Treasury to demand significant spending cuts on the Special Commission. Killearn had estimated that in the 1947/48 financial year his organisation would have to spend £ 121,000 in wages and allowances alone. The Treasury wanted this to be reduced to £ 70,000. (9) In March, the Foreign Office sent Richard Allen to Singapore to investigate possible areas for cut-backs. Allen's subsequent report to the Foreign Office began by stressing the Special Commission's achievements. It was a focal point for the radiation of British influence throughout South-East Asia and it stimulated British authorities in the area to look at

things from an international rather than purely parochial angle. Killearn was also an important member of the South-East Asian Defence Committee, and while British troops had been stationed in Indonesia, it had been of the greatest value to have someone of his calibre stationed in Singapore. In the future Killearn's organisation might even be the starting point of a regional organisation in the area: Australia had just sponsored a plan for a regional commission, and Admiral d'Argenlieu considered that such a commission might have an international secretariat at Singapore. The Special Commission had also been successful in dealing with the food crisis, though Killearn's staff had necessarily been built up in an improvised and extravagant manner, employing mainly ex-Army personnel. But now that things were settling down, and that a routine had been worked out for dealing with food and economic problems, the staff was too big.

Allen strongly believed in the continuation of the Special Commission, but saw the best solution in a merger between Killearn's organisation and the office of the Malayan Governor-General. MacDonald would take over Killearn's functions, while continuing his coordinative work in the colonial field. The forthcoming constitutional reforms in Malaya during the next year and a half would in any case diminish the Governor-General's responsibilities and enable him to take over additional duties. Allen saw MacDonald as ideally qualified for the job, he was *persona grata* with the colonial authorities, and his distinguished political record meant that he would be welcome to foreign authorities in the area. The main advantage of a merger would be the avoidance of duplication, and an all-round shrinkage and economy in

staff - at present, there was the tendency for the Special Commissioner to insist that, whenever a new officer was appointed to the Governor-General's staff, he must have someone separate for the same purpose. The plan of combining the two posts, Allen added, originated in the Colonial Office. MacDonald knew of the scheme and was prepared to accept the new post. Killearn, however, was hoping to remain in office until 1949 (not least to earn a higher pension after three years of a Grade I salary), and was still unaware of the proposal. Despite this, Allen was sure that Killearn would accept a merger - perhaps with regret, but also with enthusiastic endorsement of his successor as the ideal man for the combined post. (10)

Foreign Office officials generally supported Allen's recommendations (11), though Dening proposed to await the constitutional development of Malaya first, before reconsidering the issue in June. In the meantime, the Special Commission's staff could be reduced - Killearn had already announced his firm intention of cutting this 'gigantic machine' in Singapore by 17 percent. (12) However, Allen pointed out that Killearn's proposed reductions would still leave expenditure of £ 101,000 for the salaries paid by the Special Commission, while the Treasury had set a maximum of £ 70,000. The matter was urgent, and in view of the 'ridiculous duplication' in Singapore the Colonial Office should perhaps be consulted. (13) In the middle of April, the Treasury increased its pressure on the Foreign Office to reduce the costs of the Special Commission, and an interdepartmental meeting was scheduled to find a solution. (14)

Representatives from the Foreign Office, Colonial Office and the Treasury met on 24 April 1947 to discuss the future of the Special Commission. Everyone agreed that the duties performed by the Special Commissioner were of the highest importance and should not be discontinued. However, after Edward Bridges, the head of the Treasury, complained that the proposed reduction was not enough the meeting agreed to a merger of the Special Commission with the Malayan Governor-General's office. On the instigation of Sargent and Denning, the meeting decided that the actual amalgamation would not materialise before March 1948, the end of Killearn's provisional appointment. In the meantime staff should be reduced and preliminary merging should be undertaken. The meeting assured that the amalgamation would not involve an abandonment of the policy of coordinating political, economic and cultural affairs throughout South-East Asia. The new merged post, it was decided, would be offered to Malcolm MacDonald, who would have a small 'colonial' as well as a 'foreign' staff. (15) Bevin and the Colonial Secretary Arthur Creech-Jones agreed to the proposed merger on 7 May. (16) Attlee also gave his consent. (17)

From the Treasury's point of view, the decision to merge the Special Commission and the Malayan Governor-General's Office was sound. It would avoid duplication and it gave London the opportunity to send inspectors to Singapore who would examine further fields for spending cuts. The Colonial Office was also pleased. Though the department had lost some of its earlier prejudices against the Special Commission, the merger offered the Colonial Office an opportunity to influence international developments in the region. It regarded MacDonald, a

former politician and now Colonial Office appointee, as a good choice for the combined post. The department was also satisfied that any successors would be chosen jointly by the Foreign and Colonial Secretaries, safeguarding it 'against the replacement of Mr. MacDonald by a purely Foreign Office nominee'. In addition, the merger would be a useful measure to counter the mounting criticism of the insufficient coordination between Britain's colonial administrations in South-East Asia. As Bourdillon pointed out, there had been much local criticism of the extravagance and duplication caused by the present multiplicity of government in Malaya. Though the criticism would not die down as long as there were separate (colonial) governments in Kuala Lumpur and Singapore, the implementation of the merger would do much to allay genuine misgivings. (18)

The decision on a merger took Killearn by complete surprise. He had been unaware of the true reason for Allen's visit and of the subsequent discussions in London. In the middle of March he had still confidently noted in his diary:

'It appears that they are all in favour of keeping it [the Special Commission] on, but that we have now got through a years work.. . and that it is now opportune to review the scope and orbit of our activities... Malcolm said that when he was home he had been asked at the Colonial Office what his views were as regards the continuation of this commission and he had emphatically recorded his view that it would be entirely against the public interest to withdraw it for another four or five years. He believed that the Colonial Office had duly registered what he had said.' (19)

However, a letter from Bevin in June let the cat out of the bag. Bevin explained that mainly financial considerations had led to the

decision of merging the two posts. He also announced that an inspector would visit Singapore to consider what immediate reductions could be made, and what the future establishment of the new post would be. He suggested that eventually there would remain some small 'colonial' and 'diplomatic' staffs with some specialist advisors remaining. (20) The decision came as a 'shock' to Killearn who expressed the 'gravest doubts as to the wisdom of combining the work of the two offices'. Though the food problem was now fairly well canalised through his commission's machinery, it could always flare up again. So far as diplomacy was concerned, it was imperative the Special Commission remained an 'F.O. organisation, under an F.O. man': there were testing and critical years ahead when Britain would have to consider the nexus of world policy as well as the 'interplay of foreign policy with the great Southern Dominions in the area of the Far East and the Pacific'. Furthermore:

'Such position as the Special Commission may have in the eyes of neighbouring countries derives from the fact that it represents the Foreign Office and is not an instrument of Colonial policy. The attachment of a F.O. section to the staff of a combined organisation is not at all the same thing, and never can be.' (21)

MacDonald too doubted whether the time was right for the junction of his and Killearn's offices, pointing out that developments in South-East Asia over the next few months 'may make it undesirable that the two offices should be amalgamated as early as next spring'. He nevertheless gratefully accepted the offer to take over the new post. (22) Killearn's former deputy, Michael Wright, who had been transferred back to London, also expressed his and Killearn's fears 'lest the Foreign Office interest in, and influence on the affairs of South East Asia should be

lost as a result of the amalgamation of the posts of Governor-General and Special Commissioner in March next year.' (23)

However, the Foreign Office stuck to the decision. Allen told Wright that the department had

'...no intention of losing [its] grip in that part of the world and that, as long as Mr. MacDonald was out there, there seemed no real reason for our doing so since he was by no means a Colonial Official, but a distinguished politician who could view things from the angle of both departments. In any case this combined post had been Mr. Denning's original idea when he first put forward the proposal in the latter days of South East Asia Command'. (24)

Bevin further explained to Killearn that it was in fact not the Special Commissioner's office which was to be abolished, but that of the Governor-General as at present constituted. Killearn's work was to be carried on, and MacDonald was admirably fitted to conduct the dual task of colonial and foreign coordination. (25)

Unlike Killearn, the Foreign Office believed that the combined post would improve the coordination of British policies in South-East Asia. As Allen had suggested to Wright, the merger, in a way, achieved what had originally been planned in 1945/46: the appointment of one top official dealing with foreign and colonial policy in South-East Asia. (26) However, the department failed to appreciate the effect of the amalgamation on the Foreign Office's regional policies. One of the main reasons why the Special Commission had gained credit as an organisation providing for international cooperation was the fact that it appeared to be working independently from the Colonial Office. The problem with the

amalgamation was that it linked the international section of the Special Commission too closely to Britain's colonial authorities in South-East Asia. A merger between Killearn's and MacDonald's offices was bound to reduce the Special Commission's reputation as a quasi international organisation in South-East Asia. Consequently, its chances of developing into a larger regional organisation acceptable particularly to the new Asian states were greatly diminished. As Killearn pointed out to the Foreign Office in September:

'2. When Special Commission was first established there was a general assumption in neighbouring foreign areas that it was a thinly disguised agent of British National policy. This suspicion has been dissipated as a result of over a year's working.

3. But when this organisation is amalgamated into a system with what cannot avoid being regarded as British colonial complex not only will suspicion be revived but it will probably be intensified and thus undermine much of our work in establishing system of wholehearted regional consultation without national bias...this is, in my considered opinion, contrary to the best state interest at stake at the present time of 1)Great increase in rice shortage 2)Political instability and uncertainty in this whole area and the Far East involving the well being of most of the twelve hundred million Asiatic people...(27)

When London made the decision to amalgamate the Special Commission, the Foreign Office was confident that its regional plans could remain unimpeded. However, in September the premature leakage of the planned merger to the press was to turn Killearn into a 'lame duck'. It also greatly diminished the prospects for turning his office into a wider regional organisation. As Killearn had argued, the Special Commission's economic wing would be unable to maintain its international prestige after the merger. The amalgamation, decided on financial grounds, in a

sense foreshadowed the decline of British power and influence in South-East Asia in the years to come.

NOTES

- (1) See A.S.B. Olver, 'The Special Commission in South-East Asia', in *Pacific Affairs*, Vol.21, No.3, Sept. 1948, p. 290.
Also: *Daily Telegraph*, 30 July 1946.
- (2) See FO 371, 63543, F 7570, minutes by Denning, 10 April 1947, and by Allen, 14 April 1947.
- (3) *The Straits Times*, 8 November 1947.
- (4) See Richard N. Gardner, *Sterling-Dollar Diplomacy in Current Perspective*, New, expanded edition, New York 1980, p.309.
- (5) FO 371, 63511, F 406, Singapore to FO, tel.91, 11 January 1947; *ibid*, F 499, Singapore to FO, tel.98, 13 January 1947; *ibid* F 406, minute by Christofas, 14 January 1947.
- (6) FO 371, 63511, F 406, minute by F.H.Watts, 4 February 1947.
- (7) FO 371, 63511, F 406, Clausen to Denning, 15 February 1947.
- (8) FO 371, 63511, F 406, FO to Singapore, tel.420, 19 February 1947.
- (9) See FO 371, 63543, F 7570, minutes by Denning, 10 April 1947, and by Allen, 14 April 1947.
- (10) FO 371, 63543, F 7571, 'Future of the Special Commissioner in South East Asia', report by Allen, 15 March 1947.
- (11) FO 371, 63543, F 7570, minute by Caccia, 2 April 1947.
- (12) FO 371, 63543, F 7570, minute by Denning, 10 April 1947.
- (13) FO 371, 63543, F 7571, minute by Allen, 14 April 1947.
- (14) See FO 371, 63543, F 7571, minute by Denning, 18 April 1947.
- (15) FO 371, 63543, F 7625, note of a meeting held in the Treasury on 24 April 1947. So far as the new post's terms of reference were concerned, Foreign Office and Colonial Office would find an agreement, while any successors to MacDonald would be chosen by the two respective Secretaries of State.
- (16) FO 371, 63543, F 7625, minute by Denning, 7 May 1947; *ibid*, Lloyd to Bridges (Treasury), 9 May 1947.
- (17) FO 371, 63544, F 7659, minute by Allen, 4 June 1947.
- (18) CO 537/2203, minute by H.T.Bourdillon, 7 May 1947.

- (19) The Killearn Diaries, Vol.1947, kept at St.Anthony's College, Oxford, 12 March 1947.
- (20) FO 371, 63544, F 7679, Bevin to Killearn, 6 June 1947.
- (21) Malcolm MacDonald Papers, Durham University, file 17/2/34, Killearn to Bevin, 4 July 1947.
- (22) FO 371, 63544, F 7867, tel.178, Governor-General, Malaya, to S. of S., Colonies, 9 June 1947.
- (23) FO 371, 63544, F 9770, minute by Allen, 17 July 1947.
- (24) FO 371, 63544, F 9770, minute by Allen, 17 July 1947.
- (25) Malcolm MacDonald Papers, Durham University, file 17/2/49, Bevin to Killearn, 9 August 1947.
- (26) FO 371, 63544, F 9770, minute by Allen, 17 July 1947.
- (27) FO 371, 63545, F 12345, Singapore to FO, tel.1832, 5 September 1947.

9. INDIAN AND AUSTRALIAN REGIONAL AMBITIONS

9.1 INDIA, THE ASIAN RELATIONS CONFERENCE AND INTER-ASIAN COOPERATION

Contrary to London's expectations, the decision to amalgamate Killearn's and MacDonald's offices diminished the chances of the Special Commission developing into a wider regional organisation. There was, however, another more serious flaw in the Foreign Office's calculations. The department's regional plans from February assumed that India and other fledgling Asian states would willingly accept British regional leadership in South and South-East Asia, so long as Britain distanced herself from Dutch and French hardline policies. The Foreign Office's main fault was that it largely ignored the aspirations of the Indian leaders to turn India rather than Britain into the political leader of the new Asian states.

Indian interests in South-East Asia were historical. In the pre-colonial period Indian cultural influence, in the form of hinduism and buddhism, extended to Burma, Thailand, Indochina, parts of Malaya and Indonesia and even the Philippines. (1) Indian merchants also maintained significant trade links with the area. The appearance of the colonial powers reduced the cultural contacts between India and South-East Asia. However, it increased the economic interdependence between the two areas. Under the British, Indian labourers settled in Malaya, and the country developed into an important trading entrepot for Indian goods

and textiles exported to other parts of East and South-East Asia. Burma became an almost exclusive market for Indian manufactured textiles and consumer goods. In return, British India heavily depended on Burma, Indonesia, Malaya, Thailand and Indochina for imports of oil, tin, rubber, rice and timber. (2) Finally, South-East Asia was of strategic importance to India. The Japanese invasion of South-East Asia and neighbouring Burma during the Second World War reminded Indians that South-East Asia was a key for the defence of India against an invader from the north-east. When in 1947 India assumed independence, she was one of the largest and most populous countries in the world. It seemed only natural that she would try to establish a maximum of political and economic influence in neighbouring South-East Asia.

The conduct of India's postwar foreign policy was closely tied to her first Prime Minister, Pandit Jawaharlal Nehru, who believed that first and foremost India should avoid any entanglements in European power alignments or in the increasing conflict between the Soviet Union and the West. Shortly after assuming office in the Indian Interim Government in September 1946, Nehru stated in a broadcast speech:

'We propose, as far as possible, to keep away from the power politics of groups, aligned against one another, which have led in the past to world wars and which may again lead to disasters on an even vaster scale'.

Having established the principle of non-alignment, Nehru indicated that there was a second aim in Indian foreign policy, namely for India to become the champion of the Asian independence movements and to assume a kind of moral leadership in Asia. He also seemed to be thinking of possible Indian associations with South-East Asia and the Middle East:

'We are of Asia and the peoples of Asia are nearer and closer to us than others. India is so situated that she is the pivot of Western, Southern and South-East Asia. In the past her culture flowed to all these countries and they came to her in many ways. Those contacts are being renewed and the future is bound to see a closer union between India and South-East Asia on the one side, and Afghanistan, Iran, and the Arab world on the other. To the furtherance of that close association of free countries we must devote ourselves. India has followed with anxious interest the struggle of the Indonesians for freedom and to them we send out good wishes.'(3)

Nehru subsequently put his ideas on cooperation with other Asian states to the test. In March 1947, he convened the informal Asian Relations Conference in New Delhi which was attended by delegates from 28 Asian countries, some of which were still under colonial rule. During the meeting, he denied that India had any desire for Asian leadership. However, behind the scenes he proposed creating an inter-Asian organisation with a permanent secretariat on Indian soil. Western observers suspected Nehru wanted to establish India as the moral if not political leader of the Asian independence movements. In the event, Indian ambitions failed. The Chinese delegations successfully lobbied against an Indian-dominated Asian organisation, while the smaller countries of South-East Asia expressed their fear of Indian or Chinese domination. Instead, some suggested an exclusively South-East Asian grouping. The Middle Eastern countries remained altogether disinterested and the six attending Soviet republics also largely refrained.(4) Despite the conference's disappointing outcome Nehru was to intensify his efforts in the following two years to create for India a leading position amongst the states of South-East Asia. Though he refrained from launching new regional initiatives until January 1949, he nevertheless used the occasion of the Dutch police action in July 1947 to put India

in the forefront of international opposition to colonial rule in Asia. The United Nations served as a welcome platform for his anti-colonial rhetoric. (5) Apart from his genuine outrage about Dutch policies, there is little doubt that Nehru was using the Indonesian question to further India's standing in South-East Asia.

London was slow to grasp Indian aspirations in South-East Asia. Though the Foreign Office acknowledged the fact that a South-East Asian regional system had to include the Indians, its plans from February 1947 underestimated Nehru's desire for South-East Asian leadership. So far as the Asian Relations Conference was concerned, the British were initially apprehensive: the India Office regarded the conference's announcement in September 1946 as a sign of the Indian Interim Government's expansive tendencies in foreign affairs, and the Foreign Office complained about Soviet participation. (6) However, when the conference failed to produce a permanent Asian Organisation, London lost interest in the issue. It was only after India's continuing agitation on behalf of the Indonesian Republic that the Foreign Office was beginning to take Indian ambitions in South-East Asia into account.

London also underestimated some of the conference's side-effects. For the Asian Relations Conference encouraged a series of international initiatives for regional cooperation, most of which excluded the colonial powers. Weeks after the meeting in New Delhi, the Burmese leader, Aung San, called for a 'South-East Asia Economic Union' consisting of Burma, Indonesia, Thailand, Indochina and Malaya. (7) In June, the French proposed a 'Pan South East Asian Union' during Franco-

Thai negotiations in Washington on the Indochinese territories annexed by Bangkok. (8) Though neither proposals ever took off, a group of intellectuals from Thailand, Vietnam, Laos, Cambodia, Indonesia, Burma and Malaya officially founded a 'South East Asia League' on 8 September 1947. The league's manifesto spoke critically of South-East Asia's foreign domination and subjugation, postulating that the days of colonialism were past. It also claimed that there was an increasing sentiment among the subjected peoples of South-East Asia to 'join in an effort toward a regional development of common interests' as had been expressed during the Asian Relations Conference and in Rangoon with the late Aung San (Aung San had been assassinated on 19 July 1947). The league's primary aim was described as the achievement of unity among the various peoples of South-East Asia, leading to a 'Federation of South-East Asia'. (9) As in the case of the Asian Relations Conference, the Foreign Office initially paid little attention to such proposals. It failed to appreciate that its own idea of European-Asian cooperation in South-East Asia was being superseded by proposals for exclusively Asian alignments, and that the prospects for Britain's regional plans were worsening given the mood of Asian nationalists.

9.2 AUSTRALIAN REGIONAL INITIATIVES

While London showed little concern about Asian regional initiatives in 1947, it took Australian proposals more seriously. Ever since the Canberra Agreement between Australia and New Zealand in 1944 (see chapter on the 1946 Prime Ministers' Meeting) Australia had shown a

much more active interest in South, South-East and East Asia - areas colloquially referred to as 'The Near North'. (10) Australian interest in a South-East Asian Regional Commission during the 1946 Prime Ministers Conference was a further sign that Canberra - at a time when the political situation in Europe's Asian colonies was in a state of flux - was aiming for a greater say in the region. Attlee's announcement on 20 February 1947 on the transfer of power in India encouraged the Australian Foreign Minister, Dr. Herbert V. Evatt, to take Australian interests in South-East Asia (in which he included India) one step further. On 26 February 1947 he stated in the Australian House of Representatives in Canberra that Australia was interested in strengthened relations with the new India. He claimed his country was directly concerned with the recent trends and developments towards political autonomy in both India and Indonesia:

'Just so far as the peoples of South East Asia cease to be dependent upon the decisions of European Governments, so far do Australia's interests in the councils of South East Asia increase. We must work for a harmonious association of democratic states in the South East Asia area, and see in the development of their political maturity (an) opportunity for greatly increased political, cultural and commercial co-operation'.

Turning to India, Evatt expressed his hope that the country would develop on democratic lines and remain within the Commonwealth, and that she would contribute to the welfare and security of the nations that were neighbouring on the Indian Ocean. Australia could help solve India's industrial and agricultural problems and would 'welcome an opportunity to discuss frankly with the Government of India matters of common concern'. Closer cooperation between India and Australia could also benefit other countries in the region:

'The time has now arrived when there should be formed in South East Asia and the Western Pacific an appropriate regional instrumentality, concerning itself with the interest of all the peoples of this area. It should include the representatives of the peoples and Governments directly interested in the problems of the South East Asia area. Geographically contiguous the peoples of South East Asia and our own peoples have many important interests in common. The proposed regional instrumentality will at least facilitate the free and rapid interchange of basic information concerning the problems of administration, education, health, agriculture, commerce and cultural relations. As in the case of the South Pacific, an appropriate plan for regional co-operation designed to promote the well-being of the people of the Western Pacific and South East Asia should be put into operation'.(11)

Evatt subsequently followed up his proposals for a 'regional instrumentality' in South-East Asia and the West Pacific, announcing on 5 March that Australia intended to invite some 13 countries, including India, Burma, Thailand, Malaya, Indonesia, the Philippines, Britain, the United States, France and the Netherlands to a conference to discuss defence, trade and cultural relations in the Indian Ocean and in the South-West Pacific.(12)

While Evatt's first speech was primarily a manifestation of Australia's growing interest in South and South-East Asia in expectation of Indian independence, his subsequent idea of a regional instrumentality was clearly inspired by the forthcoming Asian Relations Conference. Australia had not been invited to the all-Asian meeting, and Evatt feared being left out of Asian regional developments; hence his proposal for an Australian-sponsored international conference on South and South-East Asia. However, the British were not too pleased about Evatt's conference proposal, which potentially interfered with their own

plans and which constituted a veiled challenge to Britain's lead on South-East Asian regional developments.

Initially, British officials in London and Singapore were aware only of Evatt's first speech on India and a regional instrumentality in South-East Asia. At the Colonial Office, Ian Watt saw Evatt's initiative as inspired by the (South-West) Pacific Commission and the Caribbean Commission. These were both blocks of colonial territories administered by 'responsible and advanced sovereign states' who would find it relatively easy to collaborate in promoting the economic and social progress of their non-self-governing peoples. However, such conditions did not exist in South-East Asia. There were now three colonial powers in the area:

'a) the Dutch, whose empire is ceasing to exist; b) the French, whose Empire is already much reduced; and c) ourselves, whose Asiatic interests are undergoing an extraordinarily rapid change and whose position is bound to be affected by events in the French and Dutch territories'.

Watt suspected that Evatt probably wanted to involve India and Burma in such cooperation - in fact, he thought that they could not be ignored. Watt feared that a South-East Asian commission on the lines of the already existing ones would mean that the commission's Conference, (i.e. the auxiliary body to the commission created to give the indigenous population the opportunity to participate in the organisation's work) would 'tend to become far and away the biggest thing connected with the Commission'. This would allow countries like India and the Philippines 'to stimulate in our colonies that brand of nationalism which we do not want to go out of our way to encourage'. Furthermore, there already

existed Killearn's organisation which extended British influence through economic encouragement and guidance. Such guidance could be extended to a wider range of subjects. There was also the proposal to set up the UN's Economic Commission for Asia and the Far East, ECAFE (see the following chapter) which would cover India, the Philippines, Malaya and Indonesia. Both ECAFE and the Special Commission would surely provide adequate opportunity for economic collaboration. (13)

The Colonial Office, ever fearful of outside interference in the European colonies, was thus disinclined towards further regional experiments. Lord Killearn, on the other hand, who was planning to visit Australia and who had been invited by Evatt to discuss regional cooperation, initially described the Australian initiative as encouraging. However, he also urged caution, doubting that content and timing of Evatt's proposals were suitable. Unlike the Colonial Office, the Special Commissioner did not seem to fear the inclusion, but the exclusion of Asian nationalists from a regional organisation:

'We must in my view be very careful to avoid giving the impression that our policy is that of South East Asia for the Europeans or, indeed for the white race. Yet if we were to proceed with proposals for a Regional Association before political agreement has been reached in the Netherlands East Indies and French Indo-China two of the principal territories in South East Asia would be represented by European administrations whereas they ought to be represented by administrations of Europeans and Asiatics in partnership.'

Added to this was the question of whether Burma, Ceylon, India and China wouldn't have to be included, and what about U.S. and Soviet participation? Furthermore, if Evatt had the South Pacific or Anglo-Caribbean Commissions as precedents in mind, these organisations were

colonial organisations, whereas South-East Asia varied greatly in its state of political development. Finally, other proposals for regional association were being mooted, there was for example the suggestion to set up ECAFE, which might unnecessarily invite Russia to take an interest and perhaps make difficulties for Britain in an area which at the moment was relatively free from Russian interference. There was also the Indian government which was sponsoring conferences on economic, social and other problems in Asia, while both India and China were playing for leadership throughout the Far East. In view of these unresolved issues, Killearn recommended to wait until the situation in Indonesia and Indochina had become clearer, admitting though that it might become impossible to postpone some form of regional association much longer, and that something on the lines of Evatt's proposals presented fewer disadvantages than others. (14)

Evatt's proposals for a regional instrumentality in South-East Asia inspired an interdepartmental meeting on 20 March. Richard Allen, just back from Singapore, apparently used the meeting to propose the conversion of the Special Commission into a proper regional commission. (15) However, Allen failed to convince J.S. Bennett from the Colonial Office who maintained that he had to study any proposal for a new form of regional organisation very carefully before submitting it to a higher authority. Bennett also saw a good deal of force in Killearn's points against a regional commission pattern - particularly until more was known about ECAFE. The Dominions Office supported his view. For the time being, Killearn should only hold preliminary talks on the subject with Evatt. (16) As Allen subsequently pointed out to Sargent, the

meeting had been inconclusive since there were still 'so many vague and imponderable factors'. (17)

Undeterred by the meeting's outcome, Allen subsequently drafted a telegram instructing Killearn to explain to Evatt the working of the Liaison Officers' Meetings and to offer putting the meetings on an international footing, either by having an elected chairman from any of the territories represented or by arranging a rotating chairmanship. This way, Australia would be able to play a leading role in these gatherings. (18) Allen's proposals would have significantly changed the nature of Killearn's organisation and would have been a first step from a British-led quasi-international body to a truly inter-governmental commission. It seems that Allen aimed at de-coupling the Liaison Officer's Meetings from the Special Commission in time before the organisation's proposed merger with the Governor-General's Office which he had recommended to Whitehall only a few days before.

However, Allen's proposals to 'internationalize' the Liaison Officers' Meetings failed to convince Orme Sargent who argued against an elected or rotating chairmanship on the grounds that no other chairman would be of Killearn's stature. Killearn should therefore confine himself to listening to what Evatt had to say and explain the details of the Special Commission in turn. Talks on this question had to be held on a government to government basis, and Evatt should not think that Killearn was empowered to speak for the whole government, particularly as this would offend the UK High Commissioner in Australia. Sargent had

therefore drafted a new telegram which would be used as the basis for further interdepartmental consultations. (19)

Before a reply was sent out to the Special Commissioner, news reached London of Evatt's invitation from 5 March to hold an international conference on South-East Asia and the South-West Pacific. London was now beginning to sense Canberra's underlying challenge to Britain's regional lead. Sir David Monteath of the India Office regarded Evatt's latest proposal as a 'counterblast' to the Asian Relations Conference. Together, India and Australia had the capacity of exercising the greatest influence in the Indian and South-East Asian area, but however natural it seemed that Australia should take a particular interest or even seek to play a leading role in this part of the world, Australian policy should be developed in concert with Britain, especially since the future of India was uncertain. It was British policy to steer India and Burma into a relationship in which they would cooperate with Britain and Australia, either within the Commonwealth or as an ally. Evatt should therefore be told that Australia's interest in the area was obvious, but that the precise formulation of a scheme for regional association would be premature before India's constitutional problem was resolved and her position in relation to the Commonwealth was established. For Australia to try and impose a regional organisation with herself in the lead would be as little acceptable to the Asian countries concerned as similar attempts by the European powers. (20) Monteath added in a second letter that there existed different spheres of collaboration, i.e. economic, social and strategic, which would not always coincide. Security cooperation for example would in the case of

Britain, Australia and probably India extend to areas outside of South-East Asia, 'for any security system within that area would be of little use unless it is linked with a system stretching westwards from India to cover the Middle East.' (21)

Killearn received his instructions on 8 April, four days before his departure for Australia and New Zealand. The Foreign Office's telegram agreed with Killearn's comments and advised him to find out what kind of instrumentality Evatt had in mind, to explain the work of the Special Commission and to express the desire for closer collaboration with Australia within his organisation. At the same time, Killearn should emphasize that he was not speaking for the colonial governments or the Ministry of Defence. Furthermore, he should explain to Evatt the need to avoid giving the impression of developing a white man's policy for South-East Asia. So far as cooperation with India was concerned, time was needed for the situation to clarify, as also in the case of Indonesia and Indochina:

'Any attempt to present them with a cut-and-dried policy of United Kingdom or Australian manufacture would be likely to frustrate our main object of securing the wholehearted and friendly cooperation of India and Burma, whether they remain in the Commonwealth or not.' (22)

Killearn met Evatt in Canberra on 17 April where he explained the Special Commission's functions and the regional work of the monthly food liaison meetings. When Killearn later on enquired what precisely Evatt had in mind with his proposed regional instrumentality, he got 'very little new from him, maybe owing to his having gathered from my remarks at lunch that the Special Commission was in practice covering the ground

which he had in mind, to some considerable extent'. According to Killearn, Evatt appreciated his warning to proceed with caution, to await how ECAFE was going to work, and to avoid any impression of wanting to create a 'white man's' organisation. Evatt also agreed that the timing of new initiatives would have to await the clarification of the situation in Indo-China. At the same time, Killearn stressed that everyone in Singapore wanted to see Australia more closely associated with British activities, and that there were great commercial and trade opportunities for Australia in South-East Asia. (23)

Killearn's talks in Canberra gave the Foreign Office the impression that Evatt had not been informed on the extent of regional collaboration already achieved by the Special Commission. (24) As Allen minuted:

'Dr Evatt seems to have discovered that most of the "instrumentality" after which he hankers (under Australian leadership) already exists under the aegis of the Special Commissioner and U.K. leadership. He may not greatly care for this but on the other hand it may be difficult for him not to accept this situation with a good grace.'

Allen also pointed out that New Zealand opposed Australian designs to play a greater role in Asia. (25) New Zealand's Secretary for External Affairs, McIntosh, had informed Britain of recent talks with Evatt and J.W. Burton, the head of Australia's External Affairs Department. According to the New Zealander, Evatt hoped that countries like India, Burma, Malaya and Indonesia, which were steadily moving towards self-government and independence, could be induced to turn to Australia for guidance, help and leadership which they would prefer not to seek from

the West. He saw this as the basis of Evatt's policy of 'currying favour with Nationalists in these countries'. At the same time, the Australians seemed to have given little thought to what might be on the agenda of their proposed South-East Asian regional conference. McIntosh had replied that his country feared that supporting the 'resurgent Nationalist Eastern peoples would result in New Zealand (and Australia) becoming tiny white islands in a large coloured sea', and that Australian help would not be returned with gratitude. New Zealand opposed water-tight regional arrangements and preferred wider organisations such as the United Nations. (26)

Killearn's talks in Australia and the report by McIntosh gave London the impression that the Australian proposals were only half-baked. Evatt had been unaware of the Special Commission's regional work, despite the fact that the Australian Commissioner in Singapore had been working closely with Killearn ever since the latter's arrival in South-East Asia. When Killearn stopped over in Canberra on 13 June during his return trip from New Zealand, Evatt no longer mentioned his regional plans. (27) He was increasingly preoccupied with the forthcoming Commonwealth Conference in Canberra, that was scheduled for 26 August. The meeting had been arranged to prepare a common Commonwealth line on the question of a Japanese peace treaty, another sphere of Anglo-Australian disagreements. (28) Since Evatt was to chair the meeting, it seems that his desire for an international conference in Australia which would deal with Asian issues was at least partly fulfilled, and that he therefore dropped his plans for a South-East Asian conference. (The

Foreign Office records of the Canberra conference include no references to regional cooperation in South-East Asia.)

Despite the failure of Evatt's South-East Asian initiative, he had made it clear that Canberra was demanding a greater say in the affairs of South and South-East Asia. Britain was watching this increasingly independent line in Australia's foreign policy with some concern. According to a Foreign Office minute from 21 May:

'[Evatt's] present policy is to keep in with the present nationalist movements...with the idea that Australia might be able to take over leadership from the present European occupying powers. He would in fact like to be in on the ground floor. New Zealand on the other hand would prefer to stick to the United Nations and British Commonwealth, and to much wider regional arrangements'.(29)

However, as Denning pointed out:

'We must not lose sight of the consideration that Australia may not always be Dr.Evatt. While Dr.Evatt dominates Australia's foreign policy, I think it can be said that the broad aim is to put Australia in the foreground of the picture wherever it can be managed, I don't think he really judges any prior grouping by what area it covers, but by how far Australia can predominate in it. New Zealand inclines ... to the view that in a grouping such as that contemplated in Dr.Evatt's S.E.A. instrumentality, Australia and N.Z. would risk becoming small white islands in a coloured sea.'(30)

In the following months and years, Canberra continued seeking a more active involvement in South-East Asia. Like Nehru, the Australians used the Dutch police action in July 1947 to woo the Asian nationalist movements, by sharply condemning the Dutch offensive and by taking (together with India) the Indonesian problem to the Security Council. The Indonesian Republic subsequently nominated Australia as its member

of the UN's Good Offices Committee (the Netherlands nominated Belgium and both sides picked the United States as third member). However, there were limits to Australia's influence amongst the new Asian states. Asians resented Australia's traditional 'White Australia' policy, which severely limited Asian immigration into the country. In June 1948, for example, an Australian good-will mission to South-East Asia was facing embarrassing criticism in Malaya of the recent expulsion of a number of Malayan seamen from Australia. (31)

Despite this, Canberra remained alert to any opportunities for furthering its influence in South-East Asia. In September 1947, London confidentially informed Australia, New Zealand and South Africa of the planned amalgamation in Singapore. Though the British maintained that the Special Commission's international activities would continue unimpaired (32), Canberra spotted an opening. J.W. Burton, Secretary of the Australian Department of External Affairs, soon enquired about the exact reasons for the merger. Canberra was concerned lest there was a diminution of the Special Commissioner's work and of the 'co-operation and goodwill' which he had built up over the past 18 months between British as well as neighbouring foreign countries. Burton tentatively suggested that the Special Commissioner's organisation should continue separately as a joint British-Australian responsibility. The Australian Minister in China, Professor Copland, might be a suitable candidate for the Special Commissioner's post. (33)

London viewed Canberra's suggestion with great suspicion. At the Colonial Office Bourdillon pointed out that Burton had previously been

reported as having anti-British feelings, 'which would probably accord with his desire to see the Australian interest in South-East Asia strengthened'. The Foreign, Colonial and Commonwealth Relations Offices agreed and decided to send Canberra a polite refusal. (34) Though London managed to block Burton's proposals, the episode proved that other countries interpreted the planned amalgamation as a weakening in Britain's South-East Asian policies, it also showed that London's regional competitors were eager to step in. The Foreign Office must have been wondering whether the decision to merge Killearn's and MacDonald's offices had been such a good idea after all.

NOTES

- (1) For a discussion of early Indian influence in South-East Asia see D.G.E.Hall, *A History of South-East Asia*, fourth edition, Houndmills 1981 (paperback), pp.12-24.
- (2) Ton That Thien, *India and South East Asia, 1947-1960*, Genève 1963, pp.71-73.
- (3) Extracts from a broadcast speech by Nehru from New Delhi, 7 September 1946, in A.Appadorai, *Select Documents on India's Foreign Policy and Relations, 1947-1972, Volume I*, Delhi 1982, pp.2-5.
- (4) See Tilman Remme, 'Britain, the 1947 Asian Relations Conference, and regional co-operation in South-East Asia', in T.Gorst, L.Johnman & W.S.Lucas, *Postwar Britain, 1945-64, Themes and Perspectives*, London 1989, pp.109-134.
- (5) See C.H.Heimsath and S.Mansingh, *A Diplomatic History of Modern India*, Calcutta 1971, p.104.
- (6) FO 371, 54729, W 11239, Monteath to Sargent, 30 September 1946; and *ibid*, W 12230, minute by Warner, 9 December 1946.
- (7) *The Straits Times*, 19 April 1947.
- (8) *Bangkok Post*, 1 July 1947; also FO 371, 63557, F 9373, Thompson (Bangkok) to FO, 2 July 1947.
- (9) *Viet Nam News Service*, 29 September 1949. For British concerns that the league was infiltrated by communists see FO 371, 69686, F 1216,

Thompson, Bangkok, to S.E.A. Department, no.2/2G/48,
12 January 1948, enclosing a memorandum by John Coast from
12 January 1948.

- (10) On the term 'The Near North' see Ravindra Varma, *Australia and Southeast Asia - The Crystallisation of a Relationship*, New Delhi 1974, p.12.
- (11) FO 371, 63552, F 3458, extract from statement by Dr. Evatt, 26 February 1947.
- (12) FO 371, 63552, F 4334, Monteath to Sargent, 26 March 1947.
- (13) CO 537, 2093, minute by Watt, 18 March 1947. Watt was still unaware of Killearn's comments below.
- (14) FO 371, 63552, F 3281, tel.563, Killearn to FO, 10 March 1947.
- (15) CO 537, 2093, minute by J.S.Bennett, 26 March 1947.
- (16) CO 537, 2093, minute by J.S.Bennett, 26 March 1947.
- (17) FO 371, 63552, F 3281, memo by Allen, 20 March 1947.
- (18) FO 371, 63552, F3281, draft telegram by Allen dated 20 March 1947.
- (19) FO 371, 63552, F 3281, memo dated 21 March 1947 and draft by Sargent.
- (20) FO 371, 63552, F 4334, Monteath to Sargent, 26 March 1947.
- (21) FO 371, 63552, F 4334, Monteath to Dening, 31 March 1947.
- (22) FO 371, 63552, F 3269, tel.858, FO to Singapore, 8 April 1947.
- (23) FO 371, 63543, F 5642, UK High Commission in Australia to DO, tel.280, 21 April 1947, following for FO from Killearn.
- (24) FO 371, 63543, F 5642, minute by Christofas, 28 April 1947.
- (25) FO 371, 63543, F 5642, minute by Allen, 24 April 1947.
- (26) FO 371, 65583, W 2919, note by the British High Commissioner in Wellington of a conversation with McIntosh, 29 March 1947.
- (27) FO 371, 63544, F 8250, UKHC Australia to DO, tel. 417, 17 June 1947.
- (28) On the Canberra Conference and Anglo-Australian differences over Japan see: Roger Buckley, *Occupation Diplomacy - Britain, the United States and Japan 1945-1952*, Cambridge 1982, pp.142-157.
- (29) FO 371, 63552, F 5961, minutes dated 30 May 1947.
- (30) FO 371, 63552, F 5961, minute by Dening, 30 May 1947.
- (31) Varma, p.232.
- (32) See CO 537/2205, CRO to UKHC, Australia, 26 September 1947. The original telegrams were sent out on 10 September 1947 - see CO 537/2205, minute by Bourdillon, 30 September 1947.
- (33) CO 537/2205, UKHC Australia to CRO, 22 September 1947.
- (34) CO 537/2205, minute by Bourdillon, 30 September 1947.

10. REGIONAL RIVALS: ECAFE AND THE SPECIAL COMMISSION

10.1 THE UN AND REGIONAL COOPERATION

As we have seen, London was in 1947 facing Indian and Australian competition in South-East Asia's regional game. After only little forewarning, the United Nations Organisation too declared its interest in Asian regional developments. As a result of pressure primarily by China and India, the United Nations' Economic and Social Council (ECOSOC) decided on 19 March 1947 to establish the Economic Commission for Asia and the Far East (ECAFE), covering South, South-East, and East Asia. ECAFE constituted the most serious threat so far to the Special Commission's and ~~and~~ thereby Britain's lead in organising regional cooperation on the 'technical level'. Unlike the Special Commission, which was regarded as a British rather than ^{an} international organisation, ECAFE derived instant legitimacy as an intergovernmental body from its UN background. Furthermore, since ECAFE was given only advisory functions without a clearly defined economic task, it wasn't long before the new commission demanded for itself some of the coordinating functions successfully performed by the Special Commission.

Before examining the rivalry between ECAFE and the Special Commission in 1947, the former's background has to be highlighted. Plans for ECAFE dated back to a proposal by Britain, the United States and Poland in 1946 to establish an Economic Commission for Europe (ECE) in

order to meet the challenge of war devastation. (The Polish socialist and peasant parties were keen on maintaining economic strings with the West). ECE was intended to bring together existing European economic bodies, such as the Emergency Economic Committee for Europe, the European Coal Organisation and the European Central Inland Organisation. It would also continue the work of the United Nations Relief and Rehabilitation Administration (UNRRA), which the United States had stopped funding because it was seen as propping up anti-American governments in Eastern Europe. (1)

When the question of ECE was considered by the Second Committee of the UN's General Assembly at the end of 1946, the Asian members of the UN, particularly China and India, made it clear that they would only support the proposed commission for Europe if a similar organisation was established in Asia. The Asian demand was backed by the Latin American countries. Though most European countries doubted whether there was a need for an economic commission in Asia, they bowed to Asian demands in order not to forestall the creation of ECE. Consequently, the UN's General Assembly recommended unanimously on 11 December 1946 that:

'In order to give effective aid to countries devastated by war, the Economic and Social Council at its next session give prompt and favourable consideration to the establishment of an Economic Commission for Europe, and an Economic Commission for Asia and the Far East'. (2)

The General Assembly's recommendation constituted a diplomatic victory for India and China. It meant that the United States and the European countries recognized in principle that Asia's reconstruction needs were equal to those of Europe. (3) However, the General Assembly's

recommendations weren't sufficient to decide on the new commissions' establishment. First, the questions of ECE and ECAFE had to be referred to the UN's Economic and Social Council (ECOSOC) which would have the final say. At ECOSOC, special working groups were therefore established to discuss the proposed commissions.

Though Britain had supported the General Assembly's recommendation on ECE and ECAFE, she still maintained serious doubts about the latter. London argued that, unlike in Europe, there existed no international organisations in Asia which an economic commission could bring together. Nor was the degree of economic solidarity in Asia as high as in Europe. Furthermore, none of Britain's Asian territories were looking for concrete UN assistance in their reconstruction problems. (4) The Colonial Office was particularly unenthusiastic about ECAFE and it suggested postponing the question to a later ECOSOC session. (5) However, the first meeting of the ECOSOC Working Group on ECAFE revealed that both China and India insisted on the commission's immediate establishment. They were supported by the Netherlands, the Philippines and the Soviet Union. (6) In view of the strong support for ECAFE, the Foreign Office instructed its representative at ECOSOC, J.P. Stent, not to oppose the Chinese proposal but to ensure that the council would have a free hand in determining the commission's composition and organisation. (7)

However, the Foreign Office line failed to take into account the views of British officials in Singapore. For reasons of neglect, Lord Killearn wasn't told about the UN's negotiations on ECAFE before 21 February, more than two months after the General Assembly had passed its

recommendation. A telegram from London belatedly explained that the Foreign Office was hoping to delay the question to a later ECOSOC session, but that the Chinese chairman of the ECAFE Working Party insisted that if an economic commission was established in Europe there would have to be a similar commission for Asia or at least a field mission which would then turn into a proper Asian commission. The Indian delegate too was lobbying for ECAFE, and he made it clear that the 'question of Asiatic prestige was involved'. For the time being, Stent had been instructed 'not to oppose any reasonable suggestion put forward by the Chinese, but to leave the functions of any Far Eastern Economic Commission as a matter for decision by the Economic and Social Council'. In case ECAFE was set up, London enquired whether Killearn knew of any useful jobs for the proposed commission. (8)

Killearn was taken by complete surprise, and after consultation with MacDonald recommended blocking any proposals for the establishment of ECAFE. He argued that in the existing political situation such an international body might easily have dangerous results, and that ECOSOC's lack of funds would disappoint and disillusion hopes for loans and other forms of assistance. It was also in Killearn's experience that the staff required for such an organisation could not be provided by the territories concerned. Furthermore, the Special Commission's Liaison Officer's Meetings were themselves trying to extend their scope and could be geared over a much wider economic field. The IEFC had already accepted the meetings as its main instrument in South-East Asia, and had put this on a constitutional basis by establishing a sub-committee on rice in Singapore. Killearn therefore wondered whether ECOSOC could be

⁹persuaded to operate through his Liaison Officers' Meetings - on the same lines as the IEFC. If, on the other hand, the establishment of ECAFE was unavoidable, Killearn suggested the commission might deal with areas such as industrialisation, taxation, customs duties and forestry research. His own organisation already covered foodstuffs, coal, and the regulation of food production and had held specialised regional conferences on nutrition and health; a social welfare conference was furthermore under consideration. Killearn therefore proposed that a small preparatory field mission should be appointed 'with an eye on the possibility that it might recommend that a more permanent body was unnecessary'. Finally, Killearn repeated his misgivings about the ECAFE project which was

'...revealing (as it does once again) consistent determination of India and China (either separately or together) generally to oust us from leadership in this area. Both politically and strategically that seems to me highly undesirable. It also presumably means bringing Russia into the affairs of South East Asia.'(9)

Killearn's telegram was communicated to the Foreign Office and to the British delegation at the United Nations. From New York, J.P. Stent argued that Killearn had not been kept fully informed of the fact that the General Assembly's resolution made a strong demand for ECAFE inevitable. British opposition to the plan would have had awkward political consequences and would at best have received the support of Australia, New Zealand and the United States. It was currently proposed that ECAFE should act as a coordinating body on all economic subjects:

'It would normally take over all the unofficial conferences which Lord Killearn has been holding on matters other than food, and it is for consideration whether it should take over

his functions in respect of food and particularly of allocations of rice'.

Stent added that this would not happen until the commission was fully established. A preparatory field mission, on the other hand, would be strongly opposed 'for the very reason that Lord Killearn favours it, namely that it might recommend that an Economic Commission is unnecessary'. (10)

Taken to their logical conclusion, Stent's arguments implied the abolition of the Special Commission in the foreseeable future. At a time when the Foreign Office was still harbouring ambitious plans for the expansion of Killearn's organisation, Stent's telegram didn't go down well in London. The Foreign Office told Stent two days later on that it had 'serious doubts as to the useful and practical work E.C.A.F.E. could do' and that it had 'no desire to see it set up'. Stent should therefore ensure that ECOSOC would only despatch a field mission, which would report back later on. Failing this, he should make sure that the commission's main functions were confined to fact-finding. (11)

By the time that the Foreign Office's objections reached New York, however, the ECAFE Working Group had already completed its report to ECOSOC, recommending the immediate establishment of ECAFE. Stent, who had supported the decision, refused to take the blame, complaining to London that his conflicting instructions could have been avoided had the South-East Asian authorities been informed earlier on. Killearn's opposition to ECAFE had so clearly been based on misapprehensions, it

had not occurred[✓] to the British delegation that his views could be endorsed by the British government. The first suggestion that London shared Killearn's views had reached Stent too late for him to act accordingly in the Working Group.

'If, as a result of this sequence of events, I am found to have committed H.M.G. to a course of action which they do not wholly approve, I hope at least that I may be personally acquitted of exceeding instructions which I did not receive in time to make use of them.'(12)

The Foreign Office subsequently admitted that some of its instructions to Stent had not been sufficiently explicit.(13)

It was, however, too late for Britain to prevent the new organisation. After unsuccessful calls by the United States to delay a decision, ECOSOC on 19 March 1947 unanimously approved the establishment of ECAFE, following its earlier decision in favour of ECE.(14) The new commission was instructed to:

- 1) Initiate and participate in measures for facilitating concerted action for the economic reconstruction of Asia and the Far East, for raising the level of economic activity ... and for maintaining and strengthening the economic relations of these areas both among themselves and with other countries of the world.
- 2) Make or sponsor...investigations and studies of economic and technological problems and development within...Asia and the Far East, and
- 3) Undertake or sponsor the collection, evaluation and dissemination of...economic, technological and statistical information.(15)

Furthermore, ECAFE was directed to act within the UN framework, subject to the general supervision of ECOSOC, and to take no action in respect to any country without the agreement of the government of that country. ECAFE was thus created mainly because of Asian prestige considerations within the UN. According to Lalita Prasad Singh, a leading historian on ECAFE, the establishment of ECAFE was in a sense a 'concrete recognition by the world organization of the political renaissance of Asia'. (16)

ECAFE's terms of reference covered vast parts of the Asian continent. By definition, Asia and the Far East included in the first instance British North Borneo, Brunei and Sarawak, the Malayan Union and Singapore, Hong Kong, Burma and Ceylon, the Indochinese Federation, the Netherlands East Indies (Indonesia), India, China, the Philippine Republic and Thailand. Only four of these countries and territories were also full members of the commission, namely India, China, the Philippines and Thailand. To this were added the region's three colonial powers, Britain, France and the Netherlands, as well as the United States, Australia and the Soviet Union. (By 1981 ECAFE's name had been changed to ^{no} Economic and Social Commission for Asia and the Pacific (ESCAP) with a membership of 35 countries) ECAFE's organisational structure crystallized in the months and years after its foundation. It consisted of a commission with its committees, sub-committees and specialized conferences, and of a secretariat. The commission was ECAFE's main policy-making body. It included representatives from each of ECAFE's member-countries, initially meeting twice and later on once every year. Decisions were being made by simple majority vote. ECAFE's permanent secretariat, on the other hand, was both a research institute and a

service agency for the commission and its subsidiary bodies. It was also an integral part of the UN's secretariat. ECAFE's Executive Secretary was the head of the secretariat, engaging also in diplomatic activities on behalf of the commission. (17)

During its first years, ECAFE's limitations began to show. The organisation had no clearly defined powers and was still looking for concrete economic tasks. Rather than dealing with the imminent problem of postwar relief, such as the Special Commission was doing, ECAFE's functions were of an advisory nature on medium and long term economic reconstruction and development, and the commission occupied itself with research and the collection of economic data and information. Secondly, ECAFE lacked sufficient funds to finance large-scale development programmes, and hopes by countries like China that the commission could serve as a clearing house for international aid were soon dashed by the United States. (18) While ECAFE's economic impact was limited, it did assume some political importance: after all, the organisation had been created not to fulfil specific economic purposes but for reasons of prestige affecting Asian members of the UN. India soon used ECAFE as a welcome platform for the propagation of Asian independence. The commission's initial meetings were largely preoccupied with the controversial issue of the Indonesian Republic's associate membership, suggested by India and opposed by the Netherlands, Britain and the United States. At the same time, ECAFE sessions were increasingly being dominated by Cold War rhetoric between the Soviet Union and the Western powers.

Soon after ECAFE's creation, the Foreign Office was beginning to sense ECAFE's potential political importance, and it decided to change its line from ~~from~~ delaying the new commission to actively supporting it in order to guide ECAFE along pro-British lines. (19) London's change of mind was inspired by Killearn who told the Foreign Office on the day before ECOSOC's vote on ECAFE that it would now be important for Britain to take a leading part in ECAFE, and that a reference to the Special Commission would have to be included in ECAFE's terms of reference to safeguard Killearn's organisation against interference by the new commission. (20) Killearn continued to maintain reservations about ECAFE, not least because it included Soviet membership. However, the decision to set up ECAFE had been taken, and there was no going back on it:

'How we can best turn E.C.A.F.E to advantage will no doubt emerge more clearly as time goes on. But I should certainly favour His Majesty's Government taking a leading part in it. I should also welcome from the outset close and friendly contact between this mission and E.C.A.F.E.'

At the same time, there was presumably no intention that the establishment of ECAFE should signal 'for cessation of effort by individual territories to promote objects at which they and E.C.A.F.E. are in common aiming.' (21) In other words: the creation of ECAFE mustn't lead to the end of the Special Commission's regional work.

The Foreign Office soon adopted Killearn's line of pragmatic support for ECAFE. However, its change of policy did not remain unchallenged by other departments in London. On 15 April a working party on ECAFE appointed by the International Organisation Committee, Far East, met for the first time. H.A.F. Rumbold from the India Office

argued that India and China would soon come to realise the limits of ECAFE's powers, and that they might be willing to let it die a natural death. It just did not appear to him that ECAFE was capable of performing a useful coordinating function. However, Denning pointed out that it was in keeping with London's UN policy to support the commission and that Britain's presence helped control Russian influence. Stent, who had returned from New York, added that if ECAFE had not been set up India would probably have tried to establish 'something of the kind' as the outcome of the Asian Relations Conference. He believed that such a body outside of the UN would be to Britain's disadvantage: instead, ECAFE was Britain's opportunity to guide Far Eastern developments along practical lines. The Foreign Office didn't convince the Colonial Office representative, J.S. Bennett, who expressed his department's fears lest the Indians and the Chinese used the commission merely as a political body to chase the Europeans out of the Far East. Denning countered that the Asian Relations Conference had shown that Asian unity was not very strong.

In the end, the Foreign Office's line prevailed: the Working Party agreed that Britain should attempt to 'guide the commission along practical lines', but that the British delegation to the first ECAFE session in Shanghai should consult Whitehall before agreeing to any expansion of the commission's activities. (22) Britain's new line was summarized in a brief for the British delegation to ECAFE. The paper pointed out that despite initial reservations London had now decided to welcome the creation of ECAFE, in order not to openly ~~oppose~~ Asian wishes. Britain endeavoured to keep ECAFE's constitution on 'sound

lines', ensuring also that the commission confined itself to practical tasks which would not interfere with Britain's own reconstruction efforts in Asia. (23)

However, the Foreign Office had gravely underestimated the difficulty of bringing ECAFE into line with its plans for the future of the Special Commission. In April, Stent had stated at the UN that Killearn's organisation would be glad to cooperate with ECAFE and that it would continue to function until the need for it was no longer felt, 'i.e. until the Commission shows itself capable of doing the job equally well'. (24) This was in fact more than the Foreign Office intended to give away; despite London's decision to merge Killearn's and MacDonald's organisations it intended to maintain and possibly even extend the Special Commission's international section. During ECAFE's first session in Shanghai in July, the British representative, Sir Andrew Clow, after welcoming ECAFE, therefore stressed that the Special Commission had already gained experience in South-East Asia. To avoid repetition or an overlapping of the commissions' work he suggested the two organisations coordinated their efforts. (25)

To London's surprise, Clow's initiative was unsuccessful. A reference to 'specialised and other agencies' contained in a final resolution tabled by Britain was defeated by the votes of the Asian countries as well as the United States and the Soviet Union, after Clow had stated that he had specifically the Special Commissioner's organisation in mind. (26) A few weeks later representatives from ECAFE's member countries met again in New York during a meeting of the

commission's Committee of the Whole. Apparently realising that a further attempt to establish an official working relationship between ECAFE and the Special Commission was doomed to fail, Britain refrained from launching a further initiative in that direction. Delegates were in any way preoccupied with the contentious issue of the associate membership of non-UN territories in ECAFE. (27)

Contrary to the Foreign Office's expectations, the Shanghai meeting revealed that the majority of ECAFE's member countries had no intention of linking the UN's Far Eastern organisation to the Special Commission. Instead, it now looked as though ECAFE was trying to push Killearn's organisation to the side and perhaps assume some of its existing functions. The Special Commission might have been popular at a lower level, i.e. with the international authorities sending their officers to attend the food meetings. In the United Nations, however, Britain's organisation in Singapore was regarded with the greatest suspicion. Should it ever have come to a showdown between Britain's and the UN's regional organisations in Asia, the Foreign Office must have been aware that the latter would undoubtedly have maintained the upper hand. Though ECAFE still lacked clear tasks and functions, its UN set-up gave it greater legitimacy as a truly intergovernmental organisation. The Special Commission might have performed some useful coordinating work in the field of food distribution, but as it was funded and run by London and was therefore unable to shake off the stigma of British imperialism.

The muddle at the Foreign Office prior to ECAFE's creation was thus beginning to show its negative effects on British interests. Had

Killearn been consulted immediately after the General Assembly's resolution in December, and had the Special Commission's requirements subsequently been taken into account, Stent could have been instructed to make the inclusion of Killearn's organisation in ECAFE's terms of reference conditional for Britain's consent to the new commission. In this way, competition between the two organisations could have been avoided, and the Special Commission might have received the UN's sanctioning at a time when Killearn's regional work was still crucial in avoiding famine in South-East Asia. However, the Foreign Office had missed its opportunity. Faced with the prospect of ECAFE trying to assume the Special Commission's functions, London now had to decide whether to try and salvage its budding regional organisation in Singapore or whether to give political priority to ECAFE.

10.2 LONDON'S RE-APPRAISAL OF ECAFE

ECAFE's first official session in July 1947 convinced a growing number of British officials that the new UN commission was there to stay. However, the Foreign Office was divided about the role that ECAFE should play in its regional strategy. On the one hand, there was the feeling that Britain could only influence ECAFE's direction if she showed unreserved support for the commission. On the other hand, there was the danger that this might erode the Special Commission's leading position in the field of South-East Asian regional cooperation. In view of ECAFE's refusal to cooperate with the Special Commission, the question was in fact whether to sacrifice the Special Commission for the

sake of regional cooperation through the United Nations, or whether to continue pressing for an international working relationship between the two organisations.

The debate on how further to proceed on the two rival commissions flared up in May 1947 when Killearn's office brought a memorandum dealing with regional cooperation to the attention of the Foreign Office. The paper was written by B. Binns, finance director in Burma, who had recently met Killearn in Singapore. Binns argued that ECAFE was completely misconceived, and that prior to a Far Eastern regional organisation including India, China and possibly Japan and Russia, the organisation of the weaker countries of South-East Asia was vital. Asia as a whole was not an economic unit, while conditions for regional cooperation were much more favourable in South-East Asia: Burma, Thailand and Indochina were the region's rice and teak exporting centres. Furthermore, Burma, Thailand and Ceylon shared the same religion. Malaya was the geographical link - from there it was an easy step to Indonesia, Australia and Melanesia. Regional arrangements of all kinds would indeed be a natural development in South-East Asia; Australia, New Zealand and Ceylon would ultimately be brought in while Singapore would be the regional centre. Binns believed that Killearn's organisation was ideally suited for the purpose of organising regional cooperation in South-East Asia - it was centrally located and already had considerable ² affect in bringing together the South-East Asian countries for specific purposes; international cooperation was a delicate plant, especially in an area where recently aroused nationalism was an important factor:

'Any obvious attempt on the part of [the] British, Dutch, Chinese, Indians or anybody else to "organize" the smaller countries of S.E.Asia will meet with opposition as violent as that which met Japan in her attempts at [a] "co-prosperity sphere". The policy should, I am sure, be to assist these countries to drift imperceptably into a natural association. British influence generally and Lord Killearn's organisation especially are well suited to encourage and assist such a movement so far as Burma is concerned.'(28)

Binns's paper was read with 'great interest' at the Foreign Office(29), though most officials disagreed with his opposition to ECAFE. I.F.S. Vincent minuted that Japan and India in the long run had to cover the area's industrial requirements and that the individual countries would presumably find greater protection in a UN organisation on which the European powers were represented than from a temporary body formulating agreements on a limited number of 'emergency' economic problems. ECAFE also gave equal representation to the European powers which would be lacking if the countries connected with the Special Commission decided on nationalistic reasons to break up that organisation. Vincent added that ECAFE was in any way no bar to continued consultation between the South-East Asian countries themselves.(30) J.F.Ford agreed: South-East Asia was not economically complementary, and sealing it off economically from the rest of Asia would be a 'strange economic plan indeed'. The region was a potential supplier of rice, iron ore, rubber and oil to Japan, China and a lesser extent India, while Japan and to an increasing extent China and India would supply consumer goods:

'The gradual absorption of smaller regional groups into a larger organisation such as ECAFE would seem the best way to attain the ideal of regional co-operation without its attended danger of concentrated and exclusive trade patterns.'(31)

The Foreign Office's comments revealed the department's shift in thinking on regional cooperation since the February policy papers. Officials were no longer fixed on the Special Commission's central role in South-East Asian regional cooperation, but seemed to accept the fact that ECAFE could be equally useful. After the experience of the first ECAFE session in Shanghai, J.P. Stent went even further and suggested dropping the Special Commission's international functions at the time of the merger. As a draft paper by the International Organisations Committee (but apparently written by Stent) pointed out in September, the 'forthcoming reorganisation of the Special Commissioner's Office in Singapore' would make it 'inevitable that some of the co-ordinating functions of the Special Commission should be handed over to E.C.A.F.E.'. The functions of the merged post would presumably be confined to coordinating the requirements of British territories as well as of territories directly concerning them:

'Such other functions as the collection of economic statistics, conferences on economic and related matters, etc. should presumably be taken over progressively by E.C.A.F.E.' (32)

Sir Andrew

~~Mr.~~ Clow, Britain's representative during the Shanghai session, disagreed. His views were known to be 'diametrically opposed' to those of Stent. Clow had little confidence in the new UN commission, which he thought was set up merely for reasons of prestige, and would inevitably be a useless body. (33)

London's conflicting priorities between ECAFE and the Special Commission were discussed by the ECAFE Working Party in October. Kenneth Christophas from South-East Asia Department emphasized that the

functions of Killearn's organisation, including the international ones, would continue under the new post, and that the Special Commission would be glad to exchange observers with ECAFE. Killearn's organisation should therefore not be wound up until ECAFE had emerged from the embryo stage, which would not be for at least another 18 months. Stent objected. In Shanghai the Asian delegates had not raised a single voice in defence of Killearn's organisation, regarding it as purely temporary, and assuming that its functions would be taken over by ECAFE. He therefore wondered how Britain could continue to support indefinitely 'a regional commission within a regional commission' where the larger was a United Nations body and the smaller was not: 'The work which E.C.A.F.E. ought to do', he pointed out, 'was precisely the work (with the addition of matters concerning India and China) which Lord Killearn's organisation was doing'. However, Christophas's view prevailed, and the Working Party decided that the Special Commissioner's activities would not be curtailed until ECAFE had given proof of its ability to take them over. Realising that this might be difficult to maintain at the next ECAFE meeting, the Working Party also considered asking individual ECAFE members to support the Special Commission's continuing existence until ECAFE was a going concern. It was also decided that if any statements on this matter were to be made at the next session, this should be done by ECAFE's secretariat. (34)

The decision was a further nail in the coffin of the Foreign Office's regional policy from February 1947. On the one hand, the Working Party refused to abolish the Special Commission's regional activities and insisted on establishing a working relationship between

ECAFE and Singapore. On the other hand, it implied that unless ECAFE turned out to be a failure it would be allowed gradually to absorb the Special Commission's coordinating functions. The decision contradicted the Foreign Office's ambitious plans for the expansion of Killearn's regional work to the economic, political and eventually defence levels. Whether or not this was fully realised by British officials, London had effectively given up its long-term regional plans attached to the Special Commission. At the same time, there was no prospect of developing ECAFE instead of Killearn's organisation as the basis for a British led regional system in South-East Asia. Firstly, ECAFE's geographical scope was much larger than that originally envisaged by Foreign Office planners: it included China, which was still regarded as an area of primarily American influence. Furthermore, ECAFE's Soviet membership made successful political cooperation highly unlikely. It certainly ruled out regional defence cooperation. Despite this, the question was no longer if, but when Britain's regional activities in Singapore would be transferred to the UN.

For the time being, however, London insisted on maintaining the Special Commission's international section. In October, the Foreign Office started preparing the ground for the establishment of formal relations between ECAFE and the Special Commission. London asked member countries like Thailand, France and the Netherlands to oppose as premature any resolutions tabled at the next ECAFE meeting in December which demanded an immediate transfer of responsibilities from the Special Commission to ECAFE. (35) Furthermore, London asked ECAFE's secretariat to make a statement at the commission's next session on

relations with the Special Commission.(36) The secretariat agreed, and ECAFE's Executive Secretary, Dr.P.S.Lokanathan, subsequently visited Singapore for talks with the Special Commissioner.

Lord Killearn, despite his new line of pragmatic support for ECAFE, initially resisted any notion that the Special Commission might eventually transfer some of its economic responsibilities to ECAFE.(37) However, the impending amalgamation seemed to disillusion the Special Commissioner about the prospects of turning his organisation into a regional commission in South-East Asia. When Lokanathan arrived in Singapore on 10 November, Killearn assured him of his cooperation. He even came round to the view that sooner or later the Special Commission's functions would have to be taken over by some form of UN regional organisation(38), though ECAFE would first have to show that it functioned efficiently. Killearn and Lokanathan subsequently agreed on a draft statement on relations between ECAFE and the Special Commission.

Killearn stuck to his new attitude towards ECAFE, telling the Foreign Office that the Special Commission's international section would in the long run have to recognize UN authority, whether in the shape of ECAFE or in some other manifestation. He saw this as being within British interests:

'It is all the more important that we should establish our leadership in such organs of the United Nations as are concerned with this area in order that the real lead which we have secured in regional organisation may not be lost'.(39)

As a result of the Foreign Office's initiative, ECAFE's second session in Baguio (Philippines) in November/December 1947 turned out to be much more successful for Britain than the Shanghai meeting. Firstly, the conference gave full membership to Pakistan and New Zealand, the latter being a staunch British ally on the commission. Britain also secured the associate membership of Burma, Ceylon, Malaya, British Borneo (incl. Singapore) and of Hong Kong. (40) The conference's results on the Special Commission were equally successful from the British point of view. Lokanathan tabled the paper previously agreed with Killearn and recommended the establishment of a 'satisfactory working relationship' with the Special Commission. The latter would keep ECAFE informed of its activities and it would be open for both organisations to put forward regional economic problems which the other organisation could deal with more appropriately. Each organisation would be informed in advance of any economic conferences the other might hold. In the long run, it was perhaps desirable that some of the Special Commission's functions should eventually be assumed by ECAFE though this depended on ECAFE's ability to provide the necessary organisation. To begin with, a survey of the Special Commission's work was required before possibly transferring some of its functions to ECAFE. In the meantime, the two organisations would exchange liaison officers and documentation on their respective responsibilities. (41)

The secretariat's paper was opposed only by the Soviet delegate who argued that the Special Commission was not inter-governmental. The British delegate, Christofas, replied that 15 countries participated in its meetings, and the Soviet delegate was further told that no voting

had ever been necessary. The Dutch delegate subsequently paid a tribute to Killearn's organisation and emphasized that any transfer of responsibilities should be gradual - a point queried only by the Philippines. In the end, the secretariat's recommendations were adopted by seven votes against those of the Soviet Union and the Philippines. The United States abstained, arguing that liaison should be maintained through the British delegation and not through special officers. (42)

As Stent subsequently reported to the Foreign Office, Britain had achieved her objective of obtaining 'formal recognition for the organisation of the Special Commissioner in South-East Asia as an international economic body', laying the foundation of a 'rational scheme of co-operation between Killearn's organisation and E.C.A.F.E'. Britain had also achieved her objective on membership and had gained the approbation of India, China and the United States for the 'liberal spirit displayed by His Majesty's Government'. (43)

However, London had to pay a price for its success at Baguio. By promoting the secretariat's paper on ECAFE and the Special Commission, she officially accepted that sooner or later ECAFE was likely to assume at least some of the Special Commission's functions. This concession confirmed the shift in London's long term policy of regional cooperation in South-East Asia that had taken place over the last eight months. The Foreign Office's aim of cooperating with the new Asian states on a multilateral regional basis remained the same. However, it no longer seemed to believe that it would be practicable to promote the Special Commission's international section as a nucleus around which further

long term regional cooperation could be organised. The Foreign Office had come to realize that the Asian countries such as India, Pakistan, China, the Philippines (and soon Burma) found ECAFE more acceptable as the organiser of such regional cooperation. Britain would therefore play along with ECAFE, and even scale down its own regional plans - despite her reservations about ECAFE's Soviet membership. As W.N. Hugh-Jones subsequently minuted at the Foreign Office:

'However limited its [ECAFE's] activities (it is only an advisory body) it does seem to have been taken fairly seriously by member Governments in the region particularly the Philippines. As it concerns itself more and more with limited but definite technical problems as we hope it will, and gradually sheds the halo of the "1st Parliament of the Far East", that interest will doubtless flag. But if E.C.A.F.E. is built up on sound practical lines (and the foundations, though still very weak, are certainly sounder than we expected them to be after the 1st Session of the Commission last July), then, the economic problems being so much more vast in the Far East than they are in Europe, it may, even when its limited functions are fully appreciated, loom much larger in Far Eastern minds than E.C.E. does in ours'.(44)

However, while taking ECAFE increasingly seriously, the Foreign Office didn't want to abandon its regional office in Singapore altogether. Other UN agencies, such as the Food and Agriculture Organisation (FAO) were showing increasing interest in South-East Asia. Killearn was told that ideally the Special Commission's economic department would continue in association with ECAFE, enabling Britain at the same time to guide the UN's commission along lines acceptable to British interests:

'In general we do not feel the time has yet come for the main functions of your economic organisation to be transferred to any other body. In particular, ECAFE's functions are primarily advisory whereas yours are more operational. It remains to be seen what shape FAO's regional work will take. Much also

depends on the sites decided for ECAFE and for FAO's regional office'.

Killearn was further instructed to maintain his rice, coal and edible oils activities, to continue with the Liaison Officers' Meetings and to retain the Special Commission's adviser services to British and non-British territories. But he was to drop his monthly economic bulletin and leave statistics entirely to ECAFE, in order to prevent the feeling that Britain was unwilling to surrender anything at all. So far as further specialized conferences were concerned (a statistics conference in January had not been attended by the United States because the State Department claimed that such a meeting should have been organised by the FAO) he was advised first to consult the Foreign Office and the relevant specialized agencies before planning any new meetings. Concerning the future site of ECAFE, the Foreign Office would put its view to Lokanathan when he passed through London. (45)

However, the impending merger between Killearn's and MacDonald's offices further complicated matters. Killearn had already pointed out in October that after the amalgamation, ECAFE was unlikely to accept two representatives from the Malayan Governor-General's Office, one speaking for the British territories and the other representing MacDonald's organisation in Singapore. (46) As Killearn further stressed in February, if the Special Commissioner's economic organisation was to be represented at ECAFE's third session (i.e. after the merger), it would first have to be established that the organisation still existed. (47) The Foreign Office agreed that this was a problem and it suggested to

Killearn that the next Liaison Officers' Meeting should send a note to Lokanathan informing him that the Special Commission was changing its name. The liaison officers should also ratify the nomination of an observer from the Special Commission's at ECAFE. (48) Killearn objected to such a course of action:

'The crux of the difficulty is that the monthly liaison officers' meeting has hitherto been concerned with purely practical questions of supply and allied questions. It has never dealt with political issues such as this one, and it has no constitution. In fact the only documents that gave it some sort of international recognition are ... paper no 36. submitted to E.C.A.F.E.'s second session and the ensuing resolution. In these circumstances the liaison officers would hardly be ready to agree on a formal note of this kind without definite instructions from their Governments.'

Instead, Killearn suggested a note be sent directly to ECAFE's secretariat explaining that although the Special Commissioner's organisation was to be taken over by MacDonald, it would not change its character or functions. If however the Foreign Office insisted that the liaison officers should send a note to ECAFE, London should directly approach the governments of France, the Netherlands, Ceylon, Burma and Thailand to ask them to instruct their liaison officers accordingly. (49)

In the event, London approached ECAFE's secretariat directly. One of Lokanathan's assistants, Dr Fong, had already carried out a preliminary survey which showed that the Special Commission's Economic department was divided into two parts: the Liaison Officers' Meetings and the Economic Department. As Christophas minuted at the Foreign Office, it was now hoped that a statement on the composition of the Economic Department as well as on the forthcoming merger could be included in the final survey.

'Unless we can show that the Economic Department is not to serve Mr. MacDonald in both his capacities, it will be felt (even if erroneously) that a change has taken place in the Economic Organisation which was the Special Commissioner's. We encountered difficulty enough in persuading the second session of E.C.A.F.E. to accept the Special Commissioner's Organisation as an International body and this decision was again questioned by the U.S.S.R. in the Economic and Social Council a week or so ago. We would therefore be giving hostage to Providence if we did not make our case as fool-proof as possible for the third session of E.C.A.F.E.' (50)

During subsequent talks with Lokanathan in London the Foreign Office consequently insisted that the Special Commission's international section would continue unimpaired. (51)

Lokanathan showed himself highly cooperative with the British. A survey of the Special Commission drafted by his secretariat emphasized that the Special Commissioner's Economic Department was continuing as the Economic Department of the Commissioner General's Economic Organisation. The survey also mentioned the Singapore organisation's food and coal activities, its collection of statistics and holding of specialized conferences, and its staff of experts who were advising the Liaison Officers' Meetings. The survey also explained the relationship with ECAFE:

'Save possibly in the collection and dissemination of statistics and in the organising of regional conferences there is no risk of duplication as between E.C.A.F.E. and the Special Commissioner's (now the Commissioner General's) Economic Organisation. Other functions of the organisation are either executive or ones which the organisation is particularly well equipped to perform with its highly specialised advisory staff. In neither case do these functions duplicate E.C.A.F.E.'s much wider co-ordinating ones to which they are complementary'.

When ECAFE was in a position to do so, the survey continued, it would take over the Special Commission's statistical work. Finally, it was recommended to maintain the existing working relationship between the two organisations - there would continue to be an exchange of ⁱlaison _A officers and an exchange of the 'fullest documentation on their respective activities'. Both organisations would also continue to be represented at important meetings convened by the other. (52)

Lokanathan presented the survey of the Special Commission during ECAFE's third session in June 1948. The Soviet Union opposed his recommendations, describing the Special Commission as a purely British organisation that was ensuring domination in the field of shipping. However, the majority of ECAFE members, including the United States, endorsed the survey's recommendations on a working relationship between the two organisations. The fact that the Special Commission had previously been merged with the Governor-General's office proved to be no problem after a British observer from the Commission-General explained that the change of title had not affected the commission's functions. (53) However, in one point the British failed: Lokanathan's survey did not recognise the Special Commission's Economic Department as an inter-governmental organisation, and when the Soviet delegate asked whether the organisation was British or inter-governmental, the British delegate, Sir Andrew Clow, was evasive. It showed that the Foreign Office had never succeeded in throwing off the Special Commission's image as a British institution.

10.3 THE END OF THE SPECIAL COMMISSION

Paradoxically, Singapore succeeded in establishing a working relationship with ECAFE at a time when the fortunes of the Special Commission were at an all-time low. Despite Killearn's repeated criticism, Bevin and Attlee had refused to cancel or postpone the merger, and in December Sir David Monteath had been sent to Singapore to make recommendations on a new set-up.(54) Killearn was becoming increasingly embittered about the way the Foreign Office had treated him. He refused the governorship of Eastern Bengal as compensation for the Singapore post and criticized his department whenever highranking British officials or politicians (such as Lord Addison and Hector McNeil) were visiting Singapore.(55) Because of Killearn's alleged 'propaganda' against the proposed combined post, London decided to recall him in March rather than letting him stay on until after MacDonald had taken over in May.(56) The decision further poisoned relations ~~relations~~ between London and Killearn who complained to the Foreign Office:

'After sweating blood for you for 44 years it would have been much pleasanter to quit your Service with less feeling of having been scurvily treated. I know full well just how the Department (and possibly you yourself) feel towards me: I believe that to be largely based on perversion of the facts. But in any case it couldn't leave me colder than it does. But it is sad - very sad - to leave a Service one has worked for nearly half a century, feeling as I now do about your office'.(57)

Sargent replied:

'I am sorry you feel so badly about having to come away in March, but I can assure you that you entirely misrepresent our feelings towards you in the Department. The Service I can assure you takes a very personal pride in you and we all

recognize how distinguished your long official life has been and in particular what a fine job you have done in Singapore. But it does fall to all of us to retire sooner or later, and for a variety of reasons it seemed undesirable that you should overlap with MacDonald until June.(58)

Six weeks after Killearn's departure, the Special Commission and the Malayan Governor-General's office were merged. On 1 May 1948 Malcolm MacDonald was officially appointed Commissioner-General of the United Kingdom in South-East Asia. He was given two deputies, one for his colonial and one for his foreign affairs staff.(59) Linked to the foreign affairs side of the Commissioner-General's office was the former economic section of the Special Commission, now restyled 'The Economic Department of the Commissioner-General's Organisation'. It had a 'Director of Economic Activities' who reported to the Commissioner-General through the foreign service deputy. In addition, there was a separate 'Economic and Financial Adviser' to the Commissioner-General who could consult the Director of Economic Activities.(60) The former's appointment was apparently arranged to keep the Colonial Office's finger in the Foreign Office's economic pie in Singapore.

Though the Commissioner-General's organisation continued the coordinating work of the Special Commission, his regional activities never again featured as prominently in the Foreign Office's South-East Asian policies as they had under Killearn. For one, MacDonald lacked Killearn's interest in expanding his economic organisation into a wider regional organisation. Though the new Commissioner-General in 1949 became one of Britain's main protagonists of regional cooperation in South-East Asia, he was thinking of a completely new approach, starting

with an international conference rather than aiming to expand Singapore's regional activities bit by bit. His reluctance to involve his economic organisation in a regional scheme for South-East Asia is understandable. Firstly, the organisation was too closely linked to Britain's colonial administration in Singapore to be competing with ECAFE. Secondly, a lapse occurred in Singapore's regional activities after Killearn's early departure: soon after assuming office, MacDonald was preoccupied with the Malayan Emergency, as he temporarily had to take over for the Malayan High Commissioner, Edward Gent, who died in an air crash over London on 2 July 1948. (Gent's successor, Henry Gurney, arrived in September). Thirdly, the Liaison Officers' Meetings were slowly running out of things to do because of the improving rice situation. In 1949, the international rice allocation system was dissolved (by the FAO), and in November 1949 the last of the Liaison Officers' Meetings met in Singapore, though the Commissioner-General's economic department continued. (61)

At the same time, the alternative of using ECAFE for the promotion of Britain's regional policies never developed either. At the end of 1948, Britain suggested Singapore as the base for the permanent headquarters of ECAFE's secretariat when it became evident that the organisation would have to leave Shanghai due to the deteriorating situation in China. However, Singapore failed to provide adequate accommodation and the members of the secretariat disliked the idea of remaining in a colony. Eventually, Bangkok was chosen instead. (62) Afterwards, Britain increasingly lost interest in the organisation.

Summing up, the reasons for the Special Commission's decline must first and foremost be attributed to Britain's dwindling financial resources and her decision, on financial grounds, in favour of a merger in Singapore. Connecting Britain's regional activities in South-East Asia to the colonial authorities in Malaya seriously reduced the prospects for turning the Singapore office into a wider regional organisation. Secondly, there was the growing competition by countries like India and Australia who were challenging Britain's dominant position in the area and who were themselves vying for the leadership of a South-East Asian grouping or organisation. Thirdly, there was the UN which in the shape of ECAFE was providing a credible alternative to the Special Commission. When the rice situation improved, Britain's economic organisation in Singapore finally lost its *main raison d'être*. The Special Commission had been successful in dealing with the distribution of food during the South-East Asian rice crisis. However, Britain had been prevented from extending Singapore's regional work from technical to political and defence cooperation. The Foreign Office's ambitious political plans connected to the Special Commission had failed.

NOTES

- (1) Lalita Prasad Singh, *The Politics of Economic Cooperation in Asia*, Columbia, Missouri, 1966, p.18-22.
- (2) Quoted by Singh, p.22.
- (3) See David Wightman, *Toward Economic Cooperation in Asia - the United Nations Economic Commission for Asia and the Far East*, New Haven 1963, p.18.
- (4) CAB 134/417, FE (47) 5 (Revise), 14 May 1947, brief for the UK delegation to the first meeting of ECAFE, summarising continuing

British reservations.

- (5) FO 371, 62256, UE 960, J.S.Bennett to Stevens, 13 February 1947.
- (6) CAB 134/417, FE (47) 5 (Revise), 14 May 1947, brief for the UK delegation to the first meeting of ECAFE.
- (7) FO 371, 62256, UE 960, minute dated 20 February 1947.
- (8) FO 371, 62256, UE 960, FO to Singapore, tel.437, 21 February 1947.
- (9) FO 371, 62257, UE 1265, Singapore to FO, tel.495, 28 February 1947. Killearn's line was supported by the Governor of Burma, see FO 371, 62257, UE 1265, FO to New York, tel.813, 12 March 1947, repeating tel.113 from Governor of Burma, n.d.
- (10) FO 371, 62257, UE 1491, New York to FO, tel.732, 6 March 1947.
- (11) FO 371, 62257, UE 1265, FO to New York, repeated to Singapore, tel.729, 6 March 1947.
- (12) FO 371, 62472, UE 1966, Stent to Stevens, 13 March 1947. Stent's criticism that the FO had failed to consult British posts in South-East Asia in time was shared by Killearn: FO 371, 62473, UE 2515, Singapore to FO, tel.833, 8 April 1947.
- (13) FO 371, 62472, UE 1966, Stevens to Stent, 17 March 1947.
- (14) FO 371, 62472, UE 1862, New York to FO, tel.904, 19 March 1947.
- (15) Singh, pp.242-243.
- (16) Singh, p.26.
- (17) Singh, pp.65-83.
- (18) Singh, pp.56-57.
- (19) See FO 371, 62473, UE 2508, FO to Nanking, tel.385, 4 April 1947.
- (20) FO 371, 62472, UE 2057, FO to New York, 26 March 1947.
- (21) FO 371, 62473, UE 2576, Singapore to FO, tel.833, 8 April 1947.
- (22) CAB 134/417 - IOC (FE) (47) 4, minutes of the First Working Party, Far Eastern Economic Commission, 15 April 1947. Other topics discussed at the meeting were issues like the permanent site for the new commission or the composition of Britain's delegation attending ECAFE's first session in Shanghai in June. An examination of these topics lies outside the scope of this paper.
- (23) CAB 134/417 - IOC (FE) (47) 5 (Revise), 14 May 1947, brief for UK delegation to the First Meeting of ECAFE.
- (24) FO 371, 62473, UE 2508, FO to Nanking, tel.385, 4 April 1947.
- (25) CAB 134/417, IOC (FE) (47) 10, 1 August 1947, 'ECAFE - First Session...' detailed report of the conference dated 10 July 1947.
- (26) See FO 371, 62476, UE 9447, Singapore to FO, tel.1981, 8 October 1947.
- (27) For a detailed British account of the meeting see: CAB 134/417, IOC (FE) (47) (10), ECAFE: Meeting of the Committee of the Whole in New York, July 1947. Report of the UK Delegate, 24 July 1947.

- (28) FO 371, 63552, F 5961, memorandum for Wright by Binns, probably 10-15 April 1947.
- (29) FO 371, 63552, F 5961, minute by Christophas, 7 May 1947.
- (30) FO 371, 63552, F 5961, minute by Vincent, 16 May 1947.
- (31) FO 371, 63552, F 5961, minute by J.F.Ford 9 June 1947.
- (32) CAB 134/417, IOC (FE) (47) 15, 30 September 1947, basis of a brief for the UK Delegate at ECAFE.
- (33) FO 371, 62475, UE 7613, minute by I.F.S.Vincent, 18 August 1947.
- (34) CAB 134/417, IOC (FE) (47) 16, 5th meeting of the Working Party, 3 October 1947.
- (35) See for example: FO 371, 62476, UE 9882, The Hague to FO, tel.543, 16 October 1947; FO 371, 62476, UE 9447, Thompson (Bangkok) to ~~Suang Prabang~~ Under Secretary of State at the Ministry of Foreign Affairs, Bangkok, 14 October 1947; FO 371, 62476, UE 9900, Millard (British Embassy - Paris) to Pridham (FO), 14 October 1947.
- (36) FO 371, 62476, UE 9398, Troutbeck to Keen, 16 October 1947.
- (37) FO 371, 62669, UE 10943, minute by Pridham, 13 November 1947.
- (38) FO 371, 62669, UE 10943, Singapore to FO, tel.2155, 11 November 1947.
- (39) FO 371, 62669, UE 11091, Singapore to FO, tel.2175, 14 November 1947.
- (40) See Singh, p.29.
- (41) FO 371, 62478, UE 11822, 'Relations between E.C.A.F.E. and the Special Commissioner's office', 2 December 1947, Colonial Office document quoting Dr.Lokanathan's note.
- (42) CAB 134/418, IOC (FE) (47) 1, 9 January 1948. ECAFE, 2nd Session, Baguio, November-December 1947. Report of the UK Delegate.
- (43) CAB 134/418, IOC (FE) (47) 1, 9 January 1948, ECAFE, 2nd Session, Baguio, November-December 1947. Report of the UK Delegate.
- (44) FO 371, 68910, UE 1671, minute by Hugh-Jones, 13 February 1948.
- (45) FO 371, 69664, F 2340, FO to Singapore, tel.252, 12 February 1948. Killearn had previously asked for instructions, see FO 371, 69664, F 2340, Singapore to FO, tel.195, 7 February 1948.
- (46) FO 371, 62476, UE 9332, Singapore to FO, tel.1961, 4 October 1947. See also FO 371, 62476, 9816, Galsworthy to Vincent, 16 October 1947.
- (47) FO 371, 68910, UE 1693, Singapore to FO, tel. 196, 7 February 1948.
- (48) FO 371, 68910, UE 1693, FO to Singapore, tel.247, 11 February 1947.
- (49) FO 371, 68910, UE 2192, Singapore to FO, tel.233, 17 February 1947.
- (50) FO 371, 69687, F 3182, minute by Christophas, 25 February 1948, also *ibid*, Dening to Seel, 26 February 1948.

- (51) FO 371, 68911, UE 3329, record of conversation with Lokanathan, 16 and 17 March 1948; also *ibid*, FO to Special Commission, 22 March 1948.
- (52) FO 371, 68911, UE 3329, 'Survey of the Economic Organisation of the Special Commissioner in South East Asia'; also British Library of Political and Economic Science, Depository, Egham: UN Document E/CN.11/88, 7 May 1948, Survey of the Economic Organisation of the Special Commissioner in South East Asia.
- (53) British Library of Political and Economic Science, Depository, Egham: UN Document E/CN.11/SR.37, ECAFE, third session Octacamund, India, 5 June 1948.
- (54) The Monteath Report has been removed from the MacDonald Papers by the Foreign Office and can't be found at the Public Record Office either.
- (55) See Malcolm MacDonald Papers, Durham University, file 17/2/49, Bevin to Killearn, 9 August 1947; and file 17/2/47, Killearn to MacDonald, 21 August 1947.
- (56) Malcolm MacDonald Papers, Durham University, file 17/2/99, MacDonald to Killearn, 29 January 1948.
- (57) FO 371, 69687, F 3347, Killearn to Sargent, 8 February 1948.
- (58) FO 371, 69687, F 3347, Sargent to Killearn, 24 February 1948.
- (59) Malcolm MacDonald Papers, Durham University, file 17/4/7, Listowel to MacDonald, 19 April 1948.
- (60) Malcolm MacDonald Papers, Durham University, file 17/4/14, Listowel to MacDonald, 27 April 1948.
- (61) Malcolm MacDonald Papers, Durham University, file 22/8/55-60, 10 November 1949.
- (62) Singh, p.82.

11. WESTERN UNION AND SOUTH-EAST ASIA

British regional policies in South-East Asia were in considerable disarray at the beginning of 1948. Lord Killearn was about to leave his post, and ECAFE was intent on assuming the Special Commission's coordinating functions. Furthermore, Australia and India had taken the initiative on regional cooperation - independently from Britain - and the Asian Relations Conference had fuelled demands by smaller Asian countries for exclusively Asian cooperation. Last ^{but} not least, the continuing conflicts in Indochina and Indonesia made the creation of a joint Asian-European scheme impossible for the time being. Even a British regional initiative that excluded France and the Netherlands would have been doomed to failure because of the anti-colonial atmosphere prevailing in Asia.

While the prospects for regional cooperation between Britain and the ~~the~~ new Asian states were thus low, there was mounting pressure by the Foreign Office's Western Department to increase cooperation with the other colonial powers instead. As a first step, it demanded revising the ban on British arms deliveries to the Dutch forces in Indonesia. Western Department based its arguments on two new developments. Firstly, the Netherlands and the Indonesian Republic signed the Renville Agreement on 17 January 1948, providing for a truce between the two parties. (1) Though the agreement constituted a humiliating defeat for the Republic (2) - failing to solve the issue of sovereignty and recognising considerable territorial gains made by the Dutch - it satisfied the

Foreign Office's Dutch experts. They were convinced that the accord would take the Indonesian issue away from the world's attention.

In addition to the Renville Agreement, developments towards greater West European unity instigated a re-appraisal of British regional policies in South-East Asia. After secret five-power negotiations Bevin on 22 January 1948 announced plans by Britain, France and the Benelux countries to forge a military alliance in Western Europe. Two months later, on 17 March, the five powers signed the Brussels Pact, promising mutual defence against an aggressor. No particular adversary was mentioned; however, it was clear that the 'Western Union', as it became known, was aimed against the Soviet Union.(3) In addition to its military provisions, the Brussels Pact contained clauses on economic, social and military collaboration, in line with Bevin's ideas on general West European cooperation.(4) Inevitably, moves towards greater West European unity raised the question whether, or to what degree, cooperation between the West European powers would extend to colonial territories.

The Foreign Office's Western Department believed that the forthcoming West European alliance required a re-orientation in South-East Asia. A few days before Bevin's Western Union speech, it described the Renville Agreement as a good opportunity to lift the arms ban in Indonesia:

'From the point of view of our plans in Western Europe it is important that this obstacle [the embargo] to closer relations with Holland should be removed as soon as possible... We and the French have now agreed that the three Benelux countries should be offered treaties of alliance on the lines of the Treaty of Dunkirk, and although I am fully aware of the

reasons which made the imposition of the ban inevitable in the first place, its continuance when we are discussing a treaty of alliance with the Dutch will be to say the least anomalous.'(5)

J.E.D. Street, saw some merit in Western Department's arguments, pointing out that the ban had originally been introduced partly to satisfy public opinion in Britain and mainly to avoid incidents at Singapore and elsewhere in Britain's Far Eastern territories. By now, British public opinion was concerned with 'matters of far greater moment than Indonesia'. (6) However, Gordon Whitteridge preferred seeing the ban maintained until a political, not just a ceasefire agreement was reached. (7) The head of South East Asia Department, Paul Grey, agreed that it would be unwise to re-open the question of the ban before the situation in Indonesia had become clearer. Omens for a final settlement were still not good. Commenting on a Royal Navy enquiry whether British ships should be allowed to visit selected ports in the Netherlands East Indies, Grey argued:

'From the point of view of satisfying feeling in India and among the native population in Malaya as well as in South East Asia generally, we do not want at this stage to suggest that we have gone over into the Dutch camp. The Dutch militarists, among whom I should include the Navy, do not want encouraging if a political settlement is to be reached.'(8)

From Batavia, the British consul-general, F.M. Shepherd, gave support to Grey; the Royal Navy should refrain from visits which would be interpreted as gestures of sympathy towards the Dutch as distinct from the Republic - at least so long as the embargo was in force. (9)

Five days after Western Department's initiative, Bevin announced plans for a five power alliance in Western Europe on the precedent of the Dunkirk (defence) Treaty between Britain and France. He stressed that he was concerned not only with Europe as a geographical conception:

'Europe has extended its influence throughout the world, and we have to look further afield. In the first place we turn our eyes to Africa, where great responsibilities are shared by us with South Africa, France, Belgium and Portugal, and equally to all overseas territories, especially of South-East Asia, with which the Dutch are closely concerned. The organization of Western Europe must be economically supported. That involves the closest possible collaboration with the Commonwealth and with overseas territories, not only British but French, Dutch, Belgian and Portuguese.'

Bevin added that overseas territories were largely primary producers, and that their raw materials, food and resources could be turned to the common advantage of the peoples of these territories, of Europe and of the world as a whole. (10)

It has recently been argued that Bevin was pursuing the idea of 'Euro-Africa' between 1947 and 1948. African colonial resources were meant to enable Britain to regain the economic lead in Europe that was being threatened by the Marshall Plan. There would also be cooperation between the European colonial powers in Africa, in the first place between Britain and France, turning the continent into a vital element in the eventual creation of a third world grouping under British leadership. (11) Hence Bevin's reference to the resources of the European colonies in his Western Union speech.

However, it is unclear whether Bevin was referring not only to Africa but to South-East Asia as well. Many Asian observers thought so and were soon making allegations of a colonial conspiracy in South-East Asia. 'Is the Western Union also a league of colonial powers to perpetuate colonialism?', the *Malayan Morning Tribune* wrote at the end of January. The paper suspected that Bevin's reference to collaboration with overseas territories meant that the colonies were to become economic appendages of European power politics. (12) Bevin's link between European cooperation and colonial resources was highly unwelcome by the Foreign Office's South-East Asian experts. Apart from the fact that the Foreign Secretary's remarks had increased Asian suspicion of British imperial designs, South East Asia Department was concerned lest plans for Western Union encouraged the Dutch to demand an end to the arms embargo.

Paul Grey reviewed the issue of the arms embargo at the beginning of January. Arguments against the ban were the continuing complication of relations with the Dutch and the 'anomaly' that despite the embargo, Britain was proposing to negotiate an alliance with the Netherlands in Europe. It was also embarrassing that every Dutch request for supplies to the East Indies had to be checked on whether it was covered by the ban. He also pointed out that the ban could not prevent the Dutch from carrying out their police action and was unlikely to prevent them from taking similar action in the future. On the other hand, an argument for the embargo's continuation was that the Indonesian republicans were dissatisfied with the latest agreement which they felt left them at the mercy of the Dutch and that they would 'undoubtedly feel that the

lifting of the ban was a further nail in the coffin of their aspirations'. Britain also did not 'wish to alienate nationalist sentiment in Asia, which it is our own policy to try to meet half way, by appearing to side with the Dutch'. Public opinion in Britain and Australia too was critical of the Dutch. Furthermore, lifting the ban before the success of political talks would remove a factor deterring the Dutch from further military action, and there would undoubtedly be criticism from the UN if the embargo was ended before the Security Council's Committee of Good Offices had reviewed the whole situation. Grey therefore recommended maintaining the ban - at least until the UN committee's report had been considered by the Security Council. There was always the danger that the new agreement would fail to lead to a settlement and that public opinion would blame the Dutch if there was renewed fighting:

'We should make ourselves look ridiculous if, having lifted the ban, we were to reimpose it again, and we might in such circumstances find ourselves pressed to support even more drastic action at the Security Council'.(13)

Dening agreed. His 'own instinct' was to do nothing for the present, particularly as the Australian attitude to Indonesia had to be considered. Orme Sargent, Permanent Under-Secretary at the Foreign Office, also agreed: no initiative was to be taken before the matter was raised by the Dutch. (14)

In March, the Treasury proposed lifting the embargo. There was progress in the UN's mediating efforts in Indonesia: though the Dutch representative had failed to defend his government adequately against

the charge of continuing to treat Republican interests unfairly, the Security Council had approved the report of the Good Offices Committee; furthermore, the signing of the Brussels Treaty was imminent. At the Foreign Office, Grey personally wanted to see the embargo maintained. (15) However, if it was decided to lift the ban then now was the moment to do so. As he explained to Bevin:

'It has been apparent for some time that the Dutch would like to interpret our Western Union policy as an indication that we are willing to abandon our opposition to their Indonesian policy. In South East [Asia] generally, and particularly among the Indonesians, there has been a corresponding fear that our policy in that part of the world has changed. The Secretary of State's references to the development of colonial territories have been falsely interpreted as a sign that we have abandoned our sympathies for the coloured people and that we wish to see colonial territories used to bolster up the European economy...It is possible that the Dutch may make a specific point of the ban on the supply of arms for the Netherlands East Indies ... its removal would certainly be convenient for us, as its continuation complicates the military supply position as regards the Netherlands. But, before lifting the ban now, we should have to think seriously of the political consequences on opinion in the Security Council as well as in Malaya, India and South East Asia generally.' (16)

Denning supported Grey's line - if the Dutch would ask whether Britain was prepared to come out openly in support of their policy, the answer had to be no: 'We have never at any time taken sides in the Indonesian dispute, nor do we propose to do so now'. Britain's official concern with the dispute was only as a member of the Security Council, 'and we must hope that the Dutch will take no action which would make it difficult or impossible for us to support them in the Security Council. The French have not asked us for open support of their policy in Indo-China, and I would not expect them to do so.' (17) Shepherd similarly advised from Batavia that a lifting of the ban would be seen in

Indonesia as a 'political endorsement of Dutch conduct of negotiations with the Republic'. It would also be implying that Britain would not object to the resumption of military action in the case of breakdown of political negotiations. Politically, it would amount to taking definite sides at the moment when political discussions were about to begin, and it would strengthen the hands of the Dutch military commanders and thus tend to prejudice a reasonable and fair settlement. (18) Killearn too saw the moment for the lifting of the ban as ill chosen, as it would be interpreted as support for the Dutch. Furthermore, if Britain offered military supplies to the Dutch, would not she also 'logically be bound to offer them to the Indonesians and would not [the] Dutch take a poor view of that?' (19)

Two days before the signing of the Brussels Treaty, on 15 March 1948, the Dutch ambassador in London, Baron Bontinck, told Denning that Western Union ought to make Britain and the Netherlands see eye to eye in South-East Asia, and that the British embargo should be lifted. Bontinck also mentioned the issue of regional security and the British Defence Committee in Singapore. Denning replied that Britain was not yet in a position to consider regional security, particularly where non-British territories were concerned; one of the reasons was that he did not know what the Americans had in mind. Denning subsequently explained in a Foreign Office minute:

'I feel that we must resist the suggestion that, because of Western Union, the policy of the United Kingdom is bound to coincide with that of the Dutch or the French in South East Asia. That is not to say that we may not some day hope to secure regional collaboration in that area too, but we have enough troubles of our own at present without becoming involved in those of the N.E.I. or French Indo-China.' (20)

However, the Foreign Office had underestimated the strength of Dutch feelings on the embargo. The Netherlands increasingly resented the fact that despite the new five-power alliance in Europe the British arms embargo remained in force. On 1 April, the Dutch ambassador told I. Kirkpatrick that a member of the Dutch upper house had argued with some force that it was quite wrong that an arms embargo should continue to exist between the two parties. Bentinck, under instruction from his government, therefore asked that Britain should consider lifting the embargo as soon as possible. (21) Initially, Grey was not convinced by the Dutch initiative, warning that the Indonesian cause was warmly espoused by India and other countries in South-East Asia. They would regard the raising of the embargo as a direct consequence of the Western Union and a confirmation of their suspicions that Britain had reverted to 'colonialism' and had lost all interest in Asia except for what Britain could get out of the territories for her own purposes. Britain should only agree to lift the ban if the Dutch reduced their troops in Indonesia. (22)

Once again, London found itself in the dilemma of having to choose between its interest in Asian or in European cooperation. Grey explained the problem to Killearn's deputy in Singapore, P.S. Scrivener: Indonesia, he argued, had become a test case. Not that India or Burma were really passionately devoted to Indonesian independence, that devotion was very theoretical. However, they were watching Britain closely 'to see how far we would carry our profession of interest in the Indonesian people and [they] were alert for any signs that we would be willing to sacrifice what we professed to believe in'. The difficulty remained that:

'We have to associate more closely with the European powers than ever before. We have, at the same time, to undertake a complete reconstruction of our relations with the East. And we have to do the latter in the face of a growing nationalism and a struggle for dominance by forces which would seek to divorce the East from the West altogether.'(23)

Despite this, Grey eventually advised that there should be a limited relaxation of the arms ban in private on material urgently needed by the Dutch. The British ambassador in the Netherlands had just confirmed how strongly all political parties in Holland (except for the communists) felt about the embargo.(24) Denning still objected to the lifting of the ban as premature, but agreed that Britain should offer relaxing the ban on non-lethal equipment.(25) Sargent went even further and suggested publicly withdrawing the embargo:

'A great deal of water has flown under the bridges since it [the embargo] was imposed and I cannot believe that its cancellation would arouse much criticism here. As for criticism in South East Asia, we might meet this by getting the Dutch Government in return for the cancellation to state equally publicly that any war material which they buy from the United Kingdom is for the defence of Metropolitan Holland and nothing else.'(26)

Surprisingly, Bevin refused to abandon the embargo, despite the fact that it had been his speech on Western Union which had sent the ball rolling in the first place. He seemed to be primarily concerned about criticism in the House of Commons, arguing that:

'Sargent oversimplifies the matter. Delightful in a country where there is no political opinion and no watchful eye on Ministers and their policy. The sympathy of a large number of the House is with the Indonesians and therefore of the Cabinet too. I cannot meet the request'.(27)

The Dutch Foreign Minister told Bevin during a subsequent meeting in Paris that the Brussels Treaty made the Indonesian embargo an anomaly. Bevin replied that lifting the ban might lead to reactions in Australia and India which could be very unfortunate from the point of view of the Dutch government. Britain already had considerable difficulties with India on the Kashmir question and the raising of the embargo was in any case not really needed by the Dutch for practical purposes; it would be better to let sleeping dogs lie. (28) However, the Dutch were insistent and the Dutch ambassador asked Bevin a few days later whether he would agree to a statement by the Dutch government on the line that it had reason to believe that Britain would take into favourable consideration Dutch representations regarding equipment for Dutch troops in the Netherlands East Indies. Bevin refused, but hinted that Britain might consider helping out with the supply of uniforms and transport - as long as Singapore stockpiles allowed. (29)

The Hague took Bevin's remarks as an indication that he was softening his line on the embargo. The Netherlands' Foreign Minister subsequently told the Dutch parliament that talks with Britain on the arms ban had been resumed, and that he expected them to be favourable. Since the announcement attracted no attention in Britain, London decided not to comment on it. (30) In June, the Dutch ambassador changed tactics, telling Grey that the Netherlands were reluctant to agree to any further assurances that equipment ordered from Britain would not go to their South-East Asian territories. Grey replied that a lifting of the embargo was out of the question, but suggested that Britain might be more

forthcoming on 'non-lethal' equipment, i.e. equipment other than weapons, ammunition or armoured fighting vehicles of any kind. (31)

By June 1948, Britain was thus indicating a relaxation of the Indonesian arms embargo. However, London was resisting suggestions that Western Union should lead to increasing cooperation with either the Dutch or the French in South-East Asia. At the beginning of April, the French Consul-General in Singapore, Guibaut, had told Scrivener that the five Western Union countries should work out a common colonial policy at the government level. Scrivener had agreed, and he subsequently told London that five power cooperation provided by the Brussels Treaty should be reproduced overseas, 'including the area containing Indochina, Indonesia, Malaya and the other British territories in South-East Asia'. Much had already been achieved in the technical sphere, but there was a lack of political cooperation, whether it concerned differing outlooks and actions on South-East Asian nationalism, 'or as regards the vital problem of resistance to the pressure, actual and potential, of Communism (which more than any other single factor impelled the metropolitan Governments to reach agreement)'. Scrivener was hoping for a broad policy statement which would 'show our adversaries that our solidarity extends beyond the confines of Europe', though he realised that the attitude of the local populations might be difficult. (32)

The Foreign Office disliked the idea of a policy statement by the colonial powers. As Christophas argued, Britain had

'...consistently pursued a more liberal policy in South-East Asia than either of the other two Metropolitan powers concerned. There is great danger that, if our alliance with the other Western Powers in Europe were to be correspondingly

reflected in our behaviour in the East, we should lose the sympathy of the Asiatic peoples by whom "Colonialism" and "Imperialism" are considered a far greater menace than Communism... In general our policy has in the past been to avoid close collaboration on the Colonial level with the Dutch and French authorities in the Netherlands East Indies and French Indo China respectively but to maintain co-operation through the less metropolitan medium of the Special Commissioner's organisation. As long as the Foreign Office side of the Commissioner-General's organisation remains in existence, there would seem to be virtue in maintaining such a policy'. (33)

Denning too recommended to 'hasten slowly' in South-East Asia and to persist to collaborate in technical matters until the participants had become so accustomed to cooperating that higher flights could then be essayed. (34)

During a lunch meeting on 26 April between staff from the French embassy and members of the Foreign Office (including MacDonald who was in London for consultations), LeRoy followed up Gibaut's proposal. The French diplomat was keen on governmental discussions on South-East Asia, pointing out that France's [diplomatic and colonial] organisation was not as decentralized as was Britain's, and that Paris therefore tended to take little account of what was going on under the Special Commissioner's aegis. MacDonald replied that he welcomed local collaboration; however, Western Union had made the peoples of South-East Asia very suspicious of the motives of the Western colonial powers. It was therefore desirable not to give colour to these suspicions by embarking on formal intergovernmental consultations. The French embassy staff, according to a Foreign Office minute, took the points but did not seem entirely satisfied. (35)

In June 1948 Michael Wright summed up Britain's continuing regional strategy in a Foreign Office minute. The Special Commission's aim had been to promote regional cooperation by starting with economic and social subjects, then working upwards to political matters as circumstances permitted. At the same time, it was felt that political collaboration ought not to be confined to the three colonial powers 'but should be on the basis of Europeans and Asiatics working together'. However, so long as the questions of Indochina and the Netherlands East Indies remained unsettled it was difficult to initiate political cooperation except on a predominantly European basis. Western Union complicated the matter and made it 'still more difficult to get away from the pattern of purely European collaboration in the area, which it is desirable to avoid'. Wright objected to the proposed policy statement by the metropolitan powers. For the time being, Britain had to be content with the policy of promoting cooperation on technical matters. At the same time, Singapore should be encouraged to take any opportunity for further cooperation on the technical level, and to 'keep on the look out for possible openings however modest for political collaboration also'. Wright concluded:

'If only the Dutch would make further progress in Indonesia, the whole problem would become easier. The longer matters drift the greater becomes the risk that communistic tendencies, as in Burma, will become accentuated.'(36)

The Western Union episode demonstrated that despite the decline of Britain's regional organisation in Singapore and the prevailing anti-colonial climate in Asia, London remained committed to the idea of regional cooperation primarily with the new Asian states. It had also

not yet given up all hope that Britain's regional activities in Singapore might be the starting point for wider regional cooperation. London therefore resisted any notion that Western Union cooperation extended to South-East Asia, and it thwarted French attempts at open colonial cooperation in South-East Asia. As Grey argued in July:

'Western Union was taken by many Dutchmen as an indication that we would be willing to revise our Indonesian policy. It was hoped that the union would result in a co-ordinated policy by the Colonial powers. Unfortunately, and for the same reason, Western Union was greeted with the greatest suspicion in Asia, and attempts were immediately made by the Russians, as well as by extreme local nationalists, to persuade the Asiatic peoples that we had reversed our policy of increased freedom for Asiatic peoples. Indonesia in particular is regarded as a test case throughout the area. The Indian Government, among others, are known to feel very strongly on the subject and to suspect our policy. Australian views are, of course, well-known and are based on an extreme interpretation of maintaining the goodwill of Asia.'

Grey concluded:

'It is obvious to us (though not necessarily so to the Dutch) that unless a settlement of the Indonesian problem is soon achieved, there will be a serious deterioration of the situation in the Netherlands East Indies with grave consequences to the stability of South East Asia, which is already threatened by the virtual state of war in Indo-China, and by the disturbances in Malaya and Burma. It is equally obvious to us that we cannot afford to give further material to our critics in that area by agreeing to any form of Anglo-Dutch collaboration in South East Asia so long as the Indonesian problem remains in its present state. Finally, any collaboration in South East Asia must be between all the countries which have interests in the area - i.e. it must include the countries in the area as well as the colonial powers concerned. Australia will also be interested. It was the object of the Killearn Mission to initiate such collaboration starting with economic questions, over which political feelings did not run high.'(37)

Both Wright's and Grey's comments spelled out that Western Union would not oblige Britain into colonial cooperation in South-East Asia,

but that she was still hoping for a regional system which included colonial and independent Asian countries. More than anything, Bevin's insistence on maintaining the arms ban until there was a settlement satisfactory to the Republic brought home Britain's opposition to exclusive colonial alignments in South-East Asia. Paradoxically, it had been Bevin who in January had raised hopes for Western Union cooperation in Asia in the first place. At the same time, the Foreign Office knew that unless there was some kind of solution to the Indonesian problem, the short term prospects for regional cooperation would remain dim.

However, new developments in South-East Asia soon led to a change of Britain's regional strategy. On 18 June 1948, one day after Wright's comments, the British colonial authorities in Malaya declared a state of emergency there. It followed an increasing number of communist guerilla attacks on British-owned rubber plantations and mining enterprises as well as police outposts. The emergency coincided with heightening tensions in Europe where the Soviet Union began blockading the Western sectors of Berlin on 24 June. The British soon suspected Moscow to be behind the Malayan insurrection as well. From the British point of view, the emergency marked the extension of the Cold War to South-East Asia. As will be seen in the last part of this thesis, regional cooperation would soon become a key element in British efforts to contain communism in Asia. (38)

NOTES

- (1) See Alastair M. Taylor, *Indonesian Independence and the United Nations*, London 1960, pp.66-97.
- (2) Robert J. McMahon, *Colonialism and Cold War - The United States and the Struggle for Indonesian Independence*, Ithaca and London 1981, p.206.
- (3) See Kenneth O. Morgan, *Labour in Power, 1945-1951*, Oxford 1984 (paperback), p.274.
- (4) John Young, *Britain, France and the Unity of Europe 1945-1951*, Leicester 1984, p.84.
- (5) FO 371, 69796, F 1183, Foreign Office minute, 17 January 1948.
- (6) FO 371, 69796, F 1183, minute by Street, 19 January 1948.
- (7) FO 371, 69796, F 1183, minute by Whitteridge, 19 January 1948.
- (8) FO 371, 69796, F 1183, minute by Grey, 24 January 1948. I would like to thank Sir Paul Grey for discussing with me his time at South East Asia Department. Author's interview with Sir Paul Grey on 27 September 1989.
- (9) FO 371, 69796, F 1384, Batavia to FO, 27 January 1948.
- (10) Nicholas Mansergh ed., *Documents and Speeches on British Commonwealth Affairs, 1931-1952* Vol.II, London 1953, pp.1121-1124: Extract from a speech by Bevin in the House of Commons on 22 January 1948.
- (11) John Kent, 'Bevin's Imperialism and the Idea of Euro-Africa, 1945-49', in M.Dockrill and John W.Young, *British Foreign Policy, 1945-56*, London 1989, p.62.
- (12) FO 371, 69682, F 1930, cutting from the *Morning Tribune*, dated 28 January 1948.
- (13) FO 371, 69796, F 2156, memo by Grey, 2 February 1948.
- (14) FO 371, 69796, F 2156, minute by Dening, 4 February 1948; and FO 371, 69796, F 2156, minutes by Kirkpatrick and Sargent, 4 February 1948.
- (15) FO 371, 69796, F 2156, minute by Grey, 9 March 1948.
- (16) FO 371, 69760, F 4576, minute by Grey, 10 March 1948.
- (17) FO 371, 69760, F 4576, minute by Dening, 10 March 1948.
- (18) FO 371, 69796, F 4024, Batavia to FO, tel.212, 12 March 1948.
- (19) FO 371, 69796, F 4052, Singapore to FO, tel.352, 15 March 1948.
- (20) FO 371, 69688, F 4249, minute by Dening, 15 March 1948.
- (21) FO 371, 69796, F 4052, memo by Kirkpatrick, 1 April 1948.
- (22) FO 371, 69796, F 4052, minute by Grey, 2 April 1948.
- (23) FO 371, 69682, F 5258, Grey to Scrivener,

either 6 or 13 April 1948.

- (24) FO 371, 69796, F 4052, minute by Grey, 13 April 1948.
- (25) FO 371, 69796, F 4052, minute by Dening, 13 April 1948.
- (26) FO 371, 69796, F 4052, minute by Sargent, 14 April 1948.
- (27) FO 371, 69796, F 4052, minute by Bevin, n.d.
- (28) FO 371, 69796, F 5788, minute by Roberts, 19 April 1948, on conversation between Bevin and the Netherlands Minister for Foreign Affairs between 16 and 17 April 1948.
- (29) FO 371, 69796, F 5804, Conversation between the Secretary of State and the Netherlands Ambassador, 20 April 1948.
- (30) FO 371, 69797, F 7130, minute by Whitteridge, 3 May 1948.
- (31) FO 371, 69796, F 8122, Grey to Gage, British Embassy, The Hague, 11 June 1948. Whitehall had already launched an investigation into possible supplies for the Netherlands East Indies, see FO 371, 69797, F 7130, minute by Whitteridge, 3 May 1948.
- (32) FO 371, 69689, F 5922, Scrivener to Dening, 14 April 1948. According to Scrivener, Guibaut was a 'very good friend of ours who actually understands our colonial policy, who genuinely deplores what he regards as the remoteness and particularism of the French authorities in Indo-China, and who indeed assures me that had he not worked very hard indeed, the Quai d'Orsay itself would have but the vaguest knowledge of what we have been trying to do out here'.
- (33) FO 371, 69689, F 5922, minute by Christophas, 27 April 1948.
- (34) FO 371, 69689, F 5922, minute Whitteridge, 13 May 1948.
- (35) FO 371, 69689, F 5922, minute by Whitteridge, 13 May 1948.
- (36) FO 371, 69689, F 5922, minute by Wright, 17 June 1948.
- (37) FO 371, 69770, F 10533, memorandum for the Foreign Secretary by Grey, 15 July 1948.
- (38) On the Malayan Emergency see Anthony Short, *The Communist Insurrection in Malaya, 1948-1960*, London 1975; Edgar O'Ballance, *Malaya: The Communist Insurgent War, 1948-60*, London 1966 or A.J.Stockwell, 'Counterinsurgency and colonial defence', in T.Gorst, L.Johnman & W.S.Lucas, *Postwar Britain, 1945-64, Themes and Perspectives*, London 1989, pp.135-154.

PART IV

COMMUNISM

The communist insurrection in Malaya was at the beginning of a new phase in South-East Asia's postwar history. From the British point of view, communism, not nationalism, now constituted the overriding problem of the day. The Malayan emergency followed the outbreak of communist guerrilla warfare in Burma in March 1948, which seriously destabilized the country throughout the year. (1) In Indonesia too, communists were to make a bid for power, though their attempt in September 1948 to gain control of the Indonesian Republic was squashed by troops loyal to the moderate government of Mohammed Hatta. (2) Towards the end of the year, a number of decisive victories by the Chinese communists against the nationalists in China added to London's worries. It was feared that China, once it had fallen under communist control, would encourage the communist movements in South-East Asia to intensify their struggle. Indochina was seen as the prime target of Chinese agitation where the communist dominated Viet Minh was already beginning to push the French into the defensive. A communist take-over in China was expected to have a detrimental ^e affect also on the declining state of affairs in Burma, and there was the possibility that Thailand might bend in the wind and switch over into the communist camp, as she had given in to Japanese pressure in 1941.

So far as the British were concerned, the communist insurrections in South-East Asia together with the communist advances in China marked

the beginning of the Cold War in Asia. (3) They interpreted them as part of a Moscow-inspired campaign to assume control of the region. South-East Asia was soon taking on a global importance in the conflict between the Soviet Union and the West, and anti-communist policies in the region acquired increasing priority. The perceived communist onslaught in South-East Asia led to the revival of Britain's flagging policy of regional cooperation, which was to become one of London's prime strategies for containing communism. The idea was to organise an anti-communist front in the region, initially on a Commonwealth basis, and later on including other countries as well. British plans also involved the United States: London hoped that Washington would provide loans and financial aid to give the incentive for participation in a regional arrangement, and to stabilize the South and South-East Asian economies. After intensive diplomatic activities within the Commonwealth, and considerable lobbying efforts in Washington, London defined its regional policies in a comprehensive policy paper on South-East Asia in the summer of 1949. The paper was the highlight in the Foreign Office's regional planning efforts since 1945. It was endorsed by the Cabinet in October 1949 and paved the way for the Colombo Conference and the Colombo Plan. The paper is the finishing point of this thesis.

NOTES

- (1) Hugh Tinker, *The Union of Burma*, London 1967 (fourth edition), pp. 34-37.
- (2) Robert J. McMahon, *Colonialism and Cold War - The United States and the Struggle for Indonesian Independence, 1945-49*, Ithaca 1981, pp. 242-243.
- (3) D.C. Watt, 'Britain and the Cold War in the Far East, 1945-58', in Yonosuke Nagai and Akira Iriye eds., *The Origins of the Cold War in Asia*, Columbia 1977, p. 89.

12. LONDON'S SEARCH FOR AN ANTI-COMMUNIST STRATEGY IN SOUTH-EAST ASIA

12.1 BRITISH PERCEPTIONS OF COMMUNISM IN ASIA

Since the 1950's, historians have been arguing whether the outbreak of communist insurrections in South-East Asia was orchestrated by the Soviet Union. One line of argument suggests that Moscow used the Calcutta Youth Conference, which was attended by communist delegations from South-East Asia, as well as the immediately following Congress of the Indian Communist Party, to instruct the attending communist delegates to initiate armed uprisings in their respective countries. The Soviet Union's aim is regarded as having been to destabilize the West European economies by depriving them of vital raw materials from South-East Asia.(1) However, while there is little doubt that the meeting encouraged the subsequent outbreak of communist insurrection, Ruth T. McVey's convincing study of the Calcutta Conference has called into question whether it was Moscow that gave the orders for armed revolt.(2) The general historical consensus is now that while there is no concrete evidence that Moscow used the conference to order the South-East Asian uprisings, the meeting did serve as a forum for the advocacy of the Soviet Union's two-camp thesis propagated by Zhdanov during the founding

meeting of the Cominform in 1947, and that it quickened the pace of revolutionary movements in Asia. (3)

What matters in the context of this study, however, is that at the time London came to the conclusion that Moscow was behind the communist uprisings in South-East Asia. In 1947, the head of Britain's Security Intelligence, Far East, had warned of growing communist strength in South-East Asia, arguing that most of the local communist parties, though temporarily out of touch or disorganised, were bound to be directly or indirectly controlled by the Soviet Union. (4) One year later, the communist campaign of violence in Malaya increased British suspicion of Soviet designs in the region. As Paul Grey told Bevin in the middle of July:

'There is no direct evidence of co-ordination by Russia of communist activities throughout South East Asia, though it is strongly suspected. When the Cominform was set up last September, there must have existed in Moscow some plan for Asia as well as Europe. The Cominform manifesto declares quite clearly that it is the task of communism to combat imperialism not only in Europe but also in South East Asia.'

Grey added that the Calcutta Youth Conference had 'provided a means of co-ordinating communist activities in all the South East Asia countries, and probably of relaying the latest ideas from Moscow'. (5)

After the beginning of the communist revolt in Indonesia, the Foreign Office's suspicion grew even further, Grey stressing on 29 September that direct evidence of the Russian connection was still

remarkably small; however, 'circumstantial evidence strongly suggests Russian inspiration and guidance in the recent series of communist outbreaks in South East Asia, of which the latest example is the sudden Communist revolt in the Republican-held territory in Java'. (6) The same opinion was expressed in a Foreign Office memorandum prior to the Commonwealth Prime Ministers' Conference in mid-October, which stressed that:

'In general, the pattern seems to be one of attempting to overthrow established government and to create economic chaos. Though there is no concrete evidence of direction from Moscow, nevertheless the pattern suggests that communists in South East Asia are following the Moscow line. (7)

One month later the Foreign Office had largely made up its mind as to who was behind the South-East Asian insurrections. London told the Commissioner-General's office in Singapore that the communist developments in South-East Asia were of concern not only because they presented an immediate problem in the defence of Britain's vital interests, but also because they 'fit into the general strategy of the Kremlin in the cold war against us'. The paper suspected that after a tightening of Moscow's control during the Calcutta Conference the Kremlin's 'grand strategists' decided that the world international situation required a more active campaign of open violence and disruption in most of South-East Asia. Hence, 'the result of the Calcutta Conference was that violence directly organised by the Communists broke out throughout South East Asia'. (8)

P.S. Scrivener, at the Commissioner-General's office, was less convinced. At the end of November he sent a letter to the American consulate-general in Singapore, stressing that the 'evidence for the integration of terrorist activities in Malaya with a Communist schedule of uprisings elsewhere in South-East Asia rests only to a small extent on documents discovered here'. (9) Despite this lack of concrete evidence, London's doubts about Moscow's central role had been removed by December: the Joint Intelligence Committee of the Chiefs of Staff argued that after the inauguration of the Cominform there had been a re-orientation of communist policy in India, Burma and Malaya, and that ideological guidance had been reinforced by personal contacts established during the Calcutta Conference, to which a large Russian delegation was sent. As a result, the communist parties from the three countries had all decided to embark on a course of militant opposition, encouraged also by the increasingly influential Chinese Communist Party. The strategic plan was initially to forge a militant communist front in the Far East, aiming to aggravate the conflict between Imperialism and the oppressed colonial people, as a step towards total communist control. The revolts in Burma, Malaya and Indonesia all fitted into this pattern. (10)

12.2 THE COLONIAL POWERS AND ANTI-COMMUNIST COOPERATION IN SOUTH-EAST ASIA

The perceived Moscow-inspired communist onslaught on South-East Asia revived the issue of regional cooperation at Whitehall. While

London was determined to suppress the communist insurgency in Malaya by military means, (11) it also realised that some form of anti-communist coordination with neighbouring territories might be required, for example on the intelligence level. The question was, however, whether there should also be some kind of diplomatic initiative, and to what degree France and the Netherlands should be allowed to become involved. The Foreign Office had so far rejected the idea that the Brussels Treaty should lead to an increase in open colonial cooperation in South-East Asia. It refused to change this line simply because of the Malayan emergency. In the middle of July, the Foreign Office warned Bevin, who was about to leave for a Brussels Treaty meeting in The Hague, that he might be questioned about the spread of communism in South-East Asia. The department advised against any public announcements on a common anti-communist policy by the colonial powers, as there was the danger that this might mistakenly be construed as anti-nationalist rather than anti-communist. However, exchanges of information about communist activities in the respective colonies would be advantageous so long as they were given no publicity. (12)

During the subsequent Brussels Treaty meeting in The Hague the issue of specifically anti-communist cooperation does not seem to have been raised. However, the Dutch Prime Minister, Louis Beel, used the opportunity and proposed a joint study of the role of overseas territories in the development of the ideas embodied in the Brussels Treaty. His proposal in fact implied the extension of Western Union cooperation to South-East Asia. Bevin was reluctant to discuss the Dutch proposal, but failed to thwart it altogether; the issue was consequently

referred to the council's next meeting in October. (13) By the autumn, London would therefore have to make up its mind officially on whether it wanted to step up colonial cooperation as a result of the communist insurrections.

British Foreign Office officials in Singapore were unaware of the Dutch initiative. However, they too saw some merit in increasing cooperation with the French and the Dutch, particularly at the intelligence level. As MacDonald told London at the end of July 1948, fresh signs of communist activities gave the issue of cooperation in South-East Asia greater importance and urgency. There were strong movements towards the extreme left in Burma, there was further communist progress in China as well as a communist inspired outbreak of terrorism in Malaya. In Thailand, a Soviet League had been established. MacDonald believed that these events might reduce to some extent the prejudices of the local peoples against Western cooperation, and a framework of such collaboration should therefore be studied if not erected. He saw three possible forms of cooperation:

- 1) A more generous exchange of security intelligence;
- 2) the association, in some form, of the local Dutch and French representatives with the activities of the British Defence Co-ordination Committee; and
- 3) confidential discussions between the three governments to ascertain what measures of agreement already existed between them, whether it could be increased, and whether it could be reduced to a formula calculated to discourage the Russians without provoking the Asians.

MacDonald added that a discreet 'education campaign' could be launched in the South-East Asian territories which would argue that if these countries wished to stand on their own feet they had to be safe from aggression in the process, and that protection could only be supplied by the great democratic powers and their associates. It would perhaps be possible to use some kind of *ballon d'essai* to estimate the real depth of Asian opinion regarding Western collaboration in South-East Asia. (14)

At the Foreign Office, Denning was not particularly pleased that the issue of colonial cooperation had come up again. In an extensive draft reply to MacDonald, he argued that the Russians were out to rouse Asian opinion against the West, and that one therefore had to be careful not to offer them a weapon by entering into open colonial collaboration in South-East Asia. Western Union complicated the issue, as it was not yet known what exactly Britain's obligations were under the Brussels Treaty:

'However that may be, we do not wish to alienate the Asiatic races of South East Asia by an overt association in this area with France and the Netherlands so close as to appear exclusive.'

Though Denning saw possibilities for the exchange of information on how to combat communism, he objected to an alignment of the Dutch and French with the British Defence Coordination Committee, or to confidential (high-level) discussions. Politically, strategically and economically, the aim had to be to get all the peoples of the area to work together, and not just the Western powers. This was impossible unless and until the Indochina and Indonesia issues had been resolved, as Britain would be unable to carry Pakistan, India, Ceylon and Burma with her so long as these issues remained a problem:

'Practically speaking therefore, we see insuperable objections for the present to associating the Western Union in any way publicly with South East Asia, although we appreciate that it may prove difficult to sustain these objections in the light of the Brussels Treaty. On the other hand, we see advantage in economic collaboration to the extent that it is not exclusive to the Western Powers, and we also see advantage in the exchange of information with the French and the Dutch, on a secret basis, about communist activities and methods of combating them, always provided that this is without risk to the security of our own information.'(15)

Dening further emphasized in a note for the Foreign Office that it would be disastrous to publicize any extension of Western Union to South-East Asia, though he welcomed any suggestions as to how the pill could be sweetened for France and the Netherlands.(16) Christofas agreed with Dening's line, minuting that:

'We have consistently opposed any integration with the French and the Dutch in the Far East on the Colonial level and insisted that instead all our collaboration should be through the medium of what was the Special Commission and is now the Foreign Office side of the Commission-General, where such collaboration is not restricted to the metropolitan powers but includes all the territories of the area. Developments in the third session of ECAFE, where an overwhelming majority displayed pro-Indonesian and anti-Dutch sympathies, should serve as a warning to us of the dangers of appearing anti-nationalist in the eyes of the Asian peoples'.(17)

Dening's draft letter was subsequently circulated at Whitehall. As a result, the interdepartmental debate on regional cooperation flared up again. The Commonwealth Relations Office (formerly Dominions Office) agreed with the Foreign Office: Australia's and New Zealand's reactions to signs that Britain was underwriting measures taken by the French in Indochina and the Dutch in Indonesia could well be unfavourable; the same could be said of India, Pakistan and Ceylon.(18) However, other departments tended to favour MacDonald's ideas. The Defence Ministry,

for example, 'attached rather more weight than [Denning] to the arguments in favour of three-power co-operation in the Far East in the struggle against Communism'. It realised there had to be a cautious approach to the problem, but hoped that in view of the possible strategic advantages the risks would be acceptable. (19)

The Colonial Office was divided over the issue. Its Eastern Department regarded Denning's draft reply as too negative, arguing that the communist emergency required closer collaboration with the Dutch and the French. Holding rigidly aloof from the Dutch would merely isolate Britain from her friends in the area while not necessarily increasing her 'popularity with the races of South East Asia'. (20) Galsworthy from the Colonial Office's International Relations Department, on the other hand, had misgivings about open cooperation with the French and the Dutch at the present time (21), though he agreed that it was undesirable to urge MacDonald to go slower than he thought safe. After 'exhaustive discussions' between Galsworthy and Eastern Department, J.M. Martin sent a letter to the Foreign Office hoping to turn the 'red light which Mr. Denning was proposing to flash to Mr. MacDonald not into green, but into Amber'. (22) The Colonial Office's letter agreed that the effect of cooperation with the French and the Dutch on the local peoples had to be the main criterion, and that public opinion in Britain also had to be taken into consideration. However, the Colonial Office wanted to avoid going any slower than MacDonald and other local officials thought to be safe. Furthermore, the whole situation in South-East Asia had been transformed by the open communist offensive during the last few months. Consequently:

'[The danger] that by collaborating with other powers in action against the Communists we may appear to be engaged in a European crusade for the suppression of nationalism in South-East Asia ... is in any case less real to-day than it was. Moreover, good relations with the Dutch in South-East Asia are of considerable importance to us in view of the geographical propinquity between Malaya and the Netherlands East Indies'.

The Colonial Office agreed that there were insuperable objections to associating Western Union publicly with South-East Asia. However, just like there was technical as well as some political cooperation with the French on colonial matters in Africa, a number of conferences with France and the Netherlands could be arranged on technical subjects in South-East Asia. These conferences would not be exclusive: other states would attend, and representatives from the local populations could be invited. No formal machinery should be established, leaving it to the conferences to recommend a possible perpetuation of its work. The Colonial Office realised, though, that ECAFE was a complicating factor and that there was the danger that the Dutch and French might insist on extending cooperation to political matters as well. (23) The letter revealed that the Foreign Office had never fully convinced the Colonial Office of its modified regional strategy in South-East Asia, which ruled out exclusive colonial cooperation.

However, a Meeting of Commonwealth Prime Ministers, scheduled for mid-October, allowed the Foreign Office to force the issue, as the conference would provide an ideal opportunity for discussing both communism and regional cooperation. During an interdepartmental meeting on 29 September Denning recalled that the Special Commissioner's organisation had empirically built up regional collaboration on economic

matters, and that its monthly Liaison Officers' Meetings were regularly attended by representatives from fifteen countries. The economic emergency which had brought these meetings into being was now rapidly passing, but it seemed a pity to let them die, particularly since ECAFE was unlikely ever to prove effective since the Soviet Union was one of its members and would seek to make mischief in it. Dening suggested that, similar to the existing cooperation through the Liaison Officers' Meetings, anti-communist collaboration should be built up empirically by liaison between the C.I.D.'s, police and security services of all the countries of the area, colonial and Asian alike.

The representative of the Commonwealth Relations Office, MacLennan, supported the idea, but Martin from the Colonial Office doubted whether security cooperation with the Asian powers could be as close as with the Dutch. In Africa, there were two degrees of cooperation with Britain: France and Belgium formed an inner circle, while the other powers concerned (Liberia, Ethiopia and South Africa) constituted an outer circle. The meeting agreed that, while security cooperation in South-East Asia would best be achieved through direct contacts between the agencies concerned, (there was already some cooperation between the police in Malaya and India), the Commissioner-General could coordinate two degrees of collaboration. One official suggested that the Commonwealth Prime Ministers should be lined up as an outer circle. Recognizing, however, that it would be difficult to persuade them to collaborate in something as vague as anti-communist activity, the meeting decided that Bevin should use the Commonwealth conference to stress the communist menace in South-East Asia. (24)

The interdepartmental meeting thus recommended a two-pronged approach to cooperation in South-East Asia. Britain, France and the Netherlands on the inside would cooperate primarily at the security level, while there would be a second circle of Commonwealth countries working together at the political level. Since cooperation between the colonial powers would be kept secret, it would not offend Asian opinion. However, a few days before the beginning of the Commonwealth Prime Ministers Conference, Ernest Bevin came up with a much grander idea: as Denning pointed out in a departmental minute, the Foreign Secretary was thinking of 'a kind of O.E.E.C. for Asia'. (25)

12.3 AN OEEC FOR ASIA?

Bevin's idea of an Asian OEEC hit a raw nerve at the Foreign Office. The European OEEC was an intergovernmental organisation with a comparatively high degree of autonomy in decision-making. If an Asian equivalent was established on similar lines, Britain would have been unable to influence the organisation in the way that it had directed the Special Commission. Not surprisingly, Denning warned not to broach the idea with the Commonwealth Prime Ministers without very careful study in advance. He saw 'real danger that if such an organisation were set up, either India or Australia would try to assume the leadership, and in either case the results might not be very happy for the United Kingdom'. (26) A.L.Scott added that China would also try to assume the leadership within such a scheme. In his opinion, the special interests

of Asian countries already received adequate attention through ECAFE. (27)

Apart from the political pitfalls of an Asian OEEC, the Foreign Office regarded the economic implications of the suggested organisation as equally serious for Britain. In Europe, the OEEC had been created as a result of Marshall aid provided by the United States. An Asian OEEC would require similar aid packages, aid that Britain was unwilling and unable to provide because of her precarious financial situation. The only alternative source of aid or loans would have been the United States, which was already financing the Marshall Plan in Europe. However, there were no signs that Washington was prepared to provide large scale aid for the countries of South and South-East Asia, particularly after the failure of her aid programme for the Chinese nationalists. (See chapter on Anglo-American talks on South-East Asia).

Moreover, the British were reluctant to encourage American financial involvement in an ~~an~~ area of primarily British economic interests. Malaya, the antipodeans and the new dominions were all part of the Sterling Area, which helped strengthen the pound as well as Britain's trade balance. The Sterling Area of the late 1940's dated back to 1939 and provided for the pooling and rationing of the Empire's and the Commonwealth's hard currency reserves (with Canada, a dollar area, as the main exception). Under its provisions, Britain bought all the hard currency reserves from the Sterling Area countries and credited them with sterling balances. The effect was that colonies like Malaya, whose rubber and tin exports to the United States were the single

biggest dollar earners of the Sterling Area, were unable to buy American goods but had to rely on imports from Britain. The only problem was that Britain's economy was unable to provide the goods required. Dollar earning parts of the Sterling Area (such as Malaya or the Gold Coast) consequently ran up large sterling balances, while Britain (and other dollar deficit countries such as India) used the dollars to finance the import of goods from the United States. (28) As one historian has argued, the whole deal was rough on the dollar surplus countries because the others were only too ready to spend the surplus. (29)

Another feature of the Sterling Area was that it allowed the members of the Commonwealth to protect themselves against excessive dollar imports and instead foster trade within the Commonwealth and Empire. (30) Not surprisingly, the Americans objected to such discrimination. However, American efforts to brake up the Sterling Area through the convertibility of sterling in 1947 had ended in complete disaster and had had to be aborted. The Foreign Office's economic experts consequently feared that Bevin's idea of an Asian OEEC might be a new way of undermining the Sterling Area. In particular, it might put an end to the triangular trade pattern between Malaya, Britain and the United States. As J.F. Turner from the Foreign Office's Economic Relations Department commented, it was Britain's policy to support ECAFE and to emphasize the reliance on local resources and private investment. However:

'If the implications of the present proposal are that Asia should receive assistance, either in the form in which Marshall aid is being given to Europe, or in the form of a comprehensive government loan from sources outside Asia, the consequences must be economically undesirable. The U.K. is not in a position to provide such aid itself, from its own

resources, & aid from any other source must necessarily mean the establishment of an economic bloc in Asia, cutting right across the operation of the Sterling Area including the principal dollar & other foreign currency contributors to the Sterling Area pool.'

Turner concluded that if on the other hand no such assistance was forthcoming, it would be impossible to claim that such an organisation would economically have anything to contribute which ECAFE did not already do. (31) Another official commented:

'Anything like an Asiatic O.E.E.C. would at the present time be most undesirable. Our role in ECAFE, and that of the other Commonwealth members, permits us to exercise fully the limited degree of influence on the economic development of the area which can be experienced without involving us in commitments which we cannot afford.' (32)

Christophas agreed that Britain would be unable to finance an Asian OEEC, as it would encourage the Asian powers to press still more for some form of Marshall aid for Asia, for which they had already appealed during the last two sessions of ECAFE. It would also entail a duplication of efforts with the United Nations. He went on to suggest a form of regional cooperation which Britain in effect would have been able to control:

'Perhaps what the Secretary of State really had in mind was a medium for regional collaboration on a wider than purely economic field on the lines suggested by Mr. Denning in his original brief for the Secretary of State's reviews of South East Asia for the Commonwealth Prime Ministers. This visualises the creation of some forum similar perhaps to that of the Commissioner-General's Monthly Liaison Officers meetings but (confined generally to S.E. Asia) empowered to deal not with economic or technical matters but with measures to combat Communism and, building empirically, perhaps with other political matters in due course'.

Christophas concluded that if the Prime Ministers agreed such cooperation could be built up around the Commissioner-General's existing organisation. It would give new stimulus at a time when the organisation's 'economic raison d'être' was rapidly ceasing to exist, and would 'encourage the countries of S.E. Asia to continue to look to the United Kingdom for spiritual leadership'. (33) The Foreign Office thus objected to an Asian OEEC partly because of its likely autonomous status and partly because of Britain's inability to provide large-scale loans and aid. The department also feared that American involvement would be detrimental to British economic interests in the region. Instead, officials recommended sticking with ECAFE, or alternatively using the former Special Commission to expand Britain's regional activities.

Bevin, however, lacked faith in both ECAFE and the former Special Commission, and he was determined to launch a new regional initiative at the Commonwealth Prime Ministers' Meeting. It was only after a top-level meeting with officials from the Foreign and Colonial Offices that he agreed to compromise. The meeting dropped the idea of an Asian OEEC, but it suggested instead that government ministers of Britain, India, Pakistan, Ceylon, Australia and New Zealand should meet at regular intervals to discuss matters of mutual interest (such as South-East Asia). Dening subsequently explained that 'the idea as now developing is political rather than economic, with the basic fear of communism and of Russia as the driving force', though it was another matter whether it would work or not. (34) Bevin was briefed accordingly that he should suggest at the beginning of the Commonwealth conference that South-East

Asia's problems were of sufficient importance to demand some form of regional collaboration between the members of the Commonwealth concerned. He should therefore propose periodic meetings of interested Commonwealth members, say at six-monthly intervals, the first of which would take place in Singapore. (35)

The Foreign Secretary's brief constituted the first interdepartmental agreement on regional cooperation since the 1946 Commonwealth Prime Ministers' Meeting. It also marked the beginning of a new phase in London's regional policy. Against the wishes of some Foreign Office officials, Britain's new line no longer centred on developing the Special Commission's international organisation as the nucleus for a regional system in South-East Asia. Firstly, the functions of the Liaison Officers' Meetings were dwindling, while ECAFE was establishing itself as a viable regional alternative. Furthermore, London had come to realise that the new Commissioner-General's international section was too obviously dominated by Britain, and that its chances of being accepted by the Asian countries as the centre of a larger regional organisation in South-East Asia were slim. Instead, London decided that a Commonwealth approach offered the best chance of regaining the initiative on regional cooperation. Britain was the dominant power inside the Commonwealth and London was optimistic that it could play a leading role at the suggested regional conferences. It also hoped that it could use the communist bogey to mould the Asian countries into a regional grouping under British leadership. However, the Commonwealth approach also implied that France and the Netherlands, despite their central position in South-East Asia, would at least

initially be excluded from a regional understanding in South-East Asia. Though this did not rule out cooperation at the intelligence level, the earlier Dutch proposal for Western Union cooperation in South-East Asia would therefore have to be rejected once and for all.

NOTES

- (1) See J.H.Brimmel, *Communism in South East Asia*, London 1959, p.263. Also Frank N.Trager, *Marxism in Southeast Asia*, Stanford 1959, p.268.
- (2) Ruth T.McVey, *The Calcutta Conference and the Southeast Asian Uprisings*, Cornell University, Ithaca 1958.
- (3) Charles B.McLane, *Soviet Strategies in Southeast Asia - an Exploration of Eastern Policy under Lenin and Stalin* Princeton, New Jersey 1966, p.360; Yano Toru, 'Who Set the Stage for the Cold War in Southeast Asia?', in Y.Nagai and A Iriye, *The Origins of the Cold War in Asia*, New York 1977, pp.333-336, and Tanigawa Yoshihiko, 'The Cominform and Southeast Asia', in: *ibid*, pp.370-371.
- (4) CAB 21/1956, Killearn to Bevin, 24 July 1947, paper titled 'South-East Asia: Growing Communist Strength'.
- (5) FO 371, 69694, F 10350, memorandum by Grey dated 16 July 1948.
- (6) FO 371, 69695, F 13733, memorandum by Grey dated 29 September 1948.
- (7) FO 371, 69695, F 14002, memo from 11 October 1948.
- (8) FO 371, 69695, F 14002, memo titled 'Communist Strategy in S.E.Asia', dated 10 or 11 November 1948.
- (9) FO 371, 69695, F 17015, Scrivener to John H.Hamlin, American Consulate-General, Singapore, 24 November 1948. Scrivener enclosed a sequence of events that paid considerable attention to the congresses of the Indian Communist Party in Calcutta immediately after the Youth conference.
- (10) India Office Library and Records, L/WS/1/1198, JIC (48) 113 (Final) paper titled 'Communist Influence in the Far East', 17 December 1948.
- (11) See Anthony Short, *The Communist Insurrection in Malaya, 1948-1960* pp.113-148.
- (12) FO 371, 69694, F 10350, memo by Grey dated 16 July 1948.
- (13) FO 371, 69702, F 136935, draft letter Denning to Macdonald, beginning of August 1948.

- (14) FO 371, 69702, F 13635, MacDonald to Dening, 26 July 1948.
- (15) FO 371, 69702, F 13635, draft letter from Dening to Macdonald, beginning of August 1948. In his letter, Dening referred to a separate (but untracable) telegram which was apparently dealing with intelligence cooperation. According to a minute by Christofas from 6 August attached to Dening's letter, Mr Kellar of MI5 was now in Singapore on a visit to discuss the issue. It seems that intelligence cooperation between the three colonial powers was subsequently stepped up. However, the relevant Foreign Office and Colonial Office Documents are still classified.
- (16) FO 371, 69702, F 13635, note attached to draft letter from Dening to Macdonald, beginning of August 1948.
- (17) FO 371, 69702, F 13635, minute by Christofas, 6 August 1948. Other FO officials proposed minor amendments to Dening's original draft which are included in the version summarized above.
- (18) FO 371, 69702, F 13636, Archer to Dening, 26 August 1948.
- (19) FO 371, 69702, Price, Secretary of the COS, to Dening, 14 August 1948.
- (20) CO 537/3550, minute by Williams, 17 August 1948.
- (21) CO 537/3550, minute by Galsworthy, 2 September 1948.
- (22) CO 537/3550, minute by Williams, 3 September 1948.
- (23) FO 371, 69702, F 13636, Martin to Dening, 6 September 1948.
- (24) FO 371, 69702, F 13637, draft of a first version: meeting at the FO, 29 September 1948, attended by FO, CO and CRO representatives.
- (25) FO 371, 69683, F 14589, minute by Dening, 8 October 1948.
- (26) FO 371, 69683, F 14589, minute by Dening, 8 October 1948.
- (27) FO 371, 69683, F 14589, minute by Scott, 8 October 1948.
- (28) This account of the sterling area is based on D.K.Fieldhouse, 'The Labour Governments and the Empire-Commonwealth, 1945-51', in Ritchie Ovendale, *The Foreign Policy of the British Labour Governments, 1945-1951*, Leicester 1984, pp.95-96.
- (29) P.S.Gupta, 'Imperialism and the Labour government', in Jay Winter, ed., *The Working Class in Modern British History*, Cambridge 1983, p.111.
- (30) Susan Strange, *Sterling and British Policy*, London 1971, p.62.
- (31) FO 371, 69683, F 14589, minute by Turner, probably 8 October 1948.
- (32) FO 371, 69683, F 14589, minute from 8 October 1948.
- (33) FO 371, 69683, F 14589, minute by Christophas, 9 October 1948.
- (34) FO 371, 69683, F 14930, memo by Dening, 12 October 1948.
- (35) FO 371, 69683, F 14930, memo by Dening, titled 'South East Asia - Commonwealth Co-operation', from 11 October 1948.

13. REGIONAL COOPERATION AND REGIONAL CONTAINMENT

13.1 THE 1948 COMMONWEALTH PRIME MINISTERS' MEETING

The Meeting of Commonwealth Prime Ministers in October 1948 provided London with an opportunity to regain the initiative on regional cooperation in South-East Asia, using the anti-communist theme as a means of re-establishing British diplomatic leadership. Throughout the meeting, the British stressed the communist menace in both Europe and Asia. During one of the initial sessions of the conference, on 12 October, Bevin suggested that the Commonwealth countries interested in South-East Asia should hold regular consultations to put the political and economic life of the region's countries, which were threatened by communism, on a firm footing. He had not worked out detailed proposals and was not suggesting elaborate machinery, but hoped that an understanding particularly with the new dominions could be worked out. Bevin's proposals met with a favourable response, Evatt endorsing the idea of Commonwealth consultation on South-East Asia. Nehru replied that India was vitally interested in South-East Asia and that regional understanding between India, Britain, Australia and New Zealand was desirable. (1)

A few days later, Attlee repeated Bevin's suggestion of regional discussions between Commonwealth countries. Economic developments in South-East Asia might be discussed by representatives from Britain, Australia, New Zealand, India, Pakistan and Ceylon. (2) On the following

day, Nehru stressed that regional arrangements were desirable but must not conflict with the principles of the United Nations. He had hitherto resisted proposals from other Asian countries for the formation of an Asian union, but there would be increasing pressure as the regional idea grew inside Europe. The Pakistani Prime Minister, Liaqat Ali Khan, was more forthcoming, stating that the Commonwealth should give a lead to the countries struggling against communism by drawing up a plan for strengthening the countries of the Commonwealth, the Middle East and South-East Asia by methods similar to those which were being applied in Western Europe. Bevin replied that regional associations could form a basis for confidence in the UN. He did not have precise plans in South-East Asia, but was convinced of the necessity for consultation and association. He agreed with Nehru that it was wise to associate Burma with such consultation, but believed it to be difficult to save the country from communism, as Britain had already done everything short of military intervention. (3)

On the whole, London was satisfied with the Prime Ministers' Meeting. As Machtig from the Commonwealth Relations Office pointed out, the conference's outstanding feature was the large measure of support given to the policy of offering firm resistance to 'Soviet totalitarian pressure', be it in the form of external aggression or communist infiltration. (4) The Foreign Office was particularly pleased that advice by Nehru on combatting communism provided 'valuable confirmation of our own thinking on this matter, coming as it does from a man with such experience of leftist thinking in Asia'. (5)

However, so far as South-East Asia was concerned, the results of the Commonwealth Prime Ministers' Meeting were inconclusive. As Denning pointed out, the conference discussions on anti-communist cooperation in South-East Asia had only 'touched the fringe of the subject'. (6) On the one hand, Bevin's proposal for periodic meetings of Commonwealth countries interested in South-East Asia had initially met with a favourable response. On the other hand, the problem was that his proposals for South-East Asian conferences seemed to have been superseded in the minds of many delegates by the proposal for general Commonwealth meetings on foreign affairs. (7) It had been suggested at the end of the conference that in the future Prime Ministers' Meetings should take place as often as practicable, and that in the intervals there would be ministerial meetings on foreign affairs either once or twice a year. The first such meeting had been contemplated for May 1949 in Ceylon. It was therefore unclear whether or not the Commonwealth Prime Ministers still favoured a special conference on South-East Asia.

Despite this confusion, the Foreign Office remained committed to the idea of Commonwealth cooperation as a basis for regional cooperation in South-East Asia. As Grey minuted, the Foreign Office had always favoured regional political collaboration in South-East Asia as an 'object towards which we should work', indeed 'the idea in establishing the organisation in Singapore was that economic collaboration should eventually produce political collaboration.' A Commonwealth conference therefore might well lead to such a development. (8) Denning too was hopeful, arguing that Nehru seemed willing to agree at least to a certain amount of collaboration - provided it was covert and not overt.

As a first step, closer contacts with the police and security services should be established. Dening also supported a follow-up to the Prime Ministers' Meeting, and if a [separate] regional conference was arranged the matter should be carried further, possibly bringing in other non-British territories as well. (9)

13.2 LONDON'S FINAL REJECTION OF WESTERN UNION COOPERATION IN SOUTH-EAST ASIA

The Commonwealth Prime Ministers' Meeting thus encouraged London to foster regional cooperation through the Commonwealth. It was hoped that in the long run countries like Burma, Thailand, France and the Netherlands would also be included. However, London also decided that the Commonwealth approach was incompatible with a separate scheme of colonial cooperation. During an interdepartmental meeting on 20 October Dening stressed that the Asian populations would be strongly prejudiced against political cooperation with the Brussels Treaty powers in the Far East. MacDonald, who had attended the Prime Ministers' Meeting, now supported Dening's line. The meeting therefore agreed that Bevin should explain to Western Union members that Britain opposed open political cooperation in South-East Asia but was prepared to collaborate covertly. Furthermore, if the Dutch raised the issue of economic cooperation in overseas territories, Bevin should point at a recent decision by the Western Union's finance ministers to set up an OEEC Colonial Development Committee which covered this aspect. (10)

A meeting of the Brussels Treaty consultative council in Paris on 25 October provided the opportunity for Britain to clarify her line. Prior to the meeting, Bevin was briefed that friction caused by Dutch and, to a lesser extent, French colonial policies made immediate Commonwealth cooperation in South-East Asia difficult, and that he should oppose any Anglo-Dutch-French consultation regarding South-East Asia. The only exception was collaboration 'behind the scenes'. There was 'already effective co-operation in Singapore with the Dutch and French as regards the activities of Communists, arms smuggling, contraband and so on'. (11)

During the Paris meeting, the Dutch, as expected, raised their proposal from July 1948 to study Western Union cooperation in colonial territories. The Dutch Foreign Minister, Dirk Stikker, stressed that not only the Netherlands, but also France and Britain were in trouble in South-East Asia. However, Bevin was unforthcoming. The Commonwealth Prime Ministers' Meeting had shown that Australia and India were unfavourable to the situation in South-East Asia, and that discussions in the Permanent Commission of the Brussels Treaty powers (which would have to be mentioned in the public communiqué) would encourage nationalist feeling in South-East Asia and give the communists a good propaganda weapon. Any consultations should take place through the 'normal diplomatic channels'.

The other Western Union powers were equally disinclined to become entangled in the Netherlands' Indonesian problems. The Belgian Foreign Minister, Henri Spaak, stressed that it was inconsistent for the Dutch

to argue in the Security Council that Indonesia was an internal affair and no threat to peace while taking the view in the consultative council that the matter was of international concern and a threat to peace. The French Foreign Minister, Robert Schuman, also believed that discussing Indonesia, perhaps on the grounds that it threatened the Netherlands' financial stability, would be stretching the treaty to mean rather more than it actually said. The meeting therefore decided that any discussions on Indonesia should be mentioned in the communiqué only after other international issues such as Palestine, Spain or the Italian colonies. (12) As Christofas commented a few days later on at the Foreign Office:

'This satisfactorily disposes of Dutch attempts to extend the scope of the Brussels Treaty to Overseas Territories.'(13)

In addition to his opposition to Western Union collaboration in South-East Asia, Bevin also refused to make further concessions on the Indonesian arms embargo. On 19 July, Bevin had told the Dutch Prime ^{minister} ~~Prime~~, Louis Beel, that the arms ban could not be lifted before the introduction of constitutional reforms had been introduced in Indonesia; however, this did not preclude 'special arrangements being made for the supply from Singapore or elsewhere of a few spare parts or uniforms required by the Dutch in Indonesia'. (14) In August, London had confirmed to The Hague that subject to availability Britain 'would in future supply orders for what we consider to be non-lethal equipment (including spares) without requiring any guarantee that it would not be forwarded to the Netherlands East Indies'. (15) However, this was as far as Bevin was prepared to go. In October, the Dutch proposed that the British

would no longer ask for specific undertakings but would assume that the Netherlands would not order any lethal material for Indonesia. Bevin objected - against the advice of the Foreign Office.(16) The Foreign Secretary saw the proposal as a subterfuge that could not be defended in the House of Commons(17), and which would mean the end of the embargo.(18) Bevin explained to his officials that there was the possibility of a second police action in Indonesia, in which case he would be questioned closely about the embargo. The matter should be left as it was, though Grey was instructed to help the Dutch as much as he could administratively.(19)

The decision of the Brussels Treaty's Consultative Council against special Western Union talks on Indonesia, as well as Bevin's maintenance of the arms embargo, removed a potential obstacle in the way of Commonwealth cooperation in South-East Asia. As Grey wrote to British diplomatic representatives in South-East Asia in November, it was in the Foreign Office's mind to take the initiative, when the time seemed ripe, in proposing a special regional conference on South-East Asia which would preferably meet in Singapore. The department intended to:

'...keep the initiative in South-East Asia which we took when we established the Special Commissioner's Organisation. But secondly we should like at some stage to bring in non-Commonwealth countries. It was always intended that the economic collaboration initiated at Singapore should develop into a wider political collaboration. '(20)

At the end of November, British officials based in South-East Asia discussed London's conference plans during a meeting in Singapore organised by MacDonald. The meeting concluded that a lot was to be said

for the calling of an early regional conference on the lines suggested by the Foreign Office, but that it would be better to delay the proposal. As MacDonald pointed out to London, the proposal to hold a larger Commonwealth conference in Ceylon in April or May was holding the field, and Commonwealth countries would probably be upset by an earlier regional Commonwealth conference in Singapore which might cover much of the same ground. It was also thought that countries like Thailand and Burma would be reluctant to attend such a conference. They probably wanted to avoid 'ganging up against the Russians and Communists' while 'lining up with "Imperialists"', though possible American participation would make things easier for non-Commonwealth countries to attend. Furthermore, the Indonesian problem remained a stumbling bloc. According to MacDonald:

'The Indonesian situation is so vital to developments in South East Asia generally that a conference without representatives of Indonesia would be like a performance of "Hamlet" in the absence of one of the important characters, if not the Prince of Denmark himself'.

The problem was whether Dutch, Indonesian or delegates from both sides would attend the conference:

'In fact we think an attempt to hold such a [conference] prior to settling of Indonesian question will result in great controversy between us, the Dutch, the Indians and Indonesians. The reactions of such a controversy in South East Asia would be very bad'.

MacDonald added that to a lesser extent the same applied to Indochina. However, if the larger Commonwealth meeting in Ceylon would not come off, a Commonwealth conference in Singapore should be considered at an early date. If at the same time the Indonesian question was settled, the

conference could be extended to include other countries as well, although this would require careful consideration. (21)

After MacDonald's meeting of British officials in South-East Asia, the implications of London's new regional policy became fully apparent. The idea of using the former Special Commission to organise further regional cooperation had been dropped in favour of informal Commonwealth conferences on South-East Asia which might include some countries from outside the Commonwealth as well. The driving force behind the meetings would be the fear of communism in South and South-East Asia. Britain, still the dominant power in the Commonwealth, would be in the best position to organise regional action. The Commonwealth framework would also allow her to control her main regional rivals, India and Australia, by giving them a say in South-East Asian regionalism without challenging London's regional lead.

However, a number of problems remained. A 'technical' problem was how to align the proposals for regular Commonwealth meetings on foreign affairs with the proposal for special Commonwealth meetings on South-East Asia. In the long run, there was the more serious problem of integrating the Dutch and the French into a Commonwealth scheme in South-East Asia. Indonesia and Indochina were an essential geographical and political part of South-East Asia, and regional cooperation, whether on the security, economic or political levels, would eventually have to include the two territories. Indeed, confining cooperation to the Commonwealth meant that mainly countries from the South-East Asian periphery would be included. Britain simply could not escape the fact

that so long as France and the Netherlands failed to find a settlement with the respective nationalist movements, the two powers were unlikely to be accepted as regional partners by the new Asian states. A further question was whether Burma and Thailand could be convinced to participate in future Commonwealth conferences. Burma feared both British and Indian domination, while Thailand was reluctant to commit herself to any grouping without securing considerable gains in return, such as financial or military aid. Finally, Britain had to make up her mind about the kind of cooperation she wanted. Would collaboration be confined to the police and intelligence levels or would defence be included, and what exactly did political cooperation entail? Economically, the problem was that the South and South-East Asian countries were bound to demand loans or financial aid from Britain to raise their populations' standard of living. Without such aid, an agreement on regional cooperation under British leadership was highly unlikely.

Britain's new regional plans were thus full of uncertainties. However, events in China were to force London's hand. After steady advances in the Chinese civil war, Chinese communist forces had in September started their final all-out offensive against the nationalists; by 1 November the Kuomintang army in Manchuria had collapsed. One month later the offensive against Peking was launched, resulting in the city's surrender at the end of January. (22) It now looked certain that at least the northern parts of China would permanently fall into communist hands. As a result, London was becoming increasingly worried about the impact of the Chinese developments on the

territories further south. Regional cooperation would soon become a key British strategy for containing communism in South and South-East Asia.

13.3 THE CABINET PAPER ON CHINA

London took the communist successes in China extremely seriously. Apart from their negative implications for British trade in the country, it was feared that the collapse of the Kuomintang regime in parts if not the whole of China would have serious repercussions in South-East Asia. A Cabinet paper from 9 December, drafted by the Foreign Office, alerted ministers to the communist advances. (23) Chiang Kai-shek, the leader of the nationalist Kuomintang forces, had virtually lost control of the area north of the river Yangtze. In the long run, it was highly possible that the communists would take over the whole of China. Apart from considering the significance of the communist advance for British and American interests in China, the Cabinet paper examined the likely effects on adjacent territories. So long as the communists controlled only the north of China, the effects on Malaya and Singapore would be limited. However, should the whole of China fall, Malaya would be in grave danger. 'Militant communism' would in such a case be very close to Malaya's frontier - only Thailand and French Indochina would remain as buffers. Inside Malaya, the morale of the Malayan communists would improve, there might be increased communist infiltration from China, and even relatively small successes of the Malayan communists would have considerable repercussions among the traditionally passive Chinese community.

Other parts of South-East Asia would also be adversely affected. Further communist successes in the north of China would stimulate communist movements throughout the region, and if all of China was overrun, contacts between Chinese communists and the communists in Indochina and Thailand would be greatly facilitated. Furthermore, Burma was likely to be infiltrated because of her partly undefined border with China and because of the Burmese government's lack of effective control over the country. There was also the danger that communism would seep over into India and the eastern part of Pakistan. Things would be particularly difficult in Indochina where 'the failure of the French Government to take effective measures to seek a solution has resulted in an alliance between the Nationalist and Communist elements'. Communist Chinese reinforcements for the Viet Minh might make the situation in the north untenable for the French in the north, strengthen the Communist position in the whole of Indochina and increase the threat to other parts of South-East Asia. In Indonesia, on the other hand, early reactions to a total communist victory in China were unlikely - largely because of the recently failed attempt at power by the Indonesian communists. However, if the Dutch failed to reach a political settlement in the country and resorted to military action, an alliance between Indonesian nationalists and communists might be created resulting in a long period of disorder with serious consequences for the whole of South-East Asia. Thailand as well had a strong communist element which might get out of hand because of developments in China. In southern Thailand in particular there was the danger that local communists would combine with Malayan communists.

The paper expected that the communist domination of China would also have indirect but 'none the less formidable' consequences in India and Pakistan. The strengthening of communism in Burma, Tibet, Nepal and Bhutan after a communist take-over in China would threaten to encircle India and Pakistan strategically and politically. At the same time, India's attitude of neutrality between communist states and the Western powers would probably be strengthened. The situation on the subcontinent was further complicated by the conflict between India and Pakistan over Kashmir. So long as this dispute existed, there was the danger that Pakistan, who was potentially anti-communist, might seek Russian support against India.

From the economic point of view, the greatest danger was that communist disturbances in Burma, Thailand and Indochina, who were the area's main rice producers, would lead to a significant decrease in the production of rice. This would have the greatest repercussions in Britain's colonial territories and in the Asian Commonwealth countries:

'A decrease in rice consumption will provide fertile ground for Communist agitation. This - together with general disturbances in other South-East Asia industries - would cause further disruption of the economy of the area with consequent adverse effects on the production of such vital commodities as rubber, tin, edible oils, &c., which are of such importance to world economic recovery.'

Having painted the gloomiest of pictures, the Cabinet paper made recommendations for possible British counter-action. In China, Britain should maintain *de facto* relations with the communists to safeguard existing trading interests and to keep a 'foot in the door'.(24) In South-East Asia, the problem was that the Americans were apparently not

prepared to accept any responsibility or to take any action to maintain the position of friendly powers there. The powers geographically situated in the region therefore had to take their own measures to 'meet the Communist menace'. Britain would have to make strenuous efforts to clear up the situation in Malaya, while in the region as a whole the measures of the different governments had to be coordinated. However:

'Burma, for example, would find difficulty in associating with French Indo-China and Indonesia, while the French and the Dutch might be equally reluctant to have such an association. Moreover, the Commonwealth countries primarily concerned, i.e. Australia, New Zealand, India and Pakistan, which all have a vital interest in the peace and prosperity of South-East Asia, would, on present showing be unwilling to join in any activities involving support of the French and Dutch Governments in this area. It may, therefore, be that the United Kingdom is in the best position to act as the co-ordinating factor, though it would be necessary to consider the political consequences very carefully at each stage.'

The paper concluded that it might be to Britain's advantage if she addressed all the interested powers, setting forth her view on the problems likely to arise as a result of the communist successes in China, in order to consult on the best method of dealing with the situation. The United States should be kept informed and their support sought. The paper also suggested stepping up intelligence and police cooperation, so far as political considerations permitted, and conducting a study of the economic consequences of communist domination of China for the whole area. In addition, the Chiefs of Staff had already been asked to consider the possibility of coordinating military measures within the Afghanistan to Pacific region to meet with any possible strategic threats. (25)

13.4 BRITAIN'S THREE-PRONGED INITIATIVE

The Cabinet endorsed the paper's recommendations on 13 December 1948. (26) The decision was a major landmark in the development of British regional policies in South-East Asia. Though the Cabinet fell short of proposing a regional association in South-East Asia, London was now committed to try and coordinate international action against the further spread of communism in South-East Asia. However, what exactly such action entailed still had to be worked out by British officials. On 10 December, MacDonald, who was probably still unaware of the Cabinet paper, told London what he thought should be done. He stressed that:

'The mounting Communist victories in China considerably alter the situation and prospects in South East Asia...From the point of view of our position in South East Asia, the further north the Communists can be effectively held, the better.'

The communist advance, Macdonald further argued, constituted a most formidable threat to all countries further south. Though South-East Asia would only be a minor theatre of operations should a 'hot war' ever break out

'... we must accept that South-East Asia is now a major theatre in the "cold war", and will continue so throughout this period. The Communist friends of Russia, with such help as Russia deems it advisable to give, will push as far as they can by propaganda, agitation and subversive activities...'

Britain could only counter this through a diplomatic and political offensive and had to do 'everything that lies in our and the American power to strengthen the forces opposed to the Communists inside the Asian populations.' In Malaya, for example, the establishment of a

Central Information Bureau was required, while in Indonesia the FO's energetic policy of influencing both the Dutch and Indonesians towards a compromise settlement had to be maintained. Thailand, from where MacDonald had just returned, also required action. The country was in a weak position and would be 'dangerously exposed to the Communist threat from outside and inside' as a result of the developments in China. As a sign of goodwill Britain should therefore waive £ 1 million worth of war reparations claims and send some military equipment for use against bandits in southern Thailand. Furthermore, the Americans would have to be convinced to do whatever they could in terms of economic and military aid. In addition, both Britain and the United States had to examine the position with a view to formulating a joint programme for adequate economic and military support. There should also be talks in Singapore between the British and Thai military authorities - if the Americans were ready to join in these talks, all the better. Washington would in any case have to be taken into Britain's confidence.

MacDonald then turned to Indochina which from the military point of view was 'of course of great importance to our position in South East Asia'. Unfortunately there seemed 'little chance of a complete political agreement between the French and even moderate elements in Indo-China'. Despite this, MacDonald recommended discreetly adopting the course of cooperation with France, by discussing strategic questions with the local French military chief, and by arranging secret joint planning discussions. At the same time, diplomatic action in Paris should encourage the French to reach an agreement with the anti-communists in their colony, although he was not optimistic that such an initiative

would be successful. Finally, there was the problem of Burma whose government was weak and where the situation was confused. MacDonald found it difficult to know what more could be done before he had visited the country, believing, however, that India might be able to help by showing military strength, or perhaps by giving some form of support to the Burmese government. (27)

MacDonald thus recommended international action to deal with the three South-East Asian countries closest to China and therefore most likely to be affected by the communist victories. In Burma, Britain would seek Indian support to stabilise the situation, while in Indochina, Britain would embark on secret military talks with the French. In Thailand, the Americans had to be brought in to strengthen the country economically and militarily. There would also be staff talks between the Thai and British military. As MacDonald explained in a follow-up telegram, Prince Chumbot had recently told him that the Thais were in some ways cowardly and never put up a firm resistance to an enemy unless they felt sure it would be effective. This, the Prince asserted, was the reason why the Thais had not resisted Japan: they wished to resist but knew that their foreign friends would give them no support. The same would happen with the communists unless the Bangkok government saw practical evidence that Britain was granting help. (28)

The British ambassador in Thailand, Thompson, strongly endorsed MacDonald's proposals, arguing from Bangkok that the

'...frontiers of Malaya are on the Mekong and (...) if we desire to establish a bastion against communism in this area, we must

be ready to give very substantial help to Siam. We must, moreover, work in conjunction with the United States.'

American assistance to Thailand was so far meagre, and encroached upon or competed with British interests.

'It is high time that the Americans realised that our influence in this country and indeed throughout the Far East is beneficial to them and that they agreed to work with, and not against us. Since the end of the war they have suffered here, in particular, from a growing sense of frustration and irritation because they have not succeeded in ousting British influence either political or economic and supplanting it with their own. This Anglo-American rivalry, which derives primarily from American disappointment over our commercial come-back, must go if we are to make a good job of strengthening this country. If the United States will not work with us, it should at least be guaranteed that they will not work against our interests.'

Thompson further argued that Anglo-American help had to be generous and had to include paying for the equipment and training of the Thai Army and Air Force. In Thai eyes the threat was primarily Chinese rather than communist, but Thailand would not come down irretrievably on the Western side unless the Anglo-Americans were prepared to act instead of talking. In 1941, Britain had offered Thailand no help apart from Churchill urging Pibul to uphold the cause of democracy.

'Having as little hope of successfully resisting Japan as Denmark had of standing against Hitler, Pibul followed a policy which enabled the country outwardly to maintain its independence and spared its people much suffering, gambling in the process on an eventual Allied victory. Now a new danger threatens and Siam could scarcely be blamed if in the absence of any resolute Anglo-American action, they sought to conjure it by again employing methods which both in the recent and distant past have proved successful.'(29)

The Foreign Office welcomed MacDonald's proposal for secret staff talks with France on Indochina. However, it refused to contemplate Indian intervention in Burma. As A.M.Palliser commented:

'Before India can exert any really effective anti-Communist influence in South East Asia ... she needs a satisfactory settlement of the Kashmir issue, which at present seems improbable though not impossible. Until then, she is likely to take action which would be, in effect, an invasion of Burma...'

There had been many indications that India would be ready to play a leading role in South-East Asia, but in helping Burma she would presumably encounter the same obstacles as Britain:

'The Burmese Government will gladly accept arms and money but not advice about how to use them. Direct Indian military intervention in Burma...would be just as unpopular as direct British intervention. Pandit Nehru might, however, have more influence with the present Burmese government than any European could hope to exert and he might be ready to use it if Burmese rice exports looked like stopping.'

So far as Thailand was concerned, A.M.Palliser was reluctant to involve the Americans in military talks with the Thais, as 'our enemies might make fruitful propaganda out of an "Anglo-American colonial policy" towards Siam.' The Americans should, however, be taken into Britain's confidence'. (30) In a further comment, this time on Thompson's telegram, Palliser admitted that the Thais were using Anglo-American rivalry to play one country off against the other and that it would obviously be preferable to persuade the Americans to take an interest in this part of the world. He was, however, not convinced of the need for aid to Thailand. The country had enough foreign exchange to meet her rehabilitation and defence requirements and he foresaw the danger that

Western pounds and dollars would go the the way of U.S. aid to China. (31)

As the Thai example demonstrated, the Foreign Office was still far from agreeing on what exact action would be required to prevent the advance of communism in South-East Asia. Should there be military intervention by either Britain or India in troublespots like Burma, and was financial aid required to keep the Thais in the pro-Western camp? Despite this lack of coherence, London decided to get the ball rolling. It decided on three separate diplomatic initiatives towards anti-communist collaboration in South-East Asia. The first concerned the Commonwealth. At the end of December, short versions of the Cabinet paper on China were sent to all Commonwealth countries and to Thailand. This was in line with the policy of pursuing Commonwealth cooperation as the basis for a wider regional scheme in South-East Asia.

Britain's second initiative aimed at convincing the United States with her overwhelming financial power to support British policies in South-East Asia, despite earlier fears that American involvement might cut across the Sterling Area. Shocked by the developments in China, London believed that only the Americans could stem the communist tide in Asia. Just as they had come to the rescue in Western Europe by providing Marshall aid, they now had to make a commitment to South-East Asia. The problem was, however, that Washington had shown little inclination to become involved in the problems of the colonial powers in South-East Asia. As Thompson told London on 18 December, the American ambassador in Bangkok, Stanton, supported his views on Anglo-American consultation and

agreement, but Stanton also feared that little could be expected from the United States. Washington felt it had so much on its hands in Europe that there was little it could do out in South-East Asia.(32) Despite such discouraging reports, London decided to go ahead with its diplomatic offensive suggested in the Cabinet paper. As Grey explained in a Foreign Office memorandum, Britain had hitherto been dealing rather piecemeal with furnishing support against communism in countries like Afghanistan, Burma and Thailand. The United States regarded this as fritting away British resources in the East despite the overriding claims of the West. Grey added:

'What we need is a full-scale review with the United States of the possibilities of action in South East Asia, militarily, political and economic. It will be remembered that we tried, and failed, to have discussions when Mr. Denning went to Washington via India, Australia and Canada this summer. One difficulty was the Australian antagonism to American policy; another, and equally important, obstacle was that the Commonwealth Relations Office then refused to let us discuss how India, Pakistan and Ceylon fitted into the picture...The Americans also were not quite ready for the talks.'(33)

On 20 December the Foreign Office instructed its embassy in Washington to approach the Americans on the issue of communism in Asia as a whole. A summary of the Cabinet paper on China was given to the State Department on 5 January as a basis for bilateral discussions.(34)

The Foreign Office's third initiative aimed at stepping up collaboration with France. As MacDonald had argued, Indochina was in the frontline in the fight against communism. It was expected that the activities of the communist Viet Minh would increase once Mao's troops had reached the northern border of Vietnam. Furthermore, there was hope

in London that the French would find some kind of agreement with the former Vietnamese emperor, Bao Dai, in order to bring the non-communist Vietnamese nationalists onto their side. The French had been pursuing the 'Bao Dai solution' to their political image problem in Asia since the end of 1947, and the British were hoping that an eventual agreement between the two sides would make French participation in a regional scheme acceptable to India. In November 1948, Denning had visited Paris where he had stressed the need of an understanding with the (non-communist) Vietnamese nationalists. The French had agreed that there would have to be concessions to Vietnamese nationalist feelings. (35) This further encouraged London to pursue a more active policy on Indochina. On 21 December, Denning returned to Paris for further talks. His comments now centred on the communist threat to the region, and on the need for intelligence cooperation as well as high-level talks. (36) A few days later, London sent Paris a summary of its paper on China. (37)

In the following months, there followed a series of Anglo-French consultations on South-East Asia. During these meetings, London pursued three objectives. Firstly, it tried to encourage the French to come to an agreement with Bao Dai which would entail real concessions. Though the British never submitted concrete proposals on how to deal with Bao Dai, they made it clear that they desired settlements in Indochina which would enable regional discussions to take place with India on the issue of communism. (38) By implication, this meant taking a step towards nationalist self-government in Vietnam. A second British objective was to improve cooperation on the police, intelligence and propaganda levels. Bevin was particularly enthusiastic about this, and he suggested

to the French Foreign Minister, Robert Schuman, in January that the British, French and Dutch should pool their information work, possibly in Singapore where Britain already had a powerful broadcasting station.(39) Most of the Foreign Office and Colonial Office files dealing with intelligence and security cooperation in South-East Asia are not yet available. However, it seems that in this field considerable progress was subsequently made between the local French and British authorities.(40)

The Foreign Office's third objective was to leave Paris in no doubt that Anglo-French cooperation would not take precedence over collaboration between Britain and the independent Asian countries - despite Bevin's enthusiasm about pooling Western efforts in the region. In February, the French reply to the British paper on China welcomed regional cooperation. However, it left the impression that Anglo-French cooperation would be in the centre and that the United States and independent Asian countries would merely be associated with efforts by London and Paris.(41) Coinciding with this, the French consul in Singapore, Gibaut, suggested to MacDonald that a 'colonial charter' be drawn up between Britain, France and the Netherlands with a set of economic and political principles. Possibly, some Asian countries could be associated.(42) In response, Denning made it clear to MacDonald that a colonial charter was a non-starter. Only after settlements had been found in Indonesia and Indochina was there a possibility of associating the Dutch and French not only with Britain but with Asian countries as well.(43)

While the prospects for France's inclusion in a regional scheme sponsored by Britain were thus temporarily improving, the opposite was the case with the Netherlands. This was so because of the different political circumstances in the Dutch colony. The Indonesian nationalist movement, unlike the Viet Minh in Indochina, was relatively free of communists. In October 1948, the republican government under Mohammed Hatta had managed to crush an insurgency by the Indonesian Communist Party. The event proved to both Britain and the United States that the Indonesian Republic was not a communist spearhead, as the Dutch were suggesting, but should indeed be regarded as a bulwark against communism. (44) From the British point of view, the danger was that open support for the Dutch position in Indonesia might drive the nationalists into the camp of the communists. A further reason for British reluctance to include the Dutch in their regional plans was that international interest remained far greater for Indonesia than for Indochina. So long as no settlement was in sight, the Dutch could not be associated with a regional scheme that also involved India.

The moment of truth came when the Dutch launched a second police action on 19 December with the aim of liquidating the Republic. Within two weeks, most of the Indonesian leaders, including Hatta and Sukarno, were arrested, and most of the republican cities in Java and Sumatra were occupied by Dutch troops. (45) The move instantly resulted in a world-wide outcry against the Netherlands. While the Security Council called for a cease-fire and the release of the republican leaders, India was amongst the most outspoken in condemning the Dutch. Flights by the Dutch airline KLM over Indian territory were suspended and the departure

of the first Indian ambassador to The Hague was postponed 'indefinitely'. There were demonstrations at the docks in Bombay, where a Dutch ship was being unloaded, and in front of the city's Dutch consulate. The Indian national Congress assured the Indonesian Republic of its complete sympathy. (46)

In Britain too, public opinion was critical of the Dutch intervention. Though London refused to back a Soviet demand for a Dutch troop withdrawal (47), it nevertheless put diplomatic pressure on The Hague to cease the fighting. Bevin also gave instructions to discontinue the recent relaxations in the arms embargo (48), and he told the Dutch ambassador in London on 29 December that the Netherlands had not paid sufficient attention to the international position which their action had created, and that they should pay regard to international developments in South-East Asia. The whole situation had changed with the granting of independence to India, Pakistan and Ceylon and the enormous advance made in Malaya; the Dutch should have kept in step with this general progress. Bevin suggested the Dutch call a conference of all parties in Indonesia, including the Republicans, and that they

'...offer their scheme of an interim Government together with a firm date for a transfer of power, adding that if progress was made the date might be advanced'.

India and Pakistan might then adopt a constructive attitude. Nehru and Liaquat Ali Khan were 'both well aware of the dangers of Slav expansion in South East Asia, especially since Russian territory was near their frontiers'. If the Dutch handled this problem right, they could make friends in Asia instead of antagonists. It was Britain's policy to

'...make friends in South East Asia for many years to come, and to maintain our trade and our economic position there. It might be possible to hold at no distant date a South East Asia conference, including India, Pakistan, Ceylon, Australia, New Zealand and the Western European powers concerned. But the Dutch must show, in any declarations they make, that they appreciate nationalist sentiment in South East Asia and intend to follow a forward looking policy. If they did this, we would use what influence we could with Asiatic countries to help them.'(49)

However, news subsequently reached London that Nehru was planning a conference of mainly Asian countries which would condemn the Dutch action in Indonesia. As a result the Foreign Office dropped its suggestion of including the Dutch in a future regional conference. All telegrams reporting Bevin's talk with the Dutch ambassador to the Commonwealth were cancelled, since countries like Australia would 'conclude that we had been outwitted by the Indians'.(50) The prospect of an anti-Dutch Asian conference made the Netherlands' participation in a joint Asian-European scheme virtually unthinkable in the short term. Until the transfer of power in Indonesia one year later on, the Netherlands in fact ceased to feature in London's regional strategy.

To sum up, London was by the end of 1948 considering three levels of cooperation on South-East Asia. Firstly, Britain remained committed to the idea of cooperation through the Commonwealth as the basis for a larger regional scheme. One of the immediate issues that the Commonwealth and particularly India might have to deal with was the deteriorating situation in Burma. Secondly, Britain was hoping to secure the material and political support of the United States in order to stabilize South-East Asia. Initially, cooperation would centre on

Thailand where the Americans had established an economic foothold after the war. Joint Anglo-American action would prevent the Thai government from siding with the Chinese and enable it to suppress possible communist resistance movements. Finally, Britain decided to embark on separate talks with France. The aim was to increase security and intelligence cooperation in South-East Asia in order to strengthen the anti-communist campaigns in both Indochina and Malaya. London also hoped to induce the French into granting concessions to the non-Communist nationalists in Indochina. This would boost a nationalist alternative to the Viet Minh and it might turn France into an acceptable partner in a European/Asian scheme of cooperation in South-East Asia. The Netherlands, on the other hand, had missed the bus. After the second Dutch police action Britain privately recommended a Dutch withdrawal from Indonesia.

Britain, in line with the Cabinet paper on China, soon stepped up diplomatic pressure towards regional cooperation in South-East Asia. As Denning reflected four months later on, the Cabinet paper was originally designed to give the impetus which would induce the South-East Asian territories as well as the United States and the Commonwealth to consider concerted action to resist Russian expansion and communist tactics in South-East Asia. (51) However, while the short-term goal may have been the creation of an anti-communist bloc in South-East Asia, London's diplomatic efforts also fitted in with its long-term policy of creating a regional scheme that would guarantee Britain lasting political, economic and military influence in South-East Asia. In May 1948, the prospects for a British-led regional scheme had been dim given

the previous decline of the Special Commission, the anti-European atmosphere in India and the appearance of regional competitors in the form of India, Australia and the United Nations. At the end of 1948, none of these problems had disappeared. However, the Cold War now dominated British thinking on South-East Asia. Against the odds, London was determined to press ahead with its regional plans. After years of planning by the Foreign Office's South-East Asian experts, regional cooperation was turning into one of Britain's main strategies for containing communism in South-East Asia.

NOTES

- (1) CAB 133/88, PMM (48) 3rd meeting, 12 October 1948.
- (2) CAB 133/88, PMM (48) 7th meeting, 18 October 1948.
- (3) CAB 133/88, PMM (48) 10th meeting, 19 October 1948.
- (4) FO 371, 70196, W 6400, memo by Machtig, 5 November 1948.
- (5) FO 371, 70196, W 6208, minute by J.H. Watson, 19 October 1948.
- (6) FO 371, 70196, W 6208, minute by Dening, 2 November 1948.
- (7) FO 371, 69684, F 15363, letter from Grey to British diplomatic representatives in SEA (signed by Lloyd), n.D, probably beginning of November 1948.
- (8) FO 371, 69684, F 16408, memo by Grey for Bevin, 20 October 1948.
- (9) FO 371, 70196, W 6208, minute by Dening, 2 November 1948.
- (10) FO 371, 69702, F 14679, Meeting at the FO, 20 October 1948.
- (11) FO 371, 69684, F 16408, memo by Grey for Bevin, 20 November 1948.
- (12) FO 371, 69702, F 15179, record of a Consultative Council Meeting at the Quai d'Orsay, 25 October 1948.
- (13) FO 371, 69702, F 15179, minute by Christofas, 1 November 1948.
- (14) FO 371, 69796, F 10694, memo by Grey titled 'Indonesia Arms Embargo', 30 July 1948.
- (15) FO 371, 69796, F 11859, Lloyd to Gage, The Hague, summarising a letter to Dutch ambassador, 31 August 1948.

- (16) FO 371, 69796, F 15534, minutes by Grey, 19 October 1948; Dening, 23 October 1948 and Sargent, 26 October 1948.
- (17) FO 371, 69796, F 15534, minute by Roberts, 2 November 1948.
- (18) FO 371, 69796, F 15534, minute by Bevin, n.d.
- (19) FO 371, 69796, F 15009, Grey to Sir Philip Nichols, The Hague, 6 November 1948. According to the British ambassador in The Hague, Dutch feeling against the embargo remained 'widespread and bitter'. 'The fact that political circles do not say much about it, except the Right Wing opposition who find periodical opportunities to make souf remarks in the States General, does not mean that they do not resent it very much'. See FO 371, 69796, F 16427, Sir P. Nichols, The Hague, to Grey, 18 November 1948.
- (20) FO 371, 69684, F 15363, Grey to British diplomatic representatives in SEA (signed by Lloyd), n.D, probably beginning of November 1948.
- (21) FO 371, 69684, F 16872, MacDonald to FO, tel.1204, 27 November 1948.
- (22) On the Chinese civil war see Suzanne Pepper, *Civil War in China*, Berkeley 1978.
- (23) CAB 129/31, CP (48) 299, annex titled 'China', 9 December 1948.
- (24) Britain recognised communist China in January 1950. On Anglo-American differences in 1949 over recognition see Peter Lowe, *The Origins of the Korean War*, London 1986, pp.104-113
- (25) CAB 129/31, CP (48) 299, annex titled 'China', 9 December 1948.
- (26) CAB 128/13, CM (48) 80th meeting, 13 December 1948.
- (27) FO 371, 69684, F 17499, MacDonald to FO, tel.1252, 10 December 1948.
- (28) FO 371, 69684, F 17532, MacDonald to FO, tel.1253, 11 December 1948.
- (29) FO 371, 69684, F 17833, Bangkok to FO, tel.836, 14 December 1948.
- (30) FO 371, 69684, F 17499, minute by Palliser, 15 December 1948.
- (31) FO 371, 69684, F 17833, minute by Palliser, 17 December 1948.
- (32) FO 371, 69684, F 17971, Bangkok to FO, tel.845, 18 December 1948.
- (33) FO 371, 69684, F 17833, memo by Grey, 22 December 1948.
- (34) FRUS, 1949, Vol.9, p.2, Franks to Lovett, 893.00/1-549.
- (35) See FO 371, 75961, F 3519, memo titled 'Indo-China, March 1949.
- (36) For two accounts of Dening's talks, see FO 371, 76002, F 623, memo on Dening's visit to Paris, and ibid, translation of a French memo titled 'Franco-British conversation on the situation in South East Asia held on 21st December, 1948 in the Quai d'Orsay'.
- (37) FO 371, 75735, F 4244, aide-memoire dated 29 December 1949.
- (38) See FO 800/465, meetings between Bevin and Schuman at the FO, 14 January 1949, file pages 156-159.

- (39) See FO 800/465, meetings between Bevin and Schuman at the FO, 14 January 1949, file pages 156-159.
- (40) Reference to improving intelligence cooperation in FO 371, 76002, F 4401, meeting at the FO on 14 March 1949 between Denning and Baron Bayens.
- (41) See FO 371, 75740, F 2277, translation of an aide-memoire by the French Ministry of Foreign Affairs, 2 February 1949.
- (42) FO 371, 76031, F 3010, MacDonald to Denning, 3 February 1949.
- (43) FO 371, 76031, Denning to MacDonald, 24 February 1949.
- (44) On the impact of the event on American thinking see Robert J. McMahon, *Colonialism and Cold War - The United States and the Struggle for Indonesian Independence, 1945-49*, Ithaca 1981, p.244.
- (45) Jan Pluvier, *South-East Asia from Colonialism to Independence*, Kuala Lumpur 1974, pp.485-486.
- (46) Ton That Thien, *India and South East Asia, 1947-1960*, Genève 1963, p.99.
- (47) Alastair M. Taylor, *Indonesian Independence and the United Nations*, London 1960, p.173 - note 13.
- (48) FO 371, 69797, F 11859, minutes by R.C.Mackworth-Young, 29 December 1948, and Grey, 31 December 1948.
- (49) FO 371, 69788, F 18538, FO to The Hague, tel.6, 1 January 1949.
- (50) FO 371, 69788, F 18538, Foreign Office minute, January 1949.
- (51) FO 371, 76031, F 5016, Denning to MacDonald, 13 April 1949.

14. FROM PLANNING TO DIPLOMACY, JANUARY - APRIL 1949

14.1 THE DELHI CONFERENCE ON INDONESIA

After years of interdepartmental planning and debating, the British decided to renew their efforts towards regional cooperation in South-East Asia. The idea of expanding the Special Commission's regional work, originally devised in 1946, had failed once and for all. 1949 was the year to try out a new strategy. Instead of organising regional cooperation from the grassroots upwards, London now opted for high-level talks. The situation in South-East Asia urgently needed solutions. The aim was to stem the communist tide through an anti-communist front: regional cooperation as a means of regional containment. At the same time, the perceived threat of communist domination would be used to implement the Foreign Office's long-term aim and mould the area's diverse countries into a regional system that was led by Britain.

However, the problems that would have to be overcome were considerable. After despatching shortened versions of the Cabinet's paper on China to the United States, the Commonwealth countries, France as well as Thailand, London was hoping for quick and forthcoming responses to its proposals for anti-communist coordination in Asia. However, only France and Thailand were receptive. The United States, charged with traditional anti-colonial sentiments, was reluctant to be seen as propping up the European colonial regimes in South-East Asia. The American Congress, having recently

decided to spend large sums on the economic recovery of Western Europe, was also in no mood to allocate large amounts of dollars to the new Asian countries - particularly after the failure of American aid policies in China. The Asian Commonwealth countries for their part, though demanding Western economic aid, wanted to avoid being associated with any pro-Western or anti-communist bloc in Asia. Further obstacles to the British initiative were created by the ambitions of Britain's regional competitors, namely India, Australia as well as the Philippines. As will be seen, the three countries were promoting their own regional arrangements, and were once more threatening Britain's lead on regional cooperation.

Of all the regional proposals emanating in 1949, London took Indian initiatives the most seriously. Unlike Britain, which used the anti-communist theme to further her regional aims, India continued her anti-colonial rhetoric and deliberately excluded the Western powers (apart from Australia and New Zealand) from her regional initiatives. As in 1947, India's aim was to rally behind her the new Asian states and the independence movements in South and South-East Asia. The second Dutch police action in December 1948 provided Nehru with an ideal opportunity to re-assert his regional stance. Between 20 and 23 January 1949 fifteen countries attended the Delhi Conference on Indonesia to discuss ways and means to come to the help of Indonesia. Of the Western countries only Australia was represented, New Zealand sending an observer. (The conference was attended by Afghanistan, Australia, Burma, Ceylon, China, Egypt, Ethiopia, Iraq, Lebanon, Nepal, Pakistan, the Philippines, Saudi-Arabia, Syria and Yemen. Thailand and New Zealand sent observers). During the meeting Nehru demanded independence for Indonesia and the eventual

elimination of colonialism. In one of its final resolutions, the conference demanded the complete transfer of power from the Netherlands to the Indonesian Republic by 1 January 1950 following a transitional period starting in March 1949. The conference thus added to the international pressure on the Netherlands brought about by the UN, the United States and Britain. As it was, the Dutch began negotiations with the Republic in April, leading to the Round Table Conference at The Hague in August, the Dutch-Indonesian Agreements in November, and the transfer of sovereignty to the republican government on 29 December 1949.(1)

Apart from its impact on the Indonesian crisis, the conference was of considerable significance for regional cooperation in Asia. At the instigation of India, the third conference resolution recommended that:

'Participating Governments should consult among themselves in order to explore ways and means of establishing suitable machinery, having regard to the areas concerned, of promoting consultation and co-operation within the framework of the United Nations'.(2)

Immediately after the conference, the Indians organised a 'private' meeting to discuss detailed steps towards the third resolution's implementation. The meeting was attended by representatives from most of the participant countries of the conference - with the exception of Burma, the Philippines, Australia and New Zealand, who, the Indians officially stated, were unable to attend as they had already left. However, according to the Australian High Commissioner in India, Gollan, the meeting was specially postponed until the Australians and New Zealanders had departed.(3)

During this informal meeting, it was proposed that all the countries concerned should collect and collate information of mutual importance and exchange information from time to time, furthermore that they should collaborate on matters of common policy on all occasions, e.g. in the UN, and take steps to improve cultural relations. It was further proposed that once replies to these proposals had been received, a meeting should take place in Delhi to confirm plans for a suggested organisation, and that there should be periodical meetings in Delhi by the ambassadors concerned. Finally, it was proposed that if certain countries were not prepared to take part in the organisation, the remaining countries should not be prevented from carrying out the proposals. The Indians subsequently communicated a copy of the meeting's minutes to the Australians, indicating that there might be two (regional) groups, one Middle Eastern and one South-East Asian. Gollan passed on his information to London, telling the British that it was his impression that India intended to be the leader of both these groupings. (4)

From the outset, London had disliked Nehru's conference plans which excluded Britain and blackened the prospects for a pro-Western conference on South-East Asia. However, the British soon realised that there was little they could do about the Delhi Conference apart from encouraging Australia to take a moderating stance. The conference's outcome further depressed British officials. Commenting on the informal Indian-sponsored get-together at the end of the meeting, the British High Commissioner in India, Archibald Nye, argued that 'whether we like it or not, this organisation would get going and would remain in being'. But all was not lost, and Nye advised his Australian colleague that the membership of

Australia and New Zealand [in an Asian organisation] would have a stabilizing effect. (5) The Commonwealth Relations Office agreed that there might be an advantage if Australia and New Zealand were associated with any organisation that would develop out of the Delhi conference's third resolution. (6)

From Singapore, MacDonald agreed that the movement towards Asian cooperation had probably come to stay, and he recommended maintaining an understanding and reasonably sympathetic attitude towards gatherings of Asian governments. Putting too much of a brake on the movement might turn it into a hostile mood towards Britain rather than stop it, whereas by giving it sympathetic support Britain would help to lead it along paths of moderation and cooperation with the West. Australian and New Zealand participation would be of advantage, and it was desirable that Britain would also join. This could be done through the participation in Nehru's planned conference of Malaya and British Borneo, who would be represented by MacDonald as well as local Malayan and Chinese leaders. (7)

The Foreign Office showed less sympathy for Nehru's latest regional initiative, which clearly conflicted with its own plans. By the beginning of March, India, Pakistan and Ceylon had indicated general agreement with the British analysis of the situation in East and South-East Asia, but had refrained from suggestions for stepping up Commonwealth collaboration. The Foreign Office suspected that the cautious replies were partly a result of the Delhi Conference's anti-colonial undertone. It also wondered whether the three countries fully appreciated the 'true nature of threat arising

from Communist conquest of China'. Only if they grasped the situation would India, Pakistan and Ceylon be ready to

...consider maximum possible degree of co-operation, starting with the organised exchange of intelligence and police liaison... We realise that this matter requires a most cautious approach and that any form of collaboration with us in South-East Asia may be unpalatable not only because of our own colonial position but also because it might be thought to involve collaboration with other Western Union powers, particularly the Dutch.(8)

On the other hand, there were signs that the Asian countries were beginning to regard the Soviet Union as a potential threat. Moscow had earlier on condemned the Delhi Conference. London hoped that the Soviet move would now backfire, and it stressed that the:

...recent outspoken criticism of New Delhi conference may result in hardening of attitude against Soviet and open more eyes to the indivisibility of Communist menace and the urgency of resisting its encroachments.(9)

Despite this, the Foreign Office was becoming increasingly concerned about the lack of international action against communism in Asia. In January, the Chinese communists had occupied Tientsin and Peking, and had cleared the way to the Yangtse river which divides the northern and southern halves of China. The leader of the Kuomintang forces, Chiang Kai-shek, had (temporarily) declared his retirement, and in February the nationalist headquarters had been moved from Nanking to Canton in the south of the country. At the beginning of March, the Chiefs of Staff told the Cabinet that the spread of communism in southern China would lead to further unrest in South-East Asia. Furthermore:

'Should the Russians establish bases in Southern China, the threat to South East Asia and to our sea communications might become serious. If Communism successfully spreads into the Indian sub-continent, our whole position in South East Asia would become untenable...until all countries interested in the area have agreed

on a policy for the Far East, the only military consultative and information organisation which is likely to be effective is the exchange of intelligence information on Communist activities and the exchange of police information.'

Bevin consequently suggested that Britain should continue her international initiative from December and examine, together with the powers that had been approached in December, any possible economic measures in defence of British interests mentioned in the Cabinet paper on China. Authority should also be given to establish international liaison between police and intelligence organisations in the area. (10) The Cabinet endorsed the suggested consultative measures. (11) Despite the Delhi conference and the disappointing replies from the Asian Commonwealth countries, London thus remained committed to its regional plans. In the following weeks, proposals by some of the 'men on the spot' further crystallized British ideas on regional cooperation.

14.2 A MARSHALL PLAN FOR SOUTH-EAST ASIA?

Coinciding with the Cabinet's decision in March to step up Britain's coordinating efforts, the British, American, Australian and Indian ambassadors in China were holding informal talks on the implications of the communist victories. The four officials subsequently sent a joint memorandum to their respective governments, known as the Nanking Proposals, which suggested an internationally coordinated aid plan for South-East Asia. The paper was to have a considerable impact in both London and Washington. The Nanking Proposals, which expressed only private views,

argued that the communist victories in China had changed the pace of events in South-East Asia where there existed a revolutionary situation. (The authors apparently included the subcontinent in their definition of South-East Asia.) Independence had failed to solve the problem of transforming typically oriental societies based on starvation economies into modern communities organised on principles of social justice and economic freedom. The new states now had to compress into a short period of time the whole process of European evolution and adopt the technology of the mid-twentieth century, despite the fact that they were still living in the pre-industrial revolution era, and while their minds were swept by new and destructive ideas. Unless this situation was brought under control and guided into proper channels the communists with their easy solution of 'Land to the Tiller' and 'Power to the Worker' would step in and take charge. In South-East Asia the communist solution had an immense appeal, and there lacked an anti-communist element furnished elsewhere in the world by the middle classes. 'What then is the alternative?', the four ambassadors went on to ask:

'The ultimate solution seems clear: a confederation of South-east Asia with a planned and integrated economy, creating out of the small units in this region a viable state following a progressive economic and social policy'.

However, countries like Indochina and Burma, which were struggling for or had recently acquired independence, would be unlikely to consider anything which might limit their independence. The paper therefore suggested as a short-term solution a permanent consultative council of the states of this area. As a first step Indonesia and Indochina would have to acquire political freedom while a new constitutional set-up in Malaya would have to enable the country to participate as well. The council would then work out

common policies and provide for an integrated economy capable of resisting the pressure of communist economic doctrines. The council would have before it a realistic economic and social programme dealing with special problems such as the liquidation of unproductive landowning systems, the reorganisation of agriculture with the help of modern technology, the increase of industrial employment and the area's economic integration to avoid wasteful inter-regional competition. The programme would also provide for large-scale medical and sanitary facilities and for a common system of education as a background for democratic development.

As a first step, the paper suggested a survey be conducted prior to the settlements in Indonesia and Indochina which would 'formulate the principles on which the New Society in South-east Asia should be fashioned'. The survey could be conducted by a small committee of four or five high-level political and economic thinkers from the countries directly interested: Britain, the United States, Australia and India. The paper stressed that the programme's success depended on Western aid. A second advisory committee should therefore be established consisting of representatives from Britain, the United States, Australia, India as well as France and the Netherlands whose continuing economic interests in South-East Asia were believed to be considerable. The advisory committee would be responsible for determining amounts and procurement of assistance. (12) In an accompanying letter to the Foreign Office the British ambassador, Stevenson, explained that the second advisory committee might be criticized as an 'Imperialist Syndicate'; an alternative was to entrust the advisory functions to the United States of America on the understanding that the other interested Powers would within their capacity make experts and other

forms of assistance available. Stevenson's letter indicated that he regarded the United States as the principal source of assistance to South-East Asia. (13)

The Nanking proposals showed distinct similarities to the Marshall aid programme in Europe. As in Europe, American funds would be used to develop the economies and social infrastructures of South-East Asia in order to provide prosperity and democracy, and, first and foremost, to keep the region firmly within the pro-Western camp. However, while in Europe aid was distributed through the OEEC, the Nanking proposals envisaged a two council system that would give the European powers and the United States a decisive say in the economic development of Asia, at the same time safeguarding Western economic interests and investments. It is of course doubtful whether the proposals could ever have been implemented, not least because countries like Burma or Indonesia would have objected to Western economic supervision. However, the Nanking proposals were important for two reasons. They argued firstly that anti-communist cooperation could only be successful if it entailed financial and other forms of aid from the West to South-East Asia; and secondly that the bulk of this aid could only be provided by the United States.

The Foreign Office, which five months before had rejected Bevin's suggestions for an Asian OEEC, now agreed that American aid was required to stabilize the situation. Confirming the recent shift in British thinking, Denning told the Commonwealth Relations Offices that if the Asian countries showed a disposition to create a united front against Russian expansion,

'we should hope that the Americans would be disposed to offer material help when and where it is required'. (14)

In Singapore, MacDonald was thinking on similar lines as his colleagues in China. At the end of March he told the Foreign Office of a further deterioration in the political situation in South and South-East Asia. In addition to the communist successes in China, the Burmese government was unable to restore law and order in its own country. There was also the possibility of collaboration between the free Thais and the communists in Thailand as well as a dangerous deterioration of the situation in Indonesia. The only good signs were the French agreement with Bao Dai in Indochina, Phibun's survival in the first round of the struggle against the communists in Bangkok, and the defeat of the communist attempt to cause wide-spread trouble in India. On balance, however, he felt the situation was developing for the worse:

'We should not leave these various situations in different countries to be dealt with in isolation from each other, tackling each as it occurs according to the resources at our command in each particular place at each particular moment. We should regard South East Asia as a whole, and devise a coherent policy for dealing with it over the whole region. There is evidence that our Communist enemies view the region as one whole and more or less plan their campaign on a theatre-wide basis. We shall not defeat them unless we do likewise, and do it in conjunction with all the friendly governments both within and without the region who are concerned.

MacDonald saw the communist campaign in South-East Asia as part of a global offensive. For the time being, European cooperative action and American and Canadian help, culminating in the Atlantic Pact, appeared to have held communism along the iron curtain, but it was probably because of frustration in the West that the planners of international communist

strategy had given more attention to the East where economic and social conditions in some Asian countries provided the communists with a good field for propaganda and other activities. Unless counter action was firm, areas like Burma and Indonesia might be lost as a prelude to losing a large part of the rest. Such counter-action had to be collective:

The analogy of what has been done in Western Europe is quite a good one. We need Asian equivalents of the Marshall Plan and the Atlantic Pact. We appreciate that in many respects they would have to be very different from the arrangements in Europe, but in general they should offer the Asian Government and peoples economic, political, and, if necessary, military aid in their resistance to Communism. The policy should aim at giving the Asian countries as far as possible: a) political stability, b) economic progress, c) military security, and d) a continuing organisation for inter-government consultation and planning for the carrying out of the over-all plan'.

To devise such a plan, all the governments concerned in the region should be invited to cooperate, including Australia, New Zealand and the United States. The latter was particularly important as no adequate military and economic plan was possible without large measures of American help. However, since it would be difficult for the moment to contemplate constructive discussions which included both India and the Netherlands, and since the United States were not ready to participate, a conference of Britain, Pakistan, India, Ceylon, Australia and New Zealand should be held as soon as possible to discuss among other things the situation in South-East Asia. It now seemed that the forthcoming Prime Ministers' Conference might not be discussing South-East Asia at all, and MacDonald warned that if a Commonwealth conference in the near future was not going to examine the South-East Asian situation, the effect throughout the region would be serious. (15)

MacDonald's letter was a further indication of Britain's growing concern about the situation in South-East Asia. It also showed how Britain's European strategies were influencing her plans for anti-communist action in Asia. As in Europe, the affected countries (starting with the Commonwealth) would have to get together and demonstrate their willingness to cooperate. The Americans would then have to come in to provide aid to stabilize the region economically. The only problem was that British efforts to organise a united Commonwealth approach to South-East Asia had still not borne² any fruit. Moreover, as will be seen next, the Americans had given no indication that they were prepared to help out financially.

14.3 AMERICAN RELUCTANCE TOWARDS SOUTH-EAST ASIA

Before examining the American reaction to the British initiative from December 1948, the background to American policies in South-East Asia has to be given. Prior to 1949, Washington had been extremely reluctant to become involved in the region. Though the United States was politically involved in Indonesia through her membership of the Good Office's Commission, she generally accepted Britain as the politically dominant power in the region. At the same time, Washington refused any significant financial contributions to the rehabilitation of the South-East Asian colonies. In the spring of 1948, Denning was sent on a tour of Australia, New Zealand, Canada and the United States to organise five-power talks on the Far East. Denning failed in his aim, partly because of American-Australian antagonism over the future of Japan.⁽¹⁶⁾ However, another reason was that 1948 was a presidential election year in the United States, and

thus full of political uncertainties. As the American Under-Secretary of State, Robert Lovett, pointed out, there were fears in Washington of an economic recession which would bring about pressure for cuts in American commitments abroad; a new administration might even revert to isolationism. If in these circumstances Congress received an inkling that the State Department was about to hold five-power talks on the Far East, there would be an immediate adverse reaction. When Dening referred to the lack of an American aid plan in Asia, the State Department's director of Far Eastern affairs, Walton Butterworth, stressed that Washington had no intention of sponsoring a Far Eastern Marshall Plan. (17)

The 'Dening Mission' made it clear that American support in South-East Asia would not be forthcoming for the time being. The United States was traditionally anti-colonial in her outlook, and any notion that the Washington administration intended to prop up the European colonial regimes in South-East Asia could have damaged Truman's electoral prospects. Apart from that, there was a general feeling that Congress had reached its limits by providing Marshall aid to Western Europe. An aid programme for South-East Asia would have had little chance of success. At the end of 1948, the apparent failure of American policies in China added to Washington's reluctance towards South-East Asia. Despite the fact that the United States had since 1945 contributed more than two billion dollars of aid to nationalist China (18), the collapse of the Kuomintang regime was now only a matter of time. Washington feared that American dollars for other parts of Asia might equally go down the drain.

To London, the only sign that the Americans might be contemplating a more active involvement in South-East Asia was the fourth point in Harry Truman's inaugural address as re-elected President on 20 January 1949, in which he stressed the United States' intention to foster capital investment and technical assistance to the underdeveloped world.(19) However, if the British were hoping that Point Four was a prelude to an American aid programme in Asia they would soon be disillusioned. When the State Department received a shortened version of the Cabinet paper on China it was reported to be 'keen to discuss the whole problem' with the British.(20) At the same time, it refused to make any premature commitments, and was highly concerned about the publicity that the British were giving to their consultations with Washington. Following a Reuters report that British and American officials were discussing a plan to contain communism in South-East Asia, the Thai ambassador in Washington had assured the American Secretary of State, Dean Acheson, that Bangkok too was willing to cooperate. There were however limits to what Thailand could do on her own, and the diplomat wondered whether the Americans could help recover Thai gold that was retained in Tokyo. As Butterworth subsequently explained to H.A.Graves from the British embassy in Washington on 5 February, he welcomed every move to get other countries interested in the problem; however, he wondered whether it was opportune to let them know at this early stage that Britain and the United States were devising a plan to contain communism. He feared that 'we should whet appetites before his Government had decided whether it could, or should supply any iron rations.' If countries like Thailand got the impression they could hold out their hands, it would be difficult to persuade his superiors to go along without tremendous caution.(21)

Denning, alarmed by the American rebuke, assured Graves that London was careful not to commit the United States, particularly as it did not know what American policy was. Equally:

'The habit of oriental countries of asking what we or the United States will do for them without making any serious effort to do anything for themselves is by now so familiar...there is no reason why either we or the United States should respond to Siamese blackmail, or indeed blackmail from anyone else.'

The first task, Denning added, was for the Asian countries to take the communist menace seriously. If they could be induced to frame a policy of their own to resist communism, it might emerge that there were certain gaps in their defences which required outside assistance to be filled. However, it would be

'...fatal for Asiatic countries to be allowed to cherish the belief that they can sit still and do nothing and leave it to us and the United States to defend them. Our own resources are in any event too limited to make this a practical proposition, and I imagine that the United States would be equally reluctant to be committed to any considerable extent over so vast an area. I should think therefore that both the Americans and we are firmly wedded to the principle of self-help in the first place.'

Denning hoped that this British policy would be developed in common with the United States. He realised, however, that it would be a long-term project; it would also be difficult for the Asian countries to put their houses in order and to induce them to adopt a common front: 'My own personal view is that it is diplomacy rather than dollars which will be required for some time to come'. (22)

After further talks with the State Department, Graves reported to the Foreign Office that the Americans appeared reluctant to embark on any sort

of economic assistance plan for Thailand. He therefore suggested that Britain's aim should be to get the American government 'to help us press the orientals to build up their own front against communism'. If this had the 'convenient sequel that America should become economically involved in South East Asia so much the better, but we should encourage the United States authorities to act politically first'. (23)

On 23 February, Graves again met with State Department officials, including Butterworth and the chief of the Division of South-east Asian Affairs, Charles Reed. Graves repeated some of the points made by Dening, particularly that the Foreign Office did not envisage an anti-communist movement in terms of US dollars; it was only hoping for American cooperation in terms of moral support of the British thesis that the Asian countries must set their houses in order and must evolve a policy of their own in the struggle against communism. Anglo-American cooperation was merely to fill the gaps while the greatest emphasis was to be put on self-help. (24) Graves subsequently enquired what American policy was. Butterworth replied that American policy was well defined. In Korea, the United States intended to put Rhee's government on a solid basis, and she would extend the occupation in Japan so that the country would not fall prey to communism. In China, the US would test any successor administration to see if it gave signs of good faith. In the Philippines, the United States were already available for defensive purposes, while they stood by the UN resolution in Indonesia. Graves then mentioned that Butterworth had not touched on the continental territories which were in line of the communist march, and he asked whether there was not 'some urgency about measures which would take into important consideration the danger to South

East Asia'. Butterworth's response was 'lukewarm', and Graves had the impression that the United States was neither prepared to accept any responsibility for South-East Asia nor to act to maintain the position of friendly powers in the area.

However, after Butterworth had left the meeting, Reed stayed on and suggested to Graves tackling the Indochina problem jointly: 'That was the area where the flow could, and ought to be stemmed. He thought we could do something together with the French in Paris'. United States policy 'ought to consider remedial measures at any rate in IndoChina, if not in other parts of South East Asia'. The initiative was shortlived; Butterworth soon got wind of Reed's suggestion and told Graves to forget that any such proposal had been hinted at. Reed's statement did not represent State Department views and would not be included in the eventual reply to the British paper. (25) Graves subsequently told London that talks with Butterworth were going slowly, and he doubted that any written analysis given to Britain would contain suggestions for a grand plan. (26)

14.4 WASHINGTON'S POLICY REVIEW

Despite such indications of an American rift over South-East Asia, the British failed to detect that there was in fact growing pressure within the State Department to assume a more active role in the region. After the initial shock of China, some American officials were in fact becoming increasingly concerned about the prospects of communist advances in South-East Asia. As American historians have recently pointed out, Washington was

in 1949 becoming aware of South-East Asia's importance for the economic recovery of Europe: exports of tin and rubber from Malaya to the United States, for example, provided Britain with the dollars that were crucial for the success of her economy, an economy that continued to stagnate despite the provision of Marshall aid. South-East Asia also had potential importance as an outlet for Japanese manufactured goods, and as a source of raw materials for Japan, at a time when the United States was moving towards the re-establishment of Japanese commercial and industrial power.(27) American officials were therefore beginning to regard the stability of South-East Asia as linked to the success of American policies in Europe and the Far East.

Another strand of opinion favoured greater American involvement in South-East Asia for different reasons. In January 1949, Charlton Ogburn Jr. of the State Department's South-East Asian Division was inspired by the Delhi Conference. Contrary to the State Department, which feared the meeting might encourage the formation of an anti-Western Asian bloc, Ogburn suggested supporting Asian unity as a means of stopping the spread of communism in South and South-East Asia. He reflected that at the end of the war American prestige had stood high as a champion of independence in Asia. However, this prestige had 'declined since then nearly to the vanishing point'. In China, American policy had failed, after supporting an unpopular, dictatorial and corrupt regime. Washington had also failed to oppose the French war against the Vietnamese and, while castigating the Dutch, had provided financial backing for the Netherland's campaign in Indonesia. As a result, India was regarding the Americans as the heirs of British imperialism. However, communist success in China had exposed the

whole of South-East Asia to a grave peril; and if the communists managed to assume control of the nationalist movements in Indonesia this could result in the communist conquest of the whole of East Asia, leaving Australia in a most precarious situation. Ogburn therefore proposed that Washington should encourage the formation of a southern or non-communist Asian bloc. It was immaterial that such a bloc would initially be anti-Western: the French and Dutch were likely to lose control of Vietnam and Indonesia and would thereby remove the source of friction between Asia and the West. An anti-Western bloc could then develop into a common Asian front against communist aggression. (28)

Ogburn's paper was anti-Dutch and anti-French in its outlook, and it neglected the role that Britain might be playing in anti-communist arrangements in South and South-East Asia. However, it opened the State Department's eyes to the possibility of using regional cooperation in Asia as a means of containing communism. One month later, the American ambassador in China, Leighton Stuart, provided Washington with an analysis that came close to British ideas for regional cooperation. He argued that communism in Asia could not be stopped by military force or economic aid alone. What was needed to contain 'Soviet expansion-through-Communism' were convincingly dramatized ideas. Unlike Ogburn, Stuart was thinking of a united Asian/European scheme in South-East Asia. He proposed that the

'...UK, France, Netherlands should be invited to unite with US in federation to assist restoration complete independence to peoples of eastern and southeastern Asia; to protect them in process from more subtle form of imperialism through high [*highly*] organized minorities of their own people linked to international Communism. India, Philippines and other countries in area might be included. Concerning Indonesia and Indochina it might be argued they will also sooner or later be engulfed and that it is to interest of democratic solidarity as well as of Netherlands and France that they be liberated graciously rather than grudgingly and as total

loss. UK might make unequivocal declarations as to Hong Kong and Malaya when certain specific conditions will permit, until which time a protectorate is to be maintained.'

If his plan was favoured, Stuart added, the fullest and most alluring publicity ought to be given. 'Lesson of China, as I interpret it, is that inspiring, high-principled, generously conceived, forward-looking policies will be infinitely more effective in Asia now and cost far less than any of the traditional methods'. (29)

Stuart gave a copy of his memorandum to his British colleague, Stevenson. (30) At the time, the two diplomats were holding informal discussions together with the Dutch ambassador in China: all three officials favoured Bevin's (subsequently abandoned) idea, which he had expressed to the Dutch on 29 December, that there should be an economic conference fostering friendly relations in South-East Asia. (31) A few weeks later, Stuart followed up his memorandum with the Nanking Proposals, drafted jointly with the British, Australian and Indian ambassadors. As has been pointed out, the paper came close to proposing a kind of anti-communist Marshall Plan for South and South-East Asia, directed by the Western powers and India and financed largely by the United States.

Proposals by officials like Ogburn and Stuart had a considerable impact in Washington. Together with the British paper on China, they inspired the State Department's Policy Planning Staff to draft a paper, PPS 51, which attempted to re-define American policies in Asia - including Washington's stance on regional cooperation. The paper stated that it was America's objective to contain and reduce 'Kremlin influence' in South-East

Asia through multilateral cooperation primarily with the British Commonwealth countries and the Philippines. As a first step, the United States should in conjunction with the British set forth to the Dutch and French their interpretation of the situation (the paper argued that a sovereign Indonesian state was required to satisfy the militant nationalism there; however, recommendations on Indochina had to await the outcome of the ^oproposed multilateral consultations). This should be followed by prompt discussions with the British, Indians, Pakistanis, Filipinos and Australians on a cooperative approach to South-East Asia. Initially, an area organisation had to be discouraged - there should be parallel or joint action instead. To minimize the suggestion of American imperialist intervention, the Indians, Filipinos and other Asian states should take the public lead in political matters. America's role should be to offer discreet support and guidance. Furthermore, the United States should seek vigorously to develop the economic interdependence between raw material supplying South-East Asia and Japan, Western Europe and India as suppliers of finished goods - with due recognition of South-East Asian aspirations for the diversification of its economies. To achieve this, every effort should be made to initiate and expand programs of technical assistance through bilateral arrangements and international agencies. Last but not least, 'efforts should also be made to supplement conservatively private investment, with Governmental assistance'. (32) The PPS paper did not express official American policy. It would in fact take until July before it was circulated to the National Security Council as NSC 51. However, it indicated the growing conviction in Washington that American aid was required to contain the spread of communism in South-East Asia.

Despite this, Washington refused to let on to London that it was reviewing its South-East Asian policies. As a result, the British maintained their diplomatic offensive. In the middle of March, the Cabinet's latest analysis of the communist threat to South-East Asia, and its recommendation for joint economic measures as well as greater intelligence cooperation in South-East Asia were communicated to Washington. (33) The Foreign Office was also planning for Bevin to discuss South-East Asia during his forthcoming visit to Washington. A brief was therefore prepared which outlined the department's current regional policy, and which was intended to be left with the Americans. The brief argued that while Russia's threat to South-East Asia was unlikely to be a military one, the conditions in the region were

'...favourable for the spread of Communism, and if the general impression prevails in South East Asia that the Western Powers are both unwilling and unable to assist in resisting Russian pressure the psychological effect may be that local resistance is weakened, with the result that the process of undermining the systems of Government in that region will succeed to the extent that eventually the whole of South East Asia will fall a victim to the Communist advance and thus come under Russian domination without any military effort on the part of Russia.'

The will of South-East Asian territories to resist communism therefore had to be stiffened: no vast resources were required, initially it was a question of political and economic efforts rather than of large-scale outright aid. The alternative was the abandonment of the whole position. If the Asian governments made an effort to stabilize the position, the Western powers might make limited contributions through technical assistance and advice, and by the provision of capital goods and arms. To avoid suggestions that Britain or the United States were seeking to dominate the situation, the fully sovereign governments of South-East Asia had to take

the initiative - an initiative hopefully prompted by Britain. At the same time, self-interest should provide the inspiration for the new unity needed to resist Russian expansion. If a common front could be built up from Afghanistan to Indochina inclusive, it should be possible to contain the Russian advance southwards. A stable South-East Asia might also eventually influence the situation in China and make it possible to redress the situation there. The paper concluded:

'While the strategic necessities of Europe and the Middle East are greater and should have priority, the requirements of South East Asia, though in a different category, are of vital importance. We should therefore, parallel with our efforts in Europe and the Middle East, do our utmost to encourage a spirit of co-operation and self-reliance in South East Asia with a view to the creation of a common front against Russian expansion in that area'.(34)

Dening explained to the Colonial and Commonwealth Relations Offices that it would take months, if not years for the policy to crystallize in the manner suggested in the brief. If, however, Asian countries showed a disposition to create a united front against Russian expansion, 'we should hope that the Americans would be disposed to offer material help when and where it is required'.(35) Dening advised Bevin that he could hand a copy of the brief to Acheson, though he should emphasize that it represented a personal view which had not been considered by his ministerial colleagues. Dening further explained that the Foreign Office had so far failed to make progress with the Americans in its discussions arising out of the Cabinet paper on China from December 1948. His strong impression was that the Americans had not yet developed any policy in this part of the world, and that they were reluctant to become involved in any commitments. Bevin's talks were intended to be an initial step to enlist American support in

principle for the policy the Foreign Office hoped to pursue. It would be premature to ask for material support, since the Americans would want to be firmly convinced that the principle of self-help was firmly established before they considered an outlay of dollars. (36)

During his visit to Washington, Bevin had only little time to discuss Far Eastern topics. Issues such as the Atlantic Pact or Germany were taking precedence. (37) However, Bevin raised the issue of South-East Asia during a meeting with Acheson on 2 April, arguing that Russia had an opening in the region since 60 percent of the population were Muslims. Britain could exercise influence through Pakistan but was hoping for American help. So far as Indonesia, Burma and Malaya were concerned Bevin was looking for a 'sort of Southeast Asia conference arrangement in which the US, UK, Australia, and New Zealand could cooperate for economic and political purposes, as distinct from a military understanding or pact for this area which should not be considered now'. The only American comment on this was made by Jacob Beam, Acting Special Assistant in the Office of German and Austrian Affairs, who interposed that the U.S. might like to set up a kind of Caribbean Commission for South-East Asia. At the end of the meeting, Bevin left his brief on South-East Asia with the State Department. (38)

On the whole, the Americans gave no indication that they might be considering a more forthcoming attitude towards cooperation with the British in South-East Asia, apart from generally agreeing that a spirit of cooperation should be encouraged. Graves feared that it would be difficult to bring the Americans in on South-East Asia: 'They have burnt their fingers so badly in China that they are at present in a very cautious

mood'. (39) Even more disappointing than Bevin's talks with Acheson was the American response to the British paper on China from December 1948. The American reply, arriving in London at the end of March, described the British memorandum as a thoughtful, detailed and well-reasoned analysis. However, it maintained that the British could have laid greater emphasis on the growing strength of nationalism and its long-term incompatibility with communism. Furthermore, so far as the British demand for a strengthening of police and intelligence forces in each territory was concerned, attention was called to the repressive nature of these services. Most importantly, the paper stated that 'a word of caution is desirable regarding dependence upon American material aid in approaching the problems of South Asia'. Since 1937, the United States had given vast amounts of American financial, economic and military aid to China; the defeats of the Chinese government armies during the campaigns of 1948 thus were not caused by a lack of ammunition but could rather 'be attributed to extremely bad leadership and to other morale destroying factors which led to a complete loss of the will-to-fight'. In China, American efforts to use aid in order to induce effective measures of self-help had failed. They were evidence 'of the impossibility of substituting external aid for self-help and of the weakness of external aid as inducement to evoke measures of self-help'. (40)

The British were extremely disappointed by the American reply. As Graves pointed out to the Foreign Office, the weakness of the American paper was that it contained several isolated comments which had not been developed into any general conclusion. (41) R.A. Hibbert at the Foreign Office's South-East Asia Department was even more disconcerted:

'The U.S. is petrified by the failure of its policy in China + it is quite clear from this memorandum that no general aid will be

forthcoming for S.E.Asia from America - not even aid in individual cases such as that of Siam. A general solution of the short-term problems is therefore impossible.'

The United States were hanging back from the attempt to create a cordon against communism in South-East Asia, and the region therefore had to remain an area of piecemeal defence and overall uncertainty. (42)

Despite this, the Foreign Office wouldn't give up hope. As R.H.Scott commented at the end of April, the American response contained no new statement of policy, but confirmed what London already knew.

'The important thing about the Memorandum - mixture of defeatism and pious advice that it is - is that the State Department has been induced to consider these problems and to formulate a statement of policy which we can use as a basis of argument. I am all for steadily pegging away at the Americans, on the principle of the steady drip wearing away the stone.' (43)

For the time being, however, there was little more the British could do about the Americans. As a result, the emphasis of Britain's regional diplomacy was shifting back to the Commonwealth countries.

NOTES

- (1) Ton That Thien, *India and South East Asia, 1947-1960*, Genève 1963, pp.99-102)
- (2) FO 371, 76031, F 2879, CRO to UK High Commissioner in India, tel.600, 21 February 1949.
- (3) FO 371, 76031, F 2191, UK High Commissioner in India to CRO, tel.220, 5 February 1949.
- (4) FO 371, 76031, F 2191, UK High Commissioner in India to CRO, tel.220, 5 February 1949.
- (5) FO 371, 76031, F 2191, UK High Commissioner in India to CRO, tel.220, 5 February 1949.
- (6) FO 371, 76031, F 2879, CRO to UK High Commissioner, India, tel.600, 21 February 1949.
- (7) FO 371, 76031, F 5016, MacDonald, Singapore, to Denning, 15 March 1949.
- (8) FO 371, 75744, F 3729, CRO to UKHC's in India, Pakistan and Ceylon, tel. Y 69, 2 March 1949.
- (9) FO 371, 75744, F 3729, CRO to UKHC's in India, Pakistan and Ceylon, tel. Y 69, 2 March 1949.
- (10) CAB 129/32, CP (49) 39, memo by Foreign Secretary, 4 March 1949.
- (11) CAB 128/5, CM (49) 18th meeting, 8 March 1949.
- (12) FO 371, 75745, F 3790, memorandum enclosed in letter from Stevenson, Nanking, to Bevin, 4 March 1949.
- (13) FO 371, 75745, F 3790, Stevenson, Nanking, to Bevin, 4 March 1949.
- (14) FO 371, 76023, F 4486, Denning to Syers, 18 March 1949.
- (15) FO 371, 76033, F 4545, MacDonald, Singapore, to Bevin, 23 March 1949.
- (16) On the Japanese question during the Denning mission see Roger Buckley, *Occupation Diplomacy - Britain, the United States and Japan 1945-1952*, Cambridge 1982, p.164.
- (17) FO 371, 69926, F 7716, Washington to FO, tel.2541, 29 May 1948; and FRUS, 1948, Vol.6, memorandum of conversation by Lovett, 27 May 1948, 740.0011 PW (peace)/5-274.
- (18) Robin Edmonds, *Setting the Mould - The United States and Britain, 1945-1950*, Oxford 1986, p.143.
- (19) For an analysis of American intentions behind Point Four see Andrew J. Rotter, *The Path to Vietnam - Origins of the American Commitment to Southeast Asia*, Ithaca 1987, p.18-19.
- (20) FO 371, 76003, F 1308, FO to Bangkok, tel.28, 14 January 1949.
- (21) FO 371, 76003, F 2415, Graves, Washington, to Scarlett, 7 February 1949.
- (22) FO 371, 76003, F 2415, Denning to Graves, Washington, 14 February 1949.

- (23) FO 371, 76003, F 3215, Graves, Washington, to Denning, 21 February 1949.
- (24) FRUS, 1949, Vol.7, p.1118, memorandum of conversation by Reed, Washington 23 February 1949, 890.00B/2-2349.
- (25) FO 371, 75743, F 3288, Graves to Scarlett, 25 February 1949.
- (26) FO 371 76003, F 3271, minute by Graves, 23 February 1949.
- (27) Andrew J. Rotter, 'The Triangular Route to Vietnam: The United States, Great Britain, and Southeast Asia, 1945-1950', in *International History Review*, Vol.6, No.3, August 1984, pp.404-405 and Gary R. Hess, *The United States' Emergence as a Southeast Asian Power, 1940-1950*, New York 1987, p.334. For Rotter's theory that the United States became involved in South-East Asia in order to safeguard the economic recovery of Western Europe and Japan see also his detailed book: *The Path to Vietnam - Origins of the American Commitment to Southeast Asia*, Ithaca 1987.
- (28) National Archives, Washington, PSA, Box 5, file: SEA US policy in 1949, memorandum by Ogburn, 17 January 1949.
- (29) FRUS, 1949, Vol.7, p. 1117-1118, Stuart to Secretary of State, Nanking 15 February 1949, 890.00B/2-1549:Telegram.
- (30) FO 371, 76050, F 5095, memo by Stuart, n.d.
- (31) FO 371, 76050, Stevenson to FO, tel.220, 21 February 1949.
- (32) FRUS, 1949, Vol.7, pp.1128-1132, Policy Planning Staff paper on United States Policy Towards South-east Asia, PPS 51, 29 March 1949
- (33) FO 371, 76023, F 3507, Scarlett to Franks, 23 March 1949
- (34) FO 371, 76023, F 4487, brief dated 23 March 1949. Also FRUS, 1949, Vol.7, p.1135-1137, 890.00/4-2249, memo left by Bevin, dated 2 April 1949.
- (35) FO 371, 76023, F 4486, Denning to Syers, 18 March 1949.
- (36) FO 371, 76023, F 4487, minute by Denning to Secretary of State, 23 March 1949.
- (37) FO 371, 76023, F 5743, Graves to Denning, 16 April 1949.
- (38) FRUS, 1949, Vol.7, p.1138-1141, memo of conversation, by Mr. Jacob D. Beam, Acting Special Assistant in the Office of German and Austrian Affairs, subject: talk with Mr. Bevin about the Middle East and Southeast Asia, on 2 April 1949. 890.00/4-449, and *ibid*, p. 1135-37, memo left by Bevin, dated 2 April 1949, 890.00/4-2249.
- (39) FO 371, 76023, F 5743, Graves to Denning, 16 April 1949.
- (40) FO 371, 75747, F 4595, memorandum enclosed in a letter from the State Department, 15 March 1949.
- (41) FO 371, 75747, F 4595, Graves, Washington, to Bevin, 22 March 1949.
- (42) FO 371, 75747, F 4595, minute by Hibbert, 27 March 1949.
- (43) FO 371, 75747, F 4595, minute by R.H.Scott, 29 April 1949.

15. COMMONWEALTH COOPERATION, APRIL - MAY 1949

15.1 FRANCE'S EXCLUSION FROM BRITISH REGIONAL PLANS

The American response to the Cabinet paper on China dampened British hopes for anti-communist collaboration in South-East Asia. Further discouraging news came from France. On 8 March the French President, Vincent Auriol had come to an agreement with the former Vietnamese emperor Bao Dai: France committed herself to Vietnamese independence, though without a timetable for the transfer of power. In the meantime, Bao Dai would become head of state in Vietnam, which included Cochin-China, Annam and Tonkin. However, the French retained responsibility for foreign affairs and defence as well as a number of political privileges; Vietnam together with Laos and Cambodia would form part of the French Union, which was under the control and direction of France. (1) The Elysee agreement, as it became known, in fact provided for little more than the establishment of a French puppet regime in Vietnam to placate international opinion. From the outset, the British had little hope that it would result in the settlement required for France's inclusion in a regional scheme involving India. As a Foreign Office memorandum pointed out on 24 March, neither India nor Australia would regard the Bao Dai agreement as giving true independence to Indochina so long as it secured so many privileges for France. The problem was, however, that the French 'would not take kindly to any pressure or suggestion from us to make a more liberal offer of independence to Viet Nam'. Britain could only hope that if the new agreement failed the French would see for themselves the urgent necessity for the future of the whole

of South-East Asia of granting something more than just token independence which they appeared to have bestowed under the new agreement. (2)

In the following months, the British refused to commit themselves to the Bao Dai agreement, despite the fact that Washington gave it its support in June. (3) Britain feared offending the Commonwealth and jeopardizing the chances of her regional initiative. The Indian attitude was crucial. Nehru had no wish to see communism established in Indochina but consistently argued that the French had to grant real independence and had to come to terms with Ho Chi Minh as the real leader of Indochinese nationalism. (4) The upshot of the international controversy over Bao Dai was that Britain saw herself unable to include France in her regional plans. As will be seen, a departmental meeting in May finally decided in favour of a Commonwealth approach to regional cooperation. The hope was also expressed that France and the Netherlands might disappear as colonial powers in South-East Asia. (See chapter 15.5)

However, at the end of the year British policies became more forthcoming towards the French in Indochina. After Mao Tse-tung had declared the People's Republic of China and his troops had reached the borders of Tonkin, London decided to put its full weight behind the Bao Dai agreement as the only solution to the Indochinese problem. In September 1949, MacDonald had stressed that recognition should be withheld from Bao Dai until after Asian countries had given their support. Four months later, during the Colombo conference, the Commissioner-General lobbied for Bao Dai's recognition. Nehru refused. (5) Despite this, Britain recognised the State of Vietnam under Bao Dai, along with the Kingdoms of Cambodia and

Laos, on 2 February 1950, the day the French Assembly finally ratified the Bao Dai agreement. However, the Asian Commonwealth countries refused to follow suit. (6) Indochina thus remained a problem that required separate treatment outside of the regional framework envisaged by Britain.

15.2 THE FAILURE OF NEHRU'S REGIONAL PLANS

Despite the disappointing news emanating from Paris and Washington in the early spring of 1949, London was encouraged by information from the British high commissioner in Delhi at the end of March that Nehru's proposals for an Asian regional organisation had failed to convince the smaller states of South and South-East Asia. (7) The failure of the Indian plans were partly due to a general political mistrust of India in Asia. Since independence, Indian prestige had suffered greatly because of her military intervention in Kashmir and the continuing conflict with Pakistan over the disputed province. Another reason for the lukewarm attitude of the Asian countries was the Soviet Union's earlier condemnation of the Delhi Conference. As Denning explained to the Foreign Office's new permanent under-secretary, Sir William Strang, Nehru apparently wanted to 'take the lead in building up a "united Asia front" on lines which may not be entirely dissimilar from our own views on the subject', however, the response had not been very eager. The Indian Prime Minister had cast his net too wide, and India was not much loved in Asia. Pakistan and Ceylon were afraid of India, and though Takin Nu in Burma personally liked Nehru, there was fear and dislike of India in this country too. Thailand as well was afraid of being overlaid. Denning doubted whether Indian aspirations to

take the lead in establishing a united Asian front would succeed, he ^{doubted} whether the country had the necessary know-how, judgement and tact to carry the scheme to a successful conclusion. (8) The apparent failure of Nehru's aspirations greatly encouraged the Foreign Office's aim that Britain should seek the regional leadership. According to Dening:

'We are the obvious people to take the initiative in this matter, and if we play the hand skilfully, there is no reason why we should not succeed where India is likely to fail. But we must take the initiative soon. We really cannot wait until a conference of Commonwealth Foreign Ministers in Ceylon in 1950. And on the whole we should probably be wise not to confine any initial meeting, if there is one, to the Commonwealth alone.' (9)

15.3 PROPOSALS FOR A PACIFIC PACT

Apart from the failure of Nehru's initiative, another factor induced the British to step up their diplomatic activities in South-East Asia. Since February, there had been growing press speculation in Australia and the Philippines about a Pacific defence pact. The idea of a Pacific pact was inspired by talks between the Brussels Treaty powers and the United States on a North Atlantic Defence Treaty (NATO), which was officially announced on 18 March and signed on 4 April 1949. It was suggested that a similar defence arrangement was needed in the South-East Asian/Pacific area to safeguard the region against a communist onslaught from China. On 14 March, the Australian Minister for Defence, Dedman, was reported as stating that 'discussions were taking place for the conclusion of a Pacific Regional Defence Pact embracing non-British as well as British countries'. (10) Six days later, the President of the Philippines, Elpidio Quirino, followed up the Australian statement by proposing a Pacific pact

somewhere along the lines of the planned North Atlantic Agreement.(11) Despite American and British refutations, Quirino was to continue pursuing his idea throughout the year.(12)

London principally favoured the idea of a defence arrangement in the Pacific/South-East Asian area; indeed, international defence cooperation had for years been one of its long-term goals in the region. It was also pleased about Australia's growing concern about South-East Asian security. While Canberra had in August 1948 made it clear that it was not prepared to send troops to Malaya(13), the Australians had in the following month proposed that they would assume responsibility for defence planning in the area including Indonesia, Malaya and Borneo. Despite Foreign Office fears that Britain's influence in South-East Asia would be 'finally extinguished' if it became known that she would surrender her position to Australia in a future war(14), London had agreed in November that Australia should *assume the initiative* in peacetime for defence planning in the area.(15) The decision had paved the way for the secret ANZAM agreement which coordinated trilateral defence planning in the Australian, New Zealand and Malayan area.(16) Under the agreement, a British military planning team was to be sent to Australia and New Zealand in the summer of 1949. In September 1949, a New Zealand flight of Dakota aircraft was stationed at Singapore, and in June 1950 RAAF aircraft arrived in Malaya.(17)

Despite its planning agreement with the antipodeans, London regarded a Pacific pact as premature. Firstly, India was known to oppose power blocs, and was unlikely to join in an anti-communist defence grouping only shortly after the failure of her own regional initiative. Excessive speculation

about a Pacific pact was indeed likely to frighten Nehru off London's more limited plans for economic or political cooperation. The Americans too might be prevented from participating in regional cooperation if they knew that it entailed defence. Immediately after Quirino's proposal in March, Acheson made it clear that the United States was not ready to consider a Pacific pact. Furthermore, American diplomats in London told the Foreign Office that a Pacific defence pact would open the United States to the accusation that they were underwriting British, French and Dutch colonial policies in the region: this was something the American peoples were certainly opposed to. Denning got the point, assuring the Americans that the whole thing was a 'pipe dream' of Australian politicians and newspaper men; he added, however, that some other type of pact was possible, for example to combat communism in the Far East.(18) London was aware that continuing speculation about a Pacific pact at this moment in time would have a counter-productive effect on Britain's regional plans. It also threatened to shift the regional initiative away from London to Canberra or Manila. To correct this trend, Britain clearly had to renew its diplomatic efforts on South-East Asian cooperation. The Foreign Office hoped that a forthcoming Commonwealth Prime Ministers' Meeting in London might provide the opportunity.

15.4 THE COMMONWEALTH PRIME MINISTERS' MEETING IN APRIL 1949

The Commonwealth Prime Ministers' Meeting at the end of April 1949 had been arranged at short notice because of India's intention, declared in

December 1948, to remain in the Commonwealth but as a republic.(19) Since India's constitutional position took precedence, the originally planned meeting of Commonwealth Foreign Ministers in Ceylon, which would probably have had South-East Asia on the agenda, had had to be postponed. However, though the Prime Ministers would meet for only a short period of time, and would be preoccupied with the Indian question, Denning suggested 'to have something on paper' lest the South-East Asian issue came up too. Furthermore, MacDonald and Stevenson were expecting responses to their ideas. First, the Colonial and the Commonwealth Relations Offices had to be brought into the discussions.(20) Indeed, MacDonald was becoming increasingly impatient and announced his intention to visit London in May. He warned that the situation in the Far East was bound to deteriorate unless something could be done on a sufficiently broad scale to check the process. His visit might help sort out Britain's ideas; he would then return to Singapore to summon a conference of British diplomatic and administrative representatives in South-East Asia to carry the planning a step further.(21)

Denning subsequently told the Colonial and Commonwealth Relations Offices that his department was considering whether the South-East Asian question should be carried further. There had been much press speculation about regional arrangements and the matter might come up at the forthcoming Prime Ministers' Meeting. Denning believed that a great deal depended on Nehru, who had just tried unsuccessfully to establish the principle of a regional grouping which included the Middle East, Australia and New Zealand as well as South-East Asia.

'If India is successful in building up a united front in South East Asia, we may find such a front is hostile to the United

Kingdom, to the United States and to Western interests in general. If India is unsuccessful then there will be no front, which will also be disadvantageous to Western interests, because without a united front Communism may be expected to make good headway in the region.'

So far, existing disputes had overshadowed the considerable community of interests in South-East Asia. Dening believed that only Britain had the experience and ability to knit the region together. However, to be successful Nehru had to be convinced that the West had a material contribution to make to the welfare of South-East Asia, that a close association with the West was in the interest of a South-East Asian front, and that the colonial Powers in the region should not entirely abandon their position. Even if India's aim was the overlordship of Asia, the Indian leaders might accept that they had need of the West. Economic cooperation might initially be more fruitful than political cooperation, though Britain had to be careful not to transgress upon ECAFE's activities. Furthermore, the Americans would probably require concrete evidence that some degree of political and economic stability could be attained on the principle of self-help before they showed readiness to play a part. At the same time, there were two in a sense contradictory trends which needed correcting: one was the feeling that Europe and America were preoccupied with their own selfish interests to the detriment of South-East Asia; the other was that the Atlantic Pact would somehow involve South-East Asia in a war of European creation. The question now was whether Bevin's brief for Washington should first be sent to the Commonwealth countries and secondly to all the other countries in the region. Another question was whether a Commonwealth meeting on foreign affairs would fit the bill, or whether it

should be a regional conference including foreign countries, as Nehru seemed to contemplate. (22)

In a subsequent letter to Stevenson in China, Dening explained that he was not in a position to give very much of a reply to the four ambassadors' joint proposals (the Nanking proposals). It was, however, clear to him that many minds were thinking on similar lines all over the world, except perhaps in America where there appeared to be little evidence that any serious thinking was being done about Asian problems. A key question was how India would develop in her relations with the South-East Asian countries:

'No association of powers in South East Asia will work unless India is prepared to work wholeheartedly. At present Pandit Nehru's much publicised attitude towards colonialism and his failure to invite the United Kingdom to his recent Asian conference on Indonesia suggest that, unless we are very careful, a conflict of view will arise between East and West, which would wreck the whole proceedings. In this connexion, the Dutch police action in Indonesia last December has thrown a very large spanner into the works, and we can hope for very little progress until the Indonesian problem is settled.'

There was the additional problem of growing friction between Pakistan and Afghanistan over the north-west frontier, the unsettled Kashmir dispute, the chaotic state of Burma, the uneasy political situation in Thailand, the difficulties in finding a solution in Indochina, the Indonesian question and finally Britain's troubles in Malaya. 'It is not easy, with all these present troubles, to get the territories of the region to appreciate the greater danger and to take the wider view'. However, if Britain could prove to the East that it could not do without the West, whether it liked it or not, this might open the way to closer collaboration. A further problem was that the United States, having burnt their fingers in China, were not

disposed to underwrite South-East Asia economically in the same way that they had underwritten Europe. (23)

Upon his return from Washington, Bevin was told by Denning that::

'Our attempts to build up a united front against Communism through the medium of our estimate on China ... have not brought any marked response, and most of the Governments we approached, though more or less interested, have shown no tendency to appreciate the full extent of the menace'.

At the same time, Nehru had the idea that his regional conference might develop into a regional organisation - not a bad thing if Britain was involved. However, the net was cast too wide and there was the danger that an Asian regional organisation would develop anti-European tendencies. A further disquieting feature was Nehru's tendency to harp on the theme of colonialism and racial discrimination, both of which were harmful to cooperation with the West. Denning concluded that the situation might get out of hand if it was allowed to drift until a meeting of Commonwealth Foreign Ministers in Ceylon in 1950, and he suggested an approach be made during the Prime Ministers' Conference.

'If we can achieve a degree of regional co-operation in which the United Kingdom is a full partner, then the time may come when we can convince Pandit Nehru that South East Asia has need of the West and that India should maintain a close association, not only with us but also with other powers including the Dutch and the French. But clearly the stage has not yet been reached where we can expect him readily to accept this thesis.' (24)

Annexed to Denning's brief was a memorandum entitled 'South Asia' (dealing also with South-East Asia) which was drafted by the Foreign Office. The paper had been approved by the Permanent Under-Secretary's Committee, a high-level official Planning Committee recently established by

Attlee and similar to George Kennan's Policy Planning Staff in Washington, and it was for use during the Prime Ministers' Meeting. If possible, it could be distributed to the participating delegations. Like the recent brief for Bevin's Washington talks, the memorandum dwelt on the alleged communist menace in South and South-East Asia:

'The writings of Lenin and Stalin make it clear that the Russians aim ultimately at world hegemony. The initial steps taken by Russia since the end of the war in Eastern Europe and in Eastern Asia show the development of this pattern. Militarily, the greatest threat is towards Europe and the Middle East, but politically the threat is world-wide, and the Communist fifth column is everywhere. In South Asia the problem, as we see it, is for political and economic stability to be restored to the whole area before Communism can succeed in so undermining the whole position that existing forms of government are liquidated and the peoples of South Asia are brought into the Soviet orbit. Given conditions of instability and divided counsels, the Stalinist technique can be successful without an actual military threat from Russia...the need of South Asia territories is not so much primarily to build up military strength against the threat of armed Russian aggression, as to establish conditions of stability which will defeat the Stalinist techniques.

Political stability, the paper added, involved good neighbourliness, and it was hoped that differences between the South Asian territories would be settled in order to establish solidarity in the region:

'Though the ultimate aim of political solidarity in South Asia will take time to achieve, a great deal can be done meanwhile in the economic field. In economic development there is a need for co-operation between South Asian territories and other Commonwealth countries, in particular the United Kingdom, Australia and New Zealand. The United States and other countries can also eventually make their contribution...Economic co-operation may in fact prove to be the first step towards political co-operation, so that in the process of time a degree of unity will be achieved in South Asia which will render it immune from Russian attempts to undermine the position and to dominate the area. The first step as we see it in this process will be to develop the practice of co-operation on a basis of equality and mutual aid. It remains to be seen whether at a later stage some more formal association of interested powers will prove practicable or desirable.(25)

In short, the Foreign Office was suggesting anti-communist unity in South and South-East Asia, offering the Asian countries economic benefits in return. Though initially such benefits would be derived from mutual aid, the paper hinted that in the long run American aid might be forthcoming as well. Bevin approved the paper and passed it on to Attlee. An accompanying minute explained the urgency of the situation in view of Nehru's criticism that the world tended to focus its attention on the West at the expense of Asia:

'If we wait too long, we may find ourselves no longer able to influence the situation, since a tendency is already developing on the part of Pandit Nehru to issue invitations to conferences without asking the United Kingdom.'

Bevin therefore recommended taking the initiative during the Prime Ministers' Meeting, approaching the problem from the economic angle, as the West had a good deal to offer to the East in this field. This might lead to some kind of regional conference, perhaps including countries from outside the Commonwealth as well. If Britain participated in such a conference the event might lead to economic cooperation which later on might possibly lead to 'some kind of security arrangement'. (26)

The Commonwealth Relations Office generally supported the Foreign Office line. Garner agreed that 'we need to give evidence of a more active interest in South-East Asia and that if we wait too long we may find ourselves no longer able to influence the situation'. (27) He also agreed that 'it is the United Kingdom alone which has the experience and ability to knit the South-East Asia region together', and that India's attitude was crucial because of Nehru's efforts of rallying the East through attacks on

the colonial powers. At the same time, Garner stressed that there were no prospects for a pact modelled on the Atlantic Pact, which was favoured by Australia, since Nehru opposed power blocs. Furthermore, there was at present no chance of the essential participation of the United States. Britain's object was therefore to strengthen the various governments against communism attacking them from the inside. However, Garner suggested avoiding elaborate machinery, to safeguard Britain's leading role (against India): 'Let us be warned by the experience of E.C.A.F.E.: it is not only Russia's membership which has caused trouble in that Organisation'. Britain already had the machinery in MacDonald's organisation in Singapore, and there were many ways in which she could use her influence to establish the cooperation needed to resist communism, for example by offering mediating services, encouraging rice production and export, by lending technical personnel, training police and military forces. Each item could be tackled separately. In a purely practical approach of this sort lay the best hope of securing practical cooperation from India in those items in which she could make a positive contribution.

Finally, Garner warned not to raise false hopes. In the absence of a Marshall Plan or indications of an American contribution, apart from what might be forthcoming under Truman's Point Four, economic cooperation was likely to be mainly a British contribution, either in the form of finance or consumer goods. Many items were scarce at the time and British resources strained, indeed Britain was trying to divert dollar earning exports from India and Pakistan to Canada and the United States for dollar earning purposes. The Commonwealth Relations Office therefore ^r _r proposed that a working Party of the Official Far Eastern Committee should assess what

contributions Britain could make. A conference of only Commonwealth countries could then be held in Colombo (Ceylon) in order to avoid controversy over the participation of other colonial powers. The conference might prove to Nehru and others that Britain had a contribution to make in overcoming the problems of the area. (28) The Commonwealth Relations Office thus suggested starting regional cooperation on a purely Commonwealth basis, avoiding elaborate machinery which might have enabled India to steal the show. Initially, an economic survey had to be conducted to avoid financial commitments which Britain could not afford.

The Colonial Office, however, feared that Foreign Office plans might jeopardize the development of British colonies elsewhere. As J.J. Paskin pointed out, the achievement of social progress based on economic development in the undeveloped countries of South-East Asia was a slow and laborious process, and it was illusory to expect too much in a short time in the way of creating an atmosphere unfavourable to the growth of communism. Even if there was the prospect of something like Marshall aid for the countries of South-East Asia, large quantities of the required material and technical staff would probably have to be diverted from other colonial development schemes. There was also the danger that the butter would be too thinly spread to rule out the achievement of rapid results. Paskin felt that the best contribution towards checking communism in South-East Asia was to set Malaya once again firmly on the road to social and economic progress, creating a 'bastion of contentment' in South-East Asia which would also influence other countries. The Colonial Office was currently negotiating with the Treasury substantial grants to Malaya, and it would be 'short of calamity' to jeopardize this programme by diverting

scarce material and personnel to the development of foreign countries in the area. The department was also concerned about stimulating India to take the regional initiative. The South-East Asian countries were looking to Britain as the country which had the greatest influence in the area, and any impression that Britain ^{ai} was surrendering her political leadership in the region to India would have a deplorable political effect on Malaya. However, despite its objections the Colonial Office seemed to accept that the whole issue had to be raised at the Prime Ministers' Conference, as Paskin's letter finally pointed out that in discussing regional cooperation with the Commonwealth Prime Ministers, the Caribbean Commission should not serve as a model.(29) Nevertheless, the two departments' responses to the Foreign Office made it clear that Britain's possible financial contributions had to be studied carefully before London could publicly launch proposals for regional cooperation.

In the event, the Commonwealth Prime Ministers' Meeting from 24 to 27 April 1949 was almost exclusively preoccupied with the question of India's position in the Commonwealth. The participating Prime Ministers unanimously recommended to the King that an Indian republic should remain in the Commonwealth which would accept him as its head.(30) Though the meeting gave Attlee no time to raise the issue of South-East Asian regional cooperation, Nehru indicated in the course of the conference that until the Dutch and French faced the facts and granted independence to their respective South-East Asian colonies, nothing much could be done in Asia about wider cooperation with the colonial powers.(31) His remarks strengthened London's conviction that any regional initiative had to exclude the other colonial powers.

While the British failed to use the Prime Ministers' Meeting for the launch of a new regional initiative, the conference nevertheless increased the level of Commonwealth consultation on Burma. After a further deterioration of Burma's internal situation due to the fighting between government troops and the Karens, Burma had in December and January secretly asked Britain for financial aid as well as arms. London had used the opportunity to bring in the Commonwealth, and had encouraged Nehru to organise a Commonwealth meeting in ¹⁹Delhi on the issue of Burma. However, the attending British, Indian, Pakistani and Ceylonese delegates had failed to agree on financial aid and had instead offered Commonwealth mediation in the Karen dispute, an offer refused by the Burmese Prime Minister, Thakin Nu, at the beginning of March. (32) During the Prime Ministers' Meeting in April, however, Britain, India, Pakistan and Ceylon decided that they would do what they could to meet Burmese requests for arms and military equipment. It was furthermore proposed to establish an informal committee consisting of the four countries' ambassadors in Rangoon to consider financial ⁵assistance to the country. (33) Though the Burmese initially dragged their feet about the proposed committee, a Commonwealth loan of 350 million rupees was to be negotiated by the end of December. (34) From the British point of view, the four-power initiative was important primarily because of its educational effect on the participating countries, as it constituted the first example of Commonwealth cooperation on South-East Asia.

15.5 INTERDEPARTMENTAL AGREEMENT, MAY 1949

While the Commonwealth Prime Ministers were meeting in London, further communist advances in China made the issue of anti-communist collaboration in Asia increasingly urgent. On 23 April, communist forces captured Nanking, the former headquarters of the Kuomintang government; one month later Shanghai fell. The nationalist retreat south of the Yangtse river brought the moment much closer when communist forces would reach the border with Indochina and Burma, an event which in British eyes would lead to a considerable increase in communist activities throughout South-East Asia. Under the impression of the continuing nationalist defeats in China, and encouraged by the Commonwealth talks on Burma, London started a number of economic studies in preparation of any later regional initiatives. In addition, the whole issue of anti-communist cooperation was discussed with MacDonald who was visiting London at the end of May. His visit paved the way for a comprehensive review of British regional strategies to be followed by a Commonwealth conference on South-East Asia.

Prior to his visit, MacDonald and the British Commanders-in-Chief in South-East Asia were becoming increasingly impatient about Britain's apparent lack of initiative in Asia. At the beginning of May, the British Defence Co-ordination Committee in the Far East urged diplomatic, economic and military action to form a 'containing ring' against further communist penetration. The ring had to be formed by the coordinated action of countries including India, Burma, Thailand, Indochina and Indonesia. (35) Alarmed by the men on the spot, the Foreign Office warned Bevin that events were now moving rapidly in South-East Asia. It therefore suggested

organising a meeting of British officials in South-East Asia to discuss the situation. The meeting could be attended by Commonwealth observers and should be followed by a Foreign Ministers' Conference in Ceylon. (36)

MacDonald arrived in London on 18 May. After talks with Bevin, an interdepartmental meeting was arranged on 24 May attended by MacDonald, Archibald Nye (the British High Commissioner in India) as well as representatives from the Foreign, Colonial and Commonwealth Relations Offices. To begin with, Denning argued that 'the object of regional co-operation would be the building of a common front against Russia', though this did not necessarily require the formation of a defence pact. The problem was, however, that nothing could be done without India who was in no mood to cooperate in the establishment of a common front in Asia. MacDonald saw the situation in more dramatic terms: the communists had conquered the whole of China and could probably seize large parts of Indochina within in the next six months; Thailand would be unable to resist, while the possibilities of communist domination of Burma were well known. If these three countries were to fall, Malaya and India would be exposed to a direct Communist threat. MacDonald added:

'If, however, we could devise a political, economic and defence policy which could convince the peoples of South East Asia of our and their ability to resist Communism, we would be able to hold a line north of Pakistan, Burma, Indo China, Hong Kong and the Philippines. Our policy should be one in which all the peoples of the area could share, just as the peoples of Western Europe and the Atlantic Area were sharing the benefits of co-operation in the West'.

MacDonald agreed, however, not to hold a regional conference immediately, but to test the ideas formulated in London during a conference of British representatives in Delhi or Singapore first.

Denning then explained that the Americans were still holding aloof from South-East Asian problems. It seemed they would be content to let Britain go ahead with her plans for regional cooperation and wait to see if they worked before offering assistance:

'Co-operation in Western Europe would never have been achieved without British initiative and the same could probably be said of South East Asia where there would be no co-operation unless the United Kingdom discreetly took the lead, although in South East Asia there would be no American aid to assist the process'.

The discussion then turned to India. According to Nye, India's attitude towards regional cooperation would be influenced by her opposition to colonialism, and by her aim of avoiding adherence to any of the world's power blocs and of steering a middle course to become a third force in Asia. It would therefore be difficult to ask Nehru to join a regional conference whose chief purpose was the effective building of an anti-communist front. India had already made it clear that she would not cooperate strategically, and it was unlikely that she would cooperate politically. However, she might agree to collaborate economically in order to overcome her serious economic problems. Nye later on added:

'Pandit Nehru's realisation that India needed the help of European industry was encouraging and suggested that regional collaboration could be made attractive to India by using the economic bait.'

MacDonald agreed that India could not be expected to participate in a conference with the French and the Dutch, but asked why Britain shouldn't hold a conference limited to Commonwealth powers at which India played a leading part. India's cooperation in giving aid to Burma was a good omen, and while cooperation was developed within the Commonwealth in South-East

Asia, the Dutch and the French might disappear from the scene as colonial powers and so facilitate a wider conference. Denning then proposed a Commonwealth conference in Colombo which for climatic reasons would have to be held in January or February 1950. Britain could offer technicians apart from capital, and if some concrete plan could be put forward after the conference it might be possible to interest the Americans as well. However, Paskin from the Colonial Office warned of the 'insatiable appetites' of India and the Colonial Empire; there was only a 'limited amount of assistance available from United Kingdom sources and the Colonial Office would find it difficult to agree that colonial development should be at the expense of assistance elsewhere, particularly to India'. Denning blocked Paskin's objections by stating that the economic studies and country surveys now in progress should not be prejudiced. Eventually, the meeting decided that:

'Efforts should be made to hold a Commonwealth Conference in Ceylon in January or February of 1950. A paper should be prepared for Ministers outlining the position as seen by officials and recommending a policy'.(37)

Thus, Whitehall officials had finally decided on a Commonwealth conference in preparation of regional cooperation in South and South-East Asia. The underlying aim of the British initiative was to build up an anti-communist front; however, it would be disguised as an economic plan involving financial and technical aid on a basis of self-interest and mutual help. The beginning would be made on a Commonwealth basis, but in the long run other Asian countries such as Burma and Thailand would be brought in. At the same time, London dropped any remaining hopes of involving the French or the Dutch in its regional plans. Indonesia and

parts of Indochina would only be included after the departure of their colonial masters. However, a number of problems remained. First and foremost, Britain had only little capital to spare for South and South-East Asian development. The Americans therefore had to be brought in if the envisaged regional policy was to be a success. A further problem was India who insisted on maintaining an independent foreign policy in Asia and who was opposed to any anti-communist alignments. Yet her support for British regional plans was believed to be essential not least because of the headway that Nehru had made on regional developments during the Delhi Conference.

15.6 CONTINUING SPECULATION ABOUT A PACIFIC PACT

Both Indian and American reluctance to become involved in a South-East Asian arrangement was partly due to the fear of being dragged into unwanted defence commitments. Before submitting a more comprehensive paper on regional cooperation to the Cabinet, the Foreign Office therefore tried to suppress the continuing speculation about a Pacific Pact. The Australian Prime Minister, Chifley, had on 15 May drawn public attention to a Pacific pact by stating that planning between Australia, New Zealand and Britain for the Pacific area was proceeding parallel with corresponding planning for the Atlantic area. However, in the following days London and Washington apparently dampened Canberra's hopes for a Pacific defence treaty. On 18 May, Acheson publicly reiterated American opposition to a Pacific pact:

'While it is true that there are serious dangers to world peace existing in the situation in Asia, it is also true, as Prime Minister Nehru of India stated to the press the other day, that a Pacific defence pact could not take shape until present internal

conflicts in Asia were resolved. He was quoted as going on to say that the time was not ripe for a pact corresponding to the North Atlantic Treaty, owing to these conflicts. Nehru's view appears to be an objective appraisal of the actual, practical possibilities at the present time.(38)

Anglo-American discouragement induced the ~~the~~ Australian Defence Minister to tell the (Australian) House of Representatives that it was impossible to get other nations on the Pacific littoral to join in a Pacific pact. The best that could be done for the present was to integrate Australian defence plans with those of Britain and New Zealand.(39) However, New Zealand's Prime Minister, Peter Fraser, was more persistent than his Australian colleague. He told Attlee on 19 May of his increasing concern over the communist successes in creating or exploiting chaos and strife in the South-East Asian area. He further suggested that some form of Pacific pact was needed, and that Bevin might pay a visit to the Pacific to discuss the whole issue.(40) Bevin sympathized with Fraser's anxiety, but told the Foreign Office that likely American reactions made it necessary to proceed with caution. He particularly didn't want to complicate matters before the Atlantic pact had been ratified.(41) Fraser was therefore sent a polite refusal: Bevin was unable to leave Europe and Britain was reluctant to take the initiative on a Pacific Pact in view of Acheson's recent statement. However, Britain was anxious to press on with her defence arrangement with Australia and New Zealand, and she was looking forward towards the results of the planning permission which would be going out in the summer.(42)

In the following months, London continued to quell speculation about defence cooperation in the Pacific, advising its diplomatic representatives

abroad to discourage talk of a Pacific Pact.(43) When in July a British military planning mission was sent to Australia and New Zealand to discuss common defence planning, London refused to let the delegation discuss the question of a Pacific pact, as had been demanded by the New Zealand Chiefs of Staff.(44) Britain was clearly concerned that talks about regional defence arrangements might put both India and the United States off her South-East Asian plans. A Pacific or South-East Asian pact would have to follow regional cooperation in the economic and political sphere.

NOTES

- (1) Gary R.Hess, *The United States' Emergence as a Southeast Asian Power, 1940-1950* New York 1987, p.314.
- (2) FO 371, 75961, F 3620, memo titled 'French Indo-China', 24 March 1949.
- (3) Hess, p.324.
- (4) C.Mary Turnbull, 'Britain and Vietnam, 1948-1955', in *War & Society*, Vol.6, No.2, September 1988, p.110, referring to Nehru's line on Indochina in June 1949.
- (5) *ibid*, pp.110-11.
- (6) Russell H. Fifield, *The Diplomacy of Southeast Asia: 1945-1958*, Archon Books 1968, p.274. and A.D.Griffiths, *Britain, the United States and French Indochina 1946-1954*, University of Manchester thesis, March 1984, pp.173-176.
- (7) FO 371, 76031, F 2191, UKHC in India to CRO, tel. X 580, 24 March 1949; and *ibid*, UKHC in New Zealand to CRO, tel.129, 28 March 1949.
- (8) FO 371, 76031, F 2191, Dening to Strang, 29 March 1949; also *ibid*, minute by Dening 4 April 1949.
- (9) FO 371, 76031, F 2191, Dening to Strang, 29 March 1949; also *ibid*, minute by Dening 4 April 1949.
- (10) FO 371, 76375, W 4092, Foreign Office Intel no.249, 9 June 1949, 'A Pacific Pact'.
- (11) FRUS, 1949, Vol.7, p.1123-25, the Chargé in the Philippines (Locket) to the Secretary of State: No. 319, Manila, 21 March 1949, (890.20/3-2149) and *ibid*, p.1125, Lockett to S.of S., confidential, Manila 22 March 1949, 840.20/3-2249.

- (12) See Charles M. Dobbs, 'The Pact that never was: The Pacific Pact of 1949', in *Journal of Northeast Asian Studies*, Vol.3, No.4, Winter 1984, pp.29-42.
- (13) CAB 131/6, DO (48) 70, 7 October 1948, 'Malaya: Possibility of Australian Assistance', Annex II: tel.629 from UK High Commissioner in Australia, 28 September 1948.
- (14) DEFE 4/17, COS (48) 150th meeting, 22 October 1948.
- (15) CAB 131/5, DO (48) 22nd meeting, 24 November 1948, and CAB 131/6, DO (48) 79, 'Australian Defence Co-operation', report by the COS, 18 November 1948. Italics by the author.
- (16) See Alan Watt, *The Evolution of Australian Foreign Policy, 1938-1965*, Cambridge 1967, p.164-165. Unfortunately, the relevant documents in the British archives are still classified. One reason for the secrecy surrounding the planning agreement at the time seems to have been London's anxiety that it might be interpreted as a weakening of Britain's position in South-East Asia.
- (17) Phillip Darby, *British Defence Policy East of Suez, 1947-1968*, London 1973, p.29.
- (18) FRUS, 1949, Vol.7, p.1133-34, the Ambassador in the United Kingdom (Douglas) to the Secretary of State, no.540, London, 29 March 1949, 890.20/3-2949.
- (19) See Anita Inder Singh, 'Keeping India in the Commonwealth: British Political and Military Aims, 1947-49', in *Journal of Contemporary History*, Vol.20, No.3, July 1985, pp.469-481.
- (20) FO 371, 76031, F 2191, Dening to Strang, 29 March 1949; also *ibid*, minute by Dening 4 April 1949.
- (21) FO 371, 76031, F 5864, MacDonald, Singapore, to Strang, 3 April 1949.
- (22) FO 371, 76031, F 2191, Dening to Syers, 4 April 1949.
- (23) FO 371, 76050, F 5095, Dening to Stevenson, 5 April 1949.
- (24) FO 371, 76031, F 8035, memo by Dening, 14 April 1949.
- (25) FO 371, 76031, F 5863, FO memo titled 'South Asia', 14 April 1949.
- (26) FO 371, 76031, F 5863, minute for the Prime Minister, 21 April 1949, signed by Bevin.
- (27) FO 371, 76032, F 8039, Garner to Dening, 22 April 1949.
- (28) FO 371, 76032, F 8039, Garner to Dening 25 April 1949.
- (29) FO 371, 76031, F 8037, Paskin to Dening, 22 April 1949.
- (30) See Anita Inder Singh, 'Keeping India in the Commonwealth, British Political and Military Aims, 1947-49', in *Journal of Contemporary History*, Vol.20, No.3, July 1985, p.478. A.I.Singh argues that Britain decided to keep India in the Commonwealth because it expected the prestige of a united Commonwealth to outweigh the disadvantages of the Indian republic in the group. She also hoped the Commonwealth would be able to influence in its favour Indian foreign and defence policies.
- (31) FO 371, 76031, F 5863, minute by Lloyd, 9 May 1949.

- (32) See FO 371, 75669, F 2998, memo by Dening, 23 February 1949, and FO 371, 75688, F 3971, Summary of Mission to Pakistan and India by A.G. Bottomley in February and March 1949.
- (33) FO 371, 75697, F 6105, FO to Rangoon, tel.397, 28 April 1949.
- (34) John F. Cady, *A History of Modern Burma*, Ithaca 1958, p.598.
- (35) FO 371, 76034, F 6670, G.H.Q. Far East Land Forces to Ministry of Defence, SEACOS 900, 5 May 1949.
- (36) FO 371, 76031, F 8036, draft brief for the Foreign Secretary for use in discussion with Mr MacDonald, checked by Dening and Scott on 16 May 1949.
- (37) FO 371, 76034, F 8338, minutes of a meeting at the Foreign Office on 24 May 1949. Bevin, Dening and MacDonald discussed the whole issue in London on 19 May. No account of the meeting between Bevin and MacDonald was found apart from a minute by Dening 19 May 1949, in FO 371, 76009, F 7516.
- (38) FO 371, 76375, W 4092, Foreign Office intel no.249, 9 June 1949, 'A Pacific Pact'.
- (39) FO 371, 76375, W 4092, Foreign Office intel no.249, 9 June 1949, 'A Pacific Pact'.
- (40) FO 371, 76375, W 3159, UK High Commissioner to CRO, tel.205, 19 May 1949.
- (41) FO 371, 76375, W 3160, Bevin (Council of Foreign Ministers, Paris) to FO, tel.36, 24 May 1949.
- (42) FO 371, 76375, W 3161, Attlee to Fraser, CRO tel.274, 27 May 1949.
- (43) FO 371, 76375, W 4092, Foreign Office intel no.249, 9 June 1949, 'A Pacific Pact'.
- (44) FO 371, 76375, W 4092, memo by Furlonge, 15 July 1949. London even tried to keep the planners' visit secret, apparently trying to avoid any 'deleterious effects' on the situation in Malaya which might arise out of suggestions that the Australians were taking over Britain's responsibility for defence planning in the area.

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16. THE FINAL STAGES OF REGIONAL PLANNING

16.1 ECONOMIC SURVEYS

The interdepartmental meeting on 24 May 1949 gave the Foreign Office the green light to carry its South-East Asian plans one step further and prepare a regional initiative to be launched at the next Commonwealth conference. In July and August the department drafted two comprehensive papers dealing with regional cooperation and British policies in South-East Asia and the Far East. They were circulated as PUSC(32) and PUSC(53) to the recently created Permanent Under-Secretary's Committee, an interdepartmental planning committee that had been formed under the Foreign Office's new Permanent Under-Secretary, Sir William Strang, and which functioned in a manner similar to George Kennan's Policy Planning Committee in the United States.⁽¹⁾ At the end of November, the two papers were combined into a Cabinet paper. The PUSC papers marked the culmination of four years of regional planning by the Foreign Office. One of their main authors was Esler Dening, the same official who had inspired the regional debate while at SEAC in 1945, and who since then had been the Foreign Office's most important protagonist concerning regional cooperation in South-East Asia.

Prior to the PUSC papers on regional cooperation, two economic studies on South and South-East Asia were conducted as a basis for a more comprehensive study. The first one, prepared by a 'Working Party on Food Supplies and Communism' appointed by the Economic Policy Committee,

concentrated on the likely effects of communism on South and South-East Asian rice supplies. It argued that the

... extension of the control of a communist government throughout China will bring organised Communism to the northern borders of the countries of South East Asia, three of which, French Indo-China, Siam and Burma, constitute the major rice exporting region of the world.

The impact of this was expected to be serious. The rice production of the three countries was already much lower than before the war: 160,000 tons in Indochina compared to a prewar production of 1,3 million tons. Thailand now with 800,000 tons had reached about 60 percent of its prewar exports; however, its Chinese-controlled trade might be affected should communists try to influence the country's Chinese minority. Burma, the paper argued, was threatened not so much by communist domination, but by a complete breakdown of law and order leading to a cessation of exports. If her exports were cut off 'the result would be extremely serious for Malaya, North Borneo, Hong-Kong, Ceylon and India'. In Malaya, a breakdown of Thai and Burmese rice exports would 'predispose the urban populations to active participation in disorder', while in Ceylon and India any failure of supplies would result in disturbances and provide 'fruitful soil for Communist agitation'. Furthermore, supplies of wheat would only reluctantly be accepted as a substitute; they also affected the Sterling Area's dollar reserves. It was

'... broadly true to say that rice deficits had to be made good ton for ton with wheat flour. As supplies for these countries, very largely of sterling wheat, necessarily reduce the quantity that might otherwise be available to the United Kingdom, the total effect is a substantial drain direct and indirect on the dollar resources of the sterling area.'(2)

The study seemed to confirm the Foreign Office's fear that communist troubles in the rice producing countries would affect the subcontinent and Malaya through the backdoor. In a second economic study, a working party of the Official Far Eastern Committee set out to consider means to encourage conditions which would 'prevent Communism from finding a fertile soil' in South, South-East and East Asia, particularly as the area was now the 'front line in the fight against Communism where fighting is actually taking place'. (3) As an early draft of the study explained, the area under consideration (Afghanistan, British North Borneo, Brunei, Burma, Ceylon, China, Hong Kong, India, Indo-China, Indonesia, Japan, South Korea, Malaya, Nepal, Pakistan, The Philippines, Sarawak, Thailand and Tibet), had more than half of the world's population, was economically behind and rice eating, while there was malnutrition and illiteracy. There was also a widespread lack of responsibility by the privileged for the underprivileged, creating conditions favourable for the spread of communism among the latter.

Before examining possible means of assistance, the study stressed the area's economic importance. Before the war, trade with the area had made up 9.5 % of British exports and 6.5 % of British imports. Though this had been reduced after the war, Britain was vitally dependent on Malayan dollar earnings, worth £ 60 mio in 1948. Despite this, Britain could not be expected to provide large-scale capital investment to assist the area, though considerable investment might still be made by sources such as the International Bank. It was, however, essential to offer training to the people from the countries concerned, as they might otherwise use similar facilities in the Soviet orbit. The single most

significant factor was the food situation: if the control of rice supplies fell to the communists 'the disruptive political and economic consequences in Asia are likely to be serious'. The urgent short-term problem therefore seemed to be to assist Burma, Thailand and Indochina to increase their exports, and to stimulate the production of rice, wheat and grain in deficit areas. In the next five years, the aim should be to develop the economic potential of the area, recognising the need for improved communications and encouraging industries. Above all, the agricultural production had to be increased. Any Western assistance should be directed towards improving the production of valuable primary products for the West. In the long term, the problem was to raise the general standard of living through a greater degree of industrialisation. (4) The study made it clear that Britain was unable to provide large-scale aid to South-East Asia. The Official Far Eastern Committee, stressing that the Americans had given no indication that they were prepared to provide financial or material assistance, therefore agreed that the International Bank could be regarded as one of the main instruments of assistance. (5)

16.2 THE P.U.S.C. PAPERS ON REGIONAL COOPERATION

Whitehall's economic studies enabled the Foreign Office to draft two comprehensive papers on regional cooperation in South and South-East Asia. At the end of July, the department submitted a first paper, PUSC (32), entitled 'The United Kingdom in South-East Asia and the Far East'. It argued that unless Britain used her particular position in Asia to

bring about closer cooperation between East and West, there was a 'very real danger that the whole of Asia will become the servant of the Kremlin.' Economically, Britain depended on the area for imports of rubber, tea and jute, while the Sterling Area's dollar pool derived substantial earnings from Malaya. In the long run, a combination of Western technology and Eastern manpower might be welded into a formidable partnership. However, there were currently considerable political difficulties in Asia, where 'Nationalism is rampant to-day from Afghanistan to the China Sea':

'South-East Asia and the Far East are new in the sense that nationhood has only recently impinged upon the local consciousness. We are faced, therefore, with an intense nationalism which is prickly in its international relationships.'

It was indeed 'unfortunate that the countries of South-East Asia should be passing through this stage of their development at a time when the Soviet Union was seeking to obtain domination over the whole Eurasian continent'. The political immaturity of these countries and their economic distress made them particularly susceptible to communist tactics; a particular problem was the presence of large Chinese communities in South-East Asia who were potential agents for China. Despite this, China was unlikely to be able to dominate the area since the unpopularity of the Chinese settlers might encourage resistance to the spread of communist doctrines propagated from China. Nor would India be able to dominate the area politically, as her expansionist aims were feared:

'It is, therefore, fair to say that from the Persian Gulf to the China Sea there is no single Power capable of dominating the region nor any combination of Powers which by its united strength could successfully resist Russian expansion. Nor is

there at present any one Asiatic Power capable of bringing about unity and co-operation throughout the region. The dangers of the situation are thus manifest and manifold'.

Britain, the paper further argued, could not dominate the region either.

However:

'We can and should use our influence to weld the area into some degree of regional co-operation.'

Politically, Britain's chief advantage was that it had been the most successful of the Western Powers in coming to terms with the new nationalist spirit in Asia. The Dutch and French on the other hand were still in conflict with the nationalist movements in Indonesia and Indochina. Britain also enjoyed the moral prestige of a victory in the Second World War, moderated, however, by the memory of earlier defeats at the hand of the Japanese. She also had considerable economic influence in the area, and the value of her trade with South-East Asia and the Far East was second only to that of the United States. However, the United States lacked Britain's prestige and historical connections, and was reluctant to play a leading part in South-East Asia after the failure of her policy in China. The paper saw great opportunities for Britain: Asia's nationalist governments desired to push through programmes of economic development and industrialisation; with expanding production Britain would be able to assist increasingly in meeting needs for capital goods, particularly since most Asian countries had more sterling than dollars at their disposal. All this placed Britain in a favourable position for helping to plan and coordinate economic development. Despite this, the area's full development could only be

brought about with American assistance. While Britain should give the lead she should also 'encourage the Americans to supplement our efforts'.

Militarily, British means were equally limited. Britain could not afford military commitments of a size enabling her to offer effective resistance against a full-scale attack. Her peace-time commitments should rather be for the purpose of maintaining internal security in Britain's own territories. In the long run, it would be for the 'Asian countries themselves to preserve their national integrity'. Summing up, the paper stressed that Britain's imperialist past was by no means forgotten, and that there was suspicion that she was seeking to re-establish her domination by more subtle means. Despite this, there was no other power capable of undertaking the formidable task of trying to link South-East Asia with the West and to create some kind of regional association which would be capable of effective resistance against communism and Russian expansion. The paper therefore suggested turning regional cooperation into official British policy:

The aim of the United Kingdom should be to build up some sort of regional association in South-East Asia in partnership with the association of the Atlantic Powers. Not only are we in the best position to interest the United States in active participation in maintaining the stability of the area, but our relation with the Commonwealth provides a means of influencing and co-ordinating the policies not only of the Asiatic Dominions, but of Australia and New Zealand, whose strategic interest in the area is, in fact, equal to our own. The immediate object of a wider association of the West, including the Pacific members of the Commonwealth and the South-East Asian countries, would be to preserve the spread of communism and to resist Russian expansion: its long-term object would be to create a system of friendly partnership between East and West and to improve economic and social conditions in South-East Asia and the Far East.'(6)

PUSC (32) thus proposed a two-pronged approach to South-East Asia. Britain should endeavour to create a common pro-Western front to contain the further spread of communism. This would be in line with Britain's long-term aim of establishing a regional system which provided for the area's economic development and allowed a maximum of British political and economic influence.

However, a host of problems still had to be overcome to achieve this policy. A second paper, PUSC (53) from 20 August 1949, was entitled 'Regional Co-operation in South-East Asia and the Far East'. It examined the problems involved in implementing the recommendations of the first PUSC paper. On the whole, the paper presented a picture of disunity in Asia. The relationship between the Asian countries and the West had been bedevilled by the historical legacy from the struggle between emerging nationalism and the European colonial powers. French and Dutch policies in particular had created the danger of driving nationalist elements into the arms of the communists and of discrediting the West, including Britain, with the Asian nationalist movements. There were also continuing inter-Asian conflicts: the Afghan-Pakistani and Kashmir disputes, the chaotic state of Burma, Thailand's comparative isolationism and the disturbed state of Indonesia and Indochina were all factors contributing to the general lack of cooperation in the area. India was the only country physically capable of acting as a leader of South-East Asia, but the Asian countries appeared to 'fear and mistrust domination by one of their own number as much as they disliked European domination'. Another problem was the United States, who was holding aloof from South-East Asia, but without whose participation no final

regional system of collaboration could hope to exist in the long run. Only the success of Britain's (regional) efforts was likely to encourage the Americans to come in at a later stage. Examining some of these issues in detail, the paper stressed that:

India is the key to the whole problem of South-East Asian regional co-operation. Without India we can achieve little, but India is at present in no mood to co-operate in any joint move to establish an anti-Communist front in South-East Asia and the Far East'.

India and most other South-East Asian countries mistrusted the West, based on the legacy of imperialism, and desired to remain clear of entanglements with the Great Power blocs. They also failed to realise that the Soviet threat was world-wide and they were disinclined to believe that the Chinese communists were willing to follow Moscow and would threaten Asian national governments. India also believed in her destiny as the leader of the Asian peoples. To counteract this, Britain firstly had to strive to dissolve suspicions against her colonial policies, secondly convince the nations of South-East Asia that any position between the power blocs was illusory and that a front against communism was in their interests, and thirdly convince India that 'unless she is prepared to play a more positive rôle, there may be no Asia left for her to lead'. To achieve this, concrete help of a technical, financial and economic nature would be of the greatest influence. There now were encouraging signs that 'Communist expansion, just as it served to bring about greater cohesion of the West, is bringing the leaders of the countries of Asia to a more realistic frame of mind with regard to regional co-operation in the face of common

danger.' The paper further argued that the Commonwealth was a potential binding force in South and South-East Asia:

'Having agreed that it is for Great Britain to play a major (if unobtrusive) part in organising South-East Asia for regional political, economic and military co-operation, there is much to be said for using a Commonwealth rather than a purely United Kingdom approach to achieve our aims. Not only will India be less suspicious that she is being used as a pawn in a European-Moscow chess match, but her aspirations to be a leading member of the team can largely be satisfied without-
a) causing undue offence to Pakistan and Ceylon (since the United Kingdom, Australia and New Zealand will all be playing, too). b) Frightening other countries in the area that Asian regional collaboration is not another name for Greater India or Mahabharat.'

The suggestion to hold a Commonwealth Conference in Ceylon in 1950 remained in abeyance. Further communist successes in China and increasing communist disturbances in India as well as a successful launching of independent regimes in Indonesia and Indochina would do much in the meantime to bring India to the conference table in a realistic frame of mind. Furthermore, Burma, where the political situation was 'thoroughly unstable', was a 'useful field for the exercise of a policy of Commonwealth co-operation, and success here would create an encouraging precedent for a joint approach to other South-East Asian problems'.

Turning towards individual countries, the paper stated that Thailand, unlike her neighbours, was peaceful and prosperous. However, unless the Thais were 'satisfied that they will receive material support they may in the end follow the line of least resistance, as they did with Japan in 1941, and come to terms with Communist China, thus contributing to their own downfall'. Indochina and Indonesia were

equally problematic. Though important food sources to the whole of South-East Asia, the unsettled conditions brought about by the struggle between the nationalists and the French and Dutch had prevented the two territories from providing appreciable amounts to deficit areas. It was 'unfortunate' that Indochina, where the French said another nine months were needed to set the country on its feet again, would be more directly threatened than any other South-East Asian territory should China fall under communist control. For the time being, the presence of French troops and the retention of French bases, 'should act as a reasonably effective counter to infiltration or direct aggression from China, although here, again, charges of imperialism may be the price to be paid for greater security'.

The paper then turned to Malaya which was of 'utmost importance strategically and economically to the United Kingdom and is the major dollar earner of the sterling area'. An assurance that Britain was not prepared to abandon the area and was taking active steps to safeguard it from external aggression might do much to encourage the local Chinese to believe that reinsurance with a Communist China was not an absolute necessity. So far as the Philippines were concerned, the paper doubted whether the country could bring 'positive strength' to any Asian union. However, she could 'nevertheless serve as a link in a system embracing South-East Asia and the Far East and Pacific areas.' Finally, the paper stated that 'any indication that we were prepared even to contemplate withdrawal from Hong Kong in the face of Chinese Communist pressure would have far-reaching effects on the general position in Asia', as Asian peoples would interpret any British weakening as the beginning of

a general retreat. 'From an economic point of view such a development would be a disaster for us, while politically and militarily the consequences would be equally grave.'

Summing up the situation, the paper stressed that South-East Asia would not allow the same degree of political cooperation as in Europe. Nor was the United States prepared to play the same part or produce the same material incentives to greater unity. For the time being, the colonial powers remained suspect and there were many local jealousies and rivalries: any thought of a South-East Asian Pact could therefore be ruled out for the time being. However, Britain could try to prepare the ground for greater regional political cooperation in the future. She had to aim to prove that imperialism and racial superiority were dead; use her influence to bring about the settlement of national rivalries in the area; discreetly promote greater Commonwealth solidarity in the area; keep the United States informed and try to get her assistance; and emphasize in her propaganda the menace that Soviet communism presented to nationalism. The difficulty remained, however, that Britain would be unable to satisfy Asian demands for large amounts of material assistance.

The paper subsequently turned to China, where the communists were likely to assume complete power. The strongly pro-Soviet policy of the Chinese Communist Party constituted a serious threat to Western interests inside the country, as well as to South-East Asia. Though keeping a (commercial) 'foot in the door' in the country, the paper argued that it was of cardinal importance for Britain to encourage an

'effective anti-Communist front' in South-East Asia. While China was unlikely to embark on any adventures against her neighbours for quite some time, there was the obvious danger that she would give active support to the communists in Burma, Indochina and to the 'Freedom Movement' in Thailand, and that local Chinese communities in South-East Asia would be used as powerful communist fifth columns, 'corroding from within and ultimately, if circumstances are favourable, seizing power'. Burma, Thailand and Indochina were most open to direct aggression by the Chinese communists, while all other countries in South-East Asia were extremely vulnerable to communist disruption and subversion from within. As Britain could not provide appreciable military support in the event of wide-spread communist guerilla activities or in case of a world war, she would have to persuade the South-East Asian countries that their ultimate military salvation lay in their own hands. She would also have to be ready to provide technical advice, military missions if welcome and arms to the greatest extent possible. It might also be necessary to try and convince the Americans of the need for arms now, if the programme in the economic and political fields was to have any chance of success. Finally, Britain would have to attempt to obtain a nucleus of strategic cooperation with the Asian Commonwealth countries, Australia and New Zealand before any wider regional defence system itself was practicable. This cooperation would have to be entirely in the field of planning and exchange of views, since Britain was unable to increase the present flow of arms.

Having ruled out defence cooperation for the time being, the paper proposed starting regional cooperation in the ^economic sector:

'Political differences between the countries of South-East Asia and the Far East and their unwillingness and inability to collaborate militarily, leave economic collaboration as the only form of greater unity which the countries of the area are likely to accept at present. But the habit of collaboration is a catching one and the settlement of economic difficulties, of common consultation and effort, may well lead to greater political and military cohesion. In promoting greater economic collaboration, the West does not labour under the same handicap of suspicion of imperialism or selfish exploitation as it would were it to try to promote political or military unity. Regional collaboration in the economic field, if achieved, may well lead not only to a better understanding between the countries of Asia themselves, but also between East and West. It is therefore at present the only possible line to pursue in the direction of our long-term objective of political and military, as well as economic, co-operation throughout the region in partnership with the West.'(7)

The two PUSC papers offered the most detailed and precise definition of British regional plans in South-East Asia since the Colonial Office's paper on 'International Aspects of Colonial Policy' in 1944. The papers' authors suggested establishing, under British leadership, a regional organisation which provided for cooperation primarily in the economic field, and which would help develop the South and South-East Asian economies. The Commonwealth would provide the initial platform from which a regional initiative would be launched. The underlying aim of regional cooperation was the containment of communism in Asia: economic cooperation, together with Western aid, would help stabilize the countries most threatened by the communist successes in China, namely Burma and Thailand. Sooner or later, Indochina as well might be included, though it was not clear whether this would be under French or nationalist rule. The countries on the subcontinent too would benefit. Apart from safeguarding their food supplies from the rice producing countries in the north of South-East Asia, Britain's regional

plan would prevent the growth of communism by slowly raising their populations' standards of living. Aid and economic cooperation would also place them firmly in the Western camp and prevent them from siding with the Soviet Union or communist China. In the long run, once economic cooperation had been established, collaboration could be extended to the political and military spheres.

If the proposed regional scheme was successful, Britain would greatly benefit. Though she could not hope to dominate the region, regional cooperation would nevertheless provide her with a maximum degree of political influence in the area. It would also help to safeguard the position of the dollar-earning colony of Malaya, and might one day provide for a regional defence system to protect the colony against a potential attack from the outside. At the same time, regional cooperation would help to develop the region's economies in concert with the West, providing Britain with new markets and securing the flow of raw materials to Europe. Last but not least, a regional system would guarantee Britain's long-term survival as a Far Eastern power. Though never directly expressed, the papers' authors seem^d to be thinking ahead to the time after Malaya's eventual independence.

However, the difficulties that had to be overcome in organising regional cooperation were manifold. There was the problem of associating India with London's plans, and of convincing her that she would not be entering into an anti-communist bloc in Asia. A further problem was that the whole area was dominated by national rivalries. The Commonwealth approach to regional cooperation undoubtedly promised to be the best way

to overcome these difficulties. However, the papers failed to provide a satisfactory solution to the recurring problem of aligning France and Indochina with the new Asian states. A more immediate problem was Britain's lack of financial resources. Only the United States could finance a regional economic development scheme in South-East Asia. Yet the Americans had not given any signs that they were contemplating a more active involvement in the region. Thus, for regional cooperation to succeed, British diplomats would have to step up efforts to involve Washington in their South-East Asian plans.

16.3 ANGLO-AMERICAN NEGOTIATIONS, JULY-NOVEMBER 1949

The PUSC papers left the Foreign Office with the major problem of trying to secure American financial support for their South-East Asian scheme. In July, ~~George~~ George F. Kennan, head of Washington's Policy Planning Staff, visited London. Though assuring the British that a full survey of the situation in the Far East was forthcoming, Kennan emphasized Washington's refusal to join any pact like the North Atlantic Pact with South East Asia. He also made it clear that the main task of resisting communism in South-East Asia had to fall to the Commonwealth. Kennan's visit offered London little hope that American attitudes towards South-East Asia were changing, and a Foreign Office memorandum lamented:

'The general impression left by Mr. Kennan's comments on South East Asia was that the Americans expected the United Kingdom to take the lead in this region. They will welcome frank discussions with us, but will not readily be persuaded to enter into any commitments. They will certainly not enter into military commitments, and we shall probably have difficulty in

persuading them to give economic help. Mr. Kennan said the military threat to South East Asia from Russia was negligible, and South East Asia countries must learn in the event of war they must be capable of defending themselves.'(8)

However, British officials' hopes were raised again in August, after Washington's publication of a White Paper on China which aimed to explain the failure of American postwar policies in China. MacDonald was encouraged by Acheson's covering note to President Truman which 'contains a statement of policy about South East Asia which seems to mark, or at least to foreshadow a considerable change in the American attitude to this part of the world'.(9) Denning doubted whether there had been a change of attitude. However, he and Bevin would discuss South-East Asia and the Far East during forthcoming talks in Washington.(10)

In September, talks were held in Washington ^t/₂ between Bevin and Acheson, and between Denning and members of the State Department dealing with a range of East and South-East Asian topics. Denning's aim prior to the talks was to sell the idea of an economic approach to South-East Asia, based on the two PUSC papers.(11) On 12 September Denning told the Americans that the British wanted to discuss ways and means of defending South-East Asia, i.e. the area stretching from Afghanistan to Indochina and including the Philippines, against communism. In his opinion, the first step needed to meet the communist threat was

'... to develop the economies of the countries of the area to a degree of strength equal if not superior to Communist pressure. Mr. Denning said that his Government believed if such a program was successful even in preserving the present standard of living in Southeast Asia that area could be successfully orientated toward the West.'

Denning added that the cost could not be met completely from local resources, but that Western economic aid would hopefully build up the habit of cooperation with the West. Butterworth from the State Department generally agreed that there should be greater political and economic cooperation; however, he also stressed that it would be difficult to extend financial and economic assistance until the area's political difficulties were approaching a solution. When the discussion turned to ECAFE, Butterworth stressed the United States had been

'... obliged to discourage the members of ECAFE in their efforts to lay the foundations of the Marshall Plan for Asia, not only because a Marshall Plan for Asia was in itself impractical but because we felt that the Asiatics should make increased efforts to solve their own economic problems ... public financing of practical projects should be done through the Export-Import Bank and the World Bank.'(12)

Denning subsequently informed Bevin that the Americans were unduly cautious about an economic approach to a regional understanding, and that Butterworth seemed to put too much faith in the ability of India and the Philippines to bring about regional cooperation. Bevin should therefore repeat in his talks with Acheson that an economic approach was the best means of bringing about political cohesion. If the Asian countries developed the habit of cooperating with each other and with the West in the economic field it would be easier to also secure their political and strategic cooperation, something both Britain and the United States wanted.(13) On the following day, Acheson stressed that it would be important to encourage the Asian countries to take the lead in the area and that it would be helpful if the Philippines and India could get together. Bevin, however, urged caution in encouraging India to take a lead, since the smaller countries feared Indian domination.(14)

In a first assessment of the Anglo-American consultations, Denning felt that talks had gone much better than expected, particularly on China and Japan. However, he did not get far with the State Department on the question of the economic approach to South-East Asia. The State Department felt that Congress had just reached the limits in voting fresh funds for aid anywhere, and it therefore did not want to encourage British hopes that dollars might be forthcoming to South-East Asia other than through banks or private investment:

'Politically, the Americans seem to think that the Asiatics should get together on their own initiative. I tried to point out that if they are left to their own devices little cohesion is likely to result in view of existing disputes and suspicions. If we did not make much progress on the regional approach, we at any rate discovered a community of thought on the individual problems such as Indonesia, Indo-China, Kashmir etc. I am afraid I detected a distinct tendency to use the Philippines as a stalking horse in South East Asia, while choosing to ignore the fact that this horse is not only weak-kneed but internally unsound.'(15)

However, during subsequent Anglo-American talks with the French Foreign Secretary, Robert Schuman, Acheson gave a first hint that aid might be forthcoming to a South-East Asian country. Both Bevin and Acheson urged the French to ratify the Bao Dai agreement, and Acheson hinted that it would be easier for the American administration to give assistance to local nationalist governments than to the British or the French. If the nationalists agreed to arrangements for guaranteeing private investment overseas and for the provision of American technicians, it would make it easier for Washington to take a more positive line.(16)

Acheson's remarks raised the Foreign Office's spirits. In his final evaluation of the Washington talks, Denning told MacDonald that the Americans were now showing a much keener interest in South-East Asia than during Bevin's last visit in March, and that they greatly desired to see the economic surveys now being prepared by Britain. They seemed to realise that South-East Asia could not be left to its own devices and that US aid was necessary. However, the State Department did not believe it possible to persuade Congress to vote further sums for South-East Asia at a time when Washington had difficulties in pushing through Marshall as well as military aid for Europe. Any financial aid for South-East Asia would have to be found from sources already available to the Administration. 75 million dollars originally intended for nationalist China should now be placed at Truman's disposal for use anywhere in the Far East. Further aid would have to be found either by the International Bank or the Import and Export Bank, which only financed commercial propositions. On the whole, the Washington talks had gone some way in convincing the Administration of the need for aid, and time was required for the administration to convince Congress of the necessity of further appropriations. (17)

18.4 THE P.U.S.C. PAPERS GO TO THE CABINET

The Washington talks in September encouraged the Foreign Office to submit the two PUSC papers to the Cabinet. On 27 October, a member of the Cabinet pointed out that 'it should not be impracticable to maintain the political influence of the United Kingdom in South-East Asia while

arranging for the United States to provide much of the capital investment that was required'. The Americans' unfortunate experience in China had made them more receptive to suggestions for collaboration with Britain on Asian affairs, 'on the basis that the United Kingdom provided experience and the United States provided finance'. The Cabinet approved the combined paper. (18)

British officials in South-East Asia welcomed the decision. Dening was sent to Singapore to explain London's policy to a conference of British officials that was meeting in Bukit Serene under the guise of MacDonald. The conference agreed that Britain should encourage the ultimate creation of a regional pact or association for economic, political and if necessary military cooperation, in order to prevent the spread of communism in South and South-East Asia. It also agreed that the present situation would not permit such an association, and that the initial approach should be to encourage economic cooperation. The conference also welcomed London's plan to hold a Commonwealth conference in Ceylon which would discuss South-East Asia. In addition, however, immediate anti-communist action was required in Burma, Indochina and Thailand, for example by giving the latter sufficient material support and encouragement. (19)

A few weeks later, first concrete evidence of a change in American policy was forthcoming: in return for letting the Americans see the second of the PUSC papers on South-East Asia, the British were handed a copy of NSC 51. The paper had first been circulated in Washington as PPS 51 eight months before, and it suggested both multilateral cooperation

and American aid to South-East Asia. As R.F.Hoyer-Millar from the British embassy in Washington told the Foreign Office, PPS 51 had now been initialled by the President, thus becoming official policy. He added that both papers underlined the necessity for the United States and Britain jointly to encourage the South-East Asian countries to reduce the effects of communism in the region. He consequently saw grounds for optimism, though he disliked the American paper's reference to South-East Asia as a market and supplier of raw materials for Japan; Britain would have to be 'vigilant over the extent to which the Americans seek to expose South-East Asia to Japanese penetration'. (20) However, the Foreign Office was on the whole satisfied with PPS 51. Though the Americans tended to use the Philippines as a 'stalking-horse' in South-East Asia (21), the main point was that 'American thinking, by and large, is on the same lines as our own'. (22)

Indeed, in the following months Washington was to move even closer to a commitment to South-East Asia, in the wake of Mao Tse-tung's proclamation of the People's Republic of China on 1 October, and the Kuomintang government's move to Taiwan on 9 December. On 30 December, Truman endorsed a final Policy Planning Staff paper, NSC 48/2, which recommended that Washington should be prepared to provide political, economic and military assistance to supplement the efforts of other governments in resisting communism in Asia. As a matter of urgency, 75 million dollars were programmed for the area. (23)

The United States' growing commitment to South-East Asia was due to a number of factors. The American historian A.J.Rotter has recently

attributed it to Washington's growing concern about South-East Asia as a market for European and Japanese manufactured goods, as well as a source of raw materials whose export into dollar areas allowed Britain to finance her trade with the United States and would thus enable the British economy to serve as a motor for Western Europe's economic recovery. (24) While this thesis does not attempt to examine the motives behind American policies in South-East Asia in greater detail, one observation should nevertheless be added. American ideas embodied for example in PPS 51 were largely influenced by British plans for anti-communist regional cooperation, first laid out in the Cabinet paper on China in December 1948 and repeated throughout the following year. Undoubtedly, the growing American concern and subsequent commitment to South-East Asia was to a large degree the result of the intensive lobbying by British diplomats throughout 1949, who were trying to involve Washington in their regional strategies.

In return, Washington's growing interest in South-East Asia at the end of 1949 induced London to try and implement its regional plans. In January 1950, Bevin personally attended the Commonwealth Meeting on Foreign Affairs in Colombo, despite his failing health. During the conference, the British encouraged Australia and Ceylon to take the lead in promoting regional cooperation. The result was the establishment of a consultative committee in order to examine methods of coordinating development activities in South and South-East Asia. This was later on followed by the Colombo Plan, an 'aggregate of bilateral arrangements involving foreign aid for the development of South and South-East Asia'. (25) The Colombo Plan eventually included 23 Asian and Western

countries from both inside and outside the Commonwealth, facilitating economic assistance to the non-communist countries of South and South-East Asia.

NOTES

- (1) Ritchie Ovendale, 'Britain, the United States, and the Cold War in South-East Asia, 1949-1950', in *International Affairs*, Vol.58, No.3, Summer 1982, p.447.
- (2) CAB 134/287, FE (O) (49) 23, Report of the Working Party on Food Supplies and Communism, 'Food Supplies and Communism in the Far East', Gen.271/14.
- (3) CAB 134/ 286, FE (O) (49) 5th Meeting, 12 May 1949.
- (4) CAB 134/287, FE (O) (49) 43, 20 July 1949, Preliminary Report of the Economic Survey Working Party.
- (5) CAB 134/286, FE (O) (49) 9th Meeting, 27 July 1949.
- (6) FO 371, 76030, F 17397, PUSC (32), 'The United Kingdom in South-East Asia and the Far East', Foreign Office, 28 July 1949.
- (7) FO 371, 76030, F 17397, PUSC (53), Foreign Office, 20 August 1949.
- (8) FO 371, 76383, W 4528, memorandum recording talks with Kennan in July 1949.
- (9) FO 371, 76024, F 13085, MacDonald to Dening, 23 August 1949.
- (10) FO 371, 76024, F 13085, tel.1043, FO to Singapore, 29 August 1949.
- (11) FO 371, 76032, F 14256, Dening to MacDonald, 1 October 1949.
- (12) All quotes taken from FRUS, 1949, Vol.7, p.1197-1204, memo of conversation at the State Department by Butterworth, 12 September 1949, 890.20/9-1249. Account also based on FO 371, 76032, F 14256, record of conversation between Dening and Butterworth, 12 September 1949, pages 14-18.
- (13) FO 371, 76024, F 15775, minute by Dening , 12 September 1949.
- (14) FO 371, 76032, F 14114, record of a meeting at the State Department, 13 September 1949.

- (15) FO 371, 76024, F 14149, Dening to Strang, 15 September 1949.
- (16) FO 371, 76024, F 14438, record of a meeting at the State Department on 17 September 1949.
- (17) FO 371, 76032, F 14256, Dening to MacDonald, 1 October 1949.
- (18) CAB 128/16, CM (49) 62nd, 27 October 1949. The paper, CAB (49) 207, is still classified, but Foreign Office minutes show that it was virtually identical with the two PUSC papers.
- (19) FO 371, 75705, F 17415, MacDonald to FO, tel.928, 6 November 1949.
- (20) FO 371, 76025, F 17668, 16 November 1949.
- (21) FO 371, 76025, F 17668, minute by Lloyd, 24 November 1949.
- (22) FO 371, 76025, F 17668, minute by R.H.Scott, 24 November 1949.
- (23) Ovendale, p.460.
- (24) Andrew J. Rotter, *The Path to Vietnam - Origins of the American Commitment to Southeast Asia*, Ithaca 1987, pp.4-6.
- (25) L.P.Singh, *The Politics of Economic Cooperation in Asia*, Columbia 1966, p.170. The total expenditure on technical aid provided under the Colombo Plan between 1950 and 1965 amounted to just over £ 220 mio. Of this, £ 176 mio were provided by the United States. The prime recipients were Indonesia, Vietnam, India and Thailand. The Colombo Plan's diplomatic significance, bringing together the region's non-communist countries, therefore far outweighed its economic importance.

CONCLUSION

The Cabinet's endorsement of regional cooperation as official British policy was a clear indication of the region's growing importance to Britain since the time of the Japanese surrender. Strategically, the war had demonstrated South-East Asia's significance for the defence of Australia and India against an invasion from the north. Economically, the region had become increasingly valuable. Apart from producing foodstuffs and raw materials for Western Europe, South-East Asia was the rice bowl of Asia and thus vital for the economic and political stability of the subcontinent. In addition, Malayan rubber and tin were Britain's single most important dollar earners, essential for the financing of her trade deficit with the United States. Politically too, the region had altogether taken on a new significance. Since the transfer of power in India, the centre of British influence in the eastern part of Asia had shifted from Delhi to Singapore and Malaya, and Britain's foothold there ensured her survival as a major Far Eastern power. The Malayan emergency, together with the troubles in Burma and the attempted communist revolt in Indonesia, had further increased South-East Asia's importance. London was convinced that the Soviet Union was behind the regional insurrections, and it saw the communist uprisings as part of a global conflict between the West and an international communist movement~~s~~. After the communist victories in China, South-East Asia was believed to be in the front line of the Cold War; it was an area where vital Western interests were at stake and which had to be defended. The Cabinet therefore agreed on a course

similar to the one previously pursued in Europe, namely that of anti-communist cooperation through economic and later on defence collaboration.

The Cabinet's decision also meant that after years of interdepartmental debate the Foreign Office had finally overcome the Colonial Office's opposition and had turned its long-prepared plans for regional cooperation into official British policy. This confirmed the Foreign Office's growing influence on British decision-making in the region. Whereas the last Cabinet paper dealing with regional cooperation in South-East Asia had in 1944 been drafted by the Colonial Office, it was now the Foreign Office that was calling the shots on international issues affecting the region.

The Cold War had provided the Foreign Office with an ideal opportunity for submitting its regional policies to the Cabinet. The prospects had never been better. In 1945, British efforts to create a regional commission on the basis of SEAC would probably have failed as too obvious an attempt to establish Britain as the dominant power in the region. Two years later, the idea of establishing a Singapore-based regional system including India and Burma was equally doomed by the new Asian states' suspicion of British imperialist ambitions. However, the communist threat allowed the Foreign Office to revive regional cooperation as a means of involving the United States in South-East Asia, and of rallying the Asian countries against communism. While the new Asian states could not be bullied into a regional alignment, London was confident of their participation in a regional scheme in return for

the promise of economic gains and protection against communist subversion.

Many parallels existed between the regional plans from 1945 and 1949. Most importantly, the Foreign Office's long-term aim had remained the creation of a regional system in South-East Asia providing for the maximum of British influence. Similarities also existed between the planned roles of economic cooperation at both times. In 1946, the rice crisis had provided an opportunity for Lord Killearn to organise regular regional meetings. It was hoped that technical and economic cooperation would be the basis for political and defence collaboration. The logic behind the 1949 plans was basically the same as that behind earlier policies: economic cooperation, though on a much larger scale and coupled with Western aid, would be the prelude to the formation of a pro-Western bloc in South and South-East Asia.

However, in most other ways the 1949 strategy differed from that of 1945. First and foremost, the short-term aim of the new regional policy was to contain communism. In the immediate postwar period, in contrast, the most pressing issues were the threat of famine and the task of reconstruction. Secondly, the concepts underlying the Foreign Office's new policy were different to those of 1945 and 1946. The postwar plans had been based on the principle of cooperation through an international colonial commission which would also allow interested outside powers a limited say in South-East Asia. By 1949, London's political priorities in South and South-East Asia had completely changed. It hoped to organise cooperation between Britain and the independent Asian states,

providing the basis for future understanding between Asia and the West. At the same time, French and Dutch participation was now virtually ruled out: Britain's sister colonial powers in Asia had become a political liability because of their hardline colonial policies. For over two years, the new Asian states had been voicing their opposition to Dutch and French colonialism, and it was unlikely that Nehru would be inclined to cooperate with Paris and The Hague in a joint regional scheme.

The imminent Dutch exit by the end of 1949 made the eventual inclusion of an independent Indonesia in South-East Asian regionalism much more likely. Indochina, on the other hand, continued to be a problem, as there were few prospects for a satisfactory settlement between the French and moderate Vietnamese nationalists. Yet the country was also the one most threatened by a communist take-over because of her proximity to China and the Viet Minh's communist allegiance. London dropped some of its recent reluctance on cooperation with Paris by recognising France's puppet state, the State of Vietnam, in February 1950. However, it also realised that there was little hope of including Indochina in its planned regional scheme. Britain could only hope that London's (and Washington's) increasing efforts to bolster the French position in Indochina would not interfere with the Colombo conference's future initiative.

A third difference lay in the enlarged geographical scope of the regional scheme envisaged in 1949. It was no longer confined to Malaya, Thailand, Indochina, Indonesia and perhaps Burma, but included also Afghanistan, the whole of the subcontinent and the Philippines. This

enlargement was due to two factors. The Foreign Office wanted to include all the countries east of Iran and south of Japan potentially threatened, internally or externally, by communist aggression. This had the advantage that it included the whole of the Asian Commonwealth, which would function as the motor for further developments towards regional cooperation. It also included the Philippines, which (despite her distracting proposals for a Pacific pact) would help to involve the United States. The new plans also acknowledged India's appearance as an independent player on the world stage. During the Asian Relations Conference in 1947 and the Delhi Conference two years later on India had displayed the ambition of becoming a major political power in Asia and of assuming the moral and political leadership of the combined South and South-East Asian region. London had come to terms with Indian aspirations, and had concluded that no regional plan would be successful unless Delhi could be involved. The British also hoped to use South-East Asian regionalism in order to exert a maximum of influence on India.

Fourthly, the role of the United States in the 1949 plans was contrary to that envisaged four years before. In 1945, the Colonial Office's fears that a regional commission would allow the United States to interfere in the affairs of the European colonies was one of the main points against regional cooperation. By 1949, however, Washington's involvement in South-East Asia was believed to be vital for the success of Britain's regional plans. Only the United States had the financial resources to stabilize the regional economies, and only she could provide the material incentives for the countries of the region to put aside their differences and join in a regional plan or organisation.

Just as Britain and the United States were cooperating against the spread of communism in Europe, they would have to organise joint action in South-East Asia.

Finally, the Foreign Office's new regional policy took into account the relative decline of British power in South-East Asia since 1945. Immediately after the war, Britain was still ruling over the whole of the subcontinent. For a brief period, SEAC was also controlling most foreign territories in South-East Asia; despite the many problems of postwar administration, Britain had temporarily maintained *de facto* hegemony in the region. By 1949, in contrast, Britain had lost her Indian empire, and she had considerably reduced her military presence in the region. She no longer had the manpower of the Indian Army as a reserve, and she was pinned down by the guerilla war in Malaya. In the event of a new world war, Britain would have been unable to spare considerable numbers of troops for South-East Asia. London also realised that its weak financial position prevented it from providing large-scale military aid to anti-communist countries in peace-time. In the long term, the security of South-East Asia would therefore have to depend on the countries of the region themselves.

The PUSC papers stated clearly that Britain had to rule out any hope of dominating the region. Not least, it was realised that Asian suspicions of British imperialist designs were far too great to have allowed this. However, at the same time the paper's Foreign Office authors believed they had spotted an opportunity to maintain and extend Britain's indirect influence in the region. Britain's prestige stood

high because of her recent policies in India, and she maintained good relations with virtually all the countries of the region, including the colonial powers, the Commonwealth (where she was still the dominant force) and the other independent countries in the region. She was also the United States' principal ally in the world. In addition, Britain had through Lord Killearn's Special Commission gained first-hand experience of South-East Asia's economic problems. She was also fully aware of the political differences within South and South-East Asia. London therefore concluded that Britain, more than any other country, was in a good position to organise regional cooperation. British diplomacy, rather than military or economic power, would be the main tool in achieving South-East Asian cooperation. Britain would use American dollars as the incentive for regional unity. At the same time, she would discreetly guide the development of the whole region along pro-British lines.

The Foreign Office's regional plans aimed at halting Britain's decline as a Far Eastern power following the withdrawal from India. They were an inspired attempt to maintain a maximum degree of British influence in South and South-East Asia with a minimum degree of expenditure or military commitments. In the short term, British diplomacy would help unite the South and South-East Asian countries against communism. In the long run, the Foreign Office aimed at establishing an international organisation in South and South-East Asia which would provide the framework for a lasting British involvement in the area. It must be suspected that the Foreign Office was thinking ahead to the period after the completion of decolonisation, and that it

was trying to lay the foundations for a strong British role in post-colonial Asia.

Inspired it may have been, yet its success was only partial. The result of British diplomatic efforts, the Colombo Plan, though anti-communist in its outlook, failed to provide the basis for a regional defence organisation. Its impact on Asian economic developments was equally moderate. At the same time, Britain would find out the hard way that it was far more difficult to guide United States' policies along pro-British lines than originally imagined. The creation of the ANZUS pact in 1951, which excluded Britain, and the crisis over Indochina in 1954 were proof of this. Britain also failed to gain the degree of influence on Indian foreign policy that she had been hoping for. However, given the previous failure to convert the Special Commission into a regional commission and given the numerous conflicts that dominated South and South-East Asia, the creation of the Colombo Plan in 1950 was a major achievement attributable largely to British diplomacy in the two previous years.

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