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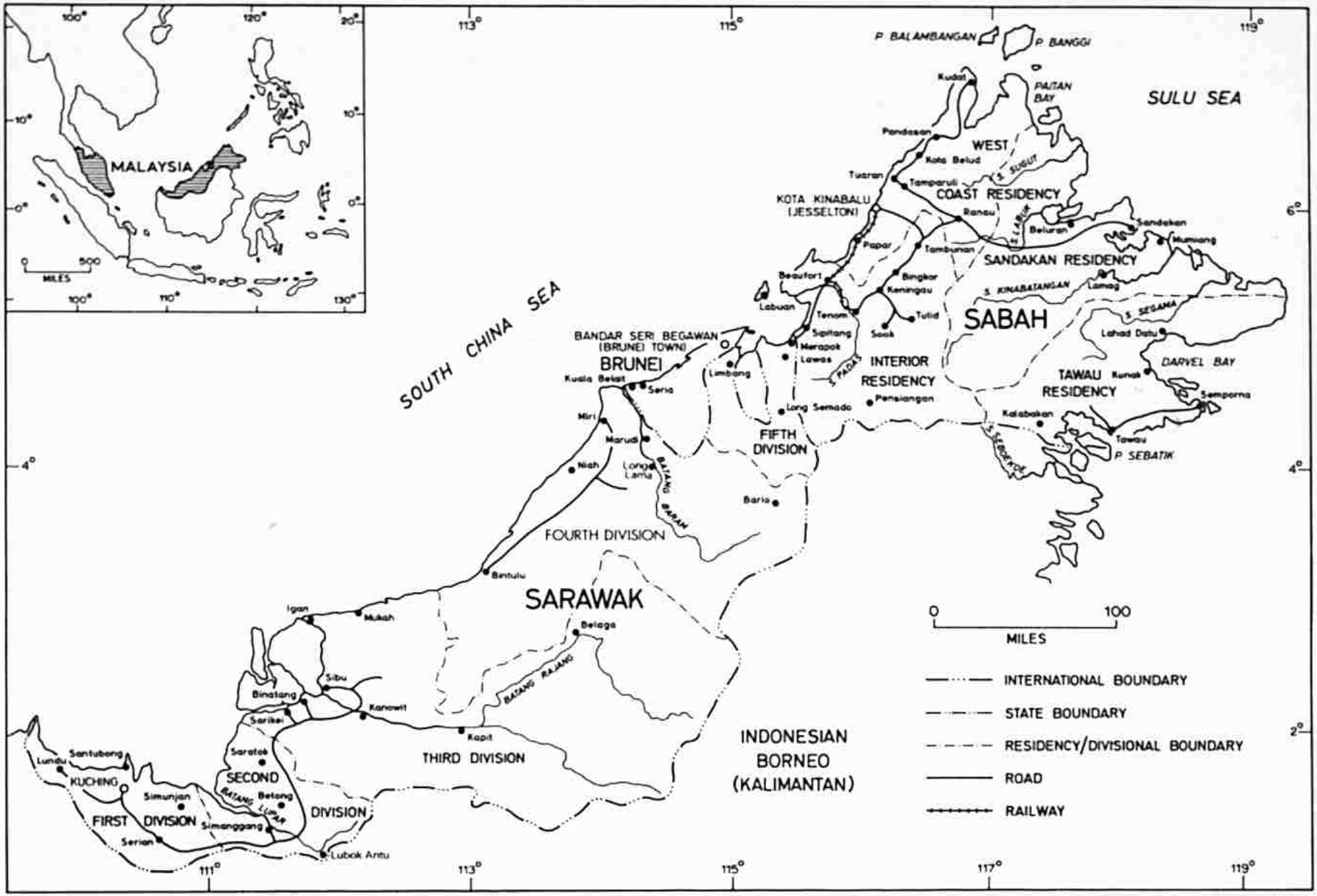
1960–1970



EAST MALAYSIA

MODERNIZATION IN EAST MALAYSIA 1960—1970

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For my Parents

'As my colleagues and I move from decision to decision every day, I particularly envy the historians who can later study the same events carefully and in a leisurely manner and tell us whether what we did was right or wrong in the light of later events.'

TUN ABDUL RAZAK
Strategy for Action

Preface

Sarawak and Sabah (formerly North Borneo) became states of Malaysia on 16 September 1963; with effect from 6 August 1966 the two states were officially called East Malaysia. Since the formation of the new federation, both states have actively participated in the affairs of the nation. In this study, the major defence, administrative, political, social and economic developments in East Malaysia during the 1960s are examined and related, where pertinent, to the overall policy of the Federal Government in Kuala Lumpur. External factors such as the Indonesian confrontation, the involvement of Commonwealth forces in that armed crisis and the Philippine claim to Sabah are assessed in terms of their impact on federal policy towards East Malaysia. The influences of federal administrative, political and socio-economic programmes on Sarawak and Sabah are also discussed in Chapters Three, Four and Five.

The coming of the modern age, hence modernization, to East Malaysia is seen in the extensive administrative, political and socio-economic activities of the 1960s. Modernization is by no means complete and it is certain that the process will continue in the present decade. It is clear, however, that the Borneo states have greatly outgrown their traditional tribal and feudal (for want of a better term) pattern of society which was predominant until the Second World War. The colonial period from 1946 to 1963 began the process of modernization in the two territories, and the 1950s saw many improvements in social services, public works and administration. The present judicial systems in Sarawak and Sabah were also improved during this period of tutelage.

But it was in the 1960s, and notably after the formation of Malaysia, that the process of modernization was intensified. Indeed, the very formation of Malaysia from 1961 to 1963 involved intricate nuances of modern political and constitutional bargaining. During the decade, defence strategy became increasingly complex; the Borneo administrations ceased to be merely colonial civil services and began to grapple with modern ministerial systems at the top and the bureaucratic federal public service which sought to streamline the administrative machinery of the whole federation. In the process, Borneo administrators were impressed with the fact that state and rural development entailed the material as well as the psychological involvement of the people in the realization of a happy and prosperous Malaysian society. Party politics was introduced with the coming of Malaysia, and for all practical and electoral purposes party platforms and election campaigns became part and parcel of public life in East Malaysia.

The federal arrangement made it inevitable that the federal-state relationship, in particular between the Borneo states and Kuala Lumpur, from time to time became a delicate problem of modern government and political leadership. Modern constitutional means were employed, albeit considered unfair by some, in the dismissal of one East Malaysian Chief Minister. The socio-economic programmes formulated and continually being implemented through the national and state development plans involved the intricacies of modern, not to say socialistic, planning, with the objectives of uplifting the material as well as mental well-being of the have-nots and the long-neglected rural dwellers. Modern planning, strategy, implementation and evaluation are the key slogans of development. Through these extensive approaches to the myriad problems of society, modernization gained much impetus in East Malaysia.

University of Malaya
October 1971

J.P.O.

Acknowledgements

I am indebted to Professor Gordon Greenwood, Professor D.P. Singhal, to whom this work is also dedicated, and other staff members of the Department of History, University of Queensland, for encouragement, supervision and many valuable suggestions when this work was originally prepared, submitted and approved for the award of an M.A. degree in 1967 from that University. The original thesis has been extensively revised, some of the previous materials deleted, while updating it to the beginning of 1971 has involved more research than I set out to do two years earlier.

In the course of rewriting I have become further indebted to many. In particular, the assistance of the Sarawak Museum and Archives, and the Chief Minister's Department, Kota Kinabalu, for the use of the Sabah Central Library, during a research trip to East Malaysia in October-November 1969 is gratefully acknowledged. For writing on the dissolution of UPKO and the problems and prospects of the Sabah economy, I am indebted respectively to Tan Sri Mohammed Fu'ad Stephens and to the Honourable Salleh Sulong, M.L.A., then Sabah Minister of Finance. Thanks are also due to the Chief Minister's Department, Kuching, for some recent informative correspondence. At times it has been exasperating to be unable to name East Malaysian leaders who have contributed much to this work through interviews but who have preferred to remain anonymous. The research-material assistance of the Kuala Lumpur High Commissions of the three Commonwealth overseas partners that helped Malaysia during confrontation with Indonesia is also acknowledged. Professor K.J. Ratnam, of the Science University of Malaysia, Penang, has helped to clarify my doubts about a number of East Malaysian issues. Although they are completely absolved from any shortcoming of this work, my colleagues in the Department of History, University of Malaya, have contributed much towards a better appreciation of the problems and challenges facing East and West Malaysia. I would also like to thank the Department of Geography for its assistance in drawing the map of East Malaysia.

Finally, a note on the use of a number of words: 'Federal Government' is used interchangeably with 'Central Government', although I have tended to favour the former which is also used in the Federal Constitution. 'Borneo' generally refers to Sarawak and Sabah, while 'territory' or 'territories' refers to the pre-Malaysia period in Borneo. Similarly, 'Jesselton' is used in all contexts before it was re-named 'Kota Kinabalu' on 22 December 1967. 'Indigenous' and 'Native' are used interchangeably. 'Malaya' and 'Malayan' refer to the pre-Malaysia period in the peninsula. 'Malaysia Day' was actually 16 September 1963, but its anniversary is 31 August. Designations such as 'Dato', 'Tan Sri' and 'Tun' appear with names as and when these have been bestowed on the persons concerned.

Contents

Abbreviations

ASEAN	Association of Southeast Asian Nations
BARJASA	Barisan Ra'ayat Jati Sarawak
BUNAP	Borneo Utara National Party (later SANAP)
CCO	Clandestine Communist Organisation (later SCO)
CPA	Commonwealth Parliamentary Association
DAP	Democratic Action Party
EPU	Economic Planning Unit
ICJ	International Court of Justice
IGC	Inter-Governmental Committee
MCA	Malayan (later Malaysian) Chinese Association
MIC	Malayan (later Malaysian) Indian Congress
MSC	Malaysia Solidarity Convention
MSCC	Malaysian Solidarity Consultative Committee
NDPC	National Development Planning Committee
PANAS	Party Negara Sarawak
PAP	People's Action Party
PKI	Partai Komunis Indonesia
PMIP	Pan-Malayan Islamic Party
PPP	People's Progressive Party
SANAP	Sabah National Party
SCA	Sarawak Chinese Association *or* Sabah Chinese Association as the context may be
SCO	Sarawak Communist Organisation
SDFC	Sarawak Development Finance Corporation
SGAOU	Sarawak Government Asian Officers' Union
SIC	Sabah Indian Congress
SNAP	Sarawak National Party
SUPP	Sarawak United People's Party
UDP	United Democratic Party
UMNO	United Malays National Organisation
UNKO	United National Kadazan Organisation
UNMM	United Nations Malaysia Mission
UPKO	United Pasok-momogun Kadazan Organisation
USAP	Union of Sabah People
USNO	United Sabah National Organisation

I

IN SEARCH OF IDENTITY

THE process of granting political independence to South-East Asian regions after the Second World War did not extend to the territories of Sarawak and Sabah. On the contrary, these two areas on the island of Borneo became British crown colonies in 1946. It was only fifteen years later in 1961 that self-rule became a serious topic of discussion in the two territories, and even this was due largely to the initiative of an independent neighbouring country, namely the then Federation of Malaya. Under the Alliance Government of Tengku Abdul Rahman, Malaya sought the participation of the Borneo territories in the formation of a new federation called Malaysia.[1]

When the Malayan Prime Minister made the bid for a new political union to include Sarawak and Sabah, the peoples of the two territories were politically ignorant, and there was an alarming shortage of potential leaders who could handle discussions and bargaining smoothly. The legislatures of both territories were composed largely of nominated members, and executive powers lay in the hands of British *ex-officio* members and governors-in-council. There had been improvements in the sphere of welfare services, as witnessed in the expansion of education and health facilities; but the economies of the territories depended upon a limited number of agricultural products such as rice, rubber, timber, pepper and copra, the last four of which comprised the export earners in a fluctuating world market. Fifteen years of colonial rule had not fostered political development, and when the initial Borneo response to Malaysia was heard it had to be the voice of the colonial governors instead of that of the peoples of Sarawak and Sabah themselves.

These British leaders, Sir Alexander Waddell of Sarawak and Sir William Goode of Sabah, were hurriedly summoned to a series of talks with Britain's Commissioner-General for South-East Asia, Lord Selkirk, in Singapore in June 1961. Meanwhile, in Britain itself, public opinion by the middle of the twentieth century had grown accustomed to the incessant demands for political emancipation in colonial lands. The tone of the Singapore talks underlined what the British Prime Minister, Harold Macmillan, himself stated in the House of Commons at the time in respect of the Tengku's Malaysia plan and the Borneo territories: 'Tunku Abdul Rahman's statement is already stimulating discussion in these countries, and the Government will wish to take their reactions into account in their consideration of the suggestion'.[2] For their part, the British leaders in Borneo had little inclination to play down what they realized were the first ripples of a tide of nationalism in Borneo brought about by the Tengku's overtures for a Malaysia federation. While they were at pains not to occasion any embarrassment to their superiors in London, and while they had their own official positions to think of, the British leaders nevertheless attempted to mediate between Kuching and Jesselton[3] on the one hand and Whitehall and Westminster on the other. Far from opposing the proposal, they cautioned only that the projected federation be approached with accent on proper timing because Sarawak and Sabah were politically backward compared to Malaya and Singapore.

For the peoples of Sarawak and Sabah, 1961 was an inopportune time for talks of federation with Malaya. There was no significant response to the Tengku's proposal from the one and a quarter million people of the two territories for nearly a month. Because the great majority of Borneans at the time were unfamiliar with politics, because it was principally the four years of Japanese occupation which taught the Sarawakians and Sabahans to live together and respect each other's values in a multi-racial society, and because national consciousness was a new pheno-

[1] The subject of this chapter is discussed in more detail in J.P. Ongkili, *The Borneo Response to Malaysia: 1961-1963*, Donald Moore Press Ltd., Singapore, 1967.

[2] *The Times*, London, 21 June 1961, p. 6.

[3] The town was re-named Kota Kinabalu on 22 December 1967.

menon among them, the Tengku's gesture to form Malaysia took the Borneans by surprise. Local leaders of note were hard to come by, and more articulate ones such as Ong Kee Hui of Sarawak and Donald Stephens of Sabah were bitterly opposed to the Tengku's proposal at the outset. There were a number of other Borneo leaders such as Temenggong Jugah anak Barieng, the traditional leader of the Ibans, Datu Mustapha bin Datu Harun, Datu Bandar and Khoo Siak Chiew; but there was no common front among them, and what could be heard amounted to sporadic voices in the wilderness.

However, these Borneo leaders were men of open mind. All of them had experienced tutelage under the British, most of them had had diplomatic brushes with their colonial masters, and nearly all had the experience of working in or with the Borneo administrations, ranging from clerical to legislative council levels. They eventually emerged as the 'founding fathers' of Sarawak and Sabah in the sense that they successfully fostered political thinking in the two territories, gained majority votes in elections, and marshalled opinions in favour of bringing Sarawak and Sabah into Malaysia. For the moment, however, these Borneo leaders were junior partners of the more experienced Malayan and Singapore politicians who sought to capture their imagination and rally their vital support in the formation of Malaysia.

Notwithstanding the lead of the British governors, the Borneo leaders voiced their first feelings about the Malaysia plan by forming a United Front on 9 July 1961, blatantly rejecting the proposed federation and bitterly criticizing the Malayan Prime Minister. Donald Stephens and Ong Kee Hui declared, immediately after Tengku Abdul Rahman paid a short visit to Brunei and Sarawak in the same month, that any plan to federate the Borneo territories with Malaya and Singapore would be totally unacceptable. Although only two leaders spoke vehemently against the Tengku, in fact the Borneo leaders almost without exception were apprehensive and unwilling to be associated with the Malaysia proposal at this early stage. But the United Front, for all its vehemence, was short-lived. Its rapid disappearance well demonstrated the lack of sustained and mature political outlook among the leaders of Sarawak and Sabah. It was because of this that the British leaders in Borneo had to play the role of stage directors by sending the Borneo leaders as representatives of their territories to the Commonwealth Parliamentary Association (CPA) conference in Singapore eighteen days after the United Front declaration. It was here, in association with Malayan and Singapore leaders, that the Borneo representatives began their career as leaders responsible for the political life and future of their territories, for it was here that they began discussing the Malaysia proposal and the need to safeguard the rights of Sarawak and Sabah. They began to understand the process of politics and to comprehend the roles their territories could play in the proposed federation. They also gradually realized that they had been hasty in rejecting the Malaysia proposal outright.

Up to this point, Sarawak and Sabah had been backwaters of British imperial rule, with no political identity of their own and with a dubious political future. At the CPA conference in Singapore, the Borneo leaders not only began to speak for Sarawak and Sabah but they were also given the crucial responsibility of furthering discussion on the Malaysia proposal through the formation of the pathfinding Malaysia Solidarity Consultative Committee (MSCC) with Donald Stephens as its chairman. The entrusting of a Borneo leader to head this important committee was tactical, as it in effect ensured that the Borneans, who had thus far remained recalcitrant, would have a big say in the decision-makings on Malaysia. The chairmanship given to Stephens was a subtle inducement for Borneans to participate happily and enthusiastically in a proposal which up to then they had so far balked at. From the four meetings of the MSCC between August 1961 and February 1962 the Borneo leaders experienced the intricacies of regional negotiations with Malaya and Singapore. For them it was an opportunity to gain insights into the pros and cons of 'international' bargaining.

The presence of the Borneo leaders at the CPA conference and their spearheading of further talks on the Malaysia plan marked a turning point in the histories of Sarawak and Sabah.[4] A hun-

[4] James Brooke, an English adventurer, acquired the present First Division of Sarawak from the Sultan of Brunei in 1841. His nephew, Charles Brooke, succeeded him as Raja in 1868, expanded and ruled Sarawak until 1917. Vyner Brooke, Charles' son, thereafter ruled the territory until the Japanese occupation in 1941. A section

dred years under the Brooke family together with fifteen years of British direct rule had instilled only a form of political bigotry among the more literate in Sarawak. But with the active participation of the territory's leaders in the meetings of the MSCC, a definite line of political evolution was being charted. After sixty years of Chartered Company business management and another fifteen years under the Colonial Office, Sabah began to move, albeit haphazardly, along the path to self-government. For Sarawak and Sabah, participation in the formation of Malaysia had come to mean the beginning of political awareness, the emergence of a feeling that they could work for a future which would lead to a national identity of their own. Such an identity could not be achieved overnight, but it cannot be denied that from the time of the formation of the MSCC until the inauguration of Malaysia on 16 September 1963, this political awareness which began with the Borneo leaders and spread to their peoples became the fundamental issue in Bornean public life.

The outcome of the four meetings of the MSCC itself bears testimony to this emergence of political awareness in Borneo. The communique issued after the final meeting in Singapore set out the major constitutional proposals and recommendations which the Borneo leaders demanded as a condition of their territories joining Malaysia. Among the points raised in this Memorandum were those pertaining to religion, language, immigration and the position of the indigenous peoples of Sarawak and Sabah in the proposed federation. Almost all these points were later embodied in Sabah's Twenty Points and taken up by other bodies instituted to facilitate the formation of the new federation.[5] Bearing in mind that the Borneo leaders played the vital role in the actual drafting of the Memorandum (Donald Stephens was chairman in all the four meetings), and remembering that these leaders represented their territories without hindrance from their colonial masters, it can justly be said that the forum of the MSCC encouraged the beginnings of independent thinking among Borneo leaders.

If it was the MSCC which enabled the Borneo leaders to experience regional negotiations at first hand, it was the Cobbold Commission which gave the peoples of Sarawak and Sabah their first opportunity of rallying to present a coherent public opinion poll. The Commission was appointed to ascertain the views of the peoples of Sarawak and Sabah on Malaysia, and in the light of the assessment of these views to make recommendations.[6] Comprising three British and two Malayan members, the Commission undertook its task in Borneo between 19 February and 17 April 1962. The peoples of the two territories mustered some 2,200 letters and memoranda for the Commission, and over 4,000 persons appeared before it in some 690 groups. Out of this first ever survey of political thinking among the peoples of Sarawak and Sabah the Commission stated in its assessment:

> About one-third of the population in each territory strongly favours early realisation of Malaysia without too much concern about terms and conditions. Another third, many of them favourable to the Malaysia project, ask, with varying degrees of emphasis, for conditions and safeguards varying in nature and extent: the warmth of support among this category would be markedly influenced by a firm expression of opinion by Governments that the detailed arrangements eventually agreed upon are in the best interests of the territories. The remaining third is divided between those who insist on independence before Malaysia is considered and those who would strongly prefer to see British rule continue for some years to come.[7]

Although the survey was by no means perfect, it

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of the population protested strongly when Vyner Brooke handed the territory to Britain in 1946. Sabah emerged as an entity when the Sultans of Brunei and Sulu granted in perpetuity their lands in that area in 1877 and 1878, respectively, to Baron von Overbeck and Alfred Dent. The latter subsequently formed a provisional trading association which obtained a British charter and became the North Borneo Chartered Company in 1881. The Company husbanded Sabah until the Japanese occupation, and in 1946 the Court of Directors handed the territory to Britain. See also Chapter V, footnote 24 below.

[5] See Government of Sarawak, *Report of the Commission of Enquiry, North Borneo and Sarawak, 1962* (hereinafter referred to as Cobbold Commission), Kuching, 1962, Appendix F, pp. 79-86; see also *Sarawak Gazette*, Vol. LXXXVIII, No. 1248, Kuching, 28 Feb. 1962, pp. 35-42. See Appendix I for the text of the Twenty Points.

[6] *Cobbold Commission Report*, p. vi. The members of the Commission were Lord Cobbold (chairman), Sir Anthony Abell, Sir David Watherston, Dato Wong Pow Nee and Muhammad Ghazali bin Shafie.

[7] *Cobbold Commission Report*, p. 31.

was conducted in private and Borneans who were aware of the import of this mission and wished to express their opinions were given ample opportunity of doing so. Accepting that the division of peoples' opinions into 'thirds' was arbitrary and more apparent than real, it remains to the Commission's credit that through its inquiries and the publication of its report the Borneo peoples were able for the first time to indicate to the world the kind of political future they favoured. The emerging Bornean search for national identity was in effect emphasized by the undertaking of the Cobbold Commission. Moreover, the appointment of the Commission tended to persuade the Borneans that the British and the Malayans were not 'bulldozing' them into accepting the Malaysia proposal. Bornean fears were thus being rapidly dispelled.

The willingness of Borneo leaders to converse with their Malayan and Singapore counterparts on the Malaysia proposals inevitably led to tolerance and closer understanding among the participants. During this period of discussion about the formation of Malaysia, streams of political, municipal, district, religious and indigenous leaders from Sarawak and Sabah undertook study tours of Malaya. These visits, sponsored and financed largely by the Federation Government, were a kind of secular pilgrimage; and many of the Borneo leaders who saw rural development, economic progress and racial harmony during their two-week visits to Malaya made good converts to the Malaysia idea. They returned to Sarawak and Sabah full of praise for the leaders of Malaya: political leaders who, they averred, had proved their mettle by bringing the peninsula to independence and socio-economic success. The consequence of these songs of praise sung by the Borneo leaders to their peoples was contagious, for the Borneans needed little else to convince themselves that Malaysia would bring Sarawak and Sabah the same success story which had attended the Federation since Merdeka in 1957.

When the Cobbold Commission Report was published in August 1962, the British and Malayan Governments immediately took up one of its recommendations by setting up an Inter-Governmental Committee (IGC) to work out in more detail the constitutional arrangements and the form of the necessary safeguards required by the Borneo leaders. The pathfinding MSCC had formulated the points at issue; the IGC not only thrashed out these points to the general satisfaction of all concerned but also paved the way for the formation of Malaysia by clearly defining the structures and contents of the future constitutions of the federation and of the states of Sarawak and Sabah.[8] The points raised by the Borneo leaders when they first participated in regional negotiations with Malaya and Singapore were now being written into the letter of their own state constitutions. It also meant that self-government within an independent Malaysia was foreseeable. The IGC is also significant for the fact that, unlike the composition of the Cobbold Commission, Borneo leaders themselves played an important part in its work between the preparatory meeting on 30 August and its final plenary meeting on 20 December 1962.[9] For the third time, after the MSCC meetings and the marshalling of opinions before the Cobbold Commission, the leaders of northern Borneo were representing their peoples in a manner unknown in the earlier days of colonial rule. The search for something meaningful and politically beneficial to the Borneans had gone a step nearer to realization with the full agreement on the IGC Report.

At meetings of the IGC Datu Bandar and Temenggong Jugah were prominent among the Sarawak delegation, while Donald Stephens and Datu Mustapha led the delegation from Sabah. In the IGC Report, published in February 1963, Islam was to be the religion of the federation, but freedom of worship by other religious denominations was safeguarded. Malay was to be the national language, but English would remain both as a medium of instruction and as an official language in Sarawak and Sabah for a period of ten years after the formation of Malaysia. Immigration into Sarawak and Sabah, from both foreign countries and the other states of Malaysia, was restricted and could not be liberalized without the consent of the state legislatures of East Malaysia.[10] It will be remembered that these

[8] Government of North Borneo, *Report of the Inter-Governmental Committee*, 1962, Jesselton, 1963.

[9] See Ongkili, op.cit. Chapter V.

[10] With effect from 6 August 1966, the eleven states in the peninsula were designated West Malaysia, and Sarawak and Sabah became East Malaysia.

three subjects together with safeguards for the indigenous peoples of Borneo were uppermost among the constitutional demands of the Borneo leaders, and they were fully met by the IGC. Other favourable terms were extended to Sarawak and Sabah. With a population of under 800,000 at the time, Sarawak was allocated 24 seats in the federal House of Representatives (the lower house, also known as Dewan Ra'ayat); Sabah with 454,000 people was to be represented by 16 members. By contrast, Singapore, with 1,700,000 people was allocated only 15 seats in the lower house even though it was given autonomy in education and labour. Both Sarawak and Sabah were given 5 seats in the Senate (the upper house, also known as Dewan Negara). The IGC Report also provided that the indigenous peoples of Sarawak and Sabah were to be given the same privileges as those extended to the Malays in the existing Federation of Malaya. Prospects of financial aid were very bright as the IGC Report stated that Sarawak and Sabah would be given development grants of $300 million and $200 million respectively during the first five years after the formation of Malaysia.

Malaya undoubtedly proffered generous terms of entry to Sarawak and Sabah. This generosity was exercised to ensure that the two colonies, unlike Brunei, would opt for inclusion in Malaysia.[11] Even when we regard this generosity as chiefly a measure of political expediency—for instance in the Malay leaders' desperate need to capture the support and ensure the inclusion of the largely non-Chinese populations of the Borneo territories and thus offset the preponderance of the Singapore Chinese in the new federation—the liberal terms and lavish promises extended to Sarawak and Sabah as contained in the IGC Report were a token of sincere friendship and understanding on the part of the Malayan leaders.

Besides the attractiveness of Malaya's proposals, other factors contributed to Borneo's decision to enter Malaysia. Since 1936, but more obviously since 1962, the heirs to the erstwhile sultanate of Sulu in the southern Philippines had been pursuing a claim to a part of Sabah on the ground that the treaty signed on 22 January 1878, between the then incumbent Sultan Jamalul Alam and Baron von Overbeck was merely a lease for an annual rental of $5,000 and not an instrument of cession of the Sultan's nominally-owned land in Sabah.[12] With the coming of Malaysia, especially from December 1961 until the launching of the new federation in September 1963, the claim was fanned vigorously by Filipino leaders, to the extent that the Philippines joined with Indonesia in refusing to recognize Malaysia, pending the settlement of the dispute. In Sabah itself, however, public feeling had been rallied so much in favour of Malaya and the proposed Malaysian federation that the majority of the territory's leaders swore that the Philippines could only take the whole or part of their beloved Sabah 'over our dead bodies'.[13] The preference for Malaya to the Philippines was testimony not so much to the fact that Sabah had less political, social and cultural affinities with the latter country as to the reality that political awakening in Sabah had taken a definite line of development. Political identification with Malaya and Singapore had been built up in the territory. Sabah leaders such as Donald Stephens, Datu Mustapha, Khoo Siak Chiew and Pang Tet Tshung were deeply committed to the realization of Malaysia by 31 August 1963, and they had the backing of an increasing number of the literate portion of the population. Under these circumstances, the fanning of the claim by Manila in fact merely served to broaden the base of support for Malaysia in Sabah.

It is often asserted that one of the pre-requisites of a workable federation is the presence of an external threat to the whole or to some of the component parts of the proposed union. In the case of Malaysia such an external threat played a role, although not as decisively as elsewhere. Apart from the Philippine claim and, as will be discussed below, Indonesian confrontation, internal factors also influenced the Borneans in their decision to join Malaysia. One of these factors

[11] Brunei took part in talks and negotiations on the Malaysia proposal, but decided to opt out of the new federation when the Malaysia Agreement was being signed in London in July 1963. See Ongkili, op.cit. *passim*.

[12] See above, note 4. A confirmatory deed of 22 April 1903, added $300, making the annual rental $5,300 thenceforward. Two versions of the 1878 treaty are given in Appendix II below.

[13] *The Sunday Times*, Singapore & Kuala Lumpur, 24 June 1962, p. 1.

was the Brunei revolt in December 1962. While the Sultan was contemplating on bringing his British-protected state[14] into Malaysia, members of the Party Rakyat in that territory staged a rebellion as a sign of protest on 8 December. From his comfortable hotel suite in Manila the party president, A.M. Azahari, proclaimed himself leader of the revolt and provisional prime minister of what he described as 'The Revolutionary State of Kalimantan Utara', encompassing Sarawak, Brunei and Sabah. The rebellion had the official backing of President Soekarno's Government.[15] It soon transpired that the protest against the formation of Malaysia was made not so much because of the popular agitation against western imperialism at the time as because the Party Rakyat, which held all the elected seats in the Brunei Legislative Council, wanted self-government and independence for the three Borneo territories before entertaining or entering a federation with Malaya or any other neighbouring country. Although the revolt petered out in less than a week, the seizure of Brunei Town, Seria, Kuala Belait, Miri, Limbang and the outskirts of Sipitang presented the peoples of Sarawak and Sabah with another reason for inclining towards the Malaysia proposal. To the growing number of politically conscious in the two territories, the Revolutionary State of Kalimantan Utara with a political adventurer such as Azahari at the helm was a poor substitute for the Malaysia plan of Tengku Abdul Rahman and his colleagues. This armed flare-up, if anything, enhanced the experience of Borneans and their already pro-Malaysia leaders in the safeguarding of their common interests, and assisted in moulding a political awareness and sense of identity in both Sarawak and Sabah.

Another internal factor which affected Borneo thinking *vis-a-vis* the Malaysia plan was the presence of the Clandestine Communist Organization (CCO) in Sarawak. This underground movement, believed to be the handiwork of leftist Chinese in the territory, dated back to the early post-war years when the Malayan Emergency (1948-1960) produced an offshoot in colonial Sarawak. In 1954, when Sir Gerald Templer's punitive measures were having marked effects on the Malayan communists, no less than 500 Sarawak Chinese, mostly from the middle schools, opted to return to mainland China. Despite this exodus, the CCO, like most underground movements, was a hydra; and in 1962, in the hectic days of the formation of Malaysia, the Sarawak Government reported:

> The problem of purely Chinese communist subversion became more and more serious during the year and firm action had to be taken against a number of leaders of the Clandestine Communist Organisation. Several undesirables born in China were deported during the year and several persons who had been born in Sarawak and on whom restriction orders had been served confining them to small country towns in Sarawak elected to return to China of their own free will. Energetic police action was maintained and resulted in the capture of a very large volume of communist documents. A great deal more was learned about the nature and workings of the movements.[16]

To the administration of Sarawak, there was not a shadow of doubt that the problem of internal subversion had reached menacing proportions by 1962. Should the British leave the territory to its own destiny, the future would be bleak both politically and economically. The people chose to adopt the familiar British legacy rather than the untried and apparently unedifying communist ideology being propagated by members of the CCO. In essence, what the Malaysia ideal stood for was eminently attractive to the people of Sarawak partly because it ran parallel to their experience under the British and partly because they had known little of any other political system. There was not much to choose from, and the people of the territory had to make the best of an outdated colonial machinery in their effort to achieve a workable future and an independent political identity for Sarawak.

A political system such as obtained in Indonesia under Soekarno was confusing if not altogether disappointing to the peoples of Sarawak and Sabah. Indonesia did not initially show any antipathy towards Malaya and her expressed intention to establish Malaysia. On 20 November 1961, the Indonesian Foreign Minister, Dr.

[14] Britain extended a protectorate concurrently over Brunei, Sarawak and Sabah in 1888. Brunei has maintained this *status quo* up to the present.

[15] Azahari fought on the side of the Indonesian nationalists between 1942 and 1952 against the Japanese and the Dutch.

[16] Government of Sarawak, *Sarawak Annual Report, 1962*, Kuching, p. 3.

Subandrio, assured the General Assembly of the United Nations:

> We are not only disclaiming the territories outside the former Netherlands East Indies, though they are of the same island, but–more than that–when Malaya told us of her intention to merge with the three British Crown Colonies of Sarawak, Brunei and British North Borneo as one Federation, we told them that we have no objections and that we wish them success with this merger so that everyone may live in peace and freedom.[17]

Only five weeks after this magnanimous statement was made, however, the Partai Komunis Indonesia (PKI), the Indonesian communist party which was then the largest of its kind outside the Sino-Soviet bloc, declared its opposition to Malaysia on the ground that the proposed federation was a British neo-colonialist plot in South-East Asia. Soon after the Brunei revolt, Dr. Subandrio officially announced on 11 February 1963, that his country objected to the formation of Malaysia on the same ground as the PKI. Two days later President Soekarno himself affirmed that Indonesia was against the idea of Malaysia because the new federation represented 'forces of neo-colonialism'. What followed this statement is well-known: in April 1963 Indonesian irregulars and 'volunteers' began armed infiltrations into the Borneo territories while the Indonesian Government stepped up its confrontation policy against Malaysia.

Tengku Abdul Rahman and President Soekarno met in Tokyo in May 1963 and as a result the latter's objection to Malaysia appeared to be gone. The signing in London of the Malaysia Agreement on 9 July 1963, by Britain, Malaya, Singapore, Sarawak and Sabah,[18] however, fanned smouldering embers to burning fire and both Indonesia and the Philippines mounted greater pressures against Malaya and her Borneo partners. The Malaysia Agreement stated, *inter alia*, that Malaysia would be proclaimed on 31 August 1963. Matters took another turn when a summit meeting, attended by the Tengku, the Indonesian President and President Macapagal of the Philippines, was held in Manila between 30 July and 5 August 1963, which resulted in the formulation of a series of three documents known as the Manila Declaration, the Manila Accord and the Manila Joint Statement. The Declaration embodied the idea of forming a new regional pact called Maphilindo, embracing the Malay world;[19] the second paper contained agreements made for co-operation in political, economic, social and cultural endeavours. The third document stated that the three countries involved were to request the Secretary-General of the United Nations or his representative to undertake a mission to Sarawak and Sabah in order to assess the opinions of the peoples there and to verify the results of the elections held in December 1962 and June 1963 in Sabah and Sarawak respectively, before Indonesia and the Philippines could welcome the formation of Malaysia.

The United Nations Malaysia Mission (UNMM) was set up and, headed by Laurence Michelmore, performed its task in Sarawak and Sabah between 16 August and 5 September. In part because of a disagreement between Britain on the one hand and Indonesia and the Philippines on the other over the number of their observers to accompany the Mission, and also due to the fact that the Malayan Government announced on 29 August that the new date for the launching of Malaysia would be 16 September 1963, (made before the UNMM could present its findings on Sarawak and Sabah), both Indonesia and the Philippines withheld their recognition of Malaysia. According to the UNMM Report,

> ... the participation of the two territories in the proposed Federation, having been approved by their legislative bodies, as well as by a large majority of the people through free and impartially conducted elections in which the question of Malaysia was a major issue, the significance of which was appreciated by the electorate, may be regarded as the 'result of the freely expressed wishes of the territory's peoples acting with full knowledge of the change in their status, their wishes having been expressed through informed and democratic pro-

[17] B. Grant, *Indonesia*, Melbourne University Press, Melbourne, 1964, quoted on p. 141.

[18] Government of the United Kingdom, *Malaysia–Agreement Concluded Between the United Kingdom of Great Britain and Northern Ireland, the Federation of Malaya, North Borneo, Sarawak and Singapore* (herein referred to as the *Malaysia Agreement*), Her Majesty's Stationery Office, London, 1963.

[19] The Malay world is taken to include the Malaysian, the Indonesian and the Philippine territorial possessions. One of the aims of the Maphilindo pact was to unify the ethnically *Malay* peoples of the three countries represented at the Manila summit meeting.

cesses, impartially conducted and based on universal adult suffrage.'[20]

To Malaya and the Borneo leaders, the requirement of the Manila Joint Statement in respect of the UNMM to Borneo had been undertaken, and it had been demonstrated that both Sarawak and Sabah chose to participate in Malaysia. However the Philippines and, in particular, Indonesia, maintained their adamant and hostile attitude towards the new federation even as it was inaugurated on 16 September.

To the peoples of Sarawak and Sabah, the UNMM provided another opportunity to rally together to present a united front. This Mission encountered mass rallies and demonstrations in support of Malaysia in the centres it visited, bearing testimony not merely to the fact that Borneans had been by this time converted to the Malaysia ideal but also to the inescapable conclusion that, in the words of the General Assembly Resolution 1541 (XV), the 'peoples, acting with full knowledge of the change in their status',[21] were proud of their new freedom and were showing their dedication for their countries. As the new Malaysian Prime Minister, Tengku Abdul Rahman, was reading the Proclamation of Malaysia in Kuala Lumpur, the first Sabah Chief Minister, Donald Stephens, declared that his state had emerged from its colonial cocoon to full nationhood within the new federation. He urged, 'Let us rejoice in our freedom on this happy day. Let us look forward to the future with confidence and live to the best that is within us, to make Malaysia a nation which will win the respect and admiration of the world'.[22]

The achievement of independence through Malaysia was, however, only the beginning of a new chapter in the history of Sarawak and Sabah. Alongside the joy and celebrations marking the launching of the new federation were omens of problems to come. On the eve of Malaysia Day a hand grenade exploded in a Kuching open-air market. The state government cancelled its lantern and float procession in order to safeguard the public and facilitate stringent security measures. The government disclosed that the act of terrorism was carried out by members of the CCO, and the grenade used was similar to those captured from Indonesian terrorists. The beginning of independence had come to mean also the beginning of heavier responsibilities for the Borneo leaders. The search for political identity had been successful with the entry of the two territories into Malaysia, but that success had also landed the peoples of Sarawak and Sabah on the threshold of national survival, external aggression and state development, all neatly folded together.

If hopes for the immediate future were none too bright, however, the national consciousness and political awakening which the period of the formation of Malaysia had generated among the Borneans could no longer be thwarted. The elections of December 1962 and June 1963 in Sabah and Sarawak respectively gave representative local government to the territories. Indeed they were important steps in the growth of nationalism; but nationalism, once fostered, is a tide difficult to stem, while the lengthy experience in regional negotiations which led ultimately to actual participation in Malaysia had taught the Borneans a lasting lesson. The Borneo response to Malaysia demonstrated a willingness on the part of Sarawak and Sabah to befriend and cooperate with Malaya; but it also fostered the development of a political identity in the territories, an identity unknown in the days of the colonial power. Henceforth, Sarawak and Sabah could justly claim that they had at last joined the fold of Asian nationalism and begun to experience the problems and blessings of life in a modern society.

[20] Government of Malaysia, *United Nations Malaysia Mission Report*, Kuala Lumpur, 1963, paragraph 245.

[21] Ibid. quoted by the Secretary-General on p. iv.

[22] *The Borneo Times*, Sandakan, 16 Sept. 1963, p. 4.

II

CONFRONTATION AND ITS AFTERMATH

In teaming up with Malaya and Singapore to form Malaysia, Sarawak and Sabah not only gained independence but also earned the hostility of Indonesia, expressed by her policy of confrontation. Indeed, the political future of East Malaysia immediately after the formation of the new federation was largely determined by the outcome of this policy which involved all means of opposition short of a declared war. Indonesian confrontation under the aegis of President Soekarno and his Foreign Minister Dr. Subandrio formed, at one and the same time, the setting and the stumbling block to the expectations of the Borneans for their modernization of their country within Malaysia. Although Indonesian disapproval of Malaysia could be discerned as early as during the Brunei revolt of December 1962, it was not until April 1963 that the first notable incursion into Malaysian Borneo territory occurred; and it was not until the UNMM had given its assessment that a sizeable majority of the peoples of Sarawak and Sabah favoured inclusion in Malaysia that Indonesia stepped up her campaign of shooting in the Borneo jungles.

When Malaysia was being inaugurated, Indonesia charged Malaya with abrogation of the terms of the Manila Accord which was approved and accepted by Indonesia, the Philippines and Malaya at the Manila summit of July-August 1963. According to this document, 'Indonesia and the Philippines stated that they would welcome the formation of Malaysia provided the support of the people of the Borneo territories is ascertained by an independent and impartial authority, the Secretary-General of the United Nations or his representative'.[1] The UNMM did not complete its ascertainment task in Sarawak and Sabah before 5 September. In the meantime, the Malayan Dewan Ra'ayat approved on 15 August the Malaysia Agreement earlier signed in London on 9 July. The UNMM Report was published only on 13 September; but Malaya had already made public on 29 August that, irrespective of the result of the UNMM to Borneo, the new date for the proclamation of Malaysia would be 16 September 1963. This premature announcement proved galling to Indonesia and disconcerting to the Philippines:

> The postponed date for Malaysia, because of the Manila Agreement *[sic]*, was 16 September 1963. This enabled the UN mission to report to the Secretary-General; but its report, which endorsed Malaysia and confirmed that the people of Sarawak and Sabah wanted to join the new federation, was banned from Indonesia where a government decree forbade any reference to it. Malaysia as a state was not recognized in Djakarta. The Philippines, too, claimed that there had been irregularities, and it also withheld recognition.[2]

Malaya contended that the UNMM was intended merely to show her goodwill and friendly gesture towards Indonesia and the Philippines, and it in no way determined the fixing of the new date for the proclamation of Malaysia. Be that as it may, Indonesia began to concentrate her effort on discrediting whatever could be associated with Malaysia. Being parts of the new federation, Sarawak and Sabah soon became the targets of hostilities directed from Indonesia.

Soekarno-Subandrio Intransigence

Indonesian confrontation against Malaysia was largely the combined effort of President Soekarno and Dr. Subandrio. Their irregular troops and volunteers began to penetrate the dense jungles of East Malaysia to help in what they argued was the liberation of the peoples of Kalimantan Utara (a name formerly used to mean Sabah, but during the confrontation period it became a term for Sarawak, Brunei and Sabah as a whole) from neo-colonialism.[3] After sporadic skirmishes along the

[1] Government of Malaysia, *Malaya/Indonesia Relations: 31st August, 1957 to 15th September, 1963*, Kuala Lumpur, 1963, p. 48. The full texts of the Manila Declaration and the Manila Joint Statement are included in this volume. See also Appendixes III and iV below.

[2] K.G. Tregonning, *Malaysia*, F.W. Cheshire, Melbourne, 1964, p. 52.

[3] See A.R. Karim, 'Northern Borneo Nationalism', *Eastern World*, London, June 1963, pp. 15-16, for a

900-mile border between East Malaysia and Kalimantan (Indonesian Borneo), confrontation developed into a serious issue when, on the night of 29 December 1963, an estimated 100-strong Indonesian regular force attacked Kalabakan, a timber-milling camp in the south-eastern corner of Sabah. An officer and seven other members of the 3rd Battalion, Royal Malay Regiment then serving in that area, were killed; while nineteen other members were wounded. Also one civilian was killed and five others were wounded. As the bodies were being flown back to the federal capital, Kuala Lumpur, Malaysia sent a formal Note to the Secretary-General of the United Nations in protest against Indonesian aggression. The protest Note included a full catalogue of Indonesian violations of Malaysian air space. These violations by the comparatively formidable Indonesian air force totalled seven times between 13 November and 8 December alone, five times in Sarawak and twice in Sabah. Referring to Soekarno's bid to 'crush' Malaysia, Tengku Abdul Rahman said, 'In the end, God willing, he will only crush himself'.[4]

This attack on Malaysian territory at the close of 1963 ushered in a new year with six months of intermittent meetings and negotiations among Malaysia, Indonesia and the Philippines on the question of Borneo participation in the newly-born federation. In February 1964, the Deputy Prime Minister, Tun Abdul Razak, met the Foreign Ministers of the other two countries in Bangkok and a ceasefire arrangement was discussed inconclusively but tentatively agreed upon on 6 February. From the beginning, this cease-fire was fraught with conflicting demands. To complicate matters, the Malaysian Borneo-Kalimantan border was a quagmire to military experts because it was inaccessible and very mountainous at many strategic points. Supervision, in the event of a cease-fire, was difficult. Indonesia insisted that her armed forces, both regular and volunteer, should remain in Malaysian territory while the cease-fire was being enforced. Malaysia, however, was adamant that all these forces must leave her soil before any further peace talks could take place. Thailand accepted the unenviable responsibility of supervising the cease-fire, provided the three countries involved in the Bangkok meeting paid for the cost of enforcing the truce. In point of fact every party to the meeting was too uncompromising and far from altruistic. While Indonesia maintained an intransigent policy, Tun Razak stated that 'the ceasefire would not be fully effective unless the governments concerned agreed to limit the activities and movements of their armed forces, regular as well as irregular, within their respective territories'.[5]

Even at this time when Indonesian confrontation was bordering on full-scale warfare with Malaysia, Dr. Subandrio paid much lip service to a peaceful settlement of the Borneo crisis. He was ready to negotiate, he said, 'anytime, anywhere'. Soekarno's Foreign Minister emphasized, 'The problem is not only the ceasefire—when we have reached a political solution everything will be over, the ceasefire problem and the problem of the guerillas as well'.[6] At the same time, however, Dr. Subandrio intimated that Indonesia would be at liberty to re-supply her stranded forces in Malaysian territory until the proper machinery of cease-fire had been agreed upon. One factor which aggravated the situation was President Macapagal's visit to Indonesia in February 1964. During his week-long stay he said that he was there to learn more about the Indonesian revolution; and despite many political dissimilarities, the Philippines and Indonesia, he contended, had close ties which transcended these differences. Macapagal hoped that his still-born brain child, Maphilindo, would succeed in forging closer ties among the countries of the Malay world. Although his words were superficial even to the casual observer, none the less, Macapagal's apparent friendship with intransigent Indonesia worried Malaysian policy-makers, for it clearly meant that East Malaysia was being threatened by two countries with which she was a close neighbour.

The air space violations had given Kuala Lumpur cause for more alarm; and on 25 February Malaysia served notice that, because of the emergency situation along the Borneo border and

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chauvinistic viewpoint on the background and prospects of the Borneo territories.

[4] *The Straits Budget*, Kuala Lumpur & Singapore, 8 Jan. 1964, p. 17.

[5] *Sabah Times*, Jesselton, 2 Feb. 1964, p. 8.

[6] Ibid. 20 Feb. 1964, p. 1.

a gang of Indonesian forces in the Lundu area of Sarawak whom the Indonesian Government might try to supply by airdrop, no unauthorized aircraft would be allowed into East Malaysian air space with effect from that date. All aircraft which violated this warning would be intercepted. That this air blockade was undertaken seriously was shown by the fact that all air traffic control authorities in South-East Asia were informed on the same day of an identification zone, covered by radar surveillance. A format of instructions to all pilots in the region was promptly transmitted. It was the most tense period in the short life of the new federation, and Malaysian leaders were put to the harshest diplomatic tests that they had been exposed to since Merdeka in 1957.

As much as Indonesia claimed that she wanted a peaceful settlement of the Borneo crisis, Kuala Lumpur also prevailed upon the Thai Foreign Minister, Thanat Khoman, to convene a further tripartite meeting of Indonesia, the Philippines and Malaysia. The meeting was held and proved a dismal failure, and on 4 March Malaysia announced that she no longer considered the cease-fire as operative. Indonesia, it was asserted, had been willing to talk and Malaysia should have been willing to negotiate. At this abortive March meeting the Indonesian delegation did put forward a compromise solution to the crisis. Guerrillas were to be classified into three categories: one category would be those on the Indonesian side of the border, another those on Malaysian soil, and the third category would be those Sarawak natives who had joined guerrilla bands. Two cease-fire orders were envisaged: one to the guerrillas on the Indonesian side of the border not to infiltrate, and the other to the Indonesians on Malaysian territory not to fire. 1964 was the year of real and nerve-wracking confrontation; and following the dismal failure of the second meeting in March, diplomatic relations between Indonesia and Malaysia went down to their lowest ebb. Malaysia took a firm stand that Indonesian guerrillas must be withdrawn from East Malaysia and declared that it was futile to talk of classifying guerrillas when people had been shot at and killed. Indonesia did not help the situation either when her leaders expressed their pessimism about their inability to exert control over native rebels in Kalimantan. Indeed, it was obvious that some of the incursions into East Malaysia were organized by armed bands without material support from Djakarta, especially in the first three Divisions of Sarawak, lending credibility to the suggestion that they were masterminded by the PKI cells in Kalimantan Selatan and Barat.

The abortive Bangkok meeting in March 1964 was the fifth unsuccessful attempt at solving the Borneo question since the Tokyo summit between Tengku Abdul Rahman and President Soekarno in May 1963. While Malaysia perforce began to increase the strength of her armed forces in East Malaysia, the two Borneo states grappled with the problem of initiating development programmes for their peoples. In February the Sabah Chief Minister, on a visit to Sipitang, urged the people to give his government three years in which to see the difference between colonial rule and independence. Earlier he had said,

> What the Sukarno Government wants to do is to drag us down to their level. They will only win if we, the people of Malaysia, are divided and if racism is allowed to rear its ugly head in Malaysia. As long as we are united, we need have no fear of confrontation or even an all out war.[7]

But Indonesian intransigence had resulted in continuing raids in East Malaysia; and following the breakdown of talks in March, Sabah announced that registration for national service for men between the ages of twenty-one and twenty-nine years was being undertaken. Three months later, Sarawak announced that a similar registration would begin in the state on 29 June. Clearly, the hopes for progress and modernization after the formation of Malaysia had been dampened by confrontation, and Sarawak and Sabah were instead bracing themselves for their very survival in their crucial first year within the federation.

Meanwhile the Malaysian Prime Minister intimated in April that he was prepared to attend another summit meeting with the Indonesian President provided that Indonesia agreed to recognize Malaysia, terminate confrontation and withdraw her troops along the Borneo borders. These conditions in effect required that Indonesia returned to the *status quo* before 1963.[8] Instead

[7] Ibid. 13 Jan. 1964, p. 1.

[8] Indonesia and the Federation of Malaya signed a Treaty of Friendship on 17 April 1959, *inter alia* to 'strive to

from May to June it was reported that the Indonesian National Defence Council had decided to train and send an estimated (and numerically fantastic) twenty-one million volunteers to 'assist Indonesian "freedom fighters" already in Malaysian Borneo'.[9] The Indonesian Minister of Defence, General Nasution, charged that there were Malaysian forces in Indonesian territory and that their presence had kept the possibility of war alive. Increased Malaysian attacks on Indonesians were realities which Djakarta could not ignore; and the General added that Malaysia's persistent refusal to negotiate on a settlement was making the dispute increasingly critical. It was clear that the two belligerent nations were far from reaching an amicable agreement on the Borneo crisis. Both countries indulged in countercharges, giving the rest of the world a continuing display of the inability of two developing countries to tackle and solve their problems in a spirit of brotherhood as they had agreed to do so in their 1959 Treaty of Friendship.

As Indonesian volunteers began to leave for Kalimantan in two navy ships, Tengku Abdul Rahman's appeal for another summit meeting was heeded when he met Soekarno in Tokyo on 20 June. Agreement was impossible, and Soekarno walked out of the conference. President Macapagal unsuccessfully tried to sustain dialogue by suggesting that an Afro-Asian conciliation commission be appointed to look into the Borneo crisis. After the meeting the Malaysian Prime Minister explained,

> Acceptance of a commission is almost a compromise on our sovereignty. Yet I was prepared to accept the commission provided Indonesia ceased her hostilities against Malaysia. I have given in a lot and they must not expect me to give in any more. However, I do appreciate the efforts made by President Macapagal in seeking to resolve this dispute.[10]

The commission became another of Macapagal's still-born proposals, but through no fault of his own. The Tokyo meeting failed for basically the same reasons as the Bangkok meeting in March. Both Indonesia and Malaysia refused to move, despite the proposed commission, and both prepared for the worst. It also became obvious that Indonesia was concentrating her aggressive efforts in both East and West Malaysia. By November Indonesian advance forces had been landed in Pontian, Labis, Muar and Kota Tinggi in the state of Johor in West Malaysia. More than this, it was discovered that the Soekarno Government had been organizing an ambitious network of subversive activities with the ultimate aim of capturing the new federation, and Indonesian agents were posted in the main towns of Malaysia, while the master mind, Lieutenant General Gusti Djatikusumo, adroitly charted their strategy:

> The agents were urged to join army units stationed near the sea-coast, to find suitable landing places which could be built up as an Indonesian province in Malaya, to create a plan for subversion in Singapore and Malaya, to create present terror and to weaken Singapore and Malaya's power of resistance to future attack, to encourage Malay political parties in deliberate subversive and repressive anti-Chinese policies, and in activity which would lead to the overthrow of the freely elected Government of Malaysia under the Prime Ministership of Tunku Abdul Rahman in Kuala Lumpur. The long term aim was to split Sabah and Sarawak from Malaysia and to bring Singapore and the Federation of Malaya under a common government subservient to Indonesia.[11]

The general strategy corroborated the decision of the Indonesian National Defence Council, namely that confrontation campaign was divided into two sections: the Singapore and peninsula campaign was under the Indonesian navy, while that of East Malaysia was under army control. Indonesian confrontation was intransigent, real and dangerous in 1964, and for the peoples of East Malaysia it was a distressing, bewildering and fateful first year as members of the new independent nation.

East Malaysian Loyalty to Kuala Lumpur

The repeated breakdowns of the talks naturally worried the peoples of East Malaysia. While members of the Malaysian armed forces were being sent to Sarawak and Sabah in increasing numbers, the Borneans tried to extend their cooperation by registering for national service and joining vigilante and civil defence corps. Of the two states, Sarawak was facing the bigger threat

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maintain the traditional, cultural and historical ties that have bound them together'. The full text of the treaty is in *Malaya/Indonesia Relations*, Appendix II.

[9] *Straits Budget*, 13 May 1964, p. 12.

[10] *Sabah Times*, 22 June 1964, p. 1.

[11] A. Brown, *The Story of a Master Spy*, The Canberra Times, 1964, p. 6.

of confrontation, she experienced more Indonesian attacks and her strategic border with Kalimantan was, at many points, more inaccessible than that of Sabah. Furthermore, Sarawak faced the added subversive activities of the CCO, which became known as the Sarawak Communist Organization (SCO) after the formation of Malaysia and embraced most of the known leftist and communist groupings in the state.[12] Although there were individuals who were communist-indoctrinated in Sabah, the SCO had no counterpart in this state. Unlike Sarawak, secret societies never thrived in Sabah. Moreover, the more open terrain of Sabah was not conducive to underground movements. During the height of confrontation, there were unmistakable proofs that members of the SCO were in collusion with so-called native rebels and PKI branches in Kalimantan.

Unlike the Sabah-Kalimantan border, the Sarawak-Kalimantan one had more traditional routes along which the inland populations moved, often without realizing in whose territory they were. Although these age-old jungle tracks were familiar to the inland dwellers, and hence to the subversive elements who had been moving around in the area, it was not as easy for military personnel to effectively superintend these border points. Very often the Malaysian forces and, later, their Commonwealth colleagues spent more time tracking down insurgents after these had committed atrocities than in locating their hideouts before they effected their hit-and-run forays. It was fortunate, however, that most of the inland dwellers of East Malaysia, unlike the Karens and Kachins of Burma or the Meos of north-east Thailand, had pledged their loyalty to their national government. If the border scouts (mainly Sarawak native trackers) had not been steadfast in their loyalty to the government, it would have been far more difficult for the Malaysian forces to contain the enemy during the height of confrontation.

Indeed, the inland-dwelling border scouts were only the less obvious and rarely mentioned manifestation of East Malaysian support and loyalty to Kuala Lumpur during this period of conflict with Indonesia. While the Federal Government was utilizing all the diplomatic and material resources it had to thwart Indonesian designs and keep the new federation intact, the state governments of Sarawak and Sabah were fully behind the policy of the national Alliance Government.[13] In March 1964 the governor of Kalimantan Barat, J.C. Oevang Oeray, made an overture that Sarawak and Sabah should withdraw their support of Malaysia and join Indonesia. The Chief Minister of Sarawak, Stephen Kalong Ningkan, said in reply,

> There is no point in Sabah and Sarawak leaving Malaysia. We benefit from Malaysia. We could not stand alone. If Mr Oevang Oeray wants to quit and resist the Jakarta Government and join up with us we will be very happy to have him. We are both Dayaks—he was born in the upper Baram.[14]

The loyalty of the Sarawak Alliance Government to Kuala Lumpur at this time was unequivocal. The Chief Minister in effect introduced a resolution in the Council Negri on 14 April in which he urged:

> That the Council unreservedly support the Federation of Malaysia Government regarding its policy of resisting Indonesian aggression against Sarawak and of taking strong, positive action against the Clandestine Communist Organisation and other subversive organisations in Sarawak which support Indonesians in their aggressive acts.[15]

Except for two members from the opposition Sarawak United People's Party, the state legislature voted *en bloc* for the resolution. The two SUPP members, Chan Siaw Hee and Chong Kuin Kong, abstained while their own party chairman and secretary-general, Ong Kee Hui and Stephen Yong, were among those who supported the motion. The Chief Minister pointed out that by words and actions President Soekarno had made it abundantly clear that he wanted to place Malaysia under his 'guided democracy'.[16]

[12] Government of Malaysia, *Anchaman Komiunis Di-Sarawak*, Kuala Lumpur, 1966 (being a White Paper on the communist threat in Sarawak); see also Government of Sarawak, *The Danger Within*, Kuching, 1963, for a history of the CCO.

[13] East Malaysian politics are discussed in more detail in Chapters IV and V below.

[14] *Straits Budget*, 1 April 1964, p. 6.

[15] Ibid. 22 April 1964, p. 11.

[16] See J.D. Legge, *Indonesia*, Prentice-Hall, Inc., New Jersey, 1964, pp. 138-44; Soekarno, *Pantja Sila Dasar Falsafah Negara*, Departemen Penerangan, R.I., Djakarta, 1964; and B. Dahm, *Sukarno and the Struggle for*

During the formation of Malaysia, Ningkan was conspicuous for being the last Sarawak leader to continue opposing the territory's inclusion in the new federation; and it was not until April 1962 that he finally made his decision to join the others in the hope that participation in the new nation would better safeguard Sarawak's security and political future. With the impasse over the Borneo crisis at its worst in 1964, Ningkan opined, 'If I were the Commander-in-Chief, it would be high time for me to order my troops to chase the Indonesian guerillas wherever they go—even into their territory and attack their bases'.[17] This opinion earned the Chief Minister some frowning remarks from Tengku Abdul Rahman, but it was soon disclosed that 14,000 Malaysian youths were being called up for national service in August. Addressing the Foreign Correspondents' Association of Southeast Asia in Singapore, Ningkan said that as of July more than a thousand Sarawak Chinese youths had joined forces with the Indonesians in Kalimantan. It was impossible, this Iban leader explained, to provide protection for everyone along the Sarawak-Kalimantan border because the boundary passes had been informally kept open for over a century. The Chief Minister highlighted the consequences of confrontation for his state when he said: 'It is a grave and serious problem. We have been at the receiving end of Soekarno's vicious brutality. An odd bomb may go off in Singapore, and a railway train be derail[ed] in Malaya, but it is the natives of Sarawak in the border areas who sleep uneasily in their beds.'[18] Sarawak was facing both internal and external security threats, and as Malaysia celebrated her first anniversary the Sarawak Government announced that it was intensifying its fighter aircraft patrols and strengthening its police force measures against the SCO. Assistance from the Central Government was pouring in in response to Sarawak's undivided loyalty to Kuala Lumpur.

Always the more eloquent, though not necessarily more astute than Ningkan, Donald Stephens showed his preference for Malaysia even before he became the Chief Minister of Sabah. In the wake of the raid in Kalabakan at the close of 1963, Stephens declared in his new year message:

> As 1964 dawns let us dedicate ourselves to the task of building our new nation. Let us show the world that we cannot be deferred by the insane and criminal policy of confrontation, which is just another name for envy, aggression, arson, theft and murder. Let us show that we can rise above all this, and with the dignity of a free people, defend and enrich our country.... Let us, too, remember always the greatest blessing that we have in Sabah—that people of all races and creeds can live together in peace and harmony, and let us resolve that this heritage shall be nutured and strengthened. This is something in which everyone can play their part; let us remember that we are now part of the great nation of Malaysia.[19]

As much as Sarawak, the Sabah Alliance Government pledged its unstinting support to the Central Government. Proposing a motion in the Sabah Legislative Assembly, Stephens promised, 'We will do the Tunku's bidding and give every bit of our strength and energy to help the Tunku in the great work he is doing to give Malaysia peace, stability, prosperity and happiness for all its peoples'.[20] From the inception of the Malaysia proposal in 1961 until the first state cabinet crisis of June 1964, it cannot be denied that Stephens was the most prominent and closely listened-to leader in Borneo. Politically, he was very much at home and welcomed whether in Kuala Lumpur, Kuching or his own sentimental Jesselton. When registration for national service because of confrontation was undertaken, he was among the first to sign his name voluntarily. The pledge of loyalty to Kuala Lumpur was clear, even if it was little realized that Stephens was in these years paving the way for his 'blood brother',[21] Datu Mustapha, to succeed him and 'remember always the greatest blessing that we have in Sabah—that people of all races and creeds can live together in peace and harmony'.

Indeed, Datu Mustapha himself, who was then the Yang di-Pertua Negara of Sabah,[22] warned

Independence, Cornell University Press, Ithaca, 1969, for Soekarno's political life and beliefs.

[17] *Straits Budget*, 8 July 1964, p. 14.

[18] Ibid. 15 July 1964, p. 13.

[19] *Sabah Times*, 1 Jan. 1964, pp. 1, 20.

[20] Ibid. 29 April 1964, p. 1.

[21] *Kinabalu Sabah Times*, Kota Kinabalu, 6 Jan. 1971, p.1. This brotherhood was sealed when, it was contended, the two 'pricked their fingers and mixed their blood in August 1959'.

[22] This is the official title of the state ruler of Sabah. His counterparts are the Governors and the Sultans in the other states of Malaysia.

that if Indonesia was allowed to continue her aggression against Malaysia it would be the end of democracy in the Malay world. As Sarawak showed her firm support for the Federal Government during the most critical period of confrontation the Head of State of Sabah declared:

> We know that our great leader, the Tengku, has done everything he could to resolve the conflict with Indonesia amicably, but in the absence of any genuine desire on the part of Soekarno's Government to be a friendly neighbour this has not been possible.... Because of this, we must all be prepared and at this juncture I would like to reiterate our confidence in the Tengku's leadership and our willingness to sacrifice our lives with him in order to ensure the integrity and sovereignty of our country. To us the Tengku's leadership symbolises freedom and democracy, with which system of government we can continue to prosper and progress.[23]

Such affirmations of confidence and loyalty were found in abundance among the Borneo leaders throughout the confrontation period. The numerous raids by Indonesian forces in Malaysian territory and the decision to enact and put into effect registrations for national service in East Malaysia demonstrated the seriousness and magnitude of Indonesian intransigence and obstruction to the success of the new federation. Confrontation 'provided the context within which Malaysia was forced to act in 1964'.[24] But there was more to it than this. If confrontation provided the setting and the stumbling block to the expectations of the Borneans of transformation from village life to modern society, it was precisely for this reason that East Malaysian leaders vowed to fight the enemy and ensure the integrity and sovereignty of their country. From the point of view of internal politics, confrontation proved a blessing in disguise; for Soekarno's hostile policy in 1964 and 1965 served to strengthen the bonds between the state governments of East Malaysia and the Federal Government in Kuala Lumpur. Confrontation, indeed, was a continuing impetus to the nation-building venture begun in 1961.

Indonesian Return to Realism

Several incursions into Malaysian territory occurred for the rest of 1964, but fortunately for both countries involved no further worsening of the conflict took place. By 1965 it was apparent that confrontation was ebbing. As long as Soekarno and Dr. Subandrio were at the helm, however, uncertainties for the future remained. In May 1964, one of the younger and promising leaders of Malaysia, Dato Muhammad Ghazali bin Shafie, who had by then acquired much expertise in diplomacy through being the Permanent Secretary of the Ministry of External Affairs, contributed his views:

> The Jakarta regime today has committed blatant acts of aggression and incursions into our territory. We have been very patient and, as a matter of fact, I marvel at our own forbearance. For how long can we continue to be at the receiving end of the stick? I don't know. But in view of what I have explained, can we seriously think that there could be a political settlement? Just what is this political settlement? Is it just a carrot dangled before our eyes in order to lend time to the Jakarta regime so that they would be in a position to put in more and more men in our territories and in the end create such a situation that Malaysia would indeed be crushed?[25]

In those questions lay some of the pertinent problems of confrontation. They affected the new federation seriously, and in particular they threatened to reduce to forgotten dreams the high hopes of East Malaysians for a better and a progressively more modern life.

When Malaysia was being formed and Indonesia was mounting her confrontation policy ever more vigorously, the political machinery in the latter country had gone from bad to worse. President Soekarno's system of guided democracy had paved the way for the PKI to influence both the internal and the external policies of Djakarta. Government in Indonesia had come to involve a delicate balancing of three power centres, Soekarno, the erstwhile communists, and the army; 'and an assent to Malaysia or an acceptance of its unmolested continuing existence would, under the circumstances, involve a major disturbance with unforeseen consequences in Indonesia's political power structure'.[26] It is obvious that Soekarno and his colleagues were using the armed confrontation against Malaysia as a ruse for diverting domestic opposition to Djakarta to a

[23] *Straits Budget*, 8 July 1964, p. 17.

[24] F.L. Starner, 'Malaysia's First Year', *Asian Survey*, University of California, Berkeley, Feb. 1965, p. 113.

[25] Dato Muhammad Ghazali bin Shafie, *Confrontation*, Department of Information, Kuala Lumpur, 1964, p. 28.

[26] J.M. van der Kroef, 'Maphilindo: Illusion or Reality', *Far Eastern Economic Review*, 5 Sept. 1963, p. 643.

supposedly neo-colonialist Malaysia. Because of this state of flux in Indonesian politics, there was no hopeful way of telling for how long Malaysians, and in particular East Malaysians, had to ruefully 'continue to be at the receiving end of the stick'.

In June 1965 it was reported that the biggest concentration of troops and police Sarawak had ever seen since confrontation began hunted down Indonesian terrorists who had killed seven Chinese civilians and two policemen at the 18th Mile Police Station south of Kuching.[27] One of the policemen killed on this raid of 27 June was Sgt Simon Peter Ningkan, a brother of the Chief Minister. The raid was comparable to the Kalabakan one of 29 December 1963, and as in the former incident aroused strong feelings among politicians and foreboding among Sarawakians. Affected but undaunted, the Sarawak Chief Minister said that people could learn from the example of dwellers near the border

> to face up to such intimidation with determination and courage. This wanton act has only made us firmer in our resolve that Sarawak shall advance as a democratic community within Malaysia and not be cowed into a gangster state of the sort our enemies would impose upon us by force.[28]

Ningkan was in fact reiterating his original conviction that Sarawak joined Malaysia to ensure her security and political survival. But an interesting aside was that the Chief Minister's words again demonstrated East Malaysian fidelity to Kuala Lumpur during the confrontation period.

Resumption of friendly relations actually began when an Indonesian military goodwill mission paid a visit to Kuala Lumpur on 27 May 1966. The goodwill mission, led by Rear Admiral O.B. Sjaaf, met the Tengku in Alor Star after which the Prime Minister stated: 'Nobody appreciates more than I do the significance behind this visit and I heartily reciprocate it. May the purpose and goodness behind it be crowned with success. May peace and goodwill between the two countries return soon.[29] The Deputy Prime Minister, Tun Razak, met the Indonesian Foreign Minister, Adam Malik, in Bangkok from 29 May to 1 June during which a free and frank exchange of views took place and they 'agreed to submit for approval to their respective Governments the principles upon which practical steps to restore friendly relations between the two countries should be based'.[30]

Formal reconciliation was effected when the Peace Agreement between the two countries was signed in Djakarta on 11 August 1966. The occasion was a historic one, while the Agreement was one of the shortest letters of accord—consisting of only four Articles.[31] With the undertaking to cease hostile acts against each other, the Agreement also provided for the re-establishment of full diplomatic relations between the two countries. The most significant aspect of the Agreement was the following provision:

> The Government of Malaysia, in order to resolve the problems between the two countries arising out of the formation of Malaysia, agrees to afford the people of Sabah and Sarawak who are directly involved, an opportunity to reaffirm, as soon as practicable, in a free and democratic manner through general elections, their previous decision about their status in Malaysia.[32]

This provision opened an entirely new era in the relations between the two countries. It reiterated the Manila Accord of 1963 which required, *inter alia*, that the United Nations Secretary-General or his representative 'take the necessary steps in order to ascertain the wishes of the people of those territories'.[33] For the sake of peace and goodwill between the two countries, Malaysia had thus conceded a reaffirmation of the findings of the UNMM of 1963. It was a worthy compromise, and was agreed to doubtless in recognition of the realism of the Suharto Government. As Adam Malik declared in Djakarta after the signing of the Agreement:

> The Agreement is the product of genuine consultation between cousins to solve a mutual problem. It vindicates our contention that Asian problems should be solved by Asians themselves in an Asian way.
>
> We must work for peace, so that we undertake the responsibility for our own and each other's security. We

[27] *The Borneo Bulletin*, Kuala Belait, 3 July 1965, p. 28.

[28] Government of Sarawak, *Sarawak By The Week*, 27 June-3 July 1965, pp. 3-4.

[29] Government of Malaysia, *Foreign Affairs Malaysia*, Vol. 1, Nos. 1 and 2, Kuala Lumpur, 1966, pp. 49-50.

[30] Ibid. p. 52.

[31] Ibid. Vol. 1, No. 3, pp. 18-27. See Appendix V below for the text of the Peace Agreement.

[32] *Asian Almanac*, Johor Bahru, 24 Sept. 1966, p. 1679.

[33] *Malaysia/Indonesia Relations*, p. 48.

must work for prosperity through the widest possible economic co-operation. We must work together to revitalise our cultures, that they may contribute fully to our people's happiness. We intend, Indonesia and Malaysia both, to work together as from today to build that new world that is the aspiration of all the peoples of Asia.[34]

Clearly, the Indonesian leader was making it known that his Government was going to work with South-East Asian nations. Adam Malik's words promised the beginning of a more promising era of regional co-operation in an area thus far divided by chauvinistic national ambitions. Speaking for Malaysia at the peace ceremony in Djakarta, Tun Razak took up the Indonesian Foreign Minister's theme and said:

Today we witness the realisation of resumption of relations between two neighbourly countries. Both have thus demonstrated to the world how two countries in Southeast Asia by displaying sincerity of desire can resolve their differences between themselves.

I am convinced that this solution which has been reached directly will endure and will be an example to other countries in Asia how differences can be resolved if there is a sincere desire and the will to make up and be friends again.[35]

From the signing of the Peace Agreement until the end of the decade under study, relations between Indonesia and Malaysia continued to be cordial and beneficial to both sides. The former's desire to be realistic and co-operative was clearly shown when Indonesia became one of the five members of the Association of South-East Asian Nations (ASEAN) upon its inception in August 1967. Prime Minister Tengku Abdul Rahman paid an official visit to Indonesia from 4 to 8 March 1968, during which he stated that:

Since the setting up of the new Government under General Suharto both countries have been moving towards closer and closer relation in all fields. There has been greater co-operation between the two countries either bilaterally or through ASEAN, whose aim is co-operation among member countries thereby raising their standard of living.[36]

There followed many exchanges of visits and technical delegations between the two countries. By 1969 a noticeable number of professional Indonesians, such as mathematics, science and other teachers, had come to render their services in Malaysia while Malaysian students were attending Indonesian institutions of learning in increasing numbers. Close relations were cemented further when President Suharto paid a return official visit to Malaysia from 16 to 19 March 1970. The most significant aspect of the visit was the signing of a new Treaty of Friendship and a 'Treaty relating to the delimitation of the Territorial Seas between the Republic of Indonesia and Malaysia in the Straits of Malacca'. Both agreements underlined the wish of the two Governments to ensure that the intransigent confrontation years would not be repeated. The spirit of the Treaty of Friendship was that of the one signed in 1959,

emphasising existing friendly and cordial relations between the two nations. Further collaboration and co-operation in such fields as educational, scientific and consular relations and the question relating to the extradition of fugitive offenders were enumerated in the Treaty, each calling for the conclusion, whenever appropriate, of a separate agreement or arrangement.[37]

Thus, by 1970, the realism of the Suharto Government and the willingness of the Malaysian Government to accept a compromise on the Borneo crisis had established a firm basis for further co-operation and the continuing process of modernization in the two countries.

No one appreciated the ending of armed confrontation more than the East Malaysians. Penghulu Tawi Sli, who succeeded Ningkan as Chief Minister of Sarawak in September 1966, stated a fortnight after the peace ceremony in Djakarta that his state was 'determined no matter what the future may hold for us that there shall be no doubt of our desire to remain within our stable

[34] *Asian Almanac*, 24 Sept. 1966, pp. 1679-1680. In 1966 the cost of living in Indonesia rose 635 per cent, but the rise for 1968 was reliably estimated to be much less than the official figure of 85 per cent. A Five-Year Development Plan was formulated in the latter year and actually launched in 1969 with crop return and infrastructure improvements as the main objectives for implementation. See *Far Eastern Economic Review*, 13 March 1969, p. 494, and *Indonesian Perspectives*, Djakarta, 12 Aug. 1970, pp. 16-25.

[35] Government of Malaysia, *Suara Malaysia*, Kuala Lumpur, 18 Aug. 1966, pp. 2-3.

[36] *Foreign Affairs Malaysia*, Vol. 1, Nos. 7 and 8, 1968, pp. 72-5. Formed with the Bangkok Declaration of 8 August 1967, the other members of ASEAN were Thailand, Malaysia, Singapore and the Philippines.

[37] *Foreign Affairs Malaysia*, Vol. 3, No. 1, 1970, p. 22.

and united Malaysian nation'.[38] The Federal Minister of Sabah Affairs and Civil Defence, Tun Mustapha, referred to the stipulation in the Peace Agreement that the people of Sabah would be given an opportunity to reaffirm their previous decision regarding Malaysia and declared:

> In my opinion, the renewal of our desire to stay on in Malaysia is not at all important because it has been clearly indicated to the whole world that the people of Sabah are not divided in this matter. However, in order to come to a peaceful settlement between Malaysia and Indonesia, we should agree to their request to renew our decision.[39]

East Malaysians gave their Indonesian neighbours further demonstrations of their decision to stay in Malaysia when Sabah had its first direct state elections in April 1967 and parliamentary elections in 1970, while Sarawak had both its state and parliamentary elections in 1970. In all these elections, the pro-Malaysia parties won decisive victories.[40]

Commonwealth Assistance and East Malaysia

The Commonwealth partners principally involved in combatting Indonesian incursions along the East Malaysia-Kalimantan border were Britain, Australia and New Zealand. The first concentration of British forces was during the Brunei revolt of December 1962 when troops from the base in Singapore and from the Middle East—numbering about 5,000 men—spread out into the jungle around the sultanate to quell the uprising within a week.[41] As confrontation was intensified from April 1963 onwards, British troops again began to increase in number although the actual figure was seldom publicized because of security reasons. In January 1964 the Malaysian Prime Minister stated that there was no need for forces from other Commonwealth countries to help defend East Malaysia; but by June circumstances forced him to declare that, with confrontation at its apogee, 'If the Commonwealth countries want to help us, they have to do so now—or it will be too late. If they do not help us now, we may become another Vietnam. Prevention is better than cure. We have got to get aid now or it will be useless.'[42] By the end of the year not only Britain but also 'Australia and New Zealand were providing substantial financial aid while their troops had been in action against Indonesian infiltrators'.[43]

The contributions of the Commonwealth partners to the defence of East Malaysia were no mere token forces. The respective governments debated the issue in their parliaments; British, Australian and New Zealand public opinions were constantly reminded of the need to assist Malaysia in her struggle to maintain a liberal, multiracial society amidst a sea of crumbling nationalist regimes. The Commonwealth partners also maintained close and co-ordinated consultation on the Borneo crisis. Even New Zealand, the least directly-effected of the partners, kept a keen interest in defence developments in the Malaysia region. In answer to a question in parliament the Prime Minister, Sir Keith Holyoake, said, 'New Zealand is always in close consultation with the Governments of Malaysia, Britain, and Australia on this matter, and I think I could say it would be an extraordinary circumstance when we did not act in concert in this respect'.[44] It was this common ground among the partners which made the Borneo situation less explosive. But the co-ordination among the four Commonwealth partners annoyed Soekarno and led him to wreak all the more vengeance upon Malaysia. But the three overseas partners continued to give more assistance, both moral and material.

But for the help of the three partners, East Malaysians might have sustained heavier damages and loss of lives at the hands of merciless Indonesian infiltrators. During the critical period of confrontation, the British Minister of Defence for the Army, Frederick Mulley, stated in the course of a visit to Sarawak:

> The recent intensification of confrontation activities have given rise to sorrow and anxiety, not only here and in Kuala Lumpur, but in Great Britain as well. We are

[38] *Suara Malaysia*, 25 Aug. 1966, p. 4.

[39] Ibid.

[40] See Chapter V below.

[41] *Sabah Times*, 10 Dec. 1962, pp. 1 and 6; *Borneo Times*, 11 Dec. 1962, pp. 1 and 4; *The Sunday Mail*, Brisbane, 9 Dec. 1962, p. 1.

[42] *Straits Budget*, 15 Jan. 1964, p. 6; and 1 July 1964, p. 12.

[43] *Daily Express*, Jesselton, 16 Dec. 1964, p. 1.

[44] Government of New Zealand, *Parliamentary Debates, House of Representatives*, First Session, Thirty-fourth Parliament, Vol. 340, 8 Oct. 1964, p. 2582.

well aware and deeply in sympathy with all the problems that beset this young nation.

Within the Commonwealth we have a special concern for the worthwhile and exciting enterprise to which the concept of Malaysia gives tangible form. I refer to the democratic, multi-racial society of which Sarawak is a part. In Great Britain we share your enthusiasm for your objectives and will do our best to see that they are not jeopardised by the threats of Indonesia.[45]

The expression of concern and sympathy for Malaysia was understandable. After all, the democratic, multi-racial society of the new federation had been the finest legacy Britain ever left to both West and East Malaysia. While Malaysians strove to prevent the disintegration of their country, Britain worked to ensure that the evolving political tradition of that country would remain distinctively British. A very diplomatic but historically sentimentalist country that she was, Britain saw her own political shadow in Malaysia and decided to save it from being enveloped in Soekarno's shadow play.

But despite the recurrent nationalist charge that Britain was frantically trying to preserve her economic interests by maintaining a dominant defence role in the Malaysia region, one must not overlook the fact that these interests were at the time diminishing and amounted to only four per cent of the total British overseas trade.[46] More than anything else, Britain supported Malaysia against Soekarno because she felt morally obliged to protect her own creation, namely the democratic, multi-racial and constitutionally English-oriented new federation. After all, no member valued the Commonwealth more than Britain herself; and it was only too obvious that Malaysia formed an important link in that chain of friendship, association and understanding which the Commonwealth had symbolized since the dissolution of the British Empire. These were the underpinnings of British support, and the consequence of that support in East Malaysia was significant as will be seen presently. 'Of the original reasons for creating Malaysia, the ones that remain valid from the British point of view are the desire to see the Bornean territories safely into independence, and the desire to keep a Singapore base for as long as it is strategically useful.'[47]

While the overseas Commonwealth partners generously sent their regular forces, equipment and financial aid to East Malaysia in order to promote their own national and security considerations, the peoples of Sarawak and Sabah benefited also from their presence. The Commonwealth troops not only shielded the East Malaysians from the forays of Indonesian regular and PKI-SCO attacks; they also took charge of civilian projects which had become important for military tactics and logistics. True, the Malaysian armed forces personnel figured prominently in the protracted conflict with Soekarno. But it should not be forgotten that, but for the engineers and up-to-date equipment of the overseas partners, the well-graded roads from Serian to Simanggang and Sibu and from Keningau to Sook and Tulid, would not have been so easily and so rapidly completed. The troops also helped in building bridges, teaching children in the remote areas and caring for the sick, including the transporting of emergency cases by helicopters from isolated areas to hospitals. The presence of the Commonwealth troops in East Malaysia and their effective assistance in the three-year armed confrontation with Indonesia demonstrated to the Borneans that their Federal Government had the confidence of other countries overseas. Thus the ability of the Federal Government to obtain Commonwealth assistance during confrontation increased the confidence of the peoples of Sarawak and Sabah in the efficacy of their national government, and helped to bring East Malaysia closer to West Malaysia, strategically and politically.

The Philippine Claim and Sabah

As stated earlier, the Philippines aligned with Indonesia and refused to recognize Malaysia when the new federation was inaugurated on 16 September 1963. However, it should be noted that the Philippines did not confront Malaysia in the same way as Indonesia. It was in 1963 and 1964 that the Philippines was closest to Indonesia and furthest from Malaysia; but even then the two countries did not act fully in concert against

[45] *Sarawak By The Week*, 10-16 Jan. 1965, p. 2. The British Minister was touring and reviewing British defence commitments in the Far East.

[46] See S. Rose, *Britain and South East-Asia*, Chatto and Windus, London, 1962, p. 176.

[47] *The Economist*, London, 14 Aug. 1965, pp. 585-6.

Malaysia. The Philippines, for instance, never sent any of her soldiers to fight in Malaysian territory, despite allegations in the first half of 1968 that young Sulu men were secretly being trained in Corregidor for the purpose of infiltrating and invading Sabah.[48] Like Indonesia, however, the Philippines continued to maintain that the UNMM to Sarawak and Sabah in September 1963 failed to fulfil the conditions of the Manila Accord signed earlier in July that year. Among other things, this Accord among the three countries of the Malay world stated that:

> The Philippines made it clear that its position on the inclusion of North Borneo in the Federation of Malaysia is subject to the final outcome of the Philippine claim to North Borneo. The Ministers took note of the Philippine claim and the right of the Philippines to continue to pursue it in accordance with international law and the principle of the pacific settlement of disputes. They agreed that the inclusion of North Borneo in the Federation of Malaysia would not prejudice either the claim or any right thereunder.[49]

As much as President Macapagal appeared serious about his claim, Malaya at that summit meeting was intent upon realizing the Malaysia plan. But the significant point is that since that summit meeting, the Philippine Government demonstrated its belief in seeking to arrive at a conclusion on the claim 'in accordance with international law and the principle of the pacific settlement of disputes'. She avoided armed conflict with Malaysia at a time when she could have taken advantage of the duress created by Soekarno's confrontation. Indeed, from the abortive Bangkok Foreign Ministers' meeting in February 1964 onwards, Filipino leaders tended to mediate rather than to take sides between Malaysia and Indonesia.

The Malaysian Prime Minister and the Philippine President met in Phnom Penh in the same month, and one of the members of the Malaysian delegation was Dato Donald Stephens of Sabah. Upon his return to Jesselton, and referring to Macapagal's suggestion that a plebiscite on the claim be held in Sabah, the Chief Minister said, 'I told him that this was unacceptable. Malaysia had been established with the support of the people in the territories and there was no provision in our constitution for a secession'.[50] Though pursuing the claim significantly without the use of violent means, Macapagal never relaxed his determination until the Philippine elections of 1965 saw his defeat by Ferdinand Marcos. In fact, Macapagal emphasized the claim so much that to all intents and purposes he was using it as a tool in the implementation of his country's policy of returning to Asia, politically and culturally. His pursuit of the claim inevitably incurred the disappointment of Malaysians in general and the anger of Sabahans in particular. Former Philippine Vice-President Emmanuel Pelaez himself confessed, 'Under the stewardship of President Macapagal, our Malaysia policy has undergone a transformation that is glaring in its lack of direction and naive in its attempt to play for the grandstand'.[51]

Apart from pursuing the claim through meetings with Malaysia, the Philippines during the period under study strove to bring the matter before the International Court of Justice (ICJ) in The Hague. Malaysia consistently refused to be a litigant on the principal ground that Sabah, through constitutional and democratic process, had become an integral part of a sovereign and independent federation. Agreeing to go to the ICJ would have implied that Malaysia doubted her own sovereignty over Sabah. In any event, Malaysia maintained that through the twenty-three months of negotiations on the formation of the federation, through the findings of the Cobbold Commission and the UNMM, Sabah had demonstrated that she wanted to be a part of that federation. Despite these arguments, the Philippines Government published two books on the claim, the first in 1964 and the second in 1967, setting out the historical and legal bases of her case.[52] Perhaps they should not have been published at all, for the Malaysian delegations

[48] See V. Shepherd and a Special Correspondent, 'The von Overbeck Legacy', *Far Eastern Economic Review*, 11 April 1968, pp. 142-4.

[49] Government of Malaysia, *Malaya/Philippine Relations: 31st August, 1957 to 15th September, 1963*, Kuala Lumpur, 1963, p. 33.

[50] *Sabah Times*, 18 Feb. 1964, p. 1.

[51] B.K. Gordon, *The Dimensions of Conflict in Southeast Asia*, Prentice-Hall, Inc., New Jersey, 1966. Quoted on p. 39.

[52] Government of the Philippines, *Philippine Claim to North Borneo*, Vols. I and II, Manila, 1964 and 1967.

used the contents to turn the tables on the Philippine side, especially at the meeting in Bangkok in June-July 1968 when it was charged that 'the Malaysians sat in judgement on the Filipino claim and refused to provide the Filipino delegation with any face-saving device when the talks broke down'.[53]

Not making much headway with her effort in bringing the claim to the ICJ, the Philippine ambassador to the United Nations, Salvador Lopez, announced in October 1964 that his country would ask that the matter be placed on the agenda of the General Assembly. Commenting on this move, the Malaysian deputy permanent representative to the United Nations, R. Ramani, said:

> The U.N. Charter says all legal claim must be referred to the International Court of Justice. The Philippines now want to take their claim to the U.N. The Assembly is a political body. By their latest move, they are admitting that their claim is no longer a legal problem, but a political question.[54]

In fact the claim was being debated as a legal as well as a political matter. If at all, the claim was more political than legal, aside from the fact that *prima facie* every treaty known to history has political connotations.[55] At any rate, the inclusion of the claim in the agenda of the General Assembly was promptly stopped by Macapagal who was not properly informed of the move beforehand.

President Marcos took office in 1966, promising to establish good relations with Malaysia. Tengku Abdul Rahman himself, noting the hopeful trend in Philippine politics following the presidential elections which defeated Macapagal, said in December 1965, 'irrespective of any problems that exist between the two countries', diplomatic relations could be established.[56] The atmosphere continued to improve and on 3 June 1966, the Philippines and Malaysia normalized relations in an exchange of Notes in Manila. Malaysia's Acting Minister of Foreign Affairs, Tun (Dr.) Ismail bin Dato Abdul Rahman, commented on the new development and said, 'The resumption of full diplomatic relations at this juncture is most timely and consistent with the growing awareness amongst South-East Asian countries of the value and importance of regional co-operation in economic, cultural and social fields'.[57] The joint statement on the resumption of diplomatic relations noted that

> Both Governments have agreed to abide by the Manila Accord of July 31, 1963, and with the Joint Statement accompanying it, for the peaceful settlement of the Philippine claim to Sabah. They also recognised the need of sitting down together, as soon as possible, for the purpose of clarifying the claim and discussing means of settling it to the satisfaction of both parties in consonance with the said Manila Accord and Joint Statement.
>
> Both Governments have agreed that a meeting should be arranged between the two countries as soon as possible in order that steps may be taken to carry out the assurances of the Malaysian Government to co-operate with the Philippines in the eradication of smuggling.[58]

Thereafter the two countries enjoyed cordial relations, and while fulfilling their pledge of co-operation at regional level by being two of the five signatories to the Bangkok Declaration which established ASEAN on 8 August 1967, the Philippines and Malaysia also signed an Anti-Smuggling Agreement on 1 September, 1967. Filipinos had been actively smuggling manufactured goods which they obtained by barter from Sabah ports into their country, thus causing losses in import and excise duties to their government. The Agreement made it well-nigh impossible, technically at any rate, for Filipinos to barter and return to their country across the narrow straits separating East Malaysia and the southern Philippines without being cleared by customs officers on both sides.[59]

Good relations between the Philippines and

[53] B. Reece, 'Sabah Boat Song', *Far Eastern Economic Review*, 22 Aug. 1968, p. 343; see also his 'No Laughing Matter', ibid. 3 Oct. 1968, p. 5.

[54] *Straits Budget*, 28 Oct. 1964, p. 10. Ramani was the Malaysian legal consultant on the claim until his death on 30 September 1970.

[55] This is amply demonstrated in M.O. Ariff, *The Philippines' Claim to Sabah*, Oxford University Press, Kuala Lumpur, 1970, the first extended attempt to assess the legal aspects of the claim.

[56] *Straits Budget*, 22 Dec. 1965, p. 19.

[57] *Suara Malaysia*, 10 June 1966, p. 8.

[58] *Foreign Affairs Malaysia*, Vol. 1, Nos. 1 and 2, pp. 53-4.

[59] For the text of the Anti-Smuggling Agreement see ibid. Vol. 1, No. 7 and 8, pp. 3-7. Filipino customs representatives were stationed in Sandakan, Semporna and Jesselton to implement the Agreement.

Malaysia reached their highest point when President and Imelda Marcos made a state visit to Kuala Lumpur in January 1968. Two months later the Corregidor incident began a return to antagonism between the two countries.[60] In July the last meeting on the claim, held in Bangkok, broke down, followed by suspension of diplomatic relations after President Marcos signed a Congressional Bill defining part of Sabah as Philippine territory on 18 September. The Anti-Smuggling Agreement was accordingly suspended; and despite a cooling-off period it was not until 16 December 1969 that diplomatic relations were resumed during the ASEAN ministerial meeting in the Cameron Highlands. Since then, both countries have maintained cordial relations while the claim has remained unsettled.

One obvious aspect of the claim was that it did not command a majority support in the Philippines. While Macapagal was uncomfortably emphasizing his friendship with Soekarno during confrontation, a Filipino magazine publisher, Leon Oo Ty, claimed during a visit to Sabah in January 1964 that 'Filipinos did not favour President Soekarno's use of violence in his confrontation against Malaysia and, in fact, they did not have anything in common with Indonesians except the colour of their skin'.[61] A Philippine congressman, Ismael Veloso, told his Malaysian audience:

> We believe that freedom does not belong to any one race but to every citizen in every land. As early as ten years ago I spoke in Congress of the danger of Indonesia. If the worst comes to the worst, you will have not only our prayers, our sympathy but also Filipino blood defending the integrity of your country.[62]

In November, Josefina Constantino of the Development Bank of the Philippines asserted that 'The vast majority of Filipinos support Malaysia in her dispute with Indonesia, and they have constantly kept this stand'.[63] There were many Filipinos who had settled for many years in Sabah and criticized the Manila administration for its unfriendly attitude towards Malaysia. One such settler was Raphael Ancheta who, as a member of the Sabah Legislative Assembly, said in support of a motion introduced by the Chief Minister calling on the Federal Government not to attend talks on the claim:

> In reality, I am a Filipino by origin and was born in the southern part of the Philippines. I have been in Sabah now for 10 years and have always been happy in this country. People of Sabah, including those of us from the Philippines as well as those of Indonesian origin have all chosen independence within Malaysia. We expressed our desire to join Malaysia to the United Nations team last year. That is the desire of people of all races. We wish no interference from the Philippine Government.[64]

A year and a half after saying that Filipinos had nothing in common with Indonesians except the colour of their skin, Leon Oo Ty thought that his country should first give its recognition of Malaysia before continuing to pursue the claim: 'Recognition before the claim will serve to clear the atmosphere and bring a better understanding of the situation'.[65] He was speaking at a time when Ferdinand Marcos was campaigning for the presidency and promising to initiate good relations with Malaysia if he won.

In August 1965 a ridiculous incident took place when the Philippine immigration authorities ruled that Malaysians of Chinese origin entering the country would be finger-printed. In a tit for tat bid, the Malaysian Government promptly announced that Filipinos entering the federation would be finger-printed. The bout soon extended to finger-printing of diplomats of the two countries: 'Relations between the two degenerated from Filipino finger-printing of Malaysian-Chinese visitors, to Malaysian finger-printing of Filipino visitors to Filipino finger-printing of all Malaysians on a non-communal basis'.[66] In point of fact, the finger-printing episode demonstrated the paucity of issues on which the two countries could seriously differ. It was this same lack of conflict which enabled the Philippines to act as mediator between Indonesia and the Philippines as early as in 1964. At the height of confrontation, Malaysia lodged a protest against Indonesia and

[60] See B. Reece, 'Sabah Rattling', *Far Eastern Economic Review*, 29 Aug. 1968, pp. 387-91 for a good appraisal of the claim as it stood then.

[61] *Straits Budget*, 29 Jan. 1964, p. 18. He was editor and publisher of the Philippine weekly, *The Examiner*.

[62] *Sabah Times*, 20 July 1964, p. 1.

[63] *Straits Budget*, 11 Nov. 1964, p. 15.

[64] Ibid. p. 8.

[65] Ibid. 7 July 1965, p. 11.

[66] H. Stockwin, 'Uplift for ASA', *Far Eastern Economic Review*, 13 Jan. 1966, p. 42.

requested an urgent meeting of the Security Council. At the Council meeting of 10 September, 1964, the Philippine representative (who was present at the invitation of the Council President) said,

> The Philippine delegation comes to this Council table as a friend of both Malaysia and Indonesia, our blood cousins. We are here not to enter into their differences, but to enlarge as far as possible the area of understanding. Our sole interest and concern is in helping to remove discord and to lay the foundations of agreement.[67]

Despite the conciliatory attitude of the Philippines during the greater part of this period, however, the pursuit of the claim was never forsaken by Manila. Conversely, ever since the constitutionally non-existent sultanate of Sulu 'ceded sovereignty over the territory of North Borneo to the Philippines without prejudice to its own proprietary holdings'[68] on 29 April 1962, the leaders of Sabah never forsook their uncompromising rejection of that claim. Dato Donald Stephens was one of those who maintained that there must be no talk on the claim whatsoever. After he stepped down from the Chief Ministership of Sabah to join the Federal Cabinet in January 1965, he suggested that in the forthcoming first state direct elections the people of Sabah be asked whether they wanted to join the Philippines. This suggestion invoked the wrath of his former state colleagues. The new Chief Minister, Peter Lo, declared:

> We want to make it quite clear that our stand on the issue has not changed. We do not wish the Central Government to have any talks with the Philippine Government about the claim. We insist that the principle of self-determination, which is enshrined in the United Nations Charter and to which the Philippine Government has subscribed, requires that the decision must eventually rest with the people of Sabah. The people of Sabah have made their stand clear on more than one occasion: they don't want this country to go to the Philippines. We believe that our future is with Malaysia and we want the Philippines to leave us alone. Therefore, it does not matter whether or not there is a legal case in the claim as the Philippines maintain but which we have never conceded. There is only one honourable thing for the Philippine Government to do and that is to abandon the claim once and for all in deference to the wishes of the people of Sabah. They should stop flogging a dead horse. It may be that in harping on the claim it would suit the Philippines' domestic politics, but it certainly angers our people, and it does considerable harm to relations between the Philippines and us.[69]

Thus while the Philippines vacillated between the ICJ and the General Assembly, the leaders—and increasingly the people—of Sabah became adamant that they alone had the ultimate right to decide their future. The Chief Minister, Peter Lo, reiterated his stand when he said, 'we would like to see that Sabah's claim by the Philippines is amicably settled in the spirit of goodwill and understanding with due regard to the wishes of the people of Sabah who have overwhelmingly opted to join Malaysia'.[70]

When President Marcos signed the Congressional Bill which defined part of Sabah as Philippine territory on 18 September 1968, there were huge protest rallies and the President was burnt in effigy in the main towns of Sabah. Of course it could be pointed out that Filipinos, too, staged counter-demonstrations against the Tengku and other Malaysian leaders; but the 'Philippine demonstrations over Sabah have not been the work of a people firmly united in support of their Government's stand'.[71] Finally, when Malaysia and the Philippines resumed diplomatic relations without any pre-conditions on 16 December, 1969, Sabah's leading daily noted apprehensively:

> The problem of the Sabah issue, however, will conceivably still be there, for it would appear that all that has taken place in the discussion between the two countries is an agreement to shelve the issue.... We can probably expect an announcement as to the solution reached concerning the issue so that those in question, namely the Sabah Malaysians will know what has become of them.[72]

[67] Government of Malaysia, *Malaysia's Case in the United Nations Security Council*, Kuala Lumpur, 1964, pp. 19-20.

[68] H.B. Jacobini, 'Fundamental Philippine Policy Toward Malaysia', *Asian Survey*, Nov. 1964, p. 1146.

[69] Government of Sabah, *Sabah Press Release*, Jesselton, 14 Jan. 1965, 6.00 p.m.

[70] *Suara Malaysia*, 10 June, 1966, p.8.

[71] P. Forzman, 'Monster in the Making', *Far Eastern Economic Review*, 17 Oct. 1968, pp. 153-5. Apart from Sabah, about 1,000 students entered the grounds of the Philippine Embassy in Kuala Lumpur and tore down the Philippine flag on 21 September.

[72] *Kinabalu Sabah Times*, 17 Dec. 1969, editorial, p. 3.

Two days later, the Chief Minister, Tun Datu Mustapha, left uninformed about the resumption of diplomatic relations beforehand, sadly said, 'The people of Sabah have a voice of their own to state what they want, and they are worried about any loophole in the new agreement with the Philippines'.[73] It was obvious that the Central Government had taken for granted that the people of Sabah would always abide by its decisions.

Apart from the reported loss of vital documents relating to the claim from the Philippine National Archives in April 1970, the last that was heard of the dispute was an encounter between the Philippine Foreign Secretary, Carlos P. Romulo, and the Malaysian Permanent Representative, Zakaria bin Haji Mohamed Ali, during the 25th anniversary of the United Nations in October. While Romulo urged, 'Let the submission to the International Court of Justice of the Philippine claim to Sabah be a joint Philippine-Malaysian contribution to the strengthening of the rule of law during the 25th anniversary of the United Nations', Zakaria no less eloquently replied, 'I wish to express the hope that in the spirit of the 25th anniversary of the U.N. the Philippine Government will be able to approach this problem on the basis of respect for the right of self-determination which the people of Sabah have exercised'.[74]

Of the three countries of the Malay world, and from the political point of view, the Philippines and Malaysia had most in common. Unlike Indonesia, both evolved from long periods of American democratic and British liberal traditions. It was largely because of this inherited liberalism from the West that the Philippines and Malaysia tended to argue their respective cases through peaceful, if not altogether constitutional, means. Both found it quite difficult to be completely at odds with one another: the Philippines found herself soon mediating between Indonesia and Malaysia, while the latter never managed to become really belligerent towards the Philippines because there was no fundamental conflict between the American-tutored leaders in Manila and the English-educated leaders in Kuala Lumpur. Indeed, the Philippines and Malaysia had been influenced so much by the same Western constitutional and administrative traditions that the pull of these similarities made it difficult for the two countries to differ from one another.

In so far as the Philippine claim was concerned, one may agree that 'nothing of any substance was achieved, except to give some cover to Indonesia in its Borneo adventure and to impair a growing relationship between more natural political allies in South-East Asia'.[75] But that is not to say the claim had been solved. Apart from the United Nations, and in particular the ICJ, an alternative solution could be a well-supervised and impartially-observed referendum, not general elections, on the claim, by the people of Sabah.[76] Kuala Lumpur has regarded such an exercise superfluous. Yet, a referendum and an election are not one and the same. In a referendum, the people of Sabah should simply be asked their opinion, *Yes* or *No*, to the claim. If the majority voted *No* and the Philippines still persisted with her by then rejected claim then not only Malaysia but the whole world would plainly see who was right.

Third parties, acting as mediators, have failed to help settle the problem. During the first Marcos administration (1966-1969), the good relations until March 1968 provided an excellent opportunity to settle the claim amicably. But, in a manner of speaking, the problem was swept under the carpet. Since the resumption of diplomatic relations at Cameron Highlands in 1969, apparently nothing has been done about the problem. If the present period of good relations between the two countries is not utilized, if the problem is again swept under the carpet, there may not be another opportune moment for negotiations and settlement of the issue. As two sovereign and independent nations, the Philippines and Malaysia owe it to their peoples, and in particular to the people of Sabah, to settle the claim for whatever it is worth. In an age of continuing nationalism and self-determination, it is imperative that the dispute be resolved 'so that

[73] Ibid. 20 Dec. 1969, p. 1.

[74] *The Malay Mail*, Kuala Lumpur & Singapore, 6 April 1970, p. 4; and *Straits Times*, 2 Oct. 1970, p. 18.

[75] M. Leifer, *The Philippine Claim To Sabah*, University of Hull, Hull, 1968, p. 74.

[76] See Lim Guan-Sing, 'Philippines' Claim To Sabah', Centre for Asian Studies, Wellington, 1966 (mimeograph copy), p. 31, where Philippine acceptance of the *UNMM Report* or a 'Malaysian Yes, Philippines No' Sabah Legislative Assembly resolution was also suggested.

those in question, namely the Sabah Malaysians will know what has become of them'.

Not long ago, former Chief Justice C.F.C. Macaskie, who held almost every important post in Sabah under the Chartered Company, handed down a judgment on the claim in 1939, and returned to Sabah as a brigadier with the Allied troops to re-establish administration after the Japanese occupation, put the matter in simple terms:

> Now as regards the Sabah cession—of course, the cession by Sulu refers only to parts of the East Coast you know—the question whether the cession agreement was a lease or an outright grant is really just a matter of semantics. What must decide is the wishes of the people.[77]

[77] Correspondence with the present writer, 2 April 1969. Macaskie's decision of 1939 determined the respective shares of nine heirs of the last Sultan of Sulu (Haji Jamalul Kiram who died on 7 June 1936) of the annual payment of $5,300.

It may be that the Philippines has been flogging a dead horse and Malaysia has been too hesitant to bury the carcass, while Sabah has had to bear the stench. Since the grant is one in perpetuity, it can either continue in force or, as the only real alternative, the annual payment of $5,300 could be compounded and paid in a lump sum. A settlement of this nature should be done confidentially by diplomacy and mutual trust. Once the compounded sum is agreed upon by all parties concerned, a joint statement could be made, the Sulu Sultan's heirs duly compensated, and the Philippines and Malaysia could move on to more natural political, social, economic and cultural co-operation. Not the least, a settlement of the claim would relieve the people of Sabah of one problem and enable them to concentrate more on the development of their state, cultivate friendship with their Filipino neighbours and progress further towards a modern society.

III

THE BORNEO ADMINISTRATIONS AND MALAYSIA

THE century of Brooke rule, the sixty years of Chartered Company management, and the seventeen years of direct colonial rule meant that by 1946 public administration in Sarawak and Sabah had developed very much along British lines, though the development was gradual and by no means all-embracing. Sir Steven Runciman noted in his narrative of the Brooke period that the 1941 Constitution handed to Sarawak during the centenary of the rule of the English Rajahs was a step in the right direction. Then he hastened to add:

> But it represented only a very small step along the path towards self-government. The Rajah had in fact surrendered his absolute power to a bureaucracy which he himself nominated. It was possible to say that the autocracy remained, disguised and rendered less efficient. Though native races and interests were to be represented on the Council Negri, the representatives were to be nominated by the Rajah and his nominees.[1]

The members of that bureaucracy were not recruited by competitive examination when they joined the Rajah's service; for cadets were privately selected by the Rajah's representative in London, and influence rather than merit carried weight until the very end of the rule. Owen Rutter, who was himself formerly an official of the Company, wrote in 1922:

> The British North Borneo Company recruits the officers for its Civil Service and Constabulary in London. Appointments are made from nominations, the minimum and maximum ages for candidates being eighteen and twenty-three. There is neither qualifying nor competitive examination, but nominated candidates are interviewed by a Selection Board composed of the President and some of the Directors.[2]

After the Second World War, the colonial power organized various administrative departments in both territories.[3] The steps taken were dictated more by the needs of the moment rather than by any concerted attempt to equip Sarawak and Sabah administratively in an independence-conscious South-East Asia. Certainly, seventeen years of direct rule by a cosmopolitan country such as Britain was more than a lengthy period for the enhancement and full development of a modern administrative system in each of the two territories; but as Tregonning pointed out in respect of Sabah,

> In hardly any important way did the Colonial Administration radically alter the Chartered Company legacy. Although undoubtedly the post-war regime improved very considerably on that which had gone before, in most walks of life there is discernible in Sabah still a tradition which is inherited from the days when the pattern was established.[4]

What was true of Sabah was essentially the same of Sarawak; for not only did the two territories begin to exist as closer neighbours after the Japanese occupation but, above all, both were administered by a common colonial policy formulated and directed from Whitehall.

Notwithstanding the above, considerable administrative improvements took place in Sarawak and Sabah after the war, especially in the fields of justice and social and welfare services. What shortcomings there were by the time the two colonies achieved independence through Malaysia will be assessed below. Structurally, at least, the two territories had the minimum facilities for the conduct of an orderly government, as may be verified from reports which were published just prior to the entry of the colonies into Malaysia.[5]

Regional Administration

Regional and state-wide administration in Sarawak and Sabah has been centrally controlled by

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[1] S. Runciman, *The White Rajahs*, Cambridge University Press, London, 1960, p. 251.

[2] O. Rutter, *British North Borneo*, Constable and Company Limited, London, 1922, p. 149.

[3] Ibid. Runciman, op.cit. K.G. Tregonning, *A History of Modern Sabah, 1881-1963*, University of Malaya Press, Kuala Lumpur 1965, *passim*, for detailed treatment.

[4] Ibid. p. 223.

[5] See Government of Sarawak, *Sarawak Annual Report, 1962*, Kuching, 1963; and Government of Sabah, *Sabah Annual Report, 1963*, Jesselton, 1964.

the state Secretariats in Kuching and Kota Kinabalu, respectively. Between Kuching and the five Divisional headquarters in Sarawak, and between Kota Kinabalu and the four Residency headquarters in Sabah, routine administration is channelled. Although the Secretariats, their permanent secretaries and senior specialist personnel, are important inasmuch as they form the nerve-centres of state administration, at the same time the Residents and their district officers in the five Divisions and four Residencies form the linchpins of the administrative frameworks.[6] Every Resident is a senior administrative officer who has spent many seasoned years of public service throughout his state, and this is true of every such officer in East Malaysia today. Having usually served as a district officer for some time prior to his appointment, a Resident is well-placed as a co-ordinator between the more impersonal officers in the Secretariat and the grass-roots knowledge of the district officers in his Division or Residency. Whatever may be said to the effect that the office of the Resident is redundant (especially because such an office does not exist in any of the states of West Malaysia), it is clear that this officer has been largely responsible for the smooth flow of administrative work between the state capital and the regional divisions of both East Malaysian states. The absence of the post in the state administrations of West Malaysia does not form a justification for abolition of the Resident's Office in East Malaysia as has been proposed by Federal leaders. It should be borne in mind that, whereas the states of West Malaysia are mostly compact and well served by communication lines, both the states of East Malaysia are vast in comparison and far more handicapped by inadequate means of land, air and even telephone communications.

The case for the continuance of the Resident's Office in East Malaysia is justified not by its historical existence but by its very necessity for the purposes of co-ordination and administrative efficiency in the wide rural areas of Sarawak and Sabah. The district officers in many inland centres would find it impossible to keep in direct and efficient communication with Kuching or Kota Kinabalu without the assistance of their senior and knowledgeable Residents.[7] This problem of communication is destined to remain acute until such time as the modernization of the communication system in East Malaysia has reached a stage at least comparable to that of West Malaysia. The crux of the matter is that the district officers in the inland areas of Sarawak and Sabah at present do not have an urban centre to which they could go or communicate with readily and regularly. For the moment, it is a fact that East Malaysian district officers do need their Residents, whose role, powers and responsibilities are not merely sanctioned by practice but are indeed statutorily embedded in the respective administrative regulations and laws of Sarawak and Sabah.[8]

Drawn from their respective public services, the district officers of Sarawak and Sabah continued to be in a position of considerable influence during the 1960s. Apart from being responsible for all aspects of administration in the district under his charge and for communicating important events and decisions to his Resident, each district officer is expected to project the image of the Government to the people with whom he lives. Furthermore, in the local councils in East Malaysia, the district officer continues to have the final word over matters discussed and resolved upon, even though an attempt is made usually to disguise this fact by appointing the district officer merely as vice-chairman of the council while one of the elected or unofficial councillors takes the chair.

[6] For a more elaborate treatment of the regional administrations of Sarawak and Sabah, see Ongkili, *The Borneo Response to Malaysia, 1961-1963*, pp. 10-14.

[7] Soon after the formation of Malaysia, a school of thought within the Borneo administrations entertained doubts about the continuance of the Resident's Office. Formerly a district officer, a Resident, and then the State Secretary, a British officer said in January 1964 that the Borneanization of that Office was difficult and could 'create misunderstanding between one race and another'. Happily, however, Sabah has been able to Borneanize its four Resident's posts without communal antagonism. All of Sarawak's five Residents have also been Borneanized without much political ado. On the other hand, of course, the Federal Government has been subtly attempting to convince Borneo leaders that their administrations should conform with the West Malaysian pattern which, dictated by its particular needs, does not necessitate co-ordinating Resident's Offices.

[8] See relevant ordinances of *The Laws of Sarawak*, Revised Edition, Kuching, 1958; and *The Laws of North Borneo*, Revised Edition, Jesselton, 1953.

Local Government

Local government in Sarawak consists of the Kuching Municipal Council and 23 district councils covering the five administrative Divisions of the state. All the councils were elected by secret ballot on a non-communal basis in 1963. In Sabah, local government is carried out by the Kota Kinabalu, Labuan, Sandakan and Tawau town boards and by 17 district councils spread over the four Residencies of the state. The town boards and ten of the councils were elected by secret ballot in 1962, even though there were additional members appointed by the Minister of Local Government.[9] Throughout East Malaysia, the functions of the local councils have remained important in so far as these councils foster and maintain a generally active, if not efficient, decentralization of the state governmental apparatus.

The councils rely upon the system of rates for collection of revenue and receive capital and some loan assistance from the state as well as the Federal Government treasuries. Most local councils have various standing committees dealing with specific matters such as finance, education, rural development, health, rates, town planning and building, tenders and the like; and in most of these committees as well as in the full council the district officer or his assistant is the most active man, the person expected to lead, to explain, to evaluate, to implement and generally to administer the area of which the council is the programming body. Since federation in 1963, additional responsibilities have been given to the local councils. For one thing, the district officer's area of decision-making has been somewhat circumscribed. Indeed, what has been said about the district officers and local councils in Malaya before the formation of Malaysia is true of that of East Malaysia after federation:

> By the accepted canons of administration he rules his district as a Platonic guardian, but he is now surrounded by a federal structure, a democratic constitution, and an elected Federal Government that puts considerable emphasis on the development of viable local government and popularly elected local bodies.[10]

Although the Federal Government has tended to play an indirect role in local council affairs, especially in development implementation, the state legislatures and leaders have been more potent factors surrounding and at times circumscribing the efforts of the local councils of East Malaysia.

Political decisions have tended to influence, and not infrequently hamstring, the programmes and duties of the local councils. This situation has been aggravated by the fact that the councils have not been financially self-sufficient and are closely supervised by the Ministry of Local Government in both states. Furthermore, many of the members of these councils have, since their election or nomination to office long ago, aligned themselves with the political parties formed on inevitably partisan platforms.[11] Such alignment has often caused divisions in the councils, resulting, in severe cases, in those members coming from dominant political parties having most say in meetings and often the larger shares of funds for their own wards. This has been especially so in cases where the district officers were in a weak and vulnerable position. There have been several cases of abrupt postings and re-postings of proven and capable district officers because of the political influence of some council members over state political leaders. Such local council members have a tendency to clash with the administrative decisions of the district officers of Sarawak and Sabah. Such political interference in administrative work does not augur well for the future of the Borneo administrations; and for the sake of their smooth development, steps should certainly be taken by the state leaderships to discourage such intervention by these village politicians.

The Public Service Commissions and Neutrality

On entering Malaysia, as noted above, the public services of Sarawak and Sabah underwent substantial reorganization. Departments which were federalized came under the control of the Federal Government, while those which remained under

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[9] Government of Sabah, *State of Sabah Directory, 1966*, Jesselton, 1966, sets out, *inter alia*, the composition of every local council in the state. See *Sarawak Annual Report, 1962*, pp. 324-8 for the development of local government in Sarawak.

[10] R.O. Tilman, *Bureaucratic Transition in Malaya*, Cambridge University Press, London, 1964, pp. 117-18.

[11] No local elections have been conducted in Sabah since December 1962 and in Sarawak since June 1963; as in many districts in West Malaysia, local councils appear to be losing government approval in East Malaysia.

state jurisdiction were administered by Kuching and Kota Kinabalu. To help administer the federalized departments, a branch of the Federal Public Service Commission was set up in each of the Borneo states. The Commission's jurisdiction was extended to the federalized departments of the Borneo states consequent upon the formation of Malaysia.[12] In anticipation of their entry into Malaysia, Sarawak and Sabah set up their own State Public Service Commissions in 1962.[13] In so far as the federalized departments were concerned, terms and conditions of service remained the responsibilities of the State Public Service Commissions, but local officers in Divisions I, II and certain scales of Division III could opt to transfer to the federal public service. Bornean officers who were merely seconded to federal posts were subject to the disciplinary control of the State Public Service Commissions. Other important factors concerning Bornean officers *vis-à-vis* the federal departments are summed up in the following:

> Officers whether seconded, transferred or promoted to the Federal Public Service will not be liable for service outside the Borneo States save with their consent. Once an officer has transferred to the Federal Public Service he becomes in all respects subject to the jurisdiction of the Federal Public Service Commission. Officers transferring to the Federal Public Service and officers newly appointed to Federalised Departments will serve on Borneo conditions of service until posted outside the Borneo States.[14]

The main reason for the clear definition of conditions and terms of service for the Borneo states upon their entry into the new federation was that during the formation of Malaysia the Borneo leaders constantly expressed their apprehension that, by virtue of the fact that they were less developed than Malaya and Singapore, their administrations might be swamped by Malayans and Singaporeans once the British had gone. Before he was convinced of the benefits of joining Malaysia, Donald Stephens once said, 'If we join Malaya, the people who will come and take most of the top jobs will be from Malaya'.[15] On the other hand, the very fact that the Malayan, Singaporean and Borneo administrations evolved from similar British traditions made it easier to adjust the Sarawak and Sabah civil services to the pattern already practised in the existing Federation of Malaya.[16] Due credit should also be given to the members of the IGC who agreed 'that in the early years after the establishment of Malaysia as few changes as possible should be made in the administrative arrangements in the Borneo States affecting the day to day lives of the people. During this period certain Federal powers should be delegated to the State Governments.'[17] Although this arrangement caused some controversy between East Malaysia and the Federal Government, in the long run the Borneo administrations stood to gain much and to lose little in so far as the staffing and promotion opportunities in the state services were concerned.

The State Public Service Commissions in East Malaysia were responsible for appointment, promotion and discipline in their respective state services. But one of the delegated federal powers was that recruitment and promotion to Divisions IV, V and certain scales of Division III of the federal departments in the Borneo states was the responsibility of the State Public Service Commissions.[18] This was a logical arrangement inasmuch as the great majority of the occupants of these Divisions invariably came from local towns and districts with which the members of the State Public Service Commissions were more familiar. In each Borneo state, members of the State Public Service Commission were to sit on the Federal Public Service Commission branch,

[12] The Federal Public Service Commission was established on the formation of the Federation of Malaya in 1948. Of the eleven states of the former Federation of Malaya, the Commission had jurisdiction over the state public services of Melaka, Penang, Negri Sembilan, Perlis and Pahang, while Johor, Perak, Kedah, Kelantan, Selangor and Trengganu established their own State Public Service Commissions. See L.A. Sheridan (ed.), *Malaya and Singapore* (British Commonwealth Series, Vol. 9), Stevens & Sons Limited, London, 1961, pp. 86-7. See also IGC Report, Annex A, for listings of the federal and state departments following the formation of Malaysia.

[13] See *Sabah Annual Report, 1963*, p. 218; and *The Sarawak Tribune*, Kuching, 28 Aug. 1963, p. 5, for backgrounds to the establishment of these two Commissions.

[14] *IGC Report*, Annex B, paragraph 3.

[15] *Straits Times*, 19 July 1961, p. 4.

[16] Sheridan, op.cit. pp. 86-9, 127-8.

[17] *IGC Report*, Annex A, general paragraph.

[18] Ibid. Annex B, paragraph 2.

and in each such branch there would be not more than two federal members nominated by the Federal Government. These arrangements were subject to review five years after Malaysia Day, and while they were in force the State Governments were to consult the Federal Government before making any new appointments to the State Public Service Commissions.[19] At that time it was genuinely felt that these provisions were needed to reassure Bornean officers seconded or transferred to the federal public service, 'and to reassure officers in the States that Borneanisation will be given first priority in the Federalised Departments'.[20]

While these assurances appeared necessary at the time Sarawak and Sabah entered Malaysia, the subsequent events have not shown it to be so. The Bornean officers who have been indefinitely seconded to federal departments have found their terms and conditions of service by and large satisfactory. Indeed, their main worry has been the continued secondment of West Malaysian officers, who have not infrequently obstructed their chances of promotion to the top jobs, rather than the conditions of service offered them with the implementation of the IGC Report. From the developments since the formation of Malaysia, it appears that the intention of the Federal Government has been to establish in the Borneo states, as speedily as possible, a public service system which would run parallel to that already practised in West Malaysia, both at federal and at state levels.[21] It was for this reason that the Federal and State Public Service Commissions in East Malaysia were given interlocking jurisdiction from the very beginning. Since 1963, the federal members in the Commissions in East Malaysia have played dominant roles by virtue of their longer experience and statutory backing by the Federal Government. Bornean members of the Sabah and Sarawak Public Service Commissions have tended to be persons of advanced age with little formal education; and, despite their abundant store of practical experience, have often found themselves wanting when confronted by more skilful federal members. However they have made the most of a difficult situation. Many of the members have been retired government servants or persons who have had wide experience in public and civic affairs.[22] As such, they knew the needs of the Borneo administrations intimately and often fought for the implementation of their recommendations, both formally and informally, with the Establishment Offices concerned.

It is here that state demands from time to time conflicted with federal intentions. The dominance of the federal members in the Borneo Public Service Commissions enabled the Federal Government to narrow the administrative dissimilarities between West and East Malaysia; and from the standpoint of nation-building this has been a healthy development. Indeed, the federal government has been so successful in its subtle manoeuvre to gravitate the Borneo administrations towards West Malaysian practice that many of the governmental innovations from Kuala Lumpur have been adopted by the Secretariats in Kuching and Kota Kinabalu. One example of this has been the setting up of state and district operations rooms in Sarawak and Sabah, not to mention the system of administrative briefing misleadingly called 'morning prayers' which is being adopted in East Malaysia today.[23] The Federal Government has been assisted in its duty of weeding out discrepancies between the federal and state administrations by the following provision in the IGC Report:

> The Federal Government will assume responsibility for the pensions of all retired and serving officers of the State Public Services and the Chartered Company and Rajah's Services which preceded these services, including Widows and Orphans Pensions and Provident Fund payments. Future pensions legislation affecting these officers and their dependants will be a matter for the Federal Parliament but there will be constitutional provision pro-

[19] Ibid. paragraph 9.

[20] Ibid.

[21] See R.S. Milne, *Government and Politics in Malaysia*, Houghton Mifflin Company, Boston, 1967, pp. 152-63, for developments in the civil service until 1966.

[22] See *Sarawak Tribune*, 28 Aug. 1963, p. 5; and *State of Sabah Directory, 1966*, p. 37, for Borneo membership lists of the Public Service Commissions.

[23] For an elaboration of Malaysia's operations room system, see Tun Abdul Razak bin Dato Hussein, *Strategy for Action*, Malaysian Centre for Development Studies, Kuala Lumpur, 1969, *passim*, but especially pp. 108-14.

tecting these officers and their dependants against changes to their detriment in pension terms.[24]

For the faithful and dedicated civil servant, nothing matters more—other than integrity and promotion—than retirement and a well-earned gratuity. It was a measure of administrative trust in the new federation that scarcely anyone objected to the handing over of all aspects of superannuation from the Borneo colonial administrations to the Federal Government of Malaysia. Although gratuity payments would come from the Borneo state coffers, the overall policy on pensions and retirement has been successfully federalized.

The Federal Public Service Commission will not be able to gain complete control of the Borneo administrations as long as the Sarawak and Sabah Public Service Commissions exist. In any event, while federal members continue to impress upon Bornean administrators the benefit of co-ordinating their state machinery with federal practice, there is no need for the Federal Public Service Commission to assume control of the State Public Service Commissions. Indeed, it would be unwise to do so, keeping in mind that the existence of a State Public Service Commission in each East Malaysian state has been the fulfilment of one of the basic safeguards demanded by the Borneo leaders before the formation of Malaysia.

One of the changes which Malaysia brought to the Borneo administrations was the accentuated need to preserve neutrality within the state public services. The introduction of cabinet government to Sarawak and Sabah brought into play the twin questions of policy formulation on the part of the Minister and policy administration on the part of the civil servant. Furthermore, the onset of party politics in Borneo meant that since their entry into Malaysia Sarawak and Sabah have had to evolve a new pattern by which the Borneo administrations have to maintain a strictly neutral stand on the implementation of policies, irrespective of which political party happens to be in office.

One of the shortcomings of colonial rule which the entry of Sarawak and Sabah into Malaysia undertook to remedy was the constitutional provision for an executive, political in nature and responsible to the state legislature. The record shows that the Ministers of the Sarawak and Sabah Governments have attempted to cultivate what Sir Ivor Jennings said about cabinet government: 'The minister at the head of the department is responsible, subject to the Cabinet and to Parliament, for that department. He takes all the most important decisions of principle or refers them for decision by the Cabinet.'[25] The introduction of the cabinet system to East Malaysia meant that the nine Ministers in each state had to develop a working relationship with their permanent secretaries. Similarly the permanent secretary of each Borneo ministry had not only to be loyal to his political boss but also to be the latter's general adviser. In advising his Minister, the permanent head must draw the former's attention carefully to the administrative and financial implications of the implementation of a particular policy or aspects of such a policy. If the permanent head was satisfied that a policy was viable, he should recommend it; if he considered it impractical, he should say so quite frankly and realistically to his Minister who should have his confidence always. In short, the permanent head must gather all the facts and arguments and present them to his Minister in an orderly and logical sequence. The decision thereafter rested with the Minister or the cabinet; and once it had been reached the permanent head was bound to implement it with all the skill and energy at his command, even if at times it might run counter to the advice he had tendered. Like their Ministers, the senior officers of the Borneo administrations have attempted to cultivate this ideal and working relationship with their political bosses. The lack of experience previous to their entry into Malaysia has handicapped them; but, as fate would have it, it was the presence of British expatriate officers after the entry into Malaysia which in some ways assisted in the evolution of a neutral and responsible civil service.

The Problem of British Expatriates

While there were improvements, in so far as new departments were established and older ones broadened in scope, the colonial post-war period was none the less a comparatively uneventful era during which the administrations of Sarawak and

[24] *IGC Report*, Annex B, paragraph 13.

[25] Sir Ivor Jennings, *Cabinet Government*, Cambridge University Press, 3rd edition, London, 1959, p. 112.

Sabah were hemmed in by the strategy and interests of the United Kingdom in South-East Asia.[26] It was not until after the Suez Crisis of 1956 that Britain, realizing her decline from the position of world supremacy, began to show signs of promoting self-government in the Borneo territories. Notwithstanding this, when Sarawak and Sabah were about to enter Malaysia in the early 1960s, the Borneo administrations were still among the strongholds of the officers of Her Majesty's Overseas Civil Service. It was no accident that on the eve of Malaysia Day none of the important departments of Sarawak and Sabah was administered by an officer of local origin.[27] The term 'expatriates' is misleading, but that was what the British officers who stayed behind to complete their existing schemes of service or who were re-engaged on contract terms in the Borneo administrations following the establishment of Malaysia were popularly called.[28] Bearing in mind that to the Borneo administrations, as indeed to those of West Malaysia, 'similar forms of government have been bequeathed by their former British masters',[29] it is ironical that British expatriates should become the targets of denunciations by British-tutored Borneo leaders soon after the formation of Malaysia.

Almost a year after the inauguration of the new federation, a considerable outcry took place in Sarawak over the allegation that some of the serving British officers had attempted to create ill-feeling between the people of Sarawak and West Malaysians. Nineteen officials from West Malaysia had been visiting the state and one of them was alleged to have been told by 'a top-ranking British civil servant' that the people of Sarawak did not want to learn the national language but wished instead to develop 'Sarawak Malay'.[30] This allegation led the federal Assistant Minister of Rural Development, Abdul Rahman bin Ya'kub, a Sarawakian who had made an inroad into federal politics, to make the following remarks: 'Some of the British civil servants there need brainwashing. Their behaviour is mischievous.'[31] However, another Sarawakian member of the Federal Cabinet, the Minister of Sarawak Affairs, Dato Temenggong Jugah, amusingly contradicted his colleague three days later when he issued a statement to the effect that

> Far from being obstructive, Dato Jugah said expatriate officers, of whom very large numbers spoke excellent Malay, had been making informal inquiries, even outside Malaysia, in the hope of devising more methods whereby Malay could be taught in schools. Many expatriates were working sincerely and loyally to help create a feeling of oneness among the people within Malaysia.[32]

The contradictory opinions of the two Sarawakians in the Federal Cabinet illustrate two besetting problems confronting Borneo politicians at the time. On the one hand, there was an awareness among political leaders that the personnel of their administrations, expatriate or local, should stand aloof from controversial political topics such as the national language which, it will be recalled, was one of the issues on which the Borneo leaders wanted explicit safeguards. On the other hand, partisan politics tended to disrupt that attempt to foster neutrality in the civil services. The two Sarawakians came from different political parties: Rahman Ya'kub from Barisan Ra'ayat Jati Sarawak (BARJASA), and Dato Jugah from Party Pesaka Anak Sarawak (Pesaka). The latter tended to agree with the policy of the Sarawak Government under Stephen Kalong Ningkan of retaining the services of the British expatriates until local officers could take over, while Rahman Ya'kub was being convinced of the idea that West Malaysian officers should be seconded to East Malaysia to take over temporarily from the 'mischievous' British officers.

When Sarawak and Sabah were relinquished by Britain and both colonies became states of

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[26] See S. Rose, *Britain and South-East Asia*, pp. 181-99.

[27] *IGC Report*, Annex B, paragraph 14; see also Milne, op.cit. pp. 160-1.

[28] Indeed, Britain continued to finance these expatriate officers. As will be seen below, almost all of them received the same benefits as if the colonial power had continued to rule the Borneo territories. A number in fact experienced enhancement in their actual duties by being appointed right-hand men of the Borneo Ministers.

[29] B. Simandjuntak, *Malayan Federalism, 1945-1963*, Oxford University Press, Kuala Lumpur, 1969, p. 171.

[30] However, even in West Malaysia it was only after lively debates in Parliament that Malay became the 'sole official language' with effect from 1 September, 1967. See Government of Malaysia, *The National Language*, Kuala Lumpur, 1967. Soon after the 13 May 1969 race riots in Kuala Lumpur, the national language was, almost spontaneously, renamed Bahasa Malaysia.

[31] *Straits Budget*, 26 Aug. 1964, p. 6.

[32] Ibid. p. 16.

Malaysia, the British officers in the two territories were given two options: they could, if eligible, pension themselves off and return home or retire where they chose; alternatively, eligible officers could continue to serve in Sarawak or Sabah on contract terms. In both cases these officers received due consideration under a scheme of retirement benefits worked out between the British Government and the participants in the Malaysia proposal. Under the scheme of retirement benefits, entitled officers of Her Majesty's Overseas Civil Service and the Overseas Service Aid Scheme were given compensations calculated as lump sums in accordance with agreed tables. Five months after the inauguration of Malaysia, when expatriate officers were becoming a bone of contention among Sarawak politicians, the expatriate state secretary, G.A.T. Shaw, defended the position of these officers and said, 'It has been found in the light of experience that if one does genuinely want to keep expatriate officers on, terms of the type which are in the compensation agreement for Sarawak have to be given. Otherwise they go.'[33] Among other things, the terms of that agreement provided that for each entitled officer, 'The maximum amount of compensation payable under this Scheme shall be £12,000.'[34]

In the early years of Malaysia Borneo nationalism inevitably conflicted with the continuing need for the services of the British expatriates. The lack of secondary school education during the colonial period meant that no nucleus of educated local people existed in the Borneo administrations to take over when the British officers should have left. To make matters worse, the majority of Borneans who had acquired secondary and tertiary education at the beginning of the 1960s were non-natives. This situation posed a further problem in that the indigenous peoples of Borneo were to enjoy the same special position of the Malays as spelled out in Article 153 of the Malaysia Constitution. The most widely-discussed provision of this Article stated that:

> The Yang di-Pertuan Agong shall exercise his functions under this Constitution and federal law in such manner as may be necessary to safeguard the special position of the Malays and to ensure the reservation for Malays of such proportion as he may deem reasonable of positions in the public service (other than the public service of a State) and of scholarships, exhibitions and other similar educational or training privileges or special facilities given or accorded by the Federal Government and, when any permit or licence for the operation of any trade or business is required by federal law, then, subject to the provisions of that law and this Article, of such permits and licences.[35]

That provision of Clause (2) of the Article proved significant when Sarawak and Sabah entered Malaysia; for it was then agreed that 'the provisions of Clauses (2) to (5) of Article 153, so far as they relate to the reservation of positions in the public service, shall apply in relation to natives of a Borneo State as they apply in relation to Malays'.[36] But this act of generosity towards the indigenous peoples of East Malaysia was easier said than done for many years after Malaysia Day.

For one thing, there were about 630 British civil servants in the Sarawak and Sabah administrations on the eve of Malaysia Day.[37] Secondly, and more seriously, no effective step was taken by the colonial administration to ensure that when these civil servants left the Borneo administrations would not be jeopardized by an inadequately trained local staff. Seventeen years of colonial rule largely neglected this need to train local personnel. As late as 1959, Sarawak set up a committee to consider the replacement of overseas officers by persons recruited locally. 'But in Sarawak and North Borneo, this was a more difficult problem than it had been in Malaya. The slow movement towards self-government had been matched by a slow pace of advance in education.'[38] Furthermore, unlike Malaya where a committee was set up to review and report on the progress of Malayanization in anticipation of the proclamation of Merdeka in 1957,

[33] *Sarawak Tribune*, 28 Feb. 1964, p. 3.

[34] See 'Scheme of Retirement Benefits for Members of Her Majesty's Overseas Civil Service and for Officers Designated under the Overseas Service (North Borneo/Sarawak) Agreement, 1961', *IGC Report*, pp. 34-47.

[35] Government of Malaysia, *Federal Constitution* (incorporating all amendments up to 1 June 1970), Kuala Lumpur, 1970, p. 156.

[36] Malaysia Agreement, Annex A, paragraph 62 (1).

[37] *IGC Report*, Annex B, paragraph 14.

[38] Milne, op.cit. p. 159.

prior to the formation of Malaysia no such committee was appointed, though it was obvious that the need for such a committee *vis-à-vis* the Borneo administrations was far more urgent than it was in Malaya prior to independence in 1957.[39] True, the IGC to some extent compensated for the absence of such a committee, but there were so many problems it had to deal with; and it was felt that the members of the IGC were more preoccupied with keeping the British expatriate officers happy with compensation than in organizing any crash programme for the training of local staff to take over effectively the running of the two public services. Had there been a training programme in each of the two territories some years before the coming of Malaysia, the British expatriate officers would not have become so indispensable and Bornean sentiment would not have been so strong either about this or in its objections to the secondment of West Malaysian officers to the Borneo public services. In fact the situation was such that the British expatriate officers became the veritable policy advisers of the Sarawak and Sabah Ministers in the early years of Malaysia.

The Sabah administration had roughly the same proportion of British officers as Sarawak in 1963. Two years after the formation of Malaysia, Tun Datu Mustapha, who had only recently stood down from the position of the Yang di-Pertua Negara attacked 'these foreigners', claiming that they had been spreading the notion that Malaysia was not beneficial to Sabah. He declared:

> We are fully aware who these Sabah Ian Smiths are. If they continue to act like Ian Smith, I am afraid they are in the wrong place. Even in Rhodesia, the citadel of the Ian Smiths, their days are numbered. I say with all the firmness and determination in my mind and resoluteness of ideas, that we have absolutely and unequivocally no room for these Ian Smith characters.[40]

At this time Tun Mustapha, after a sedate life above politics for almost two years, was preoccupied with the need to establish himself again as a politician and had become the chairman of the Sabah Alliance comprising most of the political parties of the state.

In the main, it is true that Borneo leaders who hurled trenchant criticisms against expatriate officers did so on personal grounds. This was so even when such leaders were paying lip service to West Malaysian injunctions that the British expatriates were hampering the process of Malaysianization in the Borneo states. When Penghulu Tawi Sli was on his political honeymoon as the Second Chief Minister of Sarawak, he told British officers:

> The loyalty of the great majority of you to the Government is undoubted. My Ministers have assured me of this fact, and you on your part can vouch for the hospitality of the people of Sarawak. Of course there are misunderstandings on both sides and let us be frank about this. However, I hope that you will not listen to vicious rumours and thus jump to conclusions that you are resented or disliked simply because you are expatriate officers. I can assure you there is no ill will towards any foreigner in Sarawak. In the case of expatriate officers the Government will try its best to see them happy while they work for us.[41]

The truth was that there was no need for the Chief Minister to assure his expatriate officers, for they knew and could anticipate the type of treatment they were getting in Sarawak at least as well as Tawi Sli. It was the Chief Minister who perforce had to rely heavily on the services of the expatriates and therefore had to be eulogistic lest they became more mischievous than Rahman Ya'kub had declared they were. Two months later while he was out of office because of the short-lived reinstatement of Dato Ningkan in September 1966, Penghulu Tawi Sli had changed and said, 'We know that a few expatriates and foreigners are going out of their way to assist Dato Ningkan.'[42] Such was the problem of British officers that while they became unreliable whetstones they also remained the indispensable advisers of Borneo politicians in the first years of Malaysia.

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[39] Federation of Malaya, *Report of the Committee on Malayanisation of the Public Service*, Kuala Lumpur, 1956 gives a well-studied assessment of the Malayan public service by the following Malayan leaders: Tengku Abdul Rahman (Chief Minister and Chairman), Sir David Watherston, Colonel H.S. Lee, Dato Abdul Razak bin Hussein, V.T. Sambanthan and Abdul Aziz bin Ishak.

[40] *Straits Budget*, 22 Dec. 1965, p. 9. The 'Ian Smith characters' analogy referred to Southern Rhodesia where the 'white' minority government of Ian Smith ruled a country of 200,000 Europeans and more than 4 million Africans since the unilateral declaration of independence on 11 November 1965.

[41] *Sarawak By The Week*, 24-30 July 1966, p. 26.

[42] *Straits Budget*, 21 Sept. 1966, p. 14.

Admittedly, not all the allegations of expatriate officers meddling in politics were untrue. There were, to be fair to both sides and to quote Tun Mustapha, a small number of 'Ian Smith' characters in both the Sarawak and the Sabah public services in the early years of Malaysia. These were usually Britishers who had risen to the top echelon of the services during the colonial period and could not readily adjust themselves to positions secondary to Ministers or to local staff members who had been promoted to posts more senior than theirs after Malaysia Day. Usually, too, such expatriate officers were rather bitter and often cynical about administrative innovations which were happening in the post-colonial years. But, these were the exceptions rather than the rule. The majority of the British officers accepted the changed situation, served and even guided their new bosses, and looked forward to the golden handshakes at the end of their last tours of duty in the Borneo administrations. On the other hand, not a few East Malaysian leaders misunderstood the motives of their administrators, both expatriate and local. As human beings the administrators were not above sharing their private views with their close friends. Inevitably, there were black sheep from time to time and rash political leaders mistook these garrulous ones for the whole. It should have been borne in mind that even until today there has been in the Borneo administrations 'that interchange among persons who as equals deem it worth their while to associate together, because reciprocal advantages promise to be realized as they discover what are the thoughts of those sharing in the discussion'.[43] To execute their duties efficiently and logically the Borneo administrators, expatriate as well as local, utilized both formal and informal channels of bureaucratic communication. At times the use of informal channels tended to overlap with political considerations with the result that the civil servants were charged with meddling in East Malaysian politics. Because of their more conspicuous position and the need to Borneanize the public services, British expatriate officers often became the political footballs of East Malaysian leaders.

Borneanization

Expatriate officers in Borneo must have been relieved to note, however, that their local colleagues, too, had the unenviable experiences of being told to adhere strictly to their general and standing orders and thereby leave controversial political issues to their political bosses. In September 1964, the Sarawak Government Asian Officers' Union (SGAOU) submitted a lengthy memorandum to the Chief Minister, Stephen Kalong Ningkan, copied to the Prime Minister, Tengku Abdul Rahman, expressing dissatisfaction with the slow Malaysianization of the state public service. SGAOU demanded that the post of State Secretary be Borneanized immediately, following the step taken by the Sabah Government.[44] The post was the most senior state civil service appointment in Sarawak and was held by expatriate officer Dato G.A.T. Shaw.[45] The post of Establishment Officer should also be taken up by a local officer, and in saying so the president of SGAOU assured everyone that the Union held no prejudice against any expatriate officer but that it was solely concerned with the Malaysianization scheme. Local officers must have confidence in their ability to shoulder responsibilities and he added, 'If we have, then there is no fear of inefficiency. I say that we are as efficient as British officers.'[46] It was nine months later that the Chief Minister gave a stinging reply to the complaints of SGAOU. Dato Ningkan told his public servants:

> I find your proposals and indeed your interference in matters which do not concern your Union entirely unacceptable. I have always had the highest regard for the Sarawak Civil Service and am perturbed to see your Union's letter to air its views in a manner which appears very political. I trust there will be no further occasion when your Union steps beyond the bounds of its proper functions.[47]

A copy of Dato Ningkan's reply was sent to

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[43] O. Tead, *The Art of Administration*, McGraw-Hill Book Company Inc., New York, 1951, p. 186.

[44] After protracted arguments among its leaders during 1964, Sabah Borneanized its post of State Secretary in January 1965, after which the appointment was renamed Permanent Secretary to the Chief Minister.

[45] Government of Sarawak, *Sarawak Government Staff Lists, 1966*, Part I, Kuching, 1966, pp. 1-45, gives the list of all senior officers in the state public service, expatriate as well as local.

[46] *Straits Budget*, 23 Sept. 1964, p. 8.

[47] Ibid. 23 June 1965, p. 2.

Tengku Abdul Rahman in the federal capital. Much to the disdain of some and to the dismay of many of its members, SGAOU had no alternative but to issue the faint assurance that 'it was interested only in the welfare of its members and not politics'. The Union president added remonstratingly, 'Our Union is a free democratic trade union and is absolutely non-political.'[48]

Clearly, the dissatisfaction voiced by SGAOU meant more than the mere wish to get better conditions and terms of service for local officers. Intertwined with the bread-and-butter demands of SGAOU was the pressing need to Borneanize the East Malaysian civil services. Indeed, it was one of the demands of the Borneo leaders that in the new federation immigration be a state matter so that Sarawak and Sabah could control not only the inflow of people, both foreign and West Malaysian, but also the rightful Borneanization of their respective public services.[49] Thus in the plenary constitutional settlement for the formation of Malaysia it was provided for and approved that

> Borneanisation of the Public Services in the Borneo States is a major objective of policy. For a number of years to come special arrangements will be necessary to secure this objective and to protect the legitimate interests of the Native peoples. There are two problems: the preference to be given to Native over other candidates for State and Federal posts and the laying-down of suitable schemes of service.[50]

The schemes of service have been discussed above. The immediate problem of Borneanization concerned the replacement of expatriate officers with local officers. It should be noted that to the Borneo leaders, then and now, 'local' means 'Bornean' and not just 'Malaysian'. Borneanization did not entail any radical change in the administrative structure of the two civil services, except as has been discussed above. The new political leaderships in Sarawak and Sabah accepted almost *in toto* the British colonial machinery.[51] What Borneanization did emphasize was the need to replace British expatriates with Malaysians ordinarily resident in the Borneo states. Until today, even among the most cosmopolitan and pro-Kuala Lumpur leaders of Borneo, the feeling is strong that federal as well as state posts in the East Malaysian administrations should remain the preserve of local officers. To them, this feeling is in the spirit of the Malaysia Agreement.

As has been discussed, the absence of a crash programme for the training of Borneans to take over from the expatriate officers made it more difficult for Borneanization to be speedily implemented. At the time of Malaysia Day there were a few local staff members holding or acting the posts of district officers; beyond and above that, there was no Bornean officer of even the rank of Resident. Over 600 members of Her Majesty's Overseas Civil Service occupied the commanding echelons of the Borneo administrations (as they do, incidentally, in the Brunei administration today), and consequently, reality dictated that their sudden departure would have meant the creation of administrative vacuums with all the adverse consequences.[52] Despite their administrative structure which the Borneans happily accepted, undoubtedly the least attractive legacy which the British bequeathed to East Malaysians was the arduous problem of Borneanization. To make matters worse, while the Borneo leaders were hard-pressed with this problem, federal leaders and their predilection for Malaysian nationalism energetically summoned the former to Malaysianize their public services.

Because of its genuine concern for the development of nationhood, the Federal Government has been endeavouring to influence if not direct

[48] Ibid. 30 June 1965, p. 14.

[49] Although immigration remained a federal subject, entry into the Borneo states required the approval of the state concerned. Even today, a Sarawakian entering Sabah, and *vice versa*, would require a Malaysian passport. This arrangement, in the letter of the Malaysia Agreement, cannot be amended or repealed without the consent of the state concerned.

[50] *IGC Report*, Annex B, paragraph 5.

[51] The structure described in M.H. Baker, *Sabah: The First Ten Years As A Colony, 1946-1956*, Malaysian Publishing House Ltd, Singapore, 1965, Chapters IV and V; and that in *Sarawak Annual Report, 1962, passim* but especially Chapters XI and XII of Part II and VI of Part III, were retained upon the entry of the two territories into Malaysia.

[52] As in Indonesia in 1949 and French Indo-China in 1954. See H.J. Benda, 'The Pattern of Administrative Reforms in the Closing Years of Dutch Rule in Indonesia', *The Journal of Asian Studies*, August 1966, pp. 603-4; and for Indo-China, D.G.E. Hall, *A History of South-East Asia*, Macmillan & Company Ltd, 2nd edition, London, 1964, pp. 827-37.

developments in the Borneo administrations since Malaysia Day. Among the first things undertaken along this line was the creation of the post of Deputy Federal Secretary in Sarawak and Sabah. In each of the two states, this officer acted as an ombudsman through whom general requests and complaints were channelled to Kuala Lumpur in so far as such matters pertained to federal considerations and jurisdiction. The officer also acted as a moderator between the federal and state departments in East Malaysia. Over and above, this post was juxtaposed with the portfolios of Federal Minister of Sarawak Affairs and Federal Minister of Sabah Affairs.[53] Each of these posts in the Federal Cabinet was supposed to liaise between federal and East Malaysian political leaders; and thus far the Borneo states have been allowed to choose their own candidates for these somewhat ephemeral portfolios. It was hoped that the presence of these two Borneans would give federal leaders frequent briefings on Sarawak and Sabah affairs, especially when these affairs had a crucial bearing on the development and future of the federation. However, the two portfolios had not performed duties as diverse and important as the names would appear to suggest.

The pattern of federal influence and direction in administrative development in post-Malaysia days was set when in August 1964 twenty-four senior government officers from the Borneo administrations attended an officers' seminar at the Government Staff Training Centre in Petaling Jaya. During the subsequent six years there were numerous such seminars and courses designed to foster administrative understanding and uniformity between East and West Malaysia. One important federal department, Broadcasting and Information, was greatly enlarged when a total of 130 (80 in Sarawak and 50 in Sabah) new posts were created.[54] In February 1965 it was announced that experts from West Malaysia were being sent to Sabah to help in the economic and industrial development of the state. Worthy of mention here is the secondment of a West Malaysian to the post of Director of Education in Sabah in December 1965. Sarawak likewise received a West Malaysian in August 1966. The gazette, defending the government view of the day, stated that:

> The secondment of a West Malaysia officer to the Director's post is also to help train and prepare local officers to take over their duties so that the policy of Borneanisation can be speeded up. The *Straits Times* report of the 6th August, 1966, that the 'posts of Director of Education in the two Borneo States have been 'Malayanised' is incorrect.[55]

Clearly, the coming of Malaysia had entailed not only the urgent need to Borneanize the civil services but also the need to maintain working federal-state relations in the interest of the nation. Conflicts arose in the formative years because of an inability to clarify and co-ordinate Bornean and federal goals. Many of the Borneo leaders had experienced the life of a civil servant at earlier stages of their careers; and they, as much as the West Malaysian leaders, sought the evolution of an efficient public service, imbued with integrity and neutrality and devoid of corruption and parochialism. Indeed, had the Borneo and Federal leaders understood each other's aims and needs more explicitly, many of the former would have readily accepted the idea that federal influence in the Borneo administrations would include giving guidelines as to how the budding Sarawak and Sabah public services might be professionally developed and brought into line with federal structure and practice.

Preoccupied with the problems of nationhood, federal leaders took Borneanization for granted. Both sides agreed that 'Borneanisation of the Public Services in the Borneo States is a major objective of policy'; but the peoples and leaders of Sarawak and Sabah never really considered the need for the exchange of West Malaysian for British officers in the process of moulding the Borneo administrations into a part of the federal system. Joining Malaysia was one thing; learning the meaning and needs of nationalism in practice was a new and painful process for many Borneans. There was a difference in pace, and matters came to a head when federal leaders suggested that

[53] Tan Sri Temenggong Jugah has held the Sarawak portfolio since Malaysia Day. Peter Lo held the Sabah post until January 1965 when Dato Donald Stephens succeeded him, only to resign in September that year. Tun Datu Mustapha then occupied it until April 1967. It remained vacant until Dato Ganie Gilong filled it in August 1968; and since he left it to become Minister of Justice in May 1969 the portfolio has again been unoccupied.

[54] *Straits Budget*, 19 Aug. 1964, p. 13.

[55] *Sarawak By The Week*, 7-13 Aug. 1966, p. 17.

Borneanization was proceeding too sluggishly. Among the first to remind Kuala Lumpur that Borneanization was intended 'to protect the legitimate interests of the Native peoples' was Donald Stephens. Addressing the annual general conference of his political party, the United National Kadazan Organisation (UNKO), the Sabah Chief Minister explained:

> You know that the expatriates are in this country now, not as colonial masters, but as the servants of our country, and the reason they are here is because we have not been afraid to face realities and to keep them working because we still need their services in our country. They will only stay for a short time because we will do everything possible to have them replaced by our own men as quickly as possible. They know this. They have been offered very favourable terms of compensation and take with them large sums of money paid by the British Government—I made sure that the British Government paid for this compensation at the Malaysia talks—and they would all now, but a number of them have agreed to stay because we have asked not be [*sic*] churlish now and pick every possible excuse to make them feel unwelcome in our country.[56]

The years since Malaysia Day have shown that the most outspoken and state-rightist of the leaders of East Malaysia have also been the most concerned with the need to staff the Borneo administrations with indigenous or local officers. They refused to be persuaded that for the time being West Malaysian officers should take over from the British expatriates.

Dato Stephen Kalong Ningkan, the most bitter opponent of and virtually the last notable Borneo leader to be converted to the Malaysia proposal, ended up by occupying the office of Chief Minister of Sarawak for three full years.[57] During his tenure of office he spent much time persuading federal Ministers that everything was being done to Borneanize the Sarawak public service. When the Prime Minister, Tengku Abdul Rahman, charged that the Borneo administrations were still being run by Britain, Dato Ningkan had discussions with Tun Razak and said on his return to Kuching, 'I think Sarawak is the fastest of any state of Malaysia with Borneanisation. Comparing progress with Malaya, I think they are far behind us. There is no cause for complaints.'[58] After Sabah Borneanized her post of State Secretary in January 1965, the Sarawak Government made a surprise move in the Council Negri on 12 May by introducing a Constitutional Amendment Bill to remove three administrative posts which had been embarrassingly included in the Supreme Council (the state cabinet) since Malaysia Day. These were the offices of State Secretary, the Attorney-General and the Financial Secretary, and were held by expatriate officers. In place of these three *ex officio* positions three new ministerial portfolios were added to the Supreme Council. Thus three senior posts were retained and soon handed over to local officers and not to West Malaysians. It was this sort of change that Dato Ningkan and others of like mind wished to effect in East Malaysia.

Dato Ningkan was not alone in his pro-Bornean sentiment. During a lengthy debate on Borneanization in the Council Negri in February 1964, the Deputy Chief Minister, James Wong, reminded the members that one of the fears of SGAOU during the formation of Malaysia was that the senior posts in the Sarawak public service might well go to West Malaysians and that entry into the new federation might block the opportunities of promotion for Sarawakians. He would welcome West Malaysian officers coming to Sarawak if this was on an exchange basis enabling Sarawak officers to go to West Malaysia on secondment or similar terms as their counterparts. James Wong added:

> Secondment is not as straightforward as it sounds. Supposing an officer did come over on secondment on an agreed limited period. What would happen if and when he was due to return to Malaya there was no vacancy there for him to fill? There is in fact no guarantee that secondment would be not prolonged.[59]

The Minister of Sarawak Affairs, Tan Sri Temenggong Jugah, recapitulated the central problem of Borneanization when he said over two years later:

> Our boys and girls should be given top priority with regard to selection to higher posts and appointments in

[56] *Sabah Times*, 6 April 1964, p. 3.

[57] It was not until April 1962, months after most prominent Borneo leaders had responded favourably to the Malaysia plan, that Dato Ningkan threw his lot with them. Technically, he remained in office until September 1966. A constitutional amendment then ruled him out, as will be seen below.

[58] *Straits Budget*, 30 Sept. 1964, p. 17.

[59] *Sarawak Tribune*, 28 Feb. 1964, p. 9.

Sarawak before taking people from outside the State, so that their chances for promotion are not thwarted. This applies to all departments including the Constabulary and the Army. This is vital if we want to retain the confidence of our local officers in the Government. Their aspirations for a more responsible position must not be frustrated for we do not really know their challenge and their abilities until they are given the chance to prove themselves.[60]

Thus, even a leader who had been intimately involved in the national policy-making body, the Federal Cabinet, could hardly dissociate himself from the state-rightist determination that the real import of Borneanization could only be the freedom and ability to replace outgoing British officers with Bornean officers.

Indeed, Dato Ningkan went further than to convince federal leaders that everything humanly possible was being done to erase British administrative neo-colonialism in Sarawak. While admitting in July 1964 that 'there were very few people in Sarawak who were qualified to occupy the higher posts of Government' because of the policies of previous regimes,[61] nearly two years later he formed the Sarawak Borneanization and Establishment Committes 'to fill all top posts with local officers'.[62] The two Committes comprised members of the Supreme Council with the Chief Minister himself as chairman of both. Dato Ningkan reiterated, 'Borneanisation cannot and should not be carried out haphazardly. My Government is committed to maintaining an efficient Civil Service to serve the people, particularly now when we are carrying out various development projects in full steam for the good of everyone of us in the country.[63] Precisely at this juncture he ran into trouble with the federal leaders who were in fact his financiers for the various development projects he mentioned. It is clear that his continued state-rightist stand on Borneanization, his firm belief in the rightful reservation of Sarawak administrative posts for local officers, accounted partly for the dismissal of Dato Ningkan in July and again in September 1966. Anxious to approach Borneanization gradually so that Sarawakians themselves would eventually be promoted to the senior administrative posts, Dato Ningkan's policy antagonized the federal leaders whose main worry at the time was the establishment and maintenance of political consensus, and therefore administrative coordination, between East and West Malaysia.[64] With Dato Ningkan out of the way Tengku Abdul Rahman summed up the federal viewpoint in these words:

If the British continue to run the administration of the country, when can the people of Sarawak claim to be independent? Although the British flag is no longer flown in the country, many British officers are still administering and holding key appointments in the Government. I, therefore, asked that Sarawakians should replace them; if there is none available, then we in Malaya could come to assist. It is not an easy decision for Malaya to send its officers to come over to help out, for that country too is short of officers in the civil service.[65]

A similar division of opinion on Borneanization arose in Sabah. Indeed, in this state federal officers from West Malaysia found their tenure of office uncomfortable to say the least before 1967. Six months after Malaysia Day, the Deputy Federal Secretary, Yeap Kee Aik, a West Malaysian officer, claimed that there was a bid in Sabah to sabotage Malaysia by 'irresponsible elements to give the impression as if Sabah has not benefited by being in Malaysia'.[66] A year before the secondment of another West Malaysian officer to the post of Director of Education, it was reported that the Sabah Board of Education lamented that its proposals, supported by the State Government, for the introduction of free primary education and improved salaries and allowances for teachers in aided schools had not been approved by the Federal Government even though the proposals were submitted 'many months previously'.[67] A year after his first allega-

[60] *Sarawak By The Week*, 3-9 April 1966, p. 2.

[61] J.V. Morais (ed.), *Selected Speeches*, J. Victor Morais, Kuala Lumpur, 1967, p. 327. The Chief Minister was addressing the Foreign Correspondents' Association of South-East Asia in Singapore, the same one to whose members Tengku Abdul Rahman outlined his Malaysia plan on 27 May 1961.

[62] *Sarawak By The Week*, 3-9 April 1966, p. 1.

[63] Ibid. 17-23 April 1966, p. 29.

[64] Notwithstanding that, in an interview with the present writer Dato Ningkan said in July 1970 that his fear of Borneanization turning into Malayanization was being confirmed by subsequent events.

[65] *Sarawak By The Week*, 3-9 July 1966, p. 11.

[66] *Straits Budget*, 11 March 1964, p. 16.

[67] Ibid. 30 Dec. 1964, p. 7. The long delay was even viewed as sabotage from the federal side, especially by

tion that elements in Sabah attempted to sabotage Malaysia, Yeap Kee Aik featured prominently in a mud-flinging episode between federal officers and state leaders. Dato Donald Stephens, who was appointed Minister of Sabah Affairs on 1 January 1965 after being Chief Minister of Sabah since Malaysia Day, had made the accusation that 'a Federal officer in Sabah was behaving like a colonial governor'; and the Deputy Federal Secretary, 'being the most senior Federal officer, felt it necessary to refute the accusation and defend whoever Dato Stephens meant'. Yeap Kee Aik added, 'As far as I myself am concerned I really don't know how a colonial governor behaves. Again, I have no flags put up on my car and I have no uniform either. Sometimes I even have to drive my own car.'[68] Such accusations and counter-accusations are important examples of the problems involved in Borneanization.

Dato Stephens' disinclination towards the secondment of West Malaysian officers to Sabah was known since the early days of Malaysia.[69] What aggravated matters was that the lower and middle rungs in the Sabah public service were experiencing an acute shortage of clerks soon after the formation of Malaysia. 'Thirty-two out of about 120 or so of these who were recruited from West Malaysia and Singapore had sent in their resignations by the end of 1963.[70] While some 200 Sabah men and women were then studying overseas, mostly in Australia, for degrees or special courses, it was felt that there were not enough experienced local officers to hold responsible posts in the administration. But here, as in Sarawak, state-rightist feeling was strong; and despite a statement by Stephens' ruling Sabah Alliance that 'the Government might need to recruit immediately "a small amount" of school certificate boys from Malaya and Singapore to the Sabah civil service',[71] nothing came of it. Instead, the same protectionist attitude as seen in the case of Sarawak prevailed among many Sabah political and administrative leaders. By May 1965, antipathy between federal officers and local leaders had become more noticeable than ever; and it was clear that Sabahans interpreted Borneanization to mean the succession of British officers by local members of staff alone. After a secondment of eight months to the state, the Controller of Radio for the Northern Region of West Malaysia could not help commenting that 'the Sabah Government should dispel the idea that Malayans assigned to work in Sabah are colonial masters', and that 'the Sabah people should also dismiss their belief that Malayans go there to grab all the top jobs'.[72]

Provincialism Versus Federalism

Until the succession of Penghulu Tawi Sli as Chief Minister of Sarawak in September 1966 and the advent of Tun Datu Mustapha as Chief Minister of Sabah following the state election of April 1967, the issue of Borneanization was a very controversial one in the states of East Malaysia. Of course, from time to time one still hears complaints of administrative shortcomings such as 'whether Government will consider more promotions for Natives in the various departments in order to equalize the positions held by non-Natives';[73] but with the establishment of the new leaderships in Kuching and Kota Kinabalu, Kuala Lumpur had at last managed to get Borneo leaders who were more likely to listen to arguments that as parts of Malaysia Sarawak and Sabah must equally value their state rights and federal obligations and that unless there were sufficient and constant interchanges between East and West Malaysia the federation would suffer from political and administrative disequilibrium.

The conflict over Borneanization was one of the teething problems which inevitably arose in the early years of Malaysia. When Borneans agreed to discard their opposition and joined with Malaya and Singapore to form Malaysia, it was impossible immediately to shed their provincialism. When it appeared that West Malaysian leaders were attempting to direct Bornean affairs,

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the Sabah Teachers' Union.

[68] *Straits Budget*, 24 March 1965, p. 9.

[69] See footnote 15 of this chapter.

[70] *Sarawak Tribune*, 23 Dec. 1963, p. 1.

[71] Ibid.

[72] *Straits Budget*, 9 June 1965, p. 9.

[73] Government of Sabah, *Legislative Assembly Debates*, Official Report, Vol. III, No. 8, 30 July 1968, p. 407. In reply, the Chief Minister said, 'the State Government is giving due consideration in this matter whilst at the same time adhering to the provisions of impartial treatment as enshrined in the Constitution'. See footnotes 35 and 36 of this chapter.

local sentiment was aroused and Borneanization for some years became a tug-of-war between Borneo provincialism and West Malaysian federalism. To do justice to both sides, a few salient points must be noted. In the first place, after decades of benevolent British rule, the East Malaysians—and more so the Sarawakians who still thought highly of the Brooke era—could not but follow the administrative pattern bequeathed by their former masters. To aggravate matters, the absence of training programmes to enable local officers to take up the important posts when the colonial power eventually had to leave made the British officers indispensable for some years after Malaysia Day. Again, this indispensability was more noticeable in Sarawak where many of the ministerial policies and speeches were in fact adroitly formulated and prepared by senior British officers. One cannot help noticing today the Anglophile connotations between the lines of many of these speeches. It was this undue and continuing British influence in East Malaysian politics which federal leaders found embarrassing and frustrating in their endeavour to inject a spirit of Malaysian nationalism into the Borneo states.

But despite the conservatism of many Borneo administrators, they have not been so shortsighted as not to see the benefit which would accrue from more frequent contacts with their counterparts in West Malaysia. Thus, progressively from 1963 to 1970, numerous East Malaysian officers from virtually every government department took turns in undertaking short courses in West Malaysian administrative centres. Senior Sarawak and Sabah officers, such as permanent secretaries, Residents, directors of technical departments and the like, were similarly sent to or invited by the Federal Government to take part in various administrative seminars or meetings of a co-ordinating nature. In an endeavour to streamline and modernize the administrative structure of the federation, the Federal Government itself sought the assistance of experts. A research was undertaken and recommendations made. One result of these was that a Development Administration Unit in the Prime Minister's Department was set up.[74] While this recommendation was adopted and implemented by the Federal Government, its benefits went far and wide, and the Borneo administrations progressively adopted much of the federal style in bureaucracy and personnel management. Although little noticed by the majority of East Malaysian administrators, these West Malaysian 'encroachments' into various departments of the Borneo administrations have helped to tone down considerably provincialism in the two state public services. These encroachments have helped to render a more uniform pattern of administrative practice between the two regions of the country, and consequently they have been conducive to the development of federalism.

Similarly, Sarawak and Sabah administrators have been increasingly involved in discussions over the strategy, planning and implementation of the various aspects of development programmes.[75] In 1966 the Federal Government set up a special department, the Malaysian Centre for Development Studies, to discuss at length and find ways and means of effectively solving the problems of the people, notably those afflicted with rural poverty and other socio-economic handicaps. The Centre for Development Studies was set up as the 'think tank' which would observe and evaluate progress or drawbacks encountered in the implementation of the First Malaysia Plan, 1966-1970.[76] Because East Malaysia was included in this major national and rural development undertaking, it was an excellent opportunity to draw Borneo administrators from their relative seclusion and involve them more in the fields and goals of national planning and development. Both East and West Malaysia continued to retain many aspects of British administrative procedures; but first federation in 1948 and secondly the establishment of Malaysia in 1963 had led to progressive re-thinking about the scope and role of the administrations in an independent and sovereign nation.[77] In so far as the Borneo states were concerned, the 1960s can be summed up by the following comment:

[74] J.D. Montgomery and M.J. Esman, *Development Administration in Malaysia*, Government Printer, Kuala Lumpur, 1966, p. vii.

[75] These programmes are discussed in Chapter VI below.

[76] See Chapter VI below.

[77] See Abdullah bin Ayub, *Chara Pemerentahan Tanah Melayu*, Dewan Bahasa dan Pustaka, Kuala Lumpur, 1961, for discernible administrative changes in Malaya after the achievement of Merdeka.

> The demand for freedom or independence has not been a demand for anarchy or for a return to pre-colonial tribal rule, but a demand to take over the instruments of rule established by the colonial powers. Thus whereas the colonial bureaucracy was characterized by political independence, the bureaucracy of the new state, to the extent that the new leaders are successful, will be characterized by direct indigenous political control. This means that the bureaucracy of the new states must reflect both the aims of the state as articulated by its political leaders, and local interests or demands.[78]

Through the numerous administrative and technical courses, seminars and development meetings, government officers and political heads have in effect managed to identify more closely the problems of both East and West Malaysia. Both sides have also gained wider perspectives through the development seminars organized by the Centre for Development Studies and attended by international delegates from developing countries in Asia and Africa.[79]

The ministerial system introduced in Sarawak and Sabah when the territories became states of Malaysia has taken some time to adjust to two basically colonial bureaucracies. In the end, and with a substantial degree of federal influence, those bureaucracies themselves had to accept the need to evolve a more uniform and co-ordinated approach to administrative problems. Sarawak, the state more afflicted with the problem of British expatriates than Sabah, could state in April 1971 that 'Borneanisation of the State Administrative Service has been fully implemented for some years already. Posts in the State Administrative Service are now held by local officers'.[80] Although a number of expatriate officers were still engaged in technical departments, such as Public Works, Medical and Marine, in both Sarawak and Sabah, Borneanization was no longer a very controversial issue. There is still some dissatisfaction with West Malaysian officers serving on secondment to the Borneo administrations, but this is usually the result of odd cases of administrative snobbery on the part of the seconded officers rather than the manifestation of unabated Bornean provincialism. To all intents and purposes, Sarawak and Sabah administrators have become conscious that they and their states are only parts of a young federation. They, as much as their West Malaysian counterparts, have begun to understand the import of an important paragraph in the IGC Report:

> In the longer term, Malaysia will be an unreal creation unless the principle of Malaysianisation is accepted. In its absence, the Borneo States will be the first to suffer. Borneo officers must play their part in helping to frame Federal policies in the Federal Capital and enjoy opportunities of entering Federal Departments of which the Borneo States have no present counterparts. Similarly Malayan officers in the Federal Public Service must be brought to view problems from a Malaysian point of view that takes full account of the interests, anxieties and hopes of the Borneo States.[81]

With the steady disappearance of provincialism and the increasing awareness about federalism among Bornean administrators, the future augurs well for their states. While Dato Rahman Ya'kub recently reminded his administrators of the need to maintain efficiency because 'civil servants must project a good public image, otherwise subversive elements would exploit their bad example',[82] the Sabah Minister of Local Government, Dato Pang Tet Tshung, acknowledged the principal role of 'the civil servants who are doing a splendid job. Without them, the government would not have been able to carry out so many development projects throughout the state'.[83] While striving to maintain their neutrality and integrity, the civil servants have been able to take positive roles in the implementation of the programmes agreed upon by their political bosses. If this working relationship between civil servants and politicians is maintained and improved, the political future of East Malaysia will continue to be bright.

[78] G.D. Ness, *Bureaucracy and Rural Development in Malaysia*, University of California Press, Berkeley, 1967, p. 231.

[79] See Government of Malaysia, *Report on 1st Seminar on Development* and *Report on 2nd Seminar on Development*, Kuala Lumpur, 1966 and 1967.

[80] Personal communication with the State Secretary, 1 April 1971.

[81] Annex B, paragraph 30.

[82] *Borneo Bulletin*, 10 Oct. 1970, p. 25.

[83] *Kinabalu Sabah Times*, 3 April 1969, p. 2.

IV
POLITICAL STRUCTURE AND PARTIES

Political Structure since the Formation of Malaysia

SINCE joining Malaysia on 16 September 1963, Sarawak and Sabah have been governed by two constitutions, namely their own state Constitutions and the Constitution of Malaysia which has jurisdiction over the whole federation.[1] Sarawak is represented in the national Parliament in Kuala Lumpur by twenty-four representatives in the Dewan Ra'ayat and by five senators in the Dewan Negara. The IGC Report had provided that

> The Federal Constitution should provide that direct elections will be introduced in each Borneo State–
>
> (a) the first general election to the House of Representatives, and,
>
> (b) the first general election to the Legislative Assembly held after the fifth anniversary of Malaysia Day or such earlier date as the Federal Government may, in relation to either State, prescribe with the concurrence of the Government of that State.[2]

Until the first direct elections for the state and federal legislatures were held in June 1970, members of the Council Negri (the Sarawak state assembly) were elected by means of the so-called three-tier system. When this system was practised for the last time in 1963, registered voters elected members to the 24 local councils; secondly, the elected councillors constituted themselves into electoral colleges and selected their representatives to the five Divisional Councils of Sarawak; and thirdly, the Divisional Councils elected 36 members to the Council Negri in Kuching. Thus the electorate was indirectly represented in the state legislature. The Divisional representation was proportional to the Divisional electorate and stood as follows: First Division 10, Second Division 6, Third Division 11, Fourth Division 6, and Fifth Division 3. At this last three-tier election campaign, 73 per cent of the electorate went to the polls.[3] Until the elections of 1970, the 24 representatives to the Dewan Ra'ayat were selected by the Council Negri which constituted an electoral college for the purpose. Two of the Sarawak senators were similarly chosen, while the remaining three were nominated by the Yang Di-Pertuan Agong (the King or Supreme Ruler of Malaysia). Rules for the election of members to the Dewan Ra'ayat provided that those selected should reflect the political composition of the Council Negri, but it was not conditional that they should themselves be members of the latter body.

The Sarawak Constitution provided for a state cabinet, the Supreme Council, responsible to the Council Negri. The Supreme Council must have at least four, but not more than nine, members headed by the Chief Minister. In the overall administration of Sarawak, the Supreme Council and the Council Negri had executive and legislative jurisdiction, respectively, in matters for which the state was responsible as laid down in the Federal and Sarawak Constitutions. Among the more important subjects reserved for Sarawak were land, agriculture, forestry and local government, including, for the time being, the system of local government responsibility for primary education and control over immigration policy. Many of the departments of the former colonial administration came under one or another of the portfolios of the Supreme Council members who were all styled 'Ministers' with the exception of the three *ex-officio* members who held the posts of State Secretary, Attorney-General and the Financial Secretary.[4] On the whole, the arrange-

[1] For the Constitutions of Sarawak and Sabah, see Malaysia Agreement, Annex C and Annex B respectively. The Federal Constitution, incorporating all amendments up to 1 June 1970 is available in a pocket-size edition from the Government Printer, Kuala Lumpur.

[2] *IGC Report*, p. 13.

[3] Government of Malaysia, *Sarawak in Brief*, Department of Information, Kuching, 1966, p. 2. Apart from the thirty-six elected members, the Council Negri also had three *ex-officio* and not more than three nominated members. A standing member, who had his seat before the elections, resumed his membership of the Council.

[4] See the Sarawak Constitution, Articles 5 to 11. As will be seen below, the *ex-officio* members became a bone of contention and were only gradually replaced by Sarawakians.

ment ensured the continuity of good administration during the change-over from colonial rule to self-government within Malaysia.

Sabah is regulated by a constitution which is almost identical with that of Sarawak. Indeed, the two constitutions were drafted and came into force at the same time on Malaysia Day. Sabah is represented in Parliament by 16 representatives in the Dewan Ra'ayat and 5 senators in the Dewan Negara. As in Sarawak, these representatives and two of the five senators were initially selected from the state Legislative Assembly while the remaining three senators, as in the case of Sarawak, were appointed by the Yang di-Pertuan Agong from a list of persons who were considered to 'have rendered distinguished public service or have achieved distinction in the professions, commerce, industry, agriculture, cultural activities or social services or are representative of racial minorities or are capable of representing the interests of aborigines'.[5] Like Sarawak, it was not until June 1970 that Sabah had her first parliamentary election.[6] Unlike Sarawak, the local council elections of December 1962 were not intended to lead to a three-tier mode of selecting representatives to the Legislative Council, but to fill the four town boards and ten district councils. However, with the imminent establishment of Malaysia, the colonial administration in Sabah decided to act and

> In June and July, 1963, on the instructions of the Governor, Members were for the first time elected to the Legislative Council. These elections were conducted in [four] Residency Electoral Colleges formed from representatives sent forward by Local Authorities from amongst their elected members. The members elected were all candidates put up by the Sabah Alliance Party.[7]

On the other hand, Sabah had her first direct election much earlier than Sarawak and over a year earlier than the fifth anniversary of Malaysia Day stipulated in paragraph 25 of the IGC Report. In April 1967 the Sabah state election returned a completely elected Legislative Assembly.

The Sabah Constitution provided for a state cabinet consisting of 'a Chief Minister and not more than eight nor less than four other members' appointed by the Yang di-Pertua Negara.[8] In the overall administration of Sabah, the state cabinet and the unicameral Assembly had the executive and legislative jurisdiction, respectively. Subjects constitutionally reserved to Sabah were, with two exceptions, the same as those reserved to Sarawak. Health was a federal subject in Sarawak, but was concurrent in Sabah until 31 December, 1970. Taxation was a federal matter, but as long as Sabah retained a responsibility for medicine and health, 30 per cent of customs revenue *less* revenue from import duty on petroleum products and from export duty on timber and other forest produce would be assigned to her.[9] This particular arrangement proved disastrous to Sabah. Although the economy progressively expanded and became prosperous, after the formation of Malaysia the continuing demand for better medical and health facilities in the state took a heavy toll on the Sabah treasury. Furthermore, the agreement by the Sabah leaders to the exclusion of the lucrative import duty on petroleum products and export duty on timber and other forest produce from the 30 per cent customs revenue they were allowed proved to be an economic harakiri. Fortunately for the state, the Federal Government has now agreed to make health a Federal responsibility with effect from 1 January 1971 while it was also announced that the Federal Ministry of Health would spend $30 million more than in 1970 for the whole country in 1971.[10] Secondly, although communications and transport were federal matters, the Sabah Railway remained a state responsibility with the proviso that its position 'should be reviewed after ten years together with road transport.'[11] But apart from these two differences, which largely stemmed from Sabah's fear of losing revenue should customs and the Railway come under federal control, Sarawak and Sabah began their political life under identical constitutional mantles.

[5] Federation of Malaya, *Malayan Constitutional Documents*, Volume One, Kuala Lumpur, 2nd edition, 1962, pp. 53-4.

[6] Sabah had no state election in June 1970 as she already had one earlier, *vide infra*.

[7] *Sabah Annual Report, 1963*, p. 213.

[8] The Sabah Constitution, Article 6, clauses 2 and 3.

[9] *IGC Report*, paragraph 24, sub-paragraph 2(f).

[10] *The Straits Echo*, Penang, 24 Dec. 1970, p. 1.

[11] *IGC Report*, Annex A, paragraph 10(b).

The Political Parties of Sarawak

The first political party to be formed in Sarawak, in June 1959, was the Sarawak United People's Party (SUPP). From the beginning, more than half of its members were Chinese.[12] The stated objectives of SUPP included the maintenance of racial harmony among the people of all races in the state. It professed to be non-communal but its leadership was almost entirely Chinese until 1970. It believed in government based on parliamentary democracy and was inspired by socialist ideals. During the formation and in the earlier years of Malaysia, SUPP consistently opposed the concept of that federation. While it remained in the opposition camp until 1970, it in fact maintained that the federation justified its assertion that Malaysia would mean the transference of political power from the British to another alien entity instead of to the people of Sarawak themselves. Malaysia was a union between unequal states because the Federation of Malaya was independent while the Borneo partners had been colonies.

SUPP argued that Sarawak should have worked for her independence first and thereafter developed closer association with Sabah and Brunei before considering federation with Malaya and Singapore. Rivals and opponents of SUPP characterized it as subject to a high degree of communist infiltration, especially at rank and file level. For example the following summary of evidence by a relatively neutral body:

> It is clear to us that, although the origin and leadership of the party are in no way Communist, there has recently been a high degree of Communist infiltration and influence in the party. It was equally clear that the Communist elements have worked on two other elements which form the main components of the party—those Chinese who are fearful that Malaysia would reduce their status in Sarawak in comparison with other races, and the younger Chinese who are educated, nationalistic, and suffer from a sense of frustration.[13]

After being in the political wilderness for the greater part of the decade without obvious prospects of becoming the Government of Sarawak, SUPP entered a coalition with other parties to form the Sarawak Alliance Government in July 1970. The party's Secretary-General, Stephen Yong, became one of two Deputy Chief Ministers in the Supreme Council; its veteran chairman, Ong Kee Hui, was bestowed a Datoship and entered the Federal Cabinet as Minister of Technology, Research and Local Government.[14] Speaking at the winding-up debate on the entrenchment of Articles pertaining to 'sensitive issues' in the Federal Constitution in the Dewan Ra'ayat, Dato Ong said that many Sarawakians were reluctant to join Malaysia originally because they did not wish to be dragged into the communal situation of Malaya. He denied that SUPP was against Malaysia and explained, 'If SUPP was anti-Malaysia, we would not be in the Sarawak coalition and I would not be on this side of the House as one of the Federal Ministers'.[15]

The second party formed before the Malaysia proposal was the Party Negara Sarawak (PANAS). Brought into being in April 1960, it had a large Malay following but included Ibans, Bidayuhs (Land Dayaks), Melanaus and other indigenous members. Like SUPP, PANAS claimed to seek unity among the people of Sarawak without regard to race, colour, creed or wealth. It regarded communism as a threat to the peace and security of the state, insisted on its attachment to the principles of democracy and saw planned development as the most appropriate means of achieving rising living standards. PANAS included on its platform what all of the other indigenous-based political parties of East Malaysia emphasized, namely, a policy of free primary education and the preservation of the existing rights of the indigenous peoples. In point of fact, the IGC Report and the Malaysia Agreement provided for a reservation of this nature:

> The Governor shall exercise his functions under this Constitution and under State law in such manner as may

[12] The results of the 1970 population census of Malaysia had not been released at the time of writing. On the basis of the 1960 census, the population percentages of East Malaysia are approximately as follows: Sarawak—Non-Malay Indigenous 50, Malay 17.5, Chinese 31.8; Sabah—Non-Malay Indigenous 57, Malay 14.5, Chinese 23.5. See also L.W. Jones, *The Population of Borneo*, University of London Athlone Press, London, 1966, Appendix A, p. 203, for the main ethnic groups, their numbers and proportions in the total populations of the two territories as of 1960.

[13] *Cobbold Commission Report*, paragraph 82.

[14] *Straits Times*, 3 Feb. 1971, p. 1.

[15] From the present writer's notes of that debate on 3 March 1971.

be necessary to safeguard the special position of the Natives and to ensure the reservation for Natives of such proportion as he may deem reasonable of offices in the public service and of scholarships, exhibitions and other similar educational or training privileges, or special facilities, given or accorded by or with the approval of the State Government.[16]

A similar provision was made in respect of Sabah in Article 41 of her Constitution. 'After the Dato Bandar, Abang Haji Mustapha, created it in 1961 [*sic*], PANAS, with some slight hesitation, became the first party in Sarawak to give all-out support to the Malaysia scheme.'[17] In doing so, the party believed that the federation was the only means for Sarawak to maintain its autonomy and simultaneously guarantee its security against communism and economic instability.

PANAS support for Malaysia was also partly motivated by the party's belief in the cultural, economic and historical ties which existed between Sarawak and Malaya. It successfully argued that in the new federation the state ruler should be a Sarawakian, though it did not expect that he would be eligible to become the Yang di-Pertuan Agong.[18] There was a need to form Malaysia speedily in order to allay prevailing uncertainties which were giving rise to inter-racial tension. But this entreaty, not exclusive to this party, in effect conflicted with two other PANAS demands:

> The Borneanisation of the Public Services should be accelerated, but the British officers should remain until they can be replaced by properly qualified local people. It is thought that this would be a gradual process which would not have been completed even in 10 years.... The party holds the view that strict control of immigration into Sarawak was vital. Not only should immigration from Malaya and Singapore be controlled, but also from the other territories in Borneo.[19]

It was a matter for rejoicing for the federal leaders to notice that PANAS strongly supported Malaysia; but the stipulations on Borneanization and immigration hardly augured well for the smooth functioning of the new federation. As already seen, both issues proved to be stumbling-blocks in federal-state relations.[20] But until 1970 it was the essence of all indigenous-based East Malaysian political parties that even when it strongly supported the Federal Government its first priorities were the interests and needs of the home state. Strange as it may seem, federal leaders sometimes overlooked this basic political instinct inherent, nay manifest, among Borneo leaders. PANAS took part in the formation of the Sarawak Alliance, left it in April 1963, formed a temporary coalition with SUPP in July that year, rejoined the Alliance in June 1965 and dissolved in November 1966 when it merged with BARJASA to form the Party Bumiputra.

Another indigenous-based party mooted and formed by Stephen Kalong Ningkan and a few close friends in April 1961 was the Sarawak National Party (SNAP). In the early days of its existence, like Ningkan and many of its founders, SNAP was based in the Second Division while SUPP and PANAS were mainly influential in the First Division. For a year after its formation and many months after Tengku Abdul Rahman announced the Malaysia plan, SNAP opposed the proposal. Ningkan charged that Borneo leaders who rapidly changed their mind and supported the proposal lacked loyalty to their country: 'It is a great pity that they have no faith in themselves and would not dare to take the opportunity of standing on their feet'.[21] Although SNAP accepted membership from all races, it was predominantly a Dayak party. It argued for their preferential treatment but, because of the presence of a noticeable number of non-indigenous members, it also maintained that such treatment should be flexible so as not to deprive non-Natives their legitimate interests. It is none the less

[16] Malaysia Agreement, Annex C (Sarawak Constitution), Article 39. Cf. footnotes 35, 36 and.73 of Chapter III above.

[17] R.O. Tilman, 'The Sarawak Political Scene', *Pacific Affairs*, Vol. XXXVII, No. 4 (1964-1965), p. 420.

[18] The first Malaysian Governor of Sarawak, Abang Haji Openg, was a former civil servant and well-known Sarawakian. See Borneo Literature Bureau, *Council Negri Centenary, 1867-1967*, Kuching, 1967, pp. iv-v. He died in 1969 and was succeeded by the present Governor, Tuanku Haji Bujang, another ex-civil servant and Sarawakian. Like the Governors of Melaka and Penang and the Yang di-Pertua Negara of Sabah, and unlike the other nine state rulers, the Governor of Sarawak is not eligible for election to be the Yang di-Pertuan Agong of Malaysia.

[19] *Cobbold Commission Report*, paragraph 87(c) and (e). The party in fact asked that the head of the immigration department in the state 'should be a native of Sarawak'.

[20] See footnote 49 of Chapter III.

[21] *Straits Times*, 19 Dec. 1961, p. 13.

true that the 'Sarawak Nationalist [*sic*] Party (SNAP) led by Stephen Kalong Ningkan had its main support from Ibans and Land Dayaks in Sarawak's First, Second and Fourth Divisions'.[22] It suggested during the formation of Malaysia that the Sarawak ruler should be called a Rajah and that he should be elected by the people from one of the indigenous races. Unlike SUPP, it accepted Malay as the national language but English should remain the official language of the whole federation for at least fifteen years. While SUPP found Islam unacceptable as a national religion, SNAP required the Constitution of Malaysia 'to guarantee freedom of conscience and the right to profess, practise and propagate any religion freely'.[23] There should be no alteration of boundaries of any state, especially those between Sarawak, Brunei and Sabah.

By April 1962, SNAP decided to support Malaysia because by then it realized that Sarawak would not be viable on its own; Malaysia would bring Sarawak greater prosperity and would provide her protection against the threat of communism. SNAP became one of the members of the Sarawak Alliance and remained in it until the cabinet crisis of 1966 which led to the dismissal of its chairman from the office of Chief Minister. As a result, the party went over to the opposition side in September that year. It contested the state and parliamentary elections of 1970, but unlike SUPP which entered the Sarawak Alliance immediately after the poll, SNAP maintained its stand and has thus remained the only opposition party in the state. Despite its request during the formation of Malaysia that the Federal Constitution should include a clause to the effect that any state should have the right to withdraw from the federation, SNAP has continued to support Sarawak's participation in the federation. It is also interesting to note that, despite its fall from power, the leadership of the party has remained cohesive.[24]

As evidence that PANAS did not rally all the Malays behind it, the Barisan Ra'ayat Jati Sarawak (BARJASA) was established in December 1961. Like the others described above, BARJASA professed to be a multi-racial party, but its supporters were mainly Malays, including Muslim Melanaus, and some Ibans and Bidayuhs. It supported Malaysia and most of the recommendations of the MSCC. It maintained that the state ruler should be a Sarawakian and should be styled the Yang di-Pertuan Negara; and it considered it inappropriate that a Sultan or Rajah should be appointed for the purpose of making the state ruler eligible for appointment as the Yang di-Pertuan Agong. The Chief Minister must be someone who had the support of the Sarawak legislature. Malay was accepted as the national language, but in line with SNAP feeling it considered that English should be used for official purposes in Sarawak for at least fifteen years after Malaysia Day. It also felt that control of immigration should be vested in the state.

Despite its Malay predominance, BARJASA in many ways typified the demands of the other indigenous-based parties of both Sarawak and Sabah in so far as safeguards for the Natives of the Borneo states were concerned:

> These should be granted to the indigenous peoples in Sarawak as they are to the Malays in Malaya but, as the latter are more advanced than the natives in Sarawak, the party considers that the ratio of scholarship awards for Sarawak should be seven for natives to every one for non-natives; and that the same ratio should apply to the public services. The indigenous peoples should also be given special treatment in the economic field, and assistance, including financial assistance, to encourage them to enter into business.[25]

The party opined that these privileges should continue only for a limited period, and it suggested twenty years. It was unequivocal in its opposition to any suggestion that non-Natives should be deprived of their vested interests. These points are significant because, of the two Malay-led parties, BARJASA often appeared to be less conservative than PANAS; yet the demands of the former as outlined above indicate that it was far from being extreme in its stand on Malay rights. BARJASA joined and stayed with the Sarawak Alliance until 1966. In November that year it

[22] G.P. Means, *Malaysian Politics*, University of London Press Ltd, London, 1970, p. 381.

[23] *Cobbold Commission Report*, paragraph 90(j).

[24] The three stalwarts, Dato Stephen Kalong Ningkan, Dato James Wong Kim Min and Dato Dunstan Endawie anak Enchana who were formerly Chief Minister, Deputy Chief Minister and Minister of Local Government respectively, have continued to work closely together.

[25] *Cobbold Commission Report*, paragraph 94(h).

dissolved and joined with PANAS to form the present Party Bumiputra. Its leaders, Abdul Rahman Ya'kub and Abdul Taib bin Mahmud, have continued to play important roles both in the new party and in federal politics.

Yet another indigenous-based party was Party Pesaka Anak Sarawak (Pesaka), formed in August 1962 and which proved to be strongest in the Third Division (where BARJASA, centred in Kuching, also claimed substantial support, especially among the Melanaus). Pesaka came into being partly as a result of squabble within PANAS which had sought to embrace all-indigenous backing in the days before other parties were formed. At all events, Pesaka formulated objectives which were, in varying degrees, similar to those of PANAS, SNAP and BARJASA, for example on the questions of safeguards for the indigenous peoples, immigration, language and Borneanization. In particular, Pesaka concurred with SNAP that within Malaysia there would be a guarantee of freedom of conscience and the right to profess any religion as well as to practise and propagate it.[26]

Pesaka was established on a multi-racial platform, but since its inception it has thrived almost entirely on the votes of the Rajang Ibans and up-river Kenyahs and Kayans. Of course, like all the other parties of Sarawak, it has a sprinkling of supporters of other ethnic origins. But Pesaka itself is a name which suggests solidarity among the sons of the soil, and led Tilman to call this political union 'the Sarawak Conservative Party',[27] even though Pesaka leaders do not accept this designation. During the district council elections of 1963 Pesaka was emphatic in saying that while many of its members 'were Sea Dyak, voters should take into account not a candidate's racial origin but his loyalty to Sarawak'.[28] Led by Tan Sri Temenggong Jugah and a number of other Iban personalities, Pesaka has continued to remain in the Sarawak Alliance. While the two Malay-led parties merged to form Party Bumiputra in November 1966, the two Dayak parties, SNAP and Pesaka, have remained apart. The reason for this situation has been partly because SNAP has an influential non-Native minority among its members and thus has felt chary of pursuing an extreme indigenous platform. On the other hand, Pesaka has been too closely identified with federal and Alliance policy to be an attractive alliance proposition to SNAP which has chosen to remain on the opposition side. Yet there are few fundamental conflicts between the two parties; they certainly are not politically poles apart and both Dato Ningkan and Tan Sri Temenggong Jugah have not ruled out the possibility, if not the probability, of SNAP and Pesaka eventually merging.[29]

Two other Sarawak parties should be mentioned. As a reaction to the socialistic and pro-communist elements in SUPP and as a splinter group from PANAS, a number of disgruntled members decided to set up the Sarawak Chinese Association (SCA) in July 1962. The membership through the years has composed mainly of conservative, both traditionalist and modernized, Chinese. The leaders of SCA have been conspicuously the well-to-do members of the Chinese community, such as Ling Beng Siew, his brother Ling Beng Siong and Dato Teo Kui Seng. The SCA, which has remained a part of the Sarawak Alliance since its inception, is modelled on the Malaysian Chinese Association (MCA) in West Malaysia.[30] To all intents and purposes, the SCA is a chamber of commerce political front, interested chiefly in the promotion and maintenance of equality of opportunity in a private enterprise system, while not forgetting to uphold the Sarawak and Federal Constitutions and to work with other political organizations of similar views for the development of a healthy system of party politics.

Again as a result of dissatisfactions within existing parties, a new group consisting mostly of Chinese, Dayaks and Malays was registered as MACHINDA. The party led a rather uneventful life from its formation in April 1964 until its voluntary dissolution exactly three years later in April 1967. Initially led by a former PANAS vice-

[26] The Federal Constitution does provide for such a guarantee in Article 11, but with the following important proviso: 'State law may control or restrict the propagation of any religious doctrine or belief among persons professing the Muslim religion'.

[27] R.O. Tilman, 'The Sarawak Political Scene', p. 419.

[28] *UNMM Report*, paragraph 64.

[29] Both leaders have expressed these feelings in interviews with the present writer.

[30] See Means, op.cit. especially Chapter 13, pp. 193-224.

chairman, Leong Ho Yuen, it decided that that party was becoming increasingly Malay. To some extent, this allegation was true but beyond the control of PANAS. The establishment of BARJASA in December 1961 deprived PANAS of many non-Malay indigenous supporters, while the creation of the SCA in July 1962 also helped to reduce further the number of non-Malay members. Finding itself largely isolated in the state, MACHINDA took part in the Malaysian Solidarity Convention (MSC), a pan-Malaysian movement among opposition parties in the federation, begun and led by the People's Action Party (PAP) of Singapore in May 1965 and continued in earnest until that state separated from Malaysia the following August. MACHINDA, despite its origin as a party of mostly disgruntled politicians, was an attempt to establish a single, avowedly multi-racial party in Sarawak. It was, however, too far ahead of its time, for Sarawak during MACHINDA's brief span of life was congested with communal parties, and communal aims and temperament.

In October 1962, five of the Sarawak parties combined to form the Sarawak United Front to work *inter alia* 'for the realisation of Malaysia and to unite all races to achieve harmony and prosperity within the country'.[31] The union was formalized when these parties, PANAS, SNAP, BARJASA, SCA and Pesaka, inaugurated the Sarawak Alliance in January 1963. This clearly meant that the Alliance became the largest political grouping in the territory, and only the SUPP was left outside its ken.[32] SUPP's decision not to join the Alliance highlighted the fact that the party, the oldest in Sarawak, had serious reservations about the Malaysia proposal not only then but for the greater part of the decade. Despite Dato Ong Kee Hui's later denial that the party was initially against Malaysia, these reservations were among the few profound differences bebetween SUPP and the Alliance; and the same reservations kept the former in the political wilderness until federal political situation following the 13 May 1969 race riots in Kuala Lumpur prompted it to take stock and form a coalition government with the existing parties of the Sarawak Alliance in July 1970.

Bearing in mind that all the parties in the Alliance professed their adherence to a democratic political system, its establishment was partly caused by apprehension of the possibility of communist domination in Sarawak. But the statement that the formation of the Alliance 'was motivated by the fear of and the desire for protection against domination by non-indigenous racial groups, particularly the Chinese',[33] is naive. Since its inception, the Alliance has included the SCA which has been led by some of the most influential and financially powerful Chinese of Sarawak. While the SNAP was in that Alliance until September 1966, its Chinese supporters helped to promote relations among the contending parties rather than to wreck the union. Neither should it be overlooked that even the socialistic SUPP, barring its extremist elements, did not advocate the imposition of Chinese rule over Sarawak without the voice of the indigenous people of the state. Indeed, SUPP's decision to come to terms both with the Sarawak and the national Alliances may well have been prompted by the realization that such an ethnic domination as propounded by the UNMM was a political impossibility if not suicide.[34]

Apart from the utilitarian objective of supporting Malaysia, the Sarawak Alliance was constituted for basically the same reasons that the Malayan Alliance was founded in 1955 among the United Malay National Organisation (UMNO), the MCA and the Malayan Indian Congress (MIC).[35] In the context of a multi-racial society, many leaders

[31] *UNMM Report*, paragraph 45.

[32] There have been debates as to whether the Alliance should be considered as a single party or that the individuality of the different parties comprising it should be given prominence. It appears that both views are as valid. In coming together, the parties agree upon a common platform which to a considerable extent passes the group for a political party. On the other hand, calling the union simply as 'the Alliance' is axiomatically correct.

[33] *UNMM Report*, paragraph 46.

[34] See C.P. FitzGerald, *The Third China*, F.W. Cheshire, Melbourne, 1965, p. 97, where the author speculated that 'if the Chinese had the running of an independent Sarawak, they would become in effect the first overseas colony, or protectorate, of the new Chinese Communist Empire'.

[35] The problems of Malayan politics until 1961 have been lucidly treated in K.J. Ratnam, *Communalism and the Political Process in Malaya*, University of Malaya Press, Kuala Lumpur, 1965. See especially Chapter Five for the development and the mechanics of the Alliance system.

soon realized that a non-communal party could not possibly thrive as long as the electorate thought communally. On the other hand, because of the plural society, it was no less obvious that an individual communal party would find it well-nigh impossible to win a majority over the several other such parties. The 1955 Alliance therefore introduced the system whereby a number of communal parties were united in an intercommunal political organization. As a body of parties which represented the major races in the country, the Alliance hoped to rally behind it the largest number of supporters. In a manner of speaking, the Alliance system promised to give the greatest good and hoped to gain the greatest number. The same intercommunal pattern obtains in the national and state Alliances today.

In the Sarawak Alliance, it is recognized by the component parties that the attainment of inter-racial harmony depends on the amicable settlement of racial problems within the Alliance, for a failure to resolve racial and other similar problems would mean a disruption of the political equilibrium within the intercommunal organization. Such a disruption has taken place intermittently in both the Sarawak and the Sabah Alliances during the 1960s. These Alliances have stood for sound economic development within a stable political framework. They advocate social legislation to protect the urban and rural workers against exploitation and poverty. As the chief architect of their development programme has put it, 'Malaysia's goals are to provide enlarged and equal opportunities for all. The framework is democratic action with the Government giving the lead and a helping hand in the process of modernisation.'[36]

The Political Parties of Sabah

There was no political party in Sabah when Tengku Abdul Rahman broached his Malaysia proposal in May 1961. By the end of that year, however, five parties had come into being with platforms bearing many similarities to those in Sarawak. The first party to be established was the United National Kadazan Organization (UNKO) in August 1961. Its majority support came from the West Coast and Interior Residencies and its formation was in many ways the logical conclusion of the existence of a number of Kadazan societies during the later part of the colonial period in Sabah. In the beginning, the party relied heavily upon the Kadazans around Penampang, Papar, Beaufort, Tuaran and Ranau; but it subsequently gained additional supporters, including Sino-Kadazans and non-Kadazans, from the rest of the territory. Donald Stephens, who became the president, and many of its other leaders at first opposed the Malaysia plan, but by the time UNKO was established all of them had changed their attitude and decided to support it.

For the Kadazans and kindred indigenous groups, UNKO believed that there could be no other guarantee for their future than for the territory to obtain independence by joining Malaysia. 'Self-government first would mean that the heirs, when the British leave, would be the Chinese owing to their educational and economic superiority. This in turn could lead to domination by Communism.'[37] The extension of special privileges to the Natives within the new federation would give them a chance of catching up with their more advanced Chinese fellow-countrymen. The extension to the Borneo territories of the vigorous rural development programme in Malaya would help the indigenous peoples to find a new spirit to work for themselves and their country.

There were a number of specific UNKO demands in relation to the formation of Malaysia. Malay was acceptable as the national language, but English should be used as an official language without any time limit. In Kadazan areas, Kadazan should be taught in the schools.[38] Like most of the indigenous-based parties of Sarawak, UNKO argued strongly that customary rights to land and indigenous customs, traditions and culture should be fully respected and protected. Immigration should be under state control, while everything possible should be done, as most Sarawak parties had similarly argued, to encourage British officers to remain in Sabah after Malaysia Day

[36] Tun Abdul Razak, *Strategy for Action*, p. 12.

[37] *Cobbold Commission Report*, paragraph 126(a).

[38] The vernacular languages (excepting Malay) of Sabah have never been used as media of instruction in schools, although some of the Christian missions did so for catechismal purposes. Sarawak for many years has been using Iban and other vernacular tongues in remote primary schools. See Government of Sarawak, *Annual Report of the Education Department, Sarawak for 1967*, Kuching, 1968, p. 2.

until local officers were qualified to take their place. Sabah representation in Parliament should be much larger than that of any of the states of the existing Federation of Malaya and it should also be larger than the Singapore representation. Like all the Sarawak parties, UNKO asked that parity in taxation between East and West Malaysia should be brought about gradually. Many of the UNKO members were Christians or animists, and there were comparatively few Muslims. It was thus hardly surprising that, like SNAP and Pesaka, UNKO worried and insisted that a 'clear statement should be made in the new Constitution that although Islam may be the religion of the Federation, it will not be forced on North Borneo as the religion of the State'.[39]

Despite its definite set of demands, however, UNKO solidarity suffered for nearly three years because of opposition from a substantial number of Kadazans in the Interior Residency, especially around Keningau and Tenom.[40] They were mainly animists supported by the Muruts, Kwijaus and some Lundayas. Conservative and often withdrawn, they considered it rash to join Malaysia at the time and formed the United National Pasok Momogun Organisation (Pasok Momogun) to safeguard their interests. The Malayan members of the Cobbold Commission, Dato Wong Pow Nee and Muhammad Ghazali bin Shafie, in their separate recommendations stated:

> The only organisation of any consequence with predominantly native support in opposition to Malaysia either in Sarawak or North Borneo is the Pasok Momogun of North Borneo, which advocated in line with the other organisations in opposition to Malaysia that independence should first be gained before consideration of any wider federation. In this particular instance, however, we have reason to believe that its opposition springs basically from a fear of domination by the Federation of Malaya and that the party would be more receptive to the idea of Malaysia if these fears can be set at rest.[41]

Pasok Momogun was led by two brothers, Orang Kaya Kaya Sedomon and G.S. Sundang. Both commanded traditional and unflinching loyalty among the majority of the indigenous people in much the same way that Tan Sri Temenggong Jugah has continued to enjoy Iban respect and loyalty in the Batang Rajang area. The situation was at times difficult for UNKO leaders, especially because two other political groups in the territory were continually trying to buy off Pasok Momogun leaders. Yet, admitting the validity of the fear of domination by Malaya, Pasok Momogun concern was genuine.

Keningau, the Pasok Momogun stronghold, and its adjoining districts of Tambunan, Pensiangan and Tenom have long been comparatively isolated from the coastal areas of Sabah. Indeed, if the popular theory that later migrations pushed the original inhabitants of Borneo further inland is to be believed, [42] the characteristic reserve of the Kadazans, Kwijaus and Muruts of the Interior Residency towards fellow-countrymen in the coastal areas could be explained by their unwillingness to be harassed any more than in the past by 'invaders' from the seaboard.[43] A tradition of suspicion towards outsiders from the coast or overseas had been built up for generations; and it was this same inbred suspicion, more than any 'backwardness', as alleged, which caused Pasok Momogun to react conservatively towards the Malaysia proposal.

When the Malaysia proposal was presented, Pasok Momogun felt that the people of the territory were politically too immature to participate meaningfully in the new federation. It did not question much why they were immature, but it urged that they should be educated and the territory be developed; when these had been done and the people had gained independence, Sabah would be in a better position to make a decision on the proposed federation. 'In the meantime the British Government should concentrate the resources of the country on a more vigorous pro-

[39] *Cobbold Commission Report*, paragraph 127(a).

[40] During the British Chartered Company and colonial periods, the word 'Dusun' was the official term used for the Kadazans. After a protracted debate in the press and among individual partisans in the 1950s, 'Kadazan' was gazetted as the new official name with the entry of the territory into Malaysia. Admittedly, not every member of the community has become familiar with 'Kadazan' but the number accepting and using it is clearly increasing.

[41] *Cobbold Commission Report*, paragraph 177.

[42] See C. Robequain, *Malaya, Indonesia, Borneo, and the Philippines*, Longmans, Green and Co. Ltd, 2nd edition, London, 1958, pp. 220-6; R. Pringle, *Rajahs and Rebels*, Macmillan and Co. Ltd, London, 1970, pp. 247-82; and Jones, op.cit. p. 15 and the footnote thereon.

[43] As evidenced in tales of attempted subjugation of the indigenous people of this area by coastal pirates, pretenders and interlopers in bygone days.

gramme of education and do more to train the political leaders of the future.'[44] It was this loyalty to the British which made it difficult for UNKO to rally support from Pasok Momogun.

But the Pasok Momogun concept of 'gradualness' became more and more a nightmare to UNKO which was facing increasing competition from other political parties in the territory. 'While G.S. Sundang favored the continuation of British colonial administration, at least until his more backward interior peoples had achieved a higher economic and educational level',[45] Donald Stephens and his fellow UNKO leaders argued, 'Unless Malaysia comes about, there may well be a claim to the Borneo territories from elsewhere'.[46] The situation was made more difficult because there had been very little encouragement from the ruling power for the Kadazans of the lowland areas such as Penampang and Papar and the kindred indigenous people of the Interior Residency to unite and prepare themselves for self-rule during the colonial period. True, there was much lip service towards the fostering of such a nationalist spirit; but what actually happened was that those within easy access of Jesselton managed to move with civic and political developments in Asia and other parts of the world while the people in the remoter areas tended to be left behind. Thus it was very evident in the late 1950s and early 1960s that the Kadazans in the coastal areas often felt superior to their brothers and sisters who lived in the remote and less accessible inland districts. Some nationalists would brand this situation as the consequence of British divide-and-rule policy. It could well have been so. But what is more pertinent is that, because of this estrangement or lack of understanding between the lowland and inland indigenous people of Sabah, UNKO and Pasok Momogun leaders entertained poor opinions of one another for many years. Donald Stephens, who was more educated, used to acknowledge Sedomon as *Bapa* (father) but complained bitterly that the only times the two could meet and perhaps discuss matters of mutual interest were during the occasional visits of the latter to attend horse-race meetings in Jesselton. Sedomon on his part regretted that Stephens appeared to ignore him on matters affecting their people.[47]

But political awakening was a real thing during the formation of Malaysia; it did carry with it winds of change even to the leaders of Pasok Momogun. A few other factors prompted G.S. Sundang and his colleagues to reassess their stand, such as the overtures and machinations of the other parties, and it became obvious that Pasok Momogun saw the unwelcome prospect of being isolated and of its hopes for educational and economic advancement being jeopardized unless it compromised on its refusal to support Malaysia. In selecting a party which it would join, Pasok Momogun readily looked towards UNKO partly for the reasons already discussed and partly because its supporters in Keningau, Tenom and Pensiangan had always been predominantly Christians or animists as were the supporters of UNKO, since there were comparatively few Muslims in the Pasok Momogun districts. Almost three years after the formation of UNKO, and following the Pasok Momogun agreement to compromise, the two parties merged to establish a new union called the United Pasok-momogun Kadazan Organisation (UPKO): 'The merger between the United National Kadazan Organisation and the Pasok Momogun was on the 14th June, 1964. At that time and it was for 1 year that there was a joint President. On the first National Congress of the UPKO that was on the 12th March, 1965, the constitution was amended to provide only one President.'[48] It had taken a long time for the two parties to achieve solidarity, but once effected UPKO worked actively and cohesively for the demands of both coastal as well as inland supporters.

UPKO pledged its support for Malaysia, her integrity and independence. It sought to uphold the principles of democracy, promote and maintain the social, economic and political well-being of the people and to ensure full economic returns for their labour and skill. Being an indigenous-based party, UPKO argued for and promised to protect the special interests of the Natives and to

[44] *Cobbold Commission Report*, paragraph 133.

[45] Means, op.cit. p. 374.

[46] *Cobbold Commission Report*, paragraph 126(d).

[47] On the issue of UNKO-Pasok Momogun solidarity, see J.P. Ongkili, 'Montok Do Kinotuidangan Do UNKO', *Sabah Times*, 31 Aug. 1961, p. 4.

[48] UPKO Permanent Secretary to the present writer, 29 July 1966.

promote their advancement in all fields of human endeavour. Like the former UNKO, it wanted to preserve all that was best in the traditions, customs and cultures of the peoples. More significantly, UPKO pledged itself 'to promote and maintain inter-racial goodwill and harmony'.[49] Upon its inception the party became a component of the Sabah Alliance, playing real politics and getting real responses from the other member parties of that union. After contesting the state election of April 1967, UPKO went into opposition against the Alliance. After putting up a lively and prolonged political drama and reportedly gaining support from the state electorate, UPKO unexpectedly dissolved in December 1967. Thus Sabah began her political era without any opposition, a situation which still continued at the end of 1970.

Another of the five parties formed in 1961 was the United Sabah National Organization (USNO). This party was open to all races but in its early days it depended heavily upon the Muslim community. From the time of its establishment, USNO strongly supported Malaysia. Like UNKO, it believed that the proposed federation would defend Sabah against communism. USNO made several demands in relation to the entry of the territory into Malaysia. The national language should be Malay. The state ruler and the Chief Minister of Sabah should be Natives. Like most of the Borneo parties, and all of the indigenous-based ones, USNO supported the retention of British officers in the administration until local persons could take over. While Sabah was officially known as 'North Borneo' under British rule, USNO argued that the territory should be officially designated 'Sabah' upon her entry into Malaysia.

Like UNKO and Pasok Momogun, USNO urged that more vigorous plans for the education of the indigenous people and for rural development be set up and implemented. There should be no change in the Federal Constitution except with the overwhelming agreement of the people. Again like UNKO and Pasok Momogun (when it decided to support Malaysia), USNO asked that the special position of Malays in the Constitution of the Federation of Malaya be accorded the Natives of Sabah in the Constitution of Malaysia. Being principally a party of the Muslims in Sabah, USNO advocated Islam as the national religion (as did UNKO) and believed that 'more Islamic schools were required' in the territory.[50] Its principal support came from the Suluks and Ubians around Kudat, the Bajaus along the west coast, the Bruneis of the Klias peninsula and the Sungeis and kindred minorities along the rivers of the east coast. Led by Datu Mustapha and other Muslim personalities, USNO joined the formation of the Sabah Alliance and has remained with it until now. When UPKO dissolved its members were encouraged to join USNO. That dissolution also left Sabah with only two political parties, the other one being the Sabah Chinese Association (SCA).

Relations between the indigenous people and the Chinese have always been easier and smoother in Sabah than in Sarawak. The reasons are partly historical, the Chinese having been in Sarawak in considerable numbers as early as during the time of James Brooke. At this time they became frustrated by his stringent measures and revolted in 1857, entrenching themselves at Bau and sacking Kuching until the English Raja's Dayak supporters arrived to help both Brooke and the Kuching Malays to repel them and cripple their *kongsi* organizations. No such confrontation ever occurred in Sabah where the only time the Chinese revolted was against their traditional enemy, the Japanese, who remorselessly plundered their shops and belongings and forced their daughters and womenfolk into prostitution. It was a wartime episode; yet it must be noted that when Albert Kwok and his Chinese followers staged a revolt against the Japanese in 1943, the Bajaus, Kadazans and some Muruts were side by side in their determination to defeat the common enemy.[51] Indeed, this common stand against the Japanese along the road from Jesselton to Tuaran

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[49] 'The Constitution of the United Pasok-momogun Kadazan Organisation', Rule 4(3), (mimeograph copy), p.1.

[50] *Cobbold Commission Report*, paragraph 131. At all events, UPKO and USNO requests on the question of religion have been answered by Article 11 of the Federal Constitution. See also footnote 26 of this chapter.

[51] See Runciman, *The White Rajahs*, pp. 125-33; Pringle, op.cit. pp. 105-7; J. Maxwell-Hall, *Kinabalu Guerrillas*, The Sarawak Press, Ltd, Kuching, 1949; and Tregonning, *A History of Modern Sabah, 1881-1963*, pp. 217-19.

and Tamparuli helped to foster closer relations among the races. But the good relations between the indigenous races and the Chinese in Sabah can also be explained by the fact that in Sabah the latter are more a minority. Like their brethren in other parts of South-East Asia,[52] the Chinese in Sabah have nearly always been more interested in the rapid promotion of their business ventures or professional status than in the often unprofitable gamble in the arena of politics.

But even business interests required the insurance of a stable political climate; and so from the beginning of the Malaysia proposal there were a number of Chinese leaders who offered their time to represent the interests of their community. Before the end of 1961 they had formed two political parties. One of these was the Democratic Party, led by Peter Chin and others in Jesselton and supported mainly by Chinese traders, wharf labourers and transport workers in the West Coast and parts of the Interior Residencies. At the outset the party opposed the Malaysia plan, preferring the territory to gain independence first before entertaining the Tengku's proposal. Because there was no religion common to the peoples of Borneo, it argued that there should be no state or national religion. It believed that the people of Sabah preferred English to Malay as the national language. The party noted that there were about 40,000 Sino-Kadazans in the territory; they were regarded as Natives in the rural areas but as Chinese in the towns. Their status therefore required clarification. While suggesting that necessary close ties with Malaya and Singapore should be developed slowly, the party admitted that there was a strong desire for self-government in Sabah.

The second group with predominantly Chinese support was the United Party. This was based in Sandakan and, like the Democratic Party, it professed to be a multi-racial organization. However, its principal support came from the Chinese of that town and the influential and landowning members of the community throughout Sabah. It originally opposed Malaysia, believing that the proposal was premature for Sabah. However, the party argued that the territory should attain self-government by 1963 and thereafter it should be a matter for the people to decide whether or not they wished to enter into an association with Malaya, Singapore and their neighbours, Brunei and Sarawak. It was obvious that the leaders of the party, such as Khoo Siak Chiew, Pang Tet Tshung and Peter Lo, never completely objected to the Malaysia proposal. Indeed, when the British made it known that they supported the idea, the Chinese of Sabah had little option but to find ways and means of accommodating themselves satisfactorily with the new federation.

The immediate problem was to create a more united stand, and to this end negotiations were held among the Chinese political factions. Parallel to the developments within UNKO and Pasok Momogun, a political merger followed by another led to the creation of one Chinese party in Sabah:

> You will note that during the Malaysia formation period there were two political parties formed by Sabah Chinese, i.e., the Democratic Party and the United Party. These two parties had later merged into Sabah National Party early in 1963. In May 1965, the Sabah National Party was again merged with the Sabah Chinese Association, which was then a welfare organization, which has now been transformed into a political organization.[53]

Full membership of the SCA was restricted to Chinese. However, Malaysians of other races could join the party as associate members. It wished to see Chinese as one of the official languages of the state, and believed in the establishment of a sound and balanced economic system so as to ensure that all people could have an equal share in the national economic prosperity. Significantly, the party provided, as one of the six main objects of its platform, for the need 'to promote and maintain inter-racial good-will and harmony in Malaysia so as to establish a stable and prosperous society'.[54] SCA has remained in the Sabah Alliance since its formation; it contested both the 1967 state election and the 1970 parliamentary election, working with USNO in the maintenance of the Sabah Alliance Government until today.

During August and September 1962, negotiations among the various political parties of Sabah took place to form a joint body to contest the

[52] See V. Purcell, *The Chinese In South-East Asia*, Oxford University Press, London, 1951, *passim*.

[53] SCA Secretary-General to the present writer, 27 July 1966.

[54] 'Constitution of the Sabah Chinese Association', Chapter I, Article 4(b), (mimeograph copy), p. 1.

forthcoming district council elections in December that year. The discussions were also viewed important in order to take a joint stand on Malaysia. Consequently, USNO, UNKO, BUNAP (Borneo Utara National Party, which became Sabah National Party–SANAP–when *Borneo Utara* was officially changed to *Sabah*), Pasok Momogun and the diminutive Sabah Indian Congress (SIC, a local version of the MIC) came together to form the Sabah Alliance. The union initially took place between USNO and UNKO and the other parties threw in their lots when their reservations about Malaysia had been sufficiently allayed. The Alliance submitted a memorandum to the UNMM of 1963, stating *inter alia* what it still professes today, namely, that the party

> ... is resolute in its conviction that joining Malaysia is the surest road to independence and is in the best interest of all the people of Sabah. By uniting with countries having a similar social and political evolutionary heritage, and which also aim to form a larger and stronger unit, Sabah will surely find its best chances of survival as a small and sparsely populated country in a predatory world in Malaysia.[55]

The Sabah Alliance has undergone several alterations in its party composition since 1962. Its components, while remaining members of the union, fielded individual party candidates in the December 1962 and April 1963 district council elections, in the 1967 state election and 1970 parliamentary election. As will be seen below, its ostensible opponents were mainly candidates who stood as Independents. But the major preoccupations of the Alliance in Sabah were the same as of those in Sarawak and in West Malaysia. It was an intercommunal organization designed to rationalize and resolve problems which the 'contending elites' thought were vital and must be safeguarded for their respective communities.[56] The Sabah Alliance, no less than those in the two other distinct regions of Malaysia, believed that, in the words of one of its founders, 'the happiness we enjoy in Malaysia comes from our awareness that true nationhood depends on unity, goodwill and harmony among the people. They must understand that stability and good order are essential for our happiness.'[57]

[55] *UNMM Report*, quoted at paragraph 147.

[56] See Wang Gungwu, 'Malaysia: Contending Elites', *Current Affairs Bulletin*, University of Sydney Press, Vol. 47, No. 3, 28 Dec. 1970.

[57] Tengku Abdul Rahman, 'Big Challenges Ahead', Morais, op.cit. p. 25.

V
POLITICS AND FEDERALISM

THE emergence of political parties in Sarawak and Sabah is a recent development compared with the setting up of the administrative machinery discussed in Chapter III. First and foremost, Borneo political parties were channels through which the leaders of Sarawak and Sabah and, slowly but increasingly, the general public, demonstrated their support or otherwise of Tengku Abdul Rahman's plans for a new federation. It was only while discussing the form of and subsequently being members of that federal union that the leaders of East Malaysia shaped the ideological underpinnings of their parties. Even then, other considerations bulked large while questions of ideology were relatively unimportant to leaders preoccupied with the achievement of independence. In fact, East Malaysian political parties have been far less ideological than utilitarian.

The emergence of party politics was accompanied by the setting up of cabinet government in East Malaysia, while that system of government depended upon the proper functioning of the elected unicameral legislatures of Sarawak and Sabah. However, the sudden appearance of political parties in East Malaysia did not necessarily mean the adoption and development of political ideologies such as one would find in Britain or the United States. On the contrary, the enthusiasm for forming political parties during the long months while Malaysia was being formed did at least one disservice to the peoples of Sarawak and Sabah. It highlighted communal divisions and encouraged Borneo leaders to cultivate avidly the habit of thinking first and foremost in terms of their own ethnic groups instead of looking at Sarawak and Sabah in the context of an indivisible federation.[1] The staunch leaders of Borneo, the very men who created an identity for their erstwhile territories, opened the door of communalism in the two states and ushered in the social and political conditions of Malaya to the once serene and racially less-aware peoples of Borneo.

Communal Politics in Sarawak

In Sarawak, SUPP leaders were always more interested in promoting matters pertaining to Chinese livelihood than in the realization of Malaysia. Matters such as the obstruction of any move to establish Islam as the state religion in Sarawak, disavowal of Malay as the national language because the vast majority of Chinese in the state could not speak it intelligibly and reservations about special position of certain communities because this might 'perpetuate discrimination against a class of citizens of the country',[2] were crucial issues to the SUPP when it was in the opposition. During the Brunei revolt of December 1962, many Chinese who were suspected of being members of the CCO were placed in detention camps pending interrogation by the Sarawak authorities. At the height of Indonesian confrontation, fifty of the detainees, most of whom were Chinese were airlifted from Kuching to the Batu Gajah detention camp in West Malaysia. This move brought a strong reaction from SUPP central executive committee member, Chan Siaw Hee, who was also a Council Negri member, alleging that the removal was undertaken 'to have room available to detain more people'.[3] A Federal Government spokesman explained days later that the transfer was necessary because there were 157 detainees in Kuching when the camp was intended for a maximum of 115 people. Be that as it may, it was SUPP's stand on matters such as this which led its opponents, both in the Sarawak Alliance and in PANAS, to castigate it as a party of alien-minded Chinese and as the political front of the CCO.

The high-water mark of SUPP's efforts as an opposition party came when it took active part in the movement which has come to be remem-

[1] For notes on the divisive effects of the political parties formed in the wake of Malaysia, see J.P. Ongkili, 'Party Forming Mania', *Borneo Bulletin*, 28 Oct. 1961, p. 9.

[2] *Cobbold Commission Report*, paragraph 80(b).

[3] *Straits Budget*, 21 Oct. 1964, p. 13.

bered as the attempt to create a 'Malaysian Malaysia'. This presented itself as a political campaign of equality for all, irrespective of class, colour or creed, and was spearheaded by PAP. Speaking at a dinner in Sri Temasek in Singapore on 27 April 1965, the Prime Minister of Singapore, Lee Kuan Yew, said that his PAP 'together with other like-minded groups in Malaya, Sabah and Sarawak would lead the people of Malaysia towards the realisation of a truly Malaysian Malaysia'.[4] Together with other opposition parties in West Malaysia, SUPP aligned with PAP to form the Malaysia Solidarity Convention (MSC) in June that year. In so far as the MSC was the political front of the 'Malaysian Malaysia' movement, SUPP in effect took part in a confrontation with the national Alliance Government in defence of non-Malay rights. At the formation of the MSC, Ong Kee Hui declared:

> Those in charge of the Central Government are becoming less and less sensitive to public opinion and criticism. We see an attitude of intolerance and mounting signs of denial of political equality to non-Malays.... For the sake of our country and ourselves this must be stopped and the drift to narrow racialism checked. Political equality should be accorded to all who live here, irrespective of racial origin. Artificial creation of different classes of citizens is not conducive to nation building.[5]

It is now well-known that the 'Malaysian Malaysia' campaign, assisted by the MSC, constituted a strident attempt principally by the Chinese, with noticeable support from other non-Malay communities, to prod the federal Alliance Government to solve the economic imbalances among the races sooner than was perhaps humanly possible. The MSC Declaration stated:

> Support for the ideal of a Malaysian Malaysia means, in theory as well as in practice, educating and encouraging the various races in Malaysia to seek political affiliation not on the basis of race and religion but on the basis of common political ideologies and common social and economic aspirations, which is the real basis of ensuring the emergence of a truly free prosperous and equitable national community.[6]

Although the Alliance was an intercommunal party and its policy was to improve the social and economic well-being of the people, its policy and programmes were not overwhelmingly different from the platform of the MSC. What the members of the MSC were questioning was essentially the implementation of the special position of the Malays and the Natives of East Malaysia as provided for in Article 153 of the Federal Constitution and in the Malaysia Agreement.[7] A similar challenge was made by the Democratic Action Party (DAP) during the general elections of 1969; and it can be said that such challenges were among the main reasons why the Federal Government has decided to entrench Articles 152, 153 and 159 of the Federal Constitution, thereby making it an offence to question the agreed bases of these Articles.[8] Among the political parties which voted for the passage of the Constitutional (Amendment) Bill which has now been promulgated and has placed those Articles beyond the pale of public discussion, was the SUPP.[9]

When Singapore was separated from Malaysia on 9 August 1965, the SUPP again featured prominently in the general reaction to the event. In common with MACHINDA, the SUPP called for a referendum to decide if the people of Sarawak still wished to remain in Malaysia after the exclusion of such an important sister state as Singapore. The moderate opinion within the party was expressed in Ong Kee Hui's statement:

> The Government seems to have little respect for the Constitution. There was no time to assess reaction and public opinion. The Government has made nonsense of

[4] Ibid. 5 May 1965, p. 15.

[5] *Borneo Bulletin*, 12 June 1965, p. 2.

[6] Government of Singapore, *Separation: Singapore's Independence on 9th August 1965*, Singapore (n.d.), p. 17.

[7] The parties which took part in the MSC were the PAP, SUPP, MACHINDA, United Democratic Party (UDP) and the People's Progressive Party (PPP).

[8] Articles 10, 63 and 72 were also slightly amended to facilitate the enforcement of the main changes. See Government of Malaysia, *Towards National Harmony*, Kuala Lumpur, 1971, being the white paper issued to prepare the public for the constitutional changes.

[9] The Bill passed the Dewan Ra'ayat by 125 votes to 17 on 3 March, the Dewan Negara unanimously on 9 March and received the Royal Assent on 10 March 1971. With the passage of the Bill, the national language and the languages of the non-Malays, the special position of the Malays and the Natives of East Malaysia, the legitimate interests of the other races, the sovereignty of the Rulers, and citizenship were entrenched as sensitive issues not for public discussion. See *Straits Times*, 4 March p. 1; 10 March p.6; and 11 March 1971, p. 4.

parliamentary democracy. The SUPP has tried to make Malaysia work. Now that Singapore is out, what justification is there for it to continue?... What will be the position of the Borneo states if there should emerge governments there not so pliable to Alliance ways? The London treaty on the formation of Malaysia has been abrogated. Had the Borneo people no right to be consulted? A referendum should be held to establish the people's wishes.[10]

Implied in the statement was the belief in equality of treatment and freedom of choice which the party argued should remain fundamental to life within Malaysia. But such queries of federal actions as searchingly put by SUPP leaders were viewed with disdain by federal Alliance leaders. The latter had formed the habit of paying quick visits to East Malaysia whenever there arose a crisis in the state leaderships there. With SUPP and other opposition factions voicing their dissatisfactions with the manner in which Singapore was separated, the Tengku paid such a visit. He was far from complimenting SUPP. During his 19-hour stay in Kuching, the Prime Minister warned about people who were communist sympathizers in Sarawak. 'But we are strong enough to meet any challenge that comes from them. I look upon all enemies of the State who try to overthrow the Government by force as Communists.'[11] Six months later the Tengku repeated his warning and advised that the opposition in Sarawak must be careful and 'should remember that in Malaya the Communist Party is banned'.[12]

The problem of communist infiltration in Sarawak has become an acknowledged fact and as late as February 1970 the Prime Minister was constrained to say, 'The situation is really bad. It is not so much a threat along the border. The communists are in the towns themselves.'[13] But the problem affected especially SUPP. In striving to protect Chinese interests, it was in turn closely watched by the Sarawak and Federal Governments because sections of its rank and file were known to be heavily infiltrated by communists. If the communists were in the towns themselves, it was precisely in these urban centres that SUPP's majority support was located. If anything, SUPP found its political fortunes more taxing after confrontation; for without the visible threat of external aggression the authorities could pay closer attention to the party's supporters who were suspected of being communist cadre members. One of the main reasons given for declaring a state of emergency in Sarawak during the ousting of Dato Stephen Kalong Ningkan from the post of Chief Minister in September 1966 was that Sarawak was being exploited by the communists.[14]

It would have been logical to expect that the eclipse of President Soekarno and the demise of confrontation would place SUPP in a better position to prove that it meant to be a loyal opposition in Sarawak politics. The Federal Government itself had begun to allocate a larger annual share of national funds to Sarawak, following reductions in defence spending; and this would have given better opportunities for the political parties to debate methods of carrying out the progressive development and modernization of the state.[15] Relaxation of security measures consequent upon the lessening of armed incursions from Kalimantan should have enabled domestic politics to thrive. 'But the irony of the situation is that it was not until the politician regarded as the chief trouble-maker, Dato Ningkan, was removed from office in September 1966 that the political fortunes of the Sarawak Alliance steadily declined.'[16] Consequently, Dato Tawi Sli's term of office as Chief Minister from the dismissal of Dato Ningkan until June 1970 failed to promote political give-and-take, let alone magnanimity, among the parties. While it allowed the communal political pattern to continue, the Federal Government was clearly apprehensive and unsparing in its determination to maintain its precarious control of Sarawak politics. While Sabah held its first direct state election in April 1967, Kuala Lumpur was in no mood to direct the Election Commission to speed up its preparation for such a poll in Sarawak. The Sarawak direct election was first said to be held in the second half of 1967; it was postponed while the 1968 federal

[10] *Borneo Bulletin*, 14 Aug. 1965, p. 1.

[11] *Straits Budget*, 25 Aug. 1965, p. 2.

[12] *Borneo Bulletin*, 26 Feb. 1966, p. 1.

[13] *Straits Times*, 5 Feb. 1970, p. 24.

[14] See Government of Malaysia, *Communist Threat to Sarawak*, Kuala Lumpur, 1966.

[15] Economic development in East Malaysia will be discussed in Chapter VI.

[16] J.P. Ongkili, 'Sarawak Politics and Future', *Opinion*, Vol. 2, No. 6, Kuala Lumpur, 25 Aug. 1969, p. 275.

budget allocated sums for the purpose but it was again delayed and finally begun in conjunction with the West Malaysian elections of May 1969. When the post-election riots occurred in Kuala Lumpur, the Sarawak elections were suspended while the nation-wide state of emergency ensured the Federal Government a better hold on Sarawak affairs by appointing its Federal Secretary instead of the Chief Minister as chairman of the authoritative State Operations Council. In these years SUPP (and SNAP) continued to live the largely stigmatized life of a suspected opposition party. For associating with the MSC and being so outspoken about Singapore's separation, SUPP was not easily forgiven. It continued to represent and defend Chinese interests in Sarawak while the Alliance Government continued to watch closely which SUPP members and supporters were bed-fellows of the communist cadres in the state.

While in the opposition, PANAS demonstrated its preoccupation with Malay-Muslim sentiment no less than SUPP argued for Chinese needs in the context of Malaysian politics. When Datu Bandar led it out of the Sarawak Alliance in April 1963, his main grievance was the allocation of seats too few in number and insignificant for his party. He was in effect worried that Malay voice and sentiment would not be adequately represented within the Alliance, despite the excuse he gave that PANAS left the union because of personality conflicts. In July that year PANAS and SUPP formed a coalition. The leaders of the two parties signed a joint statement setting forth their view that, because of the character of the three-tier electoral system, no one party could secure a clear-cut majority in the Council Negri. The logic was simple: the largest combination stood to gain the biggest number of seats; the smallest individual group could well be excluded from the legislature. For that reason the two parties rightly thought that both would stand a better chance if they pooled their resources. The joint statement declared that the district council elections which had just been held had not decided whether the people of Sarawak supported Malaysia or not. The issue should be determined by a referendum conducted by the United Nations and to be held before reaching any concrete agreement on the Malaysia proposal.[17]

[17] *UNMM Report*, paragraph 50.

The formation of the July coalition was odd, while some parts of the joint statement appeared to conflict. It was a well-known fact that PANAS had come out in support of Malaysia as early as June 1961; yet, two years later, it was agreeing to the holding of a referendum on the proposal. It became more revealing when, the day following the formation of the coalition and the issuing of the joint statement, the PANAS president said that his party still strongly supported Malaysia. Indeed, Datu Bandar journeyed to London with the other pro-Malaysia leaders and joined them in affixing his signature to the Malaysia Agreement on 9 July 1963. The 1 July liaison between PANAS and SUPP was an unlikely alliance between a truly pro-Malaysia Malay party and a conscientiously anti-Malaysia Chinese party. The coalition demonstrated, albeit for a short time, that when there was a common political opponent, such as the Sarawak Alliance then was to both PANAS and SUPP, communal considerations could conceivably be subordinated to political expediency. The existence of the coalition did not mean that the two parties had shed their communal motivations. The fact that nothing more was heard of the coalition after the elections and that the two parties went their separate ways thereafter, showed the depth of communal politics in Sarawak at the time.

PANAS took a prominent part in the first serious cabinet crisis in Sarawak after federation. This occurred in May 1965 and was touched off by the attempt of Dato Ningkan's Government to push three controversial land bills through the Council Negri. The proposed legislation had been under consideration for some years but had been left in abeyance because of strong communally-divided feelings about it. The implementation of the legislation would enable indigenous people (including Malays) to acquire full title to their Native Customary Land; such a title in turn would enable them to sell the land to whoever they wished.[18] But because the majority of non-

[18] Land in Sarawak was classified into three categories: Mixed Zone Land—the only type which non-Natives could own; Native Area Land—only Natives could obtain title and occupy this type; and Native Customary Land—all land held by Natives under customary tenure, it had no title and thus could not be transferred or sold to any non-Natives. See Government of Sarawak, *Report of the Land Committee, 1962*, Kuching, 1963.

Natives in Sarawak were short of land and many had the means to purchase more, the passage of the bills would mean that a large proportion of the land released from Native Customary Land areas would go to the hands of non-Natives. Thus, in conjunction with BARJASA and Pesaka, PANAS opposed the land bills and the three parties formed a new political front called the Sarawak Natives Alliance. Communal politics was again clearly demonstrated, as the three indigenous-based parties sought to prevent what they thought was SNAP willingness to sell Sarawak Native rights to non-indigenous people.

For a while 'there was nobody in Kuching who could say who supported whom in the sudden tussle for state power'.[19] But it soon became obvious that the main contenders for control were Dato Ningkan and two related BARJASA leaders, Abdul Taib bin Mahmud and his uncle Abdul Rahman bin Ya'kub. For a while, too, Dato Temenggong Jugah sided with PANAS and BARJASA, feeling that his one-time protege had let him down.[20] It is worth noting also that while the SCA solidly supported SNAP at this juncture, the SUPP, noting the benefit which would accrue to its landless members and supporters should the land bills be passed, toyed with the idea of backing Dato Ningkan. The bills were introduced on 9 May, and on 16 May the Chief Minister dismissed Abdul Taib from his post of Minister of Communications and Works on the grounds that he engineered both the opposition to the bills and the formation of the Sarawak Natives Alliance, 'so that he could become Chief Minister'.[21] Abdul Taib did appear forceful from this time onwards in Sarawak politics; but whether he in fact wanted to be Chief Minister cannot be fully ascertained.

Whatever was the case, the Chief Minister strove to do away with BARJASA and replace it in the Sarawak Alliance with PANAS: 'It is my firm and honest belief that the Malays in Sarawak can best be united through a single party such as a Sarawak UMNO under the leadership of Party Negara Sarawak.... We will have two Malay Ministers in the new Cabinet from Party Negara.'[22] The PANAS leader at this time was Abang Othman bin Haji Moasili, a brother of Datu Bandar who had died on 20 January 1964. The Sarawak Natives Alliance proved to be still-born, as Dato Temenggong Jugah and Abang Othman switched their support in favour of Dato Ningkan and thus isolated BARJASA. The upshot was clear-cut: Pesaka, which until then had no representation in the Supreme Council, was allotted the portfolios of Minister of Lands and Mineral Resources and Minister of State; PANAS re-entered the Alliance and was given the portfolio of Minister of Social Welfare, Youth and Culture; while BARJASA and their two Ministers were welcomed back into the fold after Dato Ningkan demanded formal application for re-entry and a pledge of personal loyalty from Abdul Taib.[23]

Two significant points should be seen in connexion with the land-bill controversy and its outcome. First, the crisis brought together for the first time since Malaysia Day all the four indigenous-based political parties of Sarawak. Admittedly, their union had not been sealed with the closest friendship; and in some ways the outcome of the dispute over the land bills was more a truce than a settlement. But, none the less, their coming together underlined their feelings of communal solidarity at a time when one of the few basic assets left to them, namely land, appeared to be in jeopardy.

The germs of personality conflicts, also evidenced by this 1965 dispute, leads us to the second point. Communal politics not only existed between the indigenous and non-indigenous groups. Within the indigenous groups themselves, ethnic pride and exclusivism prevailed. There existed, throughout the 1960s, a dilemma in relations among the Natives of Sarawak. On the one hand, they realized the need to maintain solidarity in the context of a multi-racial Malaysia. After all it was their balancing role as indigenous peoples which made them so important to Malaya; and having entered the federation they now perforce had to look after their own interests and co-operation among one another or else they would lose to non-indigenous groups. But the dilemma arose essentially because of native pride.

[19] *Borneo Bulletin*, 22 May 1965, p. 1.

[20] Dato Ningkan acknowledges Tan Sri Temenggong Jugah's early encouragement for him to take up politics. (Interview with the present writer.)

[21] *Borneo Bulletin*, 19 June 1965, p. 32.

[22] *Straits Budget*, 26 May 1965, p. 6.

[23] *Borneo Bulletin*, 19 June 1965, p. 32.

Dato Ningkan and Tan Sri Temenggong Jugah did not see Native solidarity the way Abdul Taib Mahmud and Abdul Rahman Ya'kub conceived it. The former pair put state before federal considerations while the latter tended to grant federalism wider scope in Sarawak. Cultural factors accentuated the already divergent approach, Islam for instance making the latter pair more pliable and indeed open-hearted in relations with federal leaders. The dilemma led to rivalry instead of co-operation among the indigenous-based political parties. In this regard the outcome of the land-bill controversy saw the ascendancy of the non-Malay indigenous parties, SNAP and Pesaka, over the Malay ones. Iban power reached a height it had never known before and did not see again in the 1960s, and demonstrated how divided were the Malay parties of Sarawak. Federal leaders were quick to estimate the situation and come to the rescue of the ones more responsive and attuned to the demands of federalism in a young Malaysia.

The disunity of the Sarawak Malays went much further back than the beginning of the Malaysia period. For most of the century of Brooke rule the Malays received attention more than any of the other races. The Rajas associated them with administrative undertakings and awarded them honours; many became the trusted officials and even held virtually hereditary posts in the Raja's service. Even Raja Charles (1868-1917), who felt closer to the Dayaks than to the Malays, accepted the *status quo* and directed his son and successor to follow closely the pattern set by James Brooke.[24] It was therefore hardly surprising that when Vyner Brooke decided to hand over Sarawak to the British Government in 1946, the majority of the Malays opposed the cession.[25] But there were also Malays who accepted the transfer and worked with the new regime. The significant point is that the cession caused a division within the Malay community of Sarawak. It was later popularly believed that those who founded PANAS composed mainly of Malays who accepted the cession while those who subsequently formed BARJASA included anti-cessionists.[26] In any event, it is in this context—the division among the Sarawak Malays—that Datu Bandar's statement about personality conflicts when PANAS left the Alliance in April 1963 has its relevance. They were divided; and non-Malay parties were quick to exploit this split within the community and attempt to woo Malay leaders into their ranks.

Soon after the formation of Malaysia, communal politics dictated that the Malay-based parties should endeavour to associate themselves with other like-minded organizations. Datu Bandar was among the first Borneo leaders to make a study tour of the Federation of Malaya during the formation of the federation; and after making his party the first in Sarawak to come out in support of the Malaysia plan as well as vigorously assisting in its realization, word circulated that PANAS was going to be integrated with a West Malaysian party. Hopes were held that PANAS, 'as a segment of UMNO, would automatically be part of the ruling Alliance in Malaya. This would also mean that the Party Negara would "most probably" switch to the ruling Sarawak Alliance and sit with the Government members in the Council Negri.'[27] It transpired that the intention was to merge PANAS and BARJASA before union with UMNO was effected. A *pro-tempore* committee consisting of six officials from the two Sarawak parties was formed to investigate the possibility of merger and thereafter the creation of an UMNO branch in the state. A spokesman for the committee declared 'that it was definitely certain that a Branch would be set up. He said that all members of both parties have agreed to dissolve their parties and to establish themselves as one UMNO Branch.'[28] But in May 1964, when Tun Abdul Razak was to have opened the branch, the inauguration had to be cancelled because it was

[24] See R. Payne, *The White Rajahs of Sarawak*, Robert Hale Limited, London, 1960, Chapters VIII and IX; see also footnote 4 of Chapter I above.

[25] See A. Brooke, *Perihal Sarawak Yang Sebenar-nya*, Nanyang Press, Kuala Lumpur (n.d.). Anthony Brooke was a nephew of Vyner Brooke and clearly felt disappointed about the cession. Nevertheless, Ainie bin Dobi could still relate to the present writer, in November 1969, how strongly against cession a number of Malays were as late as 1949 when Ainie's brother was involved in the fatal stabbing of the second British governor, Duncan Stewart, on 3 December at Sibu.

[26] See Tilman, 'The Sarawak Political Scene', p. 416; and Means, op.cit. p. 381.

[27] *Straits Budget*, 22 Jan. 1964, p. 17.

[28] *Sarawak Tribune*, 9 March 1964, p. 1.

found that BARJASA needed a few more months to obtain the concurrence of all its branches for dissolution. Then the unexpected happened when in October that year the federal Assistant Minister of National and Rural Development, Abdul Rahman Ya'kub, who was also a BARJASA leader, disclosed: 'Plans to dissolve the two parties and form a branch of UMNO in the state were being discouraged. UMNO's General Assembly recently decided that it would be better for the two Sarawak parties to form a new party within the Sarawak Alliance.'[29]

In point of fact, the division among the Sarawak Malays was still as serious as before. Apart from traditional antipathy dating back to the 1946 cession, there were BARJASA members who would not readily forgive PANAS for past grievances, including the latter party's walk-out from the Sarawak Alliance and unholy coalition with SUPP in 1963. It was this divergence between the two Malay-based parties which gave Dato Ningkan power during and immediately following the land-bill crisis of May 1965. Even Pesaka declined to be closely associated with the Malay-based parties in that crisis. But despite its own West Malaysian provincialism as evidenced by its refusal to admit PANAS and BARJASA as a branch, UMNO, the most powerful of the three Alliance partners, was certainly not averse to helping the Sarawak Malays put their political houses in better order, especially if they were willing to learn and co-operate. As will be seen below, this was what actually happened when PANAS and BARJASA joined forces and, assisted by Pesaka, ousted Dato Ningkan in September 1966. Two months later Malay solidarity in Sarawak was achieved when Party Bumiputra was established in November. Thereafter indigenous-based parties continued to rival each other, but Iban ascendancy was lost when SNAP went into the opposition while Bumiputra and Pesaka enjoyed support from the ruling national Alliance. Sarawak politics remained communal, and it was largely for that reason that SUPP adamantly remained on the opposition side until 1970. It was not because of deep ideological differences in the modern Western sense that Sarawak political parties preferred to be in the opposition during the 1963 to 1970 period; it was rather more because of the difficulty in fulfilling their distinct ethnic goals within the ruling group which forced them to weather out in the political wilderness. Certainly, if there had not been deep communal cleavages SUPP would not have gone out of its way to fraternize with the non-Malay parties in the MSC; if there had not been distinct ethnic considerations and priorities the indigenous-based parties of Sarawak would have evolved a common ground long before 1970. As it was, the formation of Party Bumiputra was not only a reaction to non-Malays in general but also a realization of the potentiality of Iban ascendancy as demonstrated by Dato Ningkan in 1965. To say that Sarawak politics has been communal is not, however, to imply that there has not been any non-communal development. Suffice it to say here that SUPP's entry into the Sarawak Alliance in July 1970 indicates the emergence of a new political pattern in this lively state of the federation—the toning down of communal politics and the progressive realization that state and national interests should, as far as possible, be given precedence over sectional party interests.

[29] *Straits Budget*, 7 Oct. 1964, p. 19. As evidence of their willingness to foster solidarity between Sarawak and West Malaysia, individual members of PANAS and BARJASA had by this time gone so far as to write to UMNO headquarters requesting that they be accepted as members.

Bumiputera Unity in Sabah

The formation of the Sabah Alliance in August 1962 left the state with virtually no opposition party. This does not imply, however, that there were no political differences in the state. It must be remembered that, more so than in the case of Sarawak, the Alliance in Sabah was formed initially to project a common front on the Malaysia proposal. It was least of all an ideological union, as demonstrated by the fact that its component parties had to agree to disagree in order to sustain the organization. Within the individual parties of Sabah strong communal feelings existed and ethnic considerations prevailed over any need to establish ideological platforms. The political arena was dominated by UNKO/UPKO and USNO from 1961 to 1967. Unlike Sarawak, where the major ethnic groups were each shared by at least two parties, Sabah reduced its complexity and by the time the Sarawak land-bill crisis was erupting there were only USNO, UPKO and SCA broadly representing the

Malay-Muslims, Kadazans and other non-Malay indigenous groups, and the Chinese respectively. Political conflicts were polarized around UPKO and USNO while SCA took sides as suited it and at times held the balance of state power.

The first serious contest for power occurred in June 1964, a year earlier than in Sarawak, following electoral college elections to fill in fourteen seats in the Legislative Assembly. The right to form the new cabinet became a bone of contention. As the party claiming the largest membership, USNO insisted that it be allowed to choose the new government. The post of Chief Minister had been occupied by the UPKO president, Dato Donald Stephens, since Malaysia Day; but because of rivalry between the two parties, allowing USNO to form the new government would inevitably mean the wresting of that chief executive post from UPKO. Demonstrating their loyalty to the new federation, Sabah Alliance leaders flew to Kuala Lumpur and Dato Stephens hopefully said, 'We are going to see the Tunku to ask for his advice but the final decision must come from the National Council. We have asked to see him as the father of us all and naturally his advice will carry a lot of weight in our deliberations.'[30] The Sabah Alliance National Council had in fact made an earlier important decision which now bore directly on the cabinet crisis:

> Dato Stephens' United Pasok [*sic*] Kadazan Organisation is believed to have a following of almost half the native population of Sabah. Many of them feel that arrangements made by the Sabah Alliance National Council whereby the Yang di-Pertua Negara was chosen from USNO and the Chief Minister from UNKO should remain unchanged.... This arrangement was only reached a few days before Sabah gained independence by joining Malaysia. It has remained in force since then although it appeared likely that a change might have to be made when Dato Mustapha bin Dato Harun announced his intention of giving up the post of Yang di-Pertua Negara last January.[31]

The Sabah leaders saw the Prime Minister, enough goodwill prevailed and the Tengku, in true fatherly fashion, said, 'All they have to do now is to shake hands and carry on with the same set-up again.'[32] Dato Stephens remained Chief Minister while USNO accepted the Deputy Chief Minister's portfolio which until then was held by the Pasok Momogun leader, G.S. Sundang. It is interesting to note that the main Chinese party, SANAP, refused to take sides during this first cabinet crisis, its leader, Khoo Siak Chiew, maintaining that his party did not want the job of Chief Minister.

It is clear that the first cabinet crisis was settled mainly by the willingness on the part of the Sabah Alliance leaders to compromise. If Pasok Momogun and SANAP had also been outspoken the conflict could have led to more divisive tendencies in Sabah politics. But where there was smoke there was fire; and when USNO and UPKO precipitated the second crisis barely six months later, there were plenty of fireworks. More than the first crisis, also, the second one underlined the preoccupation of the two contending parties with issues which were of ethnic-communal relevance. It is to be noted that while USNO appeared uncompromising on what it considered as Malay-Muslim rights in Sabah, it was mainly because of this attitude that UNKO and Pasok Momogun decided to finalize their merger within a week after the first cabinet crisis. Notwithstanding this rivalry, USNO agreed to confine disagreements within the Sabah Alliance in the early part of the second crisis. Led by Datu Aliuddin bin Datu Harun while his brother was the Yang di-Pertua Negara, USNO issued a press statement and *inter alia* declared:

> It is not true that the USNO is against a Malaysian of Sabah origin being appointed as State Secretary. A lot of misreports have appeared in the press mainly played up by interested parties giving the impression that it is because the USNO is opposed to the selection of the State Secretary by the Chief Minister that the crisis has occurred now in the Alliance. Nothing is farther from the truth. ...We have always advocated that a Malaysian of Sabah origin should be the State Secretary. In fact it was the USNO who had been more vociferous about it than any other political party.[33]

The Borneanization of the post of State Secretary was one of the main issues which brought about

[30] *Sabah Times*, 8 June 1964, p. 3.

[31] *Straits Budget*, 10 June 1964, p. 17. Datu Mustapha remained Yang di-Pertua Negara until September 1965. See footnote 40 of Chapter III above.

[32] *Sabah Times*, 12 June 1964, p. 1; *Straits Budget*, 17 June 1964, p. 10.

[33] *Sabah Times*, 1 Dec. 1964, p. 3. See also footnote 44 of Chapter III above.

the crisis. The president of UPKO, Dato Stephens, as Chief Minister, had chosen John B. Dusing for this top position in the Sabah civil service: 'He chose him from three names submitted to him by the Public Service Commission. Mr. John Dusing was third on the list.'[34] The UPKO president said that he made his choice as such because the other two candidates—Leong Ah Khoon who later became the first local officer to hold the post of Resident and William Lim who resumed his position as permanent secretary to the Ministry of Finance—declined to serve and was too valuable respectively. It was reported, however, that the former did not decline, while it was felt that the latter should not have been penalized merely because he was valuable in his position in the Ministry then.[35]

From hindsight, it is obvious that USNO sought to penalize the UPKO president for his choice of State Secretary. The former threatened to make a motion of no confidence in him in the Legislative Assembly.[36] The reason given for doing so was that the Chief Minister had neglected to consult the Yang di-Pertua Negara, Tun Datu Mustapha, many times since federation on important matters of state. At the height of the crisis Tengku Abdul Rahman commented, 'I was told that Tun Mustapha was never consulted on anything—even on the granting of State awards.'[37] Amidst the adverse allegations against the first Chief Minister of Sabah, UPKO landed an equally damaging threat that should the motion of no confidence be tabled in the state Assembly it would introduce a similar one on Tun Mustapha. The UPKO counter-motion on His Excellency was backed with the allegation that as state ruler he had taken an active part in politics when he should have been constitutionally above anything political in Sabah. For a brief period, the two contending parties of Sabah displayed what they had learned of party politics and Westminster democracy from their British masters. The constitutional checks and balances available to them were being avidly utilized.

With the counter-motion by UPKO, a deadlock ensued. Once again the Sabah Alliance leaders gathered their papers and booked their flights to Kuala Lumpur to see 'Bapa Malaysia' (Father of Malaysia), namely Tengku Abdul Rahman, who again offered assistance and worked out a compromise. On the constitutional position of the Yang di-Pertua Negara the Tengku rather unconvincingly said, 'Sabah is different from all other States. It was agreed between all parties that the Governor enjoys not only constitutional status, but should also be a party man.'[38] In point of fact, the MSCC Memorandum on Malaysia, the IGC Report and the Malaysia Agreement were silent on this contention. If there had been such an arrangement it could only have been a gentleman's agreement as was the proviso that the Yang di-Pertua Negara should be chosen from USNO and the Chief Minister from UPKO. At all events, neither the USNO nor the UPKO motion of no confidence was cast. In a rare friendly intervention, leaders of the Sarawak Alliance, led by the Chief Minister, Dato Ningkan, offered to mediate when the Sabah leaders found themselves still in an impasse after their journey to the federal capital to see the Prime Minister. Following two days of discussions, the Sabah Alliance National Council met and reached full agreement. The Sabah leaders flew to Kuala Lumpur a second time and there the agreement was signed with the approval of the Prime Minister.

The outcome of this second and last major crisis in the Sabah cabinet during this period is no less significant than that of the first. The UPKO president had to relinquish his position as Chief Minister to make way for a SANAP man, Peter Lo, who took over on 1 January 1965. However, UPKO's Dato G.S. Sundang returned to his former post of Deputy Chief Minister. The increasingly important Minister of Finance portfolio went to Harris bin Mohd. Salleh of USNO. In so far as USNO saw the main stumbling block to the implementation of its aim of getting better cabinet representation in the person of the UPKO president, USNO's problem was solved when 'Donald Stephens was removed as Chief Minister and instead joined the Federal Cabinet as minister without portfolio *[sic]*.'[39] Dato Stephens, to

[34] *Straits Budget*, 13 Jan. 1965, p. 12.

[35] Ibid.

[36] *Sabah Times*, 15 Dec. 1964, p. 10.

[37] Ibid. p. 9.

[38] *Sabah Times*, 15 Dec. 1964, p. 10.

[39] Means, op.cit. p. 377. The inclusion of Civil Defence in the portfolio was necessitated by the need to maintain

be true, joined the Federal Cabinet as Minister of Sabah Affairs and Civil Defence; and, unlike the Minister of Sarawak Affairs who had not even a fixed address in Kuala Lumpur, the Minister of Sabah Affairs and Civil Defence had a supporting administrative Ministry in the federal capital. The Sabah cabinet reshuffle of December 1964 remained unchanged until the direct election in April 1967. The UPKO-USNO struggle for the two top political positions in the state, the offices of Chief Minister and Yang di-Pertua Negara, had resulted in the minority SANAP getting the most benefit. While the indigenous-based parties of Sabah scuffled, one of their two political footballs fell into the hands of their Chinese onlookers. It was a lesson in political strategy which both UPKO and USNO had to learn the hard way.

When the first Yang di-Pertua Negara, Datu Mustapha, announced his intention to resign in January 1964, the chairman of the then ostensibly non-political SCA, Chia Nyuk Tong, stated that almost every Chinese organization in the state had approached his Association, urging it to make representations to Datu Mustapha and asking the latter to remain in office. Said the SCA chairman, 'His Excellency is not only our spiritual leader but also the connecting link in the chain of racial unity and harmony in the State of Sabah'.[40] In effect, what worried the Chinese community at this time was the attitude of some UPKO leaders which could clearly be construed as being anti-Chinese; in many cases these leaders overlooked the significant political fact that the loss of Chinese support in the context of a three-party communal system in Sabah could mean relegation of UPKO into the political wilderness. This was precisely what happened to UPKO during and following the April 1967 state election. As for the Yang di-Pertua Negara, no resignation took place in 1964, for Datu Mustapha decided to remain in office 'to meet the people's wishes and for the sake of preserving good racial harmony in the country'.[41] But indicative of the SCA concern for Chinese rights in Sabah, Chia Nyuk Tong said a year later that his Association advocated the postponement of the first direct election 'because it felt that it would not be possible for the Chinese to vote without citizenship registration'.[42] It was thus for the sake of better cohesion among the Sabah Chinese that SANAP and SCA merged in May 1965 to establish a single political party by the name of the latter body. Inasmuch as SCA has continued to supervise Chinese needs while maintaining workable relations with other political parties in the state, and in so far as UPKO and USNO persisted in defending the respective interests of their Native supporters, it can be seen that, as in Sarawak, communal considerations had been uppermost in the implementation of party platforms. Only in a secondary sense did ideology play a part in the practical existence of the Sabah parties: unless of course communal feelings are equated with ideological considerations.

Unlike Sarawak, however, the division between the Malay and non-Malay indigenous parties of Sabah was not as complicated and variegated. It is to be noted also that Kadazan ascendancy occurred and declined much earlier than did Iban supremacy in state politics. Donald Stephens carried Kadazan political dominance up and down the political ladder with him. Indeed, there was hardly any other non-Malay indigenous leader who could and would succeed him in the first half of the 1960s. While Stephens played perhaps the greatest role in persuading Sarawak and Sabah to listen more to Malaya and thereby agree to come to terms and enter the new federation, it should not be overlooked that in Sabah politics he was also primarily responsible for Kadazan ascendancy in the state cabinet and administration from Malaysia Day until his transfer to the Federal Cabinet in January 1965. His departure marked the decline of that ascendancy and the rise of USNO as the dominant party able to work more closely than UPKO with the federal leadership. Never again was non-Malay indigenous leadership able to exert a commanding voice in state politics for the rest of the 1960s.

civilian order and confidence in the Government in the face of Soekarno's confrontation.

[40] *Straits Budget*, 5 Feb. 1964, p. 8.

[41] *Sarawak Tribune*, 2 March 1964, p. 12.

[42] *Straits Budget*, 27 Jan. 1965, p. 13. For the non-citizens, of whom there were many among the Sabah Chinese, they must have resided before Malaysia Day in the Borneo territories or after Malaysia Day in the federation 'for periods amounting to seven out of the ten years preceding' their applications before *inter alia* they could be registered. See the *IGC Report*, paragraph 18.

Notwithstanding that, there is a peculiar aspect of Sabah politics which should be mentioned. Despite the rivalry between UPKO and USNO, despite their glaring contradictions and despite their frequent squabbles, there were genuine attempts at patching up differences. Although the parting of the ways between Datu Mustapha and Donald Stephens occurred soon after Malaysia Day, the two Sabah leaders continued to be on good speaking terms, play games they had done almost like brothers for years and pay compliments to each other even when the public hardly expected them to do so. In the months following Malaysia Day personality conflicts between them were well-nigh irreconcilable as each strove to ensure that his party led state politics. Yet, even this early, trial-and-error period of Sabah statehood within Malaysia saw ample instances of attempts at minimizing disagreements. In the midst of rumours that Datu Mustapha was resigning from his gubernatorial post, thereby implying that he was re-entering active politics, Donald Stephens said, 'There have been differences of opinion of course but these have been thrashed out. If the UNKO and USNO split then that will be the end of the Alliance and this is the last thing that we want to do in Sabah.'[43] As noted earlier, USNO itself tried to keep disagreements within the confines of the Sabah Alliance during the earlier part of the second state cabinet crisis.

There was a consciousness among UPKO and USNO leaders that unless they co-operated politics in the state could not be fully beneficial to the *bumiputera* population of Sabah.[44] Despite religious, linguistic and other cultural dissimilarities between their supporters, indigenous leaders slowly but increasingly realized that if UPKO and USNO could pool their resources the state would have a stronger government and a better mandate to initiate and implement social and economic development programmes:

> The top USNO and UPKO leaders have always realised the need for native unity but the British colonial system of divide and rule had brought about the split among the bumiputras and this was maintained up to the advent of political parties in Sabah. I myself and the other leaders realised that if Sabah was to obtain independence, we had to speak with one voice where merdeka was concerned. Because of suspicion and fear latent in the minds of the communities in Sabah–long planted by the colonial regime–it was natural that each community should try to safeguard its own future interests and thus when Malaysia was first mooted the question uppermost in the mind of each community was: What future will my community have in Malaysia?[45]

Gradually but unavoidably UPKO leaders persuaded themselves that their distrust of USNO should be dispelled and eventually they should find ways and means of coming to terms with their Muslim and pro-Malay colleagues in Sabah. It so happened that UPKO was politically and financially heading for the doldrums following the exhaustive April 1967 state election.[46] While Tun Datu Mustapha and USNO were enjoying the confidence and support of the Federal Government, UPKO as the state opposition began to suffer from the defection of some of its elected representatives in the Legislative Assembly to the ruling Sabah Alliance side.

Rather than persevere with their apparently losing battle, UPKO leaders decided to realize their sentiments about bumiputera unity with USNO. As 1967 drew to a close, Dato Stephens crystallized his decision to dissolve UPKO and exhort its members to join USNO:

> An Opposition in a long-established democracy is a must but in a young country like Sabah we found that Opposition was leading to a rift which could be so wide that it could never be mended. The UPKO leaders also felt that Opposition was leading them towards an anti-Malaysian policy which if allowed to remain could lead to a breaking up of the Federation. They had all been for Malaysia and knew that Sabah's future was irrevocably tied to that of Malaysia. They had much to do with the birth of Malaysia and they wanted Malaysia to succeed. They feared also the rift between the bumiputra peoples of Sabah and, knowing that their future was tied to the future of the bumiputra people of Malaysia as a whole,

[43] *Sabah Times*, 18 Jan. 1964, p. 1.

[44] The term literally means *prince or son of the soil* and has been used synonymously with *indigenous* and *Native* in this study. There has been a recent tendency to spell it *bumiputra*.

[45] Dato Donald Stephens, 'Why The UPKO Was Dissolved', written in February 1969 by request of the present writer (manuscript copy).

[46] Dato Stephens was not only the political but also the financial backbone of the party. He donated heavily towards the party's election expenses of that year.

they felt that to remain in Opposition purely for the sake of opposing would only end in disaster.[47]

Dato Stephens frankly stated that there had been talks between UPKO and USNO about bringing the two parties together for the sake of bumiputera unity. But because there were himself and Tun Datu Mustapha at the top, pride among the leaders supporting them in their respective parties made compromise difficult. Although he travelled and discussed the decision to dissolve UPKO widely among the other leaders of the party, Dato Stephens said:

> I must point out that the decision was mine and made without coercion without any pre-arrangement with Tun Datu Mustapha or the USNO. All I asked and this was done through Dato Haji Mohd. Yassin was that after the dissolution all UPKO members who want to join the USNO should be accepted as members. I was told by Dato Yassin that this had been agreed to by the USNO.[48]

Whether it is true to say that the dissolution of UPKO on 10 December 1967 was a 'form of political capitulation'[49] is purely academic. Although the demise of the party came as a shock to many members, it is notable that only one branch (Tenom) voted against the dissolution. It was a measure of the confidence that the leaders held in Dato Stephens that he was able to carry the motion overwhelmingly. What might have escaped the attention of the abnegating UPKO leaders was that their very solidarity in voting for the dissolution demonstrated that their leadership and rank and file were by no means divided. The fear of mass defections might have been more apparent than real. Be that as it may, it is none the less true that both UPKO and USNO believed in some form of bumiputera unity in the state. This belief was thrown into bold relief by the second cabinet crisis which found both parties losing the post of Chief Minister to SCA. Increasingly, both parties believed in what Dato Stephens said, 'that their future was tied to the future of the bumiputera people of Malaysia as a whole'. It was mainly for this, after all, that they agreed to join Malaysia. Conflicts arose not because of divergence on this fundamental point but because of differing emphasis and methods in the implementation of the same basic goal.

Elections and Politicization

As in any society purporting to practise a democratic system of government, elections were employed in East Malaysia throughout the decade to allow the exercise of freedom of choice. Elections in the two territories were held for the first time only late in the colonial period. Although nominated membership in the Council Negri and Legislative Council did give the Borneo leaders valuable lessons in debate and legislative participation, the colonial power did not venture to hasten the implementation of the electoral process. It was argued that the peoples of Sarawak and Sabah were still too politically ignorant to be able to vote judiciously. It was not often stated that the ruling power's prolonged neglect of public education in the two territories was principally to blame for the widespread illiteracy and ignorance. Private bodies such as Catholic and Protestant churches and the Chinese school committees remained the chief providers of education to the children and youths of Sarawak and Sabah until a few years before the advent of Malaysia. It was only in 1956 that each territory received more attention from an organized Education Department; but only in 1960 did the colonial government make an effort to expand secondary education. Education, the basic ingredient of workable democracy, was still a rare commodity in Sarawak and Sabah when the Malaysia proposal was put forward in 1961.[50]

But once the proposal was accepted in principle, it was inevitable that political activities and decisions would increase in range and importance in the territories. The dilemma, therefore, was the lack of political awareness among the Borneo population. The democratization of the political process in Sarawak and Sabah had barely begun, especially so in the latter territory, when political emancipation through Malaysia was decided upon. In the event, the period from 1961 to 1967 was a time of trial and error in East Malaysian political development. Almost all the prominent Borneo leaders mentioned in this work undertook political roles which they had not ex-

[47] Stephens, op.cit.

[48] Ibid.

[49] Means, op.cit. p. 380, in reference to press views on the event.

[50] The political shortcomings of the peoples are discussed in J.P. Ongkili, 'Adult Education for the British Borneans', *Sabah Times*, 25 Oct. 1962, pp. 2 and 6.

perienced during the colonial period. A number reached the top echelon of political power by becoming state Ministers; yet there were those who rode the crests of state and national fame only to fall within a few years. The three years prior to 1970 were years of soul-searching for parties and leaders who had fallen from the corridors of power.

It would be speculative to consider what these fallen Borneo leaders think of their records during this decade. But one ventures to say that, whatever political errors or miscalculations they might have made, their shortcomings have not been entirely of their own making. The political environment in which they had to operate was raw and untried. They had to democratize the political process and at the same time promote their partisan views among the populations of their respective states. Not uncommonly, the result was imperfect. While many Borneo leaders freely admitted their abundance of practical experience, in spite of a lack of formal tertiary education, they were confronted with electorates that were predominantly illiterate and politically untutored. In the context of an independent Malaysia, the leaders nevertheless had to move their people to uplift themselves not only socially and economically but also politically. In other words, politicization had to be undertaken by the Borneo leaders who themselves were learning the process the hard way.

In no other way can the characteristics of East Malaysian politics be better gauged than through the elections which have been held in Sarawak and Sabah. In part, the rapid formation of political parties as seen earlier was the result of the introduction of the electoral machinery to the two territories. The leaders began to emerge and formulate their political ideas while the people slowly comprehended the value of their freedom of choice through the use of the secret ballot.

For the first time in its history, Sabah held elections in December 1962. These were at district level and were not completed until new councils had held theirs in March to May 1963 and April 1964. However, the main electioneering took place in December 1962 when members for four town boards and ten district councils were elected.[51] At first it was suggested that voting should be compulsory; but administrative inconvenience due chiefly to lack of communications and transport in the rural and inland areas made this impractical. Instead, mobile registration teams were organized by every district to cover the registration of eligible voters in remote areas. It was reported that about 90 per cent of the eligible voters were registered. During the voting period mobile polling stations were again organized and, on the whole, meticulously supervised and safeguarded from possible fraud or tampering. The people responsible in both states for the orderly and successful conduct of elections were the Residents and the carefully-selected election teams under the supervision of the district officers. These administrators worked to ensure that the electors made full use of their voting right.

By the time of the December 1962 elections the Sabah Alliance had been formed, and the only conspicuous opponents of this union of parties were the Independents. No clear reasons are available to explain why persons stood as Independents apart from the obvious one that they did not wish to subscribe fully or openly to the platforms of the existing parties. However, the reasons given by the UNMM in respect of persons who stood as Independents in the Sarawak three-tier elections of June 1963 would appear to be mainly true in the case of Sabah. These were delays in receiving before the closing time for nominations their authorization to use the symbols of parties they had chosen to stand for, or a person might have wished to stand for a particular party but that party had chosen its own candidate, and identification with a political or racial minority group might be thought to prejudice a candidate's chances of success.[52] Electorally speaking, it should be remembered that any single racial group would be in the minority compared to the rest of the population together in either state of East Malaysia.

A closer look will show, however, that among the components of the Sabah Alliance there were unresolved questions regarding the allocation of seats. It was due to this difficulty in meeting the electoral demands of each party in the Alliance that there were in fact inter-Alliance contests in

[51] See *Sabah Annual Report, 1963*, p. 220; and *State of Sabah Directory, 1966*, pp. 3–20.

[52] *UNMM Report*, paras. 106 and 107.

49 out of the total 137 district council wards in December 1962.[53] So-called 'friendly contests' among the member-parties of the Sabah Alliance began with this very first of Sabah's electioneering experiences. But every member party was conscious of the need to work together for the sake of realizing Malaysia; and it should not be overlooked that the Azahari rebellion in neighbouring Brunei helped to solidify the Sabah Alliance. Consequently, the Alliance won overwhelmingly, gaining 131 of the 137 seats. The remaining 6 seats were won by Independents who nevertheless subsequently joined the Alliance and thereby left a political stigma to future election candidates standing as Independents for the electorate tended to believe that Independents were erratic, and prone to cross over to the ruling party after election. The December 1962 district council elections of Sabah were the least ideologically orientated of all the East Malaysian polls held during the 1960s. The main issue during the campaign in the town boards and districts was the Malaysia proposal. Aside from this issue, voters were offered mainly choices of personalities rather than controversial political issues. In the town boards, questions pertaining to rates and other aspects of municipal services were more prominently brought up; but it should be noted that the pro-Malaysia candidates, here as well as in the rural district councils, stressed in their campaigns that the new federation would bring improvements in social welfare for their voters.

The majority of elected candidates were the established community leaders, those who had gained varying degrees of reputation during the British period. These candidates afterwards formed the four Residency Electoral Colleges from which 18 members of the Legislative Assembly were chosen; and from the Assemblymen the 16 Sabah representatives in the Dewan Ra'ayat were chosen. When all the council elections had been finalized in 1964, the membership was increased to USNO, 15; UPKO, 12; SANAP, 9; and Sabah Indian Congress, 1. However, the representation in Parliament remained unchanged.[54] This electoral arrangement remained unaltered until the direct state election in April 1967.

Meanwhile, Sarawak conducted very similar municipal and district council elections in June 1963. As observed earlier, communalism featured prominently in Sarawak politics during the early years of Malaysia. It was largely because of this ethnic orientation and emphasis that there were three main contenders in the 1963 elections —the Sarawak Alliance, PANAS and SUPP. The first two campaigned in support of Malaysia while SUPP argued that Sarawak should work for its own independence first before considering federation with other states. Again, the proposed federation received more attention than any other issue. Because SUPP opposed the proposal the outgoing but pro-Malaysia colonial government astutely manoeuvred to popularize the fact that this Chinese-based party was infiltrated by communists. Although the Sarawak parties tended to inject more concrete political considerations into their aims and objects, compared with the elections in Sabah, vote-catching was more important than ideology. While every party was clearly communally-based, each strove to persuade the electorates that it was multi-racial. Without exception, the Sarawak parties presented some candidates who were other than the dominant ethnic element which made up its majority support; and invariably this was a tactic employed to gain as many votes as possible from the other races in the territory. Apart from the three contesting parties, 412 candidates stood as Independents. Out of the total of 429 seats in 24 local councils, 73 were uncontested and thus returned unopposed candidates.

The distribution of seats at the conclusion of the elections was Sarawak Alliance, 138; SUPP, 116; Independents, 116; and PANAS, 59. As in the case of Sabah, many of the Independents subsequently joined the contending parties. Indeed, it has been suggested that a number of them were really candidates of those parties but stood as Independents for the reasons already mentioned.[55] As in Sabah, registration of eligible voters was smoothly done with the vigorous co-operation of the state administration. It was estimated that 84.6 per cent of these voters was registered. Voting was not compulsory but again mobile polling stations were used to cover the

[53] See K.J. Ratnam and R.S. Milne, *The Malayan Parliamentary Election of 1964* , University of Malaya Press, Singapore, 1967, p. 301.

[54] Ibid. p. 307.

[55] See footnote 52 above.

remote areas. In the subsequent selection of Council Negri members through the five Divisional Advisory Councils constituting electoral colleges for the purpose, 36 winning candidates were chosen. After a number of changes of allegiance, the elected membership of the state legislature was as follows: Sarawak Alliance, 23; PANAS, 5; SUPP, 5; and Independents, 3. In the Dewan Ra'ayat, Sarawak representation was Alliance, 17; PANAS, 3; SUPP, 3; and Independent, 1. With a few more changes of allegiance, the over-all arrangement continued to function until the state and parliamentary elections of 1970.[56]

Even though the mechanics and procedures of the December 1962 and the June 1963 elections in Sabah and Sarawak were cumbersome, not to mention confusing, the polls did help in the politicization of the peoples of those territories. The action of exercising their freedom of choice through the secret ballot was instructive to the Bornean voters. It became a lively talking point, and it was commonplace for an observer to encounter members of the electorates analysing or conscientiously debating the pros and cons of candidates in those elections long after the two polls had taken place. In general, it may be said that these two three-tier elections helped the voters of East Malaysia to realize and appreciate the potentialities of their voting rights.

But appreciating individual rights and putting it to the best use are not the same thing. One can profitably look at the April 1967 direct election in Sabah by observing how the electorate utilized their voting rights. The first thing to bear in mind is the fact that from the time Dato Donald Stephens left the Sabah cabinet and joined the Federal Cabinet in January 1965, politics in the state was largely a story of rivalry between UPKO and USNO. Both energetically set up new branches and campaigned hard not so much on purely political or ideological grounds but more so on ethnic, socio-cultural and state-federal standpoints. Although UPKO determined to remain in the Sabah Alliance, it was clear that it was losing manoeuvring ground while USNO was gaining the upper hand with the support of the SCA. While USNO had begun to suggest that UPKO be dissolved in order to achieve bumiputera unity and Dato Stephens himself had at one stage suggested a similar course of action, many UPKO leaders believed that they should first go to the people, fight the coming election in a 'friendly contest' to see whether they had the support of the electorate. This decision to test their popularity was by no means unwise, even though UPKO leaders appeared to have lost their grip on reality to some extent in the post-election period.

With the approach of the election, Tun Datu Mustapha resigned from his sedate but politically-frustrating post of Yang di-Pertua Negara, and Dato Stephens, as well as his protege and confidant, Peter Mojuntin, returned from their temporary 'retirement' to lead their respective parties. Unlike the district council elections of 1962, the direct election of April 1967 covered a wider range of contentious issues which promised to make the poll a lively one. UPKO and USNO quarrelled over political and administrative appointments, allocations of funds for development projects, poaching of party supporters, handling of timber concessions and annual licences, and aspects of the Twenty Points which UPKO considered were being eroded by the Federal Government.[57] These Twenty Points were the important issues which the Sabah leaders agreed upon were fundamentally needed and must be safeguarded when Sabah became a part of Malaysia. It was found after Malaysia Day that federalism to be effective and meaningful required the modification or even the gradual rescission of some of these safeguards. USNO tended to be more accommodative towards federal demands while UPKO proved state-rightist on these matters. The contenders in the 1967 election were the components of the Sabah Alliance—UPKO, USNO and SCA—and a number of Independent candidates.

While UPKO maintained that it wanted a 'friendly contest', USNO leaders rejoined that there would be nothing friendly about the election. In the event, the main contests were be-

[56] K.J. Ratnam and R.S. Milne have analysed the Sabah 1962 and Sarawak 1963 local council elections in more detail in op.cit. Chapter X.

[57] See Appendix I for the text of the Twenty Points. Although Sarawak leaders did not formulate a similar statement of their demands for constitutional safeguards, they agreed with almost all the issues and reservations embodied in the Twenty Points.

tween USNO and UPKO. There were 21 straight fights between the two parties out of the 32 contested and total number of seats. On the whole, SCA campaigned on the side of USNO. Apart from the contentious issues mentioned earlier, the other major reason for lively inter-party campaigns during the 1967 election was the inability of the Alliance leaders to arrive at a satisfactory compromise on the allocation of seats for the component parties before polling day. USNO and SCA wanted 18 and 6 seats respectively, leaving 8 seats to UPKO; but UPKO demanded 13 for itself and 13 and 6 for USNO and SCA respectively. The results proved UPKO to have been modest enough in its demand, for it secured 13 seats while USNO won 14, SCA 4 and the remaining 1 went to an Independent.

In the post-election weeks USNO and SCA proceeded to form the new state cabinet by more or less ignoring UPKO. The last thereupon went into opposition. In point of fact, UPKO was a strong opposition electorally. Certainly, governments have been known to have proportionately much smaller oppositions with the latter nevertheless remaining determined and undissolved. It is of course true that UPKO's

> very success complicated the problem of reconstituting the Alliance coalition after the election since USNO, the SCA and the Federal Government were more determined than ever to prevent UPKO from gaining a position in the Sabah Government from which it could upset the political balance or expand the base of its support.[58]

But every government is wary about a strong opposition and must do all it could to prevent such an opposition from overcoming it. Yet it was ironic, despite the argument about bumiputera unity, that such a formidable opposition as UPKO steadily lost its morale and eventually dissolved in December 1967. If ethnic unity among the bumiputeras of Sabah was of paramount importance, then it could be said that the dissolution of UPKO was a progressive step. On the other hand, if its dissolution was a political capitulation, then it was the dying signal of parliamentary democracy in Sabah; for it is the very essence of such a democracy that it must have an opposition. Bumiputera unity assumed that there should be no conflicts among the indigenous people of Sabah; but this was precisely where major problems arose because politics is essentially the interplay of conflicting forces. Nevertheless, the decision to dissolve UPKO and therefore the assumption that party politics should be kept out of bumiputera ranks; in fine the absence of an effective opposition up to the end of the decade, made post-1967 Sabah politics rather drab and routine despite sparks of political acumen which individual state leaders demonstrated from time to time.

Both Sarawak and Sabah made preparations for the nation-wide state and parliamentary elections of May 1969.[59] The elections were held in West Malaysia[60] but because of the 13 May disturbances which followed the completion of polling the whole country came under emergency rule and the scheduled polls in East Malaysia were suspended indefinitely.

But the political parties of East Malaysia did have ample time to campaign before the imposition of emergency rule. In Sabah, the state Alliance comprising USNO and SCA appeared singularly idle. The absence of an organized opposition was one clear reason for this; unlike the April 1967 poll in which all the three major state parties spent heavily in financing their campaigns, and many voters were the recipients of handsome bonuses, the Sabah parliamentary poll of May 1969 found USNO and SCA with little opposition after the disappearance of the state opposition in December 1967. For political purposes the solitary Independent candidates could be ignored, not only because the Sabah Alliance was so much more a monolithic body but also because the people of Sabah had developed an aversion to voting for candidates who stood as Independents. These so-called Independents had, with the exception of Yap Pak Leong who defeated Peter Lo in the 1967 election, shown themselves prone to join the winning group after an election. Indeed, an increasing number of East Malaysian politicians

[58] Means, op.cit. p. 379.

[59] The Sabah poll was only for parliamentary seats, as the state Assembly's life would only end constitutionally in 1972.

[60] The Alliance won 66, DAP 13, Pan-Malayan Islamic Party (PMIP) 12, Parti Gerakan Ra'ayat Malaysia (Gerakan) 8 and People's Progressive Party (PPP) 4 parliamentary seats. See K.J. Ratnam and R.S. Milne, 'The 1969 Parliamentary Election in West Malaysia', *Pacific Affairs*, Vol. XLIII, No. 2, Summer 1970, pp. 203-26.

were acquiring the tactics of West Malaysian opposition personalities who made good by first strongly criticizing the ruling Alliance and subsequently accepting comfortable offers and becoming a member of that ruling group.

The Sabah Alliance campaigned mainly by reminding the electorate of the social and economic advancement which the state had seen under Alliance banner since Malaysia Day. It gained backing from ex-UPKO leaders such as Dato Donald Stephens who flew home to Sabah from his post as High Commissioner for Malaysia in Australia and while attending the annual state harvest festival said, 'The people should remain solidly behind the Alliance Government'.[61] Others such as the then federal Minister of Sabah Affairs, Dato Ganie Gilong, and ex-UPKO state Assemblymen urged their supporters to maintain bumiputera unity by voting for the Alliance candidates in the 16 parliamentary constituencies. Whereas opposition rallies and campaign speeches were given publicity in West Malaysia, in Sabah there was an obvious embargo on such news. It was an unnecessary step and it only helped to strengthen fears that the state Alliance was deviating from the established principle of freedom of speech in a parliamentary democracy. When nominations closed, 10 Alliance candidates were returned unopposed. Polling in the remaining 6 constituencies began on 15 May but was suspended with the imposition of emergency rule in East Malaysia.

Sarawak continued its tradition of being more politically recalcitrant than Sabah. The Sarawak Alliance, as we have seen earlier, had continued to face problems after the ousting of Dato Ningkan in September 1966. The first direct election for the state was promised as early as Sabah's, but due to the relatively unsettled political atmosphere the national Alliance Government was in no hurry to verify its slender majority in Sarawak. Unlike the situation in Sabah, the Sarawak Alliance was faced with two formidable opposition parties, SUPP and SNAP. In the intervening years between the dismissal of Dato Ningkan and the holding of the state and parliamentary elections in May 1969, these opposition parties built up their numbers of supporters. They did not form an alliance, but it was obvious that both had a tacit understanding of the need to protect state rights from what they regarded as federal encroachments. Both tended to give way to the other when one of them appeared to be protecting the interests of the other. SNAP won four by-elections held in 1967 while the dissolution of MACHINDA in April that year saw a number of that party's members joining SNAP. To counteract this growing popularity of SNAP, PANAS and BARJASA not only merged to form Parti Bumiputra but also worked hard to keep Pesaka within the Alliance. Pesaka on the other hand found that SNAP was becoming too identified with indigenous aspirations while itself was charged with being increasingly pro-Kuala Lumpur. Thus Pesaka, realizing its virtual indispensability within the Alliance, managed to push through some of its important demands on behalf of the Iban and other indigenous communities. Despite their common membership of the Alliance, there had been antipathies between Pesaka and Bumiputra leaders, and one of the consequences of these in the post-Ningkan period was, 'after consultations in Kuala Lumpur, Inche Abdul [Taib] Mahmud, Secretary-General of Party Bumiputra, was removed from the Sarawak Cabinet and replaced by a more moderate spokesman for his party. This concession to native demands was sufficient to preserve the Sarawak Alliance at least for some time'.[62]

But Abdul Taib's shift to federal politics did not solve long-standing inter-party conflicts in Sarawak. As the 1969 elections approached, the classic problem of seat allocation reared its ugly head as it had in Sabah. There were 48 state seats for the taking. In the earlier part of the negotiations, the Sarawak Alliance agreed that the line-up of candidates would be 22 for Pesaka, 15 for Bumiputra and 11 for SCA. But a disagreement arose when both Bumiputra and Pesaka wanted to contest in the Kuala Rajang constituency which both Dato Rahman Ya'kub of Bumiputra and Wan Alwi of Pesaka wished to represent. The inability to reach an amicable solution led to an electioneering which was very similar to the Sabah campaigns of 1967. Pesaka was grudgingly allowed to campaign with the use of its own party sym-

[61] *Kinabalu Sabah Times*, 29 April 1969, p. 1; ibid. 14 May 1969, pp. 1-2 gives the proposed polling dates in the contested seats.

[62] Means, op.cit. p. 386.

bol while Bumiputra and SCA employed the national Alliance symbol depicting a sailing boat. As with the Sabah Alliance in 1967, the Sarawak Alliance components campaigned on their records as the ruling group of parties since Malaysia Day. But they also followed the federal tradition, by no means unfounded, of exposing and emphasizing the communist threat to the state unless the electorate returned the proven Alliance leadership to office. While attempting to accommodate indigenous demands, Pesaka had also to remind voters that the communists had been trying to stir up Iban nationalism against the federal leadership. SNAP and SUPP paid much attention to federal 'encroachments' on Sarawak affairs citing the deposition of Dato Ningkan and erosion of the Malaysia Agreement as examples. They spent heavily on their campaigns, determined either to obtain an absolute majority or capture enough seats to enable each to link up with one of the other parties to form the next state government. It was obvious that both sought to upset the existing party combination of the Sarawak Alliance. However, what promised to be exciting elections were postponed because of the 13 May disturbances in West Malaysia and the consequent emergency,[63] and they took place only a year later.

Happily for the nation, the return to normalcy after the Selangor riots was smooth and steady. While West Malaysians emerged from the disturbance period visibly chastened, East Malaysians welcomed the announcement by the Prime Minister, Tengku Abdul Rahman, that their suspended elections would be held 'within two months' from February 1970.[64] All the East Malaysian political parties were warned that they must avoid any use of violence or mention of racial issues if they wished to see the forthcoming polls to its completion. Sarawak went to the polls from 6 June to 4 July while Sabah did so from 21 to 27 June. The votes cast in the suspended elections of 1969 were destroyed. No fresh nominations were allowed except in cases where a candidate had died or been disqualified since the suspension of the elections. Election campaigns were prohibited, but candidates could distribute symbols or pictures of themselves and their party manifestoes.[65] In Sabah the Alliance romped home with the 6 remaining parliamentary seats. But in Sarawak the elections were more closely contested. A total of 308 candidates stood for the 48 state and 23 parliamentary constituencies.[66] The final results of the state election were Bumiputra, 12; SNAP, 12; SUPP, 11; Pesaka, 9; and SCA, 4. The parliamentary election finally produced the following outcome: SNAP, 9; SUPP, 5; Bumiputra, 5; Pesaka, 3; and SCA, 2. An Independent who won the Kanowit seat later joined Pesaka.

The results of the Sarawak elections placed the state Alliance in a tight position. It won only half of the total number of state seats, but one of its components, Pesaka, appeared to be not entirely immune to political wooing by the opposition parties. It appeared that negotiations were in fact held among SNAP, SUPP and Pesaka with the intention of forming an anti-Alliance alliance. But at this critical juncture Dato Abdul Rahman Ya'kub and other Bumiputra leaders succeeded in not only persuading Pesaka to join the Alliance, but, to the surprise of many, also winning SUPP to the Alliance fold. It actually was 'a bold gamble on the part of Yakub'[67] and the SUPP leaders to have come together after years of opposition. It was believed that SUPP felt that a coalition with the two non-Muslim indigenous parties would not lead to stability in Sarawak; and there were also unconfirmed rumours that the Federal Government would not be happy to see an anti-Alliance state government in recalcitrant Sarawak.

Be that as it may, the elections in East Malaysia have helped to develop the political consciousness of the electorates. If politics during the decade had developed along communal lines, that was the rule rather than the exception in the context of contemporary Malaysian political

[63] See Government of Malaysia, *The May 13 Tragedy*, Kuala Lumpur, 1969.

[64] *Straits Times*, 5 Feb. 1970, p. 1.

[65] *Borneo Bulletin*, 30 May 1970, p. 2; *Straits Times*, 9 May 1970, pp. 1 and 22.

[66] Because of the deaths of candidates, new nominations were called for the parliamentary constituency of Kanowit and the state constituency of Bengoh. The staggered polling days for these constituencies were 10 to 29 and 16 to 29 July, respectively. Similarly, fresh nominations were called for the Tuaran constituency, but closed on 10 June with only one valid nomination.

[67] Goh Cheng Teik, 'Sarawak: Yakub's Election Coup', *Far Eastern Economic Review*, 30 July 1970, p. 33.

evolution. That some negative aspects of politics, such as vote-buying and nepotism, had also emerged cannot be denied. But it is none the less true that politicization and the democratization of the electoral process also proceeded apace as a result of the elections. Today, one does not need to explain, even to the remote East Malaysian dweller, what an election means: even though he may quietly receive a bonus from his political wooers there is no telling how he would actually mark his ballot paper in the polling booth.

Bornean Chauvinism and Alliance Ascendancy

The emergence of modern political attitudes in East Malaysia in the 1960s was a blessing in the sense that it helped to broaden the outlook of the Borneans. But this political advancement took place side by side with manifestations of strong regional feelings in Sarawak and Sabah. Implied in the discussions on communal politics in Sarawak and bumiputera unity in Sabah was the problem of modifying Bornean sentiments so as to steer the East Malaysian leaderships gradually to accept the federal way of thinking. It is clear that the lessons acquired by Borneo leaders throughout the 1960s were principally those taught by the Alliance in West Malaysia. It was partly due to the influence of the Alliance in East Malaysia that Borneo parties which tended to adopt a more ideological standpoint such as the Democratic Party in Sabah and MACHINDA failed to attract any significant support.

The West Malaysian Alliance was the result of a compromise among the major racial groups in the hope that by bridging the communal gaps existing between them there would eventually evolve a body politic which, through the test of time and longevity in office, would become the political tradition of the country. Unfortunately, the environmental backgrounds of Sarawak and Sabah were more fluid and less developed than that of British Malaya. The fact that political development was accelerated only with the urgency of forming Malaysia had the effect of imposing a forced political maturity in the Borneo states, and even after Malaysia Day Borneo leaders often underwent trial and error periods in their political careers. It took Malaya almost ten years to learn to use and nurture a political arrangement which it popularized as the Alliance. The Borneo states never had such a decade in which to rally and politicize their peoples before the achievement of independence. In the East Malaysia of the 1960s the political process had to be learned the hard way, often by trial and error.

But to say that Borneo regionalism was strong is not to deny that East Malaysian leaders were loyal to Kuala Lumpur. On the contrary, most of the notable leaders of Sarawak and Sabah demonstrated their trust and willingness to cooperate with their federal counterparts. As has been seen,the first cabinet crisis led the Sabah Alliance leaders to fly to Kuala Lumpur to consult the Tengku in June 1964. The Chief Minister, Dato Stephens, then said in Singapore, 'We think our differences can be settled after we talk the matter over with Tengku Abdul Rahman, the father of the Alliance'.[68] During the second and more serious crisis in December that year, a Sabah daily commented, 'The wounds that have been inflicted on all fronts must soon be healed. For this the only solution is to accept the Tunku's proposal and turn a new leaf and a new order of life'.[69] In Sarawak, although Dato Ningkan denied on his return from Kuala Lumpur on 30 May 1965 that a round-table conference on the Sarawak Alliance crisis over the land-bills and the consequent dismissal of Abdul Taib and his BARJASA colleague, Awang Hipni bin Pengiran Annu, from the Supreme Council had taken place, it was obvious that the real solution to the crisis was settled in the federal capital:

> The presence of all Sarawak political leaders in Kuala Lumpur during the past week, including those of Pesaka, BARJASA, and Party Negara who had signed an agreement a fortnight ago to form the Natives Alliance, and the fact that they and the Sarawak State Alliance leaders all met together at lunch for discussions, lend support to the assumption that some sort of reconciliation took place in Kuala Lumpur.[70]

Age and political maturity were factors to which Malaysian leaders paid due regard. The fact that Malayan leaders had successfully guided their country to independence many years before the Borneo leaders began to wriggle out of their colonial cocoons and campaign for inclusion in

[68] *Straits Budget*, 17 June 1964, p. 5.

[69] *Daily Express*, Jesselton, 16 Dec. 1964, p. 2.

[70] *Straits Budget*, 9 June 1965, pp. 6-7.

Malaysia made it natural for the latter to look to the federal Alliance leaders for guidance and advice in the earlier years of Malaysia.

Yet it was somewhat ironic that, while soliciting such guidance and advice, the Borneo leaders from time to time also clashed with their federal mentors. In these clashes, both federal and state personalities had their share of blame and credit. The federal leaders knew that they had the ascendance over the state leaders of East Malaysia. But having played their part in persuading Sarawak and Sabah to become a part of Malaysia, Kuala Lumpur saw that the next job was to make federalism work by achieving common administrative and political approaches to problems and striving for a reasonable amount of uniformity between East and West Malaysia. It was felt that there should not be state Alliances in name alone; there needed to be infused into them the political paraphernalia which had gone to ensure the continuing victory of the West Malaysian Alliance over its sporadic opposition parties. State rights, important as they were, were at crucial times to be unobtrusively subordinated to federal considerations. Needless to say, this attempt at socialization of the Borneo Alliances so that these would conform with Malayan experiences since Merdeka met with chauvinistic reactions from East Malaysian leaders. SUPP leaders were constantly on the lookout for aspects of federal policy which could be characterized as shortcomings or discriminatory. But apart from this opposition party, the first serious division between Kuala Lumpur and an East Malaysian Alliance party occurred when Dato Stephens resigned as federal Minister of Sabah Affairs and Civil Defence consequent upon the separation of Singapore from Malaysia on 9 August 1965.

The announcement of the separation was a surprise to political observers of the Malaysian scene. Indeed, when Tengku Abdul Rahman made the separation broadcast he himself began by saying, 'Malaysians must have been most surprised when they heard that we have had to break away from Singapore'.[71] The Prime Minister went on to assure the people that, in so far as Sarawak and Sabah were concerned, 'We feel that the least we can do for them is to carry out development in a small way at least, because they have been so badly neglected during the time of the colonial rule'.[72] The statement was diplomatic and showed that the Tengku was aware of possible repercussions to the separation from the Borneo leaders. Some poignant reactions did come. As discussed earlier, SUPP paid due notice to the issue.[73] In Sabah, the severance of the political umbilical cord once thought to be indispensable between Singapore and Malaya caused a commotion in the state Alliance. UPKO leaders felt very dissatisfied 'over the Federal Government's failure to consult Sabah and Sarawak over Singapore's expulsion from Malaysia and fears of stronger Central Government rule at the expense of the greater local autonomy sought by Dato Stephens and his colleagues'.[74] Since he was committed to respect collective responsibility as Minister of Sabah Affairs and Civil Defence in the Federal Cabinet, Dato Stephens offered to resign from the presidency of disenchanted UPKO. The party's National Council held an emergency meeting and flatly rejected the Dato's resignation on the ground that he was in no way to blame for what happened *vis-à-vis* the Singapore separation. Clearly, these bumiputera leaders of Sabah were not only demonstrating how state-minded they were but also how successfully the politicization of the state was proceeding.

To temper the outspoken UPKO leaders, Dato Stephens went along with their call 'for a re-examination of arrangements made in respect of Sabah's entry into Malaysia in view of Singapore's separation from the federation'.[75] Two days later the Sabah Alliance appointed a ten-man committee to take up the UPKO demand for re-examination; but the move to question the agreed basis of Malaysia lost appeal soon after Tengku Abdul Rahman responded to the reactionary feelings by paying one of his usual visits during political crises in the Borneo states. The upshot was significant. By tendering his resignation from the Federal Cabinet, Dato Stephens severed his useful political ties with West Malaysian leaders. In so doing, UPKO also lost an important channel

[71] From a tape-recording in the possession of the present writer.

[72] Ibid.

[73] See footnote 10 of this chapter.

[74] *Borneo Bulletin*, 28 Aug. 1965, p. 1.

[75] *Straits Budget*, 25 Aug. 1965, p. 6.

of communication with the centre. From this time on, the party had to rely entirely on state support to retain its political strength. Its leaders unanimously re-affirmed their faith and confidence in the leadership of Dato Stephens. But it was obvious, too, that four years after he had emerged as the first definitely pro-Malaysia Borneo leader by chairing the MSCC meetings Dato Stephens had stepped on the toes of the very same federal leaders who so eagerly wished his co-operation to bring Malaysia to realization. Dato Stephens' resignation from the Federal Cabinet demonstrated the magnitude of problems associated in the process of making federalism work between East and West Malaysia. The pull of regionalism was strong but so was the determination of Kuala Lumpur to see that administrative and political inconsistencies existing between the two geographical divisions of the young federation were speedily eliminated.

While it was obvious that Dato Ningkan and his cabinet relied much on the services of the British officers, it cannot be denied that the Dato himself felt very strongly about the need to protect what he distinctly regarded as the rights of Sarawak. One example of this was his belief that Sarawak administrative posts should be filled by Sarawakians and not by West Malaysians. This made it imperative to retain the services of the expatriate officers longer, admittedly to the benefit of not a few of these Britishers.[76] But the Federal Government saw such a retention an impediment in the implementation of federalism inasmuch as the expatriates would tend to be conservative towards new changes from the colonial procedures they had grown so accustomed to. Dato Ningkan's unwillingness to submit to all federal wishes became obvious during the land-bill crisis of May 1965. He refused to cross to Kuala Lumpur immediately to take part in a conference with the Tengku and Tun Abdul Razak to settle the cabinet crisis. Instead, he spent days with Dato Temenggong Jugah in order to assure himself of the vital support of the latter whose Party Pesaka held the largest and decisive number of seats in the Council Negri. The crisis occurred nearly two years after Dato Ningkan was made Chief Minister-designate. He had cultivated much political sense, and when he emerged from the crisis triumphant it was noted that his 'decision not to go to Kuala Lumpur before he had secured Dato Jugah's support and his refusal to submit to pressures brought him a considerable amount of support within Sarawak, and Sabah's newspapers applauded him'.[77] Success without federal support was, however, difficult to sustain. Dato Ningkan's insistence upon formal BARJASA application for re-entry into the Sarawak Alliance and a personal pledge of loyalty from Abdul Taib Mahmud did little to dispel the worry of federal leaders that Ningkan was acting too independently. To let the state-rightist Chief Minister have his way meant that the preponderant powers of the Federal Government to influence state procedures, practices and developments so as eventually to evolve a more standard and simplified federal-state relationship would not be implemented in Sarawak. While Abdul Taib and Dato Ningkan could not see eye to eye, it should not be overlooked that the former's uncle, Abdul Rahman Ya'kub, was a member of the Federal Cabinet as Minister of Lands and Mines.

It was difficult to implement state-rightist policies, in fine, to demand the full observance of the IGC Report and the provisions of the Malaysia Agreement, without conflicting with the federalist predilections of Kuala Lumpur. When the second cabinet crisis of June 1966 erupted, federal leaders had achieved no better rapport with the Sarawak leadership. Dato Ningkan dismissed Abdul Taib Mahmud for the second time within a year and twenty Council Negri members flew to Kuala Lumpur to demand the resignation of the Chief Minister. The Federal Government took their words and prevailed upon the Sarawak Governor to utilize the state Constitution and declare that Dato Ningkan and his cabinet colleagues 'had ceased to hold office as members of the Supreme Council forthwith'.[78] Thereupon a new cabinet was formed on 17 June with Penghulu Tawi Sli as Chief Minister. But Dato Ningkan successfully sought an injunction in the Federal Court of the Borneo states restraining Tawi Sli from taking office on the

[76] British officers stayed longer in Sarawak than in Sabah. The State Secretary, the Financial Secretary and the State Attorney-General of Sarawak remained British until 1966. See *Sarawak Government Staff Lists, 1966*, Part I.

[77] *Straits Budget*, 9 June 1965, p. 7.

[78] *Sarawak By The Week*, 12-18 June 1966, p. 1.

ground that the dismissal of the Ningkan cabinet was unconstitutional. Dato Ningkan returned to his old desk as Chief Minister only to be pursued further by the Federal Government which promptly declared a state of emergency in Sarawak and on 19 September passed an act 'to enable two temporary amendments to be made to the Sarawak Constitution to restore order and end the power struggle in that state'.[79] As a result of the amendments which went through Parliament with the entire opposition walking out before voting took place in the Dewan Ra'ayat, Dato Ningkan went out of office altogether on 23 September. Like the first Chief Minister of Sabah, Dato Ningkan fell from office and power because of his insistence on matters which he considered to be peculiarly Sarawak's own right to administer.

Just as the dissolution of UPKO in December 1967 led to the emergence of a Sabah leadership which was in consonance with federal policy, so the appointment of Penghulu Tawi Sli and his cabinet in September 1966 began a peaceful period in Sarawak politics. SNAP and SUPP remained formidable as opponents, but the Sarawak Alliance itself managed to steer clear of a cabinet crisis until the state went to the poll in 1970. This does not imply that there are no more state-rightist leaders in East Malaysia; for Sarawak and Sabah leaders have shown that they could be favourable to federalist policies while maintaining that on certain issues they would wish to be given special consideration. When SUPP joined the Alliance in July 1970 it explicitly stated that it would vote with the latter only on matters which affected the national interest. The SUPP secretary-general, Stephen Yong, who had become a Deputy Chief Minister, added, 'But, in matters affecting the State and the Central Government or when a conflict arises between the State and the Federal Governments we will be on our own'.[80] The party's decision to come to terms with the Alliance was a significant factor; it demonstrated a progressive narrowing of the gap between those who saw and expressed Bornean chauvinism as though it was a birthright not to be subordinated to any other political considerations and those who viewed with increasing understanding the need to make a success of federalism by deferring as much as possible without jeopardizing state fundamental rights to federal requirements.

The wish on the part of federal leaders to ensure that in the long run the Alliance system, 'an intercommunal organisation, and not non-communal as is often claimed',[81] as it had successfully functioned in West Malaysia would also become the political tradition of East Malaysia ran against overt manifestations of Bornean regionalism. It is worth noting that the dismissal of Dato Ningkan was undertaken largely through the party machinery of the Alliance. The ousting was executed because, in the words of the national chairman, Tengku Abdul Rahman, Dato Ningkan's 'deeds were undermining the reputation of our Party and our nation, as well as demeaning the position of a Chief Minister'.[82] Yet it is equally significant to note that no rash or widespread reaction occurred as a result of the dismissal. This calm in part showed the ascendancy of the Alliance which increased and continued until the 1970 elections despite periodic muckraking within the confines of the union itself. But the rather quiet atmosphere surrounding the final dismissal of Dato Ningkan can also be attributed to the growing consciousness in East Malaysia of the need to explore possible avenues of co-operation rather than spend political and intellectual energy merely to highlight areas of disagreement. This does not mean that SNAP had no valuable points, for it had many, but merely indicates that state-rightist policies were gradually being deprived of their Bornean support. In a manner of speaking, the wind of chauvinistic Bornean political boats was being drawn into the wider sail of the Alliance.

In retrospect, it is obvious that both Dato Stephens and Dato Ningkan sincerely and faithfully wanted to lead and represent the interests of their respective states. They gave of their best, fervently hoping and believing that they were acting for the benefit of their people. Early in the days of independence within Malaysia, Dato Stephens thoughtfully said:

[79] *Straits Budget*, 21 Sept. 1966, p. 16.

[80] *Straits Times*, 18 July 1970, p. 15.

[81] K.J. Ratnam, 'Political Parties and Pressure Groups', Wang Gungwu (ed.), *Malaysia–A Survey*, Pall Mall Press, London, 1964, p. 337.

[82] *Sarawak By The Week*, 3-9 July 1965, p. 2.

> Confidence in the Federal System must be created and instilled in the people; we are proud of our State of Sabah, and proud of the fact that we have managed to obtain most of the Twenty Points we asked for during the Malaysia talks. The people must not be given the feeling that the Twenty Points are being taken away one by one, and that Federalism has no meaning and that Malaysia is a unitary state.[83]

A lot has happened since then. The UPKO had been dissolved and a number of its leaders had chosen to look at federalism from a more broad-minded angle. In the belief that it would help Sabah in particular and Malaysia in general, Stephens himself has embraced Islam and is now Tan Sri Mohammed Fu'ad Stephens.[84] So has former UPKO vice-president Ganie Gilong, who is now Dato Haji Abdul Ghani Gilong.[85] Both leaders have probably disappointed many of their supporters whom they earlier taught to be so conscious of state-rights; but both clearly hope and believe that in time these same supporters would understand their actions in striving to explain that the future of the Sabah bumiputeras 'was tied to the future of the bumiputra people of Malaysia as a whole'.[86] In Sarawak, where both SNAP and Pesaka have been inclined to be as chauvinistic as SUPP from time to time, indigenous, non-Muslim pride has not altered much from the sentiment expressed by Dato Ningkan in the early days of Malaysia:

> Because of existing social, economic and political circumstances, Singapore, Sabah, Sarawak entered Malaysia with respective constitutional safeguards specifically agreed to by the Governments concerned. Such constitutional safeguards were sought and obtained by the people of respective states, and should be regarded with understanding by leaders of various states within Malaysia.[87]

It is here that statements such as the one made by the Malaysian Prime Minister during the heightened period following the separation of Singapore proved disconcerting to chauvinistic Borneo leaders: 'The nation is made of 13 states and there is no special position for Sabah or Sarawak'.[88]

It has been suggested that in 'both Sabah and Sarawak the local communal divisions have not lent themselves to organization and linkage into the communal parties of Malaya. As a result a truly national political party has not emerged.[89] For Malaysia to remain a workable and progressive federation there is not the slightest doubt that there must be a continuing move towards Malaysianization in the Borneo states. Bornean chauvinism must perforce defer to the minimum requirements of federalism. In so doing, however, federalism must not be implemented in such a way as to force Malayan-tested dogmas and practices, however conducive these may be to national integration, down the sensitive throats of Borneo leaders. It should be borne in mind that, despite their chauvinism, East Malaysians have shown during the 1960s that they are willing to keep their part of the bargain, namely that they would support and give of what they could towards the maintenance and stability of the federation. Given, therefore, a constant measure of awareness among federal leaders that the peoples of Sarawak and Sabah are Malaysians but that they still differ in certain areas of sensitivity and political susceptibility from their fellow-countrymen in West Malaysia, there is no reason why the two sides will not continue to build a workable, harmonious and prosperous Malaysia.

[83] *Sabah Times*, 6 April 1964, p. 3.

[84] See *Kinabalu Sabah Times*, 6 Jan. 1971, p. 1, for an account of the conversion of Tan Sri Fu'ad and his family.

[85] See *Borneo Bulletin*, 12 Sept. 1970, p. 10. Nearly a year before his conversion, the Dato told the present writer that if it would help to solve Malaysia's problems he would gladly take his family and embrace Islam.

[86] See footnote 47 of this chapter.

[87] *Sarawak Tribune*, 1 Jan. 1964, p. 2.

[88] *Straits Budget*, 25 Aug. 1965, p. 2.

[89] J. Grossholtz, 'The Rise and Demise of *Konfrontasi*: Impact on Politics in Malaysia', *Asian Studies*, Vol. VI, No. 3, December 1968, p. 337.

VI
SOCIO-ECONOMIC DEVELOPMENT WITHIN MALAYSIA

THE promise of a prosperous Malaysia was one of the encouraging factors which persuaded the peoples of Sarawak and Sabah to join with their Malayan neighbours to form the new federation. Following the two regimes of the Brooke family and the Chartered Company, in post-war years the British colonial government initiated social and welfare developments during the seventeen years that it ruled the two territories. But in terms of overall economic development, that is to say the modernization of the economies of the territories, the records of these three past regimes left much to be desired. The fact that people the world over called Sarawak and Sabah 'territories' instead of 'countries' even during the formation of Malaysia demonstrated the underdeveloped (to borrow another popular term) nature of these areas of Borneo prior to their entry into the new federation. The great mass of Borneans were still inhabitants of rural areas in 1961.

The Colonial Background

The colonial governments practised deficit spending in Sarawak and Sabah. The territories had to strive to achieve economic self-sufficiency because it was not the intention of the colonial regime to pay out sums from the United Kingdom to finance its Asian dependencies. If at all, the aim was to obtain economic returns from such dependencies for the benefit of the Mother Country. However, the territories did receive some financial grants. By 1956 Sarawak had received from the Colonial Development and Welfare Schemes grants totalling $3,253,703.[1] Funds from the same source also financed 90 per cent of the capital cost of establishing research services, principally in the field of agriculture, and 75 per cent of the recurrent costs of these services. In 1956 a five-year Development Plan was in fact drawn up, but the possibility of good results was seriously hampered by an acute shortage of trained personnel. It was recognized that the colony could best be developed along agricultural lines; but it was precisely in the Department of Agriculture that recruitment of qualified officers proved most difficult. It may be added, however, that the physical and economic geography of Sarawak did not lend itself to promises of rapid returns. There were wide areas of peat swamps covering the lowlands, and even rubber brought meagre investment incentives or returns compared to those of Sabah and British Malaya. It is conceivable that the colonial government did not see fit to embark on ambitious training programmes for personnel for the Department of Agriculture and other branches of government unless such ventures would ensure at least some remunerative returns either to British commercial circles and firms or to the Mother Country as a whole. One cannot dispute that humanitarian feeling did influence British policy in Borneo after the Second World War, but neither can we believe that Britain had foregone her policy of acquiring materials and fuel for her industrialized economy.[2]

At the end of the colonial period it was noted that although the establishment of the Department of Agriculture had increased from six in 1956 to eleven in 1962 vacancies had existed throughout this period and made the maintenance of agricultural organizations in the five Divisions of the colony at the required level difficult. Established in 1958, the Sarawak Development Finance Corporation (SDFC) provided financial credit for agricultural undertakings; and at the time the territory joined Malaysia there was an intention to expand the role and activities of the Corporation. But as of the end of 1962 the colonial government had issued loans totalling only $289,228. That the government was particularly interested in crops which brought speedy returns to mostly alien investors such as British and Chinese firms can be seen from the fact that the bulk of this sum went towards the main-

[1] *Sarawak Annual Report, 1962*, p. 111.

[2] See T.S. Ashton, *The Industrial Revolution, 1760-1830;* and J.D. Chambers, *The Workshop of the World*, Oxford University Press for The Home University Library, Nos. 204 and 246.

tenance of high-yielding rubber estates, pepper crops, mixed farming with fish ponds and equipment for a sago factory. Furthermore, a sum amounting to $3,401,119 by 1962 had been lent in the form of short-term advances to pepper exporters in connexion with the bulk storage of pepper, a principal dollar earner for the colony, prior to export. Other than these activities, however, Sarawak did not by any means experience an agricultural revolution during its period under the British rule.

After the depredation caused by the War, development in Sabah took place along similar lines. A reconstruction and development plan for the period 1948-1955 was adopted and subsequently a further development plan for the years 1956-1960 was approved. Like Sarawak, Sabah received grants from the Colonial Development and Welfare Schemes, and in 1962 these totalled $4,643,442.[3] The two colonies were similar in another important respect. While development expenditures were provided for in their budgets, any excess over their annual revised estimates went into their reserve budgets—the Development Fund in Sabah and the Capital Fund in Sarawak.

From these Funds expenditure on rural and agricultural projects, social and welfare programmes and other developmental activities were derived. Increasingly, there were also other sources of funds, such as aid under the Colombo Plan, United Nations agencies and private foundations, which could not be considered as contributions by Britain alone. A further five-year plan for Sabah was drawn up in 1960 to continue the tasks undertaken during the period of the two earlier plans. This 1960-1965 Sabah Plan called for funds totalling $150 million; and at about the same time Sarawak was implementing its 1959-1963 development plan which was estimated to require $160 million.[4] It therefore cannot be denied that a more modern approach towards financing the development of the territories had been initiated by the colonial power in Sarawak and Sabah during the 1950s. By this time Britain had in effect become sensitive to world opinion on colonialism.[5] She realized, especially from 1956 onwards, that if she were to leave a dependent territory it was best to do so magnanimously; and such a departure could best be achieved by modernizing to an appreciable extent the administrative and social structures of the territory. Yet even in the cases of Sarawak and Sabah the generosity of the colonial power did not extend to the point of modernizing the territories. From the economic point of view, perhaps the greatest drawback was that the colonial governments saw it fit to adhere to budgets of self-sufficiency when it was clear, especially in the late fifties and early sixties, that only surplus spending could possibly expand and modernize the economies of the two territories.

If there were problems in implementing research and development programmes in the agricultural sector of the two economies, the question of progressively industrializing those economies was even more remote. At the end of the colonial period, the Sarawak Government could provide no more than the following apologia:

> There are no statistics showing the composition of investment by industries, but so far as composition by sectors is concerned, it may be assumed that direct investment in industry is, apart from electricity and water supplies, almost wholly in the private sector. Public sector investment is concentrated on the provision of the economic infra-structure and on investment in agriculture.[6]

Much lip-service was paid to industrialization and the great benefits it could bring to the people, but actual development along this line was negligible during the colonial period. The government was constrained to admit at the end of that period that 'it cannot be said that it yet constitutes more than a start in changing the pattern of production'.[7] It is difficult to escape the conclusion that Britain had no great wish for industrialization to take place in colonial Borneo at all.

While Sarawak could do little to alter the agricultural basis of its economy, Sabah was in no better position. Like Sarawak, it had to grope for solutions in order to redress a perennial unfavourable balance of trade. There was an un-

[3] *Sabah Annual Report, 1963*, p. 22.

[4] See Government of Malaysia, *Sabah*, Department of Information, Jesselton, 1964, p. 13; and *Sarawak Annual Report, 1962*, p. 24.

[5] See Chapter 1 above.

[6] *Sarawak Annual Report, 1962*, p. 139.

[7] Ibid.

avoidable need to import all manufactured goods. At the end of colonial rule, the government complacently stated:

> Imports of machinery for development purposes were twenty-five per cent greater than last year, which augurs well for future development. Imports of building materials almost doubled compared with previous years, and reflect the 'boom' in building that gathered momentum just over a year ago. Imports of textiles and wearing apparel, after remaining fairly steady for several years, increased by forty per cent over the previous year's highest figure, indicating an increasing level of general prosperity.[8]

The statement adequately proved the total absence of industrialization and the utter dependence of Sabah upon primary products. As in other colonies, the colonial power had kept the territory almost exclusively as a producer of raw materials. It could be added that those imports of machinery and other so-called 'development' materials were undertaken primarily to assist long-established overseas firms which controlled the commercial life of the territory. There was a 'boom' in Sabah indeed, but it was hardly one which benefited the local people. It was this absence of remunerative participation in the boom which partly explains the ease with which the then Malayan leaders were able to persuade the Borneans of the benefits which would accrue from rural and industrial development programmes within Malaysia.

Malaysia as a Socio-Economic Proposition

When the Malaysia proposal was mooted in 1961, the main products as well as export earners of Sarawak and Sabah were rubber, timber, pepper, copra, palm oil and sago. Rice, of course, had been grown since people began a sedentary life in Borneo, but even in the 1960s it was insufficient for local consumption. In Sarawak, where the figures for export income determined the insolvency or viability of the Government, the values of the main export products during the formation of Malaysia were as follows:[9]

	1961 $	*1962* $	*1963* $
Rubber	83,256,933	72,597,147	69,575,265
Timber	41,597,302	40,835,364	53,717,257
Pepper	28,645,535	23,886,852	22,390,704

It can be seen that for the three years immediately before the establishment of Malaysia, with the exception of a slight rise in the value of timber in 1963, the export income of Sarawak was declining. It should be pointed out that the colony also derived re-export income of crude oil from Brunei; but during the same period oil production in that sultanate was diminishing. Moreover, there was no inviolable guarantee that, given funds and foresight, Brunei would not one day build its own facilities for oil tankers and thus cease to pump its crude oil to the Lutong refinery across the border in Sarawak. In 1962 there was an unfavourable balance of trade amounting to $22.6 million, while in 1963 this increased to $54 million.[10] Taking this adverse economic condition into consideration, it is not difficult to see that the hope of economic betterment within Malaysia was one of the crucial factors which influenced the leaders and people of Sarawak to join the new federation.

In the case of Sabah, the export income position over the three years preceding Malaysia Day was not as acute as that of Sarawak. But even here there was a downward trend in values as can be seen from the following figures for the three principal export commodities of the colony:[11]

	1961 *(million $)*	*1962* *(million $)*	*1963* *(million $)*
Timber	102.8	122.1	150.6
Rubber	41.2	36.7	32.1
Copra	27.1	18.5	17.6

While timber was rapidly becoming the chief export earner of Sabah, it should be borne in mind that this product was monopolized by no more than a dozen big concessionaires and a small number of lucky annual licence-holders. The bulk of the population of the state, both

[8] *Sabah Annual Report, 1963*, p. 42.

[9] Figures for 1961 and 1962 are taken from *Sarawak Annual Report, 1962*, p. 37; those for 1963 are from *Sarawak in Brief*, p. 5.

[10] *Sarawak Annual Report, 1962*, p. 46; and calculation from figures in *Sarawak in Brief*, p. 5.

[11] See *Sabah Annual Report, 1963*, p. 37.

before and after Malaysia Day, depended for its livelihood and economic survival on sources other than the internationally-known timber of Sabah. The numerically largest community, the Kadazans, were predominantly rice-growers while the majority of the rest derived their slender incomes from government service, the private sector or small-holdings of rubber, the growing of coconut palm for the production of copra, vegetable farming and other less profitable agricultural occupations. As noted above, the prices of rubber and copra were declining during the crucial years when the new federation was being formed. Prices for the fourth important product, hemp, were no better over the same period: 4.8, 3.2 and 3.8 million dollars respectively. The Sabah Government, commenting on the trading position of the territory, stated that in 1963, 'There was an unfavourable balance of $29.9 million compared with an unfavourable balance of $4.2 million in the previous year'.[12] Economic considerations played an eminent part in Sabah's decision to join Malaysia.

With the exception of timber, all the export products of Sarawak and Sabah were vulnerable to fluctuations in world commodity prices. In fact, while Britain remained the governing power such fluctuations did not hit the territories so seriously inasmuch as Britain shielded them with her sterling bargaining power from the merciless tariff discrimination of the developed countries. But this colonial protection rendered the Borneo economies all the more vulnerable once that British shield was taken away. Much of this development became obvious only after Malaysia Day; but it is notable that the declining state of the Borneo economies made it difficult for the deficit-spending colonial governments to realize any major developmental success during the formation of Malaysia. Indeed, it was apparent that the Borneo leaders grew conscious of this situation and sought to find solutions for the prevailing slump in their export earnings. Many came to believe that economic succour would be forthcoming from Malaya and Singapore if they joined the new federation.

In contrast with the Borneo economies, the situation in Malaya had been favourable and promising. Ever since the Federation gained independence in 1957 the Malayan economy had been enjoying boom conditions which her multi-racial population could largely attribute to its energy, developing skills and ability to maintain harmonious relationships. It is true that, like Sarawak and Sabah, the rubber and tin of the peninsula were susceptible to fluctuations in world prices. But the proven stability of the Malayan dollar alone had been responsible for the Borneo economies channelling their export commodities to Malayan and Singapore markets. There was no reason to believe that within Malaysia Sarawak and Sabah would not continue to derive substantial foreign exchange through closer association with that established dollar area. This view was held especially by the business-minded community leaders; but even among those who had scant knowledge of economic planning and trade wars the socio-economic advancement of independent Malaya was obvious.

The three years immediately before the inauguration of Malaysia were also the first three years of the Federation's Second Five-Year Plan. Adopted in January 1961, this Plan envisaged 'total development outlays of $5,050 million–$2,150 million of public investment and $2,900 million of private investment'.[13] The Plan's five major objectives were to improve the levels of economic and social well-being of the rural population, to generate employment opportunities, to raise the *per capita* output of the economy and to protect *per capita* living standards against, specifically, the adverse effects of a possible decline in rubber prices, to diversify and industrialize the economy, and to improve and expand social services.[14] The total outlays were twice as much as that of the first Development Plan of 1956-1960.[15] By the first year of the Second Five-Year Plan, $70 million of foreign loans in the form of undrawn balances were being ploughed back with the agreement of the World Bank, the American Loan Fund, the Colonial Development Corporation and the Brunei Government. In addition, grants were forthcoming

[12] Ibid. p. 36.

[13] Government of Malaysia, *Interim Review of Development in Malaya Under the Second Five-Year Plan*, Kuala Lumpur, 1963, pp. 1-2.

[14] Ibid. pp. 6-15.

[15] See Federation of Malaya, *A Plan of Development for Malaya, 1956-60*, Kuala Lumpur, 1956.

from Britain and a number of Commonwealth countries.[16]

In the field of rural development, which drew a special attraction for the agricultural economies of Sarawak and Sabah, Malaya had established twenty-three land development schemes throughout the peninsula, thereby allowing 8,000 families to settle down in an environment provided with often rudimentary but very educational social services.[17] New economic methods were being rapidly introduced through co-operative societies set up in these schemes. The popularization of new paddy-planting schemes produced record rice crops even during the first Development Plan. Extensive replanting of rubber was carried out and continued during the Second Five-Year Plan. Like the economies of the Borneo territories, Malaya's was dependent upon a very restricted number of commodities—indeed principally on rubber and tin for foreign exchange earnings. But the diversification programme was producing results which could hardly have escaped the notice of the Borneo leaders who streamed to the peninsula on study tours. The interim review of the Second Five-Year Plan stated in 1963:

> The economic future of Malaya cannot depend on rubber as heavily as in the past, since income from rubber is currently declining, despite increases in output. Diversification is necessary, and a many-sided programme to achieve this end has been undertaken. The acreage planted in oil-palm increased from 135,000 in 1960 to 153,000 in 1962, in food crops from 118,000 to 146,000. There were large increases in the production of poultry and poultry products. Additional work on fisheries has also been undertaken, as well as experimental work on tobacco and cocoa.[18]

The increasing prosperity of the Federation was a marked contrast to the declining outputs of the British Borneo economies of the early 1960s. Many of the Borneo leaders who visited Malaya believed that joining Malaysia would bring similar rural development and modernization to Sarawak and Sabah. Their hopes and enthusiasm were enhanced by the lavish promises of the Malayan leaders that if the Borneo territories became part of Malaysia the federal government of the new federation would undertake to uplift the socio-economic and political conditions of Sarawak and Sabah.

Malaysia was indeed an attractive economic proposition to the Borneo leaders and their peoples. The need to develop the rural hinterlands of Sarawak and Sabah were given considerable attention in the IGC Report. This political and constitutional basis of the Malaysia Agreement stated in respect of Sarawak:

> The Malayan Government agreed that the figure of $300 million should be accepted for planning purposes as the total of Federal and State development expenditure required in Sarawak for the first five years after the inception of the Federation of Malaysia, and, subject to the amount of financial aid which might be forthcoming from the British Government and to the general availability of funds, undertook to use its best endeavours to enable this amount of development expenditure to be achieved.[19]

Stephen Kalong Ningkan who had become the secretary-general of the Sarawak Alliance said that his group of parties fully endorsed the Report. SUPP, which was the only political party outside the state Alliance at the time, welcomed the Report and hoped that the funds earmarked for Sarawak would be utilized to assist the rural people. PANAS, which was to leave the Alliance soon afterwards, also felt satisfied with the Report and its chairman, Datu Bandar, opined, 'I cannot say anything better than that, as far as safeguards are concerned'.[20] He was commenting on the official Sarawak view that the Report contained generous terms safeguarding the interests of the territory.

Just before the IGC began its sub-committee and plenary meetings, the political parties of Sabah sat together to discuss, formulate and pen the Twenty Points which contained their major political and constitutional demands were the territory to become a part of Malaysia. The Twenty Points were presented to the chairman and deputy chairman of the IGC, Lord Lansdowne and Tun Abdul Razak, in August 1962. Even though the Sabah leaders did not demand any specific sum upon entry into Malaysia, it is significant that they stated in Point 11 that Sabah 'should have control of its own finance, develop-

[16] *Eastern World*, March 1961, p. 21.

[17] Ibid. June 1961, p. 21.

[18] Op.cit. p. 12.

[19] *IGC Report*, paragraph 24 (10).

[20] *Straits Times*, 1 March 1963, p. 18.

ment funds and tariffs'.[21] Implicit in this statement was the suggestion that, while the future state of Sabah would wish to be left as independent as possible in so far as financial matters were concerned, it foresaw the need for 'development funds' which the Malayan leaders had in fact intimated they were willing to use their best endeavours to obtain. When the IGC Report was published it was obvious that Sabah's hopes were not entirely forgotten:

> The North Borneo delegation mentioned that development expenditure in North Borneo should amount to $200 million during the first five years after the establishment of Malaysia in order to obtain a satisfactory rate of economic growth. The Malayan delegation noted this estimate and recognised that State resources under the proposed arrangements would be inadequate to reach this level of investment and that subject to the amount of financial aid which might be forthcoming additional funds from outside North Borneo would be required.[22]

The Sabah leaders unanimously accepted the Report on 13 March 1963. It was clear that they were more heartened with the financial provisions of the Report than were their Sarawak counterparts, some of whom only accepted the Report with reluctance. In adopting the Report, the chairman of the executive committee of the Sabah Alliance, Donald Stephens, said, 'The whole of Sabah will now welcome with joy the creation of Malaysia'.[23]

Socio-Economic Development, 1964-1965

After the formation of Malaysia, members of Parliament from Sarawak and Sabah flew annually to Kuala Lumpur to attend the budget session. At the first one since they became Malaysians, one member from Sarawak reflected the most urgent need of the Borneo states. The PANAS leader, Abang Othman bin Abang Haji Moasili, complained that the Federal Government had failed to keep its pre-Malaysia promises. Referring to the rural population of Borneo he declared, 'They are living a hand-to-mouth existence. Getting money from them for building schools will be like squeezing stone for water.'[24] As the charge was made only four months after Malaysia Day, it was obvious that time had not enabled the Federal Government to honour all its former Malayan leaders' promises. But the complaint demonstrated the seriousness with which the Borneo leaders formulated their pre-Malaysia conditions and safeguards. It demonstrated the preoccupation of the East Malaysian members of the federal legislature with the socio-economic and educational upliftment of the rural inhabitants and comparatively primitive societies of Sarawak and Sabah. At the same parliamentary session another Borneo member, Amadeus Leong of Sabah, urged the Federal Government to consider the establishment of a university college in the Borneo states.

In his 1964 New Year message, the Deputy Prime Minister, Tun Razak, expressed confidence that with the accumulated experience, proven practice in good government and drive towards development the Federal Government would lead Malaysia to maturity and happiness. Even in 1964, the Borneo states were still relying upon the meagre resources of the Capital Fund and the Development Fund which Sarawak and Sabah inherited from colonial rule. The funds of the federal Ministry of Rural Development had not been extended to East Malaysia. However, only a week after giving his New Year message, Tun Razak, who was also Minister of Rural Development, assured Borneo members of Parliament that the activities of the Ministry would be broadened to include Sarawak and Sabah; but he stressed that effective administrative machinery must first be organized if the rural development programme as had been implemented in West Malaysia was to succeed in East Malaysia.[25]

Federal allocations did begin to flow to the Borneo states in 1964. Of particular interest were the activities in the field of communications, bearing in mind the urgent need for roads and other means of access to the undeveloped hinterlands. Both Sarawak and Sabah had a Ministry of Communications and Works, underlining the importance placed on transportation and its speedy development. In 1964 the Sabah Ministry allocated the largest portion of its expenditure on road construction. It was hoped that by the end of the year it would be possible to drive from Kudat at the northern tip of Sabah to the border

[21] *Sabah Annual Report, 1962*, p. 25.

[22] *IGC Report*, paragraph 24 (11).

[23] *Straits Times*, 14 March 1963, p. 9.

[24] *Straits Budget*, 8 Jan. 1964, p. 7.

[25] Ibid. 15 Jan. 1964, p. 17.

of Sarawak in the south, a distance of more than 200 miles. A more ambitious project was the construction of a cross-country trunk road between Jesselton and Sandakan. Passing through Ranau in the interior, this Sabah 'highway' would span a distance of about that between Kuala Lumpur and Penang or Singapore, some 240 miles. With the assistance of the Australian government, this Sabah east-west highway has been receiving priority recently; and while the project will cost $30 million the people of Sabah will no doubt benefit immensely when it is completed: 'When the road is completed in 1972, Sabah will be left with a first-class road, a first-class road-making team, machines that can go on to make other roads, for every main road must breed feeder roads'.[26] Another project begun in 1964 was completed early in 1970, namely the road which now links Kota Kinabalu with the interior towns of Tambunan, Keningau and Tenom, traversing a distance of nearly a 100 miles.

Air transportation was one of the socio-economic aspects of Bornean life which saw rapid development after Malaysia Day. Civil aviation was unknown in both Sarawak and Sabah before the Japanese occupation and air trips were built for their light aircraft in the main towns of the territories.[27] But in 1964 modern air transportation was introduced and became a part of everyday life, and in July the Malaysian Airways announced an improved spread of jet services to Sarawak and Sabah. An airline statement said that the new services provided the peoples of East Malaysia a rapid form of communication with Singapore and West Malaysia and *vice versa*. Improvements to the runways at Kuching and Jesselton facilitated the introduction of jet aircraft, including the Comet, in addition to the smaller and slower Fokker Friendship:

> Businessmen, to whom time is of the essence and cost a prime consideration, will appreciate the fact that it costs only a nominal $10 more (as compared to the Fokker Friendship) to travel economy or $20 more on first class in these luxury jets.... It is now also possible for them to fly up to Kuching in the morning Friendship, conduct a full day's business and be back in Singapore the same evening using the Silver Kris jet. For those with business in Jesselton, they can take the morning jet and still have time to finish their business before catching the afternoon Friendship back to Singapore.[28]

Such services may not sound impressive to regular international travellers. But when we recall that until the Second World War and even until the 1950s, travel between Sarawak and North Borneo and Singapore could only be done by means of junks and cargo ships, the new jet services introduced in July 1964 were aspects of modernization of which the peoples of East Malaysia understandably felt proud. Since that time there has been a continuing effort to improve air communications between East and West Malaysia.

During a visit to Sabah in September 1964, the federal Minister of Information and Broadcasting, Senu bin Abdul Rahman said that he was conscious of 'the increasing importance of Sabah in the realm of communications and trade. Jesselton had been placed firmly on the international civil aviation map and when the runway at the airport is further extended eventually, it would become Malaysia's eastern aerial gateway'.[29] By 1970, the development activities of 1964-1965 had led to the construction of one of Malaysia's two aircraft hangars in Kota Kinabalu.[30] Runway extensions and improvements in landing facilities continued in Kuching and Kota Kinabalu, while in the latter state capital there were plans to develop the airport to international standard. The vigorous steps which have been taken to improve civil aviation in East Malaysia have been the result of Federal Government consciousness of the geographical distance between the two parts of the country. It has also been the Malaysian answer to pre-federation criticism that Manila was closer to Jesselton than was Kuala Lumpur. By 1970 air transportation had belied this Philippine justification to its claim on the ground of mere propinquity, as daily flights between East and West Malaysia brought the two regions of the federation increasingly closer

[26] *The Malay Mail*, Kuala Lumpur & Singapore, 14 May 1970, p. 13.

[27] Sarawak experimented with air services in the 1920s and 1930s but gave it up due to high maintenance costs. See W.J. Chater, *Sarawak Long Ago*, Borneo Literature Bureau, Kuching, 1969, pp. 100-13.

[28] *Straits Budget*, 8 July 1964, p. 16.

[29] Ibid. 30 Sept. 1964, p. 7.

[30] *The Sunday Mail*, Kuala Lumpur & Singapore, 14 March 1971, p. 1. The other hangar was at the Kuala Lumpur international airport.

together. It can be said that, today, East and West Malaysia are probably closer together than Sulu and Mindanao are to Luzon. As the then Sarawak Minister of Communications and Works, Abdul Taib Mahmud, put it during negotiations to merge the Borneo Airways with Malaysian Airways in May 1964, 'We should, if we want Malaysia to be solidly united, break through the barrier of the hundreds of miles of sea now separating us'.[31] It is undeniable that Malaysia has done well to bridge the gap since 1964.

Internal communications were no less important in Sarawak. Compared to Sabah, Sarawak had fewer roads when both joined Malaysia. It is true that the Kuching-Sibu trunk road, a distance of over 200 miles, was passable by 1966; but it should be remembered that this gravel highway would not have been completed so soon had it not been for the Commonwealth forces who needed the highway for strategic reasons during confrontation with the Soekarno regime. Nevertheless, Abdul Taib felt confident during the airline negotiations when he added, 'Sarawak will, because of its lack of a road system linking the various Divisions, get a great deal of attention by our air transport organisation after the merger'.[32] While this statement revealed the problem of integrating the different parts of the state due to lack of easy and regular land communication, the Minister's worry was to a substantial extent alleviated when the Federal Government allocated the sum of $41,315,091 to develop road, sea and air communications and telecommunications in Sarawak during 1965. The breakdown of the allocation included amounts set aside to buy equipment to carry out road and other developmental projects in the state, to build main, secondary and feeder roads, to develop sea and air communications, to improve port and wharf facilities at eleven places including the important trading towns of Sibu and inland entrepot of the state, Kapit. Amounts were allocated to improve the Kuching and Sibu airports and to build a new one at Miri, the important town connecting the Sarawak economy with the crude oil of Brunei through Lutong. The new airport at Miri would cost $1.5 million with $450,000 allocated to begin the project in 1965. Last but not least, $3.9 million was to go to improve telecommunications, including the building of a new exchange at Kuching.[33] If the Borneo territories entered Malaysia in the hope of seeing rural development through better internal communications the allocations for 1964-1965 showed that their hopes were well-founded.

Sabah's Ministry of Communications and Works too gained a handsome slice of the national economic pie. A sum of $26,699,378 was to go to the development of road, sea and air communications and telecommunications in Sabah during 1965. The breakdown included allocations for the building of roads and bridges to link the main towns of the state; and of $9.2 million earmarked for these land links sums were made available to begin or continue with road projects which would join Tawau and Kunak, Tawau and Semporna, and Sandakan and the potentially rich Labuk valley where a number of settlement schemes were already recruiting settlers. The sum of $5.8 million for sea and air communications included allocations for improving navigational aids, building a slipway at Labuan and Sandakan, and improving the Jesselton airport as well as those in the east coast, particularly that of Tawau.[34]

It is evident, therefore, that both states of East Malaysia received substantial financial aid from the Federal Government within the first two years of their joining Malaysia. It is possible that the West Malaysian leaders purposely extended such lavish aid in order further to convince the Borneo leaders of their sincerity in wanting to improve the socio-economic conditions of Sarawak and Sabah. This being so, the Malaysians of Borneo ought to be thankful to their national leaders. In any event, by 1965 federal development aid for Sarawak had amounted to no less than $72.4 million while that for Sabah had doubled the initial figure of $20 million.[35] The additional sums had been given usually by supplementary bills passed in parliament from time to time. The passage of such bills demonstrated further the wish of federal leaders to bring about a more equitable socio-economic situation in the country as a

[31] *Straits Budget*, 6 May 1964, p. 15.

[32] Ibid.

[33] Ibid. 25 Nov. 1964, p. 13.

[34] Ibid.

[35] Ibid. 28 Oct. 1964, p. 19; and 6 Jan. 1965, p. 7.

whole. Reviewing the performance of the Malaysian economy during 1965, the federal Minister of Finance, Tan Siew Sin, said that the gross national product had shown a growth of about 8.5 per cent compared with a growth of 7.6 per cent in 1964.[36] Undoubtedly, this continuing economic growth and general prosperity of the national economy enabled federal leaders to be somewhat generous in giving financial grants to the Borneo states.

The significant point about the 1964-1965 allocations for development in Sarawak and Sabah is that they were very much higher than grants made to the two territories during the colonial period. As seen earlier, after ten years under the direction of the Colonial Office the total amount granted to Sarawak by the Colonial Development and Welfare Council was a meagre $3,253,703; but, for 1965 alone, Sarawak as a state within Malaysia received $72.4 million from the Federal Government. During the seventeen years of British rule, the two territories had to keep postponing so-called development programmes due to the adherence to the policies of self-sufficiency and deficit spending. The British taxpayers at home could not be expected to finance these colonial programmes in distant Borneo; Sarawak and Sabah must stand or fall on their own economic capabilities. In Sarawak, the average sum of money gathered for development purposes during the three years preceding the inauguration of Malaysia was $29 million which was substantially lower than the allocations received from the Malaysian government for 1964-5.[37] In Sabah the estimate of grants forthcoming from the Colonial Development and Welfare Council was annually whittled down: for 1961-3 the estimates were $10,080,505, $7,856,214 and $6,796,731 respectively; but the grants actually received from the Council for the first two years were only $5,266,851 and $4,643,442, while the estimate for 1963 was subsequently revised to just $4 million.[38] Again, the development fund for the three years immediately before the establishment of Malaysia averaged $26.2 million.[39] This was obviously far below the figure of $43.9 million granted by Kuala Lumpur to Sabah for rural and allied development expenditure for 1965 alone.

The pattern of socio-economic development in East Malaysia was set during the first two years after Malaysia Day. Under its first Development Plan and its Second Five-Year Plan the Federation of Malaya had evolved a system of rural development which placed much emphasis upon planned strategy and constantly-updated statistical account of progress achieved. This was the essence of the National, State, District and Village Operations Room technique. The National Development Planning Committee (NDPC) and the Economic Planning Unit (EPU) of the Prime Minister's Department in the Federal capital together were chiefly responsible for the continuing popularity of that system of rural development.[40] In the period 1964-5 the first stage of this rural development system was introduced to Sarawak and Sabah. It principally required the Governments to construct a framework of development by building and improving roads, schools, health facilities, drainage and irrigation systems; opening up more land; increasing veterinary and agricultural services; providing better water supplies, communications and electric power; establishing rural industries and generally providing facilities for a better way of life in each rural village.[41] Needless to say, the Sarawak and Sabah Governments did not achieve all these objectives in the span of two years. But it is worth emphasizing that, despite confrontation, funds were allocated and the framework of development was firmly initiated in the two states.

Labour: A Development Problem in East Malaysia

Both Sarawak and Sabah have had a long history of labour shortage. Even the Brooke Rajas, des-

[36] *Sarawak By The Week*, 14-20 Nov. 1965, p. 1.

[37] Derived from figures in *Sarawak Annual Report, 1962*, p. 25.

[38] *Sabah Annual Report, 1961*, p. 28; *Sabah Annual Report, 1962*, p. 40; and *Sabah Annual Report, 1963*, p. 22.

[39] Derived from figures in *Sabah Annual Report, 1963*, p. 22.

[40] See *Interim Review of Development in Malaya Under the Second Five-Year Plan*, pp. 1-4.

[41] Government of Malaysia, *Gerakan Maju or Community Development in Malaysia*, Kuala Lumpur, 1967 (mimeograph copy), Annex A.

pite their aversion to turning their romantic kingdom into a public-company investment area, were forced to face the reality of the situation and encourage private firms and investors to set up branches and agencies in Sarawak. In turn the responsibility for supplying labour for these firms led the Brooke Government to encourage immigrants to come to Sarawak, especially at the turn of the twentieth century when a few thousand Chinese were induced to gamble their future there.[42] But even these immigrants, many of whom decided to settle permanently in the first three Divisions of Sarawak, failed to solve the labour shortage until and long after the Second World War. The Chartered Company met a similar problem in Sabah; and after venturing to places such as India, the Netherlands Indies and the Philippines without much success it finally managed to recruit a few thousand more than did Sarawak earlier, mostly Chinese, in the 1920s and 1930s.[43] But like Sarawak, the labour demand increased in the post-war years while the colonial governments inherited the problem of getting the supply for both the private and the public sectors. When Sarawak and Sabah joined Malaysia, it soon became obvious that modernization could not be rapidly achieved *inter alia* because the expanding economies were being hamstrung by the age-old problem of the inadequate supply of labour.

At the height of confrontation when inevitably all Indonesians in Malaysia were watched with suspicion, the ruling Sabah Alliance demonstrated the shortage of labour in the state when it stated that it was not the policy of the Sabah Government to repatriate Indonesian labour. It added, 'Those who are in Sabah and who are law-abiding are welcome to stay and work for their livelihood, and in so doing contribute to the development of Sabah. They will be given the full protection of the law.'[44] In February 1964 the acting federal Minister of Labour and Social Welfare, V. Manickavasagam, announced that arrangements for the recruitment of 500 West Malaysian plantation workers for employment in Sabah's $40 million-a-year rubber industry had been completed. But the outcome was discouraging to say the least. The chairman of the labour committee of MCA, Lim Cheng Poh, said that the interests of West Malaysian workers recruited for Sabah must be safeguarded. At this stage there was an inherited misconception among West Malaysians that tropical diseases were still endemic, and that Borneans still had to pick wild fruits in the jungle to keep themselves alive. Concerned about the welfare of West Malaysian labourers, the MCA labour committee chairman urged, 'We must see to it that they are provided with the same conditions as in Malaya'.[45] It was a genuine concern. But discovering eleven days later that any exodus of West Malaysian labourers to Sarawak and Sabah was subject to Borneo immigration safeguards which made it well-nigh impossible for a West Malaysian to enter the Borneo states casually, Lim Cheng Poh could only add, 'We hope the two territories will recruit their requirements from Malaya'.[46]

In point of fact the employers in Sabah themselves had earlier begun the attempt to recruit labourers from West Malaysia. In December 1963, it was stated that 3,000 workers were to be brought into the state from other parts of Malaysia under a pilot scheme to relieve the current labour shortage in Sabah. Recruitment was to be undertaken by employers themselves and 'immigrants must be Malaysian citizens with experience in the category of labour for which they are recruited and be subject to full security screening'.[47] There was also a novel idea of 'diluting' the 16,000 Indonesian workers in Sabah with those who were expected to come from West Malaysia. The shortage was also high-lighted by the fact that, although Malaysia and the Philippines were at odds due to the latter's claim to Sabah, more and more Filipinos arrived in Sabah in search of employment. The State Government refused to repatriate these foreign nationals just as it did the law-abiding Indonesian labourers.

The perennial problem of attracting West Malaysian labour took a turn for the worse when in February 1965 the chairman of the long-established Sabah Planters' Association, Dato R.

[42] See Runciman, op.cit. pp. 207-10.

[43] See K.G. Tregonning, *A History of Modern Sabah, 1881-1963*, Chapter Seven.

[44] *Straits Budget*, 22 Jan. 1964, p. 10.

[45] Ibid. 12 Feb. 1964, p. 17.

[46] Ibid. 26 Feb. 1964, p. 8.

[47] *Borneo Times*, 23 Dec. 1963, p. 1.

G. Barrett, told his annual general meeting that many West Malaysian workers already engaged in Sabah rubber estates wanted to return home before their two-year contracts ended. This was the real problem involved in recruiting West Malaysian labour; but Dato Barrett added something which clearly illustrated the dilemma faced by the Sabah Government:

> For both political and economic reasons the Government, and especially the Immigration Department, would very much prefer that Sabah's labour shortage be resolved by our engaging Malayans rather than Filipinos.... We agree wholeheartedly and I know that I speak for all members of the Association in saying that as soon as Malayans are available in sufficient numbers we shall no longer wish to employ Filipinos.[48]

The crux of the problem was that while high hopes were entertained that West Malaysian workers were the best solution to the acute shortage, these were not arriving in sufficient numbers not only because of East Malaysian immigration restrictions but also because they faced with disappointment the rigors of the new environment and, especially in the timber camps, the competition of the more hard-pressed and economically determined Indonesians and Filipinos. Repatriating the two latter categories of labourers would in effect lead to a collapse of the export economy of Sabah. Sabah thus found itself in the uncomfortable position of having to depend upon foreign sources of labour in order to maintain and increase its output. This increase was also vitally needed in order to assist in the development of the infrastructure of the state as a whole.

But the Sabah employers were not easily discouraged. In March 1965, hundreds of unemployed and under-employed skilled workmen rushed to apply for jobs in Sabah from a 16-man mission of the Sandakan Contractors' Association who were visiting West Malaysia. In Singapore alone the mission encountered nearly 600 applicants, but three months later it announced that only 31 skilled workers had been selected from the hundreds interviewed in Singapore, Pulau Pinang and other main towns of West Malaysia. Conscious as many other Borneo leaders were of the importance of nation-building, the Chief Minister of Sabah, Peter Lo, stated at a press conference:

> As Sabah was 'part and parcel' of Malaysia it was natural that our policy should be framed within the context of Malaysia. This meant, therefore, that recruitment of labour for State purposes should be done, in the first instance, within Malaysia, for as one nation we should help one another.[49]

But the problem remained serious; and almost a year later the Chief Minister, returning home from an overseas holiday, was constrained to mentioned the worry of Hongkong and Taiwan businessmen who thought of investment in Sabah: 'They are a little concerned with the shortage of labour in the State. I told them that we are looking into the matter and hope to settle the problem in time. I have extended welcome to these businessmen to visit Sabah and some of them are keen to have a look at things for themselves.'[50]

The age-old labour problem of Sabah could not be solved by West Malaysian workers principally because those who thought of going East were often young men who could not readily adjust to the new environment. Others obviously dreamed of Sabah as a land flowing with milk and honey, especially after hearing about tales of quick money which could be made in the timber camps. Furthermore the professional backgrounds of those who applied were not those urgently sought after by the rubber and palm oil estates, timber camps and the veneer and plywood factories of Sabah. To systematize the drive to acquire West Malaysian workers and to ensure that their terms of employment and welfare were properly looked after, a Malaysian Migration Fund Board was set up. Again the formation of this Board in late 1966 failed to attract any appreciable number of workers. A parliamentary paper however reported that

> by May 1967, 400 workers and 264 dependents had already been settled by the Board in various estates in Sabah and plans are now being made to provide workers also for rubber smallholdings there. It is expected that about 1,200 workers would be sent to Sabah from West Malaysia this year and this number is to be increased considerably in 1968.[51]

[48] *Straits Budget*, 10 March 1965, p. 5.

[49] *Sabah Press Release*, 10 June 1965, 3.15 p.m.

[50] Ibid. 18 April 1966, 2.30 p.m.

[51] Government of Malaysia, *Parliamentary Debates, Dewan Ra'ayat*, Fourth Session, Second Parliament, Vol. IV, 14 June 1967, cols. 313-14.

Up to 1970 the need for estate workers continued, even though the shortage was partly reduced by a decline in commodity prices.

While it is true that the Sabah economy expanded in both output and return during the decade, it is no less true that it continued to depend heavily upon a limited range of primary commodities. Unfortunately, these same commodities were the ones continually afflicted with shortages of labour. In a recent appraisal of the Sabah economy, the Minister of Finance, Salleh Sulong, singled out as one of the socio-economic problems of the state, 'The small population and low level of human resources development, leading to a problem whereby there is an acute shortage of skilled and technical labour and estate workers at present while there is the prospect of growing unemployment among the school leavers'.[52] While this labour shortage remained a problem for development in Sabah at the beginning of the 1970s, the Minister pointed out that it was not the intention to rely solely upon the erratic external labour market:

> To solve the acute shortage of estate and skilled labour the emphasis has been on promoting technical and vocational education. For the time being, the shortage of labour on estates is being met by recruiting workers from West Malaysia under the auspices of the Malaysian Migration Fund Board. As a long term solution Vocational Guidance is gradually being introduced and emphasis in education slowly changed so that blue collar jobs will be more acceptable to the school leavers.[53]

There was a genuine dilemma. On the one hand the Sabah economy has been in a healthy condition since Malaysia Day, but on the other hand, unless the state infra-structure is improved, this boom would continue to be almost entirely the result of a strong overseas demand for round timber. For real and meaningful modernization to take place, both the public and private sectors of the Sabah economy had to be developed. Despite the labour problem, this was being done through Sabah's extensive development planning and implementation.

Although Sarawak appeared to have faced less acute labour problems in the 1960s, it nevertheless had to take steps to ensure that these were not aggravated. In February 1964 a working committee was set up to look into the problems of labour shortage in the state. The federal Assistant Minister of Rural Development, Abdul Rahman Ya'kub, explained that the committee was setting up offices in the five Sarawak Divisions to look into the problems peculiar to each. He disclosed that there had been enquiries by West Malaysians for jobs in Sarawak but these were vague ones concerning the types of jobs available. Only two days earlier, the state Minister of Local Government, Dunstan Endawie, addressing the annual meeting of the Sarawak First Division Youth Council in Kuching, said, 'The duty of youth leaders is to inspire the young of this country with ideals of hard work and hard play in the interests of Sarawak's future welfare. Sarawak's future lies primarily in rural development. It is here that one hopes youth will display a greater initiative.'[54] The labour problem of Sarawak became increasingly more distressing because of the prevalence of unproductive labour among the younger generation. The youths finishing their secondary school education in the Chinese medium were often found ill-adapted to white-collar jobs in a state which continued to conduct its public affairs mainly through the medium of the English language.[55] During the first budget session of Parliament, Ling Beng Siew of the ruling Sarawak Alliance spoke on the State Government education policy under which he maintained that 70 per cent of primary school students was unable to continue at secondary level. These school leavers became unproductive labour, unsuitable for office jobs and were 'thus thrown into the streets to become a social problem'.[56]

Another aspect of the Sarawak labour problem became obvious when more than twenty trade and manufacturing associations in the state sent a memorandum to the federal Minister of Finance, Tan Siew Sin, protesting against the further extension and increase in federal taxes in the

[52] Salleh Sulong, *Economic Development of Sabah Since Malaysia – Some Short Comments*, written in March 1971 by request of the present writer, manuscript copy.

[53] Ibid.

[54] *Straits Budget*, 19 Feb. 1964, p. 10.

[55] There were 250 primary and 10 secondary Chinese-medium schools in 1962; and 240 such primary schools in 1967. See *Sarawak Annual Report, 1962*, Appendix A, p. 339 and *Annual Report of the Education Department, Sarawak for 1967*, Table 1A, p. 34.

[56] *Straits Budget*, 15 Jan. 1964, p. 17.

Borneo states. The IGC Report stated that taxes in East Malaysia 'should be brought up to Federation of Malaya levels in graduated stages over a period of years and the steps should not be grossly disproportionate'.[57] However, due to confrontation and the need for expanded investment in the public sector during the early years of Malaysia, the Federal Government decided less than a year after Malaysia Day to introduce new taxes in the Borneo states. The Sarawak traders reacted against this hasty imposition because, among other things, 'the payroll tax would increase the burden of employers and could lead to further unemployment in Sarawak'.[58] It was indeed paradoxical that while Sarawak was facing an age-old shortage of labour the employers in the state were also fearful of 'further unemployment'. But the clearest demonstration of labour shortage in the state was the announcement in Kuching during the December 1964 budget session of Parliament: 'Sarawak has been allocated $72.4 million for development next year. But it is not expected to spend the whole sum because of shortage of building contractors and technicians.'[59]

Tun Razak's pledge to extend the benefits of a rural revolution to East Malaysia could not be easily realized while both the Borneo states faced the perennial problem of an inadequate labour force. In one important respect the problem stemmed from the demand of the Borneo leaders that immigration to Sarawak and Sabah be a state matter. They secured this right when the IGC Report provided that 'entry into the Borneo States will require the approval of the State concerned'.[60] In the post-1963 period it was clear that this demand for immigration control often aggravated the labour shortage of East Malaysia. West Malaysians tended to misunderstand the rationale behind the imposition of this impediment to free movement within the nation and thought that their fellow-countrymen in Borneo were practising discrimination. As the federal Assistant Minister of Rural Development stated in February 1964, 'If someone from Malaya wants to work in Sarawak his prospective employer has to fill in forms and satisfy the authorities that nobody with the right qualifications can be found in Sarawak'.[61] While this red tape was necessary, according to the Sarawak and Sabah Governments, it was also partly responsible for their inability to accelerate the modernization of their agricultural economies.[62] The problem of labour shortage has remained unsolved; and, despite the Malaysian Migration Fund Board, Dato Barrett's dilemma in 1965 has refused any satisfactory solution:

> I still have high hopes that recruitment from Malaya will solve our labour shortage in general and our tapper shortage in particular; but it is clear that some means must be found to relieve individual employers of the liability to pay some $250 for return fares for workers who may decide to go back to Malaya after only a few days' work.[63]

By Asian standards, Sarawak, with a population of about 963,000, and Sabah, with a population of about 613,000 in 1970 were underpopulated.[64] Given the reluctance of West Malaysian labour to ameliorate the acute labour shortages of East Malaysia, and bearing in mind that the legislatures of Sarawak and Sabah have thus far shown little inclination to amend or delete the immigration restrictions which have governed entry into the Borneo states, it appears that the labour problems of those two states could be eased and eventually solved only by adapting the present unproductive labour, the unemployed and underemployed younger generation of both states, to 'human resources development', as Salleh Sulong has pointed out. In the likely absence of mechanization, let alone automation, for some years to come, the successful implementation of rural and agricultural programmes must depend upon the resourcefulness of the small populations of Sarawak and Sabah.

The First Malaysia Plan, 1966-1970

One of the important decisions of the Federal Government soon after the formation of Malay-

[57] *IGC Report*, paragraph 24 (1).

[58] *Straits Budget*, 23 Dec. 1964, p. 10.

[59] Ibid. 6 Jan. 1965, p. 7.

[60] *IGC Report*, paragraph 16 (a).

[61] *Straits Budget*, 19 Feb. 1964, p. 13.

[62] See Saw Swee-Hock and Cheng Siok-Hwa, 'The Labour Force of Sarawak in 1960', *Asian Studies*, Vol. VIII, No. 1, April 1970, pp. 135-42 for economic conditions which have not radically changed over the subsequent decade.

[63] *Straits Budget*, 10 March 1965, p. 5.

[64] See footnote 12 of Chapter IV above.

sia was to formulate a five-year development plan which would include Sarawak and Sabah. This First Malaysia Plan covered the period 1966-1970, and envisaged development expenditure amounting to $10,500 million or twice that of the Malayan Second Five-Year Plan which preceded it. The public sector's share in this total was $4,550 million and that of the private sector $5,950 million. Out of the public sector development expenditure an estimated sum of $3,470 million would be spent on physical capital formation.[65] It was stated, 'What the government can and will do under the First Malaysia Plan is to create the most favourable environment possible for accelerated development by doing all it can to stimulate investment and encourage the best possible use of Malaysia's human and natural resources'.[66] The Plan set out ten major objectives, including the following six which apply with particular relevance to East Malaysia: the promotion of integration of the peoples and states of Malaysia by embarking upon a development plan explicitly designed to promote the welfare of all; increasing the well-being of Malaysia's rural inhabitants and other low-income groups, primarily by raising their productivity and thus their income-earning capacity; stimulating new kinds of economic activity, both agricultural and industrial, so as to reduce the nation's dependence on rubber and tin; laying the groundwork for less rapid population growth by instituting an effective programme of family planning; providing electric power, transportation facilities and communication services adequate to keep ahead of foreseen demands; and progress with health and social welfare development, low-cost housing and a wide range of other projects. In fact, the remaining four objectives duplicated, to some extent, these six.[67]

Prior to the introduction of the First Malaysia Plan, both Sarawak and Sabah had put forward, on their own initiative, similar, if financially smaller, development plans. Tabled in the Legislative Assembly at the beginning of 1965 the Sabah Six-Year Development Plan envisaged the spending of $436 million.[68] This plan placed much emphasis on a programme of public investment expenditure in the hope of developing the infra-structure of the state and thus enabling the economy to expand with the availability of better and modern facilities. But by this time the First Malaysia Plan was already on the planning board, and the Sabah Government was quick to stipulate that the state six-year plan would be absorbed into the national plan with such revisions and adjustments as may then appear desirable. The four main objectives of the Sabah Six-Year Development Plan were: the promotion of economic growth as fast as Sabah's human resources would permit; development of the state's human resources as fast as circumstances permitted, with emphasis on education and training for modern life and for those occupations needed in the state; providing for the people of Sabah a wider range of modern economic and social services with the resources available; and the reduction of economic and social inequalities, especially through improvements in the living standards and welfare of the poorest and most backward elements of the population.[69]

From the foregoing objectives, it is clear that Sabah strove to achieve socio-economic development as rapidly as its meagre resources could manage. Reviewing the preceding year and touching upon the economic prospects for the state during the coming one, Sabah's Minister of Finance, Dato Pang Tet Tshung, recounted in a New Year message:

> 1964 which has just come to a close represents the first stage of a transitional period from a colonial era to that of independence as a state in Malaysia. It has seen the fruition of most of the development schemes which had been initiated under the old order, and the start of several other projects which are being carried into the greater Development Plan of 1965-1970.[70]

The Sabah Six-Year Development Plan also had as its immediate objectives the opening up of new land in order to settle some 12,000 families who were either landless or had inadequate farmland; expansion of primary education so that by 1970

[65] Government of Malaysia, *First Malaysia Plan, 1966-1970*, Kuala Lumpur, 1965, p. 46.

[66] Ibid. p. 41.

[67] Ibid. p. 2.

[68] See Government of Sabah, *Sabah Six-Year Development Plan, 1965-1970*, Jesselton, 1965.

[69] *Straits Budget*, 30 Dec. 1964, p. 19.

[70] *Sabah Press Release*, 30 Dec. 1964, 4.30 p.m.

it would be available to all children of appropriate age; providing secondary education to those who were adequately prepared; expanding technical training courses; continuing the road, sea and air communication and telecommunication projects financed by the 1965 grants from the Federal Government; to alleviate the labour shortage in both the public and the private sectors; and to continue expanding social services.[71]

As the Sabah Six-Year Development Plan was being incorporated in the First Malaysia Plan, it was disclosed that of the $436 million required, at least $373.6 million would be financed by the Federal Government. Tun Mustapha, who had returned to active politics and was chairman of the Sabah Alliance, expressed his gratitude for the generosity of Kuala Lumpur, saying, 'We are happy to note that the Central Government has kept to its undertaking to dole out substantial sums of money towards development projects in the State of Sabah'.[72] Tun Mustapha's words referred to the IGC Report which recorded that Sabah's financial request was 'that development expenditure in North Borneo should amount to $200 million during the first five years after the establishment of Malaysia'. Clearly, the financially liberal year of 1965 and the grants forthcoming from the First Malaysia Plan proved to be a rapid fulfilment of this original Sabah request. It should be noted also that the Malayan delegation to the IGC merely 'noted' and 'recognized' the Sabah request; it was hardly a promise and there was no oath taken to fulfil the request. It will be remembered that the last Sabah development plan before the formation of Malaysia, the colonial development plan of 1960-1965, called for the expenditure of $150 million. This sum appeared very small compared to the development expenditure of $436 million envisaged as the state's part of the First Malaysia Plan of 1966-70. The facts appeared to speak for themselves: Sabah's entry into Malaysia had brought about the availability of more generous funds which promised to revolutionize the economic base and speed up modernization.

Like Sabah, Sarawak had proceeded to formulate a fresh development plan some time before the First Malaysia Plan was actually launched. When this Sarawak Five-Year Plan, 1964-1968, was drawn up at the end of 1964, the development expenditure earmarked for the period totalled $343 million. The long-term goals and immediate objectives were almost identical with those of the Sabah Six-Year Development Plan. But, like the sums allocated in that plan, the development expenditure under the Sarawak 1964-1968 plan subsequently received accretions through the passage of parliamentary supply bills. When the Sarawak plan was also integrated in the First Malaysia Plan it was stated that the

> total public sector development expenditure allocated for Sarawak for the five-year period 1966-1970, excluding defence and internal security, is $400 million which is nearly 100 per cent more than the amount expended during the previous five years 1961-1965 and 16.5 per cent more than the 1964-1968 Plan allocation of $343 million.[73]

Indicative of the value of supplementary bills, the Sarawak Chief Minister, Penghulu Tawi Sli, later explained *inter alia*:

> We entered Malaysia because we wanted rapid economic advancement which British Rajahs and administrations neglected.... In 1962 only $33 million was spent by the colonial government on development in whole of Sarawak: in 1965, when we were part of Malaysia, $72 million was spent, which was more than what the colonial government was willing to spend. Under the First Malaysia Plan $424 million will be spent. This will average about $85 million a year which is an increase over 150 per cent.[74]

Of the total revised sum of $424 million, 75.5 per cent was to be spent on economic development—reflecting, as in the case of Sabah, the resolve of the state government to concentrate on the infra-structure of the economy and to raise the standard of living of the people in the rural areas. The Sarawak economy, like the Sabah one, was unlikely to industrialize rapidly; and it was no doubt with this reality in mind that the integrated Sarawak plan set aside merely 0.6 per cent of the total sum for industrial development.

Agricultural and rural development perforce meant the proper use and exploitation of land, and the largest allocation of public money in the Sarawak integrated plan went to land and rural development. As in the Sabah plan to resettle

[71] *Straits Budget*, 30 Dec. 1964, p. 19.

[72] Ibid. 29 Dec. 1965, p. 13.

[73] *Sarawak in Brief*, p. 8.

[74] *Sarawak By The Week*, 3-9 July 1966, p. 36.

some 12,000 families, so the rural development programme in Sarawak called for redistribution of land holdings in many areas followed by block planting of high-yielding rubber and other crops. It was also intended to create new villages with social welfare amenities in these rural areas. More so than in Sabah, an attempt was made to induce still nomadic peoples, notably the Punans of the upper Rajang and Baram rivers, to settle down; in the case of the Bidayuhs their dependence upon swidden agriculture had to be supplemented or lessened by encouraging more intensive and permanent forms of agriculture which would enable them to get higher returns for their toilsome labour. Transport was allocated the second highest proportion, 28.0 per cent of public investment. As in Sabah, trunk roads would be extended and improved to meet the requirements of co-ordinating road, inland water and coastal communication system. In the hope of integrating the isolated sectors of the state economy and benefiting land settlement and agricultural schemes, the trunk roads were being supplemented with feeder roads.[75]

While Dato Ningkan was about to face the second cabinet crisis which led to his dismissal he made an appreciative comment on the rural development programme and the financial aspect of the role of the Federal Government:

> The Federal Government has agreed to provide $396 million of the $465 million required in direct Federal expenditure and Federal grants, and they will make available another $31 million in loans to the State from Federal Funds to enable Sarawak to carry out its plan.... Thus if it were not for the Federal Government's generous assistance there could be no possibility of Sarawak undertaking programmes of social and economic development such as those we envisage in the First Malaysia Plan.[76]

Like the words of Tun Mustapha, Dato Ningkan's comment brought to prominence the IGC Report in which it was stated that the 'Malayan Government agreed that the figure of $300 million should be accepted for planning purposes as the total of Federal and State development expenditure required in Sarawak for the first five years after the inception of the Federation of Malaysia'. As in the case of Sabah, the Federal Government had fulfilled its word of honour. In the first place, it should be remembered that the last Sarawak development plan before Malaysia (the 1959-1963 colonial plan) envisaged the expenditure of merely $160 million. Sarawak's development expenditure of $465 million within the First Malaysia Plan over a same period of five years was certainly very substantial compared to the sum meted out by the colonial ruler. Secondly, although the figure agreed to in the IGC Report was at best a gentleman's agreement, the federal grants of $72.4 million in 1965 and $396 million within the First Malaysia Plan to Sarawak undoubtedly more than repaid whatever debt of honour might have been made in that Report.

The momentum of rural development in East Malaysia over the past five years has been steady and high. Because of the underdeveloped condition of Sarawak and Sabah when both entered Malaysia, it has taken a considerable amount of time and money to construct the proper framework of development. Nevertheless, by the beginning of the 1970s planners at federal and state levels had begun to introduce the second phase of development, namely the intensification of participation by the inhabitants in the two Borneo states in the socio-economic development process. In some cases, the third phase of providing outlets and markets for the increasing output from rural and urban development had also been initiated. More and more processing factories were being set up, while joint ventures were helping to ease the shortage of domestic funds for the building of such and other industrial facilities.

But while the Sarawak and Sabah economies have remained agriculturally-based, the still inadequate development of land and water means of transportation has perpetuated the fragmentation of those economies.[77] Indeed it is discernible that one of the reasons for the age-old labour shortages in Borneo has been this lack of easy means of communication from Residency to Residency and from Division to Division, in fact even from district to district. Salleh Sulong recognized as a prevailing socio-economic problem of Sabah, the 'poor land transportation system,

[75] *Sarawak in Brief*, p. 8.

[76] *Suara Malaysia*, 26 May 1966, p. 6.

[77] See J.C. Jackson, *Sarawak: A Geographical Survey of a Developing State*, University of London Press Ltd, London, 1968, pp. 202-5.

presently centred around the main population centres and their hinterlands, which lead to fragmentation of the economy and the small market in the State'.[78] Until the internal communication systems of East Malaysia can reach the level of those of West Malaysia, this problem is likely to remain an impediment to socio-economic progress in the Borneo states. With better means of transportation, the population would be able to move more easily from one part of the country to another in search of jobs, and products could be marketed speedily and cheaply.

In Sarawak and Sabah, the promotion of education was left mainly to Christian missions and private school committees until 1956, when a Board of Education was set up in Sabah. This comprised a large majority of unofficial members who represented 'all interests, creeds and parts of the community'. It discussed every aspect of educational policy and development and made recommendations direct to the governor.[79] In the same year, Sarawak initiated the Grant Code under which non-government schools were given annual grants-in-aid to enable them to finance recurrent and development expenditure.[80] Whereas in Sabah the Education Department was directly responsible for government primary schools, in Sarawak such schools were administered by urban municipal and rural district councils until the formation of Malaysia in 1963. Whereas, also, in West Malaysia the emphasis on the use of Malay as the medium of instruction began as early as 1956, in both Sarawak and Sabah that language received less attention; and indeed, in 1961, both territories advocated English as the main medium of instruction because it was reasoned that this was an international and advanced language which would assist Sarawak and Sabah in its progress towards modernization. This was a forward-looking decision in many ways, but it also created problems when Sarawak and Sabah had to switch to Bahasa Malaysia in subsequent years.

The main development during 1961-1965 was the construction of new schools and additional classrooms throughout the more accessible parts of Sarawak and Sabah. Like the rest of Malaysia, school enrolment increased rapidly during the two immediate post-war decades. A total of 1,236 classrooms was constructed in primary schools and 261 in secondary schools. The First Malaysia Plan recognized the fact that the educational system should be geared to meet the development needs of the country. Accordingly education became a major objective. It was estimated that enrolments in Sarawak and Sabah would rise from 126,000 to 158,000 and 82,000 to 114,000 respectively by 1970 In both states the expansion of primary school facilities received high priority. The success of this depended on three important factors. First, a greatly-expanded supply of qualified teachers was essential; secondly, improved teaching aids would be used to make children more receptive to their education, and thirdly, there was a need to eliminate wastage caused by the premature withdrawal of children from school. Steps were therefore taken to reduce the proportion of such drop-outs in order to increase the effectiveness of educational expenditure.

Secondary education in Sarawak and Sabah received more government attention only in the late 1950s. Even in 1966, one of the greatest needs in both states was for personnel with secondary education to man the public services and the private sectors. In Sabah only about 20 per cent of children in the secondary school-age group were in school, and provision was therefore made in the First Malaysia Plan to increase this percentage to about 30 per cent by 1970. In Sarawak the policy was to provide places in government or government-aided schools for about 30 per cent of those who completed their primary education. Provision was made in the Plan to improve science laboratories and workshops to meet the requirements of the new curriculum which emphasized the teaching of agricultural and industrial science and technology.

To meet the urgent need for trained teachers in both primary and secondary schools, in Sabah, Kent College and Gaya College were being expanded to take an additional 120 and 80 teachers, respectively, and this expansion would bring their respective total enrolments to 330 and 320. In Sarawak, a new primary teacher training college, in addition to the ones at

[78] Salleh Sulong, op.cit.

[79] *Sabah Annual Report, 1962*, p. 88.

[80] *Sarawak Annual Report, 1957*, p. 65. Government primary education has continued to be a local council responsibility in Sarawak.

Kuching and Sibu, was to be established for 300 trainees with assistance from the New Zealand Government. Under the Plan, Sarawak would receive $45.6 million and Sabah $27.2 million development expenditure for education.[81]

In the mid-term review of the First Malaysia Plan, covering the period 1966-1968, it was noted that the main development in East Malaysia consisted of the expansion of both primary and secondary education. In Sarawak a sum of $5.2 million was spent as capital grants to government-aided primary schools, and enrolments at this level increased from 119,400 in 1965 to 152,050 in 1968. In line with the government policy of providing a place in primary school for every child of school age by 1970, primary school fees were abolished throughout East Malaysia with effect from 1 January 1966. At the secondary level, a sum of $1.5 million was given as capital grants to aided secondary schools. Ten new government secondary schools were constructed and extensions were made to 29 existing schools. Total enrolments in government and aided schools increased from 13,000 to 19,000 between 1965 and 1968. In Sabah, at the primary school level, 510 classrooms were constructed providing additional places for 22,950 students in both government and aided primary schools. This represented an increase of 30 per cent since 1965. At secondary school level, 280 classrooms, 31 science laboratories, 91 teachers' quarters and 15 hostels were constructed, enabling the doubling of enrolments at this level from 1965.[82]

The conclusion of the First Malaysia Plan in 1970 saw the successful implementation of nearly all the enrolment and output targets for educational development in East Malaysia. In Sarawak, the objective of providing three years of secondary education to about 30 per cent of pupils completing primary six and a further two years of secondary education to about 50 per cent of those completing Form Three was fulfilled. Enrolment in primary schools had increased by 28.6 per cent over the 1965 figure, and secondary school enrolment increased by 70 per cent. In addition to the construction of 16 new government secondary schools and 260 classrooms, extensions were made to 57 schools. With the establishment of the new Rajang Teacher Training College at Binatang, teacher training enrolment in Sarawak increased by 50 per cent to over 700 in 1970.

In Sabah, primary school enrolment rose from 86,413 in 1965 to 128,500 in 1970, while secondary school enrolment witnessed a phenomenal increase of 182.6 per cent, from 11,422 in 1965 to 32,281 in 1970. The number of new primary school classrooms constructed rose to 853, while 347 classrooms, 48 specialist rooms and 56 science laboratories were completed at the secondary level by the end of the Plan period. The numbers of teachers' quarters and student hostels built rose to 450, and the expansion programmes for Kent College and Gaya College were fully undertaken. The total output of teachers from 1966 to 1970 from these Colleges and the Native Voluntary Teachers' Training College (which concentrated on improving the standard of untrained teachers) was 1,314, of which 189 were lower secondary school teachers.[83]

It is clear that education received considerable attention in the implementation of the First Malaysia Plan. Even though illiteracy had not completely disappeared, the number of schools, classrooms and teachers produced under the Plan may be said to have exceeded the expectations of Borneans when they agreed to join Malaysia. As the 1960s came to a close, steps were being taken to co-ordinate educational development in the country. One of the major objectives of the Second Malaysia Plan, 1971-1975, is 'the eventual integration of the educational systems of the East Malaysian States with the national system'.[84] Although no definite date was ever set for the obvious need to switch from English to the national language, 'plans for the greater use of Bahasa Malaysia in schools have also been drawn up in Sarawak and Sabah' for implementation under the Second Malaysia Plan.[85] Bearing in mind that one of the serious

[81] *First Malaysia Plan, 1966-1970*, pp. 163-72.

[82] Government of Malaysia, *Mid-Term Review of the First Malaysia Plan, 1966-1970*, Printing Department, Kuala Lumpur 1969, pp. 101-9.

[83] Government of Malaysia, *Second Malaysia Plan, 1971-1975*, Printing Department, Kuala Lumpur 1971, Chapter XIV.

[84] Ibid. p. 232.

[85] Ibid. p. 236.

handicaps of the Borneans when they joined Malaysia in 1963 was the lack of basic education, it augurs well for their future as well as that of Malaysia as a whole that the fight against illiteracy has been at last tackled in a concerted manner.

On the whole, there was substantial progress in East Malaysia under the First Malaysia Plan. Agriculture continued to be the most important development sector, with a total of $54 million being spent on land development. Drainage and irrigation were provided for more than 40,000 acres of padi and other crops in Sabah and Sarawak. Of the total round timber exports, Sabah and Sarawak accounted for about 62 per cent and 23 per cent, respectively. Other export commodities which enjoyed high rates of growth were crude petroleum and pepper from Sarawak. Exports from Sabah increased at about 11 per cent, the bulk of which was round timber. Exports from Sarawak increased at an estimated 8 per cent per year. Indeed, Sarawak and Sabah enjoyed a faster rate of growth than did West Malaysia, for the latter's average growth under the First Malaysia Plan was only 6 per cent per annum.[86]

Yet efforts towards the growth of manufacturing and industrialization were undertaken mainly in West Malaysia, leaving East Malaysia behind in these important aspects of modernization. Furthermore, the *per capita* income tended to be lowest in the rural areas where the majority of the indigenous population lived. It was in recognition of these socio-economic imbalances that, as the 1970s began, the Federal Government launched the Second Malaysia Plan with the following keynote:

> The Second Malaysia Plan is just one phase, but a crucial one, in a far-reaching transformation of the social framework of production and distribution leading to more equitable distribution of income and wealth, more balanced regional development, expanded employment opportunities and an enduring economic stability. The Plan aims at the creation of a viable and dynamic commercial and industrial community of Malays and other indigenous people, and the emergence of a new breed of Malaysians, living and working in unity to serve the nation with unswerving loyalty.[87]

The process of modernization has become also a process of nation-building in Malaysia. This means in practice that, in order to foster unity and achieve true nationhood, the socio-economic development of East Malaysia must have parity with West Malaysia. Anything less than that would be inimical to this young, stable and progressive country.

[86] Ibid. Chapter II.

[87] Ibid. p. vi.

VII

CONCLUSION: NATIONHOOD AND THE FUTURE

In many ways the 1960s proved to be a decade of problems for East Malaysia, but in others it was also a period of progress for the Borneo states. There was no doubt that the leaders of the territories, including those of Brunei, began to be increasingly influenced by the ideas of nationalism as the tepid colonial atmosphere of the 1950s clung tenaciously but nevertheless gradually petered out. The introduction of colonial legislative assemblies did provide the Borneo leaders with opportunities of learning the art of political debate and eventually the role of leadership. Their peoples, notably in the less rural areas, began to listen to the arguments and ideas of these leaders. Prominent among these were the introduction and gradual popularization of the concepts of self-rule, equality, freedom of assembly and better social welfare services. People began to be more conscious of the limits of their surroundings, they began to be more curious, politically-minded and critical, especially about the colonial regime. The emphasis on and expansion of education from 1956 onwards helped to disseminate such attitude in the territories. Names of anti-colonial leaders such as Soekarno, Nehru and Nasser grew more familiar to the Borneans.

But Britain was well aware that sooner or later she would have to relinquish the territories. The question about the British Borneo territories was not whether to retain them or not, but rather how these areas were to be relinquished without unduly jeopardizing the prestige of the United Kingdom and her citizens abroad in the process. It was here that the Malaysia proposal took significance. Some recent comments have been that Whitehall and Kuala Lumpur had got together and discussed the proposal before Tengku Abdul Rahman actually made his now well-remembered luncheon speech in Singapore on 27 May 1961. It is as yet difficult to substantiate such comments, but it is evident that such a step would have enabled Britain to relinquish Sarawak and Sabah without prejudice to her economic and foreign-policy commitments in South-East Asia at the time. However, it may be noted that Britain immediately offered encouragement and constitutional support for the formation of the new federation. It should also be observed that the Soekarno Government took exception to Malaysia on the chauvinistic ground that it was a British 'neo-colonialist' plot.

Whatever may be the untold story of the formation of Malaysia, if at all, there is no doubt that Sarawak and Sabah have gained from that nation-building venture. Indonesian confrontation, which followed the Brunei rebellion and for a while gained impetus from the Philippine claim, was a serious stumbling-block to progress in the early years of Malaysia. But even from this problem Malaysia learned a lesson. Nationhood was achieved with the participation of Sarawak and Sabah in 1963; the Indonesian armed confrontation led to appeals for defence assistance from Commonwealth countries, notably Britain, Australia and New Zealand, and through the association with these overseas partners a defence system was worked out. Although it will remain true that 'in a world in which Southeast Asia was largely a pawn in the international game of power politics, a small country like Malaysia could have the flickering hope of national survival, on a moral or Machiavellian manner, only if it had the military capacity to regulate and defend her home frontiers from the all too ready subjugation and preying by global powers',[1] it is none the less true that out of the Commonwealth military assistance during confrontation was evolved the present five-power defence accord among Britain, Australia, New Zealand, Malaysia and Singapore. This new accord, which emphasizes the use of joint consultation and 'an integrated air defence system for Malaysia and Singapore', has replaced the fourteen-year old Anglo-Malaysian Defence Agreement.[2] It is obvious that Malaysia has actively participated in this five-power defence

[1] J.P. Ongkili, 'Defence: Whose Responsibility?' *Opinion*, Vol. 2, No. 7, Oct.-Nov. 1969, p. 290.

[2] *Straits Times*, 16 April 1971, p. 1.

system out of realism. Nationhood cannot progress unless there is peace and stability. Yet the war in Indochina, the terrorists along the Thai-Malaysia border and in the intractable terrain of Sarawak[3] all combine to prompt Malaysian defence planners to act in concert with the other four countries. And although these Commonwealth allies may be more reluctant to fight alongside Malaysia in the event of another armed crisis, especially if such a crisis did not affect their respective self-interests, the little which they could contribute would be of some assistance to Malaysia while she is so preoccupied with the continuing process of nation-building.

This process of nation-building is especially crucial in East Malaysia. To some extent the Federal Government has succeeded in instilling the ideals of nationhood in the leaders of the Borneo states. Men such as Tan Sri Fu'ad Stephens, Tun Mustapha, Dato Abdul Rahman Ya'kub, Abdul Taib Mahmud, Dato Abdul Ghani Gilong have all shown their concern with the need to bring East and West Malaysia closer together. But there is still a definite need to see that the Bornean chauvinism so obvious in the 1960s is subordinated as much as possible to the ultimate aim of national cohesion during the formative years of the federation. There is perhaps no better illustration of a change from state-rightist attitude to Malaysian consciousness than in the person of Tan Sri Mohammed Fu'ad Stephens. The record shows him with Ong Kee Hui and Azahari opposing Tengku Abdul Rahman and his Malaysia proposal in July 1961. It took months to convince him that Malaysia was in the best interests of Sabah. But even this versatile leader was conscious of the immense problems involved in creating a nation out of the diverse cultural backgrounds of the multi-racial Malayan, Singapore and Borneo populations. Stephens stated his conviction while he was still Chief Minister of Sabah:-

> I am a Malaysian nationalist because I have studied Malaysia very carefully and believed in Malaysia with my body and soul, but there are still many in Sabah who will need time, and proof, to make them fully realise that they are Malaysians and to make them feel that they are Malaysians. There is need for hurry but if we force the paces we can easily produce the opposite effect and make the people feel and say what the opponents of Malaysia have said all along—that we, as a small fish, had in fact been swallowed up by a bigger fish, that we have been cheated by those who brought us into Malaysia.[4]

Even though this Sabah leader subsequently had occasion to disagree with federal leaders, notably when he resigned from his post of Minister of Sabah Affairs and Civil Defence, his appointment as High Commissioner for Malaysia in Australia in 1968 and his conversion to Islam in January 1971 underlined his seriousness when he said that he is a Malaysian nationalist and that he believed in Malaysia unreservedly.

But as Tan Sri Mohammed Fu'ad himself pointed out, and his point is still substantially valid today, there are people in Sabah who 'need time, and proof, to make them fully realise that they are Malaysians and to make them feel that they are Malaysians'. The difference in pace has been the cause of a certain amount of restlessness and unhappiness in Sabah. In particular, Peter J. Mojuntin, once the trusted younger colleague of Tan Sri Mohammed Fu'ad, raised several questions late in 1970. In a thirty-two paragraph letter to the Prime Minister, Tun Abdul Razak, this member of the Sabah Legislative Assembly narrated what he maintained amounted to 'the rotting away of parliamentary democracy and freedom of religion in Sabah'.[5] He went on to elaborate his contentions and concluded, 'I am an elected representative of the people and I accept the responsibility of serving the people in our avowed parliamentary democratic system of Government'.[6] Replying to Mojuntin's allegations that there had been religious persecution and victimization in Sabah, Tun Abdul Razak said, 'I think Mr. Mojuntin's allegations are far fetched'.[7] As an indication of the Federal Government's own problem with Sabah, however, an internationally-known daily commented, 'But for the men who rule in Kuala Lumpur the problems are different. Tun Mustapha's seats in the Federal Parliament give the Alliance Government its two-thirds

[3] See J.M. van der Kroef, 'The Sarawak-Indonesian Border Insurgency', *Modern Asian Studies*, Vol. 2, Pt. 3, July 1968, pp. 245-65.

[4] *Sabah Times*, 6 April 1964, p. 3.

[5] Peter J. Mojuntin to Tun Abdul Razak, 14 Nov. 1970.

[6] Ibid.

[7] *Sunday Mail*, 20 Dec. 1970, p.1.

majority when taken with allies'.[8] As is well-known, the Federal Government has found this two-thirds majority well-nigh indispensable for the conduct of a workable and orderly government in the young nation.

As has been discussed in Chapter Five above, bumiputera unity had been a socio-cultural as well as a political preoccupation in Sabah in the 1960s. There was, especially after the dissolution of UPKO in December 1967, a growing feeling that homogeneity of sentiment and aspiration among the bumiputera population of the state would be conducive to political stability and therefore socio-economic progress. But by 1970, with the demise of Kadazan nationalism,[9] Mojuntin felt that there had been injustices in Sabah; he came out of USNO with which he had been associated since the dissolution of UPKO and 'accused the State Government of using various methods of intimidation to convert the people of Sabah to Islam'.[10] The news about expulsions of Christian missionaries from Sabah caused some furore in overseas Christian countries at the end of 1970. Firm in his conviction, Mojuntin took the opportunity of meeting as many federal government and opposition leaders as he could, and informed them of his decision to form an opposition party in Sabah before he actually announced it at a press conference on 19 February 1971. The party would be a multi-racial and loyal opposition, according to Mojuntin; it would abide by Malaysia's Constitution and the concepts of the new national ideology, the Rukunegara. The party was called the Union of Sabah People (USAP).[11] As a result of this development in Sabah politics, it was announced that 'Tun Datu Haji Mustapha said he had intended not to contest the next election to give way to younger party members but had decided to call off this decision in view of the formation of the Union of Sabah People party'.[12]

In so far as nationhood entails, among other things, the need to integrate the material as well as the human factors of the federation, bumiputera unity will continue to be a commendable aim. But for such a unity to be lasting it must be one out of genuine and spontaneous feeling. Similarly, if the recent increased rate of conversion to Islam has been a spontaneous response from individuals and families it should assist and promote cohesion among Malaysians practising the national religion. On the other hand, if the conversions have been the results of coercion and intimidation as Mojuntin has asserted then the integrity, not to mention the faith, of the new converts would have to be intensified if it were to be anything but superficial. Just as it would be unwise for any new opposition party in Sabah to adopt the platform of a religious crusade on behalf of the Christians, so it would be detrimental to lasting bumiputera unity in the state if conversions into Islam were not spontaneous. In any event, Sabah as well as Malaysian leaders should realize that religious unity and homogeneity do not necessarily make good or dedicated Malaysians. A case in point is Brunei which is almost entirely Islam but did not choose to become a part of Malaysia. In the long run, what could more likely make nationhood a source of pride and fuller life for every Malaysian is the understanding and the practice of the ideals embodied in the Federal Constitution and the Rukunegara.[13]

Despite the tragedy of 13 May 1969, democracy is still alive in Malaysia. Most Malaysians still cherish freedom and equality, notwithstanding the slurs which cynics have often made about these attributes of a just society. This being so, the ruling Sabah leaders should accept the fact that democracy, for it not to be farcical, must have the freedom of dissent. Of course, dissent and opposition must be constructive and not merely selfish or geared towards personal ends. Neither should it be grossly assumed that the establishment of an opposition party would automatically lead to bumiputera disunity. Just as the existence of UMNO and PMIP over the

[8] *The Times*, London, 30 Dec. 1970, p. 5.

[9] See M. Roff, 'The Rise and Demise of Kadazan Nationalism', *Journal of Southeast Asian History*, Vol. X, No. 2, September 1969, pp. 326-43.

[10] *Straits Times*, 18 Dec. 1970, p. 1.

[11] See *Far Eastern Economic Review*, 27 Feb. 1971, p. 11; and ibid. 27 March 1971, p. 24. Mojuntin withdrew the application for registration of his party on 3 May 1971.

[12] *Kinabalu Sabah Times*, 12 April 1971, p. 3.

[13] The Rukunegara was proclaimed by the Yang di-Pertuan Agong on 31 August 1970, and consists of an introduction, a declaration of five principles, and five beliefs. See Government of Malaysia, *Rukunegara*, Kuala Lumpur, 1970; and *Straits Times*, 1 Sept. 1970, p. 10.

years has not precluded Malay unity on fundamental issues, so the existence of USNO and a constructive Sabah opposition need not necessarily affect bumiputera unity on issues paramount to the community as a whole. Indeed, bumiputera unity may even be further solidified by the emergence of a constructive opposition party in Sabah.

Despite certain tendencies towards Bornean provincialism and chauvinism the 1960s saw the gradual development of a more federalist-orientated leadership in both East Malaysian states. Indeed, even a state-rightest leader such as Dato Ningkan could say at the beginning of 1964, 'Malaysia is a permanent partnership into which we have willingly entered. The honour of Malaysia is and will be our honour.'[14] When the new federation was being formed from 1961 to 1963, Malayan leaders sent mediators to try and explain to the recalcitrant Borneo leaders, notably the bumiputera ones in all three territories, the import of the Malaysia proposal and its socio-cultural as well as political benefits to those territories. The efforts to convince the Sarawak and Sabah leaders were not in vain. The police, security, administrative, political, technical, and economic interchanges between East and West Malaysia have been immense since the formation of Malaysia. Nationhood had been established on firm ground during the 1960s. The 1970s should experience fewer problems and an increasing understanding of the process of federalism and a lessening of regional feelings, further improvements in the infra-structure of the Borneo economies, increases in population and urbanization and a generally continuing progress towards a modern society.

It is not likely that Borneo leaders would need to be persuaded again to work with federal leaders in achieving progress in Malaysia. But there are still a number of problems which are principally the consequences of attempting to unite diverse socio-cultural and ethnic groups into a nation. While Kadazan chauvinism has considerably reduced, Iban loyalties are still very strong. Because these are the majority groups, in the long run their support could well be the determinant of success for federal programmes in East Malaysia. By the same token, modernization in East Malaysia would only be concrete and self-sustaining when the depressed socio-economic position of these indigenous communities have been rectified.

[14] *Sarawak Tribune*, 1 Jan. 1964, p. 2.

Appendix I

THE TWENTY POINTS

1. Religion: While there was no objection to Islam being the national religion of Malaysia there should be no State religion in North Borneo, and the provisions relating to Islam in the present Constitution of Malaya should not apply to North Borneo.

2. Language:

(a) Malay should be the national language of the Federation;

(b) English should continue to be used for a period of ten years after Malaysia Day;

(c) English should be the official language of North Borneo, for all purposes State or Federal, without limitation of time.

3. Constitution: Whilst accepting that the present Constitution of the Federation of Malaya should form the basis of the Constitution of Malaysia the Constitution of Malaysia should be a completely new document drafted and agreed in the light of a free association of States and should not be a series of amendments to a Constitution drafted and agreed by different States in totally different circumstances. A new Constitution for North Borneo was, of course, essential.

4. Head of the Federation: The Head of State in North Borneo should not be eligible for election as head of the Federation.

5: Name of Federation: 'Malaysia' but not 'Melayu Raya'.

6. Immigration: Control over immigration into any part of Malaysia from outside should rest with the Central Government but entry into North Borneo should also require the approval of the State Government. The Federal Government should not be able to veto the entry of persons into North Borneo for State Government purposes except on strictly security grounds. North Borneo should have unfettered control over the movement of persons, other than those in Federal Government employ, from other parts of Malaysia into North Borneo.

7. Right of Secession: There should be no right to secede from the Federation.

8. Borneanisation: of the public services should proceed as quickly as possible.

9. British Officers: Every effort should be made to encourage British Officers to remain in the public services until their places can be taken by suitably qualified people from North Borneo.

10. Citizenship: The recommendations in paragraph 148 (k) of the Report of the Cobbold Commission should govern the citizenship rights in the Federation of North Borneo persons subject to the following amendments:

(a) subparagraph (i) should not contain the proviso as to five years residence;

(b) in order to tie up with our law, subparagraph (ii) (a) should read 'seven out of ten years' instead of 'eight out of twelve years';

(c) subparagraph (iii) should not contain any restriction tied to the citizenship of parents—a person born in North Borneo after Malaysia must be a Federal citizen.

11. Tariffs and Finance: North Borneo should have control of its own finance, development funds and tariffs.

12. Special Position of Indigenous Races: In principle, the indigenous races of North Borneo should enjoy special rights analogous to those enjoyed by Malays in Malaya, but the present Malaya formula in this regard is not necessarily applicable in North Borneo.

13. State Government:

(a) The Chief Minister should be elected by unofficial members of Legislative Council;

(b) there should be a proper Ministerial system in North Borneo.

14. Transitional Period: This should be seven years and during such period legislative power must be left with the State of North Borneo by the Constitution and not be merely delegated to

the State Government by the Federal Government.

15. Education: The existing educational system of North Borneo should be maintained and for this reason it should be under State control.

16. Constitutional Safeguards: No amendment, modification or withdrawal of any special safeguards granted to North Borneo should be made by the Central Government without the positive concurrence of the Government of the State of North Borneo.

17. Representation in Federal Parliament: This should take account not only of the population of North Borneo but also of its size and potentialities and in any case should not be less than that of Singapore.

18. Name of Head of State: Yang di-Pertua Negara.

19. Name of State: Sabah.

20. Land, Forests, Local Government, etc: The provisions in the Constitution of the Federation in respect of the powers of the National Land Council should not apply in North Borneo. Likewise the National Council for Local Government should not apply in North Borneo.

Appendix II

TWO VERSIONS OF THE SULU TREATY OF 1878

From a British North Borneo Company 'Treaties and Engagements' Volume in the Central Archives, Secretariat, Kota Kinabalu:

'Grant from the Sultan of Sulu to Baron de Overbeck and Alfred Dent Esquire of certain Territories and Lands on the Mainland of the Island of Borneo. Dated 22nd January 1878.

We Sri Paduka Maulana Al Sultan Mohamet Jamal Al Alam Bin Sri Paduka Al Marhom Al Sultan Mohamet Fathlon Sultan of Sulu and the dependencies thereof on behalf of our selves our heirs and successors and with the consent and advice of the Datoos in Council assembled hereby grant and cede of our own free and sovereign will to Gustavus Baron de Overbeck of Hong Kong and Alfred Dent Esquire of London as representatives of a British Company co-jointly their heirs associates successors and assigns for ever and in perpetuity all the rights and powers belonging to me over all the territories and lands being tributary to us on the mainland of the island of Borneo commencing from the Pandassan River on the north-west coast and extending along the whole east coast as far as the Sibuco River in the south and comprising amongst others the States of Paitan, Sugut, Bangaya, Labuk, Sandakan, Kina Batangan, Mumiang, and all the other territories and States to the southwards thereof bordering on Darvel Bay and as far as the Sibuco River with all the islands within three marine leagues of the coast.

In consideration of this grant the said Baron de Overbeck and Alfred Dent promise to pay as compensation to His Highness and Sultan Sri Paduka Maulana Al Sultan Mohamet Jamal Al Alam his heirs or successors the sum of five thousand dollars per annum.

The said territories are hereby declared vested in the said Baron de Overbeck and Alfred Dent Esquire co-jointly their heirs associates successors or assigns for as long as they choose or desire to hold them. Provided however that the rights and privileges conferred by this grant shall never be transferred to any other nation or company of foreign nationality without the sanction of Her Britannic Majesty's Government first being obtained.

In case any dispute shall arise between His Highness the Sultan his heirs or successors and the said Gustavus Baron de Overbeck or his Company it is hereby agreed that the matter shall be submitted to Her Britannic Majesty's Consul-General for Borneo.

The said Gustavus Baron de Overbeck on behalf of himself and his Company further promises to assist His Highness the Sultan his heirs or successors with his best counsel and advice whenever His Highness may stand in need of the same.

Written in Lipuk in Sulu at the Palace of His Highness Mohamet Jamal Al Alam on the 19th Moharam A.H. 1295 answering to the 22nd January A.D. 1878.'

From Government of the Philippines, Philippine Claim to North Borneo, Volume I, *a Translation by Professor Conklin of the same deed of 1878 in Arabic Characters Found in Washington:*

'GRANT BY THE SULTAN OF SULU OF A PERMANENT LEASE COVERING HIS LANDS AND TERRITORIES ON THE ISLAND OF BORNEO. Dated January 22, 1878.

We, Sri Paduka Maulana Al Sultan MOHAMMED JAMALUL ALAM, Son of Sari Paduka Marhum Al Sultan MOHAMMED PULALUM, Sultan of Sulu and of all dependencies thereof, on behalf of ourselves and for our heirs and successors, and with the expressed desire of all Datus in common agreement, do hereby desire to lease, of our own free will and satisfaction, to Gustavus Baron de Overbeck of Hong Kong, and to Alfred Dent, Esquire, of London, who act as representatives of a British Company, together with their heirs, associates, successors, and assigns forever and until the end of time, all rights and powers which we possess over all territories and lands tributary to us on the mainland of the Island of

Borneo, commencing from the Pandassan River on the east, and thence along the whole east coast as far as the Sibuku River on the south, and including all territories, on the Pandassan River and in the coastal area, known as Paitan, Sugut, Banggai, Labuk, Sandakan, Chinabatangan, Mumiang, and all other territories and coastal lands to the south, bordering on Darvel Bay, and as far as the Sibuku River, together with all the islands which lie within nine miles from the coast.

In consideration of this (territorial?) lease, the honourable Gustavus Baron de Overbeck and Alfred Dent, Esquire, promise to pay His Highness Maulana Sultan Mohammed Jamalul Alam and to his heirs and successors, the sum of five thousand dollars annually, to be paid each and every year.

The above-mentioned territories are from today truly leased to Mr. Gustavus Baron de Overbeck and to Alfred Dent, Esquire, as already said, together with their heirs, their associates (company) and to their successors and assigns for as long as they choose or desire to use them; but the rights and powers hereby leased shall not be transferred to another nation, or a company of other nationality, without the consent of Their Majesties Government.

Should there be any dispute, or reviving of old grievances of any kind, between us, and our heirs and successors, with Mr. Gustavus Baron de Overbeck or his Company, then the matter will be brought for consideration or judgment to Their Majesties' Consul-General in Brunei.

Moreover, if His Highness Maulana Al Sultan Mohammed Jamalul Alam, and his heirs and successors, become involved in any trouble or difficulties hereafter, the said honourable Mr. Gustavus Baron de Overbeck and his Company promise to give aid and advice to us within the extent of their ability.

This treaty is written in Sulu, at the Palace of the Sultan Mohammed Jamalul Alam on the 19th day of the month of Muharam, A.H. 1295; that is on the 22nd day of the month of January, year 1878.'

Appendix III

AN EXTRACT FROM THE MANILA ACCORD

10. The Ministers reaffirmed their countries' adherence to the principle of self-determination for the peoples of non-self-governing territories. In this context, Indonesia and the Philippines stated that they would welcome the formation of Malaysia provided the support of the people of the Borneo territories is ascertained by an independent and impartial authority, the Secretary-General of the United Nations or his representative.

11. The Federation of Malaya expressed appreciation for this attitude of Indonesia and the Philippines and undertook to consult the British Government and the Governments of the Borneo territories with a view to inviting the Secretary-General of the United Nations or his representative to take the necessary step in order to ascertain the wishes of the people of those territories.

12. The Philippines made it clear that its position on the inclusion of North Borneo in the Federation of Malaysia is subject to the final outcome of the Philippine claim to North Borneo. The Ministers took note of the Philippine claim and the right of the Philippines to continue to pursue it in accordance with international law and the principle of the pacific settlement of disputes. They agreed that the inclusion of North Borneo in the Federation of Malaysia would not prejudice either the claim or any right thereunder. Moreover, in the context of their close association, the three countries agreed to exert their best endeavours to bring the claim to a just and expeditious solution by peaceful means, such as negotiation, conciliation, arbitration, or judicial settlement as well as other peaceful means of the parties' own choice, in conformity with the Charter of the United Nations and the Bandung Declaration.

13. In particular, considering the close historical ties between the peoples of the Philippines and North Borneo as well as their geographical propinquity, the Ministers agreed that in the event of North Borneo joining the proposed Federation of Malaysia the Government of the latter and the Government of the Philippines should maintain and promote the harmony and the friendly relations subsisting in their region to ensure the security and stability of the area.

Approved and Accepted,
Manila, July 31, 1963.

Soekarno,
President of the Republic of Indonesia

Diosdado Macapagal,
President of the Philippines

Tunku Abdul Rahman Putra Al-Haj,
Prime Minister of the Federation of Malaya

Appendix IV

AN EXTRACT FROM THE MANILA JOINT STATEMENT 5 AUGUST 1963

The President of the Republic of Indonesia, the President of the Philippines, and the Prime Minister of the Federation of Malaya met at a summit conference in Manila from July 30 to August 5, 1963.

4. Pursuant to paragraphs 10 and 11 of the Manila Accord the United Nations Secretary-General or his representative should ascertain prior to the establishment of the Federation of Malaysia the wishes of the people of Sabah (North Borneo) and Sarawak within the context of General Assembly Resolution 1541 (15), principle 9 of the annex, by a fresh approach, which in the opinion of the Secretary-General is necessary to ensure complete compliance with the principle of self-determination within the requirements embodied in principle 9, taking into consideration:

(I) the recent elections in Sabah (North Borneo) and Sarawak but nevertheless further examining, verifying and satisfying himself as to whether

(a) Malaysia was a major issue, if not the main issue;

(b) Electoral registers were properly compiled;

(c) Elections were free and there was no coercion; and

(d) Votes were properly polled and properly counted; and

(II) the wishes of those who, being qualified to vote, would have exercised their right of self-determination in the recent elections had it not been for their detention for political activities, imprisonment for political offences or absence from Sabàh (North Borneo) or Sarawak.

5. The Secretary-General will be requested to send working teams to carry out the task set out in paragraph 4.

6. The Federation of Malaya, having undertaken to consult the British Government and the Governments of Sabah (North Borneo) and Sarawak under paragraph 11 of the Manila accord on behalf of the three Heads of Governments, further undertake to request them to co-operate with the Secretary-General and to extend to him the necessary facilities so as to enable him to carry out his task as set out in paragraph 4.

7. In the interest of the countries concerned, the three Heads of Governments deem it desirable to send observers to witness the carrying out of the task to be undertaken by the working teams and the Federation of Malaya will use its best endeavours to obtain the co-operation of the British Government and the Governments of Sabah (North Borneo) and Sarawak in furtherance of this purpose.

8. In accordance with paragraph 12 of the Manila Accord, the three Heads of Governments decided to request the British Government to agree to seek a just and expeditious solution to the dispute between the British Government and the Philippine Government concerning Sabah (North Borneo) by means of negotiation, conciliation and arbitration, judicial settlement, or other peaceful means of the parties' own choice in conformity with the Charter of the United Nations. The three Heads of Government take cognizance of the position regarding the Philippine claim to Sabah (North Borneo) after the establishment of the Federation of Malaysia as provided under paragraph 12 of the Manila accord, that is, that the inclusion of Sabah (North Borneo) in the Federation of Malaysia does not prejudice either the claim or any right thereunder.

Appendix V

THE DJAKARTA AGREEMENT
11 AUGUST 1966

Agreement to Normalise Relations Between the Republic of Indonesia and Malaysia.

Recognising the need for close and friendly relations between the two countries, in the spirit of the Manila Agreement and of brotherliness between the two peoples bound together by history and culture from time immemorial,

Republic of Indonesia
And
Malaysia

Have decided to conclude an agreement to normalise relations between Republic of Indonesia and Malaysia and to this end have appointed as their plenipotentiaries,

Who, having examined each other's credentials and having found them good and in due form have agreed as follows:

Article One: 1) The Government of Malaysia, in order to resolve the problems between the two countries arising out of the formation of Malaysia, agrees to afford the people of Sabah and Sarawak, who are directly involved, an opportunity to reaffirm, as soon as practicable, in a free and democratic manner through general elections, their previous decision about their status in Malaysia.

Article Two: 2) The Government of the Republic of Indonesia in its desire for close co-operation and friendship between Indonesia and Malaysia, agrees, and the Government of Malaysia concurs, that diplomatic relations between the two countries shall be established immediately and that they shall exchange diplomatic representation as soon as possible.

Article Three: 3) The Government of Malaysia and the Government of the Republic of Indonesia agree that in view of the above, hostile acts between the two countries shall cease forthwith.

Article Four: 4) This agreement shall come into force on the date of signature.

This in witness whereof the undersigned, being duly authorised thereto by the respective governments, have signed this agreement.

Done in Jakarta in duplicate, this day of 11th August, 1966.

For the Government of the Republic of Indonesia	For the Government of Malaysia
(SEAL)	(SEAL)

Glossary

PERSONALITIES OF THE 1960s

ABANG HAJI MUSTAPHA. The last Datu Bandar of Sarawak, a title bestowed by the Raja during the Brooke period. Among the first to make a study tour of the Federation of Malaya and to come out in support of Malaysia in 1961. A member of the MSCC and the IGC, he was also a signatory to the Malaysia Agreement signed on 9 July 1963. Died in 1964.

ABANG HAJI OPENG BIN ABANG SAPI'EE, TUN. Appointed a member of Council Negri in 1940 and held his seat until his appointment as the first Malaysian Governor of Sarawak on 16 September 1963. Represented Sarawak in the MSCC, participated in sub-committee meetings of the IGC and signed the Malaysia Agreement. In 1965 his term as Governor was extended for a period of four years. Died in 1969. Remembered as a genial man who showed restraint even during the crisis which dismissed Dato Ningkan from the post of Chief Minister in September 1966.

ABDUL GHANI GILONG, DATO HAJI. Ran a family business until politics began in Sabah and he became a vice-president of UPKO. Generally regarded as a moderate, he remained a Sabah Legislative Assemblyman until his appointment as federal Minister of Sabah Affairs in August 1968. In the reshuffle of May 1969 he was made Minister of Justice and became Minister of Transport in September 1970. Followed no established religion before he embraced Islam in August 1970. He is a vice-president of USNO.

ABDUL RAHMAN YA'KUB, DATO HAJI. After reading law in the United Kingdom, he joined the Sarawak Legal Department in 1959. Active in the formation of BARJASA and the Sarawak Alliance in January 1963. Became an M.P. and was appointed federal Assistant Minister of Rural Development in November 1963 and Assistant Minister of Justice in May 1964. He became Minister of Lands and Mines in February 1965; and following the elections in May 1969 he was made Minister of Education. Appointed Chief Minister of Sarawak in July 1970.

ABDUL RAZAK BIN DATO HUSSEIN, TUN HAJI. A member of Force 136, a Malay resistance movement against the Japanese. Went to England in 1947 to study law and was called to the Bar in May 1950. State Secretary of Pahang, 1952. In February 1955 he was made Acting Menteri Besar of Pahang but resigned in June to join politics. A member of the Merdeka mission to London in January 1956. As Deputy Prime Minister of Malaya, he took a leading part in discussions pertaining to the formation of Malaysia. Deputy chairman of the IGC. Signed the Malaysia Agreement. Remembered for his assistance in solving the cabinet crises of Sarawak and Sabah in the 1960s, and for the early introduction of rural development in East Malaysia. Succeeded Tengku Abdul Rahman as Prime Minister of Malaysia in September 1970.

ABDUL TAIB BIN MAHMUD, TUAN HAJI. After obtaining a law degree from the University of Adelaide and being admitted to the Bar of South Australia, he returned to Sarawak and joined the Legal Department in 1962. Sarawak Minister of Communications and Works from 1963 to 1966. Appointed federal Assistant Minister of Commerce and Industry in May 1969. Became Deputy Minister in the Prime Minister's Department in September 1970. An active BARJASA leader who, together with his uncle, Dato Haji Abdul Rahman Ya'kub, and other Sarawak Malay leaders, became instrumental in forming Parti Bumiputra in November 1966.

ADAM MALIK, TUN. Foreign Minister of Indonesia under the Suharto Government. Played an important role in the ending of confrontation and resumption of friendly relations between Malaysia and Indonesia from May to August 1966.

A.M. AZAHARI. A Brunei political leader who had earlier taken part in the Indonesian revolution against the Dutch. Formed the Party Rakyat of Brunei and became its president. Mounted the Brunei revolt of 8 December 1962 which he proclaimed from the safety of Manila. He opposed the Malaysia plan vehemently, preferring to see Brunei, Sarawak and Sabah gain independence first, preferably united with himself as Prime Minister and the Sultan of Brunei as the constitutional head of state. Azahari lived the misfortune of a revolutionary (perhaps even a visionary) in a Malaysian environment of non-violent nation-building.

BUJANG BIN TUANKU OTHMAN, TUN TUANKU HAJI. Joined the Sarawak Native Officers Service and was promoted to Administrative Officer in 1956. Retiring in 1961, he took part in the formation of BARJASA in 1962. He succeeded Tun Abang Haji Openg and became the second Sarawak Governor in 1969.

CHAN SIAW HEE. A Sarawak Council Negri member who identified himself as a political 'watchdog' of the Alliance Government. As a central executive committee member of SUPP, he was one of the outspoken leaders of the party.

CHIN, PETER. A Sabah businessman who formed the Democratic Party in 1961. He opposed the Malaysia plan on the ground that while there was a strong desire for self-government, Sabah 'should be independent before being asked to consider the Malaysia proposal'.

DATU MUSTAPHA, TUN HAJI. A well-known postwar Sabah leader. Joined Filipino guerrillas during the Japanese occupation and ended as a regular army captain in 1945. Nominated member of Sabah Legislative Council in 1954 and became a member of the Executive Council in 1956. Founder president of USNO. Leader of the Sabah delegation in the MSCC. Attended plenary meetings of the IGC. Signed the Malaysia Agreement on behalf of Sabah. Appointed the Yang di-Pertua Negara of Sabah on 16 September 1963. Became federal Minister of Sabah Affairs and Civil Defence in September 1965. Resigned and successfully contested the April 1967 Sabah election. He has been Chief Minister of Sabah since May 1967. A firm believer in bumiputera unity in Sabah.

DUSING, JOHN BENEDICT. A career civil servant who climbed the administrative ladder of Sabah until he became State Secretary under the Stephens cabinet. Became a centre of attention in the USNO-UPKO political tussle of December 1964. Now lives in retirement, remembered no doubt for his services in many districts of Sabah.

GOODE, SIR WILLIAM. The last colonial Governor of Sabah. Met with other British leaders in Singapore in June 1961 and subsequently helped to prepare the people of Sabah for entry into Malaysia. Left Sabah on the eve of Malaysia Day.

ISMAIL BIN DATO ABDUL RAHMAN, TUN (DR.). A private medical practitioner before entering politics and becoming vice-president of UMNO. Represented Malaya in the United Nations and occupied ministerial portfolios before the inauguration of Malaysia in 1963. Represented Malaysia at the exchange of Notes in Manila on 3 June 1966 which resumed diplomatic relations with the Philippines. Resigned his post as Minister of Home Affairs and Justice in June 1967, but returned to become Minister of Home Affairs in May 1969. Now Deputy Prime Minister. A seldom-smiling Malaysian leader who is known nevertheless for his fortitude and straightforward manner.

KHOO SIAK CHIEW, DATO. His political career became manifest with his appointment as an unofficial member of the Sabah Legislative Council in 1954. President of United Party which later became SANAP and merged with the Chinese Association to become the Sabah Chinese Association in May 1965. Like most Borneo leaders of the period, after some hesitation he supported Malaysia. A member of the plenary meetings of the IGC and a signatory to the Malaysia Agreement. Sabah Minister of Communications and Works from 1963 to 1967. Deputy Chief Minister of Sabah until 1970. A successful businessman who has also been active in the promotion of sports activities in his country.

LEONG HO YUEN. A vice-chairman of SUPP before joining PANAS and again becoming a vice-chairman of the latter. Often an outspoken member of Council Negri, acting as a political 'watchdog' of the government. He has also been active in journalism.

LING BENG SIEW, DATO. A successful Sarawak businessman. Chairman of several school boards and active in the promotion of sports. A Sarawak Alliance leader by virtue of his prominence in the Sarawak Chinese Association.

LING BENG SIONG, DATO. A brother of Ling Beng Siew and a member of Council Negri. Was Minister of State in the Tawi Sli cabinet.

LO, DATO PETER. Became a Sabah Legislative Council member in 1962. A moderate, he soon decided to support the Malaysia proposal and was a subcommittee member of the IGC. Chief Minister of Sabah from January 1965 to May 1967. Elected M.P. in 1970.

MACAPAGAL, DIOSDADO. President of the Republic of the Philippines

from 1961 to 1965. Opposed the Malaysia proposal from 1962 onwards principally because of his personal interest in the Sulu-Overbeck treaty of 22 January 1878 which he argued was a 'lease' and not a deed of cession as Britain and Malaysian leaders maintained. Mainly responsible for propounding the still-born proposal to unify the Philippine, Indonesian and Malaysian regions into a confederation called Maphilindo in August 1963. Adopted a policy of friendship with Indonesia during the confrontation years of 1964 and 1965. Defeated by Ferdinand Marcos in the 1965 Philippine presidential election. Now chairman of the 1971 Philippine Constitutional Convention.

MACMILLAN, HAROLD. British Prime Minister when the Malaysia plan was mooted (some say by Britain and the Federation of Malaya). Extended support for the inclusion of Sarawak and Sabah in the new federation. Signed the Malaysia Agreement for Her Majesty's Government.

MARCOS, FERDINAND. Succeeded Diosdado Macapagal as President of the Philippines in 1965, after campaigning *inter alia* that he would favour good relations with Malaysia if he was elected. Instrumental for the establishment of full Philippine-Malaysian diplomatic relations in June 1966. Successfully negotiated an anti-smuggling agreement with Malaysia in September 1967 with the aim of stemming the adverse effects on the Philippine economy of manufactured goods smuggled into the country by Filipinos from Sabah. Paid a state visit to West Malaysia in January 1968. Incurred the wrath of many Malaysians when he signed in September 1968 a congressional Bill defining part of Sabah as Philippine territory. Re-elected President of the Philippines in 1969 and was again instrumental in resuming diplomatic relations with Malaysia in December 1969. A smart politician who obviously thought more smartly than Macapagal that there was not really much grit in the Philippine claim to Sabah.

MICHELMORE, LAURENCE. Leader of the UNMM to Sarawak and Sabah in August-September 1963 which reported that the peoples of the two territories had freely expressed their wishes to participate in the Malaysia proposal.

MOHAMMED FU'AD STEPHENS, TAN SRI (formerly DONALD ALOYSIUS). A well-known leader of the Kadazans. A veteran journalist who organized 'The North Borneo News and Sabah Times' in 1953. Became unofficial member of Sabah Legislative and Executive Councils. Initially opposed Malaysia, but later agreed that it was in the best interests of Sabah. Organized and became founder-president of UNKO in 1961 and UPKO in 1964. Prominently figured as chairman of the four meetings of the MSCC. Joint leader of the Sabah members of the IGC and a signatory to the Malaysia Agreement. Made Chief Minister of Sabah in August 1963, holding the post until December 1964. Federal Minister of Sabah Affairs and Civil Defence from January to September 1965. With his party colleagues, he worked hard for the success of UPKO in the Sabah state election of April 1967 and the dissolution of the party in December that year. Appointed Malaysia's High Commissioner to Australia in 1968. Embraced Islam in January 1971. Like Tun Datu Haji Mustapha, he is a strong believer in bumiputera unity in Sabah.

MOJUNTIN, PETER JOINOD. Secretary-general of UPKO until the party's

dissolution in December 1967. A member of Sabah Legislative Assembly since 1963. Alleged that there was religious persecution in Sabah in late 1970 and early 1971. Appointed Sabah Assistant Minister of Industrial Development in October 1971. A forceful young Sabah politician.

MUHAMMAD GHAZALI BIN SHAFIE, TAN SRI. Permanent Secretary, Ministry of Foreign Affairs (Wisma Putra), until his appointment as a Senator and Minister of Special Functions in 1970. A Malayan member of the Cobbold Commission of Enquiry to Sarawak and Sabah in 1962. Remembered well for his role in the smooth handling of Borneo-Malayan negotiations to form Malaysia. Helped much in the formulation of Malaysia's national ideology, the Rukunegara. Now Minister of Special Functions and Information.

NINGKAN, DATO STEPHEN KALONG. A Hospital Assistant with Shell Company, Brunei, before entering politics by forming SNAP and becoming its secretary-general in 1961. A member of Council Negri and was Chief Minister of Sarawak from August 1963 to September 1966. Now in business and is chairman of SNAP.

ONG KEE HUI, DATO. A veteran Sarawak politician and chairman of SUPP. Initially opposed to the Malaysia plan. His party formed a coalition with the Sarawak Alliance in July 1970 and he entered the Federal Cabinet as Minister of Technology, Research and Local Government in February 1971.

PANG TET TSHUNG, DATO. Entered Sabah politics in the 1950s and helped in the formation of SANAP and SCA. Member of Sabah delegation in the MSCC and took part in sub-committee meetings of the IGC. A moderate, he has held Sabah Social Welfare, Local Government, and Communications and Works portfolios.

PENGHULU TAWI SLI, DATO. Member of Council Negri and Chief Minister of Sarawak from September 1966 to June 1970.

SALLEH BIN HAJI SULONG. Entered politics by successfully contesting the April 1967 Sabah election. Appointed Sabah Minister of Finance in 1968 and Minister of Local Government in October 1971. A young politician who has also been active in the youth movement.

SEDOMON, ORANG KAYA-KAYA. A prominent Native leader of Sabah during the apolitical Chartered Company days. Entrusted by the Company Government with responsibility for running a pilot local government scheme in Bingkor in the 1930s. Opposed the Malaysia proposal on the ground that his people were not ready for such a political arrangement. He preferred self-government and independence to come gradually for Sabah.

SELKIRK, LORD. The British Commissioner-General for South-East Asia during the formation of Malaysia. Summoned the British Governors of Sarawak and Sabah and the British High Commissioner to Brunei for talks in Singapore in 1961 and soon after Britain came out positively in favour of Sarawak and Sabah joining Malaysia.

SOEKARNO, PRESIDENT. A noted nationalist who fought against the Dutch until the achievement of Indonesian independence. As President of Indonesia he became known for his 'guided democracy' and faced increasing socio-economic and political problems in his country especially from 1958 onwards. Opposed the Malaysia plan; and when the new federation was inaugurated he launched a confrontation which aimed principally at breaking up the new nation. He sent, on his own admission, thousands of 'volunteers' and regular forces to the Kalimantan-Malaysian border areas to subvert Malaysia which he characterized as a British 'neo-colonialist' plot to prolong imperialism in the region. Soekarno's power steadily declined following the abortive 30 September 1965 coup d'etat in Djakarta. He was under house arrest by 1966 and died a dejected man in 1970.

SUBANDRIO, DR. Foreign Minister of Indonesia during confrontation (1963-1965) when he and President Soekarno teamed up to oppose Malaysia. Fell from the corridor of power following the demise of confrontation and the advent of the Suharto Government.

SUHARTO, GENERAL. The successor of Soekarno. Gradually but effectively brought Indonesia away from euphoria and back to reality by *inter alia* becoming President of Indonesia and ending confrontation in 1966. Together with Tun Adam Malik, he has been responsible for the good relations between Djakarta and Kuala Lumpur since then. Paid a state visit to Kuala Lumpur in March 1970 during which he signed a Treaty of Friendship with Malaysia.

SUNDANG, DATO GUNSANAD SAMSON. A younger brother of O.K.K. Sedomon. Like him, he opposed the Malaysia proposal but subsequently changed his stand and brought his Pasok Momogun party into a merger with UNKO, thus establishing UPKO in June 1964. Member of the Sabah delegation to the MSCC and signed the Malaysia Agreement. Sabah Deputy Chief Minister from August 1963 to June 1964 and again from December that year to April 1967. Has been away from Sabah in recent years, living mainly in Hongkong.

TEMENGGONG JUGAH ANAK BARIENG, TAN SRI. The traditional overall leader of the Ibans and other Dayaks of the Third Division of Sarawak. Member of the Sarawak delegation to the MSCC, attended plenary meetings of the IGC and signed the Malaysia Agreement. He has held the post of federal Minister of Sarawak Affairs until now. A self-taught Iban leader who has a fund of close knowledge about Sarawak.

TENGKU ABDUL RAHMAN, PUTRA AL-HAJ. The Prime Minister of the Federation of Malaya from Merdeka in 1957 until the inauguration of Malaysia in 1963 when he also became the Prime Minister. Retired from that post of ultimate national responsibilities voluntarily in September 1970. Well known for his tolerant approach to the complex politics of his multi-racial country. One of his great victories was the successful formation of Malaysia after securing the support of Britain, Sarawak and Sabah. Helped Sarawak and Sabah leaders to solve their cabinet crises, even if from the considerations

of Kuala Lumpur more than those of Kuching and Kota Kinabalu (Jesselton). A sincere and 'fatherly' leader who, however, found too little time to study and understand the needs and aspirations of the East Malaysians closely.

TEO KUI SENG, DATO. A Sarawak businessman who became active in politics first with SUPP and subsequently in SCA. He has held the state portfolios of Minister of Natural Resources and Minister of Communications and Works. Now mainly engaged in his business.

THANAT KHOMAN, TUN. The Foreign Minister of Thailand during confrontation when he acted as a mediator between Malaysia and Indonesia and between Malaysia and the Philippines. A non-military leader who is known for his diplomatic acumen.

WADDELL, SIR ALEXANDER. The last colonial Governor of Sarawak. Like his counterpart in Sabah, Sir William Goode, he rendered his assistance in preparing the Sarawakians for entry into Malaysia once Her Majesty's Government had agreed to relinquish the two territories. Left Sarawak on the eve of Malaysia Day.

WONG, DATO JAMES. A Sarawak merchant who entered politics by working with Dato Stephen Kalong Ningkan to establish and build up SNAP. Sarawak delegate to the MSCC and sub-committee member of IGC. Deputy Chief Minister of Sarawak until September 1966. Elected M.P. in 1970. A well-reasoned leader with a wide following in the Fifth Division of Sarawak.

WONG POW NEE, TAN SRI. The Chief Minister of Penang when he was selected with Muhammad Ghazali bin Shafie to represent Malaya in the Cobbold Commission. The two produced their separate recommendations *vis-à-vis* the wishes of the peoples of Sarawak and Sabah concerning Malaysia.

YAP PAK LEONG. The only Independent candidate to win a seat in the April 1967 Sabah election. Sometimes outspoken and is presently in detention in Kepayan Prison, Kota Kinabalu.

YONG, STEPHEN. The secretary-general of SUPP. When the party formed a coalition with the Sarawak Alliance in July 1970, he was made one of the two Sarawak Deputy Chief Ministers.

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THANAT KHOMAN, TUN. The Foreign Minister of Thailand during confrontation when he acted as a mediator between Malaysia and Indonesia and between Malaysia and the Philippines. A non-military leader who is known for his diplomatic acumen.

WADDELL, SIR ALEXANDER. The last colonial Governor of Sarawak. Like his counterpart in Sabah, Sir William Goode, he rendered his assistance in preparing the Sarawakians for entry into Malaysia once Her Majesty's Government had agreed to relinquish the two territories. Left Sarawak on the eve of Malaysia Day.

WONG, DATO JAMES. A Sarawak merchant who entered politics by working with Dato Stephen Kalong Ningkan to establish and build up SNAP. Sarawak delegate to the MSCC and sub-committee member of IGC. Deputy Chief Minister of Sarawak until September 1966. Elected M.P. in 1970. A well-reasoned leader with a wide following in the Fifth Division of Sarawak.

WONG POW NEE, TAN SRI. The Chief Minister of Penang when he was selected with Muhammad Ghazali bin Shafie to represent Malaya in the Cobbold Commission. The two produced their separate recommendations *vis-à-vis* the wishes of the peoples of Sarawak and Sabah concerning Malaysia.

YAP PAK LEONG. The only Independent candidate to win a seat in the April 1967 Sabah election. Sometimes outspoken and is presently in detention in Kepayan Prison, Kota Kinabalu.

YONG, STEPHEN. The secretary-general of SUPP. When the party formed a coalition with the Sarawak Alliance in July 1970, he was made one of the two Sarawak Deputy Chief Ministers.

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