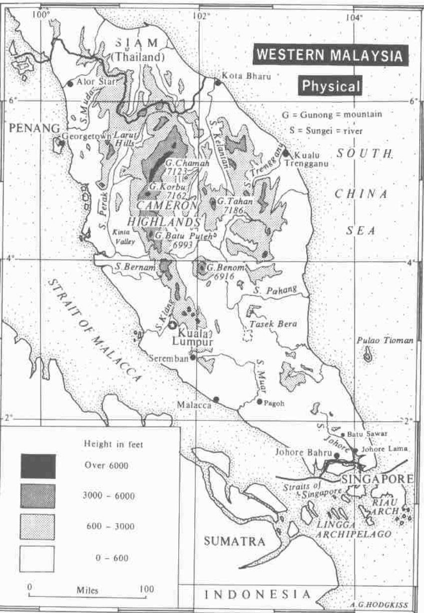
WESTERN MALAYSIA
Political
100°
102°
104°
6°
4°
2°
SIAM
(Thailand)
PERLIS
Alor Star
Langkawi Islands
KEDAH
PENANG
Georgetown
PROVINCE WELLESLEY
PERAK
Taiping
Ipoh
Kampar
Lumut
Telok Anson
KELANTAN
Kota Bharu
Kuala Krai
TRENGGANU
Kuala Trengganu
SOUTH
CHINA
SEA
Kuala Lipis
PAHANG
Kuantan
Maran
Tanjong Malim
Bentong
SELANGOR
Kuala Lumpur
Klang
Port Swettenham
NEGRI
Seremban
SEMBILAN
Port Dickson
MALACCA
Malacca
STRAIT OF MALACCA
JOHORE
Kluang
Batu Pahat
Mersing
Pulau Tioman
Johore Bahru
SINGAPORE
Straits of Singapore
P. Bintan
RIAU ARCH.
LINGGA ARCHIPELAGO
SUMATRA
INDONESIA
International boundaries
State and Settlement boundaries
Railways
Principal aerodromes
0
Miles
100
A.G.HODGKISS



WESTERN MALAYSIA
Physical
G = Gunong = mountain
S = Sungei = river
100°
102°
104°
6°
4°
2°
SIAM
(Thailand)
Alor Star
Kota Bharu
S. Muda
PENANG
Georgetown
Larut Hills
S. Kelantan
S. Trengganu
Kualu Trengganu
SOUTH CHINA SEA
G. Chamah 7123
G. Korbu 7162
CAMERON HIGHLANDS
G. Tahan 7186
S. Perak
Kinta Valley
G. Batu Puteh 6993
S. Bernam
G. Benom 6916
S. Pahang
STRAIT OF MALACCA
S. Klang
Kuala Lumpur
Tasek Bera
Pulao Tioman
Seremban
S. Muar
Malacca
Pagoh
S. Johore
Batu Sawar
Johore Bahru
Johore Lama
SINGAPORE
Straits of Singapore
RIAU ARCH
LINGGA ARCHIPELAGO
SUMATRA
INDONESIA
Height in feet
Over 6000
3000 - 6000
600 - 3000
0 - 600
0 Miles 100
A.G.HODGKISS

THE MODERN WORLD

GENERAL EDITOR: C. H. C. BLOUNT

MALAYSIA

BY

T. E. SMITH

AND

JOHN BASTIN

OXFORD UNIVERSITY PRESS

1967

Oxford University Press, Ely House, London W. 1

GLASGOW NEW YORK TORONTO MELBOURNE WELLINGTON
CAPE TOWN SALISBURY IBADAN NAIROBI LUSAKA ADDIS ABABA
BOMBAY CALCUTTA MADRAS KARACHI LAHORE DACCA
KUALA LUMPUR HONG KONG TOKYO

© *Oxford University Press*, 1967

M
959.5
SMI

582409

PRINTED IN GREAT BRITAIN BY HEADLEY BROTHERS LTD
109 KINGSWAY LONDON WC2 AND ASHFORD KENT

– 3 JUN. 1992
Perpustakaan Negara
Malaysia

CONTENTS

Endpaper Maps: Western Malaysia, political and physical

1. The Country and the People 5
2. The Past 21
3. The Creation of Malaysia 74
4. Malaysia Today and Tomorrow 97

Some Dates in Malaysian History 115

Suggestions for Further Reading 120

Index 123

Endpaper Maps: Eastern Malaysia, political and physical

LIST OF PLATES

Cover photograph: The Malaysian Houses of Parliament in Kuala Lumpur, Malaysia's capital

1. Political leaders — *facing page* 32
2. The Past — 33
3. Mosques — *between pages* 64 *and* 65
4. Malaysian Ports — *between pages* 64 *and* 65
5. Architecture Old and New — *between pages* 64 *and* 65
6. Modern Urban Development — *between pages* 64 *and* 65
7. Plantation Industries — *facing page* 96
8. Tin-Mining and Rice Cultivation — 97

Illustrations are reproduced by courtesy of:

BOAC: 2b, 3b, 5a and b; the Malaysian High Commission, London: 1a, 3a, 4b, 6a and b, 7a and b, 8a and b; the Singapore High Commission, London: 1b, 4a; the Natural Rubber Producers' Research Association: Cover.

I

THE COUNTRY AND THE PEOPLE

THE Malaysian territories* are not large by Asian standards, and yet within them live a great variety of peoples with differing cultures. The standard of living of these peoples is generally high in relation to that of the population of almost all the other Asian countries, and yet within the jungles of Malaysia are aborigines who hunt for food with a blowpipe and wear nothing but a loin-cloth. On the west coast of Malaya and in Singapore there is a network of roads which are up to European standards of construction and maintenance, but in Sarawak there are very few miles of motorable road and most people travel by water on the rivers or along the long coast line. In describing Malaysia and Singapore with their combined population of eleven million, few unqualified generalizations are possible.

Geographically Malaysia is made up of two distinct regions. In the north-western coastal area of the island of Borneo are the two states of Sarawak and Sabah (formerly North Borneo). This pair of states, together now known as Eastern Malaysia, cover about 77,000 of the country's total of 130,000 square miles, but only contain one-eighth of the population. Sarawak and Sabah are, then, sparsely inhabited, with the indigenous people living in scattered villages along the coast and on the banks of the rivers, and with the large Chinese minority dwelling for the most part in towns such as Jesselton and Sandakan in Sabah and Kuching and Sibu in Sarawak. Malaya, which in itself consists of eleven states, and Singapore together form the

*For the purposes of this book the Malaysian territories include Singapore and Brunei as well as Malaysia.

more populous of the two regions of Malaysia, an area of great strategic and commercial importance, lying close to the sea route from Europe and India to China and at the meeting place of continental Asia and the Indonesian archipelago. The South China Sea separates the two regions; Kuching, the capital of Sarawak, is over 400 miles from Singapore, whilst the northernmost point of Sabah is a thousand miles from the nearest point of the Malayan mainland.

Singapore is by far the largest city in the Malaysian area. The state of Singapore contains both a greater population (about $1\frac{3}{4}$ million) and a smaller area (about 225 square miles) than any of the Malaysian states. On the Malayan mainland, the state of Pahang in the centre of the country is the largest in size, though much smaller than either Sabah or Sarawak in Borneo. Pahang is, however, low down in the list in order of population size. The state of Perak, second in order of area, has the largest population, and within its boundaries are much of the country's wealth of tin and rubber. Kuala Lumpur, the capital of Malaysia, lies in the medium-sized but heavily populated state of Selangor. Most of the larger towns on the mainland are in the states bordering the west coast; Penang is an important port town, Ipoh in Perak is the centre of the tin-mining industry, and Seremban in Negri Sembilan is surrounded by vast areas of rubber. All the west coast states from Penang down to Johore are racially very mixed; in contrast the rural east coast states of Kelantan and Trengganu have largely Malay populations, as does the sultanate of Brunei which, like Singapore, is not politically part of Malaysia, though within the Malaysian area.

Nearly half of the Malayan mainland consists of the steep slopes of hills and mountains, and, for reasons of excessive soil drainage and liability to erosion, such land is not in general suitable for cultivation. It has been esti-

mated that at least 70 per cent. of the peninsula lies at altitudes of over 1,000 feet, too high for the planting of the main crop, rubber. The highest mountain in the peninsula is Gunong Tahan (7,186 feet) in Pahang. The low-lying coastal plains on the west and east coasts are fairly fully developed, outside the areas of forest reserve; most of the more promising undeveloped areas are situated in the centre of the peninsula. The whole of Malaya—and indeed all Malaysia—is liberally supplied with rivers and streams, and these were the principal means of communication until roads and railways were constructed in the late nineteenth century. Most of the states of Malaya are named after rivers, and this is a clear indication of the importance of topography in the early political development of the country. The longest rivers are the Perak, running to the Straits of Malacca, and the Pahang, the estuary of which is in the South China Sea.

The two Borneo states of the federation of Malaysia consist of alluvial and often swampy coastal plains, backed by hilly rolling country and by mountain ranges in the interior. Sabah is the more mountainous, and contains Malaysia's highest mountain, Kinabalu, which rises to 13,455 feet. Sarawak has a wider coastal plain than Sabah and the mountains are lower, the highest peak being just under 8,000 feet.

Most of Malaysia is covered by tropical rain-forest, the proportion of forest land being greater in Borneo than in the peninsula. On the higher mountains the jungle thins out with considerable variation in flora, whilst in the low-lying swampy areas near the coast the high forest gives way to mangrove. It is only in areas which have been cleared of jungle and devoted to rice-fields or tin-mining, however, that a long view can be obtained. Observation from the air is by far the best way of obtaining a general view of the country's configuration.

The jungle, though luxuriant, does not grow on a soil of any great fertility. Indeed most areas newly cleared of jungle need much fertilizing to produce good crop yields. In this respect Malaysian soils are similar to those of most other tropical rain-forest areas and unlike typical temperate grassland or forest. When the Malaysian soil is exposed to the tropical sun and rain, it quickly loses its tilth, and fresh vegetation is slow to grow on land from which the top-soil has been eroded. Substantial areas in Sabah and Sarawak have been ruined by the shifting cultivation habits of some of the indigenous tribes. Areas of forest, often on steep slopes, are felled and burned, the land planted with hill rice or tapioca and harvested, and then the tribe abandon their settlement after a year or two and move on to another stretch of virgin jungle.

The whole of Malaysia has a hot, very humid climate. Typical day temperatures are between 70° and 95° F. The average annual rainfall is of the order of 100 inches, with some local variation. To avoid the worst of the heat and the glare, the Malay people like to build their houses among the trees—preferably fruit trees which will provide food as well as shade. Chinese women working on their vegetable plots or on rubber estates and tin mines take avoiding action by wearing very wide brimmed hats. For all except the rich, who can afford an air-conditioned bedroom or office, the heat and humidity are always present. One perspires whilst eating, walking, and even sleeping. It all sounds very sticky, but life in Malaysia nevertheless has its compensations.

One of the compensations lies in the interesting variety of people who inhabit the country. There are the Malays, a brown-skinned colourful people who have resided in the region for three or more thousand years; they are a mostly rural people who live by planting rice ('padi' as it is called when in the fields), by fishing, or by extracting rubber from

the trees on their own small-holdings. Many of the more important posts in the federal and state civil services are held by Malays, and the Sultans of the nine states with constitutional rulers in Malaya are all Malays. So also is the Sultan of Brunei. They are a conservative, Muslim people, well-mannered and tolerant of other cultures and religions, respectful of authority but light-hearted in their own company. In Malaya half the people are Malay, but in Singapore, Sabah, and Sarawak the Malays are a much smaller proportion of the total population. In Brunei more than half the population is Malay.

The Malays are racially related to the peoples of Indonesia. Indeed many of the inhabitants of the west coast of Johore and of parts of Selangor and Perak are themselves immigrants from Indonesia or the immediate descendants of such immigrants. Singapore and Sabah too contain many thousands of people of Indonesian origin.

Then there are the Chinese, the main human element common to Malaysia. In the Malaysian territories as a whole there are two Chinese in every five of the population. They are numerically the largest and economically the most important community in almost all the major towns of Malaya, Singapore, and Eastern Malaysia. Socially they have remained apart from the Malays and the indigenous peoples of Sarawak; only in Sabah have they intermarried with the local people to a sizeable extent. Chinese society functions within a framework of clan associations and mutual aid groups, which are a closed book to most outsiders, and it is no accident that the Chinese remain a distinct and unassimilated group in countries far from China such as the United States, as well as all over South-East Asia.

Although there have been Chinese trading links with Malaya and Borneo for many hundreds of years, large scale migration from China to the Malaysian territories did

not begin until the nineteenth century. Once settled, many of the Chinese immigrants and their descendants used their commercial acumen and their tremendous capacity for hard work to start up their own shops, trading concerns, rubber estates, tin mines, timber extraction companies, and so on. Some of these ventures failed, whilst others were extremely successful. Today most of the really rich members of Malaysian society are Chinese.

The Chinese came to Malaysia from the southern provinces of China. They included Hokkiens, Cantonese, Hailams, Hakkas, and others, all having their own dialects and cultural patterns. The Hokkiens are the most numerous in Singapore, Penang, and Malacca, the Hakkas in Sabah, the Teochius in Kedah, and so on, but there is nevertheless a good deal of geographical intermingling and some intermarriage between these various Chinese communities. There has been very little fresh immigration since the end of the Second World War. Early in this century there were many more Chinese males than females in Malaysia, the wives and children often remaining in China, but there is now for the first time an approximate numerical equality between the sexes. The links between Chinese families in Malaysia and their villages or towns of origin in China are becoming increasingly tenuous, just as the Australian-born or American-born sons and daughters of British migrants tend to lose their family connections with the United Kingdom.

The division of population into a largely rural indigenous group and a largely urban Chinese group is not peculiar to the Malaysian territories. Such a division can be found in Thailand, in Indonesia, and indeed throughout South-East Asia. Malaysia is unique in the region only in the very high percentage of Chinese in the total population. In Indonesia the proportion of Chinese, at 3 per cent., is small enough for them to have suffered political oblivion with

hardly a murmur. In the Malaysian territories, however, compromise between the interests of the different communities is the only alternative to anarchy.

So far mention has been made only of the two major communities, the Malays and the Chinese, who together account for just over four-fifths of the Malaysian population. The next group in point of size are the Indians, of whom there are nearly a million. Labourers from southern India first came to Malaya in large numbers in the closing years of the last century and the first years of the present century. They came to work on the rubber plantations established with European capital and management; and on the development of the communication system, which was essential for the movement of large quantities of rubber and tin destined for export and the supply of food and other necessities to the labour-force of the estates and mines. The Indians in Malaya, like the Chinese throughout Malaysia, at first tended to be birds of passage, making a little money and returning to enjoy it in their own homelands, but both races have now made Malaysia their permanent home.

After the Indians in numerical order of importance come the native peoples of Sabah and Sarawak. They are for the most part rural people dependent for their livelihood on subsistence agriculture, cash-crop smallholdings, and fishing. These are the people British soldiers fighting in the Borneo jungles between 1963 and 1966 saw much of. Their loyalties belong primarily to their own tribe rather than to the country in which they live. Some are Christian, some Muslim, and some pagan. They are simple, cheerful, and hospitable. Some of the inland peoples, including the Dayaks of Sarawak and the Muruts of Sabah, who live in long-houses which shelter several families, as well as smaller groups, such as the Kayans, the Kenyahs, and the Kelabits of Sarawak, are related to the peoples of Indonesian Borneo.

The native Borneans are by no means primitive. Some of the simplest of the Borneo peoples can make handicrafts of great beauty. All of them have a great knowledge of the jungle and a zest for jungle travel. Head-hunting, so often associated with them, is a thing of the past; their energies are devoted to new objectives, such as new techniques in agriculture, literacy, and, during the period of Indonesian 'Confrontation' between 1963 and 1966, their sense of adventure was able to be satisfied by joining the armed forces of Malaysia.

This brief description of Malaysia's multi-racial character is still far from complete. There are the Ceylonese, the Eurasians, and the Europeans and others who have made contributions to good government and the development of the economy out of all proportion to their numbers in the population. At the other end of the scale are the aboriginal peoples of Malaya like the Temiar and the Semang, most of whom still live semi-nomadic lives inside the jungle.

From a political point of view, however, the Malays as a whole, the Chinese as a whole, the Indians, and the native peoples of Borneo are the four important sectors of the population. The old Federation of Malaya was dominated politically by Malays and economically by Chinese, and it was a somewhat grudging acceptance by the leaders of the two communities of this racial differentiation which formed the basis of the compromise on which the ruling political party of Malaya, the Alliance, led the country to independence in 1957. Although there has been some small-scale erosion of this base, the new federation of Malaysia is in essence an extension of the same compromise, with Malays and the native peoples of Borneo tending more and more to be given the leading positions in government, and the Chinese and to a much smaller extent the Indians retaining their prominent position in commerce and industry. In Singapore the Chinese dominate politics and the economy.

Sport helps to bring the Malaysian peoples together. Soccer is universally popular, and Malaysian teams can hold their own in international competition with other countries of South-East Asia. Malaya won a seven nation South-East Asian Peninsular Games Tournament in Rangoon in 1961 and were third in the Jakarta tournament held in 1962. At hockey Malaya has in recent years had very evenly balanced matches with the world's champion nations, Pakistan and India. Malaysia's badminton players are of world class and Malaya has in part of the post-war period held the Thomas Cup, the international badminton trophy which corresponds to the Davis Cup in lawn tennis.

In Malaysia, as in most other parts of the world, the proportion of the population living in urban areas is growing rapidly. In the old Federation of Malaya, for instance, the town population more than doubled between 1947 and 1957, whilst the rural population remained static in number, an increase in the Malay being balanced by a reduction in the Chinese rural population. The 'Emergency' in Malaya (see pp. 61-3) was a factor in this movement, for many Malayans who had been living in the countryside in areas of communist terrorist activity had to be moved to 'new villages', some of which have now developed into small towns. Even if allowance is made for this factor, however, there is a clear indication in the statistics of a continuing drift into the towns from the rural areas. The very fact that the movement into the towns of Malaya and Singapore continues, whilst great tracts of land in Malaya remain undeveloped, suggests that there is little likelihood of people migrating from Malaya and Singapore to Borneo to take advantage of land and business opportunities available to the detriment of the Borneans themselves. In any case the Borneo states insisted as one of their conditions for joining Malaysia that entry into either state would require the approval of the state concerned. In other words, there is

an internal control of movement to Eastern Malaysia from the rest of the country, as well as a strict international control of immigration from countries outside Malaysia.

Wherever one travels in Malaysia, one sees large numbers of children—children of all races going to and from school, Malay boys riding on the backs of buffaloes and bathing in the sea or the rivers, and Chinese boys and girls helping their parents in the family vegetable patch. For most Malaysian husbands and wives, whatever their race, it is a disaster to be childless. All races have a high birth-rate and the average woman gives birth to about six live babies during the child-bearing period. Children under the age of fifteen form about 45 per cent. of the population, which is a far, far higher proportion than in Britain, where families are so much smaller and the proportion of under-fifteen to total population is less than 25 per cent.

The over-sixty-fives on the other hand are a very small proportion of the Malaysian population. This is not because expectation of life is low—on the contrary it is high by Asian standards—but because the typical grandfather or grandmother can claim a fairly large number of grandchildren. The low percentage of the aged does not, however, counterbalance to the full the high percentage of children; for this reason the average adult of working age has to support a larger number of dependents in Malaysia than in Britain.

The high birth-rate and the low death-rate in Malaysia leads to a rapid rate of growth of population. In the Borneo states more people are needed and rapid population growth is not entirely disadvantageous, but in Singapore and the more densely settled parts of Malaya the rate of growth is too fast for comfort. It is very difficult to provide the schools, the hospitals, the houses, and the jobs needed for a population increasing at the annual rate of over 3 per cent. and at the same time improve the standard of living.

One of the precarious aspects of the problem of finding jobs for the increasing labour-force is that the Malaysian economy is still very dependent on producing and exporting rubber. In Malaya, for instance, well over half the total cultivated area is under rubber, about two million people are directly or indirectly dependent on the rubber industry for their livelihood, and exports of rubber account for half or more of Malaya's foreign trade earnings. Rubber also occupies a leading position in the economies of the states of Sarawak and Sabah. Although Singapore produces little rubber, the commodity is nevertheless the largest single item in her trade.

World rubber consumption has increased steadily since the end of the Second World War, but there has at the same time been a gradually intensifying competition between synthetic rubber and natural rubber for the lion's share of the market. More than half of the total production of rubber is now the synthetic product. Much valuable research on behalf of the natural rubber producers has led to the gradual introduction of trees whose yield is several times as great as the old-style seedling rubber, but it is clear that only the more efficient rubber estates will survive the years of thin profit margins which lie ahead. Equally clearly there has to be a good deal of emphasis on crop diversification in agriculture and on the introduction of light industries to provide the new jobs which are required.

What other than rubber do the Malaysian territories produce? Throughout the country rice is the staple food of the great majority of the population and it is the major food crop in Malaya, Sarawak, Sabah, and Brunei. Padi is grown in small family or individually owned fields and much of the crop harvested is consumed by the cultivators and their dependents. There are few Chinese padi planters in Malaysia; the planters in Malaya are mostly Malay and belong to the various indigenous tribes in Borneo. The Malaysian

territories are not self-sufficient in rice, and imports amount to at least a third of total domestic requirements. In addition to rubber and rice, Malaysia produces timber, copra, palm-oil, pepper and, outside the list of agricultural and forestry products, tin and iron-ore. Malaya is one of the world's largest producers of tin, and exports of tin are a fifth to a quarter of total exports from the peninsula in point of value. The iron-ore from Malaya and the timber exports from Sabah mostly go to Japan, which has resumed her pre-war status as one of the leading nations in the trade of South-East Asia. Sarawak is one of the very few sources of the world's supply of pepper, which was almost unobtainable in Britain in the last war because both Sarawak and Indonesia, the other main source, were occupied by the Japanese. Brunei produces large quantities of oil.

There are other Malaysian products, but the number is limited and the economy of the country relies heavily on the export of a very small range of commodities. So far rubber, tin, and to a smaller extent iron-ore, palm-oil, copra, and timber, have over the years given the Malaysian people an imposingly high standard of living in comparison with that of the peoples of most other Asian countries. The approximate foreign exchange earnings of the principal Malaysian products for the period 1957–61 are shown on page 17.

The stage has now been reached when Malaysia needs at the same time to obtain maximum earnings from the traditional list of export commodities and to economize on imports by the local production of goods now being brought into the country from abroad. Fortunately there is no lack of well-educated Malaysians (except in Eastern Malaysia) to provide the administrative and technical skills which are required to meet the needs of a developing economy in a newly independent country. The two national universities—the University of Malaya in Kuala Lumpur and the Uni-

MALAYSIA—FOREIGN EXCHANGE EARNINGS FOR YEARS 1957–1961

(In millions of Malayan $) (=2s. 4d. sterling)

	1957	1958	1959	1960	1961
Rubber	1,360	1,220	1,772	1,869	1,475
Tin	352	223	243	372	432
Timber	80	87	124	188	185
Iron-ore	66	63	100	140	164
Coconut products	59	59	66	85	58
Palm-oil	44	44	48	58	58
Pepper	17	15	18	17	29
Manufactured goods, including processed foods	157	169	174	203	226
Other products	86	96	107	109	130
Total	2,221	1,976	2,652	3,041	2,757

versity of Singapore—are expanding rapidly, and at the same time there are many thousands of Malaysian students studying in British, Australian, and American universities. A considerable proportion of these students receive state scholarships or awards made under Colombo Plan arrangements; others—in particular a fair number of those studying in Australian and American universities—are the sons and daughters of wealthy Malaysian parents, usually Chinese.

When looking at both university education and education at the lower levels, we are once again reminded of the difficulties which arise from the fact that Malaysian society is multi-racial. Average annual income per head of the Chinese in Malaysia is, according to the best available estimates, more than twice that of the Malays and of the

indigenous people of the Borneo states, whilst the average Indian income comes about midway between. Where fee-paying for education is involved, the Chinese are thus in an obviously more advantageous position than the Malays. Moreover, most of the better secondary schools are in the towns, where the Chinese live in much greater numbers than the Malays, so that the Chinese boys and girls on this account too have a better chance of getting to a high educational standard than the Malays and the native peoples of Borneo. To even things out a little, Malays and the Borneo peoples are given priority in the award of scholarships; this, however, does not prevent the average educational standard reached by Chinese children being substantially higher. Moreover it leads to frustration among the numerous bright Chinese school-leavers with poor parents who cannot afford to pay fees for higher education for their sons and daughters.

Another problem which has exercised the attention of the educational administrators in Malaya for a number of years and now throughout Malaysia is the language of instruction in the schools. Malay is the national language of Malaysia and it is obviously in the national interests that the emergence of a Malaysian consciousness should be promoted by the development of the language and by the teaching of it in school. On the other hand English and Chinese are the languages used in trade and commerce, and most government correspondence has so far been in English. Moreover the Chinese, the Indians, and the other non-Malays are determined to preserve their different cultures within a Malaysian frame-work, and language is part of the cultural heritage. The solution adopted has inevitably been a compromise. In Malaya, where education is a subject under the control of the federal government, Malay and, for the time being, English are compulsory subjects in state and state-supported secondary schools. Other

languages are also used as media of instruction, particularly at the primary level. Singapore, when she was a constituent state of the federation of Malaysia, successfully insisted on education remaining under state control, and now that she is an independent state she can continue to pursue her own educational policies. In the two Borneo states too, where Malay language instruction has hitherto claimed little attention, educational policy is to remain under the control of the respective state governments until they are prepared to hand over to the federal authorities.

The difficulties involved in framing acceptable educational policies are typical of the problems which the federal and state governments of Malaysia have to solve in dealing with many matters of national importance. There must be compromise, not only between the claims of the different races, but also between the claims of different geographical sections of the country.

Fortunately Tunku Abdul Rahman, the first Prime Minister of Malaysia, displayed a spirit of compromise. A Malay of royal birth, he is the son of a former Sultan of Kedah, one of the states of northern Malaya. As a youth he spent a number of years in England, gaining a degree from Cambridge in 1925; and he later spent lengthy periods in London studying law in a rather leisurely fashion in an effort to pass the Bar examinations, which he did not finally achieve until 1948 when in his mid-forties. At that time no one would have forecast that he was to be the leader of the political party which won the first general election in Malaya in 1955, and the Prime Minister of an independent Federation of Malaya from 1957 to 1963. He had not been an outstanding government administrator in his native Kedah in the nineteen-thirties and early nineteen-forties, in between his attempts to pass his Bar examinations. As a politician, however, his aristocratic origin combined with a flair for making friends among the ordinary village

Malays gained for him the loving respect of most members of his own race, and his long residence in the cosmopolitan atmosphere of a student's London no doubt contributed to his ability to win the confidence of Malayans of other races. He has certainly proved to be in most respects an excellent Prime Minister.

The first Prime Minister of Singapore is a man quite unlike the Prime Minister of Malaysia. Lee Kuan Yew is Chinese, had a brilliant academic career at Cambridge, and has socialist leanings. His political moves are carefully calculated, are carried out with ruthlessness if necessary, and are nearly always successful. The differences between the two politicians not unnaturally reflect the differences between the federal government of Malaysia and the now independent government of Singapore. The ministers of the federal government of Malaysia are mostly Malay and conservative in their political opinions; whilst some individual ministers, such as Tun Abdul Razak, the Deputy Premier, are very able and quick to action, the government as a whole gives the impression of moving slowly. The ministers of the Singapore government are in contrast mostly Chinese, and their programme of development of the social services, and housing in particular, is a miracle of achievement by South-East Asian standards. Both Tunku Abdul Rahman and Lee Kuan Yew are, however, agreed on the need to keep the area under their jurisdiction free of communist infiltration and this, as we shall see in Chapter 3, was the main reason for the formation of Malaysia.

Malaysia is a very new foundation, a child born in 1963 after a two-year pregnancy. To understand why the eleven states of Malaya, Singapore, Sarawak, and Sabah came together in a fourteen-state federation, and why later Singapore seceded from this federation, we need to examine the historical development of the Malaysian region as a whole.

2

THE PAST

THE modern period of Malaysian history may be said to begin with the foundation of the sultanates of Malacca and Brunei and the establishment of their respective spheres of political influence in the Malay peninsula and western Borneo during the fifteenth and sixteenth centuries. Leaving aside Malacca's possessions in eastern Sumatra, and Brunei's holdings in the islands north of Borneo, the Malay sultanates in their heyday exercised control over a large part of the territories which now comprise Malaysia. This, and the fact that during the nineteenth and twentieth centuries those territories experienced varying degrees of British rule, are the main reasons which justify the study of Malaysian history in its own right and not merely as part of the history of the Malayo-Indonesian world.

Apart from the significance of the foundation and expansion of the Brunei and Malacca sultanates, especial importance attaches to the sixteenth century as a dividing line in Malaysian history because indigenous and Western source materials both become available from that time. As the oldest dated inscription in Malaysia goes back only to the beginning of the fourteenth century, knowledge of the earlier, pre-modern, period has to be derived from comparative Asian sources, oral traditions and, particularly, from archaeological material in Malaysia itself. In the latter category the most spectacular discovery of recent years was that of a 35,000 years-old skull of a *Homo sapiens* in the Niah caves of Sarawak. Excavations there, and on the islands of Burong and Eno in Sabah, have furnished finds that may be paralleled with Stone Age material in Malaya.

The Niah skull affords evidence of very early human occupation in Eastern Malaysia and it is thought that heavy concentrations of Stone Age people, subsisting on root-crops and sago, existed in many of the upland valleys, notably in northern Sarawak around Mount Batu Lawi and Mount Murud, in the region of the middle Trusan river, and also in south-western Sabah. Many of these areas are today sparsely populated so there may have been a movement of peoples along the rivers to the western coastal regions due to more accessible salt supplies and the availability of iron, which began arriving on a large scale with the commencement of Chinese trade in the T'ang period (618–907 A.D.).

There is still considerable speculation about the early areas of human occupation and population movement in Eastern Malaysia, but it seems clear that the migratory process from inland to coast continued until a very late period. Oral traditions, for example, suggest that the Ibans did not begin to move westwards from the Kapuas basin in Indonesian Borneo along the southern rivers of Sarawak until fifteen or more generations ago, and the Kayans migrated from the headwaters of the Rejang and its tributaries to the Bintulu, Tinjar, and the main Baram river area only in relatively recent times. These demographic changes in Eastern Malaysia often involved the expulsion of occupant communities, such as the nomadic Bukitans and Serus by the Ibans in southern Sarawak.

Brunei was long a centre of human settlement and at Kota Batu, the Stone Fort of early Malay legend, situated two miles from Brunei town, Chinese coins have been found dating back to the eighth century A.D. Little, however, is known about the place until the advent of Islam and the establishment of the sultanate in the early fifteenth century, and the arrival of the first European visitors a century later. At that time the people of the town lived, as

many still do, in houses built on piles in salt-water, except the ruler whose royal compound was on land, apparently in the Stone Fort, which was mounted with more than fifty metal bombards, some made of iron. The Sultan's palace was hung with silks and brocades, and its floors covered with carpets. His courtiers were dressed in cloth-of-gold and silk, and they carried creeses, or daggers, whose golden hilts were encrusted with precious stones. In the government of his realm the Sultan was served by four great ministers of state who handled home and judicial affairs, revenues, minor disputes, and matters concerning the coastal domains and the port. Each of the ministers of state was assisted by officers of royal and non-royal lineage.

The early rulers of Brunei may have been Bisayas or Muruts and not Malays, the latter designation being applied to the coastal peoples as they became Islamized—entry into the Malay community being practically synonymous in most of Malaysia with becoming a Muslim. Although Brunei political power in Sabah and Sarawak during the fifteenth and sixteenth centuries did not extend far inland, it was effectively maintained along the western coastal fringes of Borneo bringing many of its peoples within the proselytizing influence of Islam whose doctrines appear to have been carried there by Arabs. The new religion barely touched the Kayans or Ibans, but it made many converts among the Melanaus whose chiefs were often replaced by Brunei princes who married their womenfolk. Further admixtures of indigenous, Chinese, and Arab blood helped to make the Malays of Eastern Malaysia an exceedingly heterogeneous people, as are, in fact, their compatriots in Western Malaysia, the so-called Deutero-Malay, or Malay proper, who represent an amalgam of Proto-Malay, Chinese, Indian, Arab, and Siamese elements.

Malaysia began to be drawn into a pattern of world

history during the early Christian centuries when the commercial connections between India and the Mediterranean were extended into South-East Asia. The early India-based trade was widely dispersed throughout South-East Asia although it tended to concentrate in the area of the Mekong delta in Indo-China. With its relatively low level of population density, Malaysia afforded limited market opportunities, but its gold and jungle-produce were sufficient to encourage some degree of commercial contact. Traces of Indianized settlements of possibly the fifth and sixth centuries A.D. have been found in Kedah and Perak, and gold in the Sambas-Bau region of Eastern Malaysia may have attracted traders and so partly account for the odd assortment of Indian-type objects largely found there. Confirmatory evidence of direct Indian trading connections with western Borneo has not been uncovered, however, and the presence of 'Indian' cultural elements may be better explained by contact with South-East Asian Indianized regions like Java rather than by direct trading links with India itself.

The Indianized realms of Funan in Cambodia, Lin-yi (Champa) in South Vietnam, and Langkasuka in the northern Malay peninsula, were already in existence during the early centuries of the Christian era, and by the eighth century the Buddhist state of Srivijaya in southern Sumatra appears to have extended its control over parts of southern Thailand and northern Malaya. A noted centre of Mahayana Buddhism, Srivijaya flourished by regulating shipping and trade along the Malacca Straits until its power was drained by Chola incursions from south India and by pressures exerted by the Javanese states between the eleventh and thirteenth centuries. Its dominant political role in the region came to be exercised by the last of the Hindu-Javanese kingdoms, Majapahit, which laid claim to most of the Malay peninsula, Singapore, Sarawak, Brunei,

and Sabah, thus providing the basis for contemporary Indonesian assertions that the Malaysian territories form part of Greater Indonesia. Historians have found the Majapahit claims convenient to explain the presence of Indianized cultural elements in Eastern Malaysia, and have argued that Brunei itself was under the formal jurisdiction of the Majapahit empire before the latter disintegrated in the fifteenth century; but the evidence of Majapahit (or Srivijayan) influence in western Borneo is by no means impressive, nor, for that matter, is that which relates to Majapahit dominance in Western Malaysia. Malay tradition certainly ascribes the final destruction of Singapore to Majapahit invaders and says that the island's fugitive ruler shortly afterwards founded Malacca, but it seems more likely that the attack came from Thailand which claimed suzerainty over the island.

The abandonment of Singapore has usually been placed somewhere towards the end of the fourteenth century and the founding of Malacca dated about 1400 A.D. However, in the light of recently interpreted Chinese sources it would appear that both events have to be pushed further back into the fourteenth century, for the port of Malacca was already a place of sufficient importance for the third of the Ming Emperors, Yung-lo (1402–24), to despatch missions there and accord the place official recognition in 1405. The Ming voyages to South-East Asia during the early decades of the fifteenth century brought Malacca within the direct orbit of China's economic and political power, a situation which her Malay rulers were careful to foster as it afforded them some measure of protection against Thai encroachments in the peninsula. In acknowledgement of the imperial edicts restraining the Siamese from molesting their state, the early rulers of Malacca visited China bringing tribute and receiving trading commodities in return. Although the imperial prescripts were not always observed

by the Thais, who launched a number of unsuccessful attacks against Malacca, the recognition given the city by China was sufficient to assist its rapid economic growth during the first three or four decades of the fifteenth century.

Malacca's development into one of the most important trading centres of South-East Asia was due to a number of factors foremost of which was its geographical position astride the maritime route linking the Indian Ocean with the South China Sea. As the opposing wind systems of the two regions also met there, traders had access to a convenient shelter for their ships and cargoes during the change of monsoons. Despite the fact that Malacca itself was dependent on imports of food supplies, and produced little locally for the international market, it flourished as a collecting centre for South-East Asian commodities like nutmeg, mace, cloves, pepper, gold, tin, resin, camphor, and sandalwood, which were required for the trade of eastern and western Asia. In return, the products of the Middle East, India, and China, such as carpets, glass, beads, cloths, porcelain, and silks, were unloaded for distribution throughout South-East Asia. When the first Europeans visited Malacca in the early years of the sixteenth century they were generally unanimous in declaring that it was the richest seaport with the greatest number of wholesale merchants and ships in the world.

The Arab, Indian, Indonesian, Siamese, and Chinese merchants who crowded into Malacca every year did so not merely because the port offered a safe and convenient harbour but because it was administered on sound and equitable principles. The actual organization of commerce was in the hands of four *Shahbandars*, chosen from among the foreigners to look after the affairs of their own group of nationals. They adjudicated all disputes between their own people and controlled weights, measures, and markets.

They allotted warehouse space to the traders, who had to pay customs duties according to the value and origin of their goods, the heaviest levies being imposed on items shipped from western Asia. In addition, small presents were collected for the Malacca ruler and his Malay officers of state.

The political structure of Malacca was derived from earlier forms and constituted the model of Malay government in the peninsula. The state was personified by the supreme ruler—the Raja according to Hindu concepts, Sultan according to Muslim practice, and Sri Maharaja according to earlier Srivijayan usage. Even when Malacca became a sultanate early in the fifteenth century its rulers, or Sultans, continued to use Hindu designations although as Muslims they were supposed to be a reflection of Allah on earth and bound to observe the precepts of the Prophet. In the Sultan reposed the central powers of the state, for in Malay eyes he was the very essence of the state. As the repository of these powers it was the Sultan's task to conduct external relations, to be leader in times of war, and to be the figurehead in all ceremonies. The actual executive functions of the state were left to officials, foremost of whom was the *Běndahara*, or prime minister, the *Těměnggong*, who was the minister of police and justice in the town, and the *Laxamana*, or admiral, who was in charge of the naval forces and responsible for the protection of the person of the Sultan. In addition, there were many lesser officials who conducted the routine management of affairs, as well as territorial chiefs who exercised jurisdiction in the imperial domains.

At the height of its power in the fifteenth century Malacca controlled most of the Malay peninsula, together with the Sumatran states of Kampar, Rokan, Siak, and Indragiri from all of which tribute was exacted. Gold, pepper, and other goods for re-export, were sent by Siak, Indragiri, and

Kampar, and labour to man the Malacca war-fleets was supplied by Rokan and Riau. The exact amounts of tribute collected is not known but it is clear that the economic strength of Malacca derived not so much from these sources as from the import-export trade conducted by foreign merchants. It was estimated that four thousand of these were resorting annually to Malacca when the city was captured by the Portuguese in 1511.

The Portuguese entry into Asian waters at the end of the fifteenth century was inspired by a mixture of religious and economic motives of which the former—the desire to engage in an anti-Muslim crusade by out-flanking the infidel by sailing around the Cape of Good Hope—was probably the most important in the early age of discovery. Dreams of Guinea gold and Indonesian spices became equally important, however, and the Portuguese soon realised that if they were to participate with the Muslims in the commerce of South-East Asia they would have to capture Malacca, the main entrepôt of the spice trade in the region. In Portuguese hands the city served not only as a trading centre but also as an important link in the strategic chain of maritime bases which they eventually extended from the Arabian Sea to Macau in China.

Under the Portuguese, the fort and town of Malacca was in the charge of a Captain, or governor, who was assisted in the administration of civil affairs by a small council. Judging from complaints made about their rule, the Captains often exercised their power arbitrarily for their own economic advantage, by imposing additional levies on goods shipped in and out of the port, by obliging Asian merchants to accept over-valued European goods in return for their wares, and by demanding presents for the issue of passes to trade through the Straits. But the picture that is usually drawn of Asian traders fleeing from tyrannical Portuguese exactions to find succour in other ports of South-East Asia is

undoubtedly exaggerated. There was certainly a flight of Muslim merchants from Malacca at the time of the conquest, but there is sufficient evidence to show that, although violently opposed to the doctrines of Islam, the Portuguese tolerated and even encouraged the operation of Muslim merchants once the port returned to normal.

While the small-scale Asian trade with Malacca soon recovered, the initial exodus of Muslims and others at the time of the conquest caused a diversion of trade to Acheh in north Sumatra and this sultanate soon came to challenge the political and commercial hegemony claimed by the Christians in Malacca. Drawing its economic strength from the free Asian trade with its capital, Kutaraja, and from the control it exercised over the west Sumatran pepper regions, Acheh rose to the peak of its power during the sixteenth and early seventeenth centuries when it extended its influence over Kedah, Perak, Johore, and Pahang. During this period, down to 1641 when the Portuguese fortress finally fell to the Dutch, Acheh also directed many military and naval expeditions against Malacca, one of the largest of which in 1629 was said to have consisted of 236 ships and 20,000 men. The Portuguese managed to withstand these attacks, often by the seemingly miraculous arrival of relief fleets from Goa and Macau, but during the whole period of their occupation of Malacca they feared no enemy more than the Achehnese.

Another power contending for control of the Malacca Straits during the sixteenth and seventeenth centuries was the Malay sultanate based on the Johore river and the Riau-Lingga archipelago. Driven from Malacca in 1511 the Malay rulers and their followers dispersed, some along the Malacca river, others south to Pagoh on the Muar. Forced from thence by the Portuguese, they fled across the peninsula to Pahang, and then moved south to Riau-Lingga and the Johore river where they built a number of

royal towns during the sixteenth century. There the ritual and ceremony of the Malacca court was revived and the remnants of the empire drawn into renewed allegiance to their Malay rulers who, far from accepting the inevitability of the loss of Malacca, continued to challenge the Portuguese both in the south and from bases along the Muar river. The Portuguese were more than able to deal with these threats, driving the Malays first from Pagoh and later out of Riau. During the mid-fifteen-thirties the Malay towns along the Johore river were attacked and the Malay royal house kept on the move. At the mid-century Johore was strong enough to launch an attack against Malacca, but the Malays were dealt a devastating blow in 1587 when their fortified capital at Johore Lama was sacked and burned by a large Portuguese force operating in the Johore river.

The political rivalry between Johore and Malacca was underlined by conflicting economic interests. In their new settlements in the south the Malay rulers encouraged trade and attempted to develop a commercial economy of the kind they had been accustomed to in Malacca. It was inevitable that they should have done so as the Johore river area was unable to sustain any large-scale production of rice, but the imposition of levies on goods entering and leaving the Straits amounted to a direct challenge to Portuguese ambitions to monopolize and control the trade of the region. The conflict between Johore and Malacca was therefore unavoidable and the fact that it was waged on an intermittent basis, interspersed with periods of amity, was simply a reflection of the mutual suspicion entertained by both powers of the sultanate of Acheh.

Except for a brief time at the end of the sixteenth century, Acheh remained in a state of hostility to the Portuguese and attempted by various means to enlist the support of Johore in the struggle against the infidels.

The response was generally equivocal, for the Malays, fearing the Achehnese as much as the Portuguese, entered into a shifting patchwork of alliances, first with Acheh, next with Portugal, only to find themselves involved in a fairly continuous round of hostilities with one or the other. In playing the role of pawn in the power struggle in the Malacca Straits the Malays ensured the continuance of Portuguese influence in the region, for it is doubtful if it could have survived a united Asian front. As it was, mutual suspicion and fear kept Johore and Acheh divided and so prevented the latter from attaining that position of dominance in western Malaya she so earnestly sought.

The power struggle in the Straits of Malacca continued into the early seventeenth century but with the addition of a new element—the Dutch. Representing the powerful United East India Company, formed in 1602 shortly after its English counterpart, the Dutch were not slow to challenge the trading privileges of the Iberians in Asia. Possessing a more formidable investment in money, ships, and men, the Netherlands Company, within fifty years of the arrival of its agents in Asian waters, usurped virtually all the Portuguese possessions in Ceylon, eastern Indonesia, and Malaysia. Impressive as these gains undoubtedly were, they were not won easily as Portuguese power in Asia did not crumble before the first onslaughts of its vigorous new adversary.

The establishment of Dutch political and commercial relations with Johore early in the seventeenth century represented a serious threat to Malacca, especially as the Johore river afforded a base from which Dutch ships could operate against the richly laden galleons sailing from Macau to Goa. The Dutch attempted to capture Malacca by direct assault in 1606, but although some help was given by the Malays the attack failed. Despite the protection promised by the Dutch alliance, the Malay capital of Batu

Sawar was captured and destroyed by Achehnese forces in 1613 and a new Sultan placed on the Johore throne. A combined Dutch-Achehnese-Johore expedition against Malacca was planned two years later, but the forces failed to unite and the projected invasion of the Portuguese stronghold did not materialize. The Johore ruler's severance of his ties with Acheh shortly afterwards had fateful consequences in 1617, when an Achehnese force invaded his fief territory of Pahang in eastern Malaya, and six years later when an Achehnese fleet drove him out of Bintan and denied his successors the comfort of a permanent royal capital for nearly twenty years. During this period Acheh also invaded Perak and laid waste Kedah, destroying the pepper plantations which formed an alternative supply to its own. This phase of Achehnese imperialism was the work of its greatest ruler, Sultan Iskandar Muda, but his death in 1636, and that of his successor five years later, marked the end of Achehnese expansion due to internal conflicts in the sultanate. In 1641 also the Dutch finally captured Malacca from the Portuguese, placing in their hands and in those of the Malay rulers of Johore the future of the western Malayan seaboard.

Dutch policy in the Malacca Straits was directed towards securing those advantages which had been enjoyed by the Portuguese. Apart from the collection of tithes and taxes from the Malay vassal states adjoining Malacca, levies were laid on goods passing along the Straits and a monopoly was imposed on exports of tin from Perak, Selangor, Kedah, and Sungei Ujong. In order to control the trade of the Straits the Dutch insisted that all Asian merchants should

---

1. *Political Leaders*
   (*a*) Tunku Abdul Rahman, first Prime Minister of Malaysia.
   (*b*) Lee Kuan Yew, Prime Minister of Singapore.

1a

1b

2a

be in possession of official passes issued either at Malacca or Batavia. The pass system was designed not only to regulate the flow of shipping in Malaysian waters but also, in particular instances, to restrict its development. Connected with these objectives was the desire of the Dutch Company to share in the profits of the independent Asian trade by levying imposts on goods landed at, or re-exported from, Malacca. Detailed regulations were promulgated to cover the various commodities of Malacca's trade, most of which was subject to import and export duties, except foodstuffs which were granted free entry or charged at a lower rate. Few exceptions to the regulations were allowed, but goods traded by the Johore rulers, and ships belonging to the King of Thailand, were not subject to import levies.

Despite Dutch restrictions on trade, the commercial development of Malacca appears to have been maintained at a fairly high level during the seventeenth and early eighteenth centuries. Small-scale commercial transactions were carried on by the local Asian population of Malacca, but little in expensive merchandise as the Company ships and Asian vessels went to Malacca simply to collect goods for sale elsewhere in South-East Asia. The Company exercised a monopoly of the trade in tin, pepper, spices, opium, and resin, and was particularly strict not to allow the locally produced Malayan tin to be sold to foreign merchants. Instead, it was exported in Company ships at the end of every year to Asian markets nominated by the authorities in Batavia and the surplus sent to Java for shipment to Europe.

---

2. *The Past*

(*a*) Remains of the old fort at Malacca, built by the Portuguese, re-modelled by the Dutch, and destroyed by the British in the early nineteenth century.

(*b*) Statue in Singapore of the free-port's founder, Sir Thomas Stamford Raffles.

The Dutch in Malacca obtained most of their tin from Sungei Ujong and Klang, which were controlled by Johore; from Perak, which until the sixteen-sixties was still nominally subject to Acheh; from Kedah, which was in much the same sort of position *vis-à-vis* Siam; and from the southern dependencies of Thailand, including Ujong Salang. The Company attempted to make the local rulers enter into trading contracts which bound them to sell their tin supplies at fixed prices calculated in money and goods. It was this type of contract which determined the particularly tortuous course of Dutch relations with Perak during the seventeenth and eighteenth centuries, when the Company established fortified positions in the Perak river and on Pangkor island to prevent smuggling of tin to Asian and British ships.

Although private British traders based on India were already operating in the Malacca Straits during the seventeenth century and eventually came to threaten certain branches of Dutch commerce in the eighteenth century, the main challenge to the Dutch position in Malaya at this time came from the Bugis people of eastern Indonesia who began to settle in small numbers in the western and southern regions of the Malay peninsula during the late seventeenth century, possibly as a consequence of the Dutch capture and closure of the port of Macassar in the Celebes in 1667–8. The influence of the Bugis was strong in western Malaya, particularly in Selangor where they established a ruling dynasty, but the centre of their operations lay further south in the Riau-Lingga archipelago, where, at the heart of the Johore empire, their military prowess enabled them to usurp Malay political power by establishing the post of Underking and ruling in the Sultan's name. The Bugis challenged the attempts made by the Dutch to enforce the tin monopoly in the Malay states, and during the second half of the eighteenth century

developed such a successful entrepôt in Riau for the sale of tin, opium, and Indian piece-goods that the profitability of the Dutch trading position in the Straits was threatened. Moreover in 1784, when the Dutch were in a seriously weakened condition as a result of the Fourth Anglo-Dutch War (1780–84), the Bugis were powerful enough to invest Malacca itself. The scales were turned in mid-1784 when a Dutch naval squadron scattered them from around Malacca, and forced them to forego their title of Underking in the Johore empire. Bugis power suffered a set-back from which it never recovered, and it was finally eclipsed in 1824 when, in accordance with the terms of the Anglo-Dutch treaty of that year, the empire was divided into Dutch and British spheres of influence.

British interest in South-East Asia, hitherto confined to a number of pepper settlements in west Sumatra, developed considerably during the second half of the eighteenth century when means were being sought by the East India Company to reduce its dependence on bullion to sustain the lucrative tea trade with China. In an endeavour to exchange British manufactures for South-East Asian produce suitable for the China market, trading centres were established during the seventeen-seventies on some of the islands off northern Borneo, including Balambangan and Labuan which now form part of Sabah; but the failure of these ventures, as well as other attempts made at this period to secure commercial connections with Kedah and Acheh, led in 1786 to the founding of a settlement on Penang for the purpose of assisting the China trade and providing a naval station for British ships. The cession of this island, the first permanent British possession in Malaysia, was made by the Sultan of Kedah on conditions that were never strictly honoured by the East India Company, and he was further prevailed upon in 1800 to cede some 280 square miles of territory on the mainland,

which became known as Province Wellesley, in order to ensure the island's food supplies.

British territorial acquisitions in Malaysia and Indonesia increased substantially during the Revolutionary and Napoleonic Wars when Malacca, the Moluccas, and, later, Java were captured from the Dutch. The restitution of these possessions in 1814 was dictated largely by the desire of the British government to bolster the strength of the Netherlands in the newly fashioned balance of power in Europe; but in South-East Asia itself the long-standing rivalry between the two nations was not so easily resolved, especially as Sir Stamford Raffles' occupation of Singapore in 1819 was regarded by the Dutch as an infringement of their former treaty rights with the Johore empire. It was five years before the Dutch withdrew their objections to the settlement of Singapore and agreed to exchange Malacca for Bencoolen and the other British possessions in west Sumatra. In making the Straits of Singapore the demarcation line between British and Dutch spheres of influence, the Treaty of London (1824) effectively split the Johore empire into two parts, leaving the legitimate Sultan in control of Riau-Lingga, and his brother, the British protégé, as ruler of peninsular Johore. The treaty established the future boundaries of the national states of Malaya, Singapore, and Indonesia.

Shortly after Malacca was ceded to Great Britain it was joined with Penang, including Province Wellesley, and Singapore to form what became known as the British Straits Settlements. As Penang had enjoyed presidency status under the control of the supreme government in Calcutta since 1805, the combined settlements shared that distinction until 1830, when they were reduced to the rank of a residency and placed under the Governor and Council of Bengal. In 1851 the Straits Settlements were given in charge to the Governor-General of India, and, with the

abolition of the East India Company seven years later, passed under the control of the India Office. In 1867 they became a Crown Colony under the jurisdiction of the Colonial Office in London.

Singapore replaced Penang as the capital of the Straits Settlements in 1832, following its rise during the eighteen-twenties into the most important free-trade centre in South-East Asia. Within the first thirty months of its founding more than 2,500 Asian ships, with goods valued at £1¼ million, called there, and its total trade increased to nearly four times that amount in the following two years. The island's population rose from about 8,500 in 1823 to 18,000 ten years later, and by 1871 was nearly 100,000, of whom 54 per cent. were Chinese, 26 per cent. were Malays, and 11·5 per cent. were Indians. The population of Malacca in 1871 was nearly 78,000, of whom 58,000 were Malays and 13,500 were Indians, while that of Penang and Province Wellesley was 133,000, more than half of whom were Malays and one-quarter Chinese.

The economic prosperity of the Straits Settlements rested on trade which increased from a gross total (imports and exports combined) of £4¾ million in 1830 to £18½ million in 1864. Chinese, Indians, and other Asians actively participated in various branches of commerce, but the most influential group in the colony was the British businessmen in charge of the agency-houses which managed most of the Europe-Asia import and export trade. As the Straits Settlements existed primarily on trade, political questions in the colony revolved around that subject. The problem which aroused most controversy during the mid-nineteenth century was the means of securing the independence of the Straits Settlements from the control of the Indian government and India Office which were regarded as influences inhibiting the extension of economic connections with the Malay peninsula. The transference of the Straits Settle-

ments to Colonial Office management in 1867 was welcomed by British and Chinese merchants in Penang and Singapore who anticipated greater government involvement in the Malay states; but initially the Colonial Office displayed no greater inclination to depart from the traditional policy of non-intervention in the affairs of the peninsula than had been shown by the India authorities.

The policy of non-intervention, it is true, had not always been followed with consistency, for the close ties connecting Penang, Malacca, and Singapore with the peninsula made some degree of involvement in Malay affairs unavoidable. Britain had attempted to free herself of entanglements in the northern Malay states by a treaty with Thailand in 1826, but it unwittingly left her responsible for maintaining the integrity of Perak and Selangor. Later, in 1862, as a result of the Pahang civil war, the Straits government felt constrained to adopt forceful measures in defence of the rights of Trengganu against Thai claims of suzerainty, just as earlier, between 1831 and 1832, it had entered into hostilities with the Malay state of Naning, adjoining Malacca, in assertion of British rights of sovereignty in the area. During the eighteen-fifties, moreover, the Straits government was drawn into a dynastic dispute between the rulers of Johore, finally resolving the matter to its own satisfaction. Yet, despite these and other instances of interference in the peninsula, no attempt was made by Great Britain to control or regulate the internal administration of the Malay states.

Pressure to change this order of things began to mount after the Colonial Office assumed responsibility for the Straits Settlements in 1867. A temporary trade recession in the colony during the late 'sixties and early 'seventies led to demands by British merchants for government assistance to open new commercial avenues in the peninsula, and petitions were presented by Straits capitalists

seeking protection of their investments in the tin-mining industry of the western Malay states, which had been thrown into turmoil by the rivalries between Chinese secret societies and the conflicts between Malays and Chinese for control of the mines. Between 1871 and 1873 the Straits government was obliged to take limited action in Selangor and Perak, but no further steps were considered necessary by the Colonial Office despite the disruption to trade caused by the disorders, especially in Perak where the situation was exacerbated by a succession dispute in the sultanate.

The continuing disorders in the Malay states produced a situation conducive to action, but the main reason for British intervention in the peninsula in 1874 was the fear that some other Western power might use the prevailing unrest as a means of gaining a foothold in the area and so threaten British strategic interests in the Straits. The succession dispute in Perak provided the occasion to appoint a British Resident to the court of the Sultan to advise him on all matters of administration except those affecting Malay custom and religion, and similar arrangements were made shortly afterwards with the rulers of Selangor, Sungei Ujong, and, later, Pahang. British rule was resisted in Perak, where the first Resident was murdered, and there was some trouble after the introduction of the residential system in Pahang, but the British officers soon managed to establish order in the country and provide conditions necessary for peaceful development.

By the time the Malay states of the peninsula were being brought under Western control, British influence was already well advanced in Eastern Malaysia through the efforts of a private adventurer, James Brooke. After assisting in the suppression of a rebellion of Malays and Land Dayaks against the rule of Brunei nobles, who had enlisted the Ibans of the Batang Lupar and Saribas rivers in various acts of piracy and oppression against the local people,

Brooke was installed as Raja of Sarawak by the Malay governor of Sarawak in September 1841 and in the following year by the Sultan of Brunei himself. Thereafter, with the support of the middle rank of Sarawak Malays, Ibans, and ships of the British navy, he was able to deal effectively with Dayak piracy and bring a large measure of political stability to his realm. Although his activities in western Borneo caused the British government some initial embarrassment with the Dutch, who maintained that the treaty of 1824 excluded Borneo as a field of British operations, the White Raja was given some measure of official recognition by the conferment of a knighthood and successive appointments as confidential British Agent in Borneo in 1845, Commissioner and Consul-General to the Sultan of Brunei in 1847, and Governor and Commander-in-Chief of the recently acquired island of Labuan in 1848. It was, however, not until 1863 that Sarawak was 'recognized' by the British government with the appointment of a British Consul to Kuching, and not until 1888 that the state was accorded formal British protection. In the meantime the raj had survived many internal challenges, including a revolt of Chinese gold-miners of Bau and Siniawan who captured and burned Kuching in 1857, but who were soon routed by Ibans and Malays rushed to the capital by the Tuan Muda, Charles Brooke, who later succeeded his uncle as second Raja of Sarawak.

The original grant of territory obtained by James Brooke in 1841–2 embraced only that part of Sarawak which comprised the basins of the Sarawak, Samarahan, Sadong, and Lundu rivers. By the time of his death in 1868 he had managed to extend his domain beyond Bintulu, and his successor pushed the Sarawak frontier forward to the Baram river in 1883, to the valley of the Trusan in 1884, to the Limbang river in 1890, and to Lawas in 1905. These accessions of territory, which embraced an area nearly the

size of England, were made at the expense of the sultanate of Brunei which was also under pressure from the north where private Western agencies were being formed to exploit the rich natural resources of Sabah.

The American Trading Company of Borneo began operations for a short period on the Kimanis river during 1865–6, and its cession rights were secured ten years later by the Austrian Consul-General in Hong Kong, Baron von Overbeck. With British capital advanced by Alfred Dent, he obtained a new cession of 28,000 square miles of Sabah territory, extending from Gaya Bay on the west coast to the Sibuco river on the east, together with the Kimanis and Benoni rivers, from the rulers of Brunei and Sulu during 1877–8. Dent bought out Overbeck and formed a limited Provisional Association which in November 1881 was incorporated by royal charter as the British North Borneo Company. The charter stipulated that the Company was to remain British, that it was not to transfer its territories without permission of the British government, and that it was not to interfere with the beliefs and customs of the people. The Company quickly annexed all the independent rivers on the west coast, and in 1888 its territories and peoples were accorded British protection. In the same year Brunei also became a protectorate, and in 1906 its ruler agreed to accept the appointment of a British Resident to his court. By then the Brunei sultanate, whose power had declined steadily since the middle of the seventeenth century, was reduced to a mere shadow of its former greatness, being completely surrounded on its landward side by the territories of its former fief, Sarawak.

The legality of the 1878 cession of North Borneo by the Sultan of Sulu was disputed by Spain, which claimed suzerainty over the Sulu archipelago. In 1885 these objections were withdrawn in return for British recognition of Spanish sovereignty in Sulu; but the extent to which this

abdication of rights by Spain was binding on any future independent government of the Philippines, and the more vexed question as to whether the territories were ceded in 1878 in perpetuity or merely leased, formed the basis of the Philippine claim to Sabah when the British government granted the state independence in 1963 so that it could join the federation of Malaysia.

After its incorporation by royal charter, the British North Borneo Company commenced the exploitation of the economic resources of the country. Labour was attracted from China and Singapore, and lands made available for the cultivation of sugar, copra, and tobacco, the latter crop financing the boom of the eighteen-eighties and early eighteen-nineties. Between 1881 and 1895 imports increased ten-fold to $1·6 million and exports nearly fifteen-fold to $2·1 million. Revenues during the same period rose from $20,000 to nearly $350,000. The rich timber resources of the state were first tapped during the eighteen-eighties and in 1910 exports of timber amounted to $643,000. Although tobacco exports exceeded $2 million in 1902 they decreased by half during the next twenty years as more attention was given to rubber planting in the west coast plains and around Sandakan and Tawau on the east coast. In 1907 some 3,220 acres of land were under rubber and this figure increased ten-fold during the next decade, by which time exports amounted to 2,440 long tons.

While tobacco had been cultivated mainly by Chinese, 8,000 of whom were employed on the tobacco plantations in 1890, rubber also attracted Indonesian immigrant labour. At the time of the first census in 1891, the total population of Sabah was estimated to be 67,000. In 1901 this figure had risen to 104,000, and in the next decade it doubled, largely as a result of the influx of Chinese and Indonesians. In 1911 the indigenous population of North Borneo, mainly Dusuns and Muruts, numbered 172,500 compared with

27,800 Chinese and 14,300 Indonesians and others. Twenty years later the numbers were 205,200 indigenous peoples, 50,000 Chinese, and 22,200 Indonesians; and in 1951, 243,000 indigenous peoples, 74,300 Chinese, and 16,700 Indonesians. In the latter period, between 1931 and 1951, the population of Sabah increased more than 20 per cent., of which only about 16,000 represented the net gain from immigration. A large part of the population increase occurred in the well-established areas of settlement.

With rapidly growing centres of population at Sandakan, Gaya, Kudat, Tawau, Tenom, and Beaufort, the need for developing internal communications became imperative. Sandakan, which was made the capital in 1883 and remained so until it was replaced by Jesselton in 1946, was connected by telegraph with Labuan in 1897, and a railway was constructed between Weston and Beaufort during the following three years. Extensions of the line from Beaufort to Jesselton were made in 1905, and with the Melalap link provided the west coast with the means of exporting its commodities and securing essential supplies. The investment involved in these developments was necessarily very heavy, and was only partly met by revenue, even during the boom years of the early twentieth century. Dividends ranging between 1 and 5 per cent. were paid to the directors of the North Borneo Company during the early years, but the severe economic recession of the nineteen-twenties, which cut trade by a third and led to a sharp decline in revenue, brought these payments virtually to an end. In 1924 the Company was in debt to the extent of £1·65 million which, considering the rate of economic progress, was hardly surprising. During the next seventeen years development costs were substantially reduced, and nearly half of the public debt (£700,000) was paid off before the outbreak of the Second World War.

In Sarawak economic progress was less marked than in

Sabah but in 1856 the Borneo Company Limited was founded to exploit the minerals and jungle-produce of the country. Antimony was mined by the Company at Busau and mercury at Tegora, and in the eighteen-seventies the government opened up coal deposits along the Sadong river, most of which was used locally or exported to Singapore. Oil was drilled at Miri and the first shipment made in 1913. Timber was also cut, and the cultivation of rubber, coffee, pepper, and gambier commenced, with varying degrees of success. During the fifty years between the death of the first Raja in 1868 and that of the second in 1917, exports increased nearly five times in value to $6·2 million and imports more than three times to $4·9 million. During the same period the revenue of Sarawak increased more than twelve-fold to nearly $1¾ million, and expenditure rose from $126,000 to $1·3 million, thus yielding a large surplus. A railway from Kuching to the hinterland was begun in 1911 and opened progressively to traffic four years later. It never extended beyond ten miles of the capital, however, and was not a financial success. When it closed in 1931 its losses exceeded $1 million. A dockyard was built at Kuching between 1909 and 1912 and was used by ships of the Sarawak and Singapore Steamship Company which was formed by the government and the Borneo Company in 1877. A telephone system was installed in 1899 and during the First World War wireless stations were erected in Kuching, Miri, and Sibu.

Impressive as were these achievements in Eastern Malaysia they were small compared with those in the Malay states of the peninsula which came under British protection during the eighteen-seventies and eighteen-eighties. The population of Perak, Selangor, Negri Sembilan, and Pahang in 1891 was 418,500; ten years later it had increased by more than 62 per cent. The states did not possess any real roads in 1874, yet thirty years later some

2,500 miles of road-works had been completed and 340 miles of railways, constructed at a cost of $32 million. In 1904 the states shared more than two thousand miles of telegraph lines and a fast developing system of postal services.

The growth of population and the extension of communications were a reflection of the enormous economic and social changes that were occurring in western Malaya during these years. For centuries tin had given Perak and Selangor a certain economic importance, but it was only with the development of the tin-plate industry in the mid-nineteenth century, and the subsequent immigration of thousands of Chinese from the provinces of Fukien, Kwangtung, and Kwangsi to exploit the rich deposits of the Malay states, that conditions were suitable for the expansion of the tin-mining industry. Chinese immigration into the western Malay states increased notably after the eighteen-fifties and centres of Chinese settlement developed in the Larut district and in the Kinta and Klang valleys, especially around Kuala Lumpur which was founded by Chinese immigrants in 1858–9. The ensuing Sino-Malay conflict for control of the profits of the tin mines, and the contests between Chinese secret societies, operated as a severe handicap to economic development and further immigration; but after the establishment of the British residential system in 1874, and the introduction of political order, immigrants poured into the country. In 1879 there were 20,300 Chinese settled in Perak and during the next twelve years the number increased nearly five-fold. In Selangor the number of Chinese in the state in 1884 was 28,200; five years later the figure had virtually doubled. In the two years 1899 and 1900 alone, it was estimated that no less than 100,000 Chinese entered the Malay states.

With this growing labour-force, and rising prices of tin on the world market, production increased in an extra-

ordinary fashion. Before 1850 only inconsiderable quantities of tin were exported from Perak and Selangor but in the next fifty years large amounts were flowing not only to traditional markets in Asia, but also to the United Kingdom, which had hitherto been supplied largely by Cornish production, and to the United States where the canning of foodstuffs was developing into a major industry. In Selangor the output of tin-ore increased four-fold between 1878 and 1890, and in Perak it increased even more rapidly. In 1889 the total production of tin in Malaya was 26,000 tons and at the turn of the century 43,000 tons. By 1905 it had reached nearly 51,000 tons, more than half the world's supply.

Together with the expansion of tin-mining went the development of the plantation industry. The cultivation of fine spices and pepper had commenced in Penang during the last years of the eighteenth century, and sugar was grown in Province Wellesley soon afterwards. Spice cultivation had its ups and downs, but the sugar industry of Province Wellesley continued to flourish during the nineteenth century. The industry was largely European controlled and operated on Indian labour, but in 1878 Chinese-owned estates were opened in the Krian plain south of Province Wellesley. Within four years 11,000 acres were being cultivated by a Chinese labour-force of 4,000. At the same period Europeans began to grow cocoa, coffee, and cinchona in Negri Sembilan, but it was not until the eighteen-nineties that the European sector of the plantation industry developed in a significant fashion in Selangor, increasing from sixteen estates, with a cultivated area of 1,000 acres and 600 labourers in 1893, to seventy-two estates, with a cultivated area of nearly 11,000 acres and an Asian labour-force of 4,000, in 1896. In the same year a development of great importance for the plantation industry occurred when some coffee estates began to inter-plant with

small numbers of rubber trees which had been grown on an experimental basis from seeds obtained from Brazil, germinated at Kew Gardens, and planted at Kuala Kangsar in Perak in 1877. Experiments at tapping rubber were made by Henry Ridley after his appointment as Director of the Singapore Botanic Gardens and by 1897 he had devised the 'herring-bone' method of obtaining latex without damaging the trees. In the following year the planting of new-estate coffee ceased in Malaya, although coffee continued to be collected from the old shrubs, and attention began to be focused on the new crop, rubber, which during the twentieth century was to provide Western Malaysia with the mainstay of her economy.

The boom in rubber planting in Malaya at the turn of the century was a consequence of the expanding motor-car industry in the United States and the invention of the pneumatic tyre. In 1900 land under rubber in Malaya was small but in 1902 it amounted to 16,000 acres, in 1906 to six times that figure, and in 1921 to nearly 2¼ million acres. Apart from the capital investment, which during these years came largely from the United Kingdom, the most urgent need of the new industry was labour and this was supplied to a considerable extent by Indians, mainly from south India, who came in large numbers either on their own initiative or under assisted immigration schemes. In 1891, before the rubber boom began, Indians in Malaya, including the Straits Settlements, probably numbered less than 25,000; twenty years later this figure had increased seven-fold, and by 1921 fourteen-fold. In the states of Perak, Selangor, and Negri Sembilan, where most of the planting occurred, the number of Indian labourers employed on the estates rose from 27,000 in 1906 to 158,500 in 1920. Many of these estate labourers and many of their compatriots employed in other ventures returned to India; many more remained. Rubber, as with tin, provided Malaya

with the keys to rapid economic advancement during the twentieth century, but the two industries also presented her with a communal problem of immense complexity.

The economic progress of the late nineteenth and early twentieth centuries occurred mainly in those states of western Malaya where British political involvement during the eighteen-seventies had established stable and peaceful conditions. By the terms of the original treaties the British Residents were given power to advise the Malay rulers on all matters except those relating to Malay custom and religion. The system of 'advice' soon gave way to direct administration by the Residents who, though ruling through the Sultans and the State Councils and being subject to the overall control of the Governor of the Straits Settlements, managed to attain a considerable degree of autonomy in the conduct of local affairs. By the Treaty of Federation of 1895 the four states of Selangor, Perak, Negri Sembilan, and Pahang, thereafter known as the Federated Malay States, were brought within the framework of a single administration under a Resident-General in Kuala Lumpur, subject to the direction of the Governor of the Straits Settlements or, as he was called in this particular capacity, the High Commissioner for the Federated Malay States.

Although each state was still in executive charge of its own Resident, who had authority over the various state departments, corresponding federal departments were created and their officers made responsible to the Resident-General who exercised general authority over the Residents. In 1897 the Sultans of the Federated Malay States with their Residents were brought together in conference at Kuala Kangsar in Perak, and items of mutual interest were discussed. A second conference was held at Kuala Lumpur six years later when the Sultan of Perak paid tribute to the benefits which British rule had brought

to the Malays. This rule was theoretically exercised on behalf of the Malay Sultans, but while they continued to exert some influence in their State Councils they were left without executive power which was now in the hands of the Residents and their superior, the Resident-General in Kuala Lumpur.

Federation brought about a serious diminution in the actual power of the State Councils, and this was still further curtailed by the establishment in 1909 of a Federal Council which could legislate without draft bills having to be passed to the State Councils for approval. The Federal Council also controlled the expenditure of the Councils which were now left with such minor powers as confirmation of death sentences, banishment of alien criminals, appointment of village and mosque officials, and matters relating to Islamic law and custom. Along with the High Commissioner, the Resident-General (re-named Chief Secretary in 1911), and four unofficial members nominated by the High Commissioner, the four Sultans with their Residents were members of the Federal Council, but as the proceedings were conducted in English, which none of the Sultans spoke, power came increasingly to be exercised by the Chief Secretary and the federal secretariat.

In the same year as the Federal Council was formed, and Selangor, Perak, Negri Sembilan, and Pahang passed under more centralized control, the Malay states of Kedah, Perlis, Kelantan, and Trengganu, traditionally regarded by Thailand as her vassal territories, came under British protection in accordance with the Anglo-Thai treaty of 1909. This treaty was implemented by separate agreements with the four states, in 1910 with Kelantan and Trengganu, in 1923 with Kedah, and in 1930 with Perlis. A British Agent with consular powers was appointed to Trengganu in 1910, but nine years later a British Adviser was substituted. By the terms of the treaties with Kedah and Perlis, British

Advisers were appointed to the Malay courts, but the Sultans were able to address the High Commissioner or the King if they were dissatisfied with the advice tendered. Kedah initially protested against the transfer from Siam to Great Britain as the state was not consulted, and a clause had to be inserted in the 1923 treaty stating that Kedah would not be joined with the Straits Settlements or any other Malay state without the consent of the Sultan-in-Council. Perlis also accepted a British Adviser, and in 1914 the Sultan of Johore, who in 1885 had been accorded British protection, also agreed to accept a General Adviser whose advice had to be asked for and acted upon in all matters other than those touching Malay religion and custom.

Unlike the Residents in the Federated Malay States, the British Advisers in the Unfederated Malay States rarely tried to do more than advise, and despite later attempts made by the British to incorporate Johore, Perlis, Kedah, Kelantan, and Trengganu within the federation, they remained under the administration of their State Councils in which business was conducted in Malay, except in the State Council of Johore where English was also used and where an Executive Council functioned. Unlike the State Councils in Selangor, Perak, Pahang, and Negri Sembilan, those in the Unfederated Malay States continued to exercise the real powers of government, including the allocation of finances.

In an attempt to reverse the process of centralization in the Federated Malay States, proposals were made during the nineteen-twenties and early nineteen-thirties to abolish the post of Chief Secretary and allow his powers and those of the federal departments to devolve upon the states. But the attempts to bring about full-scale decentralization, by re-creating four strong state governments, came up against the opposition of Chinese and European business interests who feared a loss of efficiency in administration and,

through the abolition of the intermediary influence exercised by the Chief Secretary, the subordination of the interests of the Malay states to those of the colony of the Straits Settlements where the High Commissioner resided. State-federal adjustments were made, however, including the removal of the Sultans from the Federal Council in 1927 and their replacement by four Malay unofficials, and later, in 1935, by the abolition of the post of Chief Secretary and its replacement by that of a Federal Secretary junior to all the Residents. Total financial autonomy was withheld from the states, but instead of the Federal Council determining the detailed expenditure of the states, it simply allocated annually a block grant leaving it to the states to determine the way in which it was to be divided among the departments of agriculture, forests, public works, and so on. Nonetheless, the High Commissioner still retained the right to approve each Resident's estimates before they went to the State Council, and he could veto expenditure on specific items. Moreover, the Federal Council controlled the expenditure of unified services like customs, police, survey, labour, and defence, as well as the public debt, and no state could raise loans without its consent.

Along with these adjustments to state-federal relations, went a reform of the State Councils themselves. Hitherto they contained the Sultan, Resident, Malay chiefs, and one or two Chinese unofficials; now were added British, Chinese, and Indian unofficials, and it became the practice for all unofficials on the Federal Council to be selected from among the members of the State Councils. The Federal Financial Adviser and the Federal Legal Adviser were both made members of all State Councils, and it was their task to secure the passage of identical bills through the four Councils. At least in this respect, decentralization had been carried to extreme limits.

Unlike the Federated and Unfederated Malay States, the

Straits Settlements, comprising Malacca, Penang, and Singapore, were British territory, having since 1867 existed as a Crown Colony. The Settlements were administered by a Governor acting under the authority of the Secretary of State for the Colonies in Whitehall, who in turn was responsible to the United Kingdom legislature. In his routine administration the Governor was assisted by an Executive Council, which he had to consult on all important matters except those actually reserved in his hands, and which included the General Officer Commanding, leading civilian officials, and three unofficials including a Chinese and a Eurasian. There was also a Legislative Council of thirteen officials and thirteen unofficials, all British subjects, representing Chambers of Commerce and other interests in the Straits, which passed local legislation. As the Governor sat as president in the Legislative Council, with an original and casting vote, he could ensure an official majority.

The complex constitutional pattern which evolved in the Malay states and Straits Settlements prior to the Second World War was also paralleled in the territories of Eastern Malaysia, although the political structure of its component parts was essentially simpler. In Brunei, which had enjoyed protectorate status since 1888, the Sultan agreed in 1906 to the appointment of a British Resident as agent and representative of the United Kingdom government under the High Commissioner for the Federated Malay States, and shortly afterwards a form of government was instituted similar to that obtaining in those states. Legislation was enacted by the Brunei State Council, in which the Sultan acted as president, and all important matters of policy went before it for discussion. The Resident sat in the Council which eventually consisted of twelve members appointed by the Sultan. It was not until 1959 that a constitution made provision for representative institutions in Brunei.

The structure of government in Sabah was also not deter-

mined by a formal constitution until after the Second World War. The board of directors of the British North Borneo Company decided policy in London, and local administration was conducted by a Governor appointed by the directors subject to the approval of the British government. The Governor was generally free to introduce what legislation was deemed necessary and after 1883 he was assisted by a small Advisory Council comprising six members, five of whom were officials. The Advisory Council was relatively unimportant, however, and did not meet after 1905. It was replaced in 1912 by a Legislative Council of seven official and five unofficial members, representing planters of the east and west coasts, businessmen, and members of the Chinese community. The Legislative Council continued to meet once or twice a year down to the Second World War.

In Sarawak political power was firmly in the hands of the Brookes who appointed British officers to a number of the out-stations established at strategic points on the river systems of Sarawak. These officers, who were first called Governors and later Residents, had at their disposal small bodies of armed Malays and Ibans, and it was their duty to maintain peace and harmony in their districts by seeking the co-operation of the local chiefs. It was also their task to collect a small poll-tax to cover the costs of administration. The British officers were under strict orders to rule as far as possible through the existing indigenous institutions and to maintain and respect the laws and customs of the people. Although absolute political power remained with the White Rajas, they attempted to administer the country through the advice and co-operation of the Malays, continuing in power in Kuching the three most important Malay officers of state by incorporating them in 1855 in a Supreme Council in which three or four of the principal British officers sat with the Raja as president. The Supreme

Council embodied the absolute power of the Raja and decided all matters of judicial and civil administration. In addition to the Supreme Council there existed the Council Negri, or State Council, which was founded in 1867 and eventually consisted of the Raja and members of the Supreme Council, the Residents of the important districts, the principal Native Officers and seventy-odd headmen. The State Council met in Kuching every three years for a general review of public affairs, and although it served in this respect as a useful organ of discussion it was not given legislative functions until 1941 and only became an effective instrument of representative government in 1946.

The pattern of rule evolved by the British in the Malaysian territories down to the outbreak of the Second World War could hardly have been more variegated, ranging from Crown Colony government in the Straits Settlements, through protected federated and unfederated states in the Malay peninsula, to largely autocratic and personal government in Sarawak, Brunei, and Sabah. Yet despite the variety of government instrumentalities in the Malaysian territories they had this in common: they were not democratic. The Japanese occupation of Malaysia and the boost it gave to incipient nationalist feeling soon changed this state of affairs.

Before the war, the political fragmentation and communal divisions within Malaysia inhibited the development of nationalism as there was essentially no 'nation' around which sentiment could revolve. For the Malays the symbols of loyalty were the Sultans and the feudal nobility; for the bulk of the Chinese and Indians, particularly the recent immigrants, political consciousness and allegiance lay generally outside the country to China and India, where the stirrings of nationalist fervour made some appeal. To them Malaya, particularly, represented a land of economic opportunity but not a country of ultimate

domicile, as was clearly shown during the depression of the early nineteen-thirties when there was a large exodus of people to India and especially to China. Only when immigration into Malaya became strictly controlled after 1928, and the Second World War isolated the Indians and Chinese from their homelands, did the main body cease to be transient and become part of Malaya.

The Japanese conquest of the Malaysian territories late in 1941 and early 1942 acted as a catalyst to national feeling in the region. The Japanese boast that they had liberated their fellow Asians from the control of imperialist masters, that they were helping the Indians to achieve the independence of their homeland from the British, and that they were fighting to save China from the communists, all made powerful appeals to Malaysians, even if the brutality and short-sightedness of Japanese occupation policies somewhat belied these objectives. The period of Japanese rule was one of great hardship for all communities in Malaysia, but particularly for the Chinese who were treated as enemies and who therefore largely filled the ranks of the communist-inspired Malayan Peoples Anti-Japanese Army which operated in the jungles of Malaya. But even the Indians, whose support the Japanese attempted to win as a means of enlisting an army of liberation to drive the British out of India, and the Malays, to whom the Japanese were particularly solicitous in directing their appeals for Asian solidarity, experienced the harshness of Japanese rule. The ecstatic welcome given by the Malaysian peoples to the returning British in 1945 is evidence enough of the failure of the Japanese to win support from their fellow Asians for their policies. The Japanese, however, by the example of their military victories over the Western powers in 1942, and by their advocacy of the doctrine of Asia for Asians, left the Malaysian peoples with the certain knowledge that there was nothing pre-ordained

about the continuance of British colonial rule in South-East Asia.

The communal harmony which existed in Malaya before the war had been destroyed by the Japanese, and the British were confronted by formidable political problems when they returned to the country in 1945. In the pre-war period British rule had been exercised largely through Malay institutions and in the interests of the Malay rulers and their subjects. In an attempt to resolve the constitutional differences between the Federated and Unfederated Malay States, but in reality to destroy the privileged position of the Malays by incorporating the Indians and Chinese in a unified political structure, the British in 1946 created a Malayan Union. By this the nine protected Malay states were joined with two components of the Straits Settlements, Penang and Malacca, and placed under a British Governor, who was given powers, hitherto enjoyed by the Sultans (under the British Residents and Advisers), of ratifying laws, making land grants, and commuting sentences, as well as the role of presiding over the Council of Malay Rulers in determining matters relating to Islam. In addition, an Executive Council, and a Legislative Council with an official majority and an English-speaking unofficial minority appointed by the Governor, were created; and the State Councils, consisting of officials and unofficials, partly nominated and partly elected, with authority to make local laws, were reconstituted under British Resident Commissioners. Allegiance was to be sworn not to individual Sultans but to the British Crown.

In order to institute these sweeping constitutional changes, the Malay rulers had to be persuaded to surrender their powers under the old treaties, and the fact that they did so under duress, sacrificing the special position of the Malays in the process, brought strong reaction both in the United Kingdom, where many of the former members of

the Malayan Civil Service publicized what they regarded as a breach of British faith to the Malay rulers, and in Malaya itself where a political party, the United Malays' National Organization, was formed by Dato' Onn bin Ja'afar, a Johore Malay, to rally Malay opinion against the proposed changes.

The unexpected fervour of Malay nationalist feeling created by the Malayan Union proposals forced the British government to abandon them, and in 1948 a Federation of Malaya was created in which the Malay rulers retained their former political powers and privileges, and the Governor was replaced by a High Commissioner who represented not only the British Crown but also the Malay rulers. A Federal Executive Council was constituted with the High Commissioner as president, three *ex-officio* members, and not more than four official members and not less than five or more than seven unofficial members. In addition, there was established a Federal Legislative Council, comprising the High Commissioner as president, the same three *ex-officio* members as in the Executive Council, the presidents of the nine State Councils with one representative from each of the Straits Settlements Councils, together with eleven official and fifty unofficial members, representing labour, planting, mining, commercial, and professional interests. Power was given to the Federal Legislative Council to legislate on 144 subjects, but bills required the assent of the High Commissioner and the Malay rulers, who met with the High Commissioner twice a year to consider draft legislation to be introduced into the Federal Legislative Council and to discuss all important matters relating to immigration. In addition, each state was given, as Johore already had, an Executive as well as a State Council, which possessed jurisdiction over questions of religion and custom, and the disposal of revenues allocated to the states by the federal government.

Under the 1946 proposals Singapore was excluded from the Malayan Union and joined with Cocos-Keeling islands and Christmas island to form a separate Crown Colony administered by a British Governor and an Executive Council, consisting of the Governor, four *ex-officio* members, and two official and four unofficial members appointed by the Governor. Two years later, in 1948, a Legislative Council was created with an official majority consisting of four *ex-officio* members, a maximum of nine nominated officials or unofficials, and nine elected members.

In Sarawak, immediately prior to the Japanese invasion, the third and last White Raja, Sir Charles Vyner Brooke, to mark the centenary of Brooke rule, granted the state a formal constitution which abrogated his absolute powers and bound him to govern with the advice and consent of the Supreme Council. By this constitution a large measure of legislative and financial autonomy passed to the State Council, for it was provided that no legislation could be enacted without the advice and consent of the Council and that its approval was needed for all expenditure. These arrangements were incorporated in an amended constitutional ordinance after the war when the Raja ceded all his rights in Sarawak to the British Crown, handing to the new colonial administration reserves totalling $13 million, as well as $6 million in cash. Sarawak became a Crown Colony on 1 July 1946 under a British Governor, a Supreme Council of not less than five members, the majority of whom were members of the State Council and the Sarawak Civil Service, and a State Council which included fourteen officials and eleven unofficials, representing the various ethnic communities of the state, as well as a number of so-called Standing Members—people of Sarawak who had been members of the State Council before the constitutional changes of 1946.

In North Borneo the Chartered Company, after sixty-

odd years of rule, also surrendered its rights to the Crown in 1946 on payment of £1·4 million, shareholders receiving *10s.* for every £1 share. The country, along with the colony of Labuan which since 1906 had been one of the Straits Settlements, passed under the administration of a British Governor, appointed by the Secretary of State for the Colonies, who at first ruled in consultation with an Advisory Council composed of former members of the Company and others. However, in 1950 Executive and Legislative Councils were established, the former composed of three *ex-officio* members, two officials and four nominated members, and the latter of the Governor as president, the same three *ex-officio* members as in the Executive Council, nine official members, and ten members nominated by the Governor.

Besides inaugurating these sweeping constitutional changes in Malaysia, the British also turned their attention after the war to the urgent task of reconstruction. Much damage had been caused to public and private buildings during the Japanese occupation, and hospital, health, and social services had seriously declined. Schools had been closed, little attention had been given to sanitation and water supplies, malaria was on the increase, and food was scarce. Malaysia was dependent even before the war on large imports of rice from Thailand, Burma, and Indo-china, and in 1945–6 supplies could only be obtained at high prices. Attention was therefore given to increasing local production, but even today there is still a considerable dependence on foreign supplies. In Sarawak, for example, annual imports of rice have varied between 11,500 and 47,000 tons since 1946. The restoration of medical and health services took some time, but by 1950 conditions had been restored to the pre-war level, with a marked decrease in the pre-war mortality rate. There was a tremendous demand for education and many new schools were estab-

lished. In 1947 an English medium teacher-training centre was opened in Kuching and a number of rural schools established with the ultimate intention of providing universal primary education. The same objective was declared for Sabah by the Board of Education established in 1956. In Malaya twice as many children were being taught by 1949 than before the war. At the higher levels of education, Raffles College and King Edward VII College of Medicine, which had functioned in Singapore since before the war, were combined in 1949 to form the University of Malaya.

Reconstruction of the economy also proceeded apace. In Sabah rubber production quickly returned to normal and by the nineteen-fifties was nearly double the 1939 figure of 11,800 long tons. The timber industry made even more enormous strides, increasing the pre-war production three-fold by 1955 and ten-fold by 1960, at which time the value of timber exports ($90·7 million) exceeded that of rubber. In Sarawak timber and pepper exports increased considerably after the war, and rubber exports doubled between 1946 and 1950, when they amounted to 55,400 tons, after which they dropped substantially for a period. Large sums of money were allocated for the repair of the railways, roads, and harbours, and in Malaya $75 million was provided by the government to make good the damage to tin-mining equipment. This met only a small part of the cost of buying new dredges for the European mines, most of which had been deliberately destroyed by their owners in 1941 and 1942 to prevent them from falling into Japanese hands. But while private capital was raised to purchase this new equipment, the Chinese-owned mines, which were less dependent on heavy machinery, quickly returned to normal. The overall production of tin was very low, however, amounting in 1946 to only one-tenth of the pre-war level of 80,000 tons. It was not until 1950 that this figure was exceeded.

The recovery of the rubber industry in Malaya was more rapid. Only a fraction of the 3¼ million acres under cultivation before the war was destroyed during the Japanese occupation, and small-estate rubber, grown by Chinese and Malays, was affected scarcely at all. On the European estates considerable quantities of new equipment were necessary before production could be increased, but by 1948 the pre-war production figures were exceeded, and two years later the acreage under cultivation passed the 3¼ million mark. Due to new methods of tapping and planting this acreage returned twice the pre-war output, reaching in 1950 nearly 700,000 tons. As tin and rubber made up more than four-fifths of Malaya's exports, the rapid increase in production achieved between 1945 and 1950 boosted the prosperity of the country, especially as the boom caused by American stockpiling prior to the Korean War led to inflated prices being paid for both commodities. Foreign earnings from Malayan tin and rubber doubled between 1948 and 1950, reaching in the latter year nearly 1,200 million dollars.

While the economic recovery of the post-war years augured well for the future prosperity of Malaya, political developments were soon to blight the prospect. In 1948 the Malayan Communist Party, which had made impressive gains in the trade union movement since the war, decided to forego peaceful labour agitation and resort to armed rebellion, apparently as a result of a decision taken at the Communist Asian Youth Conference held in Calcutta in February of that year. During June 1948 a number of Chinese Kuomintang leaders were shot by communist guerrillas in Johore, and in the same month three European rubber-planters were murdered in Perak. A state of 'Emergency' was declared by the Malayan government.

The communist guerrillas, who largely comprised remnants of the Malayan Peoples Anti-Japanese Army, at first

fought under the banner of the Malayan Peoples Anti-British Army until the name was changed in 1949 to Malayan Races Liberation Army. They numbered up to about 8,000 in the early nineteen-fifties, but their strength gradually dwindled with casualties and desertions to less than 1,000. They were assisted by an even more numerous supply and intelligence organization. Declaring their object to be the liberation of the country from British colonial rule and the establishment of a communist republic of Malaya, the insurgents failed to win widespread support partly because their terrorist actions horrified the people, and partly because they were largely Chinese and were therefore regarded with suspicion by the Malays and Indians. Although most acts of terrorism were directed against opposition elements in the Chinese community, many Malays, Indians, and Europeans were murdered. Up to 1957, when Malaya obtained her independence, the civilians killed by the communists numbered 1,700 Chinese, 318 Malays, 226 Indians, 106 Europeans, and nearly 100 other races.

In order to meet the communist insurrection large numbers of British troops, including Australians and New Zealanders, were deployed throughout Malaya, and a Malay police force of more than 60,000 and a home guard of 40,000 were recruited. The jungle war, which was waged at heavy expense to the Malayan and British economies, went first in favour of the communists, whose 'hit-and-run' tactics, perfected during the Japanese occupation, were difficult to counter. Despite early attempts to cut the food-supplies of the insurgents, the fact that there were thousands of Chinese squatters living on the fringes of the jungle meant that the terrorists could obtain rice from them by intimidation. The high-water mark of communist success was the murder of the British High Commissioner, Sir Henry Gurney, in 1951.

Thereafter the tide began to turn slowly against them. The enormous task of resettling the half million Chinese squatters in 'new villages' protected by units of the home guard was undertaken and completed, and this reduced to a trickle the amount of food reaching the terrorists. The new High Commissioner, General Sir Gerald Templer, infused fresh inspiration into the police, home guard, and army units fighting the guerrillas. The communists were cleared from one area of the country to another, and driven further back into the central jungles of Malaya. Although General Templer's period as High Commissioner was limited to less than three years (1952–54), and the 'Emergency' dragged on until 1960, the active measures pursued during his administration resulted in the initiative passing from the communists to the British.

Important as the resettlement schemes and the vigorous military and police operations conducted during these years were in turning the tide against communism, of equal if not greater importance were the assurances given by the British government of eventual political independence for Malaya. The rate of political progress during the nineteen-fifties was probably faster than originally envisaged, but it became clear that only the granting of independence could effectively discredit the claim of the communists that they were fighting a war of national liberation on behalf of the Malayan peoples. Tunku Abdul Rahman had urgently pressed this idea on the British authorities during the nineteen-fifties, and in the event he was proved correct. Within three years of *Mĕrdeka* (Independence) in 1957 the 'Emergency' was at an end. Altogether 2,473 civilians and 1,865 members of the security forces lost their lives, and the communist death-toll was 6,711. In terms of money, the 'Emergency' cost the Malayan and British governments a total of £180 million.

Although the communist insurrection undoubtedly

accelerated the movement towards independence in Malaya during the nineteen-fifties, it had already been stated as the objective of British policy in the Federation of Malaya Agreement of 1948, and when General Templer was appointed High Commissioner, he was furnished with a directive from the Secretary of State for the Colonies to introduce legislation to pave the way for independence. In 1951 the 'member' system was introduced into the Federal Legislative Council, according to which a number of nominated members were made responsible for various government departments, and in the following year the members with portfolios were incorporated into the Executive Council which was expanded in size to accommodate them. In 1955 the Federal Legislative Council was reconstituted with an elective majority, and in July of the same year the Alliance Party gained an overwhelming victory in contesting the fifty-two elected seats in the Council.

The Alliance, which has dominated post-war Malayan politics, developed in the first instance from an agreement contracted between the United Malays' National Organization and the Malayan Chinese Association to contest the Kuala Lumpur municipal elections of 1952—the first elections held in Malaya. As the few pre-war political parties had only limited membership, the United Malays' National Organization was the first of the national parties of Malaya and, like most of the others formed after the war, its purpose was to protect and advance the rights of a particular community, in this case the Malays who felt

---

3. *Mosques*
   (*a*) The National Mosque in Kuala Lumpur.
   (*b*) The Mosque in Brunei town.

4. *Malaysian Ports*
   (*a*) The skyline of Singapore's waterfront.
   (*b*) The port of Jesselton, capital of Sabah.

3a

3b

5a

5b

6a

6b

threatened by the Malayan Union. That the appeal of the party lay in its purely communal objectives was amply demonstrated in 1951 when its founder and president, Dato' Onn bin Ja'afar, failed in his attempts to broaden its base by admitting members from other communities and founded a rival organization, the Independence of Malaya Party, in the vain hope of enlisting non-communal support.

Other political parties were coming into existence, the most important of them being the Malayan Indian Congress in 1946, and the Malayan Chinese Association founded three years later. Like the United Malays' National Organization, these parties were constituted on a communal basis, the first to advance the interests of the Indian community and to provide an outlet for Indian opinion in Malaya; the latter to promote the political objectives of the Chinese and to provide an alternative rallying point of Chinese opinion to the illicit Malayan Communist Party.

To meet the opposition of the Independence of Malaya Party led by Dato' Onn bin Ja'afar, the United Malays' National Organization and the Malayan Chinese Association decided to ally to contest the 1952 Kuala Lumpur municipal elections, and this arrangement continued in the municipal and town council elections, held in other parts of the country during the following three years. The two

---

5. *Architecture Old and New*

(*a*) The old water-village of Brunei.
(*b*) The former secretariat building in Kuala Lumpur.

6. *Modern Urban Development*

(*a*) Petaling Jaya, Malaysia's first new satellite town, built five miles west of Kuala Lumpur to overcome problems of over-crowding in the capital.
(*b*) A section of the flyover recently opened for traffic in the Malaysian capital of Kuala Lumpur.

parties did not unite into a single organization with a common policy but simply agreed to put up candidates of the United Malays' National Organization in basically Malay wards and candidates of the Malayan Chinese Association in wards where the Chinese were numerically strong. As was expected the results showed that electoral behaviour in Malaya conformed largely to a communal pattern. The Alliance won ninety-four of the 124 seats contested in the local elections during 1952 and 1954 and this success led to further detailed discussions between the two parties about the manner in which the 1955 federal and state elections should be fought. Prior to these elections the Malayan Indian Congress was admitted into the Alliance and Tunku Abdul Rahman was elected leader.

While the Alliance still represented an inter-communal rather than a non-communal party, a common manifesto was issued for the 1955 elections promising independence for Malaya within four years, and embracing social services, labour, economic, and financial policies. The manifesto, however, avoided the vexed question of citizenship which it declared should be left to decision by an independent commission. The controversy about citizenship rights imposed great strains on the Alliance, since strong elements in the United Malays' National Organization wanted Malay candidates to predominate in the election as nearly 85 per cent. of the $1\frac{1}{4}$ million registered voters were Malays, and only 11 per cent. Chinese and $4\frac{1}{2}$ per cent. Indians. Only the threat of resignation by Tunku Abdul Rahman, who understood that racial unity was essential for Malaya, averted a crisis, and of the fifty-two candidates put up by the Alliance thirty-five were Malays, fifteen were Chinese, and two were Indians.

At the election no less than fifty-one of these candidates were successful, the Alliance capturing nearly 80 per cent. of the total vote. The remaining seat in Perak went to the

new Pan-Malayan Islamic Party, the ultra-conservative organization formed with the objective of realizing the aspirations of Islam, and re-establishing Malaya as a Malay country. The party derived its strength largely from the east coast states of Trengganu and Kelantan, where in subsequent years it was to have considerable success in both state and federal elections; but in the first elections to the Councils of these two states Alliance candidates won as easily as in the elections to the Federal Legislative Council.

As newly constituted in 1955, the Federal Legislative Council consisted of ninety-nine members, of whom fifty-two were elected, three were British officials, nine were the Chief Ministers of the Malay states, two were representatives from Penang and Malacca, and thirty-two (representing mining, agricultural, and financial interests) were nominated by the High Commissioner. The new Executive Council comprised the High Commissioner, three British officials, and the ten members of the Legislative Council who were given portfolios, including Tunku Abdul Rahman, the Chief Minister.

The main promise of the Alliance in the 1955 elections had been independence of Malaya within four years, and in January 1956 a constitutional conference was held in London attended by representatives of the Malay rulers and the Alliance, the result of which was an agreement to establish an independent constitutional commission to make recommendations for a constitution for a fully self-governing and independent Federation of Malaya to be proclaimed in August 1957. The commission, consisting of two members nominated by the United Kingdom government (one of whom was chairman), and one member each nominated by Canada, Australia, India, and Pakistan, submitted its recommendations and draft constitution in February 1957. During the following months bodies in

Malaya and Britain gave the constitution its final form, and the Federation of Malaya Independence Act, 1957, was passed by the United Kingdom legislature. An Order-in-Council under this act gave the force of law to the constitution, which came into force with the reading of the proclamation of independence by Tunku Abdul Rahman at a public ceremony held in Kuala Lumpur on 31 August 1957 in the presence of the Duke of Gloucester, representing the Queen. Two days later a king, or supreme ruler, of the Federation of Malaya was formally installed under the title *Yang di-Pĕrtuan Agong*.

The 1957 constitution provided that the *Yang di-Pĕrtuan Agong* should be elected by the Malay rulers of the states from one of their number to hold office for a period of five years. The constitution gave the Conference of Rulers (the nine Malay Sultans and the Governors of Penang and Malacca) power to regulate Islamic acts, observances, and ceremonies, to withhold consent to laws affecting the position of the rulers, as well as consultative authority over particular appointments to the judiciary and the electoral and services commissions. The Conference of Rulers was also to deliberate on matters of national policy, such as immigration, and had to be consulted before any changes could be made in policy affecting the special position of the Malays.

Under the constitution a bi-cameral legislature was created with an upper house, or Senate (*Dewan Nĕgara*), and a House of Representatives (*Dewan Ra'ayat*). The period of parliament was fixed at five years, and the power of prorogation and dissolution vested in the *Yang di-Pĕrtuan Agong*. The Senate had a membership of thirty-eight, twenty-two of whom were elected by the Legislative Assemblies of the eleven states, including Penang and Malacca, and sixteen appointed by the *Yang di-Pĕrtuan Agong* from persons in the professions, industry, agricul-

ture, social services, or those representing minority interests. The House of Representatives was a totally elective chamber with a membership of 104.

While the federal legislature was empowered to make laws applicable to the Federation as a whole, it was not the sole repository of legislative power in the Federation, as it was provided that the Legislative Assemblies of the eleven states of the Federation should legislate for their particular states on matters set out in separate schedules appended to the constitution. The federal legislature, however, was vested with power to make laws on matters reserved to the states in the interest of uniformity of laws between two or more states, or if requested by the legislature of a particular state. Moreover, where state law was found to be inconsistent with federal law, the former was void to the extent of the inconsistency.

The first general election for the House of Representatives was held in August 1959, by which time the electoral roll had been considerably enlarged. Four years earlier the electorate numbered a little more than 1¼ million, nearly 85 per cent. of whom were Malays. In 1959 the roll was increased by nearly a million, resulting in a drop in the percentage of Malay voters to 56·8. Chinese and Indians, on the other hand, who made up only 11 per cent. and 4½ per cent. of the electorate in 1955 now constituted 35·6 per cent. and 7·4 per cent. respectively. The main reasons for this increase in the number of voters was that about three-quarters of the Chinese and Indians made federal citizens in 1955 were under age, and the 1957 arrangements made it less difficult for other non-Malays to become citizens by registration and naturalization. Whereas the Malays comprised a majority in fifty of the fifty-two constituencies in 1955, they formed in 1959 a majority in only sixty-six of the 104 constituencies into which the country was now divided.

Altogether 259 candidates contested the 1959 election, including 104 candidates of the Alliance, fifty-eight of the Pan-Malayan Islamic Party, which fought in the largely Malay constituencies and thirty-eight Socialist Front candidates. On polling day nearly three-quarters of the electorate voted, returning seventy-four Alliance members, thirteen from the Pan-Malayan Islamic Party, eight from the Socialist Front, and the remainder from other groupings. The Alliance gained an overall majority of the votes cast, but the party lost heavily in Kelantan and Trengganu where candidates of the Pan-Malayan Islamic Party won thirteen of the sixteen seats.

While the Malay states, Penang, and Malacca, followed one path towards independence and internal self-government during the nineteen-fifties, Singapore followed another. By the Malayan Union proposals of 1946 the Straits Settlements ceased to exist constitutionally, and Singapore was divorced from Penang and Malacca to become a separate colony. This change was made largely to allay fears that the Malays would be placed at a numerical disadvantage by the increase in citizenship rights proposed for the Chinese in the peninsula, Malacca, and Penang by the Malayan Union. But although it was affirmed at the time that it was not the intention of the British government to prejudice any future fusion between Singapore and Malaya, the scrapping of the Malayan Union and the substitution of the Federation of Malaya in 1948 left Singapore constitutionally separated from the peninsula.

Under the constitution of 1948 some 22,000 Singapore citizens were given the right to elect six members to the Legislative Council, and a further three were elected by the Chambers of Commerce. By the time of the second elections in 1951 the number of popularly elected members had increased from six to nine, but the official and nominated

members in the Council still comprised a majority. In 1951 the constitution was further amended to allow the Legislative Council to elect two of its members to sit on the Executive Council, which also had a majority of officials and nominees. Three years later a constitutional commission appointed by the Governor recommended the establishment of a Legislative Assembly with a speaker and thirty-two members, twenty-five of whom should be elected, and the replacement of the Executive Council by a Council of Ministers, which would consist of three officials and six members drawn from the Legislative Assembly, with responsibility for all matters except those relating to external affairs, internal security, and defence. These recommendations were generally accepted by the Secretary of State for the Colonies and formed the basis of the constitution introduced by an Order-in-Council in February 1955. At the same time the Singapore electorate was increased to 300,000.

Apart from independents, the general election of April 1955 was contested by candidates from four main political groupings: the non-communal Progressive Party, consisting largely of Straits Chinese, which had hitherto secured the majority of seats in the partly elected Legislative Council; the Labour Front, comprising an amalgamation of small labour groups and the radical left-wing People's Action Party; the Democratic Party, which drew its support from the Chinese Chamber of Commerce; and the Singapore branches of the United Malays' National Organization and the Malayan Chinese Association in alliance with the Singapore Malay Union. The result of the election in the twenty-five constituencies of the island was that the Labour Front, led by Mr. David Marshall, captured ten seats, the Progressive Party four, the People's Action Party and the Alliance parties three each, and the Democratic Party two. A coalition government of the

Labour Front and Alliance parties was formed with Mr. Marshall as Chief Minister.

The new government soon made representations for a larger measure of self-government and during April and May 1956 Mr. Marshall led an all-party delegation to London for discussions with the Secretary of State for the Colonies on the question. No agreement was reached, however, as the United Kingdom government feared that the surrender of its rights over internal and external security would place the island in extreme left-wing, not to say communist, hands. On his return to Singapore Mr. Marshall resigned as Chief Minister and his deputy Mr. Lim Yew Hock succeeded him.

The determination of the new Chief Minister to deal decisively with political and industrial turbulence in Singapore by imprisoning communist and other dissident elements, although losing him much local support, impressed the British government sufficiently to open new constitutional talks with him and his all-party delegation in London early in 1957. This time agreement was secured to the eventual formation of a self-governing state of Singapore with a Legislative Assembly of fifty-one elected members, and the appointment of a local Head of State, *Yang di-Pĕrtuan Nĕgara*, who would represent the Queen. The British government was to be represented by a Commissioner. Both governments were to consult on matters of defence and foreign policy, and questions of internal security would be the responsibility of an internal security council consisting of seven members, three each appointed by the Singapore and United Kingdom governments, and one by the government of Malaya.

Elections under the new constitution were held in May 1959 and resulted in an overwhelming victory for the People's Action Party (led by Mr. Lee Kuan Yew) which won forty-three of the fifty-one seats in the Legislative

Assembly and an absolute majority of the total vote. Mr. Lim Yew Hock, who understood that the Labour Front had little chance against the People's Action Party, formed a new party, the Singapore People's Alliance, but it won only four seats. The United Malays' National Organization and the Malayan Chinese Association won another three seats, and one seat went to an independent candidate. On 3 June 1959 Singapore became a self-governing state, the last British Governor of the island retiring six months later to make way for a Malay, Inche Yusof bin Ishak, to become the first *Yang di-Pěrtuan Něgara*, or Head of State.

3

THE CREATION OF MALAYSIA

BY the end of 1959 the Federation of Malaya had acquired a fully elected House of Representatives with 104 members, whilst the state of Singapore had become an internally self-governing territory with an elected government committed to try to achieve a merger with Malaya. The state of Brunei had also reached the stage of internal self-government in 1959, and the new constitution made provision for representative institutions, though the first election under this constitution was in fact delayed until 1962. A new constitution had come into force in Sarawak in 1957 which provided for a new legislative body, more than half of whose members were to be elected, and the first two political parties in that state were founded in 1959 and 1960. North Borneo (Sabah) remained something of a political backwater from the point of view of constitutional development and the formation of political parties, but the territory was forging ahead rapidly on the economic front.

In the late nineteen-fifties and early 'sixties there were two quite separate movements towards a closer association of the countries and territories within the Malaysian area. On the one hand, North Borneo and Sarawak were much better neighbours than had ever seemed possible during the Chartered Company and Brooke régimes, and they were discussing the possibility of setting up a Free Trade Area to cover both territories. On the mainland the Malayan government was well aware of the desire of the Singapore government to achieve independence through merger with Malaya, but was lukewarm to the idea for

political reasons. Of these two movements, the Singapore attempt to obtain merger with Malaya was by far the more important in that it gave rise to the concept of Malaysia.

Despite their political separation after the Second World War, Malaya and Singapore had remained indivisible economically and strategically. Singapore continued to handle an important part of the Federation of Malaya's imports and exports, and it was feared that great damage would be done to Singapore's economy and standard of living if any attempt were made to establish an economic wall along the Straits of Johore. Malaya for her part could not contemplate the possibility of a government with communist sympathies in the island of Singapore, which was thought to be possible if Singapore became independent before merger with Malaya.

Nevertheless, differences in racial composition and political sentiment appeared in 1960 to dictate a continuation of the separation between Malaya and Singapore. In Malaya, half the population were Malay and only 37 per cent. Chinese; in terms of electoral representation the Malay advantage was even greater, for many of the older Chinese were not citizens of Malaya, and the constituencies were weighted in favour of the rural areas, where Malays predominated, as against the urban areas, where the Chinese were the main element. No political party could hope to enjoy an electoral success of any dimension unless it received the support of a considerable part of the Malay section of the electorate. The ruling Alliance Party was supported by a majority of the Malay voters and by a proportion—probably a minority—of Chinese and Indian voters; opposed to the Alliance were the Pan-Malayan Islamic Party, which asserted that too many concessions had already been made to the non-Malays, and two Socialist parties one of which demanded the elimination of all special rights for the Malay community.

In the 1959 general election the Alliance had won 74 of the 104 seats in the Malayan House of Representatives. The seats lost could be divided broadly into two groups: a number of constituencies in the north-east coastal area of Malaya, which were almost entirely Malay in racial composition and where non-Malays had always been regarded with disfavour; and a number of urban constituencies on the west side of Malaya, where socialist sentiment was strong among the Chinese population. In the Alliance view the addition of Singapore, with its largely Chinese electorate and left-wing politics, would create a situation in which not only would Malays be outnumbered by Chinese in population, but also the Alliance would stand in some danger of defeat at the polls in future elections. The Singapore government had been more liberal than the Malayan government in its arrangements for local citizenship, and a far higher proportion of working-class Chinese were eligible to vote in Singapore.

Tunku Abdul Rahman and his Alliance Party feared, therefore, that a merger of Singapore with Malaya would upset the delicate balance of power between the two largest racial groups which had been achieved with so little friction in the Federation. More important still, it would bring into an enlarged Malaya a section of the Singapore population which appeared to look for political inspiration to Communist China, and this was hardly a welcome prospect for the people of Malaya after a twelve-year struggle against communist terrorism.

Until 1961 Tunku Abdul Rahman brushed aside the Singapore overtures for a merger. Schemes to develop Malaya's ports and communications were made in such a way that the Federation's dependence on Singapore's entrepôt facilities would be lessened; a rubber produce market was planned for Kuala Lumpur to rival that of Singapore. The Federation of Malaya had nothing to fear

from Singapore, in the Tunku's view, whilst the United Kingdom remained responsible for Singapore's defence and external relations, and whilst there was an internal security council for Singapore on which the United Kingdom and the Federation of Malaya together had the majority of the representatives.

Singapore's constitutional position was, however, due for review in 1963 and, in the absence of developments which might lead to a merger, political pressures might then force Lee Kuan Yew, the state's Prime Minister, to demand complete independence for the island. In Mr. Lee's own words, 'an independent Singapore, once established, even for an interim period, will create a situation whereby vested interests, based on Chinese appeals, will become permanent'. An independent Singapore, it was argued, might well become an Israel of South-East Asia, surrounded by unfriendly neighbours, or even a Cuba of South-East Asia, if Mr. Lee's government was later followed by one further to the left, with communist sympathies.

The turning point came on 27 May 1961. On that date the Prime Minister of the Federation of Malaya, having changed his attitude on merger, took the initiative and suggested that a plan should be devised in collaboration with Britain and the peoples of Singapore, North Borneo, Brunei, and Sarawak whereby these territories should be brought closer together with one another and with Malaya in political and economic co-operation. To Malaya this idea appeared to offer a method of association with Singapore which would not create a disadvantageous racial balance, because the big addition of Singapore Chinese to Malaya's population would be nearly balanced by the increment of the largely non-Chinese population of the Borneo territories. Such an association would also assist the anti-communist forces in Singapore, backed by a strong central government in Kuala Lumpur, to control the subversive

groups whose object was to turn the island into a communist base.

The new association certainly seemed to hold greater economic promise for Singapore than for Malaya. It involved the elimination of the possibility that Malaya would ultimately dispense with Singapore's port services and industrial and commercial 'know-how', whilst the creation of a larger economic unit with the reduction or elimination of internal tariff barriers would certainly benefit Singapore's industrial development and help to solve her potentially large unemployment problem. In the political field, too, the creation of Malaysia appeared to offer advantages to Singapore. As independence for Singapore would be achieved as part of a larger national unit, with a peaceful transition, as opposed to a military take-over, the opportunity was given to Mr. Lee to bargain for the undiluted preservation of the island's own system of social services and cultural and linguistic multi-racialism.

The governments of the three Borneo territories had not been consulted before the Prime Minister of Malaya suggested the plan for closer political and economic co-operation. We need, therefore, to examine their position and their reactions to the proposal in some detail. In 1957, when the Federation of Malaya became independent, any suggestion that the Borneo states either singly or collectively could have gained independence without merger or federation with a larger unit would have been dismissed as ridiculous. It would at that time have been argued that an area containing many races and cultures but with a total population of only $1\frac{1}{4}$ million could not be viable, could not conduct its own affairs, and could not pay its way. Since 1957, however, there has been a drastic change in the accepted minimum requirements for independence, as witness the change of status of countries such as Trinidad, Cyprus, and Malta.

Some Borneo political pressure groups in fact opposed the suggestion for the creation of Malaysia and demanded local independence. For instance, the *Partai Rakyat* (Peasants' Party) of Brunei demanded independence for the three Borneo states as a single unit, with the Sultan of Brunei as the constitutional ruler. The Sarawak United People's Party (a largely Chinese body despite the title) argued that economically Sarawak had better prospects for survival and stability than Malaya, and that the United Kingdom had in any case accepted as a condition of the cession of the territory by Raja Brooke to the Crown in 1946 the principle that Sarawak should be granted self-government and independence when the British government relinquished control.

The Brunei suggestion of a union of the three states with its Sultan as ruler was not politically feasible. The oppression of the non-Malay indigenous peoples by Brunei Malays in past centuries has left bitter memories, particularly among the Dayaks of Sarawak, and a union of the three states with a government centred in Brunei and dominated by a Brunei Malay hierarchy would have been quite unacceptable to the majority of the population. On the other hand, in a union of the three states with a democratically elected government, the Chinese would have been the dominant minority. There are about 400,000 Chinese among the population of 1¼ million in the three states, whilst the strength of the Malay population is only 200,000. The Dusun are the largest community in Sabah, but are virtually not represented in Sarawak; whilst the Dayaks are as numerous as the Chinese in Sarawak, but are not represented in Sabah. With their superior education, commercial talent, and wealth, the Chinese would have dominated Borneo had they been allowed to do so unimpeded by Malaya, Indonesia, the Philippines, or the United Kingdom as the retiring colonial power. There would then

have been no apparent safeguard against the possible domination of the area by communism.

The only practical alternatives to the inclusion of the Borneo states in Malaysia in fact appeared in 1961 to be the continuation of the colonial relationship with the United Kingdom for a number of years, or the absorption of the states by Indonesia, which controls the southern two-thirds of Borneo. The first of these alternatives would have been acceptable to many of the native peoples of North Borneo and Sarawak, but the tide of world opinion against colonialism would not have allowed the United Kingdom the time needed to guide the Borneo territories to self-government in conditions that would make them reasonably secure against the danger of communism and the danger from predatory neighbours. The second alternative was abhorrent to the great majority of the peoples of the Borneo states, as their reaction to the Indonesian government's policy of 'Confrontation' between 1963 and 1966 subsequently showed.

The British government in 1961 judged that the creation of Malaysia to include the Borneo states was the best method of decolonization, provided that the peoples of the area accepted this solution. Initially, however, there was a good deal of misunderstanding and, in some districts, downright opposition to the scheme among the Borneo population. For instance, the chairman of the Sarawak National Party, the first Chief Minister of the state, said in June 1961 that he was certain that the people of Sarawak were not in favour of the scheme. The man who later became the first Chief Minister of Sabah (North Borneo), Donald Stephens, was also for a time opposed to his state joining Malaysia. Most of the non-Chinese political leaders of both territories had, however, accepted the desirability of the creation of Malaysia well before the end of the year, but the population at large remained confused and uncertain.

Fanning the fears of the doubters in the Borneo territories, and in Malaya and Singapore, were the communists and the communist sympathisers, who were uncompromisingly hostile to the idea of Malaysia. Tunku Abdul Rahman, the communists stated, was an imperialist puppet, and his government in Malaya was a disguised form of British colonial rule. In their opinion, Malaysia could not be tolerated if its policy was to be rigidly anti-communist, for the communists would then be denied the opportunity of leading the nationalist movements anywhere in the area.

In order to try to ascertain the real feelings of the peoples of North Borneo and Sarawak on the proposed inclusion of the two territories in Malaysia, a Commission of Enquiry with members from both Britain and Malaya visited the area in the spring of 1962. This Commission found that one-third of the population in each territory was favourable to the Malaysia project, without too much concern about terms and conditions; that another third was in favour in principle, but wanted conditions and safeguards which varied in content; and that the remainder was divided between those who insisted on local independence first and those who wanted British rule to continue for some years to come. The Commission estimated that about 20 per cent. of the population of Sarawak and somewhat less in North Borneo was vocally and politically active in opposition to Malaysia on any terms, unless it was preceded by independence and self-government. This opposition came largely from the Chinese section of the population, and, even when the Commission was sitting, groups of Chinese youths were beginning to disappear into the jungles of Sarawak or across the Indonesian border for training in guerrilla tactics.

Much of the earlier hostility to the creation of Malaysia in Sarawak and North Borneo was, however, abandoned when it was realised that the two territories were to receive very generous treatment in the new federation. For

instance, the two states were promised a total of forty members in the Malaysian parliament, which meant that each Borneo constituency would contain not much more than half the population of the average constituency in Malaya. Almost all the stipulations made in such matters as citizenship, land, and local government were granted. The Malayan government, moreover, promised to do its best to ensure that very large sums would be made available to Borneo for capital development expenditure in the first few years of Malaysia's existence. Small wonder, then, that the United Nations Malaysia Mission which, on the insistence of the Philippine and Indonesian governments, was sent to 'ascertain, prior to the establishment of the Federation of Malaysia, the wishes of the people of Sabah (North Borneo) and Sarawak' in August 1963, found that there was 'no doubt about the wishes of a sizeable majority of the peoples of these territories to join in the Federation of Malaysia'.

The negotiation over the entry of Brunei into Malaysia followed a very different course. The Sultan apparently wished to negotiate suitable terms for the entry of his state into Malaysia, but, as we have seen, the *Partai Rakyat*, the main political party in Brunei prior to December 1962, expressed a decided preference for a federation of the three Borneo territories as a first step. The party undoubtedly enjoyed a good deal of popular support, but was not in a position to enforce its opinions on the state government. In the circumstances, a resort to violence was always possible. On 8 December 1962 groups of Malays suddenly assaulted a number of police stations both in Brunei itself and just over the border in Sarawak, apparently with the object of capturing arms. After the first surprise, however, the rebels quickly became confused and disorganized, and with British military assistance the rebellion was crushed within a few days.

It was clear that the general attitude in Brunei on the

Malaysia issue was at best one of apathy, and that the Sultan's government commanded little popular support. In the first six months of 1963 the Sultan and his advisers nevertheless made serious efforts to reach agreement with the Malayan government on terms of entry. The discussions broke down, however, first over the disposal of Brunei's very considerable oil revenues and then over the position of the Sultan in relation to his fellow Malay rulers. It appears an obvious strategic and economic anomaly that Brunei and Sarawak failed to move together into a larger political unit, for Brunei is entirely surrounded by Sarawak on the landward side, and its oil, so vital to its economy, reaches the outside world through a refinery in Sarawak. Whether or not Brunei, with a population in 1963 of only 98,438 and an area of only 2,226 square miles, can continue to stand on its own, is a question which only the future can decide.

It had originally been proposed and accepted by the negotiating countries that Malaysia would come into existence on 31 August 1963, exactly six years after the Federation of Malaya became independent. In the early stages of the negotiations the main cause of delay appeared to be the explosive political situation in Singapore. Indeed, as we have seen, the whole project was regarded as something of a rescue operation to prevent Singapore from becoming a communist state. Later the international opposition to Malaysia became more apparent, and it was this which finally led to a short delay until 16 September 1963 in the birth of the new country. The Philippine government laid claim to North Borneo on the basis of its own interpretation of the half-forgotten treaty made in 1878, under the terms of which the Sultan of Sulu ceded (the British interpretation) or leased (the Philippine interpretation) his possessions in north and east Borneo to Baron von Overbeck and Alfred Dent (see Chapter 2). There are some obvious

legal rejoinders to the Philippine claim, for instance that Spain in 1885 and the United States in 1930 accepted the British title to North Borneo, and that the acceptance of the 1930 Boundary Convention in the Philippine constitution appears to bind the present independent government of the Philippines. As a result of the dispute, however, the Philippines did not recognize Malaysia in 1963, although the countries have since resumed diplomatic relations.

Much more serious, and more difficult to explain, was the quarrel between Indonesia and Malaysia. There was certainly more to it than the Indonesian Communist Party's opposition to the creation of Malaysia, and more than the need felt by the Indonesian army for an area of military operations after the Dutch had given up West Irian (West New Guinea). The appalling economic conditions in Indonesia, in contrast with the high standard of living in Malaysia, may have been a contributory factor, for there is nothing like a military adventure to make people forget about their miseries at home. The personal dislike of President Sukarno of Indonesia for Tunku Abdul Rahman was perhaps another factor. Sukarno's battle for independence for Indonesia was won only after the shedding of much blood; Malaya's path to independence was constitutional and peaceful; and for this reason Sukarno apparently believed that Malayan independence in 1957 and Malaysian independence in 1963 were shams. Moreover it seems that he had always envisaged the Borneo states either becoming part of Indonesia, or at least being subject to Indonesian influence and guidance, once the British had left. The important point perhaps is that, although Sukarno came out in open opposition to the creation of Malaysia only after the Brunei rebellion in 1962, relations between Indonesia and Malaya had been deteriorating for some years before the revolt.

The Indonesian policy of 'Confrontation' of Malaysia is

examined in Chapter 4. Here it is necessary to note that Indonesia and the Philippines exerted constant pressure during the first eight months of 1963 on Malaya and Britain to postpone or cancel the Malaysian scheme; that they succeeded in persuading Malaya at a tripartite 'summit' meeting of Heads of State in Manila at the beginning of August of that year to join them in requesting the United Nations Secretary-General to undertake the task of ascertaining the wishes of the people of Sarawak and North Borneo; and finally, that the United Nations Mission's findings were rejected by the governments of the two countries when they proved to be favourable to Malaysia. The one reproof which the Secretary-General of the United Nations administered to the Malayan and British governments related to the announcement of the revised date of 16 September 1963 for the establishment of Malaysia before the United Nations Mission had completed its work and before its conclusions had been revealed.

The geography, the significantly different stages of economic and social development, the complexities of the constitution, and the opposition of Indonesia and the Philippines, posed problems for the central government of the new federation which were not present to the same degree in the happy, heady, first years of independence of the Federation of Malaya after August 1957.

Malaya's only land frontier is the short northern border with her friendly neighbour, Thailand. With the assistance of Malaya's defence treaty with Britain, control of the Straits of Malacca and of the South China Sea has been denied to any potential enemy. Malaya's security problems arose more from the possibility of subversion within the country than from the likelihood of aggression from outside. With the establishment of Malaysia the whole situation changed. The federal government in Kuala Lumpur was now responsible for the defence of a land frontier with

Indonesian Borneo (Kalimantan, as it is called) running for 900 miles through rugged jungle. The total length of coast-line was now nearly 3,000 miles, much of which lay far from the main naval base in Singapore. With but a small army and a minute navy and air force, Malaysia had to rely on outside assistance to curb unfriendly neighbours. Such assistance came, and must continue to come, largely from the United Kingdom, though Australia and New Zealand also became committed to the defence of Malaysia. The only alternative to the defence treaty with Britain would appear to be the adoption by Malaysia of a 'soft' policy towards Indonesia, or the expenditure by Malaysia of such a large proportion of the national income on defence that social and economic development would virtually come to a halt.

Assuming that Malaysia does not succumb to future aggression and is not ruined by excessive military expenditure, the fact has to be faced that there are important differences in levels of income and in the structure of economic activity between Western and Eastern Malaysia. A World Bank Mission estimated in 1963 that Sarawak had the lowest income per head, at about M$550, or just over £64 sterling; whilst in Sabah, Malaya, and Singapore income per head was about $700, $800, and $1,300 respectively. The average for Malaysia as a whole in that year was estimated to be $860, or about twice the income level per head in Thailand and the Philippines, but since the 'secession' of Singapore from Malaysia in 1965 the average has naturally fallen.

These regional differences in levels of living inside Malaysia are in part a reflection of the extent of Chinese and, to a smaller extent, Indian and European participation in the local economy. The greater the proportion of economic activity which is devoted to profitable export products and trade services, the higher is the income per head. The

standard of living is lowest of all in Sarawak mainly because agricultural techniques are less advanced there than elsewhere in Malaysia, shifting cultivation is still widespread, and much of the land under cultivation is devoted to food crops for local consumption rather than to export crops. There is more land in use per person in Sarawak and Sabah than in Malaya, but yields per acre are smaller. For instance, the yield of rubber per acre is quite considerably lower in both Borneo states than in Malaya.

Another way of looking at the differences in economic structure is to examine the sort of jobs in which the working population are engaged. In both Borneo states, as in Thailand and the islands of Indonesia other than Java, about 80 per cent. of the labour-force work in agriculture, forestry, and fishing. In more prosperous Malaya, only 58 per cent. of the working population are so engaged, and in Singapore only 8 per cent. On the other hand, manufacturing and construction occupy 20 per cent. of the labour-force in Singapore, about 11 per cent. in Malaya, but only 6 per cent. in Eastern Malaysia. Trade, transport, and other services account for nearly 70 per cent. of employment in Singapore and 30 per cent. in Malaya. It is clearly true in Malaysia that the income per head varies inversely from one region to another with the dependence on agriculture.

Whilst Sarawak and Sabah were British colonies, and Singapore went its own way, these regional differences in living standards were not the concern of the federal government in Kuala Lumpur. The problem is not an entirely new one, however, in so far as the northern and eastern states of Malaya are not as prosperous as the west-coast states, and the Malays are not as well off as the Chinese. With the creation of Malaysia, however, there was naturally a demand on the part of the Borneo states that the differences should be reduced to a minimum as soon as possible. The people of Sarawak and Sabah want to enjoy,

and expect to obtain, as a result of the establishment of Malaysia, a higher standard of living and the same level of educational opportunity and medical and other services as are enjoyed by the rest of their fellow-countrymen.

In the early years of the independent Federation of Malaya from 1957 to 1961, rubber was sold at a high price, and the export earnings of rubber and tin together were sufficient to make it possible to devote very considerable sums to rural development, primarily on the improvement of the backward Malay sector of the economy. This could be done in the circumstances without affecting the concurrent growth of the advanced sector of the economy, which includes large-scale estate production of export crops, mining activities, and manufacturing and processing industries. During this period communications in the rural areas of Malaya were improved, large areas of virgin jungle were cleared and developed for peasant agriculture, and financial encouragement and technical advice were given to owners of small family farms with a view to obtaining higher crop yields and replacing old rubber with higher yielding trees.

This concentration of government effort on the rural Malays was politically necessary, because of the government dependence on Malay votes, and socially desirable, because of the inequality between the Chinese and Malay levels of living. Nevertheless, from a strictly economic point of view, the same expenditure devoted to further development in the advanced sector of the economy would have brought greater dividends. Without a revolutionary change in the size of landholding and in the degree of direction which can be exercised in introducing improved agricultural techniques among the conservative individually-minded Malays, the rural development programme has so far resulted at best in the maintenance of existing standards of living of the rapidly increasing Malay population. Only those among the rural Malays who have been

resettled in the newly developed areas on holdings which are substantially greater in size than the average peasant farm, are really prospering, and they are but a tiny minority.

With the establishment of Malaysia, the native peoples of Sarawak and Sabah want a similar rural development programme. They too desire a modern system of roads, schools for their children, and irrigation for their rice-fields. They too want new land settlement schemes similar to those enjoyed by the fortunate minority of Malays, in which each settlement is provided with amenities such as health clinics, co-operative shops, schools, and mosques (as in Malaya) or churches, each family is given ten acres of land, and the settlers are provided with long-term loans to support themselves until they become self-supporting. In Malaya the costs of the rural development schemes are met from federal grants except where states can meet expenses from their own resources and can proceed without the federal government approval for plans necessary to qualify for such grants. Sabah and Sarawak have now to receive their share of these grants to provide sounder economic foundations for rural livelihood.

Economic development in the Borneo states will necessarily be a much more costly process than in Malaya. Distances in Borneo are greater, the population is sparser, the coastal swamps are wider, and, periodically, Sarawak and Sabah are subject to severe flooding. Despite these drawbacks, Sabah has enjoyed a healthy rate of economic expansion in the past decade, mainly because of the great expansion in timber production. As the income figures indicate, Sarawak is the Cinderella of Malaysia. Most countries of any size, however, have regional differences in economic structure and development needs; Northern Ireland and North-East England at one extreme, and the Midlands and London area at the other, illustrate this point

so far as the United Kingdom is concerned. Such differences need not prove an obstacle to a fruitful political and economic union of the territories forming Malaysia, and indeed, given the right policies, Malaysia can contribute substantially to a solution of the development problems of individual states like Sarawak. As a minimum, Malaysia has an economy which is larger and more diverse than that of any of its component parts, and unification should in due course provide an economic stimulus, just as the creation of the European Economic Community has done for the Six—France, West Germany, Italy, and the Benelux countries.

When it came into being in 1963, Malaysia was something like a family of fourteen children, eleven of whom were the natural progeny of the parents, and three of whom were adopted. Fortune had smiled more favourably on some of the eleven natural children than on the others, and one of them at least was a thoroughly naughty boy from the parents' point of view. Nevertheless the eleven had many characteristics in common, and they had lived together for so long that it would have been hard to envisage them as a divided family. Each of the three adopted children was, however, to be given a degree of specialized treatment, partly because of inherited characteristics which were not shared with the eleven, and partly because of the differing earlier background of the three prior to adoption. The adopted children have not always felt part of the family in the full sense, and one of them even left the family after two years.

The parents should be likened to the federal government of Malaysia, the eleven children to the states of the former Federation of Malaya, and the three adopted children to Singapore, Sabah, and Sarawak. The naughty boy is the state of Kelantan on the north-east coast of Malaya, whose voters rejected the Alliance and returned to power a Pan-

Malayan Islamic Party state government in both the 1959 and the 1964 general elections. The adopted child which finally left the parents in August 1965 is the state of Singapore, but Sabah and Sarawak also have their special problems.

The states of the Federation of Malaya had learned to co-operate in a federal unit under colonial tutelage for a number of years before the coming of independence. The Malayan constitution provided for a strong federal government and for uniformity of treatment between the states in distinguishing federal responsibility from state responsibility in legislative powers. The federal list covered almost all of the more important aspects of government, including external affairs, defence and internal security, the administration of justice, citizenship and naturalization, finance, trade and industry, communications, education, health, labour and social security. The state list was far less impressive; it included land, agriculture and forestry, mining and the development of natural resources generally, and responsibility for local government. About 85 per cent. of all taxes, duties, licence fees, and other revenue were collected by the federal authorities, and grants had to be made to the states to enable the latter to cover their expenditure. The imbalance between the revenues of the federation and the states, and the discretionary powers of the federation in making grants to the states, had obvious political implications. The federal government certainly used its discretionary powers to refuse requests for capital grants from Kelantan, which, as has been noted, was the one state in Malaya under the control of a political party in opposition to the Alliance.

The only constitutional inequality between the eleven states of the Federation of Malaya related to the election of the Head of State. The nine rulers of the pre-war Federated and Unfederated Malay States were, and are, under Malay-

sia, eligible for appointment as Head of State, but not so the governors of Penang and Malacca. The *Yang di-Pĕrtuan Agong*, as he is called, is elected by the rulers from among their number. He holds office for a maximum of five years; in fact, partly as the result of untimely deaths, four rulers have held office within ten years of Malaya gaining independence in 1957.

The special position of the Malays was recognized explicitly or by implication in various sections of the Malayan constitution. For instance, Islam, the religion of the Malays (but not of the majority of the Chinese and Indians), was the religion of the Federation of Malaya (as it is of Malaysia), and Malay its national language. A proportion of the posts in the public service were and still are reserved for Malays. There are Malay land reservations, but land is not specifically reserved in Malaya for ownership by members of other races. One of the constitutional responsibilities of the *Yang di-Pĕrtuan Agong*, himself always a Malay, is to safeguard the special position of the Malay community.

The federal-state relationship worked reasonably smoothly in the six years of the independent Federation of Malaya. With a large Alliance majority both in parliament and in most of the state assemblies, and with a constitutionally strong federal centre, there was at times a tendency for government to function more like a unitary state than a federation. Indeed it can be argued that it was only the loyalty which most Malays show for the Sultan of their state, and the large number of government posts which one federal and eleven state governments provide for the educated Malays, that together ensured the perpetuation of the federal structure.

Although the constitution of Malaysia took that of Malaya as the basic model, the initial addition of such diverse territories as Singapore, Sabah, and Sarawak involved radical amendments. Malaysia is a weaker and

looser federation than was the Federation of Malaya. The original three, and the present two, new states enjoy more autonomy that the states of Malaya, and the state government of Singapore, while it remained part of Malaysia, in particular retained a very wide range of legislative power. At the same time, the new constitution introduced a complexity of differences in citizenship rights. Persons who were Singapore citizens before the creation of Malaysia automatically became citizens of Malaysia, whilst retaining Singapore state citizenship; but they could only register as voters in a Singapore constituency, and they could not stand for election to the federal parliament outside Singapore. Conversely citizens of other parts of Malaysia, including Sabah and Sarawak, could not stand for election in Singapore nor could they vote in a Singapore constituency. If a Singapore citizen took up residence in a part of Malaysia outside the state, he lost some of the usual rights of citizens in a democracy, though there were provisions for enrolment of a Singapore citizen if certain conditions were satisfied.

Clearly the provisions relating to citizenship in the Malaysian constitution separated Singapore from the rest of the country even before the formal 'secession' in August 1965. In a rather similar way the constitutional safeguards for the special interests of Sabah and Sarawak, in addition to the hundreds of miles of sea which divide the two parts of Malaysia, tended and tend to isolate the Borneo states. In practice the new federation acts in many ways more like a union of three states (Malaya, Sarawak, and Sabah) than as a thirteen states federation, and, taking this view, one of the three units—Malaya—is relatively so large in population and political power that it may affect the ultimate success of federalism as a form of government in Malaysia, especially now that the countervailing weight of Singapore has been withdrawn. Experience suggests that a successful

federal government must be based on a delicate balance of conflicting and coalescing forces; if eleven units of a thirteen state federation, which together have the vast majority of the population and resources, were to act together virtually as one unit to the disregard of the interests of the other two parts, there would be a danger of further disintegration.

Despite this danger, many of the factors which are associated with past examples of successful federation are present in the Malaysian situation. Most important of all these factors in the early years was the feeling of insecurity arising from Indonesian pressure. Second, the fact that the whole country was at one time subject to British colonial rule has provided a common language and method of administration, a common currency, and common financial institutions generally. The differences in race and religion make a federal rather than a unitary government an essential aspect of the Malaysian concept. There are also geographical obstacles to effective unitary government. The fact that there are similar geographical obstacles, in the shape of large areas and poor communications, in Indonesia helps to prove the point, for unitary government in that country has not brought satisfaction to the outer islands, such as Sumatra and the Celebes. In political theory, then, there are a number of factors which point to the possibility of a successful federal union in Malaysia, but it must always be remembered that the creation of such a union does not automatically imply the ability to undertake an effective administration of the system in practice.

A federation must by definition be a political democracy, a form of government in which all shades of opinion, all races, and all regions can express their points of view effectively. At the same time, because federalism in Malaya arose in response to a British desire to preserve and work through traditional indigenous political systems, federalism

MALAYSIA—POPULATION BY RACE AT THE END OF 1961

(In Thousands)

	Malaya		Singapore		Sarawak		Sabah		Malaysia	
		%		%		%		%		%
Chinese	2,670	36·9	1,279	75·2	243	31·1	110	23·3	4,302	42·2
Malays	3,616	50·1	238	14·0	137	17·5	—	—	3,991	39·2
Indians and Pakistanis	813	11·2	142	8·3	—	—	—	—	955	9·4
Sea Dayak (Iban)	—	—	—	—	246	31·5	—	—		
Land Dayak	—	—	—	—	61	7·8	—	—		
Melanau	—	—	—	—	46	5·9	—	—		
Dusun	—	—	—	—	—	—	152	31·8	716	7·0
Bajau	—	—	—	—	—	—	63	13·1		
Murut	—	—	—	—	—	—	22	4·8		
Other indigenous	4	—	—	—	39	5·1	83	17·5		
Other non-indigenous	129	1·8	41	2·5	8	1·1	45	9·5	223	2·2
Total (all races)	7,232	100·0	1,700	100·0	780	100·0	475	100·0	10,187	100·0
Percentage Distribution	70·9		16·7		7·7		4·7		100·0	

in Malaysia, to an even greater extent than in other federal situations, is a kind of political conservatism. Because of its conservatism and the complicated nature of its government machinery, federalism is not the kind of political organisation which can bring with it rapid achievements in the social and economic fields.

Remembering that a basic requirement for the success of federalism in Malaysia is that government should in general be by consent despite differences in race, culture, and economic interests, let us remind ourselves of the human make-up of the territories which united to form Malaysia in 1963. The divisions of the population, using 1961 figures, are as shown in the table on page 95. Since 1961, population has increased, but the proportions have not altered appreciably, and since 1965, of course, Singapore has withdrawn from Malaysia.

7. *Plantation Industries*

(*a*) Rubber-tapping in Malaysia.

(*b*) Collecting the harvest on an oil-palm estate in Malaysia.

7b

80

81

4

MALAYSIA TODAY AND TOMORROW

In 1956, before Malaya became independent, Tunku Abdul Rahman said that his country would either float or sink with Commonwealth friends. In the light of events since the formation of Malaysia, this was a profound and prophetic utterance. Malaysia's paramount problem during the first three years was that of sheer survival in the face of Indonesian hostility. Survival depended not only on internal solidarity in the face of aggression, but also on the defence treaty with the United Kingdom, first signed in September 1959, to which Australia and New Zealand became associated, and subsequently confirmed in July 1963.

The Indonesian policy of expansionism and claim to regional leadership dates from the closing months of the Second World War. The Japanese sponsored Investigating Committee for the Preparation of Indonesia's Independence established in 1945 claimed Malaya for Indonesia on both historical and strategic grounds. The appeal to history relates to the vague claims made by the Sumatra-based Srivijaya empire and the Java-based Majapahit empire to have exercised a degree of control successively over parts of Malaysia between the eighth and fourteenth centuries (see Chapter 2). From the strategic angle, members of the Committee, including Sukarno, considered that Indonesian

---

8. *Tin-Mining and Rice Cultivation*

(*a*) Areas of deep tin-bearing swampy ground can only be worked by dredges like this one, built at a cost of nearly £1¼ million.

(*b*) Cultivating rice—Malaysia's major foodcrop.

security required that both sides of the Straits of Malacca should be in Indonesian hands.

Between 1963 and 1966 Indonesia sent large numbers of raiding parties across the Kalimantan border into Sabah and Sarawak, and also landed guerrilla bands on the coasts of south Malaya, apparently with the idea that the local population were only waiting for the arrival of the Indonesians to turn against their own elected government. The most impudent raid of all occurred on 2 September 1964, when about 100 Indonesian commandos were landed by parachute in the Labis area of north central Johore. This particular raid led to the submission by Malaysia of a formal complaint to the United Nations Security Council, which voted by nine to two in favour of a motion deploring the Indonesian action before that motion suffered the fate of a Russian veto. By the official end of 'Confrontation' in August 1966 Commonwealth and Malaysian forces had killed 590 Indonesian insurgents on Malaysian soil or in Malaysian waters, captured 771, and wounded 222. Casualties on the Commonwealth and Malaysian side numbered 295 military (114 killed and 181 wounded) and 93 civilian (36 killed, 4 captured, and 53 wounded).

The agreement between Malaysia and Indonesia concluded in Bangkok in May 1966, and subsequently ratified in Jakarta on 11 August, officially ended 'Confrontation'. This dramatic change in Indonesia's policy followed the seizure of much of President Sukarno's power by the Indonesian army earlier in the year, and it might be thought from this that Indonesia's hostility to Malaysia from 1963 was merely a whim of the President, and was not supported by a large body of Indonesian opinion. On the contrary, all political forces of real consequence in the island of Java appear to have supported Sukarno's policy of 'Confrontation' when it was launched, though the reasons differed from one body to another. The Indonesian

Communist Party, before its overthrow and suppression by the army in September 1965, took the line that Malaysia, and independent Malaya from 1957 to 1963, were forms of neo-colonialism and did not satisfy the necessary conditions for true national independence. The Indonesian army, until its volte-face in 1966, probably saw in 'Confrontation' the opportunity to justify its continued strength in men and materials at the expense of the economic development which Indonesia so sorely needs.

The change that occurred in Indonesia's attitude to 'Confrontation' in 1966 reflected a change in the balance of political forces in Indonesia itself, after the Communist Party attempted to seize control of the government in September and October 1965. The ruthless suppression of the communists in Java that followed the abortive coup was carried out by the army with the active co-operation of Muslim elements. With the elimination of the powerful Communist Party the army was able, by skilfully manipulating disgruntled student opinion in Jakarta, to seize a large measure of Sukarno's power; but in so doing it was obliged to base its appeal on an immediate programme of economic reform. In order to concentrate on this priority the serious drain on the nation's resources arising from 'Confrontation' had to be brought to an end.

The 'normalization of relations' between Indonesia and Malaysia in August 1966 did not have the approval of Sukarno and there is no reason to doubt that, if he were ever again to attain effective power in Indonesia, he would attempt again to crush Malaysia. His declared policy was to see Indonesia filling the post-colonial power vacuum in South-East Asia, according to which all neighbouring countries would be required to accept Indonesian leadership of the region. As the Singapore Premier, Lee Kuan Yew, said in 1963, 'Recent events show that nations in Asia are just like those in Europe: they like to grow bigger and more

important and more prosperous. The solidarity of Asia was and is a solidarity against European colonialism. Once this common enemy is pushed out of the ring, the struggle for supremacy between themselves continues.'

Indonesia has armed forces totalling some 350,000 men. These forces are tolerably well armed with the help of Russian supplies of equipment, though it is true that Indonesia has probably not got the technicians needed to keep the air force and navy in good working shape. Even with a rapid expansion of her armed forces, as announced early in 1967, Malaysia could not hope in the future to match Indonesia's armed strength. She will still have to look for allies and will probably continue to find them in the Commonwealth. It was one of the tragedies of the 'Confrontation' situation that Malaysia's allies who defended her soil were all countries of the Commonwealth with white populations. This in itself tended to isolate Malaysia from the Afro-Asian community, whatever sympathy the smaller nations of the community may have felt for the victim of Indonesian aggression.

One of Malaysia's greatest needs on the external front is to win more friends in Asia itself. Her diplomatic service is small and many of her representatives abroad are career civil servants without the personal magnetism of extrovert politicians. Lee Kuan Yew, Singapore's Premier, led a successful goodwill mission to seventeen countries of Africa in early 1964, but in general Indonesia played the diplomatic game somewhat more astutely during the period of 'Confrontation' and certainly on a far bigger scale than Malaysia. It remains to see what the future holds for Malaysia in this respect.

It is particularly fortunate that the breach between the Philippines and Malaysia has been healed. Admittedly the Philippine government has not given up its claim to part of the state of Sabah nor has it yet submitted a formal

argued statement of claim for the consideration of the Malaysian government. Nevertheless diplomatic relations have been renewed between the two countries and it has been made quite clear that no hostile action of the Indonesian kind will be taken in support of the claim to Sabah. The Philippines and Malaysia have much in common; both countries are dependent militarily on support from non-Asian powers and the economies of both countries are heavily dependent on that of the United States. Neither country could afford the luxury of a continued estrangement when both have powerful potential enemies on their doorstep.

In Europe the smaller countries rely on regional organizations for their security. In South-East Asia no regional organization in the real sense has so far emerged, although with the ending of 'Confrontation' it seems likely that the Maphilindo association of August 1963, involving co-operation between Malaysia, the Philippines, and Indonesia to promote social and economic progress in the region, will be revived. The South-East Asia Treaty Organization only contains two members which are truly regional (Thailand and the Philippines), two which are on the flanks of the area (Pakistan and Australia) and four members completely outside (the United Kingdom, France, the United States, and New Zealand), and Malaysia is in any case not a member. The Association of South-East Asian States, formed in 1961 by Malaya, the Philippines, and Thailand is by its constitution non-political in character and is devoted to the promotion of economic and cultural co-operation between the three countries. The Colombo Plan powers* are associated for economic and not for political or military reasons. In her international problems Malaysia has to make friends as and when she can.

* Pakistan, Burma, India, Bhutan, Ceylon, Nepal, Thailand, Vietnam, South Korea, Japan, Laos, Cambodia, Philippines, Malaysia, Singapore, Indonesia, and Borneo.

In considering the defence of Malaysia from external aggression, it is impossible to divorce the recent conflict with Indonesia entirely from the general cold war scene. The United States' interest in South-East Asia is determined by her firm intention to resist the spread of communism outwards from China. For this purpose the front line is at present in South Vietnam and Taiwan, though it may switch from Vietnam to Thailand in the not too distant future. The United States supported the formation of Malaysia, but was anxious to avoid making an enemy of Indonesia and was therefore content to leave Malaysia to secure help under the defence treaty with Great Britain. It seems almost inconceivable, however, that the United States would not become involved on the side of Malaysia if Indonesian 'Confrontation' were ever to recommence and escalate from a 'warm' to a 'hot' war.

Malaysia's integrity cannot however be secured solely by her external alliances and her Commonwealth friends. Lee Kuan Yew warned on more than one occasion before his own state of Singapore 'seceded' from Malaysia that the country was in more danger of disintegrating from within than of succumbing to Indonesian pressure, whatever form that pressure may take in the future. Even if Malaysia had come to life in a more friendly environment, it was inevitable that she should have to survive several difficult initial years while the balance of loyalty of the different races moved from community to country, and while the governments of Sabah and Sarawak grew accustomed to working within a federal framework. We must examine the internal stresses and strains in terms of current political party organization and communal differences.

Within Malaya itself there is the schism between the Malays and the rest. The Malays are determined to maintain and even improve upon their own special position, hallowed by history and broken only temporarily during

the unhappy days of the Malayan Union from 1946 to 1948. The other races are concerned sooner or later to terminate this special position of the Malays and create a racially more equitable distribution of political power. There are also important political divisions within the Malay community and within the Chinese community, corresponding in part to differences between extreme communalism and a liberal wish to compromise, and in part to the position of different parties in the broad political spectrum.

An important aspect of the history of Malay political parties is the strong link which existed in the nineteen-thirties and 'forties between Indonesian and Malay nationalism. The first Malay political organizations in Malaya drew their inspiration from anti-colonial movements in the Dutch East Indies, as Indonesia then was, and the link weakened only after the attainment of Indonesian independence. The Pan-Malayan Islamic Party, which draws its main strength from the east coast of Malaya, continues to lean to some extent towards the idea of Indonesian hegemony over the whole Malay-speaking area as the answer to the threat of growing Chinese political influence in the area; this party represents the forces of extreme communalism within the Malay community. Left wing parties, which include a small Malay element, oppose the Alliance government for its conservatism and support the objective of a kind of national socialism, perhaps of the Indonesian variety, within Malaya, whilst apparently abhorring communalism in politics. The majority of the Malays in Malaya, however, are still warm supporters of the United Malays' National Organization, the Malay section of the Alliance, and can for this reason be presumed in general to recognize the need for racial compromise in Malaysian government. Even within the United Malays' National Organization, however, there are various shades of opinion ranging from Tunku Abdul Rahman's liberal-

ism in communal affairs to an outlook which is not far different from that of the Pan-Malayan Islamic Party. Any government in Kuala Lumpur which wishes to retain Malay voting support must go some way to supporting the constitutional and administrative retention of preferences and privileges which the Malays at present enjoy.

The political division among the Chinese in Malaya ranges from those who, through the Malayan Chinese Association, support the Alliance government, to the socialists and near-communists to whom Malay political domination is anathema. Perhaps fortunately there is a good deal of political apathy among the Chinese; they have always been noted for their ability to make the best of any kind of situation, and both in Malaya and elsewhere in Malaysia many of them are content to ignore politics if they can continue to make a good living and retain their own culture as adapted to the local environment.

Clearly there is a potential for unrest within Malaya itself. Among the opponents of the present Alliance government are not only men who are prepared to adopt democratic methods of opposition, but others who are willing to overthrow the government by any means even at the risk of communal strife. This potential for unrest should not however blind us to the fact that the great majority of the peoples of Malaya, whatever their race and whatever their political views, are loyal citizens of Malaysia. This loyalty was particularly in evidence during the period of 'Confrontation' when Indonesian guerrillas first made a landing on the Malayan coast. These guerrillas found not local support, as they had expected, but instead a willingness of the civilian population, often at considerable risk, to give the police and security forces information which led to the guerrillas' elimination.

In Sabah and Sarawak the same kind of broad picture emerges of a population in which every community remains

conscious of its own identity and of its separate interests, whilst the majority nevertheless remain loyal to the concept of Malaysia. There are however considerable differences in detail between the political position in the two states, and in Singapore, which is no longer a constituent part of the federation of Malaysia.

A constant difficulty faced by the leading politicians of Singapore is the suspicion with which many of their actions were, and are, viewed by the federal ministers and other Alliance politicians in Kuala Lumpur. It will be remembered that Tunku Abdul Rahman's early reluctance to accept a merger of Singapore with Malaya arose partly because of the Chinese numerical preponderance in Singapore and partly because the ruling People's Action Party in Singapore was left of centre in the political spectrum. Malaysia having been created on Singapore's urging, the Singapore politicians continued to be viewed in Kuala Lumpur more as internal political rivals than as staunch allies in dealing with the threat from Indonesia. The People's Action Party committed an unforgivable act in Alliance eyes when its members contested a few of the predominantly Chinese constituencies in the states of Malaya in the federal election of April 1964. Despite this intervention, the Alliance won 89 of the 104 seats and the People's Action Party only one of the eleven seats contested; the Alliance thus improved on their 1959 position (p. 70). Later in the same year racial riots broke out twice, in July and September, in Singapore. Officially these riots were attributed to the activities of Indonesian agents in stirring up trouble in Singapore; there seems to be little doubt, however, that a sufficiently bad racial feeling had been fermented to account in itself for the first of the two riots.

As a result of eroding relations between the central and state governments, largely about different conceptions of the future racial basis of the new nation, Singapore form-

ally 'seceded' from Malaysia on 9 August 1965. Today, Singapore is a sovereign, democratic state possessing full membership rights in the United Nations and in the Commonwealth. It continues, however, to co-operate with the Malaysian Government in matters of defence, and retains a defence agreement with the United Kingdom which permits the continuance of the British naval base in the island.

In Sabah and Sarawak, too, there are points of real tension in the internal politics of each state. In the former all political parties were united in their desire for the creation of Malaysia, and only in 1964 did rivalry for the post of Chief Minister in the state between parties representing Muslim and non-Muslim indigenous groups become apparent. In Sarawak many of the Chinese were associated both with the anti-Malaysia movement and with the so-called 'Clandestine Communist Organization' which since 1963 sent some of its members over the border into Indonesia for guerrilla training. Despite the large-scale arrests made in Sarawak by the federal government late in 1966, the anti-Malaysia movement is likely to gain strength in the future if the terms of the Indonesian-Malaysian Agreement of August 1966 are observed, for it provides for early elections to test the feelings of the people of Sarawak for Malaysia.

Obviously these internal difficulties add up to a good deal more than the normal rough and tumble of the political life of a free people with a democratic form of government. If however we compare the recent history of Malaysia and its component parts with that of some other developing multi-racial countries such as Cyprus, Ceylon, and British Guiana, then Malaysia, even allowing for the 'secession' of Singapore and the separatist movement in Sarawak, emerges as a miracle of political stability. We must expect to see from time to time in Malaysia ugly flashes of riot

and turmoil which would be unlikely to occur in a country such as the United Kingdom with a relatively homogeneous society: equally, when such turbulence comes to the surface, we should not be blind to the fact that it is usually of very local significance, involving at most some hundreds or a very few thousand people. The widely publicised riots in Singapore in 1964 took place almost entirely in one suburb of the city which has always had a bad reputation for lack of law and order. Similarly life went on normally in the suburbs of Kuala Lumpur in February 1965 when Socialist Front supporters were demonstrating against the government in the centre of the city.

The future testing points of national unity will be in the towns. Although the Chinese are at present the major element in almost all urban areas of Malaysia, the continued growth of population is certain to bring Malays, Indians, and Borneo natives to the towns in much greater numbers than hitherto. Taking the Malaysian territories as a whole, at present only one in four of the indigenous population live in towns, whereas two out of three Chinese are living in the urban areas. The rise in urbanization is in part at least a movement from poorly rewarded agricultural work to the lower levels of service employment in the towns, such as hawking and small-scale trading, domestic service, and transport. If rapid urbanization leads to racially biased underemployment and unemployment, there will be real trouble ahead. If on the other hand all races can get a fair slice of the urban employment cake and Chinese employers are willing to employ non-Chinese labour to a greater extent than hitherto, there is a reasonable prospect of peaceful growth.

In countries such as Malaysia with a population density much lower than that of India, China, or Ceylon, the dilemma created by a high birth rate and a lower death rate tends to be ignored. Certainly the central government

of Malaysia had until recently no firm policy for restraining the growth of population, and only in overcrowded Singapore has the state government given really active support to family planning over a period of years. It would be disastrous to Malaysia's economy if the population continued to grow for very long at the present rate of 3 per cent. or more annually. The recent growth rate implies a doubling of population at intervals of about twenty years, so that the total, estimated at about eleven million at the end of 1964, would on that assumption be expected to reach forty million or more by the end of the century.

Fortunately the Chinese birth rate now shows some signs of decline. In Singapore, where this trend has been most in evidence, the crude birth rate has decreased from a peak of 45·7 births per 1,000 in 1954 to 35·1 in 1962 and 29·9 in 1965. The crude birth rate for Singapore Chinese only in 1962 was as low as 32·2, but that of Singapore Malays as high as 46·2. In Malaya the crude birth rate fell from a peak of 46·2 in 1957 to 40·4 in 1962. The Chinese rate fell from 43·3 to 37·3 in these five years and the Malay rate from 48·1 to 43·0. Fertility levels throughout Malaysia are still very high, but the recent drop in the birth rate has been substantial enough for demographers to believe that the continuation of this trend is by no means improbable. A really large reduction in birth rates would be important not only in brightening Malaysia's economic prospects, but also in encouraging the hope that similar reductions might be effected in other countries of South and South-East Asia. Over-rapid population growth is, after all, the most serious long-term problem which the world faces today.

Even if the birth rate does drop substantially, Malaysia is faced with at least two more decades of rapid population growth. The age structure of a population is determined largely by the level of fertility, the higher the birth rate the younger being the average age of the population.

Whatever happens (short of a destructive war) the children of age up to fifteen today will be the mothers and fathers in twenty years' time, and they will be far, far more numerous than the present group of fathers and mothers.

To examine the economic implications of population growth, we need to consider the peasant economy and the modern economy of Malaysia separately. In the peasant economy are included all those who depend for their livelihood on family smallholdings of a very few acres. The modern economy embraces the larger rubber estates and other estates producing cash-crops, the tin and iron-ore mines, the factories, transport, trade and commerce, and so on.

The typical family smallholding in Malaysia, and particularly the typical Malay-owned smallholding in Malaya, is too small to provide an income high enough to cater adequately for a big family, let alone to allow for any saving for the future. Despite the large areas of land under jungle, smallholdings in the developed areas are generally speaking continuous, so that a holding can only be enlarged either by the purchase of an adjacent holding or by development of newly-opened land in a quite different area. Among the Muslims—and all Malays are Muslims—the laws of inheritance provide for subdivision of land among the heirs at death, and even though one heir will often buy out the others in order to retain a holding intact, this section of Islamic law will obviously tend to lead to the diminution of the average size of landholding rather than the reverse. Among peasants land is a highly-prized possession, and no Malay will sell his landholding unless circumstances force him to do so. Unless there is a large-scale movement of population out of the peasant sector into the modern sector of the economy, or new land is opened up rapidly enough to cater for the growth of the peasant population, the smallholders will in conditions of rapid

population growth not only be unable to improve their standard of living but may well see their standards decline.

As we have seen, there is a heavy emphasis in current economic planning in Malaysia on the development of the backward peasant sector of the economy through the rural development programme. A target for peasant family incomes suggested by a former Minister for Agriculture is M$400 or just under £50 per month. Present Malay rural family incomes probably average at most one-quarter of this sum. The prospects for improvement do not appear to be very bright, though those peasant families which have been resettled in the new land settlement schemes may well go a long way towards the goal.

In order to achieve the family income target, the average peasant family would have to own two or three times as much land as they now possess and farm it much more efficiently than at present. The total numbers in the peasantry would have to be reduced in order to mitigate the existing overcrowding of developed areas of land, and the peasants would have to receive a greater share than at present of the proceeds of cash crops produced. What is actually happening in Malaya at present is that the Federal Land Development Authority are resettling on holdings of a satisfactory size at most half of the additional peasant families being created each year as the result of the growth of population, while the other half are intensifying the overcrowding of developed rural areas. And this estimate is based on the assumption that only one-quarter of the new families are in fact absorbed in agriculture and that the remainder depend for their living on industry, mining, forestry, the public service, and trade.

The problem of creating a prosperous peasantry is, of course, common to most Asian countries, and the difficulties are not so insoluble in Malaysia as in countries like India, Pakistan, and Indonesia. Nevertheless it seems to be

clear that, even in Malaysia, the rural people will not be able to achieve any substantial increase in their present standard of living without a drop in birth rates combined with a virtual revolution in the system of land tenure and in agricultural practices. All the Malays and many of the indigenous peoples of Borneo are Muslims who, of all the major religious groups of Asia, are most resistant to changes in traditional social practices. Given such conservatism, it is difficult to escape drawing the conclusion that the peasant economy of Malaysia will continue in general to stagnate despite the enlightened and vigorous efforts of the central government to promote rural development.

It is in the strengthening of the 'modern' sector of the economy that Malaysia's true hopes for progress must lie. The government has wisely adopted the policy of giving every possible encouragement to foreign capital to partake in the country's industrial development. The happy results of this policy are already apparent. In contrast to Burma, Ceylon, and Indonesia, where many foreign companies have had to cease operations as the result of sequestration or nationalization, there is a good working partnership between indigenous and foreign capital in Malaysia. The Jurong Industrial Estate on Singapore island is potentially, if not already, the biggest integrated industrial area in South-East Asia. Among the many new enterprises started between 1959 and 1963 were modern shipyards, a steel mill, two cement plants, three oil refineries, several textile mills, a chemical plant, a sugar refinery, and factories producing refrigerators, air-conditioners, condensed milk, chewing gum, tyres, and many other products. Industrialization in Singapore has admittedly not forged ahead quite as rapidly as in Hong Kong, where there have been some quite fantastic developments in a period of a very few years. Nevertheless Singapore is well on the way towards achieving a target of creating 100,000 industrial jobs by 1970.

The new industrial ventures have been chosen with care. Malaysia produces less than one-tenth of her textile needs, which are valued at more than M$300 million annually. The opportunities for industrial expansion in this field are great. Similarly there is an assured local market for Singapore's cement factories. Many of the products of Singapore's steel mill are used by the local building industry, though here there is also some overseas interest. In general the new industries which have thrived are those based on a known local expanding demand without undue dependence on the export market.

There has been a parallel industrial development in a number of areas on the Malayan mainland, and particularly in the vicinity of the federal capital, Kuala Lumpur. Some of the new factories have been established by internationally known corporations such as Unilever and Guinness; others are ventures financed largely or entirely by local capital. Sarawak and Sabah have not so far shared in Malaysia's industrialization, and in view of their small population it seems inevitable that the development programmes of these two states should be concentrated on greater agricultural efficiency and improvement of the infrastructure.

Side by side with this expansion in the modern sector of Malaysia's economy, and essential to its success, there have been revolutions in the country's educational system, in health, and in housing. It is no longer true, in Malaysia at any rate, that the average Asian is uneducated and at best semi-literate. On the contrary in both Singapore and in the states of Malaya there is free primary education for all children of both sexes, irrespective of race, and a healthily large proportion of the primary school children proceed to a secondary school. There are, as we have seen, rapidly expanding national universities in both Kuala Lumpur and Singapore, and there are also many thousand

Malaysians attending universities in Australia and the United Kingdom. In some Asian countries a proportion of the fairly few university graduates find jobs for themselves outside their own countries because of the poor living conditions in their homelands; Malaysia fortunately has high enough living standards for this 'brain drain' to be unimportant in size.

The process of social levelling through the provision of social services for all has been as emphatic in health as in education. In the years before and immediately after the Second World War, tuberculosis was a major scourge in the towns of Malaysia, particularly among the poor, whilst malaria and other diseases were still prevalent in rural areas. The battle against tuberculosis has been largely won, both by a direct attack on the disease itself and by the improvement of living standards, the provision of healthier homes, and the widespread public use of the government health services. In most of the rural areas, malaria is a disease of the past and much greater attention is paid to rural nutrition and the provision of travelling health clinics making regular calls to the villages.

In the provision of subsidized public housing, Singapore has a recent record of achievement which has evoked world-wide admiration. The state's Housing and Development Board is building so rapidly that one new flat is on average completed every forty-five minutes—and this for a population of only 1¾ million. Those who knew Singapore in the early nineteen-fifties now find that parts of the island are completely unrecognizable. Many of the old slums and squatter areas have disappeared, and in their place have sprung up housing estates built as self-sufficient communities, with schools, shops, community centres, clinics, and the like. Municipal and town board housing schemes are not as well developed in the towns of Malaysia as in Singapore, though some of the new public buildings in

Kuala Lumpur, such as the National Museum and Parliament, are most impressive. The centre of Jesselton, the capital of Sabah, has been completely reconstructed since the end of the war in a quietly impressive manner.

Clearly the federal government and the state governments of Malaysia can claim credit for many achievements, particularly in the economic and social service fields. The administrative efficiency which has made these achievements possible, the high standard of living which economic development has engendered, and the popular support for resistance to Indonesian threats, are the three factors which have been chiefly responsible for welding the pieces of Malaysia together so far. Obviously, however, the welding process has still got far to go before it can be regarded as complete, especially in the light of Singapore's own secession from the federation.

In the long run, Malaysia must maintain some form of *modus vivendi* with Indonesia, just as most Malays and Chinese in Malaya have reached a largely unwritten compromise which allows them to continue to live side by side not merely without much conflict, but also in general with a good deal of amity. Assuming that such an accommodation can be reached on the basis of the Indonesian-Malaysian Agreement of 1966, it is possible to envisage Malaysia emerging in due course from the turmoil common to all of South-East Asia as a happy country giving a lead to her neighbours in the steps which lead from poverty and inefficiency to prosperity and effective government. In the meantime she is like a mountaineer following a narrow path with precipices on either side; a false step could lead to disaster.

SOME IMPORTANT DATES IN THE MODERN HISTORY OF MALAYSIA

c.1350–1400 Foundation of Malacca
c.1400–1450 Foundation of the sultanate of Brunei
1403 Opening of Chinese relations with Malacca
1405 Malacca recognized as a kingdom by China
1408 Brunei recognized as a kingdom by China
c.1440–1460 Thai attacks against Malacca
c.1456–1477 Reign of Mansur Shah, greatest of the Malacca Sultans
1509 Arrival of the Portuguese in Malaysian waters
1511 Portuguese capture Malacca
1521 Spaniards visit Brunei
1526 Portuguese attack Bintan
1564 Johore Lama sacked by Achehnese
1587 Johore Lama sacked by Portuguese
1600–01 First Dutch visit to Brunei
1606 Combined Dutch-Johore attack on Malacca
1607 Accession of Sultan Iskandar Muda of Acheh and the beginning of an important phase of Achehnese imperialism in Malaya
1613 Achehnese attack on Batu Sawar
1617 Achehnese attack on Pahang
1623 Achehnese attack on the Riau-Lingga archipelago
1629 Achehnese attack on Malacca
1636 Death of Sultan Iskandar Muda of Acheh
1641 Accession of the first of the female rulers of Acheh and the beginnings of the decline of Acheh
1641 Dutch capture Malacca
1667–68 Dutch close the port of Macassar
1673 Batu Sawar sacked by Jambi
c.1680 Bugis settlement in western Malaya

1699 Assassination of Sultan Mahmud of Johore ends the direct Malacca line of Malay rulers

c.1722 First Bugis Underking of the Johore empire

c.1742 Establishment of a Bugis dynasty in Selangor

1763 British take possession of the island of Balambangan (Sabah)

1772 Abortive British missions to Kedah and Acheh to found settlements

1773 British occupation of Balambangan (Sabah) and the establishment of trading factories at Palawan, Sulu, and Labuan

1775 Sulus destroy British settlement on Balambangan (Sabah)

1776 British post on Labuan withdrawn

1784 Bugis invest Dutch Malacca. Dutch defeat Bugis at Malacca, and capture Kuala Selangor and Riau

1786 British acquisition of Penang from the Sultan of Kedah

1791 Sultan of Kedah attempts to invade Penang

1795 British capture Dutch Malacca

1800 Province Wellesley ceded to the British by the Sultan of Kedah

1803–05 British re-open Balambangan settlement

1805 Penang created a Presidency government

1811 British capture Java

1816 British restore Java and its dependencies to the Dutch

1818 Malacca restored to the Dutch

1819 Founding of Singapore by Sir Stamford Raffles

1821 Thai invasion of Kedah

1824 Anglo-Dutch Treaty of London providing for the exchange of Bencoolen and the British possessions in west Sumatra for Malacca

1830 Straits Settlements made a Residency under the government of Bengal

1831–32 British war with the Malay state of Naning

1832 Singapore made capital of the Straits Settlements

1841–42 James Brooke created Raja of Sarawak

1845 James Brooke appointed British Agent in Borneo

1846 Labuan becomes British colony

1847 James Brooke appointed British Commissioner and Consul-General to the Sultan of Brunei and independent chiefs of Borneo

1848 James Brooke appointed Governor and Commander-in-Chief of Labuan

1851 Straits Settlements placed under the Governor-General of India

1855 Supreme Council constituted in Sarawak

1857 Kuching sacked and burned by Chinese gold-miners of Bau

1858 Straits Settlements placed under the control of the India Office

1858–59 Beginnings of tin-mining around Kuala Lumpur

1862 British bombard Kuala Trengganu

1863 Appointment of British Consul to Kuching and the 'recognition' of Sarawak by Great Britain

1865 West coast of Sabah ceded by the Sultan of Brunei to the American Trading Company of Borneo and a settlement formed at Kimanis

1867 Council Negri constituted in Sarawak. The Straits Settlements become a Crown Colony

1868 Death of the first White Raja of Sarawak, James Brooke, and the accession of the second, Charles Brooke

1869 Opening of the Suez Canal

1870 Telegraph reaches Singapore from India

1874 The Pangkor Engagement and the beginning of British political intervention in the western Malay states of the peninsula

1874–75 Appointment of British Residents to Perak, Selangor, and Sungei Ujong
1875 Cessions of Sabah territory to the American Trading Company of Borneo acquired by Baron von Overbeck, Austrian Consul-General in Hong Kong
1877 Rubber seedlings planted in Kuala Kangsar, Perak
1877–78 Cessions of territory in North Borneo made by the Sultans of Brunei and Sulu to Baron von Overbeck and Alfred Dent
1879 Settlement established at Sandakan (Sabah)
1881 Royal charter granted to the British North Borneo Company
1883 Advisory Council constituted in North Borneo. Cession of Baram to Sarawak
1884 Cession of Trusan to Sarawak
1885 British protectorate agreement with Johore
1888 North Borneo, Brunei, and Sabah accorded British protection
1889 British Resident appointed to Pahang
1890 Cession of the Limbang river to Sarawak
1895 Promulgation of a constitution for Johore
1895–96 Treaty of Federation and the establishment of the Federated Malay States
1897 First conference of Malay rulers at Kuala Kangsar
1900 Beaufort-Weston railway line in North Borneo opened to traffic
1905 Cession of Lawas by the North Borneo Company to Sarawak
1906 British Resident appointed to Brunei
1909 Anglo-Thai treaty and the transference of Kedah, Perlis, Kelantan, and Trengganu to British protection
1909 Establishment of the Federal Council in the Federated Malay States
1910 British agreements with Trengganu and Kelantan

1912 Establishment of the Legislative Council in North Borneo
1914 British General Adviser appointed to Johore
1917 Death of the second White Raja of Sarawak, Charles Brooke, and the accession of the third, Charles Vyner Brooke
1923 British agreement with Kedah
1930 British agreement with Perlis
1941 Constitution granted to Sarawak by the third White Raja, Charles Vyner Brooke
1941–42 Japanese invasion of the Malaysian territories
1945 Defeat of Japan and the British return to Malaysia
1946 Sarawak and North Borneo ceded to Great Britain by the third White Raja of Sarawak and the North Borneo Company
1946 Establishment of the Malayan Union. Singapore made a separate colony. Formation of the Malayan Indian Congress Party and the United Malays' National Organization
1948 Federation of Malaya Agreement. Beginning of the communist 'Emergency' in Malaya
1949 Formation of the Malayan Chinese Association
1950 Executive and Legislative Councils established in Sabah
1952 Formation of the 'Alliance' Party in Malaya
1955 First federal elections in Malaya
1957 Independence of Malaya
1960 End of the communist 'Emergency' in Malaya
1963 Formation of the federation of Malaysia. Beginning of Indonesian 'Confrontation' with Malaysia
1965 'Secession' of Singapore from the Malaysian federation
1966 End of Indonesian 'Confrontation' with Malaysia
1967 First direct elections of members of Parliament from the state of Sabah

SUGGESTIONS FOR FURTHER READING

FACTUAL

VICTOR PURCELL, *The Chinese in Malaya* (O.U.P. 1948). The standard account of the subject written by a former Protector of Chinese in Malaya.

FRANK SWETTENHAM, *British Malaya: An Account of the Origin and Progress of British Influence in Malaya* (Allen and Unwin 1948). This book, first published in 1906, was written by a man who occupied the most important posts in government, including that of Governor of the Straits Settlements and High Commissioner for the Federated Malay States.

RICHARD O. WINSTEDT, *The Malays: A Cultural History* (Routledge and Kegan Paul 1953).

——, *A History of Malaya* (Singapore, Marican and Sons 1962).

Standard works written by the outstanding British scholar of Malaya.

HARRY MILLER, *Menace in Malaya* (Harrap 1954). An eye-witness account by a British journalist of the early phase of the communist 'Emergency' in Malaya.

J. M. GULLICK, *Indigenous Political Systems of Western Malaya* (The Athlone Press 1958). A stimulating account of the way in which the traditional government of the Malay Sultans worked before the introduction of British rule in western Malaya in 1874.

C. D. COWAN, *Nineteenth-Century Malaya* (O.U.P. 1961). Written by the Professor of the History of South-East Asia in the University of London, this book analyses with great skill the origins of British political control in the Malay peninsula during the nineteenth century.

WANG GUNGWU (ED.), *Malaysia: A Survey* (Pall Mall Press 1964). Consists of twenty-six essays by different specialists on the most important aspects of Malaysia's history, geography, politics, economics, and society.

K. J. Ratnam, *Communalism and the Political Process in Malaya* (University of Malaya Press 1965). Important analysis of the politics of Malaya's plural society.

K. G. Tregonning, *A History of Modern Sabah: Northern Borneo* 1881–1963 (University of Malaya Press 1965). A new edition of the author's *Under Chartered Company Rule*, which examines the work of the British North Borneo Company down to 1946, with an additional chapter on developments in Sabah since the war.

John Bastin and Robin W. Winks (Ed.), *Malaysia: Selected Historical Readings* (Kuala Lumpur, O.U.P. 1966). A comprehensive selection of readings on Malaysian history, including a bibliography of works relating to the subject.

IMAGINATIVE

Henri Fauconnier, *The Soul of Malaya* (London 1931, reprinted Kuala Lumpur, O.U.P. 1965; also Penguin 1948). An English translation by Eric Sutton of the most brilliant novel written about Malaya. Fauconnier, a Frenchman, was himself a pioneer palm-oil and rubber planter in Malaya.

James Kirkup (Ed.), *Modern Malay Verse* 1946–61 (Kuala Lumpur, O.U.P. 1963). A selection of the poetry of six modern Malay poets in English translation.

William R. Roff (Ed.), *Stories of Sir Hugh Clifford* (Kuala Lumpur, O.U.P. 1966). A selection of the Malayan stories of the friend of Joseph Conrad. Clifford spent many years of his life in the Malay state of Pahang as a British official and, after an absence of twenty-four years, returned to Malaya as Governor of the Straits Settlements and High Commissioner for the Malay States.

——, *Stories and Sketches by Sir Frank Swettenham* (Kuala Lumpur, O.U.P. 1967). A selection of stories about the Malay peninsula by Sir Frank Swettenham, whose book *British Malaya* is referred to on page 120.

INDEX

Aborigines, 5, 12
Acheh, Sumatra, 34f., *and* power struggle in Straits of Malacca, 29-32
Alliance, the, Malayan political party, 12, 64, 66f., 70f., 75f., 90ff., 103ff.
American Trading Company of Borneo, 41
Arabs, 23
Australians, 62, 86, 97

Balambangan island, British trading centre at, 35
Bangkok, 98
Baram river area, Kayans in, 22
Batu Sawar, captured by Achehnese, 31-32
Bencoolen, Dutch and British *and*, 36
Bintulu river, 22, 40
Bisayas, the, *and* Brunei, 23
Borneo, 5, 7, 11, *and* Malaysia, 13; *and* Brunei, 23; natives of, 12, 15, 18, 107, 111; Indonesian Borneo, 22, 80, 86, 98, Indonesian claims, 84; Sarawak *and*, 40. North Borneo, *see* Sabah.
Boundary Convention of 1930, 84
British:
  influence and policy, 21, 38-39, 41, 48, 56-63, 94, territorial acquisitions, 35-36, position and problems after Japanese occupation, 55-64, defence of Malaya and Malaysia, 85-6, troops in Borneo jungle, 11, *and* communist insurrection, 62.
  Trading stations, 35-36, trade rivalry with Dutch, 34-36, East India Company *and* China trade, 35.
  And Brunei, 41, 52, 54; Johore, 50; Kedah, 35-36, 49f.; Kelantan, 49f.; Labuan, 59; Malay States, Federated, 48-51, 54; Malay States, Unfederated, 49-50, 54; Malaya, 44-45; Perlis, 49f.; Sabah, 41f., 53f., 59, 80; Sarawak, 53f., 58, 80; Straits Settlements, 36-39, 48, 54, 58f.; Trengganu, 49f.
  See also under Malacca; Singapore; *and under* Treaties.
Brooke, Charles, second Raja of Sarawak, 40, 44
Brooke, Sir Charles Vyner, third and last Raja of Sarawak, 58
Brooke, James, first Raja of Sarawak, 39-40, 44
Brunei:
  Sultanate of, 9, 21-23, 40f., 79, 83; early settlement of Brunei town, 22-23; population, 6, 9, 79, 83, nobles, 39; British protectorate, 41, constitution 52, 54, as self-governing state, 74; armed rebellion, 82, 84; Peasants' Party, 79, 82; *and* Malaysia, 6, 77-80, 82-83; *and* Sarawak, 83; *and* Raja Brooke, 40; crops, 15; oil, 16, 83.
  See also under Malays
Buddhism, 24
Bugis people, rivalry with Dutch, 34-35
Bukitans, nomads, 22
Burma, 59
Burong island, Sabah, excavations in, 21

Cambodia, 24
Celebes, the, 94
Ceylonese, 12

Chinese:
95; early trade, 22, 25, tea trade, 35, influence in fifteenth century, 25-26, secret societies, 39, 45. Living standards, 17, 79, 86ff., 105, education, 17f., women, 8; *and* gold mines, 40, *and* rubber and tin mines, 60f.
Political position, 103, *and* elections, 66, 69; *and* Japanese rule, 55; *and* communist terrorism, 62; resettlement after 'Emergency', 63; *and* Malayan Union, 56; opposition to creation of Malaysia, 81.
In Eastern Malaysia, 5, 9, 79; Malaya, 13, 45f., 54-55, 60-66, 75f., 102-5, 108; Malaysia, 9-12, 23, 77, 92, 107; Penang, 10, 37; Province Wellesley, 37; Sabah, 42-43, 79; Sarawak, 79, 81, 106; Singapore, 20, 37, 71, 76, 105, 108.
See also Malayan Chinese Association, *and under* Malays.
Christians, 11
Christmas island, 58
Climate, 8
Cocoa, 46
Cocos-Keeling islands, 58
Coffee, 44, 46f.
Colombo Plan, 17, Powers, 101 and n.
Colonial Office, *and* Straits Settlements, 37-39
Communications and transport, 5, 7, 43-45, 87ff., 109
Communists: guerillas, 61-63, 81; Clandestine Communist Organization, 106; Communist Asian Youth Conference, 61; opposition to creation of Malaysia, 81; in Eastern Malaysia, 80; in Malaya, 62-63, Malayan Communist Party, 61, 65; resistance to, 20, 102. *See also under* Indonesians.
'Confrontation', Indonesian, 12, 80, 84, 98-102, 104, casualty figures, 98

Dato' Onn bin Ja'afar, *and* opposition to Malayan Union, 57, *and* Independence of Malaya Party, 65
Dayaks of Sarawak, 11, 39-40, 79, 95
Dent, Alfred, *and* British North Borneo Company, 41, 83
Dusuns, in Sabah, 42, 79, 95
Dutch, 29, 31-34, 36, 84

Eastern Malaysia, *see* Sabah *and* Sarawak
Education, 16-19, 59-60, 88f., 112-13
'Emergency', the, 13, 61-63
Eno island, Sabah, 21
Eurasians, 12
Europeans, 12, 22, 46, *and* Malacca, 26, *and* living standards, 86; murdered by communists, 62, 'colonialism' opposed, 99f.

Federal Land Development Authority, 110
Food crops, *see* Rice
Foreign capital and industrialization, 111
Foreign exchange earnings, 17
Forests, 7f.

Goa, 29, 31
Gold, 24, 27f., Chinese gold-miners in Sarawak, 40
Gunong Tahan mountain, Pahang, 7
Gurney, Sir Henry, murdered, 62

Historical sources, 21-23
Hong Kong, industrial development, 111

Housing, 8, 11, 23, 112ff., Singapore Housing and Development Board, 113

Ibans, 22f., 39f., 53, 95
Immigration, 13-14, 42, 45, 54-55, 68
Inche Yusof bin Ishak, first Singapore Head of State, 73
India Office, *and* Straits Settlements, 37-38
Indians, 11f., 23, 92, 95, 107; early trading settlements and influence, 24f., 27; living standards, 18, 86; murdered by communists, 62; in Malaya, 46f., 54-55, 65, 75; in Singapore and Malacca, 37; *and* elections, 66, 69; *and* Malayan Union, 56
Indo-China, 24, 59
Indonesia:
population, 10; economic, 16, 84, 87; government, 94; armed forces, 99f., training ground for guerillas, 81, 106; expansionist policy, 97, 99, *and* anti-colonial movements, 103; *and* Borneo states, 80, 84; *and* British, 36; claim to Malaysian territories, 25, 97f.; Bangkok and Jakarta agreement with Malaysia (1966) 98f., 106, 114.
See also 'Confrontation'; Maphilindo association; Sukarno; *and under* Borneo.
Indonesians, 9, in Sabah, 42-43; Communist Party, 84, 98-99; *and* Malaysia, 82, 84-85, 105f., raids on Malaysia, 98
Investigating Committee for the Preparation of Indonesia's Independence, 97
Ipoh, Perak, *and* tin-mining, 6
Iron, 16f., 22, 109
Iskandar Muda, sultan of Acheh, 32

Islam, 22f., 29, 49, 56, 67f., 92. *See also* Muslims, *and* Pan-Malayan Islamic Party

Jakarta, tournament (1962), 13; *and* end of 'Confrontation', 98
Japanese, trade, 16; occupation of Malaysia, 54-56, 62, damage, 59f.; *and* Indonesia, 97
Java, 24, 33, captured by British, 36; *and* communism, 99; *and* 'Confrontation' policy, 98
Jesselton, Sabah, 5, 43, 114
Johore, 6, 29, 38, 57, 61, population, 9; rivalry with Malacca, 30; *and* Achehnese, 32; *and* Bugis, 34f.; *and* Dutch, 31, 33, 36; empire divided, 36; under British protection, 50; *and* Indonesian raids, 98
Jungle, 7-8, 109, War, 62-63
Jurong Industrial Estate, Singapore, 111

Kalimantan, *see* Indonesian Borneo *under* Borneo
Kayans, the, 11, 22f.
Kedah, Malaya, 19, 24, 32, 34; *and* British, 35-36, 49f.; *and* Thailand, 49; Chinese in, 10
Kelabits, the, 11
Kelantan, Malaya, 6, 67, 70, 90f., under British protection, 49f.
Kenyahs, the, 11
Kinabalu mountain, Sabah, 7
King Edward VII College of Medicine, Singapore, *and* University of Malaya, 60
Klang, *and* tin, 34
Korean War, 61
Kota Batu (Stone Fort), Brunei, 22-23
Kuala Kangsar, Perak, 47, Conference of Federated Malay States at (1897), 48

Kuala Lumpur, Malaya, 6, 16, 45, 48f., 76f., 85, 87, 104f., 112; public buildings, 114, University, 112. Conference of 1903 at, 48, municipal elections of 1952, 64f., Independence proclaimed at (1957), 68, demonstrations (February 1965), 107
Kuching, Sarawak, 5f., 40, 44, 53f., 60
Kuomintang, Chinese, 61
Kutaraja, Acheh, 29

Labuan, 43, 59, British trading centre at, 35; Raja Brooke *and*, 40
Languages, 18-19, 50, 92
Lee Kuan Yew, Prime Minister of Singapore, 20, 72, 77f., 99, 102
Lim Yew Hock, Chief Minister of Singapore, 72f.
Living standards, 14, 16-18, 84-90, 109-12, 114

Macau, Portuguese *and*, 29, 31
Macassar, captured by Dutch, 34
Majapahit, Kingdom of, territorial claims, 24-25, 97
Malacca: foundation and early development, 25-28, sultanate of, 21, population, 37, Chinese in, 10. Under Portuguese, 28-29, captured by Dutch, 29, 31-34, conflict with Johore, 30, threatened by Bugis, 35. British *and*, 36, 52, constitution of 1957, 68, 70. *And* Malaya, 38, *and* Malayan Union, 56, *and* Malaysia, 92
Malacca, Straits of, 7, 24, 85, power struggle in, 29-32, Indonesian claims, 98
Malaria, 59, 113
Malaya:
5-7; communications, 44-45; economic information, 15f., 45-47, 60-61, 78, 86, 88-89, 109, 112; population, 44-45, 95, *see also* Aborigines; *and under* Chinese; *and under* Indians, *and under* Malays. University, 16, 60.
Controlled by Malacca, 27-28; British policy towards, 38-39, British protectorate, 44f., 48; Federated Malay States, 48-51, 54, 56, 91, High Commissioner, 48-52, 62ff., Unfederated Malay States, 49-50, 54, 56, 91. Political unrest, 61, 104, Popular Mass Movement, 62; Independence of Malaya Party, 65.
Federation of *1948*, 12f., 19, 57, 64; of *1955*, 67, constitution, 90. Independence, 12, 63-64, 67-69, 83, 85, 88, Federation of Malaya Independence Act, *1957*, 68, constitution, 68-69, 74, 92; elections of *1959*, 69-70; political parties, 103.
Relations with Indonesia, 84-85, 98, 103f., with Singapore, 74-78, with Thailand, 85, 101, Policy towards creation of Malaysia, 76-78, 104.
Malayan Chinese Association, 64ff., 71, 73, 104. Malayan Indian Congress, 65f. Malayan Peoples Anti-Japanese Army, 55, 61. Malayan Races Liberation Army, 62. Malayan Union (1946), 56-58, 65, 70, 103.
Malays:
8-9, 12, 15, 20, 23, 75f., 95; Malay sultanate, 21, 29-30; struggle with Portuguese and Achehnese, 29-32; relations with Chinese, 39f., 45, 103f., 114; national feeling, 54-55, 57; political parties, 103; *and* elections, 66, 69; murdered by communists, 62; living standards, 17-18, 87ff., 109-10, birth rate in

Malaya, 108, drift to towns, 107. In Brunei, 79; in Eastern Malaysia, 79; in Malacca, Penang, and Province Wellesley, 37; in Singapore, 37, 105, 108; *and* Malayan Union, 56, 103. *See also under* Malaysia.

Malaysia:

Federation of, 12, 20, 90, 92-94, 96, Head of State, 91-92; population, 8-14, 95; frontiers, 85-86; federal election (1964), 105; armed forces and defence, 100-2; diplomatic services, 100. Creation of, 77-85, 90, international opposition, 83; anti-Malaysia movement in Sarawak, 106.

And the Commonwealth, 97, 100, 102; *and* Indonesia, 84-86, 94, 97-101, 106, 114; *and* Malays' special position, 92, 102-4.

See also under Philippines *and under* Treaties.

Manila, 'summit' meeting at (1963), with reference to creation of Malaysia, 85

Maphilindo association (1963) between Malaysia, the Philippines and Indonesia, 101

Marshall, David, *and* Singapore general election of 1955, 71-72

Melanaus, the, 23

Moluccas, the, captured by British, 36

Muruts of Sabah, 11, 23, 42, 95

Muslims, 9, 11, 27, 29, 99, 106, laws of inheritance, 109, resistance to change, 111. *See also* Islam

Naning, Malaya, 38

National feeling, 54-55, 57

Negri Sembilan, 6, 44, 46f., government, 48ff.

New Zealanders, 62, 86, 97

Niah caves of Sarawak, archaeological discovery in, 21f.

Oil, 16, 44, 83, 111

Overbeck, Baron von, Austrian Consul-General in Hong Kong, *and* cession of Sabah territory, 41, 83

Pahang, Malaya, 6f., 32, 39, 44, civil war, 38, government, 48ff.

Pan-Malayan Islamic Party, 67, 70, 75, 90-91, 103f.

Peasant economy, 109-11

Penang, Malaya, 6, 38, 46, 92, population, 37; *and* British, 35ff., 52, 56; *and* constitution of 1957, 68, 70

Perak, Malaya, 7f., 24, 32, 34, 38f., 45ff., 61, 66, population, 9, 44f., 47, government, 48ff.

Perlis, Malaya, under British protection, 49f.

Philippines, the, *and* Malaysia, 82, 84f., 100-1, *and* claim to Sabah, 42, 83-84, 100f.; living standard, 86

Physiography, 5-8

Political parties, *see* Alliance, the; Independence of Malaya Party *under* Malaya; Malayan Chinese Association; Malayan Communist Party *under* Communists; National Party *under* Sarawak; Pan-Malayan Islamic Party; Peasants' Party *under* Brunei; Socialist Front; United Malays' National Organization; United Peoples' Party *under* Sarawak.

See also Communists, *and under* Singapore

Population, 5-6, 8-14, 22-23, 42-47, tabled by race, 95; increase, 14, 107-10; children, 14, 109, Family Planning Association, 108; drift

from rural areas to towns, 13, 107.
See also Chinese; Indians; Malays; *and under* Brunei; Malacca; Malaya; Penang; Perak; Province Wellesley; Sabah; Sarawak; Singapore.
Portuguese, capture of Malacca, 28, struggle with Achehnese, with Dutch, and with Malays, 29-32
Products, 16, 42, 44, 46f. *See also* cocoa; coffee; gold; iron; oil; rice; rubber; timber; tin; tobacco
Province Wellesley, 36, 46, population, 37

Raffles College, Singapore, *and* University of Malaya, 60
Raffles, Sir Stamford, 36
Rainfall, 8
Riau-Lingga, 29, 36, Bugis *and*, 34-35
Rice, 8, 15, imports, 16, 59
Ridley, Henry, Director of Singapore Botanic Gardens, *and* rubber, 47
Rubber, 6, 8, 15ff., 42, 44, 47, 60f., 76, 87f., large estates, 109
Russia, *and* Indonesia, 98, 100

Sabah:
physiography, 7f.; population, 5, 9ff., 42-43, 95, Stone Age people in, 22; communications, 43; economic information, 15f., 42, 60, 74, 87, 89, 112, living standards, 86-89; education, 60; government, 52-54, 59; *and* British North Borneo Company, 41-43, 53, 58-59; *and* Brunei, 23; *and* Federation of Malaysia, 42, 77, 80-82, 85, 90-91, 93, 102, 105f.; raided by Indonesians, 98.
See also Dusuns; Stephens, Donald; *and under* Chinese; *and under* Sarawak
Sandakan, Sabah, 5, 42f.
Sarawak:
physiography, 7f.; population, 5, 9, 11, 95, Stone Age people in north, 22; communications, 5; economic information, 15f., 43-44, 59f., 87, 89, 112, living standard, 86-89; frontiers, 40-41; government, 53-54; Crown Colony, 58, 79; Brooke Rajas of, 39-40, 44, 53-4, 58, 74, 79; constitution of 1957, 74; National Party, 80; United Peoples' Party, 79; *and* Brunei, 83; *and* Federation of Malaysia, 77, 80-82, 85, 90-91, 93, 102, 105f.; relations with Sabah, 74; raided by Indonesians, 98.
See also Dayaks; *and under* Chinese; *and under* Shipping.
Selangor, 6, 32, 38f., 45f., population, 9, 44f., 47, government, 48ff.; Bugis *and*, 34
Seremban, Negri Sembilan, 6
Serus, the, 22
Shipping, 44, shipyards, 111, Sarawak and Singapore Steamship Company, 44
Siam and Siamese, 23, 25, 34, 50. *See also* Thailand
Sibu, Sarawak, 5, 44
Singapore:
population, 6, 9f., 12f., 37, 95, 108; economic information, 15, 37, 78, 87, living standard, 86; education, 19, 60, University of, 17, 112; Botanic Gardens, 47.
And Majapahit empire, 24f.; *and* British, 36-37, 52, naval base, 86, 106, Crown Colony Government, 58; *and* Malaya, 70-71, 74-78, 83, 105; *and* Malayan Union, 58; *and* independence, 20, 74-75, 77, 106, self-govern-

-3 JUN. 1992

ment (1958), 72-74; *and* Malaysia, 5 and n., 20, 93, 105f.; secession from Malaysia, 91, 93, 102, 106, 114.
Political parties, 71-73, 105, communists in, 77-78, 83; electorate, 71; riots, 105, 107.
See also Lee Kuan Yew; *and under* Chinese; Housing; Malays; Shipping.
Social services, 59, 112ff.
Socialist Front, 70, 103, 107, socialist parties in Malaya, 75
South China Sea, 6f., 85
South-East Asia Treaty Organization, 101
South-East Asian Peninsular Games Tournament, Rangoon, 13
South-East Asian States, Association of, 101
South Vietnam, 24, 102
Spain, *and* Sulu archipelago, 41-42, *and* British title to Sabah, 84
Spice trade, 26-28f., 33, 46
Sport, 13
Srivijaya, Sumatra, territorial claims of, 24f., 97
Stephens, Donald, Chief Minister of Sabah, 80
Straits Settlements, 36-37, 50, 56, 59, Indians in, 47; Governor of, 48; Crown Colony, 37, 52, 54; trade, 37-39; *and* Federation of Malaya, 57, *and* Malayan Union, 70
Sukarno, President of Indonesia, 84, 97-99
Sulu, Sultan of, *and* cession of North Borneo, 41, 83
Sumatra, 21, 27-28, 35, 94
Sungei Ujong, 32, 34, 39

Templer, General Sir Gerald, 63f.
Terrorism, 61f.
Thailand, 24, 34, 38, 59, 102, population, 10, living standard, 86f.; *and* Malaya, 49, 85, 101; *and* Malacca, 26, 33
Timber, 16, 42, 60, 89
Tin, 6, 16f., 32-35, 38-39, 45ff., 60f., 88, 109
Tobacco, 42, 44
Trade, before eighteenth century, 24, 26f., 30-35
Trade union movement, 61
Treaties: British and Dutch, 36, 40; British and Federated Malay States, 48, and Unfederated Malay States, 49-50; British defence treaty with Malaya, 85, with Malaysia, 97, 102; British and Thailand, 38, 49; treaty of 1878 relating to cession of Sabah, 41, 83; Malaysia and Indonesia (1966), 98f., 106, 114
Trengganu, Malaya, 6, 38, 67, 70, under British protection, 49f.
Tun Abdul Razak, Deputy Premier of Federation of Malaysia, 20
Tunku Abdul Rahman, 66-68, 76-78, 81, 84, 97, 103, 105, biographical information, 19-20

United Malays' National Organization, 57, 64-66, 71, 73, 103, 105
United Nations, Singapore *and*, 106; U.N. Malaysia Mission (1963), 81, 85; U.N. Security Council *and* Malaysian complaint regarding Indonesia, 98
United States, recognition of British title to Sabah, 84; *and* Malaysia, 101f.; *and* Philippines, 101; *and* South-East Asia, 102

World Bank Mission (1963), with reference to living standards, 86

Yung-lo, third Ming Emperor, *and* South-East Asia, 25

EASTERN MALAYSIA

Political

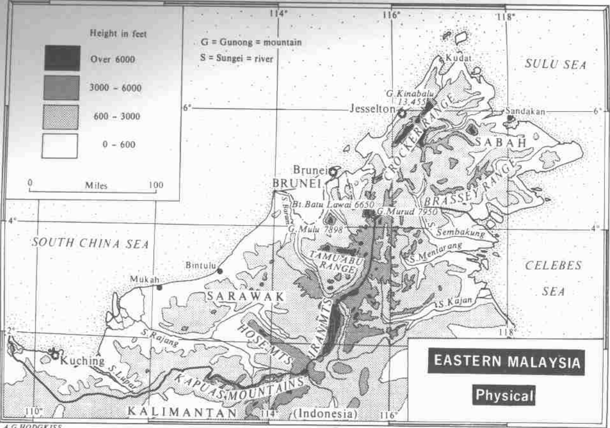
International boundaries
State boundaries
Railways
Airports
Oil
0 Miles 100

SULU SEA
CELEBES SEA
SOUTH CHINA SEA
KALIMANTAN (Indonesia)
WEST COAST RESIDENCY
SANDAKAN RESIDENCY
INTERIOR RESIDENCY
TAWAU RESIDENCY
SABAH
BRUNEI
SARAWAK
1st Division
2nd Division
3rd Division
4th Division
5th Division
Balambangan I.
Kudat
Kota Belud
Gaya Bay
Tuaran
Jesselton
Ranau
Papar
Tambunan
Kimanis
Sandakan
Labuan I.
Victoria
Beaufort
Keningau
Melalap
Weston
Tenom
Brunei
Lawas
Tutong
Trusan
Kuala Belait
Limbang
Lutong
Miri
Marudi
Lahad Datu
Semporna
Tawau
Niah
Bintulu
Mukah
Belaga
Sibu
Sarikei
Kanowit
Binatang
Kapit
Sematan
Kuching
Saratok
Bau
Siniawan
Serian
Simanggang
110°
112°
114°
116°
118°
2°
4°
6°

MALAYSIA

CAMBODIA
SOUTH VIETNAM
Gulf of Siam
SIAM (Thailand)
SOUTH CHINA SEA
PHILIPPINES
SULU SEA
Malacca Str.
Acheh
MALAYA
BRUNEI
SABAH
SARAWAK
KALIMANTAN
SUMATRA
INDONESIA
Strait of Macassar
Bencoolen
Java Sea

A.G.HODGKISS


EASTERN MALAYSIA
Physical
Height in feet
Over 6000
3000 - 6000
600 - 3000
0 - 600
0
Miles
100
G = Gunong = mountain
S = Sungei = river
114°
116°
118°
110°
6°
4°
2°
SULU SEA
SOUTH CHINA SEA
CELEBES
SEA
Kudat
G.Kinabalu
13,455
Jesselton
Sandakan
CROCKER RANGE
SABAH
Brunei
BRUNEI
BRASSEY RANGE
S.Baram
Bt.Batu Lawai 6650
G.Murud 7950
G.Mulu 7898
Sembakung
S.Mentarang
TAMUABU RANGE
Bintulu
Mukah
SARAWAK
S.Kajan
IRAN MTS
HOSE MTS
S.Rajang
Kuching
S.Lupar
KAPUAS MOUNTAINS
KALIMANTAN
(Indonesia)
A.G.HODGKISS